

Highlights in the Foreign Exchange Market:

- Asian stock markets are trading in a mixed tone today after news that former National Security Adviser Michael Flynn has agreed to cooperate with prosecutors in the investigation of Russian interference in last year's election. The Nikkei is down by 0.31%, while the Hang Seng rose by 0.66%. On the currency front, the US dollar appreciated to a 2.5 weeks high today versus the safe heaven yen, supported by the Senate's approval on the tax overhaul. The pair is currently trading at 112.80.
- Looking at the details of the tax progress, the bill passed through the Senate last week with a margin of 51 to 49, increasing the probability of tax reform legislation being signed into law by year end. Variations still exist between the Senate version and the House version over issues such as the taxation of business income to child tax credits, but the one common factor is the cut in corporate taxes to 20% from 35%. The Senate version still sees this coming into effect in 2019 against 2018 for the House.
- In the commodities complex, OPEC and its partners have decided to extend their existing production cuts for all of 2018, further than the initial expiry in March next year. Market response was generally positive but not exuberant as an extension had been widely expected. However, by extending the deal for all of next year OPEC will face pressure to ensure compliance with the deal remains strong as non-OPEC supply growth will accelerate in 2018 while demand growth is expected to slow.

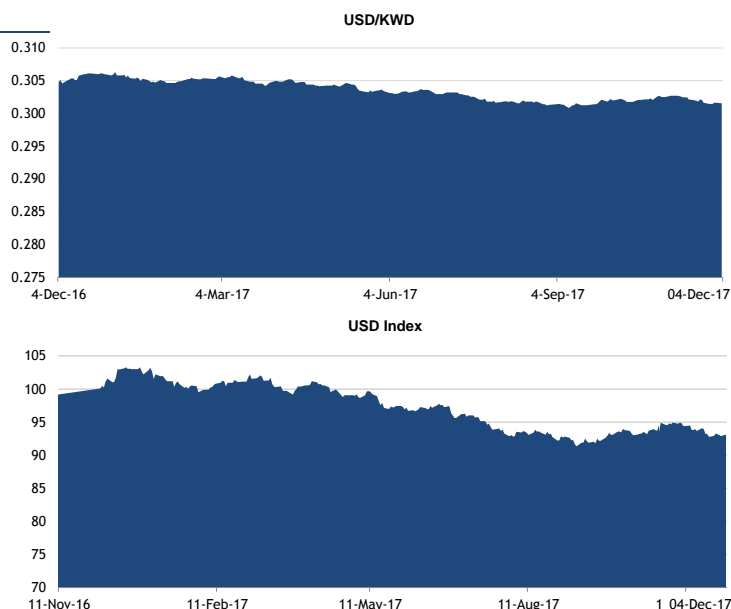


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1760	1.1805	1.1866	1.1915	1.1960
GBP	1.3355	1.3410	1.3465	1.3515	1.3565
JPY	111.70	112.15	112.77	113.30	113.90
CHF	0.9720	0.9770	0.9823	0.9875	0.9925

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1889	12.87	EUR/GBP	0.8822	3.51
GBP/USD	1.3470	9.07	GBP/JPY	151.00	5.46
USD/JPY	112.10	(3.43)	EUR/JPY	133.46	8.78
USD/CHF	0.9763	(3.39)	EUR/CHF	1.1611	8.88

Major Crosses

Brief Technical Commentary

The EUR/USD pair moved up to the 1.1940 level during Friday's trading session and currently trading at 1.1866. EUR Resistance is at (1.1960-1.2000) any break above targets 1.2090 level and Support is at (1.1720-1.1760) any break below targets 1.1635. The pair is currently Neutral.

The USD/JPY pair moved down to the 111.40 level during Friday's trading session and currently trading at 112.77. USD/JPY Resistance is at (113.90-114.10) any break above targets 114.75 and Support is at (111.40-111.70) any break below targets 110.90. The pair is currently Neutral.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.25	1.56	1.75	2.00	2.31
USD	1.21	1.38	1.49	1.67	1.96
EUR	-0.41	-0.40	-0.38	-0.31	-0.26
GBP	0.48	0.49	0.52	0.58	0.78
CHF	-0.79	-0.81	-0.75	-0.66	-0.53
AUD	2.78	2.86	2.95	3.05	3.33

Economic Events

Date	Country	Event	Actual	Forecast	Previous
4-Dec-17	GBP	Construction PMI		51.2	50.8
5-Dec-17	AUD	Cash Rate		1.50%	1.50%
5-Dec-17	GBP	Services PMI		55.2	55.6
5-Dec-17	USD	ISM Non-Manufacturing PMI		59.2	60.1
6-Dec-17	CAD	Overnight Rate		1.00%	1.00%
7-Dec-17	EUR	ECB President Draghi Speaks			
8-Dec-17	GBP	Manufacturing Production m/m		-0.1%	0.7%
8-Dec-17	GBP	Goods Trade Balance		-11.5B	-11.3B
8-Dec-17	USD	Average Hourly Earnings m/m		0.3%	0.0%
8-Dec-17	USD	Non-Farm Employment Change		200K	261K

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.61	1.80	2.16	2.40	2.80
Germany	-0.82	-0.72	-0.35	0.31	1.11
United Kingdom	0.39	0.46	0.73	1.23	1.80
Japan	-0.17	-0.15	-0.12	0.03	0.83

Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	60.48	0.28	Dow Jones	24,231.59	(40.76)
Brent	65.36	(0.03)	Nikkei 225	22,738.08	(80.95)
West Texas	58.30	(0.17)	S&P 500	2,642.22	(5.36)
Gold	1,274.20	(0.53)	KuwaitSE	6,221.61	7.48

All information has been sourced from Reuters

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