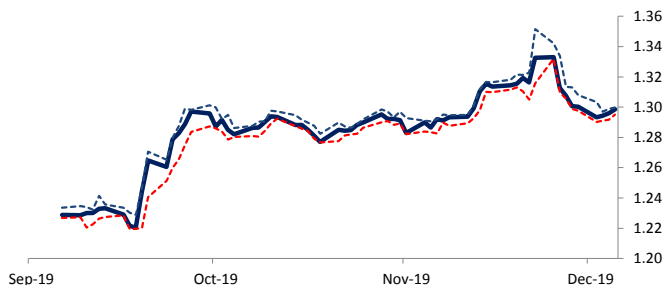


Highlights in the Foreign Exchange Market:

- US Federal Reserve Chairman Jerome Powell has left no doubt that interest rates are on a prolonged hold, saying the current stance “likely will remain appropriate” unless the Fed’s favorable outlook for the economy sees a need for reassessment. Policy makers kept interest rates steady at 1.5%-1.75% in their last meeting following three consecutive cuts.
- The US dollar rallied this past year despite the dose of Fed rate cuts. We enter 2020 with a US-China trade deal still waiting to be finalized, uncertainties over Brexit linger, and global economic weakness still evident. The selling pressure on the GBP/USD pair dragged the pound to three-week lows this week. The pair saw a sharp pullback from levels beyond 1.3500. Meanwhile, the US dollar saw a milder tone. Mixed data released this week failed to provide meaningful movement. Durable Goods orders plunged 2% in November, marking its second month of decline. On the other hand, New Home Sales revealed a 1.3% rise compared to the 0.3% decline expected. Still, the data did little to support the USD this week as the dollar index currently sits at 97.636.
- Oil prices continued to show year-end strength supported by a combination of progress on the U.S.-China trade deal and OPEC-led efforts to constrain supply, although trading was quiet as many markets were in holiday mode. Brent crude was up 0.4%, at \$67.47.

GBP/USD
3-Month Performance



Brent Crude
3-Month Performance

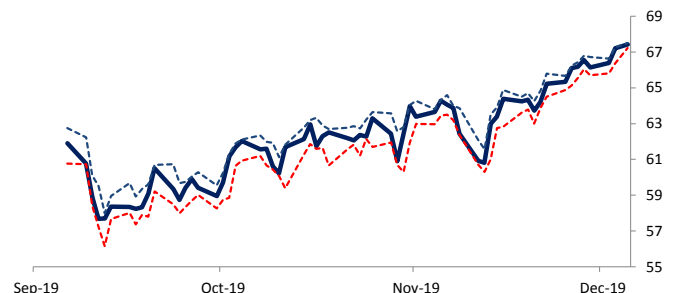


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0950	1.1030	1.1089	1.1125	1.1175
GBP	1.2860	1.2920	1.2984	1.3035	1.3080
JPY	108.40	108.90	109.51	109.72	110.35
CHF	0.9710	0.9770	0.9810	0.9865	0.9920

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1090	(3.32)	EUR/GBP	0.8558	(4.98)
GBP/USD	1.2960	1.79	GBP/JPY	141.68	1.57
USD/JPY	109.3500	(0.64)	EUR/JPY	121.26	(3.76)
USD/CHF	0.9800	(0.06)	EUR/CHF	1.0871	(3.36)

Major Crosses

Brief Technical Commentary

EUR/USD:The pair moved up to the 1.1105 level during Wednesday's trading session and currently trading at 1.1089. EUR/USD Supports are at (1.0950-1.1030) any break below would take the pair down to 1.0875. Short term outlook is Neutral.

GBP/USD:The pair moved up to the 1.2998 level during this morning trading session and currently trading at 1.2984. GBP/USD Supports are at (1.2860-1.2920) any break below would take the pair down to 1.2760. Short term outlook is Neutral.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	2.25	2.56	2.75	2.94	3.19
USD	1.61	1.80	1.96	1.92	2.01
EUR	-0.55	-0.52	-0.43	-0.38	-0.26
GBP	0.70	0.71	0.80	0.88	0.98
CHF	-0.89	-0.79	-0.70	-0.61	-0.49
AUD	0.63	0.80	1.05	1.05	1.10

Economic Events

Date	Country	Event	Actual	Forecast	Previous
18-Dec-19	GBP	CPI y/y	1.5%	1.4%	1.5%
19-Dec-19	GBP	Retail Sales m/m	-0.6%	0.3%	0.0%
19-Dec-19	GBP	MPC Official Bank Rate Votes	0-2-7	0-2-7	0-2-7
20-Dec-19	GBP	Current Account	-15.9B	-15.7B	-24.2B
20-Dec-19	GBP	Parliament Brexit Vote	Pass		
23-Dec-19	CAD	GDP m/m	-0.1%	0.1%	0.1%
23-Dec-19	USD	Core Durable Goods Orders m/m	0.0%	1.5%	0.5%
23-Dec-19	USD	Durable Goods Orders m/m	-2.0%	0.2%	0.5%
23-Dec-19	USD	Treasury Currency Report			
27-Dec-19	USD	Crude Oil Inventories			-1.1M

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.52	1.62	1.73	1.90	2.33
Germany	-0.71	-0.65	-0.53	-0.25	0.29
United Kingdom	0.60	0.53	0.56	0.76	1.27
Japan	-0.13	-0.12	-0.12	-0.02	0.43

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	69.35	0.26	Dow Jones	28,515.45	(0.13)
Brent	67.39	0.28	Nikkei 225	23,905.70	0.52
West Texas	61.19	0.31	S&P 500	3,223.38	(0.02)
Gold	1,504.09	0.37	KuwaitSE	6,259.82	(0.09)

All information has been sourced from Reuters.

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