

Highlights in the Foreign Exchange Market:

- Nuclear tensions continued to develop around North Korea, with the US conducting night drills in a show of force that involved South Korea and Japan. The drills included two strategic bombers that flew over the Korean Peninsula yesterday. This comes after revelations that North Korean hackers stole US and South Korean documents, including ones of wartime operational plans as well as a plan to wipe out the North Korean leadership. The Japanese yen appreciated against the dollar, with the USDJPY pair reaching a monthly low of 111.98 during trading yesterday. Meanwhile, gold reached a month high of \$1,294.25.
- In the UK, output in the industrial sector improved for a third straight month in August, with a much better than expected improvement in manufacturing pushing growth to its highest level since February. Manufacturing production increased at a level of 0.4% m/m versus a market expectation of 0.2%. Furthermore, overall industrial production increased 1.6% y/y, twice as fast as the 0.8% rate predicted by analysts. Meanwhile, the UK's total trade balance deficit widened by 2.9 billion pounds to 10.8b while the total goods and services deficit widened by 6.2b to 13.2b.
- Germany saw its largest export growth in 12 months, with the trade surplus widening to 21.6 billion euros as exports outpaced imports, defying a strong euro. Based on provisional data, the Federal Statistical Office also reported that German exports and imports increased by 7.2% and 8.5% y/y respectively in August. Compared with July 2017, exports increased by 3.1% and imports by 1.2% in calendar and seasonally adjusted terms. The figures suggest that the German economy, the euro zone's growth engine, is set for a solid expansion in the third quarter despite uncertainties about the make-up of the next government following national elections last month. The euro reached an October high of 1.1827 as it appreciated against the US dollar.

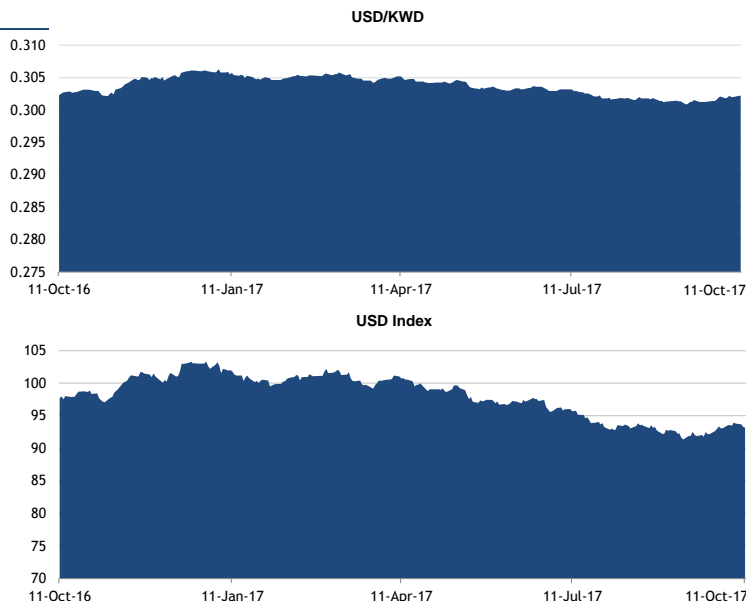


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1710	1.1765	1.1816	1.1865	1.1915
GBP	1.3100	1.3150	1.3197	1.3255	1.3300
JPY	111.50	111.95	112.45	112.95	113.45
CHF	0.9655	0.9705	0.9757	0.9810	0.9860

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1806	12.42	EUR/GBP	0.8940	5.18
GBP/USD	1.3202	6.92	GBP/JPY	148.44	2.90
USD/JPY	112.44	(3.87)	EUR/JPY	132.76	7.84
USD/CHF	0.9749	(4.21)	EUR/CHF	1.1513	7.52

Major Crosses

Brief Technical Commentary

The EUR/USD pair moved up to the 1.1825 level during Tuesday's trading session and currently sets at 1.1816 EUR Support is at (1.1665-1.1710) any break below targets 1.1580 level The pair is currently Bearish.

The USD/JPY pair moved down to the 111.98 level during Tuesday's trading session and currently sets at 112.45 USD/JPY Resistance is at (113.45-113.75) any break above targets 115.50 The pair is currently Bullish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.25	1.56	1.81	2.06	2.38
USD	1.21	1.24	1.36	1.52	1.81
EUR	-0.42	-0.40	-0.38	-0.31	-0.22
GBP	0.24	0.28	0.36	0.52	0.74
CHF	-0.79	-0.78	-0.73	-0.65	-0.51
AUD	1.71	1.69	1.96	2.06	2.20

Economic Events

Date	Country	Event	Actual	Forecast	Previous
10-Oct-17	GBP	Manufacturing Production m/m	0.4%	0.2%	0.4%
10-Oct-17	USD	FOMC Kashkari Speaks	-	-	-
11-Oct-17	USD	JOLTS Job Openings	-	6.06M	6.17M
11-Oct-17	USD	FOMC Meeting Minutes	-	-	-
12-Oct-17	USD	PPI m/m	-	0.4%	0.2%
12-Oct-17	EUR	ECB President Draghi Speaks	-	-	-
12-Oct-17	USD	FOMC Member Powell Speaks	-	-	-
13-Oct-17	USD	CPI m/m	-	0.6%	0.4%
13-Oct-17	USD	Core CPI m/m	-	0.2%	0.2%
13-Oct-17	USD	Retail Sales m/m	-	1.5%	-0.2%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.37	1.52	1.96	2.36	2.89
Germany	-0.75	-0.70	-0.26	0.46	1.24
United Kingdom	0.41	0.42	0.77	1.36	1.95
Japan	-0.16	-0.15	-0.10	0.06	0.87

Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	53.76	0.52	Dow Jones	22,830.68	69.61
Brent	56.41	(0.04)	Nikkei 225	20,881.27	57.76
West Texas	50.88	(0.20)	S&P 500	2,550.64	5.91
Gold	1,289.48	0.10	KuwaitSE	6,615.96	2.74

All information has been sourced from Reuters

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