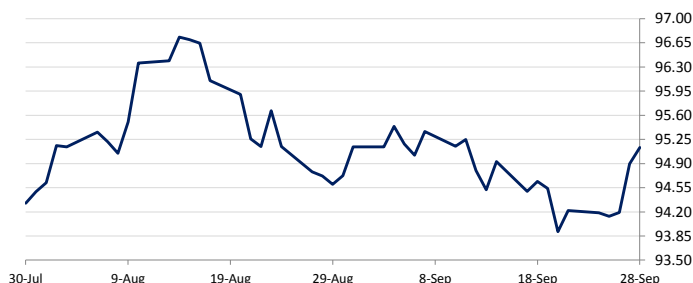


Highlights in the Foreign Exchange Market:

- The US central bank took center stage last week as it raised interest rates for the eighth time since the Fed began normalizing policy in December 2015. The Federal Reserve raised rates by another 25 basis points on Wednesday, lifting the upper target for its key rate to 2.25%. Despite ongoing escalation by the Trump administration, the Fed made no reference to trade worries in its post-meeting statement. On the contrary, the Fed asserted its expectations that the US economy will grow by more than 3% this year, citing an uplift in business activity and solid job gains. The rate hike, which the market was expecting, came as no surprise. Neither did Trump's criticism. In the past, Trump has made it known that he is not a fan of the ongoing rate hikes implemented by the Federal Reserve and has publicly voiced his disapproval on numerous occasions.
- The Euro fell below 1.1600 for the first time in two weeks after Italy's government agreed on a budget seen by some investors as defying Brussels. Italy's populist coalition followed through with campaign promises as they emerged victorious in a tense stand-off with Giovanni Tria, Italy's economy minister. The country's new budget will aim for a deficit of 2.4% of GDP, a number far higher than the target of the economy minister, and one that risks putting Rome on a collision course with Brussels and unnerving financial markets. Turbulence in Italy along with weaker than expected inflation data were enough to drive the Euro down as is currently trading around the 1.1612 level. On the other hand, the dollar proceeded to rise sharply, setting an 8-month high against the Japanese yen.
- As oil prices broke \$80 for the first time in 4 years, Trump took aim at OPEC as he spoke in front of the UN General Assembly on Tuesday. Trump told the UN that OPEC members were "as usual ripping off the rest of the world" and that the US was "not going to put up with these horrible prices much longer". Trump's rhetoric has added fuel to the so called NOPEC bill. This piece of legislation, if passed, would effectively open up OPEC to antitrust lawsuits by the US Government.

US Dollar Index
2 Month Performance



EUR/USD
1 Month Performance

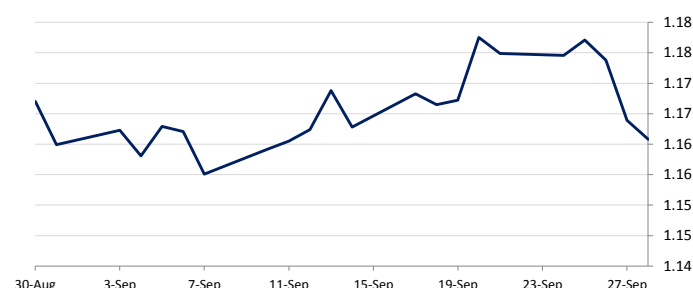


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1385	1.1520	1.1607	1.1740	1.1815
GBP	1.2785	1.2895	1.3029	1.3160	1.3220
JPY	111.65	112.55	113.68	114.70	115.50
CHF	0.9640	0.9735	0.9819	0.9920	1.0010

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1608	(3.24)	EUR/GBP	0.8908	0.26
GBP/USD	1.3028	(3.57)	GBP/JPY	148.09	(2.64)
USD/JPY	113.68	0.90	EUR/JPY	131.91	(2.42)
USD/CHF	0.9819	0.78	EUR/CHF	1.1391	(2.55)

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1566 level during Friday's trading session and closed the week at 1.1607. EUR/USD Support is at (1.1385-1.1520) any break below targets 1.1297. The pair is currently bearish.

USD/JPY: The pair moved up to the 113.70 level during Friday's trading session and closed the week at 113.68. USD/JPY Support is at (111.65-112.55) any break below targets 110.85. Short term and medium term outlook remain neutral.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.13	1.69	2.00	2.25	2.56
USD	2.20	2.26	2.40	2.60	2.92
EUR	-0.43	-0.40	-0.35	-0.31	-0.21
GBP	0.71	0.72	0.80	0.90	1.06
CHF	-0.80	-0.78	-0.74	-0.66	-0.52
AUD	1.95	2.08	2.30	2.30	2.20

Economic Events

Date	Country	Event	Actual	Forecast	Previous
30-Sep-18	USD	FOMC Member Williams Speech			
1-Oct-18	EUR	Retail Sales MoM		0.4%	-0.4%
1-Oct-18	EUR	Markit Manufacturing PMI		53.3	53.3
1-Oct-18	EUR	Unemployment Rate		8.2%	8.2%
2-Oct-18	AUD	RBA Rate Statement			
2-Oct-18	AUD	RBA Interest Rate Decision		1.5%	1.5%
2-Oct-18	USD	Fed's Powell Speech			
5-Oct-18	USD	Nonfarm Payrolls		188K	201K
5-Oct-18	USD	Average Hourly Earnings		3.0%	2.9%
5-Oct-18	CAD	Unemployment Rate		5.9%	6.0%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.56	2.82	2.95	3.06	3.21
Germany	-0.65	-0.56	-0.14	0.47	1.08
United Kingdom	0.78	0.81	1.16	1.57	1.91
Japan	-0.13	-0.12	-0.07	0.12	0.90

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	82.71	0.68	Dow Jones	26,458.31	0.07
Brent	83.21	(0.02)	Nikkei 225	24,120.04	1.36
West Texas	73.11	(0.14)	S&P 500	2,913.98	(0.00)
Gold	1,191.69	0.78	KuwaitSE	5,138.52	(0.90)

All information has been sourced from Reuters.

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For further information or discussion, please contact the Treasury Services Desk on TSD_LIST@NBK.COM or +965 2221 6603 (TELEX : 46811 - FAX +965 2241 9720).