



#### Highlights in the Foreign Exchange Market:

- Democrats and Republicans in the US remain deadlocked regarding another stimulus package. President Donald Trump has suggested a \$1.3 trillion coronavirus relief bill, while Democratic House of Representatives Speaker Nancy Pelosi claimed it was not enough to meet the needs of the economy struck by the coronavirus pandemic.
- On Wall Street, the Dow Jones Industrial Average and S&P 500 ended yesterday's trading day in red, while the tech-heavy Nasdaq rose. Stocks in Asia edged higher following the strong readings regarding China's manufacturing sector, and the Chinese yuan reached its highest level since 2019.
- Looking at FX, the greenback fell against its peers with the euro, sterling, and Japanese yen advancing. The US dollar index is currently trading at a 2-year low of around 91.85, falling 1.4% in all of August following a 4.15% drop in July. The euro has neared the 1.20 mark, while the sterling broke the 1.34 level.
- While the dollar fell, oil prices recovered as investors head to riskier assets. Brent crude rose to a high of \$46.53 during yesterday's trading. Gold prices rose around 1%, while the yield on the 10 and 2-year Treasury yields fell.
- Elsewhere, the Reserve Bank of Australia held its cash rate at 0.25% during its monthly meeting, while expanding its cheap funding program for banks and extending it out to mid-2021. The Australian dollar has continuously advanced, rising 3.23% last month.

#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1885	1.1935	1.1992	1.2030	1.2085
GBP	1.3310	1.3360	1.3412	1.3465	1.3515
JPY	104.70	105.15	105.69	106.20	106.70
CHF	0.8900	0.8950	0.9004	0.9055	0.9105

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1936	6.94	EUR/GBP	0.8926	5.73
GBP/USD	1.3369	1.13	GBP/JPY	141.56	(0.71)
USD/JPY	105.8900	(2.88)	EUR/JPY	126.39	3.93
USD/CHF	0.9035	(6.94)	EUR/CHF	1.0785	(0.49)

#### Major Crosses

#### Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1965 level during Monday's trading session and currently trading at 1.1992. EUR/USD Resistance levels are at (1.2030-1.2085) any break above would take the pair up to 1.2145. Short term outlook is Bullish.

GBP/USD: The pair moved up to the 1.3394 level during Monday's trading session and currently trading at 1.3412. GBP/USD Resistance levels are at (1.3465-1.3515) any break above would take the pair up to 1.3575. Short term outlook is Bullish.

#### Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.13	1.38	1.63	1.88	2.13
USD	0.11	0.16	0.24	0.31	0.45
EUR	-0.57	-0.55	-0.51	-0.47	-0.37
GBP	0.06	0.05	0.06	0.12	0.24
CHF	-0.81	-0.79	-0.72	-0.67	-0.52
AUD	0.03	0.07	0.01	0.19	0.10

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
31-Aug-20	CNY	Manufacturing PMI	51.0	51.1	51.1
1-Sep-20	CNY	Caixin Manufacturing PMI	53.1	52.6	52.8
1-Sep-20	AUD	Cash Rate	0.25%	0.25%	0.25%
1-Sep-20	CAD	Manufacturing PMI			52.9
1-Sep-20	USD	ISM Manufacturing PMI		54.5	54.2
2-Sep-20	AUD	GDP q/q		-6.0%	-0.3%
2-Sep-20	USD	ADP Non-Farm Employment Change		1250K	167K
3-Sep-20	USD	Unemployment Claims		956K	1006K
3-Sep-20	USD	ISM Non-Manufacturing PMI		57.5	58.1
4-Sep-20	USD	Non-Farm Employment Change		1518K	1006K

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	0.11	0.13	0.27	0.71	1.49
Germany	-0.58	-0.67	-0.64	-0.40	0.06
United Kingdom	-0.07	-0.07	-0.01	0.31	0.88
Japan	-0.14	-0.12	-0.08	0.04	0.60

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	45.38	(1.09)	Dow Jones	28,430.05	(0.78)
Brent	45.79	1.13	Nikkei 225	23,131.25	(0.04)
West Texas	43.05	1.03	S&P 500	3,500.31	(0.22)
Gold	1,989.32	0.99	KuwaitSE	5,294.29	(0.31)

#### Global Indices

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