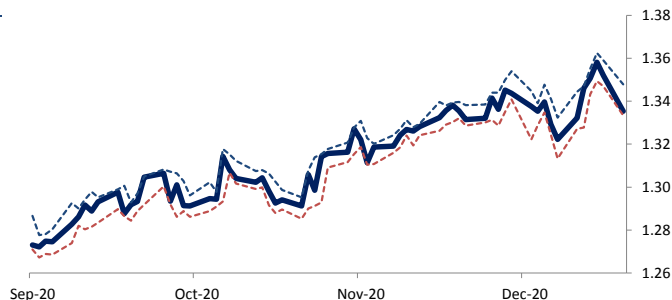


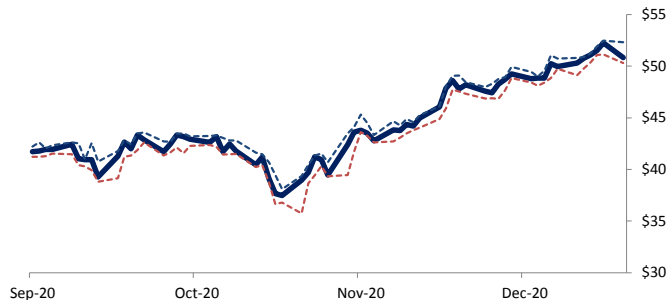
#### Highlights in the Foreign Exchange Market:

- Yesterday, US congressional leaders said they have finally agreed on the terms of a roughly \$900 billion plan to aid the economy, adding to the \$1.4 trillion billion relief plan that would fund the battered economy. Despite the agreement, the greenback climbed and stocks edged lower as risk appetite waned.
- Vaccinations from Moderna are likely to begin today after the US received regulatory approval. So far, the US has administered more than half a million vaccines made by Pfizer and BioNTech in the first week of the mass inoculation campaign. In total, 556,208 shots have been administered out of the 2.84 distributed.
- In the UK, the pound fell under pressure as authorities attempt to tackle the spread of a new COVID-19 variant. Regarding Brexit, an official said "talks remain difficult and significant differences still remain" – adding to the pounds pressure. Stocks in Europe declined after Germany and France halted flights from Britain as full lock-down measures come into force. The pound has so far seen a low of 1.3340 after rising to a near 2-year high last week of 1.3624.
- Meanwhile, oil prices fell below \$48 a barrel following seven weeks of gains. Concerns regarding the new COVID-19 variant in the UK and the lockdowns that followed have reduced the appeal of the commodity. On a broad level, we have seen an ease in purchases from Asia following the buying spree seen earlier this year when prices were at record lows. A significant recovery in demand may be seen next year, however looking at the short-term, prices are still pressured by the ongoing pandemic.

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	1.2060	1.2125	1.2187	1.2245	1.2295
GBP	1.3260	1.3320	1.3364	1.3435	1.3480
JPY	102.35	102.85	103.42	103.95	104.40
CHF	0.8770	0.8820	0.8867	0.8915	0.8970

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.2255	8.69	EUR/GBP	0.9056	7.88
GBP/USD	1.3520	0.73	GBP/JPY	139.65	(3.22)
USD/JPY	103.3100	(4.97)	EUR/JPY	126.61	3.36
USD/CHF	0.8832	(8.38)	EUR/CHF	1.0821	(0.44)

#### Major Crosses

#### Brief Technical Commentary

EUR/USD: The pair moved down to the 1.2177 level during morning trading session and currently trading at 1.2187. EUR/USD Resistance levels are at (1.2245-1.2295) any break above would take the pair up to 1.2350. Short term outlook is Neutral.

GBP/USD: The pair moved down to the 1.3334 level during morning trading session and currently trading at 1.3364. GBP/USD Support levels are at (1.3260-1.3320) any break below would take the pair down to 1.3210. Short term outlook is Neutral.

#### 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	0.14	0.24	0.26	0.33
EUR	-0.57	-0.59	-0.57	-0.54	-0.48
GBP	0.03	0.02	0.04	0.03	0.11
CHF	-0.83	-0.85	-0.79	-0.74	-0.62
AUD	-0.30	-0.12	-0.50	-0.01	0.01

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
17-Dec-20	GBP	Official Bank Rate	0.10%	0.10%	0.10%
17-Dec-20	AUD	Employment Change	90K	40.9K	180.4K
18-Dec-20	GBP	Retail Sales m/m	-3.8%	-4%	1.3%
18-Dec-20	EUR	German ifo Business Climate	92.1	90.2	90.9
18-Dec-20	JPY	Monetary Policy Statement			
22-Dec-20	USD	Final GDP q/q		33.1%	33.1%
22-Dec-20	USD	CB Consumer Confidence		97.5	96.1
22-Dec-20	USD	Existing Home Sales		6.70M	6.85K
23-Dec-20	CAD	GDP m/m		0.8%	
23-Dec-20	USD	New Home Sales		990K	999K

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	0.08	0.12	0.37	0.92	1.67
Germany	-0.76	-0.75	-0.76	-0.58	-0.17
United Kingdom	-0.07	-0.11	-0.05	0.24	0.80
Japan	-0.13	-0.15	-0.13	0.00	0.63

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	49.35	(0.74)	Dow Jones	30,179.05	(0.41)
Brent	50.84	(2.77)	Nikkei 225	26,714.42	(0.18)
West Texas	48.99	0.20	S&P 500	3,709.41	(0.35)
Gold	1,905.03	1.30	KuwaitSE	5,601.50	(0.55)

#### Global Indices

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 (TELEX : 46811 - FAX +965 2241 9720).