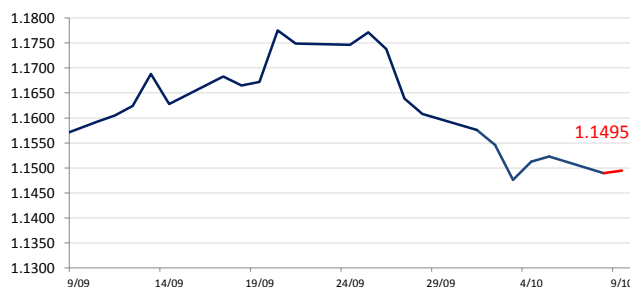


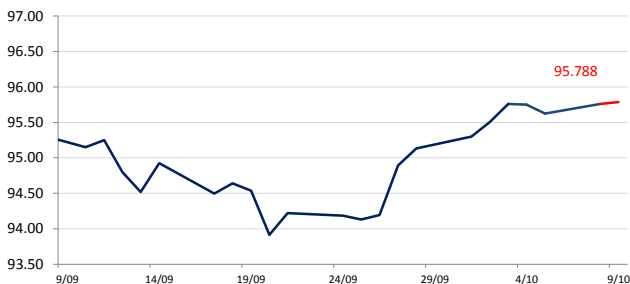
#### Highlights in the Foreign Exchange Market:

- If Beijing does not produce a detailed list of concessions, Donald Trump will not engage in trade talks with Xi Jinping at next month's G20 summit, warned US officials. The Chinese are saying that they do have such a list, but they are not willing to produce it without a guarantee that it will be received in a stable political environment in Washington. They are demanding a point person with a mandate to negotiate on behalf of the Trump administration. Earlier in August, Chinese negotiators mentioned a possibility of an agreement on around a third of the demands in a relatively quick manner, and willingness to engage in discussions on another third. They added that the remaining third were off limits due to concerns of national security. Chinese officials were prepared to present a detailed response at a fifth round of trade talks last month, but those discussions were cancelled after Trump added tariffs on more than half of all Chinese exports to the US. Officials now are saying that they need China's response well in advance of the G20 summit in order to pave the way for substantive trade discussions between the two leaders.
- The Italian populist coalition government has planned to run a deficit of 2.4% of GDP next year, which more than triples the previous government's target, and 2.2% in 2020. The budget plans must be submitted to Brussels by mid-October, and is viewed by many as drastically high. The European Commission has warned Italy's government that the budget plans for next year will break Eurozone spending rules as the confrontation between Rome and Brussels intensifies. Italy's 10-year government bond jumped 16 basis points, ending the session at 3.57%. The Euro suffered last week on the backdrop of strong US economic data along with rising political tensions, currently trading at around 1.1494.
- US Treasury yields continued their upward creep in Asia's trading session this morning. The yield on the 10-year US Treasury was up 1 basis point to 3.244% after it rose as much as 2bp reaching a 7 and a half year high, with an increase of 80bp from the beginning of 2018. Those moves came amid rising concerns over Italy's fiscal problems and followed a sharp rise in the 10-year Treasury yield late last week.

EUR/USD  
1-Month Performance



US Dollar Index  
1-Month Performance



#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1405	1.1455	1.1502	1.1550	1.1605
GBP	1.3000	1.3050	1.3102	1.3155	1.3205
JPY	112.00	112.55	113.05	113.60	114.10
CHF	0.9820	0.9860	0.9920	0.9975	1.0020

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1490	(4.34)	EUR/GBP	0.8775	(1.26)
GBP/USD	1.3088	(3.20)	GBP/JPY	148.23	(2.68)
USD/JPY	113.23	0.44	EUR/JPY	130.10	(3.91)
USD/CHF	0.9925	1.98	EUR/CHF	1.1404	(2.45)

#### Major Crosses

#### Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1457 level during Monday's trading session and currently trading at 1.1502 EUR/USD Support is at (1.1405-1.1455) any break below targets 1.1295 Short term outlook and medium term outlook remains neutral.

USD/JPY: The pair moved down to the 112.81 level during Monday's trading session and currently trading at 113.05 USD/JPY Support is at (112.00-112.25) any break below targets 111.15 Short term and medium term outlook are bearish .

#### Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.19	1.69	2.00	2.31	2.56
USD	2.21	2.28	2.41	2.62	2.96
EUR	-0.44	-0.42	-0.36	-0.31	-0.22
GBP	0.71	0.72	0.80	0.90	1.09
CHF	-0.80	-0.78	-0.74	-0.66	-0.53
AUD	1.87	1.99	2.29	2.27	2.16

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
10-Oct-18	USD	FOMC Member Williams Speaks			
10-Oct-18	GBP	GDP m/m		0.1%	0.3%
10-Oct-18	GBP	Manufacturing Production m/m		0.1%	-0.2%
10-Oct-18	USD	PPI m/m		0.2%	-0.1%
11-Oct-18	USD	FOMC Member Bostic Speaks			
11-Oct-18	JPY	PPI y/y		2.9%	3.0%
11-Oct-18	GBP	MPC Member Vlieghe Speaks			
11-Oct-18	USD	CPI m/m		0.2%	0.2%
11-Oct-18	USD	Crude Oil Inventories			8.0M
12-Oct-18	CNY	Trade Balance			180B

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.60	2.88	3.08	3.25	3.43
Germany	-0.63	-0.57	-0.10	0.55	1.17
United Kingdom	0.78	0.87	1.25	1.68	2.00
Japan	-0.14	-0.13	-0.07	0.15	0.94

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	82.65	1.67	Dow Jones	26,486.78	0.15
Brent	84.56	(0.02)	Nikkei 225	23,469.39	(1.32)
West Texas	74.22	(0.13)	S&P 500	2,884.43	(0.04)
Gold	1,189.61	0.17	KuwaitSE	5,101.85	(0.90)

#### Global Indices

All information has been sourced from Reuters.

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