



Highlights in the Foreign Exchange Market:

- The European Central Bank decided to keep its rates and wider monetary policy unchanged in its latest meeting last week, though hinted at more monetary stimulus ahead. Speaking at a press conference following the announcement, ECB President Lagarde said the euro area economic rebound was "losing momentum more rapidly than expected." She added that "The rise in Covid-19 cases and the associated intensification of containment measures is weighing on activity, constituting a clear deterioration in the near-term outlook." Europe has now recorded more than 6 million infections as it manages a second wave of cases. The developments have shattered expectations of a significant economic rebound in the second half of 2020.
- Back in mid-October, the EU summit has failed to produce the results that the UK and the EU were hoping for. Both sides were expecting to unveil their deal in the summit, but due to some fairly major issues in the proceeding negotiations, no deal was reached. Following the summit, things were not looking great. The EU had published a statement, saying that for the negotiations to resume, the UK had to make the necessary moves to make an agreement possible. The UK responded with a no, asking the EU to change their strategy, and said that if the EU did not fundamentally change their strategy, negotiations were off. However, recent days have sparked the possibility that it might not be over just yet. Negotiations restarted in London on the 22nd of October lasting for a week and then UK negotiators headed to Brussels for another round of negotiations.
- The US dollar reacted positively to the news, with the index rising 1.2% to close the week at 93.89. The euro and sterling both lost ground against the US dollar, closing the week at 1.1647 and 1.2941 respectively.

Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1530	1.1580	1.1632	1.1685	1.1730
GBP	1.2805	1.2855	1.2905	1.2960	1.3010
JPY	103.70	104.20	104.71	105.25	105.75
CHF	0.9075	0.9125	0.9175	0.9225	0.9280

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1647	3.75	EUR/GBP	0.8994	6.60
GBP/USD	1.2941	(2.65)	GBP/JPY	135.30	(5.34)
USD/JPY	104.6400	(3.79)	EUR/JPY	121.88	(0.09)
USD/CHF	0.9167	(5.21)	EUR/CHF	1.0678	(1.64)

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1638 level during Friday's trading session and currently trading at 1.1632. EUR/USD Resistance are at (1.1685-1.1730) any break above would take the pair up to 1.1815. Short term outlook is Neutral.

GBP/USD: The pair moved down to the 1.2896 level during Friday's trading session and currently trading at 1.2905. GBP/USD Supports are at (1.2805-1.2855) any break below would take the pair down to 1.2670. Short term outlook is Neutral.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.06	1.25	1.50	1.75	2.06
USD	0.10	0.14	0.22	0.24	0.33
EUR	-0.58	-0.56	-0.53	-0.52	-0.47
GBP	0.04	0.04	0.04	0.06	0.13
CHF	-0.82	-0.80	-0.77	-0.73	-0.62
AUD	-0.13	-0.03	-0.03	0.08	-0.06

Economic Events

Date	Country	Event	Actual	Forecast	Previous
29-Oct-20	USD	Advance GDP q/q	33.1%	32.0%	-31.4%
29-Oct-20	USD	Unemployment Claims	751K	773K	791K
29-Oct-20	EUR	Main Refinancing Rate	0.00%	0.00%	0.00%
30-Oct-20	EUR	German Prelim GDP q/q	8.2%	7.3%	-9.7%
3-Nov-20	AUD	Cash Rate		0.10%	0.25%
3-Nov-20	USD	Presidential Election			
4-Nov-20	USD	ADP Non-Farm Employment Change		690K	749K
5-Nov-20	GBP	Official Bank Rate		0.10%	0.10%
5-Nov-20	USD	Federal Funds Rate		<0.25%	<0.25%
14-Aug-20	USD	Non-Farm Employment Change		600K	661K

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	0.12	0.15	0.38	0.86	1.65
Germany	-0.74	-0.81	-0.83	-0.63	-0.22
United Kingdom	-0.06	-0.05	-0.05	0.26	0.83
Japan	-0.14	-0.13	-0.10	0.03	0.63

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	35.02	(3.31)	Dow Jones	26,501.60	(0.39)
Brent	36.73	(3.19)	Nikkei 225	23,299.86	1.40
West Texas	34.47	(3.69)	S&P 500	3,269.96	(1.21)
Gold	1,880.71	0.15	KuwaitSE	5,345.02	(1.80)

Global Indices

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