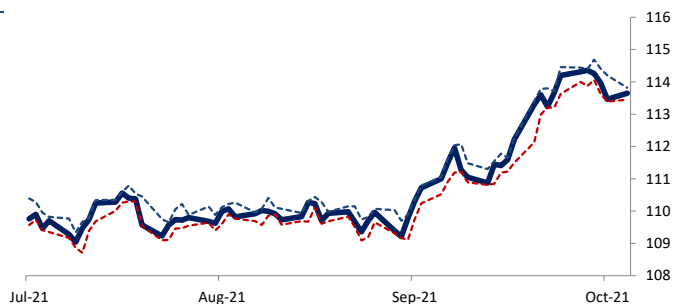


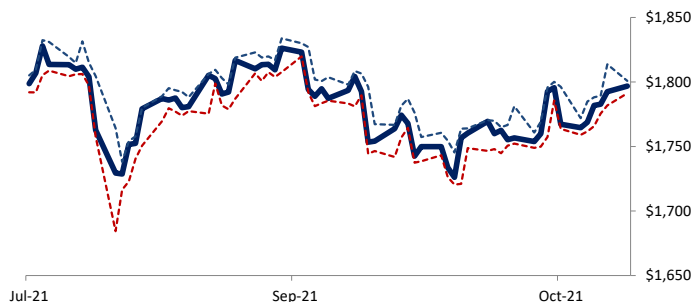
#### Key Market Highlights

- Starting off the week, Asian stocks and US futures are trading steady as traders weigh inflation risks, China's outlook, and rising energy costs. S&P 500 and Nasdaq 100 futures fluctuated while the 10-year US Treasury yield edged higher. The euro and sterling are trading steadily near the 1.1650 and 1.3760 levels respectively, while the USD/JPY pair edged lower to 113.6 after rising to a 3-year high of 114.69 last week.
- On Friday, US Federal Reserve Chair Jerome Powell voiced concern regarding persistently high inflation. He made clear that the Fed would begin tapering its bond purchases shortly, but will remain patient when it comes to raising interest rates. Powell said, "The risks are clearly now to longer and more persistent bottlenecks, and thus to higher inflation." Next week, the Federal Open Market Committee are expected to announce the start of winding down the bond-buying program. Powell added, "I would say our policy is well-positioned to manage a range of plausible outcomes...I do think it's time to taper and I don't think it's time to raise rates."
- US annual inflation has remained above 5% for the past five months, reaching a 13-year high of 5.4% in September. Amid unfavorable news on the topic of inflation, the timeline for expected rate increases has been pulled forward in money markets.
- Looking at commodities, energy prices remain supported with crude oil extending its rally. Meanwhile, the safe-haven metal Gold advanced towards \$1,800 an ounce. In crypto, Bitcoin was last seen trading around \$62,000.

USD/JPY  
3-Month Performance



Gold  
3-Month Performance



#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1555	1.1605	<b>1.1658</b>	1.1710	1.1760
GBP	1.3680	1.3730	<b>1.3780</b>	1.3835	1.3885
JPY	112.65	113.15	<b>113.65</b>	114.15	114.60
CHF	0.9055	0.9105	<b>0.9154</b>	0.9205	0.9255

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1647	(4.64)	EUR/GBP	0.8464	(5.34)
GBP/USD	1.3751	0.67	GBP/JPY	156.15	(1.36)
USD/JPY	113.4600	(0.16)	EUR/JPY	132.17	(1.29)
USD/CHF	0.9158	(3.59)	EUR/CHF	1.0666	(1.17)

#### Major Crosses

#### Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1655 level during Friday's trading session and currently trading at 1.1658. EUR/USD Resistance levels are at (1.1710-1.1760) any break above would take the pair up to 1.1880. Short term outlook is Bullish.

GBP/USD: The pair moved down to the 1.3734 level during Friday's trading session and currently trading at 1.3780. GBP/USD Resistance levels are at (1.3835-1.3855) any break above would take the pair up to 1.3950 Short term outlook is Bullish.

#### Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	0.88	1.25	1.50	1.75	2.00
USD	0.08	0.09	0.12	0.17	0.32
EUR	-0.58	-0.57	-0.56	-0.54	-0.48
GBP	0.04	0.12	0.20	0.41	0.72
CHF	-0.81	-0.79	-0.77	-0.71	-0.56
AUD	-0.15	0.01	0.09	0.12	0.33

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
22-Oct-21	EUR	German Flash Manufacturing PMI	58.20	56.50	58.40
22-Oct-21	EUR	German Flash Services PMI	52.40	55.20	56.20
27-Oct-21	CAD	BOC Monetary Policy Report			
27-Oct-21	CAD	Overnight Rate		0.25%	0.25%
28-Oct-21	JPY	BOJ Outlook Report			
28-Oct-21	EUR	Monetary Policy Statement			
28-Oct-21	EUR	ECB Press Conference			
28-Oct-21	USD	Advance GDP q/q		2.60%	6.70%
29-Oct-21	CAD	GDP m/m		0.70%	-0.10%
29-Oct-21	USD	Core PCE Price Index m/m		0.20%	0.30%

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	0.10	0.46	1.21	1.65	2.09
Germany	-0.70	-0.65	-0.43	-0.11	0.24
United Kingdom	0.55	0.66	0.84	1.16	1.37
Japan	-0.12	-0.12	-0.07	0.10	0.70

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	85.42	0.87	Dow Jones	35,677.02	0.21
Brent	85.49	0.02	Nikkei 225	28,600.41	(0.71)
West Texas	84.78	0.59	S&P 500	4,544.90	(0.11)
Gold	1,796.97	0.25	KuwaitSE	6,987.06	(0.12)

#### Global Indices

This Treasury Newsletter is a publication of the National Bank of Kuwait ("NBK"). Although the information in this document has been prepared in good faith and from sources which we believe to be reliable, we do not represent or warrant its accuracy and such information may not necessarily represent the actual market data. NBK accepts no liability whatsoever for any loss or damage arising from the use of this document or reliance on the information contained herein. NBK will not be responsible for the consequence of reliance upon any opinion or statement contained herein. For further information or discussion, please contact the Treasury Services Desk on TSD\_LIST@NBK.COM or +965 2221 6603 (FAX +965 2229 1441).