

Highlights in the Foreign Exchange Market:

- The US dollar rallied to a 16 month high yesterday as expectations of a December interest rate hike by the Fed increased, while political turmoil continues to pressure Europe. During their last meeting, the Fed reconfirmed their dedication towards higher interest rates amid a robust US economy. The latest Reuters poll has the probability of a 0.25% hike in December at 79%.
- On the other side of the pond, the European Commission is still clashing with Italy on their 2019 budget proposal. Italy is due to present a revised version of their budget later today. With less than five months left until the Brexit deadline, the two sides have yet to come to an agreement. With regards to Brexit, some European officials are still sounding optimistic a deal can be struck in the coming weeks. Nevertheless, markets have grown more skeptical as evident in the FX market. The subdued prices of both the pound and the euro reflect this sentiment.
- Regarding commodities, the renewed strength in the US dollar has seen gold fall for seven straight days. The precious metal has fallen more than 11% from its April peak, with investors moving into the dollar as the US-China trade war unfolded against a backdrop of higher US interest rates. At the same time, oil prices are still under pressure after the US surprisingly granted waivers to both China and India, Iran's two main oil-buying customers. Initially, the notion of Iranian oil supply disappearing from the market ignited an oil rally that spurred talk of triple digit oil prices.

Brent Crude
Year-to-Date



FX
GBP/USD & EUR/USD



Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1145	1.1190	1.1243	1.1300	1.1350
GBP	1.2775	1.2825	1.2875	1.2930	1.2985
JPY	112.95	113.45	114.00	114.55	115.10
CHF	1.0005	1.0055	1.0104	1.0155	1.0205

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1217	(6.26)	EUR/GBP	0.8729	(1.71)
GBP/USD	1.2847	(4.68)	GBP/JPY	146.25	(3.48)
USD/JPY	113.83	1.17	EUR/JPY	127.69	(5.16)
USD/CHF	1.0107	3.66	EUR/CHF	1.1339	(2.81)

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1213 level during Monday's trading session and is currently trading at 1.1243. EUR/USD Support is at (1.1115-1.1145) any break below targets 1.1045. Short term and medium term outlook are Bearish.

USD/JPY: The pair moved up to the 114.20 level during Monday's trading session and is currently trading at 114.00. USD/JPY Support is at (112.75-112.95) any break below targets 111.80. Short term and medium term outlook are neutral.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.31	1.81	2.13	2.38	2.63
USD	2.22	2.31	2.61	2.86	3.13
EUR	-0.45	-0.41	-0.36	-0.33	-0.22
GBP	0.71	0.73	0.88	0.99	1.14
CHF	-0.80	-0.78	-0.75	-0.67	-0.53
AUD	1.75	1.90	2.50	2.45	2.20

Economic Events

Date	Country	Event	Actual	Forecast	Previous
13-Nov-18	GBP	Average Earnings Index 3m/y		3.0%	2.7%
13-Nov-18	GBP	Unemployment Rate		4.0%	4.0%
14-Nov-18	GBP	CPI y/y		2.5%	2.4%
14-Nov-18	USD	CPI m/m		0.3%	0.1%
14-Nov-18	EUR	Flash GDP q/q		0.2%	0.2%
14-Nov-18	AUD	Wage Price Index q/q		0.6%	0.6%
15-Nov-18	USD	Core Retail Sales m/m		0.5%	-0.1%
15-Nov-18	USD	Retail Sales m/m		0.6%	0.1%
15-Nov-18	GBP	Retail Sales m/m		0.1%	-0.8%
16-Nov-18	EUR	ECB President Draghi Speaks			

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.72	2.90	3.02	3.17	3.37
Germany	-0.69	-0.66	-0.20	0.39	1.05
United Kingdom	0.74	0.75	1.03	1.45	1.91
Japan	-0.16	-0.14	-0.09	0.11	0.87

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	68.61	(2.08)	Dow Jones	25,387.18	(2.32)
Brent	68.90	(0.03)	Nikkei 225	21,727.85	(2.43)
West Texas	59.80	(0.17)	S&P 500	2,726.22	(1.97)
Gold	1,204.87	0.36	KuwaitSE	5,103.63	(0.90)

All information has been sourced from Reuters.

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