

Market Commentary

- **France Accuses U.K.:** France accused the U.K. of dragging its feet on a trade deal with the EU, with Foreign Minister Jean-Yves Le Drian telling parliament the outcome of the talks is "highly uncertain." Chief European negotiator Michel Barnier warned Britain's David Frost that there's little point in him traveling to London unless he's prepared to give ground, Les Echos reported.
- **U.S. Jobless Claims Rise:** Jobless claims rose for the second straight week, to 778,000, a sign the nationwide surge in virus cases was starting to weigh on the labor-market recovery. Claims haven't risen for two consecutive weeks since July. Worker filings for unemployment insurance are down sharply from a peak of nearly seven million in late March. But they remain higher than in any previous recession—the pre-pandemic peak was 695,000 in 1982—for records tracing back to 1967.
- **Biden Picks:** Joe Biden is considering former Fed vice chair Roger Ferguson and BlackRock's Brian Deese to be his top economic adviser, people familiar said. Ferguson would become the first African-American National Economic Council director if picked. Gary Gensler is in the running for deputy Treasury secretary, CNBC reported. Former Obama national security adviser Tom Donilon is the front-runner for CIA director, Politico said.
- **China To Exit Stimulus:** China is very likely to exit from some of its stimulus measures as the economy improves, but there won't be any interest rate hike soon, a leading state newspaper said on its front page Thursday. "If previous rounds of withdrawing stimulus policies are a guide, 'tight money' and 'tight credit' are inevitable, and policy rate hikes are also normal," the China Securities Journal said. "However, we shouldn't see the monetary authority proactively raising the policy rate for some time to come."
- **U.S. Consumer Spending Rose:** U.S. household spending rose more than expected in October while incomes declined, indicating consumers may have less wherewithal to keep driving the economy amid a surging coronavirus and lack of fresh government aid. Purchases increased 0.5% from the prior month, following a 1.2% gain in September, a Commerce Department report showed Wednesday. That compared with estimates for a 0.4% increase.
- **Oil Rallies:** Oil rose for a fifth day on Thursday after a surprise fall in U.S. crude inventories gave further legs to a rally driven by optimism that vaccines will end the coronavirus pandemic and revive demand for fuels. Brent futures were up 45 cents, or 0.9%, at \$49.06 a barrel, after rising around 1.6% in the previous session. West Texas Intermediate crude was up by 34 cents, or 0.7%, at \$46.05 a barrel, having gained 1.8% on Wednesday.
- **UAE Banking Sector:** UAE central bank governor Abdulhamid Saeed Alahmadi said that things are looking better now for the country's banks, suggesting that lenders have overcome the worst of the coronavirus pandemic. But he warned that banks should continue to operate with caution. He stressed that the "safety and soundness" of the banking system in the UAE is and will continue to be a top priority for the banking regulator.

Source: Bloomberg, Reuters

| Currencies | | 1Y Trend |
|------------|--------|----------|
| EUR/USD | 1.1937 | |
| GBP/USD | 1.3396 | |
| USD/JPY | 104.33 | |
| AUD/USD | 0.7364 | |
| NZD/USD | 0.7006 | |
| USD/CHF | 0.9068 | |
| USD/CAD | 1.2998 | |

| Interbank Rates | USD | GBP | EUR | AED | SAR | BHD |
|-----------------|---------|---------|----------|--------|---------|-------|
| 1WK | 0.09513 | 0.04125 | -0.5774 | 0.1566 | 0.6075 | 1.083 |
| 1MO | 0.143 | 0.03913 | -0.57986 | 0.2396 | 0.67375 | 2.067 |
| 2MO | 0.177 | 0.04163 | -0.5460 | - | - | 2.167 |
| 3MO | 0.23225 | 0.044 | -0.54814 | 0.4925 | 0.83125 | 2.250 |
| 6MO | 0.2545 | 0.06275 | -0.5191 | 0.5692 | 0.88125 | 2.533 |
| 12MO | 0.33563 | 0.13 | -0.47057 | 0.7642 | 0.94875 | 2.683 |

| Commodities | | 1Y Trend |
|-------------|---------|----------|
| Brent Crude | 48.87 | |
| WTI | 45.93 | |
| Gold | 1810.44 | |
| Aluminum | 1980.00 | |
| Copper | 7300 | |
| Silver | 23.30 | |
| Platinum | 972.7 | |
| Palladium | 2400.0 | |

| Indices | | 1Y Trend |
|------------|----------|----------|
| DJIA | 29,872.5 | |
| S&P 500 | 3,629.7 | |
| DAX | 13,289.8 | |
| NIKKEI 225 | 26,537.3 | |
| CAC 40 | 5,571.3 | |
| FTSE 100 | 6,391.1 | |
| DFM | 2,403.2 | |
| TASI | 8,688.8 | |

| Treasuries | | 1Y Trend |
|------------|---------|----------|
| US2Y | 0.1583 | |
| US10Y | 0.8816 | |
| EU2Y | -0.7500 | |
| EU10Y | -0.5680 | |
| GB2Y | -0.0250 | |
| GB10Y | 0.3180 | |
| SAR2Y | 0.9925 | |
| SAR10Y | 2.5100 | |

Main Economic Indicators

| Relevance | Country | Indicator | Consensus | Previous |
|-----------|---------|-----------------------------|-----------|----------|
| | FR | Consumer Confidence (Nov) | 92 | 94 |
| | EU | M3 Money Supply (YoY) (Oct) | 10.3% | 10.4% |

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