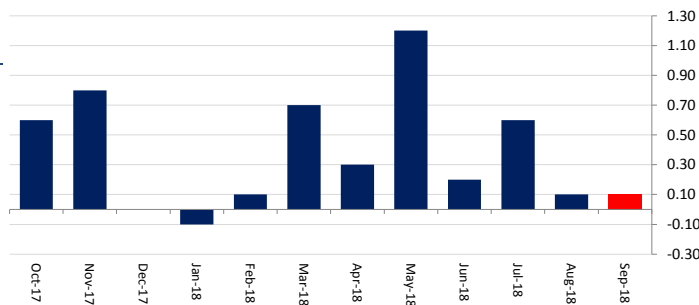


Highlights in the Foreign Exchange Market:

- US retail sales disappointed to the downside for the month of September as headline sales edged up by 0.1% m/m versus an expected forecast of 0.6%. The latest figure matched August's surprisingly soft 0.1% rise, which was the weakest expansion for the gauge in six months. The main factor that attributed to the frail reading was from the biggest drop in spending at restaurants and bars in nearly two years. Transactions at restaurants and drinking establishments fell by -1.8% m/m, compared to a monthly average rate of 0.8% over the past year. Despite weaker than expected sales, core sales expanded 0.5% m/m, higher than the 0.4% anticipated by economists.
- Looking at retailers in the UK, sales dropped more than expected to -0.8% in September. After the relative strong retail sales in the previous two months, a drop back was somewhat anticipated. Even though the extent of this fall was greater than projected, it is not outside the normal range. A 1.5% decline on a monthly basis in food store sales accounted for nearly the entire decline in total sales. Over the quarter, sales growth has decelerated to 1.2% in Q3, from 2.0% seen in Q2. Looking at fundamentals, an inflated wage growth figure seen last week and falling consumer prices are good news for British shoppers and sellers. If real incomes remain robust, then consumption and overall GDP growth may pick up. On the monetary front, the absence of domestically generated price growth advocates that there is little need for monetary tightening and uncertainty still looms over the economy due to Brexit outcome scenarios.
- The Sterling Pound began last week's session on a strong footing, reinforced by robust wages, which came near a decade high. After rising to a 4-day high of 1.3235 on Tuesday, GBPUSD lost its momentum as consumer inflation came below expectations. The pound was also pressured down on undesirable Brexit news. Unsuccessful British tactics to secure a Brexit deal ahead of a key European Union summit strengthened global investors' preference for safe haven currencies. The pound closed the week lower at 1.3069.

US Retail Sales
1-Year Performance



GBP/USD
2-Month Performance

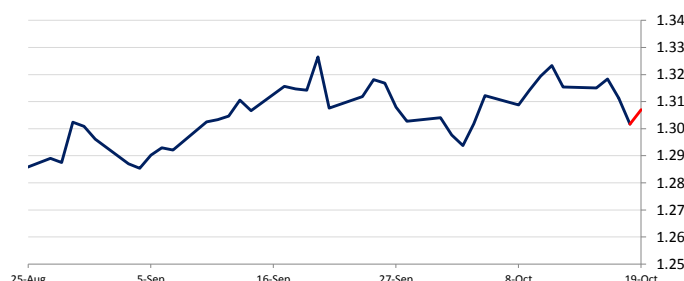


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1330	1.1430	1.1513	1.1620	1.1720
GBP	1.2890	1.2980	1.3070	1.3180	1.3290
JPY	110.80	111.60	112.54	113.30	114.20
CHF	0.9770	0.9860	0.9963	1.0040	1.0120

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1513	(4.05)	EUR/GBP	0.8806	(0.87)
GBP/USD	1.3070	(3.25)	GBP/JPY	147.03	(3.34)
USD/JPY	112.54	(0.12)	EUR/JPY	129.56	(4.16)
USD/CHF	0.9963	2.26	EUR/CHF	1.1467	(1.90)

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1535 level during Friday's trading session and closed for the week at 1.1513. EUR/USD Support is at (1.1330-1.1430) any break below targets 1.1180. Short term outlook is neutral, however medium term outlook remains bearish.

USD/JPY: The pair moved up to the 112.64 level during Friday's trading session and closed for the week at 112.54. USD/JPY Support is at (110.80-111.60) any break below targets 109.80. Short term and medium term outlook are neutral.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.19	1.75	2.06	2.31	2.56
USD	2.21	2.28	2.48	2.72	3.02
EUR	-0.44	-0.41	-0.35	-0.33	-0.21
GBP	0.71	0.73	0.80	0.91	1.07
CHF	-0.80	-0.78	-0.75	-0.67	-0.54
AUD	1.80	1.97	2.37	2.37	2.30

Economic Events

Date	Country	Event	Actual	Forecast	Previous
23-Oct-18	GBP	BOE Gov Carney Speaks			
24-Oct-18	CAD	BOC Monetary Policy Report			
24-Oct-18	CAD	BOC Rate Statement			
24-Oct-18	CAD	Overnight Rate		1.75%	1.50%
24-Oct-18	CAD	BOC Press Conference			
25-Oct-18	EUR	Main Refinancing Rate		0.0%	0.0%
25-Oct-18	EUR	ECB Press Conference			
25-Oct-18	USD	Core Durable Goods Orders m/m		0.3%	0.0%
26-Oct-18	USD	Advance GDP q/q		3.3%	1.2%
26-Oct-18	EUR	ECB President Draghi Speaks			

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.66	2.90	3.05	3.19	3.38
Germany	-0.69	-0.64	-0.16	0.44	1.07
United Kingdom	0.76	0.79	1.14	1.58	1.97
Japan	-0.14	-0.12	-0.06	0.14	0.91

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	78.18	(0.03)	Dow Jones	25,444.34	0.26
Brent	81.17	(0.02)	Nikkei 225	22,532.08	(0.56)
West Texas	69.11	(0.14)	S&P 500	2,767.78	(0.04)
Gold	1,225.86	0.07	KuwaitSE	5,004.00	(0.90)

All information has been sourced from Reuters.

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