

#### Highlights in the Foreign Exchange Market:

- US stocks started on a strong footing on Tuesday with hopes that China was getting ready to drop tariffs on American made vehicles, however later erased gains as US president Donald Trump threatened to allow a government shutdown. The political tension in Washington redirected investors' attention from the positive news that China has moved to cut import tariffs on US made vehicles from 40% to 15%. The decision came following Xi Jinping and Donald Trump agreeing to a 90-day truce earlier this month. Still, US and Chinese officials will not hold face-to-face trade talks until January. The S&P 500 ended 0.4% lower, while the Dow Jones Industrial Average closed 0.2% lower. The technology sector saw some relief as the Nasdaq Composite closed 0.2% higher at 7,031.83. Equities were slightly higher in Asia as the CSI 300 index added 0.2% and the Hong Kong Seng index climbed 1.5%. The Topix in Tokyo was also up 1.9%. The dollar index added 0.2% at 97.43. Looking ahead to next week, an interest rate hike by the US Federal Reserve remains likely.
- In the UK, economic growth slowed in October amid uncertainty over Brexit negotiations. As car sales fell and weaker demand led to factory stoppages, GDP cooled to 0.4% during the three months to October from a previous rate of 0.6%. On a monthly basis, the economy expanded 0.1% in October. The figure came in line with expectations and confirmed that the British economy's strength in the third quarter of 2018 was caused by a boost to consumer spending for the summer. Industrial production fell 0.6%, with manufacturing output down 0.9%. Britain's economy has continued to slow since the June 2016 Brexit vote, and with no clarity in sight the Sterling pound may remain under pressure. The Sterling has dropped around 10.52% year-to-date, currently trading close to record lows for the year at 1.2515.

GBP/USD  
3-Month Performance



S&P 500  
3-Month Performance



#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1225	1.1275	1.1324	1.1375	1.1430
GBP	1.2400	1.2450	1.2506	1.2555	1.2605
JPY	112.45	112.95	113.45	113.95	114.55
CHF	0.9825	0.9875	0.9925	0.9975	1.0030

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1314	(5.59)	EUR/GBP	0.9061	1.95
GBP/USD	1.2484	(7.46)	GBP/JPY	141.55	(6.73)
USD/JPY	113.37	0.69	EUR/JPY	128.30	(4.95)
USD/CHF	0.9933	1.89	EUR/CHF	1.1240	(8.82)

#### Major Crosses

#### Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1302 level during Tuesday's trading session and currently trading at 1.1324. EUR/USD Support is at (1.1225-1.1275) any break below would take the pair to 1.1070. Short term outlook is neutral. However, if the pair breaks the low of the year 1.1213 level it will turn bearish.

GBP/USD: The pair moved down to its twenty month low of 1.2478 level during Tuesday's trading session and currently trading at 1.2507. GBP/USD Support is at (1.2360-1.2400) any break below would take the pair to 1.2145. Short term and medium term outlook are Bearish.

#### Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.31	1.88	2.13	2.38	2.63
USD	2.21	2.43	2.78	2.88	3.09
EUR	-0.44	-0.41	-0.36	-0.33	-0.21
GBP	0.70	0.73	0.90	1.02	1.15
CHF	-0.80	-0.83	-0.74	-0.66	-0.53
AUD	1.65	2.62	2.25	2.24	2.30

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
10-Dec-18	GBP	GBP m/m	0.1%	0.1%	0.0%
10-Dec-18	GBP	Manufacturing Production m/m	-0.9%	0.0%	0.2%
11-Dec-18	GBP	Average Earnings Index 3m/y	3.3%	3.0%	3.0%
11-Dec-18	USD	PPI m/m	0.1%	0.0%	0.6%
11-Dec-18	GBP	Parliament Brexit Vote			
12-Dec-18	USD	CPI m/m		0.0%	0.3%
12-Dec-18	USD	Core CPI m/m		0.2%	0.2%
13-Dec-18	CHF	SNB Monetary Policy Assessment			
13-Dec-18	CHF	SNB Press Conference			
13-Dec-18	EUR	ECB Press Conference			

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.69	2.78	2.75	2.89	3.14
Germany	-0.67	-0.61	-0.29	0.23	0.83
United Kingdom	0.67	0.67	0.82	1.19	1.72
Japan	-0.17	-0.15	-0.13	0.05	0.79

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	59.58	1.05	Dow Jones	24,370.24	(0.22)
Brent	59.75	(0.03)	Nikkei 225	21,587.93	2.08
West Texas	51.60	(0.19)	S&P 500	2,636.78	(0.04)
Gold	1,243.76	0.07	KuwaitSE	5,172.55	(0.90)

All information has been sourced from Reuters.

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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).