

Daily Market Report

Thursday, April 29, 2021

Market Commentary

- ▶ **Fed Keeps Foot on Gas:** The Fed is more optimistic about growth and still sanguine about prices. The central bank strengthened its outlook and signaled risks have diminished, while keeping policy and asset purchases steady. Jerome Powell said "it's not time yet" to talk about tapering, as the recovery "remains uneven and far from complete." BlackRock expects the Fed to signal tapering plans in coming months — causing temporary angst in Treasuries before ushering in yield-curve flattening.
- ▶ **Biden Leaves His Mark:** Joe Biden's first 100 days in office have left an imprint on financial markets, as stocks extended last year's gains, the dollar stagnated and bond yields rose. The S&P 500 has is on pace to rise 10% during Biden's first 100 days, surpassing gains in the same time period for any president in the last four decades. Counting the benchmark stock index's advance from election day to Biden's 100th day in office, the index has risen about 25%.
- ▶ **US-EU Dispute:** The Biden administration is in talks with the EU to avoid an escalation in a dispute over tariffs on European metals exports as the transatlantic alliance tries to repair their economic counterweight against China. The EU has threatened to double the tariffs to 50% on June 1, cutting off any residual hope of exports to the continent. President Joe Biden has pledged that he will maintain the tariff protections for the steel and aluminum industries until the problem of global excess production capacity - largely centered in China - can be addressed.
- ▶ **Apple's Sales Skyrocket:** Apple's iPhone 12 line-up maintained enormously strong demand from consumer from January through March. Apple reported record March quarter revenue of \$89.6 billion, up 54% year over year. The iPhone took in just under \$48 billion, jumping up by 66% from a year ago, fueled by 5G demand. Sales from Macs and iPads, which got a lift from WFH, will be hurt by the global chip shortage.
- ▶ **Virus Update:** The U.S. advised citizens to avoid India as the first flights with American aid supplies are set to arrive there today. Biden said the U.S. would become an "arsenal of vaccines" for the world. India confirmed 18.4 million Covid-19 cases in total and over 204,000 deaths. Japan will consider making yet-to-be-approved shots and treatments available for emergency use. Singapore is mulling removing return quarantine requirements on vaccinated residents travelling to countries with low caseloads.
- ▶ **Bitcoin at Inflection Point:** Bitcoin is facing a make-or-break moment following a recent bout of selling. Though the cryptocurrency has rebounded above its average price over the past 100 days, it's still trading below its 50-day moving average. Trading in the world's largest digital asset has been choppy in recent days after it hit a record high in mid-April above \$64,000. It's down more than 15% since then, though it rebounded earlier this week amid positive news
- ▶ **Oil Extends Gains:** Oil prices extended gains after rising 1%, as bullish forecasts on recovering demand this summer outweighed concerns about the impact of rising COVID-19 cases in India, Japan and Brazil. Brent crude for June rose 0.3%, to \$67.49 while WTI crude for June was at \$64.04, up 0.3%. OPEC+, stuck to their plans for a gradual easing of oil production restrictions from May to July, after OPEC raised slightly its demand growth for 2021 to 6 million barrels per day.
- ▶ **Saudi Petrochemical Earnings Jump:** Saudi petrochemical companies reported a jump in first-quarter earnings as prices for key products rose on recovering global demand. SABIC Agri-Nutirents, formerly known as SAFCO, said net profit surged 39% to SR423 million (\$112.7 million) on sales that doubled to SR1.51 billion. It said both sales and prices rose over the period. Meanwhile Advanced Petrochemical Company reported a 64% jump in first quarter net income to SR171 million.
- ▶ **Egypt Keeps Rates:** Egypt extended its monetary easing pause for another month, seeking to keep local debt attractive to foreign investors as the pandemic cuts tourism. The central bank held the benchmark deposit rate at 8.25% and the lending rate at 9.25% for a fourth meeting.
- ▶ **Oman State Oil Firm to Sell Assets:** Energy company OQ SAOC plans to reduce its reliance on Oman's strained finances by selling assets, issuing bonds and refinancing debt to fund a \$7.9 billion spending plan over the next five years. State-owned OQ will shift focus from reinvesting in the company to achieving funding self-sufficiency. OQ sold \$750 million in seven-year bond at 5.125%.

Interbank Rates

	USD	GBP	EUR	AED	SAR	BHD
1WK	0.0865	0.04163	-0.5803	0.1070	0.5829	1.033
1MO	0.11025	0.04763	-0.57057	0.2011	0.63571	1.712
2MO	0.1455	0.06938	-0.5546	-	-	1.305
3MO	0.17713	0.08825	-0.54257	0.3706	0.79571	1.325
6MO	0.21425	0.11075	-0.5250	0.5000	0.84286	1.400
12MO	0.28263	0.15988	-0.49057	0.6012	0.91571	1.667

Country	Indicator	Cons.	Prev.
US	Initial Jobless Claims	540 k	547 k
US	GDP Annualized QoQ	6.60%	4.30%
GE	CPI MoM	0.5%	0.5%
GE	CPI YoY	1.9%	1.7%

Sources: Reuters, Bloomberg

Daily Market Report

Thursday, April 29, 2021

	Last Price	1 Day	Net Chg	Day Low	Day High	1 Month	2020 Close	YTD	1Y	52Wk Low	52Wk High	
Currencies												
EURUSD	1.2127	→	0.01%	0.0001	1.2123	1.215	3.08%	1.2216	-0.7%	11.5%	1.0767	1.2349
GBPUSD	1.3957	↑	0.16%	0.0022	1.3934	1.3977	1.42%	1.367	2.1%	11.9%	1.2076	1.4237
AUDUSD	0.7789	→	-0.03%	-0.0002	0.7783	0.7818	2.04%	0.7694	1.2%	18.8%	0.6373	0.8007
NZDUSD	0.726	↑	0.07%	0.0005	0.7247	0.7287	3.73%	0.7184	1.1%	18.4%	0.5921	0.7465
USDCHF	0.9101	→	0.00%	0	0.9082	0.9105	-3.10%	0.8852	2.8%	-6.5%	0.8758	0.9784
USDJPY	108.73	↑	0.12%	0.13	108.44	108.75	-0.98%	103.25	5.3%	1.9%	102.59	110.97
USDCAD	1.2308	→	-0.05%	-0.0006	1.2288	1.2324	-2.25%	1.2725	-3.3%	-11.3%	1.2288	1.4173
USDCNY	6.4718	↓	-0.11%	-0.0072	6.4669	6.4745	-1.50%	6.5272	-0.8%	-8.6%	6.4236	7.1778
USDKWD	0.3011	→	0.03%	0.0001	0.3011	0.3011	-0.36%	0.30325	-0.7%	-2.5%	0.301	0.3064
Bitcoin	54388.7	↓	-0.09%	-49.96	53553.4	55220.5	-4.97%	28996.28	87.57%	508.82%	8199.27	64869.8
Commodities												
Brent	67.68	↑	0.61%	0.41	67.13	67.76	5.04%	51.8	31.01%	94.82%	20.53	71.38
WTI	64.22	↑	0.56%	0.36	63.65	64.29	5.35%	48.52	32.06%	105.90%	12.67	67.98
Gold	1780.5	↓	-0.07%	-1.18	1779.87	1790.02	3.99%	1898.36	-6.21%	3.92%	1670.71	2075.47
Silver	26.3652	↑	0.62%	0.1624	26.2015	26.4761	6.93%	26.4023	-0.14%	72.36%	14.65	30.1003
Platinum	1225.67	↑	0.33%	4.03	1221	1232.34	3.95%	1072.12	14.32%	56.93%	745.48	1339.73
Palladium	2952.01	↑	0.59%	17.4	2922.6	2954.43	16.19%	2448.81	20.55%	51.41%	1762.37	2963.64
Rates												
US Gov 2YR	0.17	↑	3.60%	0.0059	0.1641	0.17	22.57%	0.1211	40.38%	-19.51%	0.0972	0.2339
US Gov 10YR	1.6343	↑	1.55%	0.0249	1.6272	1.6361	-2.49%	0.9132	78.96%	166.65%	0.5019	1.7742
US Swap 5YR	0.9675	↑	2.66%	0.0251	0.927	0.9708	-2.37%	0.43	125.00%	129.70%	0.2381	1.111
US Swap 10YR	1.6377	↑	1.61%	0.026	1.6115	1.6398	-5.66%	0.9253	76.99%	156.69%	0.5002	1.7976
UK Gilts 2YR	0.059	↓	-9.23%	-0.006	0.055	0.088	-3.28%	-0.16	136.88%	-16.16%	-0.183	0.187
UK Gilts 10YR	0.797	↑	2.97%	0.023	0.792	0.844	5.28%	0.197	304.57%	164.92%	0.063	0.909
EU Gov 2YR	-0.683	↑	0.29%	0.002	-0.688	-0.683	4.48%	-0.7	2.43%	1.59%	-0.813	-0.586
EU Gov 10YR	-0.227	↑	1.73%	0.004	-0.231	-0.227	34.39%	-0.569	60.11%	51.60%	-0.67	-0.202
SAR Swap 2YR	0.962	↑	0.63%	0.006	0.9399	0.9622	-1.22%	1.0221	-5.88%	-22.73%	0.5975	1.25
SAR Swap 10YR	2.69	↑	1.32%	0.035	2.6646	2.6918	-10.17%	2.695	-0.19%	7.77%	2.035	3.045
SAIBOR 3M	0.79571	↓	-0.18%	-0.00143	0.79571	0.79571	-0.07%	0.8175	-2.67%	-35.68%	0.79571	1.23714
EIBOR 3M	0.37059	↓	-3.67%	-0.01413	0.37059	0.37059	-9.03%	0.5125	-27.69%	-76.92%	0.26604	1.54917
BHIBOR 3M	1.325	↑	2.98%	0.0383	1.325	1.325	4.36%	2.25	-41.11%	-32.63%	1.2333	2.3
Indices												
DJIA	33820.4	↓	-0.48%	-164.55	33805.6	33946.6	2.26%	30606.48	10.50%	40.14%	22789.6	34256.8
S&P 500	4183.18	↓	-0.08%	-3.54	4181.78	4201.53	5.34%	3756.07	11.37%	42.31%	2766.64	4201.53
NASDAQ	14051	↓	-0.28%	-39.185	14034.7	14133.7	6.94%	12888.28	9.02%	60.95%	8537.83	14175.1
DAX	15292.2	↑	0.28%	42.91	15266.6	15355.3	3.68%	13718.78	11.47%	43.45%	10160.9	15501.8
Nikkei 225	29054	↑	0.21%	62.08	28875.9	29139.7	-1.12%	27444.17	5.87%	46.95%	19448.9	30714.5
CAC 40	6306.98	↑	0.53%	33.22	6283.62	6320.11	4.85%	5551.41	13.61%	38.01%	4194.58	6320.11
FTSE 100	6963.67	↑	0.27%	18.7	6944.06	6986.7	3.38%	6460.52	7.79%	16.87%	5525.52	7040.26
Shanghai Compos	3466.62	↑	0.28%	9.554	3447.59	3473.91	0.91%	3473.069	-0.19%	22.82%	2800.74	3731.69
EURO STOXX 50	4015.03	↑	0.08%	3.12	4006.34	4026.74	3.40%	3552.64	13.02%	36.94%	2708.07	4040.88
DFMGI	2622.52	↑	0.09%	2.44	2618.68	2626.36	2.74%	2491.97	5.24%	30.86%	1854.31	2807.41
Abu Dhabi	6069.18	↓	-0.23%	-14.1	6060.13	6100.23	4.21%	5045.32	20.29%	43.75%	4015.11	6205.31
Tadawul	10531.2	↑	2.57%	264.05	10308.6	10540.2	9.52%	8689.53	21.19%	52.96%	6448.66	10540.2
Qatar Exchange	10940.6	↓	-0.26%	-28.3	10915.3	10974.3	5.97%	10435.96	4.84%	27.21%	8591.43	10976.3
Boursa Kuwait	6131.14	↑	0.94%	56.94	6080.49	6134.55	6.69%	5546.04	10.55%	26.49%	4668.63	6134.55
Bahrain Bourse	1486.19	↑	0.20%	3.01	1483.18	1486.19	1.93%	1489.78	-0.24%	13.64%	1226.91	1498.39
Muscat Securities 30	3743.52	↑	0.23%	8.64	3734.09	3743.52	1.61%	3658.77	2.32%	5.78%	3385.82	3782.36

Daily Market Report

Thursday, April 29, 2021

Disclaimer

It is important that you only use this report if you are the intended recipient of this report and you have satisfied yourself that you are eligible to receive such information. This report is provided to you because you are one of our esteemed customers and have previously shown interest in receiving the type of information contained in this report.

The Treasury and Investment Management department of Gulf International Bank B.S.C. («GIB») have compiled the information in this report. GIB is incorporated in the Kingdom of Bahrain and is licensed by the Central Bank of Bahrain (the «CBB») as a conventional wholesale bank. GIB's head office is located at Al-Dowali Building, P.O. Box 3, 1017 Palace Avenue, Manama, Kingdom of Bahrain.

This report is intended for the accredited investors, as defined in the Investment Business Code of Conduct published by the CBB. This information has not been reviewed by the CBB or any other regulatory authority in any jurisdiction and neither CBB nor any other regulatory takes any responsibility for the correctness or accuracy for the information contained in this report.

The information contained herein is not directed at or intended for use by any person resident or located in any jurisdiction where (1) the distribution of such information is contrary to the laws of such jurisdiction or (2) such distribution is prohibited without obtaining the necessary licenses or authorizations by the relevant branch, subsidiary or affiliate office of GIB and such licenses or authorizations have not been obtained. The recipient of such information is responsible for ensuring that this information has not been received by it in breach of laws and regulations of any jurisdiction.

This report contains publicly available information only, which has only been compiled by GIB. The information provided herein is on «as is» and «as available» basis and without representation or warranty of any kind. GIB hereby disclaims any representation or warranty, express or implied, as to the accuracy, timeliness, completeness, merchantability, fitness for any particular purpose or non-infringement of any of such information. In no event shall GIB or its subsidiaries, affiliates, shareholders or their directors, officers, employees, independent contractors, agents and representatives (collectively, «GIB Representatives») be liable (1) for any inaccuracy, delay, loss of data, interruption in service, error or omission or for any damages resulting there from, or (2) for any direct, indirect, incidental, special, compensatory or consequential damages arising from any use of information or arising from any error (negligent or otherwise) or other circumstance or contingency within or outside the control of GIB or any GIB Representative, in connection with or related to obtaining, collecting, compiling, analyzing, interpreting, communicating, publishing or delivering any such information. The information here is, and must be construed solely as, compilation of information (unless expressly stated otherwise) and not statements of fact as to credit worthiness or recommendations or opinions of GIB.

This report does not provide individually tailored investment advice. Any materials contained herein have no regard to the specific investment objectives, financial situation or particular needs of any specific recipient. The document is provided for information purposes and is not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. GIB makes every effort to use reliable, comprehensive information, but we do not represent that it is accurate or complete. No representation or warranty, either express or implied, is provided in relation to the accuracy, completeness or reliability of the materials, nor are they a complete statement of the securities, markets or developments referred to herein. Recipients should not regard the materials as a substitute for the exercise of their own judgement. Any opinions are subject to change without notice and may differ

or be contrary to opinions expressed by other business areas or groups of GIB as a result of using different assumptions and criteria. GIB is not under any obligation to update or keep current the information contained herein.

The value of, and income from, your investments may vary because of changes in interest rates or foreign exchange rates, securities prices or market indexes, operational or financial conditions of companies or other factors. Past performance is not necessarily a guide to future performance. Estimates of future performance are based on assumptions that may not be realized.

The information contained in this report is just for informational purposes. Information does not constitute a solicitation, an offer, or a recommendation to buy or sell any investment instruments, to effect any transactions, or to conclude any legal act of any kind whatsoever. GIB does not intend to provide investment, legal or tax advice through this report and does not represent that any securities or services discussed are suitable for any investor. When making a decision about your investments and business, you should seek the advice of professional advisors.

The report may contain statements that constitute «forward looking statements». While these forward looking statements may represent GIB's judgment and future expectations, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from GIB's expectations. GIB is under no obligation to (and expressly disclaims any such obligation to) update or alter its forward-looking statements whether as a result of new information, future events, or otherwise. The historical information is provided for information purposes only. Performance figures are calculated before tax (if any) and after deducting ongoing fees and expenses. The performance figures are historical and past performance is not necessarily an indication of future results. Certain amounts (including %ages) included in this document may have been subject to rounding adjustments. Accordingly, figures may not be an exact arithmetic aggregation of the figures to which they relate. The values and forecasts shown represent our current indicative valuations and forecasts of the relevant transactions, currencies, interest rates, commodities or securities as at the date shown. Any value or forecast shown herein is not an indicative price quotation. We expressly disclaim any responsibility for the accuracy of the values or forecasts shown, any errors or omissions in the report

With the exception of information regarding GIB and save as otherwise specifically indicated, the information set out in this report is based on public information. We have, where possible, indicated the primary source of information. We strongly recommend the recipients consult the primary source of information. Facts and views in this report have not been reviewed by, and may not reflect information known to, professionals in other GIB business areas.

This Report, and the information contained herein (save to the extent that such information is publicly available) is confidential and may not be disclosed by you to any other person outside of your organization without our consent.

GIB retains all right, title and interest (including copyrights, trademarks, patents, as well as any other intellectual property or other right) in all information and content (including all text, data, graphics and logos) in this document. All recipients must not, without limitation, modify, copy, transmit, distribute, display, perform, reproduce, publish, license, frame, create derivative works from, transfer or otherwise use in any other way for commercial or public purposes in whole or in part any information, text, graphics, images from this document (excluding publicly available information) without the prior written permission of GIB.