

Market Commentary

- Trump-Biden Debate:** Donald Trump and Democratic nominee Joe Biden hurled insults and repeatedly interrupted each other in their first debate Tuesday, sparring over topics that included the coronavirus, the economy and their families as moderator Chris Wallace tried mostly in vain to control the conversation. The chaotic debate left commentators across cable television stunned and groping for adjectives, in some cases settling on profanities. The exchanges made clear the level of disdain the two men vying for the most powerful office in the world hold for each other.
- Pelosi Push for Stimulus Deal:** Nancy Pelosi moved the House closer to a vote — possibly today or tomorrow — on a Democrats-only stimulus plan even as she and Steven Mnuchin continue talks to find a bipartisan deal. She called on colleagues to provide a "strong vote" for the \$2.2 trillion proposal, a plan House Republican leaders have already rejected.
- China's Manufacturing Activity Expanded:** China's purchasing managers' surveys showed the recovery extending into September. The official manufacturing PMI rose to 51.5 from 51 — beating consensus for 51.3. The non-manufacturing gauge also surprised to the upside, rising to 55.9 from 55.2, confounding expectations for a dip. The Caixin gauge ticked lower to 53 from 53.1 but reinforced the robust picture.
- Italy Plans to Bring Deficit in Line with EU Rules:** Italy aims to bring its budget deficit back into line with EU rules in 2023. The fiscal shortfall is expected to shrink to 7% of GDP next year after expanding to an estimated 10.8% in 2020 due in part to emergency spending forced by the pandemic. The deficit will only shrink back to 3% in three years' time. The economy is forecast to contract 9% this year — with public debt jumping to 158% of GDP — and then rebound 6% in 2021.
- Kuwait's New Emir Take Over:** Kuwait's new leader, Sheikh Nawaf Al-Sabah, 83, will take the reins of one of the world's wealthiest countries as it faces a financial crisis made worse by internal political wrangling. Sheikh Nawaf succeeds his half brother, Sheikh Sabah Al-Sabah, who died on Tuesday at the age of 91. Sheikh Nawaf, the crown prince since 2006, had been serving as acting head of state since July, when the emir was flown to the U.S. for medical treatment.
- Saudi Economy Shrank:** Saudi Arabia's economy contracted 7% in the second quarter from a year earlier, illustrating the damage wrought by the oil market turmoil combined with coronavirus pandemic. The oil sector shrank an annual 5.3%, while the non-oil economy declined 8.2%. Citizen unemployment rose to 15.4% during April to June, despite a government stimulus program that covered 60% of salaries for many Saudi workers. The world's largest oil exporter is facing a dual crisis this year as the pandemic, energy output cuts and lower crude prices combine to derail a fragile economic recovery from the last oil-price rout. The IMF expects output to contract 6.8% this year, followed by 3.1% growth in 2021.

Source: Bloomberg, Reuters

Currencies		1Y Trend
EUR/USD	1.1730	
GBP/USD	1.2823	
USD/JPY	105.63	
AUD/USD	0.7113	
NZD/USD	0.6577	
USD/CHF	0.9216	
USD/CAD	1.3405	

Interbank Rates	USD	GBP	EUR	AED	SAR	BHD
1WK	0.106	0.05	-0.5717	0.1819	0.6225	1.083
1MO	0.14663	0.04588	-0.56686	0.2668	0.70625	2.067
2MO	0.1885	0.062	-0.5137	-	-	2.167
3MO	0.22038	0.0615	-0.51657	0.4643	0.86875	2.250
6MO	0.26925	0.08913	-0.5010	0.6050	0.92	2.533
12MO	0.3655	0.152	-0.43086	0.7933	0.98	2.683

Commodities		1Y Trend
Brent Crude	40.74	
WTI	39.04	
Gold	1885.31	
Aluminum	1759.00	
Copper	6579	
Silver	23.80	
Platinum	871.7	
Palladium	2331.8	

Indices		1Y Trend
DJIA	27,452.7	
S&P 500	3,335.5	
DAX	12,777.4	
NIKKEI 225	23,185.1	
CAC 40	4,815.6	
FTSE 100	5,897.4	
DFM	2,260.1	
TASI	8,283.7	

Treasuries		1Y Trend
US2Y	0.1230	
US10Y	0.6512	
EU2Y	-0.6860	
EU10Y	-0.5350	
GB2Y	k	
GB10Y	0.1940	
SAR2Y	1.0900	
SAR10Y	2.4830	

Main Economic Indicators

Relevance	Country	Indicator	Consensus	Previous
	US	MNI Chicago PMI (Sep)	52.00	51.20
	US	GDP Annualized QoQ (2Q) - Third	-31.7%	-31.7%
	US	MBA Mortgage Applications	--	6.8%
	IT	CPI EU Harmonized MoM (Sep) - Preliminary	0.9%	-1.3%

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