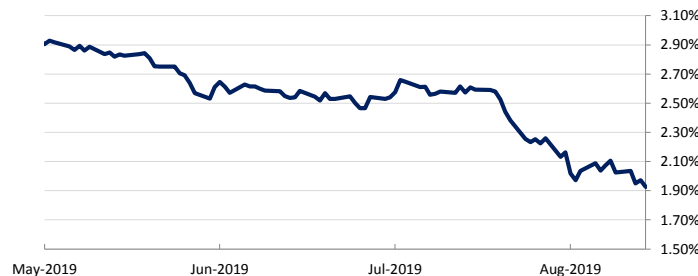


Highlights in the Foreign Exchange Market:

- Asian equities retreated today awaiting further clarity on US and China trade-talks. The Nikkei index of Japan was down by 0.22% by midmorning trade. In the US, equities closed yesterday's session higher led by a boost in energy shares. Meanwhile, the bond rally continues with 30-year US treasuries plunging to a record low of 1.90%. The inversion remains the case between the 2-10 US treasuries and is currently at 4 basis points, fueling the rhetoric for a possible recession in global markets.
- Consumer confidence was slightly lower in August at 135.1, following July's increase. Consumers' assessment of current conditions improved further, and the Present Situation Index is now at its highest level in nearly 19 years. The Expectations Index – based on consumers' short-term outlook for income, business and labor market conditions, cooled moderately, but overall remained strong. While other parts of the economy may show some weakening, consumers have remained confident and willing to spend. However, if the recent escalation in trade and tariff tensions persists, it could potentially dampen consumers' optimism regarding the short-term economic outlook.
- Volatility has resumed for the Sterling pound after Prime Minister Boris Johnson asked the Queen to suspend parliament for a period of five weeks. The Queen agreed to Boris's request to prorogue parliament for more than a month, raising the risks for MPs trying to stop a no-deal Brexit. The unexpected move will make it tougher for an alliance of opposition MPs to proceed with plans to use legislation to halt a 'no deal' Brexit. The speaker of the house John Bercow called it a "constitutional outrage." The suspension can be blocked in Parliament when MPs return on September with a third as a majority. The action by Boris Johnson has paved the way for a no confidence vote. Looking at the Sterling pound, GBP/USD lost around 0.60% of its value in yesterday's session.

30-Year US Treasury Yield



GBP/USD



Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0985	1.1025	1.1081	1.1135	1.1190
GBP	1.2100	1.2150	1.2203	1.2255	1.2305
JPY	104.85	105.30	105.88	106.40	106.90
CHF	0.9705	0.9755	0.9804	0.9855	0.9910

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1078	-3.84	EUR/GBP	0.9071	-1.00
GBP/USD	1.2212	-4.30	GBP/JPY	129.60	8.19
USD/JPY	106.12	3.57	EUR/JPY	117.56	7.19
USD/CHF	0.9818	0.16	EUR/CHF	1.09	3.57

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1098 level during Wednesday's trading session and currently trading at 1.1081 EUR/USD Support is at (1.0985-1.1025) any break below would take the pair down to 1.0895. Short term outlook is Bearish.

GBP/USD: The pair moved down to the 1.2155 level during Wednesday's trading session and currently trading at 1.2203 GBP/USD Support is at (1.2100-1.2150) any break below would take the pair down to 1.2015 Short term outlook is Bearish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	0.00	2.63	2.81	3.00	3.25
USD	2.14	2.12	2.12	2.04	1.95
EUR	-0.45	-0.46	-0.45	-0.44	-0.39
GBP	0.69	0.71	0.76	0.79	0.85
CHF	-0.84	-0.86	-0.85	-0.83	-0.74
AUD	2.78	2.87	2.96	3.06	3.34

Economic Events

Date	Country	Event	Actual	Forecast	Previous
25-Aug-19	All	G7 Meetings			
26-Aug-19	EUR	German Ifo Business Climate	94.3	95.1	95.7
26-Aug-19	USD	Core Durable Goods Orders	-0.4%	0.2%	1.0%
27-Aug-19	USD	CB Consumer Confidence	135.1	130.0	135.7
28-Aug-19	USD	Crude Oil Inventories	-10.0M	-2.8M	-2.7M
29-Aug-19	EUR	German Preliminary CPI m/m		-0.1%	-1.9%
29-Aug-19	USD	Preliminary GDP q/q		2.0%	2.1%
30-Aug-19	EUR	CPI Flash Estimate y/y		1.0%	1.0%
30-Aug-19	USD	Core PCE Price Index m/m		0.3%	0.2%
31-Aug-19	CNY	Manufacturing PMI		53.6	53.7

Government Yields

Country	2-Year	3-Year	5-Year	10-Year	30-Year
United States	1.49	1.41	1.35	1.45	1.93
Germany	-0.91	-0.93	-0.90	-0.72	-0.23
United Kingdom	0.32	0.28	0.28	0.44	0.99
Japan	-0.31	-0.32	-0.36	-0.29	0.14

Commodities

Index	Last Price	1D % Change	Index	Last Price	1D % Change
Kuwait Oil	60.72	1.90	Dow Jones	26,036.10	1.00
Brent	60.15	-0.56	Nikkei 225	20,462.75	-0.08
West Texas	55.56	-0.39	S&P 500	2,887.94	0.65
Gold	1,541.85	0.18	KuwaitSE	4,787.44	0.11

Global Indices

All information has been sourced from Bloomberg

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