

Highlights in the Foreign Exchange Market:

- The US dollar was on an upward trajectory on Wednesday, taking advantage of a weaker pound and euro. Prime Minister Boris Johnson took the wind out of the Sterling's election rally after he publicized his planned bill to rule out a Brexit extension. In the past three trading sessions, the pound has lost more than 2% of its value to the US dollar. The pound was the feeblest currency in the FX market yesterday as financial markets believe that a 1 year period for a trade deal will not be sufficient enough to strike a deal with the European Union. It looks like the risk of Brexit has shifted to a trade deal one. The political risks for a no trade deal Brexit have intensified, however the House of Commons could pass another act to help prevent a no trade deal Brexit like they did before. The dollar index gained 0.16% on Wednesday and rose to almost 1-week high of 97.475.
- The Japanese central bank preserved its monetary settings this morning, while maintaining its upbeat view on the economy. The tone from the Bank advocates that officials are in no hurry to increase stimulus even as global risks threaten to spoil a fragile recovery. However, policymakers presented a gloomier assessment on factory output than at its previous meeting. The decision to keep monetary policy unchanged keeps Japan in line with the ECB and the FED, which have both indicated their individual monetary policies, will be in a holding pattern for the time being. The BoJ's current level of short-term interest rate at -0.1% and that for 10-year government bond yields around 0%.

Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1025	1.1075	1.1128	1.1175	1.1235
GBP	1.2980	1.3030	1.3082	1.3135	1.3185
JPY	108.60	109.10	109.58	110.10	110.60
CHF	0.9695	0.9745	0.9799	0.9855	0.9910

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1109 level during Wednesday's trading session and currently trading at 1.1128. EUR/USD Supports are at (1.1025-1.1075) any break below would take the pair down to 1.0975. Short term outlook is Neutral.

GBP/USD: The pair moved down to the 1.3057 level during Wednesday's trading session and currently trading at 1.3082. GBP/USD Resistances are at (1.3135-1.3185) any break above would take the pair up to 1.3330. Short term outlook is Neutral.

Economic Events

Date	Country	Event	Actual	Forecast	Previous
11-Dec-19	USD	CPI m/m	0.3%	0.2%	0.4%
11-Dec-19	USD	Core CPI m/m	0.2%	0.2%	0.2%
11-Dec-19	USD	Crude Oil Inventories	0.8M	-2.9M	-4.9M
12-Dec-19	EUR	Main Refinancing rate	0.0%	0.0%	0.0%
12-Dec-19	EUR	Monetary Policy Statement			
13-Dec-19	USD	Core Retail Sales m/m	0.1%	0.4%	0.3%
13-Dec-19	USD	Retail Sales m/m	0.2%	0.5%	0.4%
16-Dec-19	EUR	French Flash Services PMI	52.4	52.1	52.2
16-Dec-19	EUR	German Flash Manufacturing PMI	52.0		51.7
16-Dec-19	GBP	Flash Manufacturing PMI	47.4	49.1	48.9

All information has been sourced from Bloomberg

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USD/JPY Performance



USD Index Performance



Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1114	-2.97	EUR/GBP	0.8497	5.68
GBP/USD	1.3078	2.56	GBP/JPY	143.27	-2.43
USD/JPY	109.55	0.10	EUR/JPY	121.77	3.20
USD/CHF	0.9804	0.21	EUR/CHF	1.09	3.23

Major Crosses

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	0.00	2.56	2.75	2.94	3.19
USD	1.58	1.76	1.90	1.90	1.97
EUR	-0.54	-0.52	-0.44	-0.39	-0.27
GBP	0.69	0.71	0.79	0.87	0.96
CHF	-0.79	-0.79	-0.71	-0.63	-0.51
AUD	2.78	2.87	2.96	3.06	3.34

Government Yields

Country	2-Year	3-Year	5-Year	10-Year	30-Year
United States	1.62	1.66	1.72	1.91	2.34
Germany	-0.65	-0.65	-0.53	-0.25	0.26
United Kingdom	0.51	0.50	0.57	0.77	1.27
Japan	-0.12	-0.12	-0.10	-0.02	0.40

Commodities

Index	Last Price	1D % Change	Index	Last Price	1D % Change
Kuwait Oil	67.04	0.48	Dow Jones	28,239.28	-0.10
Brent	66.15	-0.03	Nikkei 225	23,869.51	-0.27
West Texas	60.92	-0.02	S&P 500	3,191.14	-0.04
Gold	1,477.89	0.17	KuwaitSE	6,161.78	0.36

Global Indices