



Highlights in the Foreign Exchange Market:

- Sales of new US home sales unexpectedly dropped in December for the third straight month. The Commerce Department revealed new home sales slipped 0.4% to an adjusted annual rate of 694,000 units. November's sales pace was revised down to 697,000 from the 719,000 units initially reported. Sales of previously owned homes jumped to near a two-year high in December and housing starts hit a 13-year peak. Though permits for the future construction of single-family housing permits fell in December, it followed seven straight monthly gains. The housing market is being supported by cheaper mortgage rates after the Federal Reserve cut interest rates three times last year. However, prices remain high due to land and labor shortages. The housing sector accounts for about 3.1% of GDP, and has remained constrained by a lack of homes particularly in the lower-priced segment of the market.
- As investor confidence takes a hit due news of the spread of the coronavirus, stock markets across Asia remained under heavy selling pressure. China reported further increase in both the death toll and number of infected people. Shares in South Korea, Singapore, and Australia fell as they returned from holidays. The outbreak causes airlines, resorts, and other companies that rely on travel and tourism to suffer steep losses. Gold prices rose and currently trading at 1,580 – near the all-time high of 1,610. On Wall Street, stocks suffered their largest one-day drop since October. The S&P 500 and Dow Jones Industrial Average both registered approximately a 1.6% drop.

Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0925	1.0970	1.1021	1.1075	1.1125
GBP	1.2960	1.3010	1.3057	1.3110	1.3165
JPY	107.95	108.40	108.98	109.55	109.95
CHF	0.9605	0.9655	0.9704	0.9755	0.9805

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1016	(1.68)	EUR/GBP	0.8438	(0.14)
GBP/USD	1.3053	(1.54)	GBP/JPY	142.16	(0.36)
USD/JPY	108.8900	0.12	EUR/JPY	119.97	(1.49)
USD/CHF	0.9694	0.23	EUR/CHF	1.0681	(1.45)

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1008 level during Monday's trading session and currently trading at 1.1021. EUR/USD Supports are at (1.0875-1.0925) any break below would take the pair down to 1.0770. Short term outlook is Bearish.

GBP/USD: The pair moved down to the 1.3039 level during Monday's trading session and currently trading at 1.3057. GBP/USD Supports are at (1.2960-1.3010) any break below would take the pair down to 1.2775. 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	1.56	1.66	1.80	1.81	1.88
EUR	-0.54	-0.50	-0.42	-0.37	-0.28
GBP	0.67	0.63	0.69	0.75	0.80
CHF	-0.79	-0.76	-0.67	-0.62	-0.49
AUD	0.85	0.95	0.97	0.96	0.97

Economic Events

Date	Country	Event	Actual	Forecast	Previous
24-Jan-20	EUR	ECB President Lagarde Speaks			
27-Jan-20	EUR	German Ifo Business Climate	95.9	97.1	96.3
28-Jan-20	USD	CB Consumer Confidence		128.2	126.5
29-Jan-20	AUD	CPI q/q		0.6%	0.5%
29-Jan-20	USD	FOMC Statement			
29-Jan-20	USD	Federal Funds Rate		<1.75%	<1.75%
30-Jan-20	GBP	BOE Monetary Policy Report			
30-Jan-20	GBP	Official Bank Rate		0.75%	0.75%
30-Jan-20	USD	Advance GDP q/q		2.2%	2.1%
31-Jan-20	CNY	Manufacturing PMI		50.1	50.2

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.52	1.43	1.44	1.61	2.06
Germany	-0.66	-0.63	-0.63	-0.39	0.12
United Kingdom	0.47	0.36	0.33	0.50	1.00
Japan	-0.14	-0.14	-0.14	-0.05	0.37

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	60.97	0.58	Dow Jones	28,535.80	(1.57)
Brent	59.11	(0.35)	Nikkei 225	23,155.07	(0.81)
West Texas	53.04	(0.19)	S&P 500	3,243.63	(1.57)
Gold	1,579.41	(0.14)	KuwaitSE	6,282.76	(0.80)

All information has been sourced from Reuters.

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