

Highlights in the Foreign Exchange Market:

- President Trump announced on Monday that the US and Mexico had reached an agreement on NAFTA, suggesting Canada would be excluded from the trade pact if the country did not agree to certain terms. The agreement with Mexico resulted in a revamping of NAFTA, with adjustments made to aspects such as the digital economy, automobiles, agriculture, and labor unions. The main function of the trade pact – to allow American companies to operate in Mexico and Canada without tariffs – remains unchanged. What remains unclear is how Trump will sell the trade deal to Congress, and whether or not Canada will get on board. Meanwhile, US farmers are about to receive \$4.7 billion in government aid in September to compensate for losses due to Trump's ongoing trade war with China.
- US stocks rose as the S&P increased by 0.8 percent reaching 2,896.66, while the Dow Jones Industrial Average rose 1 percent, surpassing 26,000. The Nasdaq closed above 8,000 for the first time, rising 0.9 percent. Following President Trump's announcement on the NAFTA agreement with Mexico, car makers and parts-producers enjoyed a 3.5 percent surge in shares, signaling confidence in the stock market that the trade war is likely to end soon.
- The Sterling pound continues to suffer beneath concerns of a no-deal Brexit as it experienced a drop of 1.9 percent this month alone. The pound also faces pressure of a strong dollar, as the dollar index rose approximately 3 percent this year. As the UK's March 2019 deadline approaches, the government published 25 documents on Thursday defining what will change if the UK leaves the EU without a deal and how the government will react. Though such moves are necessary to prepare the country for such a scenario, investors were rattled rather than comforted. The pound sterling is currently trading at around the 1.2885 level against the dollar.

S&P 500
Year to Date Performance



GBP/USD
1-Year Performance



Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1570	1.1625	1.1673	1.1725	1.1775
GBP	1.2765	1.2825	1.2874	1.2930	1.2975
JPY	110.25	110.75	111.26	111.75	112.30
CHF	0.9695	0.9745	0.9804	0.9860	0.9910

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1677	(2.74)	EUR/GBP	0.9060	2.05
GBP/USD	1.2891	(4.76)	GBP/JPY	143.20	(5.89)
USD/JPY	111.08	(1.29)	EUR/JPY	129.70	(3.98)
USD/CHF	0.9795	0.61	EUR/CHF	1.1439	(2.14)

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1693 level during Monday's trading session and currently trading at 1.1673 EUR/USD Support is at (1.1520-1.1570) any break below targets 1.1300 Short term and medium term outlook are bearish.

USD/JPY: The pair moved down to the 110.92 level during Monday's trading session and currently trading at 111.25 USD/JPY Support is at (110.00-110.25) any break below targets 108.25 Short term and medium term outlook are bearish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.13	1.75	2.00	2.25	2.63
USD	1.96	2.07	2.32	2.52	2.82
EUR	-0.42	-0.39	-0.36	-0.31	-0.22
GBP	0.71	0.72	0.81	0.90	1.04
CHF	-0.79	-0.78	-0.73	-0.65	-0.52
AUD	1.75	1.87	2.12	2.29	2.35

Economic Events

Date	Country	Event	Actual	Forecast	Previous
27-Aug-18	EUR	German IFO Business Climate	103.8	101.9	101.7
28-Aug-18	USD	CB Consumer Confidence		126.6	127.4
29-Aug-18	USD	Prelim GDP q/q		4.0%	4.1%
29-Aug-18	USD	Crude Oil Inventories			-5.8M
29-Aug-18	NZD	AND Business Confidence			-44.9
29-Aug-18	AUD	Private Capital Expenditure q/q		0.6%	0.4%
30-Aug-18	CAD	GDP m/m			0.5%
30-Aug-18	CNY	Manufacturing PMI		51.0	51.2
31-Aug-18	EUR	German Retail Sales m/m		-0.2%	1.2%
31-Aug-18	EUR	Core CPI Flash Estimate y/y		1.1%	1.1%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.42	2.65	2.74	2.84	3.00
Germany	-0.69	-0.61	-0.26	0.37	1.04
United Kingdom	0.70	0.73	1.00	1.27	1.76
Japan	-0.12	-0.12	-0.08	0.09	0.83

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	75.19	0.82	Dow Jones	26,049.64	1.01
Brent	73.60	(0.63)	Nikkei 225	22,845.24	0.20
West Texas	69.62	(1.00)	S&P 500	2,896.74	0.77
Gold	1,209.49	(0.12)	KuwaitSE	5,154.45	(0.90)

All information has been sourced from Reuters.

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