



Highlights in the Foreign Exchange Market:

- US President Donald Trump and Chinese President Xi Jinping will have a signing ceremony for the phase one of the trade deal agreed to this month. Trade Representative Robert Lightizer had said earlier that the two countries would officially sign on the first week of January. No official comments have been made from China, though a spokesman did say details would be made public only after the official signing. Oil is on course for the best month in almost a year supported recently by the breakthrough in negotiations and OPEC+ agreeing to deepen output cuts.
- Christmas Eve saw US stocks open on a bright note, adding to gains that have made this year the best for equities since 2013. Traders on Wall Street checked in for a shortened session yesterday, where stock markets closed early at 1pm New York time, and bond markets an hour later. The S&P 500 index opened around 0.1% higher before giving up those gains. So far this year, the benchmark has returned around 29%, not far from the 29.6% annual gain of 2013 and the 31% of 1997. The technology focused Nasdaq went for 10 straight days of gains, matching the best run since the summer of 2017. Economists are expecting the so called "Santa rally" to extend into 2020, with the markets firmly believing that the Fed will not raise interest rates, while credit markets are healthy and the consumer segment is strong. European stock markets on the other hand remained mostly flat on Tuesday, showing thin trading volumes. Gold also reaped benefits and climbed against the dollar, gaining 16% so far this year and heading on track towards its best year since 2010, when it rose 30%.

Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0950	1.1030	1.1082	1.1125	1.1175
GBP	1.2825	1.2895	1.2956	1.3010	1.3080
JPY	108.40	108.90	109.37	109.72	110.35
CHF	0.9710	0.9770	0.9811	0.9865	0.9920

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1087	(3.35)	EUR/GBP	0.8563	(4.73)
GBP/USD	1.2944	1.51	GBP/JPY	141.57	1.10
USD/JPY	109.3900	(0.79)	EUR/JPY	121.23	(3.99)
USD/CHF	0.9801	(0.12)	EUR/CHF	1.0868	(3.43)

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1094 level during Tuesday's trading session and currently trading at 1.1082. 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 1.2970 level during Tuesday's trading session and currently trading at 1.2956. GBP/USD Supports are at (1.2825-1.2895) 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	2.19	2.50	2.75	2.94	3.19
USD	1.60	1.79	1.95	1.92	2.00
EUR	-0.55	-0.52	-0.43	-0.38	-0.27
GBP	0.69	0.71	0.80	0.88	0.97
CHF	-0.87	-0.78	-0.70	-0.62	-0.50
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	1.51	1.62	1.71	1.90	2.33
Germany	-0.71	-0.65	-0.53	-0.25	0.29
United Kingdom	0.60	0.54	0.57	0.76	1.27
Japan	-0.13	-0.12	-0.11	-0.02	0.43

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	69.17	0.80	Dow Jones	28,515.45	(0.13)
Brent	67.21	1.24	Nikkei 225	23,791.59	(0.16)
West Texas	61.19	0.98	S&P 500	3,223.38	(0.02)
Gold	1,498.35	(0.03)	KuwaitSE	6,265.21	(0.01)

Global Indices

All information has been sourced from Reuters.

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