

Market Commentary

- ▶ **U.S. Factories are On a Roll.** Manufacturing expanded in February at the fastest pace in three years, with the ISM index rising more than forecast to 60.8. Construction also beat. Bloomberg Economics warned it may be too soon to call a top, as supply shortages and problems finding workers persist.
- ▶ **U.S. Stimulus.** Moderate Democratic Senators are trying to make Biden's plan more targeted. Discussions include the \$1,400 stimulus checks, state and local aid and supplemental unemployment benefits at \$300 a week. A Senate official approved provisions on pensions and health insurance for the fast-track process. Congressional leaders intend to send the measure to the president's desk by March 14.
- ▶ **RBA Holds Rates.** Australia's central bank on Tuesday re-committed to keeping interest rates at historic lows as policymakers battle to stop surging bond yields from disrupting the country's surprisingly strong economic recovery. Concluding its March Board meeting, the Reserve Bank of Australia (RBA) kept rates at 0.1% and emphasised that its targets for employment and inflation were not likely to be met until 2024 at the earliest.
- ▶ **JGB Yields Fall.** Yields on Japanese government bonds fell on Tuesday after an auction of 10-year notes received solid demand, easing concerns about a recent global sell-off in sovereign debt. Benchmark 10-year JGB futures rose 0.27 point to 151.08. The 10-year JGB yield fell 2 bp to 0.130%. Earlier on Tuesday a government auction of 10-year bonds received bids worth 3.14 times the 2.1 trillion yen (\$19.66 billion) in notes that were sold. The 20-year JGB yield fell 2.5 bps to 0.505%, while the 30-year JGB yield fell 2.5 bps to 0.700%.
- ▶ **Crypto News.** Bitcoin pushed above \$49,000. Citi said the token may play a bigger role in the global financial system and Goldman is restarting its crypto trading desk. China's Inner Mongolia banned crypto mining and declared its intention to shut all such projects by April. Dan Loeb said he's been doing a deep dive into crypto lately and MicroStrategy purchased more Bitcoin to raise the enterprise-software company's holdings to more than \$4 billion.
- ▶ **Gold Slumps.** Gold dropped to the lowest level in more than eight months amid waning demand for the haven asset as investors weighed a rising dollar and fluctuations in Treasury markets. Concerns over the impact of higher bond yields seem to be abating in markets, with the recent turmoil stabilizing following reassurances from central banks globally on monetary policy support. Bullion has dropped more than 9% this year as investors weigh the outlook for a recovery after the pandemic amid the roll-out of vaccines and stimulus, with some traders pricing in a higher likelihood of future interest-rate hikes.
- ▶ **Oil Suffers.** Oil's impressive 2021 rally is coming unstuck just days before OPEC+ meets to decide just how much crude it should return to the market. Futures in New York sank below \$60 a barrel, dropping for a third day to head for the longest losing run since December. The alliance meets on Thursday to decide on easing supply curbs after prices posted their best ever start to a year before the current skid. Ahead of the meeting, Saudi Arabia has urged members to take a cautious approach even as signs of tightening emerge. The latest decline in prices may help to strengthen the Saudi stance, according to Stephen Innes, chief global market strategist at Axi. "That's probably something that could sway the OPEC+ increase more back toward the 500,000 barrels per day as opposed to the 1.5 million," he said.

Main Economic Indicators

Country	Indicator	Consensus	Previous
CA	Quarterly GDP Annualized (4Q)	7.30%	40.50%
CA	GDP MoM (Dec)	0.1%	0.7%
GE	Unemployment Change (000's)	-10.0 k	-41.0 k

Interbank Rates

	USD	GBP	EUR	AED	SAR	BHD
1WK	0.089	0.03538	-0.5753	0.1456	0.5900	1.050
1MO	0.1185	0.0465	-0.579	0.1965	0.645	1.762
2MO	0.1475	0.05663	-0.5480	-	-	1.842
3MO	0.18838	0.066	-0.55171	0.3355	0.8	1.942
6MO	0.203	0.08275	-0.5133	0.4332	0.84625	2.025
12MO	0.28375	0.146	-0.48014	0.6134	0.92	2.358

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	Last Price	1 Day	Net Chg	Day Low	Day High	1 Month	2020 Close	YTD	1Y	52Wk Low	52Wk High	
Currencies												
EURUSD	1.2027	↓	-0.18%	-0.0022	1.2015	1.2051	-0.14%	1.2216	-1.5%	8.0%	1.0636	1.2349
GBPUSD	1.3893	↓	-0.23%	-0.0032	1.3866	1.3932	1.65%	1.367	1.6%	8.9%	1.1412	1.4237
AUDUSD	0.7766	↓	-0.08%	-0.0006	0.7737	0.778	2.09%	0.7694	0.9%	18.8%	0.551	0.8007
NZDUSD	0.7252	↓	-0.18%	-0.0013	0.724	0.7283	0.83%	0.7184	0.9%	15.8%	0.547	0.7465
USDCHF	0.9157	↑	0.05%	0.0005	0.914	0.9164	2.05%	0.8852	3.4%	-4.5%	0.8758	0.9902
USDJPY	106.83	↑	0.07%	0.07	106.71	106.93	1.76%	103.25	3.5%	-1.4%	101.19	111.71
USDCAD	1.2674	↑	0.22%	0.0028	1.2638	1.2689	-0.84%	1.2725	-0.4%	-4.9%	1.2468	1.4668
USDCNY	6.4721	↑	0.09%	0.0061	6.4657	6.4745	0.06%	6.5272	-0.8%	-7.0%	6.4236	7.1778
USDKWD	0.3022	→	0.03%	0.0001	0.3022	0.3022	-0.18%	0.30325	-0.3%	-1.1%	0.30185	0.3079
Bitcoin	48394.8	↓	-0.94%	-461.57	48389	50236	35.61%	28996.28	66.90%	440.97%	3914.7	58350.4
Commodities												
Brent	62.9	↓	-1.24%	-0.79	62.51	63.36	11.62%	51.8	21.43%	24.51%	15.98	67.7
WTI	59.9	↓	-1.22%	-0.74	59.45	60.39	12.13%	48.52	23.02%	29.46%	-40.32	63.81
Gold	1719.65	↓	-0.31%	-5.39	1707.22	1728.54	-6.44%	1898.36	-9.41%	8.19%	1451.55	2075.47
Silver	26.1922	↓	-1.43%	-0.3788	25.8526	26.6926	-1.83%	26.4023	-0.80%	56.51%	11.6418	30.1003
Platinum	1180.02	↓	-0.69%	-8.17	1172.67	1200.28	7.44%	1072.12	10.06%	36.65%	564	1339.73
Palladium	2352.47	↓	-0.38%	-8.93	2347.25	2372.92	4.64%	2448.81	-3.93%	-7.47%	1495	2630.52
Rates												
US Gov 2YR	0.1171	↓	-1.68%	-0.002	0.1132	0.123	9.13%	0.1211	-3.30%	-87.17%	0.0972	0.9147
US Gov 10YR	1.4188	↑	0.13%	0.0018	1.3982	1.429	31.47%	0.9132	55.37%	23.52%	0.3137	1.6085
US Swap 5YR	0.8088	↓	-0.23%	-0.0019	0.7973	0.8152	47.38%	0.43	88.09%	-19.87%	0.2381	1.0167
US Swap 10YR	1.498	↑	0.11%	0.0016	1.4774	1.5081	29.89%	0.9253	61.89%	29.81%	0.4377	1.6658
UK Gilts 2YR	0.099	↓	-22.66%	-0.029	0.081	0.125	193.40%	-0.16	161.88%	-72.96%	-0.183	0.486
UK Gilts 10YR	0.759	↓	-7.44%	-0.061	0.741	0.799	136.45%	0.197	285.28%	50.66%	0.063	1.06
EU Gov 2YR	-0.687	↓	-3.62%	-0.024	-0.698	-0.667	4.98%	-0.7	1.86%	1.27%	-1.033	-0.571
EU Gov 10YR	-0.334	↓	-28.46%	-0.074	-0.345	-0.282	35.27%	-0.569	41.30%	33.87%	-0.907	-0.14
SAR Swap 2YR	0.9391	↓	-0.10%	-0.0009	0.9252	1.012	1.52%	1.0221	-8.12%	-42.77%	0.8835	1.652
SAR Swap 10YR	2.8724	↓	-0.37%	-0.0106	2.861	2.891	8.31%	2.695	6.58%	8.39%	2.035	3.0401
SAIBOR 3M	0.8	→	0.00%	0	0.8	0.8	-1.84%	0.8175	-2.14%	-61.67%	0.8	1.98429
EIBOR 3M	0.33546	↑	9.31%	0.02856	0.33546	0.33546	-9.21%	0.5125	-34.54%	-82.25%	0.28264	1.88625
BHIBOR 3M	1.9417	→	0.00%	0	1.9417	1.9417	-11.74%	2.25	-13.70%	-23.35%	1.68	2.3
Indices												
DJIA	31535.5	↑	1.95%	603.14	31065.9	31668.3	4.38%	30606.48	3.04%	24.11%	18213.7	32009.64
S&P 500	3901.82	↑	2.38%	90.67	3842.51	3914.5	1.97%	3756.07	3.88%	26.26%	2191.86	3950.43
NASDAQ	13588.8	↑	3.01%	396.482	13362.7	13596.6	1.38%	12888.28	5.44%	58.61%	6631.42	14175.12
DAX	14012.8	↑	1.64%	226.53	13873.8	14022	2.87%	13718.78	2.14%	17.85%	8255.65	14169.49
Nikkei 225	29436.1	↓	-0.77%	-227.38	29314.8	29996.4	3.79%	27444.17	7.26%	37.91%	16358.2	30714.52
CAC 40	5792.79	↑	1.57%	89.57	5765.8	5804.35	4.13%	5551.41	4.35%	9.09%	3632.06	5834.36
FTSE 100	6588.53	↑	1.62%	105.1	6483.43	6612.74	1.10%	6460.52	1.98%	0.12%	4898.79	6903.61
Shanghai Compos	3486.91	↓	-1.82%	-64.491	3485.36	3566.85	-1.32%	3473.069	0.40%	17.37%	2646.81	3731.687
EURO STOXX 50	3706.62	↑	1.93%	70.18	3658.12	3711.52	3.24%	3552.64	4.33%	11.33%	2302.84	3742.53
DFMGI	2562.05	↑	0.40%	10.3	2549.86	2562.05	-5.95%	2491.97	2.81%	1.00%	1663.7	2807.41
Abu Dhabi	5675.75	↑	0.22%	12.71	5662.29	5675.75	-0.39%	5045.32	12.50%	19.15%	3304.36	5713.38
Tadawul	9138.37	↓	-0.07%	-6.62	9132.03	9222.98	6.03%	8689.53	5.17%	24.41%	5959.69	9263.16
Qatar Exchange	10210.3	↑	0.63%	64.27	10140.1	10234.2	-2.93%	10435.96	-2.16%	7.59%	7997.05	10969.16
Boursa Kuwait	5685.77	↑	0.65%	36.61	5660.75	5687.05	-1.17%	5546.04	2.52%	-6.36%	4339.58	5924.9
Bahrain Bourse	1472.33	↑	0.40%	5.9	1467.54	1472.33	0.39%	1489.78	-1.17%	-8.24%	1226.91	1643.63
Muscat Securities 30	3621.67	→	-0.01%	-0.45	3621.67	3621.67	-0.03%	3658.77	-1.01%	-11.26%	3367.32	4112.8

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