

#### Highlights in the Foreign Exchange Market:

- Global markets seem to have shrugged off the escalating trade war between the US and China. Equities globally rose amid a sell-off in treasuries sending the US 10-year Treasury to a 4-month high of 3.08%. Economists also attribute the increase in treasury yields as solid economic data. In the US labor market, weekly jobless claims fell to the lowest levels in nearly 49 years totaling 201,000 claims only. Additionally the Philadelphia Federal Reserve Manufacturing index rose to 22.9 in September from August's 11.9 reading. The U.S. dollar had a volatile week reacting to developments in the trade war rhetoric reaching a 2-month low of 93.960. Nevertheless, the market is pricing in a 100% chance of an interest rate hike at next week's Fed meeting.
- Eurozone business activity grew in September at the second-weakest rate since late-2016, according to preliminary PMI survey data, as manufacturing growth was subdued by export orders stagnating for the first time in over five years. The IHS Markit Eurozone PMI fell from 54.5 in August to 54.2 in September, according to the flash reading. The slowdown was driven by weaker growth in the manufacturing sector, where production increased at the slowest rate since May 2016. New orders received by factories showed the joint-weakest rise since February 2015 as new export orders failed to grow for the first time since June 2013.
- On the FX side, the Euro started the week at 1.1623 and kept gaining ground on the subdued dollar amid tensions with the US's trade partners. The single currency gained as much as 1.55% hitting a 3-month high of 1.1803.

EUR/USD  
2 Month Performance



US Dollar Index  
2 Month Performance



#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1550	1.1650	1.1749	1.1850	1.1950
GBP	1.2865	1.2970	1.3075	1.3175	1.3275
JPY	110.40	111.60	112.57	113.55	114.55
CHF	0.9375	0.9480	0.9584	0.9685	0.9790

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1749	(2.06)	EUR/GBP	0.8981	1.13
GBP/USD	1.3076	(3.23)	GBP/JPY	147.17	(3.25)
USD/JPY	112.56	(0.10)	EUR/JPY	132.29	(2.17)
USD/CHF	0.9584	(1.63)	EUR/CHF	1.1261	(3.66)

#### Major Crosses

#### Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1803 level during Friday's trading session and closed for the week at 1.1749 EUR/USD Support is at (1.1500-1.1550) any break below targets 1.1295 Short term outlook is neutral, however medium term outlook remains bearish.

USD/JPY: The pair moved up to the 112.87 level during Friday's trading session and closed for the week at 112.56 USD/JPY Support is at (110.40-111.10) any break below targets 109.80 Short term and medium term outlook remain neutral.

#### Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.06	1.69	1.94	2.19	2.50
USD	2.09	2.22	2.37	2.59	2.91
EUR	-0.43	-0.40	-0.35	-0.32	-0.22
GBP	0.71	0.73	0.80	0.90	1.06
CHF	-0.80	-0.78	-0.73	-0.65	-0.52
AUD	2.30	2.18	2.22	2.30	2.25

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
24-Sep-18	ECB	ECB President Draghi Speaks			
25-Sep-18	JPY	BOJ Gov Kuroda Speaks			
25-Sep-18	USD	CB Consumer Confidence		132.2	133.4
25-Sep-18	NZD	ANZ Business Confidence			-50.3
26-Sep-18	USD	Crude Oil Inventories			-2.1M
26-Sep-18	USD	Federal Funds Rate		<2.25%	<2.0%
26-Sep-18	USD	FOMC Press Conference			
27-Sep-18	USD	Core Durable Goods Orders m/m		0.4%	0.1%
27-Sep-18	USD	Final GDP q/q		4.2%	4.2%
27-Sep-18	CAD	BOC Gov Poloz Speaks			

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.56	2.80	2.95	3.06	3.20
Germany	-0.65	-0.56	-0.17	0.46	1.12
United Kingdom	0.73	0.79	1.14	1.55	1.90
Japan	-0.12	-0.11	-0.06	0.12	0.88

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	77.24	(0.57)	Dow Jones	26,743.50	0.32
Brent	79.34	(0.03)	Nikkei 225	23,869.93	0.82
West Texas	70.75	(0.14)	S&P 500	2,929.67	(0.04)
Gold	1,199.09	(0.64)	KuwaitSE	5,147.66	(0.90)

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).