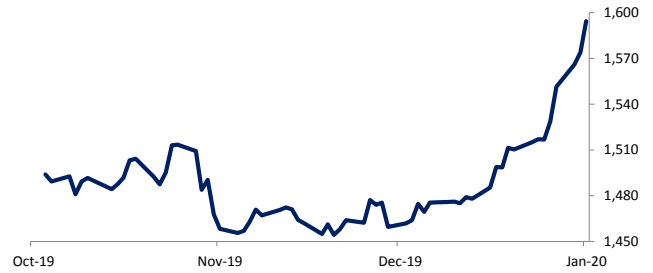


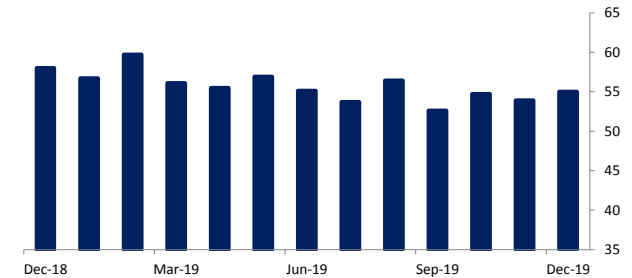
#### Highlights in the Foreign Exchange Market:

- Financial markets turned volatile this morning after Iran fired missiles at U.S. forces in Iraq, sending Asian stocks and U.S. Treasury yields sliding and jolting oil prices higher as investors feared a wider conflict in the Middle East. Gold soared as much as 2% to vault over the \$1,600 ceiling for the first time in nearly seven years. The yen also spiked to a three-month high, before settling back to previous levels after reports showing that there were no casualties settled nerves. Fears of uncertainty and further escalation in this military confrontation is fueling demand for safe haven assets.
- Pound sterling fell yesterday as the dollar rose, with investors watching British lawmakers' return to parliament after the Christmas recess in preparation to vote on Prime Minister Boris Johnson's European Union withdrawal deal. Expectations that Britain will finally leave the bloc this month has ended uncertainty about its position and lifted sterling, but the currency is likely to come under pressure again when negotiations about Britain's EU trade deal begin.
- The US ISM non-manufacturing PMI rose from 53.9 to 55.0 for December when the market was looking for an increase to only 54.5. While the services side of the US economy appears to still be expanding, monthly movements of this magnitude aren't necessarily indicative of an acceleration in GDP growth. It appears that survey respondents have responded immediately and positively to the news that the Phase One trade deal would prevent the imposition of further tariffs improving sentiment.

Gold  
3-Month Performance



US Non-Manufacturing PMI  
1-Year Performance



#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1045	1.1090	1.1147	1.1195	1.1255
GBP	1.3025	1.3075	1.3125	1.3180	1.3230
JPY	107.35	107.85	108.34	108.90	109.40
CHF	0.9595	0.9650	0.9700	0.9755	0.9805

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1151	(0.53)	EUR/GBP	0.8496	0.45
GBP/USD	1.3123	(0.97)	GBP/JPY	142.28	(0.35)
USD/JPY	108.4200	(0.49)	EUR/JPY	120.94	(0.93)
USD/CHF	0.9701	0.23	EUR/CHF	1.0820	(0.25)

#### Major Crosses

#### Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1197 level during Tuesday's trading session and currently trading at 1.1147. EUR/USD Supports are at (1.1045-1.1090) any break below would take the pair down to 1.0980. Short term outlook is Neutral.

GBP/USD: The pair moved up to the 1.3211 level during Tuesday's trading session and currently trading at 1.3125. GBP/USD Supports are at (1.3025-1.3075) any break below would take the pair down to 1.2900. Short term outlook is Neutral.

#### Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	2.19	2.50	2.75	2.94	3.19
USD	1.59	1.70	1.88	1.88	1.95
EUR	-0.55	-0.52	-0.42	-0.38	-0.27
GBP	0.69	0.70	0.80	0.87	0.98
CHF	-0.79	-0.77	-0.68	-0.61	-0.48
AUD	0.85	0.85	0.93	0.98	1.08

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
5-Jan-20	USD	FOMC Member Williams Speaks			
7-Jan-20	CHF	CPI m/m	0.0%	-0.1%	-0.1%
7-Jan-20	EUR	CPI Flash Estimate y/y	1.3%	1.3%	1.0%
7-Jan-20	USD	ISM Non-Manufacturing PMI	55	54.5	53.9
8-Jan-20	USD	Crude Oil Inventories			-11.5M
9-Jan-20	CNY	CPI y/y		4.7%	4.5%
10-Jan-20	AUD	Retail Sales m/m		0.4%	0.0%
10-Jan-20	USD	Average Hourly Earnings		0.3%	0.2%
10-Jan-20	USD	Non-Farm Employment		150K	266K
10-Jan-20	USD	Unemployment Rate		3.5%	3.5%

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.47	1.51	1.58	1.78	2.27
Germany	-0.65	-0.63	-0.55	-0.28	0.26
United Kingdom	0.66	0.59	0.60	0.79	1.24
Japan	-0.13	-0.13	-0.12	-0.02	0.41

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	70.92	0.71	Dow Jones	28,583.68	(0.42)
Brent	68.94	0.98	Nikkei 225	23,212.71	(1.54)
West Texas	63.18	0.77	S&P 500	3,237.18	(0.28)
Gold	1,593.05	1.22	KuwaitSE	6,079.66	0.93

#### Global Indices

All information has been sourced from Reuters.

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