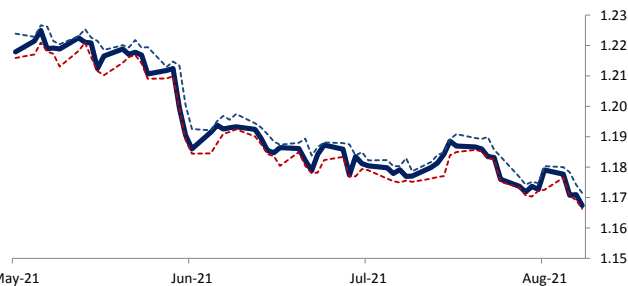


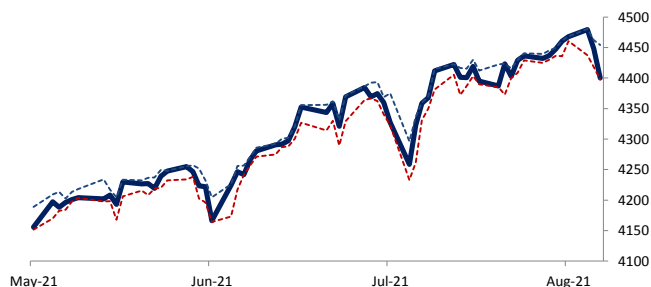
#### Highlights in the Foreign Exchange Market:

- In the United States, the latest FOMC's meeting minutes indicated that most Fed officials have agreed to slowly taper bond purchases later this year. The decision is influenced by a recovering labor market and rising inflation. The Fed indicated clearly that a gradual reduction of quantitative easing is not to be linked with an imminent rate hike. The meeting minutes have heavily weighed down on US equities with the blue-chip S&P 500 and tech-heavy NASDAQ dropping 1.07% and 0.89%, respectively.
- In the United Kingdom, the consumer price index (CPI) rose by 2.0% in July versus the expected rise of 2.2%. This marks the first time in four months that inflation rose less than expected. Additionally, the monthly core inflation gauge fell to 1.8% from 2.3% in the prior month. The sterling pound remained steady against the greenback. In Europe, the single currency fell below the level of 1.1700 as it was pressured by a firmer US dollar.
- Moving to commodities, there has been a huge sink in prices of copper, iron ore, and oil. This highlights the impact of the delta variant on the demand outlook for such commodities. Most notably, the implementation of pandemic restrictions in China and the closure of the third-largest port in the world have pressured commodities prices.

EUR/USD  
3-Month Performance



S&P 500  
3-Month Performance



#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1550	1.1600	1.1675	1.1800	1.1850
GBP	1.3550	1.3675	1.3719	1.3850	1.3900
JPY	108.90	109.50	110.15	110.70	111.30
CHF	0.9000	0.9120	0.9196	0.9250	0.9300

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1710	(4.40)	EUR/GBP	0.8511	(4.63)
GBP/USD	1.3755	0.19	GBP/JPY	150.96	7.25
USD/JPY	109.7400	6.58	EUR/JPY	128.51	1.17
USD/CHF	0.9168	3.74	EUR/CHF	1.0734	(6.80)

#### Major Crosses

#### Brief Technical Commentary

EUR/USD: EUR continued to fall, and broke the 1.1700 support level and 1.1650 should be a level to break. FOMC minutes helped ignite the USD bull and expectation to further bearish trend to 1.15 and 1.14. Any correction would rise to 1.1735 levels.

GBP/USD: Cable lowered after a strong demand for USD edging it lower to 1.3719 as more sell off is expected to support levels of 1.3650s. GBP is expected to hold and try to bounce back to resistance levels of 1.3850s.

#### Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	0.88	1.19	1.50	1.69	2.00
USD	0.09	0.09	0.13	0.16	0.24
EUR	-0.58	-0.58	-0.56	-0.54	-0.50
GBP	0.04	0.05	0.07	0.10	0.21
CHF	-0.83	-0.80	-0.77	-0.73	-0.60
AUD	-0.16	-0.15	-0.12	-0.11	-0.18

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
12-Aug-21	GBP	Prelim GDP q/q	4.8%	4.8%	-1.6%
12-Aug-21	USD	PPI m/m	1.0%	.06%	1.0%
17-Aug-21	USD	Retail Sales m/m	-1.1%	-0.2%	0.7%
17-Aug-21	USD	Fed Chair Powell Speaks			
18-Aug-21	NZD	RBNZ Monetary Policy Statement			
18-Aug-21	GBP	CPI y/y	2.0%	2.3%	2.5%
18-Aug-21	CAD	CPI m/m	0.6%	0.3%	0.3%
18-Aug-21	USD	FOMC Meeting Minutes			
19-Aug-21	AUD	Unemployment Rate		5.0%	4.9%
19-Aug-21	USD	Unemployment Claims		381K	375K

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	0.05	0.21	0.75	1.24	1.88
Germany	-0.69	-0.75	-0.75	-0.49	-0.05
United Kingdom	0.06	0.12	0.28	0.56	0.96
Japan	-0.15	-0.15	-0.13	0.01	0.64

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	68.19	(4.12)	Dow Jones	34,960.69	(1.08)
Brent	67.35	(1.29)	Nikkei 225	27,327.23	(0.94)
West Texas	64.40	(1.62)	S&P 500	4,400.27	(1.07)
Gold	1,776.15	(0.65)	KuwaitSE	6,669.34	0.27

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).