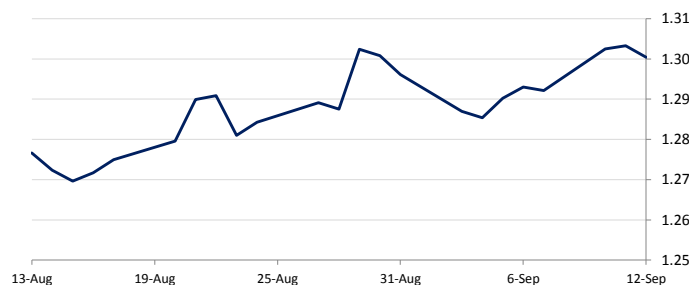


Highlights in the Foreign Exchange Market:

- The US-China trade war shows no signs of ending soon as China turns to the World Trade Organization for permission to retaliate against the US. On September 21, China will request retaliation against \$7 billion of US goods on the grounds of "illegal US actions". Trump has authorized tariffs on \$200 billion worth of Chinese goods, which amounts to half of Beijing's total annual exports to the US. As of today, Trump has threatened tariffs on another \$267 billion in products, which if implemented would amount to all of China's exports to the US, sparking a sharp escalation in the trade war.
- Expectations for two US interest rate hikes this year are stronger than ever following last week's data which revealed wages growing at their fastest pace in nine years. The probability of a hike rose to 81.6% on Tuesday, up from 69.2% on Monday before the data release. As trade issues remain the focus of attention, the US dollar rose higher, currently at around the 95.186 level.
- Economic growth in Britain surprised to the upside in the three months to July and the 0.6% quarterly figure was the best reading in almost a year. The latest GDP number is far from reassuring markets that UK's economy has recovered from Brexit uncertainties. Once again the dominant service sector supported the upward momentum in GDP, while the industrial sector fell back from the higher previous readings. Services industries grew by 0.6% in the three months to July, while retail trade grew by 2.1% and wholesale trade by 1.6%. On the other hand, annualized growth in industrial production eased to 0.9% from 1.1%. Similarly, manufacturing output progress shrank to 1.1% from 1.5%. The improvement in GDP backs the BoE's case that the weak readings in Q1 was due to harsh weather conditions. Some businesses are still suspending investment plans as the terms on which Britain leaves the EU on March 29 continue to remain blurred, posing the risk of disruption to existing trade activities. Mark Carney has agreed to remain BoE's governor until the end of January 2020, providing support during the Brexit transition.

GBP/USD
1 Month Performance



UK GDP %
3-Month Performance

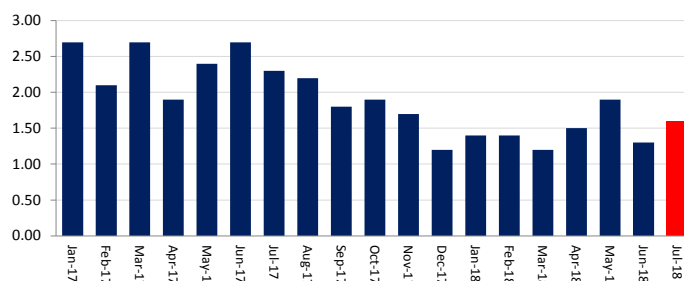


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1475	1.1525	1.1587	1.1635	1.1690
GBP	1.2895	1.2960	1.3007	1.3085	1.3130
JPY	110.40	111.00	111.51	112.15	112.60
CHF	0.9640	0.9690	0.9741	0.9795	0.9845

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1605	(3.45)	EUR/GBP	0.8903	0.24
GBP/USD	1.3033	(3.77)	GBP/JPY	145.47	(4.65)
USD/JPY	111.62	(1.03)	EUR/JPY	129.53	(4.45)
USD/CHF	0.9720	(0.10)	EUR/CHF	1.1282	(3.54)

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1643 level during Tuesday's trading session and currently trading at 1.1587 EUR/USD Support is at (1.1455-1.1475) any break below targets 1.1295 Short term outlook is neutral, however medium term outlook remains bearish.

USD/JPY: The pair moved up to the 111.64 level during Tuesday's trading session and currently trading at 111.51 USD/JPY Support is at (110.40-110.70) any break below targets 109.70 Short term and medium term outlook are 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	1.96	2.15	2.33	2.56	2.87
EUR	-0.42	-0.40	-0.36	-0.32	-0.22
GBP	0.71	0.73	0.80	0.90	1.05
CHF	-0.79	-0.78	-0.73	-0.65	-0.52
AUD	1.82	2.00	1.99	2.22	2.26

Economic Events

Date	Country	Event	Actual	Forecast	Previous
10-Sep-18	GBP	GDP m/m	0.3%	0.2%	0.1%
10-Sep-18	GBP	Manufacturing Production m/m	-0.2%	0.2%	0.4%
11-Sep-18	GBP	Average Earnings Index 3m/y	2.6%	2.5%	2.4%
12-Sep-18	USD	PPI m/m		0.2%	0.0%
12-Sep-18	USD	Crude Oil Inventories			-4.3M
12-Sep-18	AUD	Employment Change		18.4K	-3.9K
13-Sep-18	GBP	MPC Official Bank Rate Votes		0-0-9	9-0-0
13-Sep-18	GBP	Official Bank Rate		0.75%	0.75%
13-Sep-18	EUR	Main Refinancing Rate		0.00%	0.00%
13-Sep-18	USD	Core CPI m/m		0.2%	0.2%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.54	2.74	2.86	2.97	3.12
Germany	-0.63	-0.57	-0.20	0.42	1.09
United Kingdom	0.75	0.78	1.09	1.50	1.85
Japan	-0.12	-0.12	-0.07	0.10	0.83

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	77.52	1.99	Dow Jones	25,971.06	0.44
Brent	78.16	(0.03)	Nikkei 225	22,604.61	(0.27)
West Texas	69.24	(0.14)	S&P 500	2,887.89	0.37
Gold	1,194.01	(0.30)	KuwaitSE	5,143.04	(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).