

Highlights in the Foreign Exchange Market:

- The US Treasury Department has officially labeled China a "currency manipulator", further escalating the trade war after China's central bank allowed the yuan to fall below the 7 per dollar level. The move comes just days after Trump said he would impose tariffs on \$300bn more of imports from China starting September 1st, while Beijing said it would halt purchases of US crops in retaliation. This level of weakness in the renminbi has not been seen since the 2008 global financial crisis, sparking a sell-off in European and Asian bourses which saw Wall Street register its biggest one-day drop of the year. The benchmark S&P 500 index plunged to a two-month low of 2,844.74, leaving it down 6% from its record high this month. Demand for safe havens rose, pushing the yield on the 10 year Treasury note sharply lower while gold prices rose. Strains between the world's two largest economies pushed oil prices lower as worries grow that demand for crude will weaken. The sell-off pushed Brent below the \$60 level on Monday for the first time since June, later recovering and is currently trading at around 60.41.
- In Australia, the RBA left its cash rate unchanged at its current record low of 1% in its latest monetary policy meeting as highly anticipated. The decision follows two cuts, while the bank suggested more easing measures could be needed amid the slowing global economy and a housing market downturn. Australia's economy is currently growing at its slowest pace in almost a decade as households struggle with record debt and weak income. The central bank lowered rates consecutively in June and July for the first time since 2012. Year-to-date, the AUD is down 3.8% against the USD, currently trading at around 0.6780.

AUDUSD
3 Month Performance

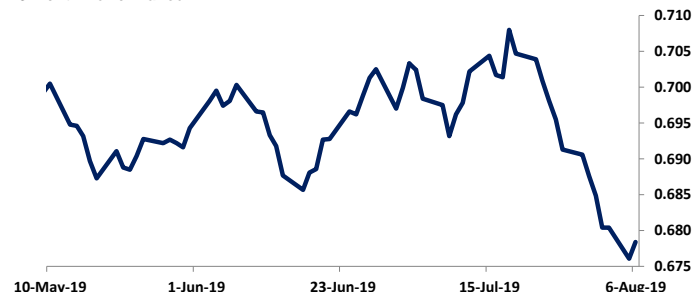


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1105	1.1155	1.1205	1.1250	1.1305
GBP	1.2065	1.2105	1.2162	1.2210	1.2265
JPY	105.65	106.20	106.70	107.20	107.75
CHF	0.9645	0.9695	0.9748	0.9800	0.9855

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1202	(2.32)	EUR/GBP	0.9223	2.58
GBP/USD	1.2141	(4.72)	GBP/JPY	128.63	(7.41)
USD/JPY	105.9400	(3.26)	EUR/JPY	118.68	(5.31)
USD/CHF	0.9733	(0.69)	EUR/CHF	1.0903	(2.96)

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1249 level during Tuesday's morning trading session and currently trading at 1.1204 EUR/USD Support is at (1.1105-1.1155) any break below would take the pair down to 1.0925. Short term outlook is Bearish.

GBP/USD: The pair moved down to the 1.2100 level during Monday's trading session and currently trading at 1.2162 GBP/USD Support is at (1.2065-1.2105) any break below would take the pair down to 1.1950. Short term outlook is Bearish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	2.25	2.56	2.81	3.00	3.19
USD	2.16	2.22	2.21	2.09	2.04
EUR	-0.46	-0.43	-0.41	-0.43	-0.36
GBP	0.69	0.71	0.77	0.81	0.84
CHF	-0.84	-0.82	-0.78	-0.77	-0.65
AUD	0.98	1.00	1.05	1.10	1.00

Economic Events

Date	Country	Event	Actual	Forecast	Previous
5-Aug-19	GBP	Services PMI	51.4	50.4	50.2
5-Aug-19	USD	ISM Non-Manufacturing PMI	53.7	55.5	55.1
6-Aug-19	USD	FOMC Member Bullard Speaks			
8-Aug-19	CNY	Trade Balance		310B	345B
9-Aug-19	AUD	RBA Gov Lowe Speaks			
9-Aug-19	GBP	GDP m/m		0.1%	0.3%
9-Aug-19	GBP	Manufacturing Production m/m		-0.1%	1.4%
9-Aug-19	GBP	Prelim GDP q/q		0.0%	0.5%
9-Aug-19	USD	Core PPI m/m			0.3%
9-Aug-19	USD	PPI m/m			0.1%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.78	1.60	1.56	1.75	2.31
Germany	-0.76	-0.82	-0.79	-0.51	-0.01
United Kingdom	0.51	0.41	0.31	0.50	1.18
Japan	-0.21	-0.22	-0.28	-0.18	0.31

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	61.45	(0.86)	Dow Jones	25,717.74	(2.90)
Brent	60.43	1.04	Nikkei 225	20,574.02	(0.71)
West Texas	54.68	0.17	S&P 500	2,844.74	(2.98)
Gold	1,461.15	(0.17)	KuwaitSE	6,102.11	(0.07)

Global Indices

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