

Highlights in the Foreign Exchange Market:

- Safe haven assets were mainly trading in the red yesterday, pressured by positive developments surrounding late-stage vaccine from Pfizer Inc. As bonds sold off, the 10 and 30-year treasury yields soared to the highest level since March to 0.975% and 1.767%, respectively. One major indicator of risk appetite, the US yield curve, steepened to the highest level since February 2018. The spread between the aforementioned yields rose to a high of 78.3, the spread was last at 77 basis points.
- In the FX sphere, the Japanese yen suffered considerable losses on Monday's trading session after optimism returned to financial markets. The JPY lost around 2% versus both the USD and AUD. However, the main story overnight was that the dollar halted its losses and reversed the current trend of the dollar falling even as optimism returned. Thanks to rising yields, the dollar found its footing.
- Looking at the latest market optimism, the results from Pfizer's trial for a Covid-19 vaccine proved more than 90% effective, based on initial trial results. The pharmaceutical company stated that a major victory in the war against a virus that has killed over a million people and battered the world's economy. Pfizer and its German partner, mentioned they had found no serious safety concerns yet and expected to seek US emergency use authorization this month, elevating the prospects of a regulatory approval. If approved, they expect to produce 50 million doses this year, enough to protect 25 million people, and then produce up to 1.3 billion doses in 2021.

US 10-Year Treasury Yield
1-Year Performance



US 10-2 Year Treasury Yield Spread
1-Year Performance

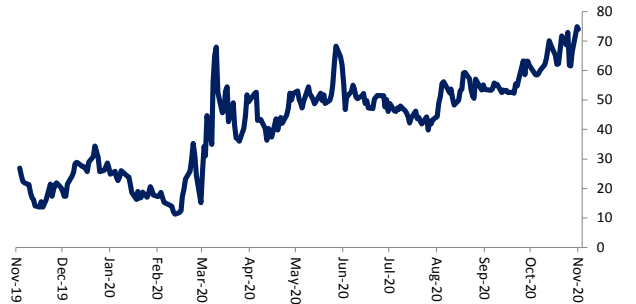


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1730	1.1780	1.1833	1.1885	1.1935
GBP	1.3075	1.3125	1.3184	1.3230	1.3280
JPY	103.95	104.45	104.96	105.45	105.95
CHF	0.9025	0.9080	0.9123	0.9175	0.9225

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1813	5.50	EUR/GBP	0.8971	6.12
GBP/USD	1.3163	(0.58)	GBP/JPY	138.70	(3.12)
USD/JPY	105.3600	(3.58)	EUR/JPY	124.45	(7.79)
USD/CHF	0.9133	(5.72)	EUR/CHF	1.0787	(0.53)

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1919 level during Monday's trading session and currently trading at 1.1833. EUR/USD Resistance levels are at (1.1885-1.1935) any break above would take the pair up to 1.2075. Short term outlook is Bullish.

GBP/USD: The pair moved up to the 1.3207 level during Monday's trading session and currently trading at 1.3184. GBP/USD Resistance levels are at (1.3230-1.3280) any break above would take the pair up to 1.3365. Short term outlook is Bullish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	0.94	1.19	1.44	1.69	1.94
USD	0.10	0.13	0.21	0.24	0.33
EUR	-0.58	-0.57	-0.54	-0.52	-0.47
GBP	0.05	0.04	0.04	0.07	0.12
CHF	-0.83	-0.81	-0.78	-0.73	-0.62
AUD	-0.16	-0.14	-0.03	0.01	0.15

Economic Events

Date	Country	Event	Actual	Forecast	Previous
6-Nov-20	USD	Average Hourly Earnings m/m	0.1%	0.2%	0.0%
6-Nov-20	USD	Non-Farm Employment Change	638K	595K	672K
6-Nov-20	USD	Unemployment Rate	6.9%	7.7%	7.9%
9-Nov-20	GBP	BOE Gov Bailey Speaks			
11-Nov-20	NZD	Official Cash Rate		0.25%	0.25%
12-Nov-20	GBP	Prelim GDP q/q		15.6%	-19.8%
12-Nov-20	USD	CPI m/m		0.2%	0.2%
12-Nov-20	USD	Unemployment Claims		745K	751K
12-Nov-20	EUR	ECB President Lagarde Speaks			
12-Nov-20	USD	Fed Chair Powell Speaks			

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	0.12	0.17	0.43	0.92	1.68
Germany	-0.71	-0.74	-0.73	-0.52	-0.08
United Kingdom	-0.07	0.00	0.01	0.38	0.95
Japan	-0.15	-0.14	-0.11	0.03	0.64

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	40.33	0.69	Dow Jones	29,157.97	2.95
Brent	41.99	(0.97)	Nikkei 225	24,977.23	0.55
West Texas	39.76	(1.32)	S&P 500	3,550.50	1.17
Gold	1,880.06	0.98	KuwaitSE	5,564.40	1.16

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