

Highlights in the Foreign Exchange Market:

- Even though the US and China announced that they reached a phase-one trade deal, Asian equities had mixed performances as investors minded that the agreements has not been signed yet. On the other hand, the Chinese yuan extended its gains following the news of the trade agreement.
- UK's Prime Minister Boris Johnson is expected to form his cabinet today as he pushes forward with Brexit after securing a historic victory in the elections last week. The PM is now in full power and has controlling majority of the Parliament to enforce his vision for leaving the EU following the biggest win for the conservative Party since Margaret Thatcher 32 years ago. The divorce bill is set currently at the end of January. The cable opened the trading week with positive momentum reaching a high of 1.3398
- The European Central Bank maintained its loose monetary policy rate at a record low of -0.50% and stuck to its asset purchase program of 20 billion euros per month. The ECB restated its key message from the previous meetings, saying that rates will not rise "until it has seen the inflation outlook robustly converge to a level sufficiently close to the 2% objective." Moreover, the new ECB president Christine Lagarde mentioned that interest rates could move lower until the inflation objective is achieved. It looks like years of negative interest rates and more than €2.6 trillion of ECB bond purchases have failed to boost prices and growth.

Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1030	1.1080	1.1133	1.1185	1.1240
GBP	1.3285	1.3335	1.3386	1.3435	1.3490
JPY	108.40	108.90	109.38	109.90	110.40
CHF	0.9735	0.9790	0.9840	0.9890	0.9940

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1199 level during Friday's trading session and currently trading at 1.1133. EUR/USD Supports are at (1.1030-1.1080) any break below would take the pair down to 1.0875. Short term outlook is Neutral.

GBP/USD: The pair climbed to the 1.3514 level during Friday's trading session and currently trading at 1.3386. GBP/USD Resistances are at (1.3490-1.3515) any break above would take the pair up to 1.3665. Short term outlook is Bullish.

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			
16-Dec-19	EUR	German Flash Manufacturing PMI			
16-Dec-19	GBP	Flash Manufacturing PMI			

All information has been sourced from Bloomberg

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For further information or discussion, please contact the Treasury Services Desk on TSD_LIST@NBK.COM or +965 2221 6603 FAX +965 2241 9720.

USD/CNY Performance



GBP/USD Performance



Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1121	-2.89	EUR/GBP	0.8344	8.08
GBP/USD	1.3331	-4.98	GBP/JPY	145.91	-4.50
USD/JPY	109.38	0.27	EUR/JPY	121.56	3.30
USD/CHF	0.9842	-0.19	EUR/CHF	1.09	2.72

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	1.56	1.74	1.90	1.90	1.96
EUR	-0.55	-0.52	-0.44	-0.39	-0.29
GBP	0.69	0.72	0.80	0.88	0.99
CHF	-0.79	-0.81	-0.72	-0.65	-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	1.64	1.67	1.83	2.26
Germany	-0.63	-0.65	-0.54	-0.29	0.22
United Kingdom	0.53	0.52	0.58	0.79	1.28
Japan	-0.14	-0.15	-0.13	-0.04	0.40

Commodities

Index	Last Price	1D % Change	Index	Last Price	1D % Change
Kuwait Oil	66.97	1.21	Dow Jones	28,135.38	0.01
Brent	65.01	-0.32	Nikkei 225	24,018.54	-0.02
West Texas	59.84	-0.38	S&P 500	3,168.80	0.01
Gold	1,475.16	-0.08	KuwaitSE	6,155.99	0.66

Global Indices