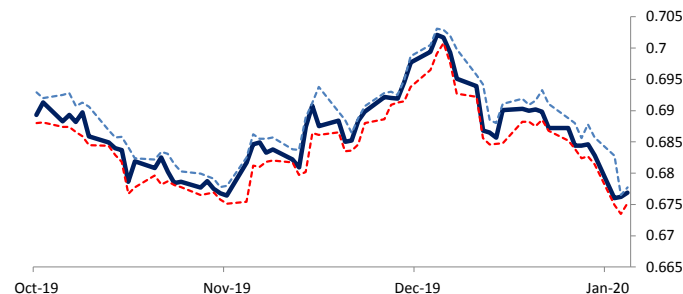


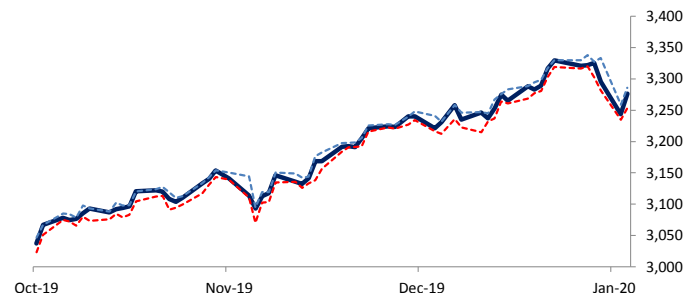
#### Highlights in the Foreign Exchange Market:

- Data released yesterday showed US Durable Goods Orders came in higher than expected, rising 2.4% on a monthly basis in December. This followed November's decline of 3.1%. Looking at the core figure, orders dropped by the most in eight months in December as shipments were weak, registering a 0.1% decline versus the 0.4% gain expected. Meanwhile, consumer confidence grew more than expected in January as the index rose to 131.6 this month from 126.5 in December. The dollar index did not react strongly to the data, and currently sits at 98.024.
- Stocks in Asia saw mixed trading after a rebound on Wall Street as investors continue to contemplate the economic dangers from the spreading of the coronavirus. The S&P 500 rose around 1% as technology shares took the lead and Apple's sales forecast topped estimates. Elsewhere, the yuan strengthened and oil rose for the first time in five days. Gold also retreated from its highs.
- In Australia, consumer prices rose slightly more than expected in the fourth quarter of 2019, adding pressure on the RBA to keep interest rates on hold in its first policy meeting for the year on Tuesday. The consumer price index rose 0.7% in Q4 from Q3, and by 1.8% y/y. This was versus expectations of a 0.6% rise for the quarter and 1.7% on a yearly basis. With core inflation sitting well below the RBA's 2-3% inflation target, the RBA's position may be to lower interest rates further over time. Still, December employment data published last week showed unemployment falling to its lowest level in close to a year, giving the RBA more time to consider its next move. The Australian dollar has fallen around 3.6% in January, with recent data nudging AUD slightly higher.

AUD/USD  
3 Month Performance



S&P 500 Index  
3 Month Performance



#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0905	1.0960	1.1011	1.1065	1.1115
GBP	1.2915	1.2975	1.3018	1.3065	1.3120
JPY	108.20	108.70	109.19	109.65	110.20
CHF	0.9635	0.9690	0.9739	0.9795	0.9845

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1020	(1.74)	EUR/GBP	0.8459	0.05
GBP/USD	1.3027	(1.80)	GBP/JPY	142.17	(0.48)
USD/JPY	109.1300	0.24	EUR/JPY	120.29	(1.44)
USD/CHF	0.9728	0.61	EUR/CHF	1.0723	(1.14)

#### Major Crosses

#### Brief Technical Commentary

EUR/USD: The pair moved down to the 1.0996 level during Tuesday's trading session and currently trading at 1.1011. EUR/USD Supports are at (1.0875-1.0905) any break below would take the pair down to 1.0770. Short term outlook is Bearish.

GBP/USD: The pair moved down to the 1.2974 level during Tuesday's trading session and currently trading at 1.3018. GBP/USD Supports are at (1.2915-1.2975) any break below would take the pair down to 1.2775. Short term outlook is Neutral.

#### Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	2.25	2.56	2.75	3.00	3.19
USD	1.56	1.65	1.77	1.78	1.84
EUR	-0.54	-0.51	-0.43	-0.37	-0.28
GBP	0.63	0.62	0.69	0.74	0.79
CHF	-0.78	-0.76	-0.67	-0.63	-0.50
AUD	0.85	0.95	0.97	0.96	0.97

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
24-Jan-20	EUR	ECB President Lagarde Speaks			
27-Jan-20	EUR	German Ifo Business Climate	95.9	97.1	96.3
28-Jan-20	USD	CB Consumer Confidence	131.6	128.2	126.5
29-Jan-20	AUD	CPI q/q	0.7%	0.6%	0.5%
29-Jan-20	USD	FOMC Statement			
29-Jan-20	USD	Federal Funds Rate		<1.75%	<1.75%
30-Jan-20	GBP	BOE Monetary Policy Report			
30-Jan-20	GBP	Official Bank Rate		0.75%	0.75%
30-Jan-20	USD	Advance GDP q/q		2.2%	2.1%
31-Jan-20	CNY	Manufacturing PMI		50.1	50.2

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.52	1.46	1.47	1.65	2.11
Germany	-0.63	-0.63	-0.62	-0.38	0.13
United Kingdom	0.50	0.43	0.38	0.54	1.05
Japan	-0.14	-0.14	-0.14	-0.04	0.37

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	62.90	2.04	Dow Jones	28,722.85	0.66
Brent	60.26	1.26	Nikkei 225	23,377.93	0.70
West Texas	54.13	1.22	S&P 500	3,276.24	1.01
Gold	1,566.64	0.05	KuwaitSE	6,315.78	0.53

All information has been sourced from Reuters.

This Treasury Newsletter is a publication of the National Bank of Kuwait ("NBK"). Although the information in this document has been prepared in good faith and from sources which we believe to be reliable, we do not represent or warrant its accuracy and such information may not necessarily represent the actual market data. NBK accepts no liability whatsoever for any loss or damage arising from the use of this document or reliance on the information contained herein. NBK will not be responsible for the consequence of reliance upon any opinion or statement contained herein.

For further information or discussion, please contact the Treasury Services Desk on TSD\_LIST@NBK.COM or +965 2221 6603 (TELEX : 46811 - FAX +965 2241 9720).