



#### Highlights in the Foreign Exchange Market:

- The S&P 500 and the Nasdaq hit fresh record highs on Monday as President Donald Trump said an initial U.S.-China trade pact would be signed "very shortly." Additionally, China said it would cut tariffs on products including frozen pork, avocado and some types of semiconductors next year. The "phase one" deal has helped fuel a rally on Wall Street, and the momentum continues on signs of improving U.S.-China trade relations. The benchmark S&P 500 is up about 29% in 2019.
- The US dollar held near a two-week high against a basket of currencies while the pound sterling fell on concerns over the British government's hard line on Brexit talks. Up around 1.6% for the year, the dollar has broadly benefited during periods of risk aversion - because it is considered a safe-haven currency - and when markets have rallied, because the U.S. economy is outperforming other parts of the world. Now, the dollar is seeing support from the interim trade agreement between the US and China heading into an light economic calendar week due to the Christmas holidays.
- Oil prices fell slightly yesterday as Russia said an OPEC-led producer group may consider easing output cuts next year. "We can consider any options, including gradual easing of quotas, including continuation of the deal," said Russian Energy Minister Alexander Novak. The news offset support from investor optimism that the initial U.S.-China trade deal would be signed soon.

#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0950	1.1030	<b>1.1086</b>	1.1125	1.1175
GBP	1.2825	1.2895	<b>1.2943</b>	1.3010	1.3080
JPY	108.40	108.90	<b>109.42</b>	109.72	110.35
CHF	0.9710	0.9770	<b>0.9823</b>	0.9865	0.9920

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1086	(3.33)	EUR/GBP	0.8572	(4.68)
GBP/USD	1.2933	1.47	GBP/JPY	141.47	1.09
USD/JPY	109.3900	(0.80)	EUR/JPY	121.28	(3.95)
USD/CHF	0.9817	0.10	EUR/CHF	1.0887	(3.20)

#### Major Crosses

#### Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1095 level during Monday's trading session and currently trading at 1.1086. 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 down to the 1.2902 level during Monday's trading session and currently trading at 1.2943. GBP/USD Supports are at (1.2825-1.2895) any break below would take the pair down to 1.2760. Short term outlook is Bearish.

#### 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	1.58	1.78	1.93	1.92	2.00
EUR	-0.54	-0.51	-0.42	-0.38	-0.27
GBP	0.70	0.71	0.80	0.87	0.97
CHF	-0.79	-0.79	-0.69	-0.62	-0.50
AUD	0.48	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%	0.2%	0.5%
23-Dec-19	USD	New Home Sales	719K	730K	710K
27-Dec-19	USD	Crude Oil Inventories		-1.7M	-1.1M

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.52	1.65	1.74	1.92	2.35
Germany	-0.70	-0.65	-0.53	-0.25	0.28
United Kingdom	0.61	0.55	0.58	0.77	1.29
Japan	-0.12	-0.11	-0.10	-0.01	0.44

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	68.41	0.03	Dow Jones	28,551.53	0.34
Brent	66.50	0.17	Nikkei 225	23,810.71	(0.04)
West Texas	60.56	0.07	S&P 500	3,224.01	0.09
Gold	1,488.85	0.24	KuwaitSE	6,265.66	0.03

All information has been sourced from Reuters.

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