

Market Commentary

- **US Consumer Sentiment Hits 11-month Low:** A key gauge of US consumer sentiment has slipped back to its lowest level since last September, signalling growing worries about the spectre of higher market prices, particularly among less-affluent households. The University of Michigan's survey of consumers' preliminary reading for August came in at 95.3, down 2.7% and a 1.5% drop from the same month a year ago.
- **Turkey Downgraded to B+:** Turkey was downgraded by two major rating agencies, as its leaders grapple with economic turmoil that has battered its currency and financial markets in recent weeks. S&P's cited "extreme lira volatility" in its decision to lower its rating on Turkey one notch, to B+ from BB-. It predicted that the country will fall into recession next year. The downgrade pushes the country further into non-investment grade, or junk, territory.
- **Turkish Lira Trades Steady:** The Turkish lira traded steady against the dollar, showing no reaction to moves by Moody's and Standard & Poor's ratings agencies downgrade of Turkey. The lira stood at 6.01, unchanged from Friday's close. It has lost 37% of its value against the U.S. currency this year.
- **Currency Swap Agreement Between Qatar and Turkey:** Qatar and Turkey's central banks have signed a currency swap agreement to provide liquidity and support for financial stability, Qatar's central bank said on Sunday, days after Turkey's Gulf ally pledged \$15 billion in support.
- **Greece's Third Bailout Will Conclude Today:** Greece's third bailout will conclude today, but its prospects still look grim as a crushing tax and regulatory burden make growth unsustainable. The country must rid the market economy of rent-seekers and unshackle public administration.
- **China Stocks Hit 2-year Low:** Chinese stocks closed at a near two-year low as healthcare shares fell following the sacking of officials over a vaccine scandal in the country. The CSI 300 comprised of Shanghai and Shenzhen stocks fell 1.5% with the healthcare sector the day's worst performing segment, falling 3.3%. The Shanghai Composite fell 1.3% to a near 31-month low.
- **Thailand's GDP Growth Ahead of Expectation:** Thailand's gross domestic product growth came in slightly ahead of expectations in the second quarter despite slower growth from the country's manufacturing industry. Thailand's GDP grew 4.6% during the second quarter of 2018 compared to the prior year, according to the country's planning agency. That was ahead of the 4.5% growth picked by economists polled by Reuters, but down from revised 4.9% GDP growth in the first quarter, which was a five-year high.
- **Oil Prices Slip:** Oil prices fell on Monday as concerns over slowing economic growth dragged on markets. Hedge funds have cut bullish bets as money managers retreat on bearish sentiment on oil prices.

Source: Bloomberg, Reuters

Currencies	
EUR/USD	1.1423
GBP/USD	1.2745
USD/JPY	110.58
AUD/USD	0.7304
NZD/USD	0.6620
USD/CHF	0.9948
USD/CAD	1.3064

Interbank Rates						
	USD	GBP	EUR	AED	SAR	BHD
1WK	1.96269	0.70838	-0.4254	1.9825	2.2988	2.400
1MO	2.06938	0.71963	-0.3959	2.2617	2.40625	3.075
2MO	2.18588	0.74325	-0.3760	-	-	3.275
3MO	2.31188	0.80413	-0.3627	2.4725	2.6075	3.525
6MO	2.51075	0.89463	-0.3084	2.8236	2.7875	3.775
12MO	2.813	1.03963	-0.2247	3.0927	2.99875	4.325

Commodities	
Brent Crude	71.82
WTI	65.88
Gold	1187
Aluminum	2018.3
Copper	5926
Silver	14.80
Platinum	789.5
Palladium	888.1

Indices	
DJIA	25,669.3
S&P 500	2,850.1
DAX	12,210.6
NIKKEI 225	22,199.0
CAC 40	5,344.9
FTSE 100	7,558.6
DFM	2,815.8
TASI	7,867.2

Treasury	
US2Y	2.6038
US10Y	2.8569
EU2Y	-0.6480
EU10Y	0.3040
GB2Y	0.7080
GB10Y	1.2360
SAR2Y	3.2035
SAR10Y	3.9000

Main Economic Indicators

Relevance	Country	Indicator	Consensus	Previous
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