



#### Highlights in the Foreign Exchange Market:

- The U.S. dollar remained pressured yesterday as markets awaited further details on the U.S.-China trade agreement. The deal, announced on Friday, will reduce some U.S. tariffs on Chinese goods in exchange for increased Chinese purchases of U.S. agricultural, manufactured and energy products by some \$200 billion over the next two years. Although China's trade delegation expressed optimism about the deal, some government officials are cautious. A Chinese source told Reuters that while the deal is an achievement, it does not mean the trade dispute is settled once and for all.
- The pound was also slightly lower but still maintained its recent election highs despite the release of extremely poor manufacturing and services data. The 'flash' early reading of the IHS Markit/CIPS UK Purchasing Managers' Index (PMI) for Britain showed British businesses endured their worst downturn since mid-2016. The readings suggested the world's fifth-biggest economy is on course to contract in the fourth quarter, said IHS Markit. The GBP/USD pair is currently trading at 1.3296, down around 0.27% from this week's opening.
- Oil prices rose back towards three-month highs on Monday, still supported by the announcement of an initial U.S.-China trade deal. Progress on trade could jump-start oil demand and ease fears of oversupply which have weighed on prices this year. OPEC's extended and deeper cuts will also continue to support prices higher.

#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1045	1.1095	1.1147	1.1200	1.1250
GBP	1.3200	1.3250	1.3297	1.3355	1.3425
JPY	108.45	108.95	109.54	110.05	110.55
CHF	0.9725	0.9775	0.9825	0.9880	0.9930

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1142	(2.80)	EUR/GBP	0.8356	(6.68)
GBP/USD	1.3329	4.23	GBP/JPY	145.98	4.0
USD/JPY	109.4900	(9.65)	EUR/JPY	122.06	(3.24)
USD/CHF	0.9820	0.14	EUR/CHF	1.0947	(2.64)

#### Major Crosses

#### Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1158 level during Monday's trading session and currently trading at 1.1147. EUR/USD Supports are at (1.1045-1.1095) any break below would take the pair down to 1.0975. Short term outlook is Neutral.

GBP/USD: The pair moved up to the 1.3422 level during Monday's trading session and currently trading at 1.3297. GBP/USD Resistances are at (1.3355-1.3425) any break above would take the pair up to 1.3515. Short term outlook is Bullish.

#### 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	1.56	1.74	1.90	1.90	1.96
EUR	-0.55	-0.52	-0.44	-0.39	-0.29
GBP	0.69	0.72	0.80	0.88	0.99
CHF	-0.79	-0.81	-0.72	-0.65	-0.51
AUD	0.75	0.80	1.00	1.00	1.00

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
13-Dec-19	USD	Core Retail Sales m/m	0.1%	0.4%	0.3%
13-Dec-19	USD	Retail Sales m/m	0.2%	0.5%	0.4%
16-Dec-19	EUR	French Flash Services PMI	52.4	52.1	52.2
16-Dec-19	EUR	German Flash Manufacturing PMI	43.4	44.6	44.1
16-Dec-19	EUR	German Flash Services PMI	52	51.7	51.7
16-Dec-19	GBP	Flash Manufacturing PMI	47.4	49.1	48.9
16-Dec-19	GBP	Flash Services PMI	49.0	49.6	49.3
16-Dec-19	USD	Flash Manufacturing PMI	52.5	52.6	52.6
17-Dec-19	AUD	Monetary Policy Meeting Minutes			
18-Dec-19	GBP	CPI y/y		1.4%	1.5%

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.52	1.63	1.69	1.86	2.28
Germany	-0.72	-0.64	-0.54	-0.28	0.24
United Kingdom	0.66	0.60	0.62	0.82	1.32
Japan	-0.15	-0.13	-0.12	-0.03	0.39

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	67.61	0.13	Dow Jones	28,235.89	0.36
Brent	65.36	0.03	Nikkei 225	24,069.63	0.49
West Texas	60.20	(0.02)	S&P 500	3,191.45	0.71
Gold	1,477.07	0.07	KuwaitSE	6,150.43	(0.09)

All information has been sourced from Reuters.

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