

**Market Commentary**

- **Tough Talk:** Mike Pence's continued attacks on China are fueling fears of a new Cold War. The vice president's critiques during a week of summits ended with a call for nations to avoid loans that would leave them indebted to Beijing and a warning that the U.S. wasn't in a rush to end the trade war "until China changes its ways." The odds of a thaw when Xi Jinping and Donald Trump meet at the G20 in a few weeks are getting longer.
- **U.S. Treasury 10 Years Yield Hits Two Month Low:** the yield shed 5 basis points to trade at 3.06 per cent, a near 20-basis-point drop in a little more than a week, returning the yield to its lowest since mid-September as hawkish expectations fade.
- **Bearish Outlook on Sterling:** Investors are the most bearish on the pound since the U.K. voted to leave the European Union as markets brace for the possibility of a no-confidence vote on Prime Minister Theresa May. A confidence vote could come as soon as Tuesday. GBP/USD closed at 1.2834.
- **Forex Update:** The Australian dollar, which often serves as a proxy for China's economic outlook, slipped 0.4 per cent to \$0.7306 against the US dollar after the weekend's trade tension. The dollar index, which tracks the US currency against a basket of peers, rose 0.1 per cent to 96.5, while the Japanese yen strengthened 0.1 per cent to ¥112.73 per dollar
- **Oil Outlook:** Oil prices continued to climb after finishing higher on Friday for a third straight day. Brent crude, the international benchmark, climbed 0.8 per cent to \$67.30 a barrel while US marker West Texas Intermediate rose 1.2 per cent to \$57.16.
- **Tighten Rules on Foreign Investment by E.U.:** The European Union is hammering out the first bloc-wide rules to prevent foreign investments from threatening national security, as Chinese acquisitions foster political unease. Negotiators representing EU governments and the European Parliament may agree on draft legislation to screen foreign direct investments on Nov. 20, according to Franck Proust, a French member of the 28-nation assembly.
- **Egypt Keeps Interest Rates on Hold:** Egypt's central bank left its key overnight interest rates steady on Thursday, saying underlying inflationary pressures in the economy were contained. The bank kept the deposit rate at 16.75 percent and the lending rate at 17.75 percent.
- **Saudi Stocks Fall:** Saudi Arabian stocks declined the most in almost a month after the U.S. sanctioned 17 Saudi officials over the death of U.S.-based journalist Jamal Khashoggi. The Tadawul All Share Index retreated 1.6 percent in Riyadh. The yield on the kingdom's \$5 billion bonds due 2028 climbed to a record 4.6 percent last week.

Source: Bloomberg, Reuters

**Currencies**

EUR/USD	1.1401
GBP/USD	1.2824
USD/JPY	112.78
AUD/USD	0.7309
NZD/USD	0.6846
USD/CHF	1.0004
USD/CAD	1.3171

**Interbank Rates**

	USD	GBP	EUR	AED	SAR	BHD
1WK	2.21225	0.71088	-0.4464	2.2657	2.5113	2.475
1MO	2.30088	0.72988	-0.4169	2.4153	2.6025	3.325
2MO	2.45213	0.76563	-0.3824	-	-	3.500
3MO	2.6445	0.88781	-0.3687	2.8500	2.80875	3.675
6MO	2.86263	0.991	-0.3336	2.9963	2.99125	3.850
12MO	3.12363	1.143	-0.2194	3.4075	3.2275	4.500

**Commodities**

Brent Crude	67.35
WTI	57.17
Gold	1219.31
Aluminum	1940.0
Copper	6205
Silver	14.37
Platinum	846.1
Palladium	1163.3

**Indices**

DJIA	25,413.2
S&P 500	2,736.3
DAX	11,341.0
NIKKEI 225	21,796.2
CAC 40	5,025.2
FTSE 100	7,013.9
DFM	2,778.8
TASI	7,496.9

**Treasuries**

US2Y	2.8081
US10Y	3.0683
EU2Y	-0.5850
EU10Y	0.3670
GB2Y	0.7240
GB10Y	1.4120
SAR2Y	3.3217
SAR10Y	4.1905

**Main Economic Indicators**

Relevance	Country	Indicator	Consensus	Previous

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