

Highlights in the Foreign Exchange Market:

- U.S. President Donald Trump surprised South American officials yesterday by announcing tariffs on U.S. steel and aluminum imports from Brazil and Argentina. Trump said the immediately effective tariffs were necessary because "Brazil and Argentina have been presiding over a massive devaluation of their currencies which is not good for our farmers." Officials from both countries are seeking to immediately start negotiations with their US counter parts.
- The U.S. dollar traded in a negative manner in yesterday's session after the ISM Manufacturing PMI contracted for the fourth consecutive reading. The dollar index has shed 0.40% of its value yesterday. Looking at the manufacturing sector, the ISM index fell to 48.1 in November versus expectations of 49.2. Any reading below 50 indicates that the sector is shrinking. The manufacturing sector which accounts to 11% of US GDP has come under pressure due to weaker global growth and a prolonged trade war between the two largest economies.
- Australia's central bank kept interest rates unchanged at 0.75% today, in line with expectations. The decision follows three previous rate cuts in June, July, and October of this year. RBA Governor Philip Lower said the outlook for the global economy remains "reasonable" and though risks are "still tilted to the downside", some had lessened. The main topic of discussion was the U.S.-China trade war as international trade flows and investment are continuously hit due to the uncertainty. Australia's economy expanded an annual 1.7% in the third quarter, short of the 2.75% estimated.

U.S. Dollar Index
3-Month Performance



ISM Manufacturing PMI
1-Year Performance

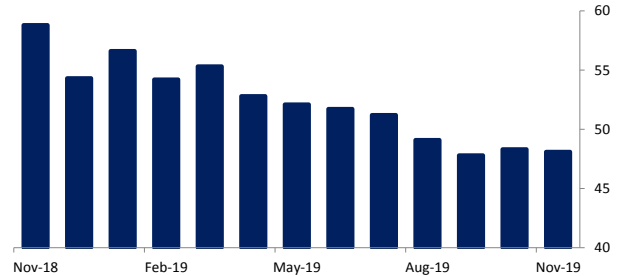


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0975	1.1025	1.1075	1.1125	1.1175
GBP	1.2840	1.2890	1.2938	1.2990	1.3045
JPY	108.20	108.75	109.19	109.70	110.25
CHF	0.9820	0.9870	0.9922	0.9975	1.0025

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1077	(3.44)	EUR/GBP	0.8559	(4.74)
GBP/USD	1.2936	1.43	GBP/JPY	140.97	0.87
USD/JPY	108.9800	(1.01)	EUR/JPY	120.72	(4.21)
USD/CHF	0.9911	1.08	EUR/CHF	1.0982	(2.36)

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1089 level during Monday's trading session and currently trading at 1.1075. EUR/USD Supports are at (1.0975-1.1025) any break below would take the pair down to 1.0925. Short term outlook is Neutral.

GBP/USD: The pair moved up to the 1.2949 level during Monday's trading session and currently trading at 1.2938. GBP/USD Supports are at (1.2840-1.2890) any break below would take the pair down to 1.2770. Short term outlook is Neutral.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	2.19	2.50	2.75	2.94	3.19
USD	1.57	1.69	1.90	1.91	1.96
EUR	-0.54	-0.51	-0.43	-0.39	-0.29
GBP	0.69	0.70	0.79	0.86	0.96
CHF	-0.79	-0.83	-0.72	-0.66	-0.52
AUD	0.60	0.75	1.14	0.97	0.97

Economic Events

Date	Country	Event	Actual	Forecast	Previous
2-Dec-19	EUR	Final Manufacturing PMI	46.9	46.6	46.6
2-Dec-19	GBP	Final Manufacturing PMI	48.9	48.3	48.3
2-Dec-19	EUR	ECB President Lagarde Speaks			
2-Dec-19	USD	ISM Manufacturing PMI	48.1	49.2	48.3
3-Dec-19	AUD	Cash Rate	0.75%	0.75%	0.75%
4-Dec-19	EUR	Final Services PMI		51.5	51.5
4-Dec-19	GBP	Final Services PMI		48.6	48.6
6-Dec-19	USD	Average Hourly Earnings m/m		0.3%	0.2%
6-Dec-19	USD	Non-Farm Employment Change		189K	128K
6-Dec-19	USD	Unemployment Rate		3.6%	3.6%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.58	1.61	1.66	1.83	2.28
Germany	-0.67	-0.63	-0.54	-0.28	0.21
United Kingdom	0.66	0.53	0.54	0.74	1.24
Japan	-0.16	-0.16	-0.14	-0.03	0.43

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	62.72	(0.29)	Dow Jones	27,783.04	(0.96)
Brent	61.04	0.20	Nikkei 225	23,369.16	(0.69)
West Texas	56.15	0.34	S&P 500	3,113.87	(0.86)
Gold	1,461.40	(0.07)	KuwaitSE	6,034.64	0.36

Global Indices

All information has been sourced from Reuters.

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