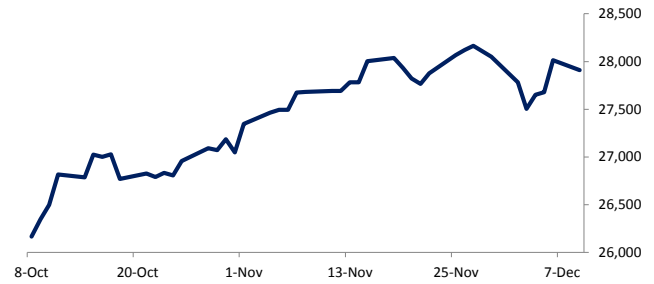


Highlights in the Foreign Exchange Market:

- Wall Street's main indices started the weekly session in a negative manner as financial markets turned cautious towards planned tariffs on Chinese imports, which kick in on December 15. The White House and Beijing are discussing a phase one trade deal designed to reduce tariff disputes but they continue to quarrel over key issues. All U.S. equity indices were trading in the red, while the Dow Jones was the worst performer shedding 105.46 points. The negativity also spilled into the Asian session today, with most indices trading lower.
- In the FX Sphere, the pound edged upward as polls continued to show the U.K. Conservative Party on course to win a majority in Thursday's election, which would likely mean Britain leaving the European Union by January 31. The cable reached a 6-month high of 1.3180 on Monday. The foreign exchange market is currently in a consolidation mode as investors await the outcomes of the tariff deadline on Chinese imports, UK election on December 12 and upcoming central bank meetings in Europe and the U.S.
- As for the bond market, long dated Treasury yields edged lower yesterday after experiencing 3 days of gains. Weak Chinese data combined with this week's calendar spurred some demand for safe haven U.S. government bonds. The 10-year yield slid to 1.831%, losing 3.3 basis points, while the 30-year fell by 2.2 basis points.

Dow Jones
2-Month Performance



GBP/USD
3-Month Performance

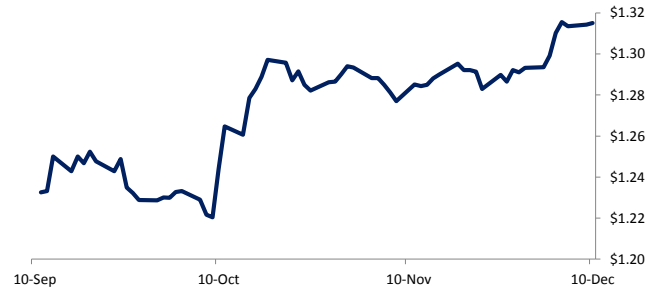


Chart Points and Other Technical Input

| CCY | 2nd Support | 1st Support | Spot | 1st Resistance | 2nd Resistance |
|-----|-------------|-------------|--------|----------------|----------------|
| EUR | 1.0965 | 1.1015 | 1.1067 | 1.1120 | 1.1170 |
| GBP | 1.3045 | 1.3095 | 1.3152 | 1.3205 | 1.3255 |
| JPY | 107.60 | 108.05 | 108.60 | 109.10 | 109.60 |
| CHF | 0.9780 | 0.9835 | 0.9877 | 0.9925 | 0.9970 |

Major Currencies

| CCY | Closing Rate | YTD % | CCY | Closing Rate | YTD % |
|---------|--------------|--------|---------|--------------|--------|
| EUR/USD | 1.1062 | (3.51) | EUR/GBP | 0.8415 | (6.34) |
| GBP/USD | 1.3143 | 3.09 | GBP/JPY | 142.67 | 2.01 |
| USD/JPY | 108.5500 | (1.50) | EUR/JPY | 120.09 | (4.78) |
| USD/CHF | 0.9879 | 0.64 | EUR/CHF | 1.0929 | (2.85) |

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1078 level during Monday's trading session and currently trading at 1.1067. EUR/USD Supports are at (1.0965-1.1015) any break below would take the pair down to 1.0875. Short term outlook is Neutral.

GBP/USD: The pair moved up to the 1.3180 level during Monday's trading session and currently trading at 1.3152. GBP/USD Resistances are at (1.3205-1.3255) any break above would take the pair up to 1.3370. Short term outlook is Bullish.

Local & Global Rates

| CCY | 1-Week | 1-Month | 3-Month | 6-Month | 1-Year |
|-----|--------|---------|---------|---------|--------|
| KWD | 2.19 | 2.56 | 2.75 | 2.94 | 3.13 |
| USD | 1.58 | 1.72 | 1.89 | 1.89 | 1.92 |
| EUR | -0.54 | -0.51 | -0.44 | -0.40 | -0.29 |
| GBP | 0.70 | 0.71 | 0.78 | 0.86 | 0.97 |
| CHF | -0.79 | -0.81 | -0.72 | -0.64 | -0.52 |
| AUD | 0.75 | 0.75 | 1.13 | 1.10 | 0.95 |

Economic Events

| Date | Country | Event | Actual | Forecast | Previous |
|-----------|---------|--------------------------------|--------|----------|----------|
| 9-Dec-19 | CNY | Trade Balance | 274B | 300B | 301B |
| 10-Dec-19 | CNY | CPI y/y | 4.5% | 4.5% | 3.8% |
| 10-Dec-19 | GBP | GDP m/m | | 0.1% | -0.4% |
| 10-Dec-19 | EUR | German ZEW Economic Sentiment | | 1.1 | -2.1 |
| 11-Dec-19 | USD | CPI m/m | | 0.2% | 0.4% |
| 11-Dec-19 | USD | FOMC Statement | | | |
| 12-Dec-19 | CHF | SNB Monetary Policy Assessment | | | |
| 12-Dec-19 | GBP | Parliamentary Elections | | | |
| 12-Dec-19 | EUR | ECB Monetary Policy Statement | | | |
| 13-Dec-19 | USD | Retail Sales m/m | | 0.4% | 0.3% |

Government Yields

| Country | 1-Year | 2-Year | 5-Year | 10-Year | 30-Year |
|----------------|--------|--------|--------|---------|---------|
| United States | 1.54 | 1.61 | 1.65 | 1.81 | 2.25 |
| Germany | -0.69 | -0.70 | -0.59 | -0.31 | 0.22 |
| United Kingdom | 0.66 | 0.57 | 0.56 | 0.76 | 1.27 |
| Japan | -0.15 | -0.12 | -0.11 | -0.02 | 0.42 |

Commodities

| Index | Last Price | % Change | Index | Last Price | % Change |
|------------|------------|----------|------------|------------|----------|
| Kuwait Oil | 66.13 | 0.72 | Dow Jones | 27,909.60 | (0.88) |
| Brent | 64.12 | (0.20) | Nikkei 225 | 23,414.35 | (0.07) |
| West Texas | 58.91 | (0.19) | S&P 500 | 3,135.96 | (0.52) |
| Gold | 1,462.45 | 0.04 | KuwaitSE | 6,095.65 | 0.35 |

All information has been sourced from Reuters.

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