

Highlights in the Foreign Exchange Market:

- Tuesday was a busy day with Fed Chair in waiting Powell appearance before a Senate committee, UK could pay £50bn Brexit divorce bill in an attempt to get France and Germany to agree to move negotiations to trade, North Korea launching a ballistic missile and lastly the US Senate Budget Committee has just announced a tax bill has been sent to the Senate for voting.
- All three major US equity indices reached record highs on Tuesday after the Senate budget committee voted 12-11 in favor of Republicans' tax legislation and the Fed chair-nominee stated that current banking regulations were "tough enough", and he supported "tailoring" regulations to lessen the burden on smaller banks.
- In the US, consumer confidence is continuing to surge, climbing to 129.5 from 126.2 in October to set a new 17-year high. Expectations increased to 113.3 from 109.0. Moreover, current conditions rose to 153.9 from 152.0 in October. The conference board stated that Consumers' assessment of current conditions improved moderately, while their expectations regarding the short-term outlook improved more so, driven primarily by optimism of further improvements in the labor market.
- On the currency front, talks of an outline agreement deal on Brexit helped lift the Sterling Pound up for the second day. In details, the EU and UK were said to reach a deal on how much Britain will pay when it leaves the bloc, easing the concerns that the negotiations will end in a deadlock. The cable reached 1.3387, a 7-week high for the currency as the dust begins to unsettle on the Brexit situation.

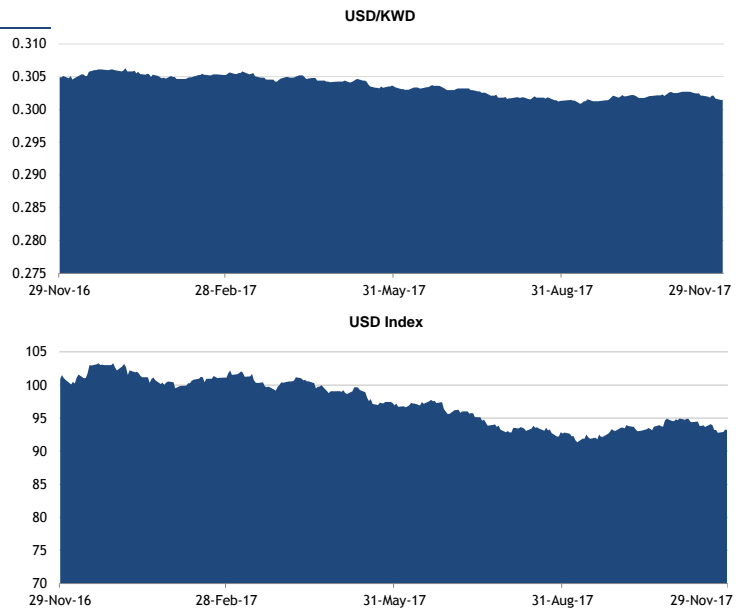


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1755	1.1805	1.1853	1.1910	1.1960
GBP	1.3255	1.3310	1.3360	1.3405	1.3465
JPY	110.45	110.90	111.49	112.10	112.55
CHF	0.9750	0.9795	0.9846	0.9900	0.9950

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1839	12.72	EUR/GBP	0.8875	4.11
GBP/USD	1.3336	8.30	GBP/JPY	148.66	3.46
USD/JPY	111.47	(4.59)	EUR/JPY	131.97	7.32
USD/CHF	0.9840	(3.26)	EUR/CHF	1.1653	8.88

Major Crosses

Brief Technical Commentary

The EUR/USD pair moved down to the 1.1825 level during Tuesday's trading session and currently trading at 1.1853. EUR Resistance is at (1.1960-1.2000) any break above targets 1.2090 level and Support is at (1.1715-1.1755) any break below targets 1.1665. 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	1.35	1.48	1.66	1.94
EUR	-0.42	-0.40	-0.38	-0.32	-0.25
GBP	0.49	0.49	0.52	0.58	0.77
CHF	-0.79	-0.79	-0.75	-0.65	-0.53
AUD	1.62	1.77	2.05	2.05	1.95

The USD/JPY pair moved down to the 110.90 level during Tuesday's trading session and currently trading at 111.49. USD/JPY Resistance is at (112.55-112.85) any break above targets 113.50 and Support is at (110.15-110.45) any break below targets 109.50. The pair is currently Neutral.

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	-	0.0%	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	1.75	2.06	2.32	2.76
Germany	-0.75	-0.71	-0.35	0.35	1.18
United Kingdom	0.39	0.46	0.74	1.25	1.81
Japan	-0.18	-0.18	-0.13	0.02	0.82

Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	59.76	0.45	Dow Jones	23,836.71	255.93
Brent	64.00	(0.03)	Nikkei 225	22,579.00	92.76
West Texas	57.91	(0.17)	S&P 500	2,627.04	25.62
Gold	1,295.93	0.12	KuwaitSE	6,624.28	1.98

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).