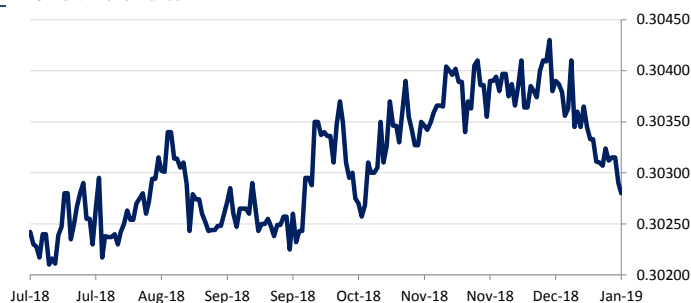


#### Highlights in the Foreign Exchange Market:

- The US lawmakers are still incapable of reaching an agreement on a budget, leaving the federal government shutdown for the third week in a row. Investors are still cautious to see the developments when it comes to trade-war rhetoric between the US and China, which fueled a rally into small-capitalization stocks.
- On the FX front, the US dollar lost as much as 0.50% during yesterday's trading session as further demand on safe-haven assets sent the Swiss franc to last September's highs of 0.9788. The pressure remains on the dollar as we start 2019, especially with interest rate hike expectations are at 0 hikes for this year.
- On the data side, US services sector grew at the slowest pace since July 2018 with a reading of 57.6 for December and well below the market's expectation was at 59.6. The reading on the US services sector comes after announcing last week its manufacturing index fell to its lowest level since November 2016. In details, Prices in the services sector fell 6.7 percentage points to 57.6 last month, while employment slipped by 2.1 percentage points to 56.3.

USD/KWD  
6-Month Performance



USD/CHF  
6-Month Performance



#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1335	1.1385	1.1436	1.1485	1.1530
GBP	1.2655	1.2710	1.2760	1.2815	1.2870
JPY	107.85	108.35	108.94	109.45	109.95
CHF	0.9715	0.9765	0.9815	0.9865	0.9920

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1474	(0.26)	EUR/GBP	0.8978	(0.22)
GBP/USD	1.2778	0.03	GBP/JPY	138.90	(0.71)
USD/JPY	108.70	(1.20)	EUR/JPY	124.73	(1.25)
USD/CHF	0.9795	(0.01)	EUR/CHF	1.1239	(0.22)

#### Major Crosses

#### Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1485 level during Monday's trading session and currently trading at 1.1436. EUR/USD Support is at (1.1315-1.1335) any break below would take the pair to 1.1215. Short term outlook is neutral.

USD/JPY: The pair moved up to the 108.74 level during Monday's trading session and currently trading at 108.94. USD/JPY Resistance is at (109.45-109.95) any break above targets 110.40. Short term and medium term outlook are neutral.

#### Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.75	2.13	2.38	2.63	2.88
USD	2.41	2.51	2.80	2.85	2.99
EUR	-0.44	-0.42	-0.34	-0.30	-0.18
GBP	0.71	0.73	0.90	1.03	1.17
CHF	-0.81	-0.78	-0.71	-0.64	-0.50
AUD	1.74	1.91	2.10	2.16	2.25

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
7-Jan-19	USD	ISM Non-Manufacturing PMI	57.6	59.6	60.7
8-Jan-19	CAD	Trade Balance		-1.9B	-1.2B
9-Jan-19	CAD	Overnight Rate		2.00%	1.75%
9-Jan-19	GBP	BOE Gov Carney Speaks			
9-Jan-19	USD	FOMC Meeting Minutes			
10-Jan-19	USD	Fed Chair Powell Speaks			
11-Jan-19	GBP	GDP m/m		0.1%	0.1%
11-Jan-19	GBP	Manufacturing Production m/m		0.4%	-0.9%
11-Jan-19	USD	CPI m/m		-0.1%	0.0%
11-Jan-19	USD	Core CPI m/m		0.2%	0.2%

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.57	2.53	2.53	2.69	2.99
Germany	-0.63	-0.59	-0.30	0.22	0.86
United Kingdom	0.72	0.74	0.88	1.25	1.78
Japan	-0.16	-0.15	-0.16	-0.01	0.68

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	55.83	(1.55)	Dow Jones	23,531.35	0.42
Brent	56.69	(0.04)	Nikkei 225	20,264.48	1.13
West Texas	48.22	(0.21)	S&P 500	2,549.69	0.70
Gold	1,282.81	(0.45)	KuwaitSE	5,176.85	0.17

All information has been sourced from Reuters.

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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).