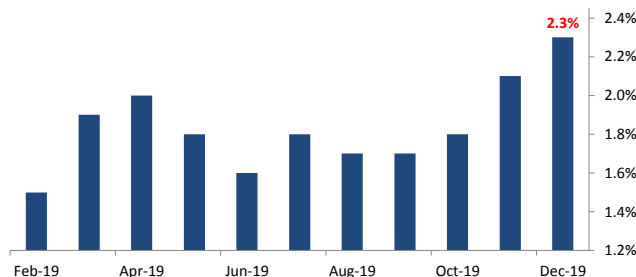
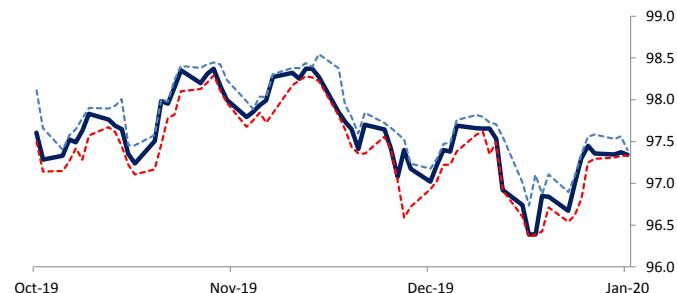


**Highlights in the Foreign Exchange Market:**

- Inflation in the US grew at its weakest pace in four months as core CPI rose 0.1% m/m in December. The figure missed economists' expectations and followed a 0.2% gain in November. Looking at the yearly performance, the CPI rose 2.3% in December - the largest increase since October 2018 and followed a 2.1% figure in November. The Federal Reserve has signaled it will leave rates on hold through 2020 after having delivered three rate cuts in 2019 as part of a mid-cycle policy adjustment. The Fed's PCE index has also undershot the bank's 2% inflation target. The US dollar was little changed against a basket of currencies. Investors are now focused on US-China trade developments.
- Looking at the US-China trade war, existing tariffs on billions of dollars of Chinese goods coming into the US are likely to stay in place until after the presidential election. The two sides have come to an understanding that the US will review progress and potentially consider additional cuts on tariffs affecting \$360 billion of imports from China in about 10 months. The period of review is meant to give the Trump administration time to verify Beijing's adherence to the terms of the pact.
- Asian stocks were muted as investors assess the report, while US stocks edged slightly lower following its record highs. Prices seem to be balancing between positive earnings reports from big banks and concerns which linger regarding US-China trade negotiations. In commodities, oil edged higher while gold remained steady.



**US Dollar Index**  
3-Month Performance



**Chart Points and Other Technical Input**

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1035	1.1085	1.1132	1.1195	1.1245
GBP	1.2925	1.2975	1.3027	1.3075	1.3130
JPY	108.90	109.40	109.90	110.40	110.95
CHF	0.9570	0.9625	0.9673	0.9725	0.9775

**Major Currencies**

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1127	(0.76)	EUR/GBP	0.8549	1.05
GBP/USD	1.3017	(1.72)	GBP/JPY	143.19	0.31
USD/JPY	109.9700	0.96	EUR/JPY	122.39	0.34
USD/CHF	0.9672	(0.05)	EUR/CHF	1.0765	(0.76)

**Major Crosses**

**Brief Technical Commentary**

EUR/USD: The pair moved down to the 1.1102 level during Tuesday's trading session and is currently trading at 1.1132. EUR/USD Supports are at (1.1035-1.1085), any break below would take the pair down to 1.0980. Short term outlook is Neutral.

GBP/USD: The pair moved down to the 1.2950 level during Tuesday's trading session and currently trading at 1.3027. GBP/USD Supports are at (1.2925-1.2975), any break below would take the pair down to 1.2825. 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	1.57	1.68	1.83	1.87	1.96
EUR	-0.55	-0.51	-0.42	-0.36	-0.27
GBP	0.69	0.67	0.75	0.80	0.87
CHF	-0.79	-0.77	-0.68	-0.62	-0.48
AUD	0.83	0.82	0.91	0.97	1.07

**Economic Events**

Date	Country	Event	Actual	Forecast	Previous
13-Jan-20	GBP	GDP m/m	-0.3%	0.0%	0.1%
13-Jan-20	GBP	Manufacturing Production m/m	-1.7%	-0.3%	0.5%
14-Jan-20	USD	CPI m/m	0.2%	0.2%	0.3%
14-Jan-20	USD	Core CPI m/m	0.1%	0.2%	0.2%
15-Jan-20	GBP	CPI y/y		1.5%	1.5%
16-Jan-20	USD	Core Retail Sales m/m		0.5%	0.1%
16-Jan-20	USD	Retail Sales m/m		0.3%	0.2%
16-Jan-20	EUR	ECB President Lagarde Speaks			
17-Jan-20	CNY	GDP q/y		6.0%	6.0%
17-Jan-20	GBP	Retail Sales m/m		0.8%	-0.6%

**Government Yields**

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.52	1.56	1.62	1.81	2.27
Germany	-0.61	-0.59	-0.49	-0.22	0.34
United Kingdom	0.54	0.47	0.49	0.71	1.22
Japan	-0.13	-0.13	-0.10	0.00	0.45

**Commodities**

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	66.69	(0.76)	Dow Jones	28,939.67	0.11
Brent	64.40	(0.14)	Nikkei 225	23,887.52	(0.57)
West Texas	58.14	(0.15)	S&P 500	3,283.15	(0.15)
Gold	1,552.70	0.43	KuwaitSE	6,333.26	1.65

**Global Indices**

All information has been sourced from Reuters.

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