

Highlights in the Foreign Exchange Market:

- The highlight of last week was the central banker's Jackson Hole Symposium, in which Jerome Powell carefully described the complications with taking quick actions during "transitory" periods. Powell reassured that the Federal Reserve would remain patient until the labor market has recovered and the US economy is independent.
- On Friday, US equities closed the week with solid gains, the tech-heavy NASDAQ and the blue-chip S&P 500 closed on Friday with a gain of 1.23% and 0.88%, respectively. Moving to Europe, the Euro Stoxx ended the week with an intraday gain of 0.51%, and the FTSE rose around 1.26% last week.
- Shifting to commodities, hurricane Irda forces US oil producers to shut crude production in the Gulf of Mexico. The Gulf of Mexico accounts for around 17% of the US crude output. Therefore, the closure of such a large amount of crude production has tightened the market, driving a rebound in crude prices. Oil prices have rallied as August proves to be a volatile month, however, Brent crude recovered around 11.99% last week and is at the level of \$72 a barrel.
- Upcoming this week, a highly anticipated OPEC+ meeting will shed light on crude output projection. Bloomberg expects that OPEC+ will implement another monthly output increase. Furthermore, on Friday, the non-farm employment change and the unemployment rate for the United States will be released. Combining Powell's comments last week at the Jackson Hole with a potentially positive labor market figures this week, it seems that the tapering timeline is only getting closer.

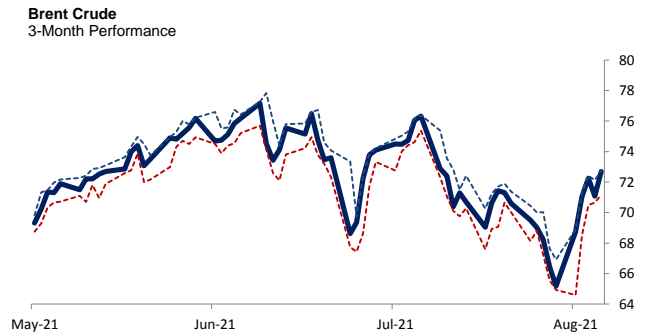
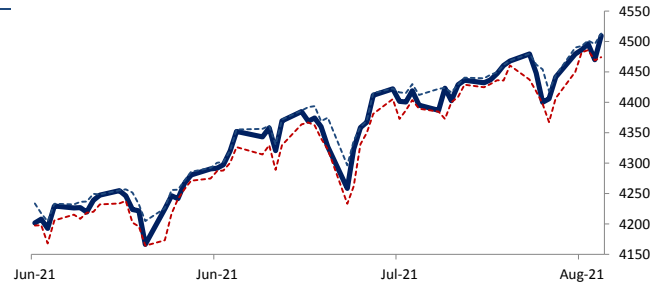


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1670	1.1730	1.1792	1.1850	1.1910
GBP	1.3600	1.3680	1.3766	1.3850	1.3900
JPY	108.60	109.50	109.83	110.40	110.70
CHF	0.9020	0.9080	0.9115	0.9180	0.9240

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1792	-3.45	EUR/GBP	0.8567	-4.11
GBP/USD	1.3763	0.68	GBP/JPY	151.19	7.62
USD/JPY	109.8300	6.46	EUR/JPY	129.54	2.09
USD/CHF	0.9115	2.98	EUR/CHF	1.0746	(0.56)

Brief Technical Commentary

EUR / USD: Sentiment is still a bearish slope even though a correction to as high as 1.1790 might continue to 1.1850 resistant levels. 1.1700 is still a support which needs to be broken for a lower trend.

GBP/USD: Cable is still in a range between 1.36 and 1.40 for some time, but what is confirmed that a top of 1.42-1.43 was formed. This means in order to break such resistance, this needs significant muscle to break higher highs. Short term looks bearish as again 1.36 are support level which needs to be broken.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	0.88	1.25	1.50	1.75	2.00
USD	0.08	0.09	0.12	0.15	0.24
EUR	-0.58	-0.58	-0.56	-0.54	-0.50
GBP	0.04	0.05	0.07	0.10	0.23
CHF	-0.82	-0.79	-0.77	-0.73	-0.60
AUD	-0.10	-0.14	-0.20	-0.07	-0.09

Economic Events

Date	Country	Event	Actual	Forecast	Previous
27-Aug-21	USD	PCE Price Index y/y	3.6%	3.6%	3.6%
31-Aug-21	USD	CB Consumer Confidence		123.3	129.1
1-Sep-21	AUD	GDP q/q		0.6%	1.8%
1-Sep-21	ALL	OPEC Meeting			
1-Sep-21	USD	ISM Manufacturing PMI		58.7	59.5
1-Sep-21	EUR	German Final Manufacturing PMI		62.7	62.7
2-Sep-21	USD	Unemployment Claims		349K	353K
3-Sep-21	USD	Non-farm Employment Change		4750K	943K
3-Sep-21	USD	Unemployment Rate		5.2%	5.4%
3-Sep-21	USD	ISM Services PMI		62.2	64.1

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	0.06	0.22	0.80	1.31	1.92
Germany	-0.68	-0.74	-0.71	-0.43	0.04
United Kingdom	0.05	0.10	0.28	0.57	1.00
Japan	-0.15	-0.15	-0.13	0.01	0.63

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	72.81	0.26	Dow Jones	35,455.80	0.69
Brent	72.70	2.29	Nikkei 225	27,641.14	(0.36)
West Texas	68.74	1.96	S&P 500	4,509.37	0.88
Gold	1,817.58	1.40	KuwaitSE	6,800.34	0.13

This Treasury Newsletter is a publication of the National Bank of Kuwait ("NBK"). Although the information in this document has been prepared in good faith and from sources which we believe to be reliable, we do not represent or warrant its accuracy and such information may not necessarily represent the actual market data. NBK accepts no liability whatsoever for any loss or damage arising from the use of this document or reliance on the information contained herein. NBK will not be responsible for the consequence of reliance upon any opinion or statement contained herein. For further information or discussion, please contact the Treasury Services Desk on TSD_LIST@NBK.COM or +965 2221 6603 (FAX +965 2229 1441).