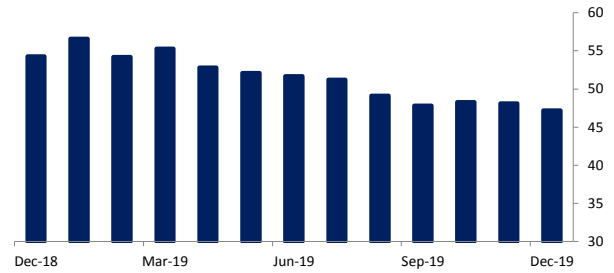


Highlights in the Foreign Exchange Market:

- The U.S. manufacturing sector contracted in December by the most in more than a decade with order volumes crashing to near an 11-year low and factory employment falling for a fifth straight month, according to an industry report released on Friday. The Institute for Supply Management (ISM) said its index of national factory activity fell to 47.2 last month from 48.1 in November. It was the lowest reading since June 2009 and thwarted expectations for a leveling off in the pace of decline in a sector buffeted by the U.S.-China trade war. The manufacturing sector had been under pressure for much of the second half of 2019, as tit-for-tat tariffs between Washington and Beijing slowed the flow of goods between the world's two largest economies and contributed to a cooling in the pace of global economic growth.
- In the UK, manufacturing activity took a turn for the worse at the end of 2019, with the sharpest deterioration in output in more than seven years as political uncertainty continued to weigh on orders. December saw the IHS Markit manufacturing Purchasing Managers' Index sinking to 47.5 down from 48.9 in November, although marginally higher than the initial flash estimate of 47.4. The figure indicated a majority of businesses reporting deteriorating activity as it marks the eighth consecutive month with a reading below 50. Both domestic and foreign orders contracted with respondents linking the lower new business to concerns surrounding the economic, global trade and political outlooks. The main driver of the industrial downturn in the UK was driven by producers of intermediate and investment goods, while manufacturers of consumer goods reported a weak expansion.

US Manufacturing
1-Year Performance



UK Manufacturing
1-Year Performance

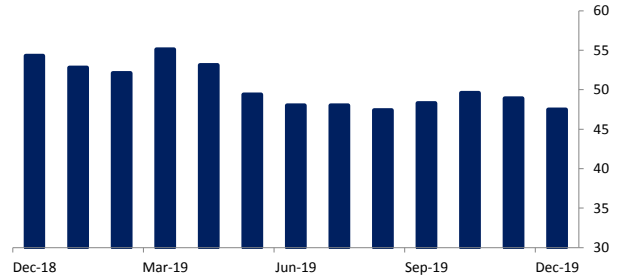


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1065	1.1110	1.1163	1.1210	1.1255
GBP	1.2980	1.3030	1.3084	1.3130	1.3185
JPY	107.05	107.55	108.03	108.55	109.05
CHF	0.9610	0.9660	0.9710	0.9760	0.9815

Major Currencies

CCY	Closing Rate	YTD %	Major Crosses	Closing Rate	YTD %
EUR/USD	1.1158	(0.44)	EUR/GBP	0.8530	0.93
GBP/USD	1.3086	(1.35)	GBP/JPY	141.36	(1.02)
USD/JPY	108.0800	(0.75)	EUR/JPY	120.60	(1.11)
USD/CHF	0.9725	0.33	EUR/CHF	1.0846	(0.69)

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1123 level during Friday's trading session and currently trading at 1.1163. EUR/USD Supports are at (1.1065-1.1095) any break below would take the pair down to 1.0980. Short term outlook is Neutral.

GBP/USD: The pair moved down to the 1.3052 level during Friday's trading session and currently trading at 1.3084. GBP/USD Supports are at (1.2980-1.3030) any break below would take the pair down to 1.2870. Short term outlook is Neutral.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	2.19	2.50	2.69	2.94	3.13
USD	1.59	1.71	1.87	1.89	1.96
EUR	-0.55	-0.52	-0.41	-0.37	-0.27
GBP	0.70	0.71	0.80	0.86	0.96
CHF	-0.79	-0.78	-0.68	-0.62	-0.50
AUD	0.75	0.75	0.87	0.95	1.08

Economic Events

Date	Country	Event	Actual	Forecast	Previous
5-Jan-20	USD	FOMC Member Williams Speaks			
7-Jan-20	CHF	CPI m/m		-0.1%	-0.1%
7-Jan-20	EUR	CPI Flash Estimate y/y		1.3%	1.0%
7-Jan-20	USD	ISM Non-Manufacturing PMI		54.5	53.9
8-Jan-20	USD	Crude Oil Inventories			-11.5M
9-Jan-20	CNY	CPI y/y		4.7%	4.5%
10-Jan-20	AUD	Retail Sales m/m		0.4%	0.0%
10-Jan-20	USD	Average Hourly Earnings		0.3%	0.2%
10-Jan-20	USD	Non-Farm Employment		150K	266K
10-Jan-20	USD	Unemployment Rate		3.5%	3.5%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.51	1.52	1.57	1.77	2.23
Germany	-0.66	-0.64	-0.57	-0.29	0.23
United Kingdom	0.58	0.53	0.54	0.74	1.22
Japan	-0.14	-0.15	-0.14	-0.04	0.39

Commodities

Index	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	71.74	1.31	Dow Jones	28,634.88	(0.81)
Brent	70.32	2.51	Nikkei 225	23,187.76	(1.98)
West Texas	64.40	2.14	S&P 500	3,234.85	(0.71)
Gold	1,574.67	1.50	KuwaitSE	6,048.64	(3.72)

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).