

Highlights in the Foreign Exchange Market:

- In Japan, Prime Minister Shinzo Abe had a landslide election victory for the third term. This win sent the yen down against the dollar as the path is paved for continuation of loose monetary policy. Subsequently, Japanese equities went soaring as Nikkei index increased by 1.19 percent at 21,711.06 during midmorning trade.
- In the UK, Theresa May's battle to get her Brexit legislation through Parliament hit a new obstacle as the Labour Party threatened to unite with Tory rebels, eclipsing the small victory she brought home from a summit of European leaders. The prime minister returned home after a constructive meeting with the EU in Brussels which may lead to a breakthrough in Brexit talks by year-end. However, she needs to convince her cabinet to let her pay the EU the bigger divorce bill.
- On the currency front, the dollar index is up by 0.06 percent for the day fueled by political uncertainty looming the Brexit situation, expectation of a continued monetary easing policy in Japan and the expectation of US tax reforms. The 10-year Treasury yield approached 2.40 percent on optimism US President Donald Trump is close to pulling off a tax overhaul and may soon select the next Federal Reserve chief.

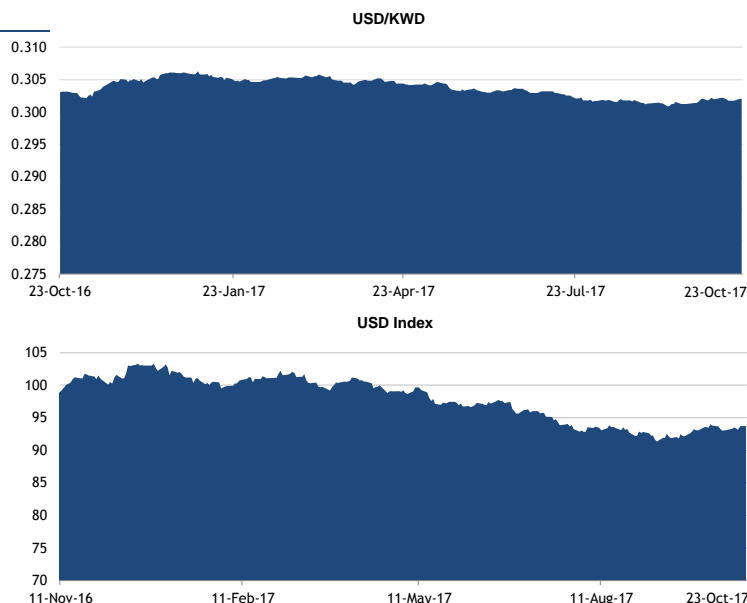


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1575	1.1665	1.1770	1.1820	1.1915
GBP	1.3080	1.3155	1.3200	1.3235	1.3310
JPY	112.30	113.10	113.68	114.05	114.80
CHF	0.9680	0.9780	0.9840	0.9880	0.9945

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1785	12.01	EUR/GBP	0.8932	4.57
GBP/USD	1.3187	7.16	GBP/JPY	149.62	4.34
USD/JPY	113.50	(2.74)	EUR/JPY	133.71	8.71
USD/CHF	0.9841	(3.40)	EUR/CHF	1.1596	8.05

Major Crosses

Brief Technical Commentary

Euro is pressured lower and further decline is likely. Short term outlook might have some consolidation around current levels above 1.1760 but Medium term outlook remains bearish. Next big support is 1.1665 which needs to break to resume the downtrend move. On the upside a break of 1.1820 would turn the pair to neutral.

USDJPY is pushing higher, inline with general strength in USD across the board. However, medium term outlook is neutral. A break above 114.80 would turn the outlook to a bullish case. On the downside, a break below 112.30 would turn the outlook to negative.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.25	1.56	1.81	2.00	2.31
USD	1.20	1.24	1.36	1.55	1.83
EUR	-0.42	-0.41	-0.38	-0.31	-0.22
GBP	0.23	0.31	0.39	0.53	0.74
CHF	-0.79	-0.78	-0.73	-0.65	-0.52
AUD	2.78	2.86	2.95	3.05	3.33

Economic Events

Date	Country	Event	Actual	Forecast	Previous
24-Oct-17	JPY	Flash Manufacturing PMI		53.1	52.9
24-Oct-17	EUR	Flash Manufacturing PMI		57.9	58.1
24-Oct-17	EUR	Flash Services PMI		55.7	55.8
25-Oct-17	GBP	Prelim GDP q/q		0.3%	0.3%
25-Oct-17	USD	Core Durable Goods Orders m/m		0.5%	0.5%
25-Oct-17	USD	New Home Sales		556K	560K
26-Oct-17	EUR	Minimum Bid Rate		0.00%	0.00%
27-Oct-17	JPY	National Core CPI y/y		0.7%	0.7%
27-Oct-17	USD	Advance GDP q/q		2.7%	3.1%
27-Oct-17	USD	Advance GDP Price Index q/q		1.8%	1.0%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.40	1.58	2.02	2.38	2.89
Germany	-0.77	-0.73	-0.29	0.45	1.25
United Kingdom	0.39	0.44	0.77	1.32	1.90
Japan	-0.16	-0.14	-0.09	0.06	0.88

Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	55.19	2.28	Dow Jones	23,328.63	165.59
Brent	58.38	(0.03)	Nikkei 225	21,702.43	244.42
West Texas	51.58	(0.19)	S&P 500	2,575.21	13.11
Gold	1,276.80	(0.29)	KuwaitSE	6,650.06	16.99

All information has been sourced from Reuters

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