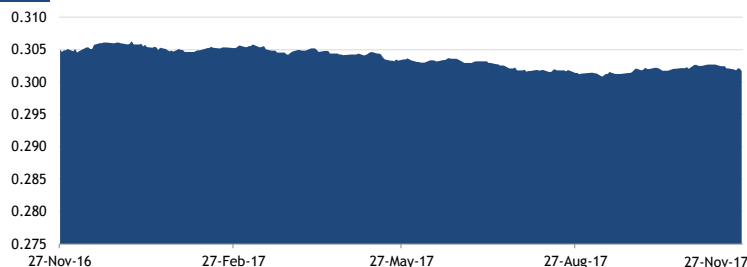


Highlights in the Foreign Exchange Market:

- German politics has breathed a sigh of relief as the Social Democrats caved to pressure and are now in coalition talks with Merkel's Christian Democrats. Uncertainty surrounding the makeup of the German government has been the talk of Europe last week after coalition talks to gain a majority 50% of votes in parliament between Merkel's CDU and 2 other parties broke down. Reelection may not need to take place if an agreement is reached, something the EU would be happy to hear as they need a strong German presence during their Brexit talks and on their path to recovery.
- The German business confidence index has reached a record high in November, setting Europe's largest economy on a promising path to recovery. In addition, recent official data showed exports and rising business investments were the main drivers of growth in the third quarter, signaling that the robust upswing will extend well into next year. This, coupled with a positive solution on the horizon regarding the formation of a new German government, has pushed the euro to new 2 month highs against a weak US dollar.
- Oil prices have been supported by reports of an extension to the oil cuts which are currently planned to expire during March of 2018. The cuts are rumored to be extended for an additional 9 months, taking them until the end of 2018. The likelihood of an extension has been boosted as reports emerged that an initial agreement between OPEC and Russia has been reached ahead of OPEC's meeting in Vienna on Thursday. Furthermore, oil supply disruptions in North America have caused US light crude to reach a high of \$59.04, a level not seen in 2.5 years.

USD/KWD



USD Index

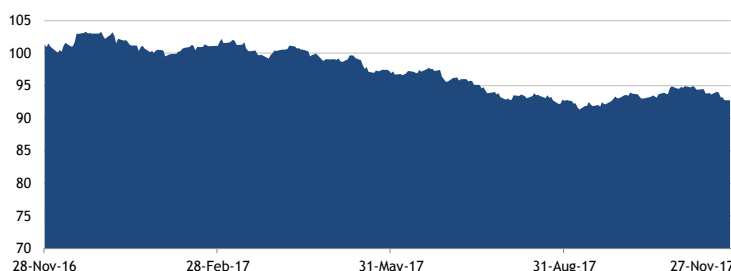


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1825	1.1875	1.1923	1.1975	1.2035
GBP	1.3215	1.3265	1.3315	1.3365	1.3415
JPY	110.35	110.85	111.34	111.80	112.35
CHF	0.9705	0.9755	0.9805	0.9855	0.9905

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1930	13.42	EUR/GBP	0.8947	5.13
GBP/USD	1.3335	7.93	GBP/JPY	148.73	3.00
USD/JPY	111.53	(4.67)	EUR/JPY	133.20	7.88
USD/CHF	0.9796	(3.69)	EUR/CHF	1.1687	9.06

Major Crosses

Brief Technical Commentary

The EUR/USD pair moved up to the 1.1944 level during Friday's trading session and currently trading at 1.1923. EUR Resistance is at (1.2035-1.2095) any break above targets 1.2250 level and Support is at (1.1775-1.1825) any break below targets 1.1665. The pair is currently Neutral.

The USD/JPY pair moved up to the 111.62 level during Friday's trading session and currently trading at 111.34. USD/JPY Resistance is at (112.35-112.65) any break above targets 113.50 and Support is at (109.95-110.35) any break below targets 108.75. The pair is currently Neutral.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.25	1.56	1.75	2.00	2.31
USD	1.20	1.34	1.47	1.65	1.94
EUR	-0.43	-0.40	-0.38	-0.32	-0.25
GBP	0.48	0.50	0.52	0.58	0.77
CHF	-0.79	-0.78	-0.75	-0.65	-0.53
AUD	1.55	1.70	1.99	2.03	1.95

Economic Events

Date	Country	Event	Actual	Forecast	Previous
28-Nov-17	GBP	Bank Stress Test Results	-	-	-
28-Nov-17	USD	CB Consumer Confidence	-	123.9	125.9
29-Nov-17	USD	Prelim GDP	-	3.3%	3.0%
29-Nov-17	USD	Fed Chair Yellen Testifies	-	-	-
30-Nov-17	ALL	OPEC meetings	-	-	-
30-Nov-17	EUR	CPI Flash Estimate y/y	-	1.6%	1.4%
30-Nov-17	CNY	China PMI	-	51.5	51.6
30-Nov-17	USD	Core PCE Price Index m/m	-	0.2%	1.0%
1-Dec-17	USD	ISM Manufacturing PMI	0.2%	0.0%	1.6%
1-Dec-17	GBP	Manufacturing PMI	-	56.6	56.3

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.59	1.76	2.08	2.35	2.77
Germany	-0.73	-0.71	-0.33	0.36	1.19
United Kingdom	0.37	0.45	0.73	1.25	1.80
Japan	-0.19	-0.18	-0.13	0.03	0.83

Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	60.22	(0.30)	Dow Jones	23,557.99	31.81
Brent	63.92	(0.03)	Nikkei 225	22,495.99	(54.86)
West Texas	58.88	(0.20)	S&P 500	2,602.42	5.35
Gold	1,290.88	0.18	KuwaitSE	6,277.33	20.66

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).