

Highlights in the Foreign Exchange Market:

- US stock markets performed poorly on Tuesday and ended the session deep in negative territory. Trade tensions show no sign of exhaustion, concerns about global growth, mixed earnings, Italy's latest budget standoff with the EU and rising interest expenses in the US are the factors weighing on the equity market. As such, demand for safety assets intensified. The US dollar traded in a weaker manner yesterday pulled down by a decline in Treasury yields as the recent risk aversion drove investors to safe haven government bonds. The 10-year Treasury yield fell to a three-week low of 3.111%. The safe haven Japanese yen and Swiss franc were among the best performers yesterday.
- Donald Trump attacked the Fed yet once again as the US dollar continued to gain momentum for the last two weeks. It seems to be a habit of the President to comment on the Fed in a negative manner in an attempt to influence the monetary policy. In a comment to the Wall Street Journal the President said he "maybe" regrets appointing Jerome Powell as the Fed's chairman. He added that the Fed is the "biggest risk" to the US economy.
- The Canadian dollar appreciated slightly this morning despite a fall in oil prices. The CAD has been supported by expectations of an interest rate hike by the Bank of Canada later in the day. The central bank, which sees Canada's economy operating near capacity, has hiked four times since July 2017 to leave its key policy rate at 1.50%. A Reuters poll sees a 94% chance of a 25bps rise to the benchmark interest rate.

Dollar Index
YTD Performance



US 10-Year Treasury Yield
YTD Performance



Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1370	1.1430	1.1472	1.1515	1.1570
GBP	1.2870	1.2935	1.2987	1.3045	1.3090
JPY	111.60	112.05	112.58	112.90	113.30
CHF	0.9860	0.9910	0.9949	0.9985	1.0040

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1471	-4.47	EUR/GBP	0.8836	0.56
GBP/USD	1.2983	-3.90	GBP/JPY	145.99	4.07
USD/JPY	112.44	0.04	EUR/JPY	128.99	4.72
USD/CHF	0.9949	-2.07	EUR/CHF	1.14	2.56

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1493 level during Tuesday's trading session and currently trading at 1.1472. EUR/USD Support is at (1.1370-1.1430) any break below targets 1.1297. Short term and medium term outlook are bearish.

USD/JPY: The pair moved down to the 111.93 level during Tuesday's trading session and currently trading at 112.58. USD/JPY Support is at (111.60-112.05) any break below targets 111.05. Short term and medium term outlook are neutral.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	0.00	1.81	2.06	2.38	2.63
USD	2.21	2.29	2.49	2.73	3.03
EUR	-0.44	-0.41	-0.35	-0.32	-0.21
GBP	0.71	0.72	0.80	0.91	1.07
CHF	-0.80	-0.78	-0.74	-0.66	-0.53
AUD	2.78	2.87	2.96	3.06	3.34

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	2-Year	3-Year	5-Year	10-Year	30-Year
United States	2.89	2.95	3.00	3.16	3.36
Germany	-0.62	-0.50	-0.17	0.41	1.02
United Kingdom	0.73	0.75	1.05	1.47	1.87
Japan	-0.12	-0.12	-0.07	0.13	0.89

Commodities

Index	Last Price	1D % Change	Index	Last Price	1D % Change
Kuwait Oil	76.24	-2.09	Dow Jones	25,191.43	-0.50
Brent	76.72	0.37	Nikkei 225	22,108.71	0.44
West Texas	66.58	0.23	S&P 500	2,740.69	-0.55
Gold	1,232.00	0.14	KuwaitSE	4,693.25	-0.08

All information has been sourced from Bloomberg

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