

# Daily Market Report

Thursday, September 30,

## Market Commentary

- ▶ **No Shutdown.** Lawmakers agreed on a deal to extend government spending until Dec. 3 — which the Senate will ratify today. However, a House-passed measure to suspend the debt ceiling is certain to fail due to Republican opposition. Meanwhile, other chunks of President Biden's agenda are deadlocked. Democratic progressives vowed to block a \$550 billion infrastructure bill today without movement on a bigger spending plan. Senator Joe Manchin said talks on that won't be done in time.
- ▶ **Four Central Bank Chiefs:** Jerome Powell and Christine Lagarde both sounded reassuring on their economies while acknowledging concerns about the pace and challenges for recovery, speaking at an ECB-sponsored forum. Both reiterated the mantra that spikes in inflation are temporary, while warning that climate change poses long-term threats. Andrew Bailey noted that U.K. recovery may take a little longer than authorities thought in the summer. Haruhiko Kuroda predicted a "quite small" GDP gain for Japan's economy this fiscal year, but noted that growth would pick up to about 4% in the year from April.
- ▶ **China Manufacturing Unexpectedly Shrinks.** China's official manufacturing PMI was weaker than expected in September, dipping to 49.6. The services measure beat consensus soundly, rising to 53.2 versus the forecast of 49.8. The more-export-oriented Caixin factory index beat, nudging higher to 50. Overall the data showed the costs from the energy crunch, which are substantial for manufacturing, Bloomberg Economics said.
- ▶ **Japan's Factory Output Extends Declines.** Japan's industrial output fell for the second straight month in August as COVID-19 outbreaks elsewhere in Asia disrupted supply chains for carmakers already facing headwinds from a prolonged chip shortage. Factory output lost 3.2% in August from the previous month, official data showed, hit by weaker production of cars and electronic machines and marking the second consecutive month of contraction after a 1.5% drop in July.
- ▶ **Virus Update.** G-7 transport and health ministers will meet today to discuss ways to restart international travel, people familiar said. AstraZeneca's jab had a 74% efficacy at preventing symptomatic disease in a U.S. clinical trial. Tokyo will lower its virus alert from the highest level for the first time in nearly 10 months, NHK said. Australia's Victoria state reported a surge in cases.
- ▶ **Gold Inches Up.** Gold prices edged higher on Thursday, after hitting a seven-week trough in the previous session, although a robust dollar and elevated U.S. Treasury yields kept pressure intact. Spot gold rose 0.4% to \$1,733.55 per ounce, slightly recovering from their lowest level since Aug. 9 at \$1,720.49 hit on Wednesday. U.S. gold futures were up 0.7% at \$1,734.10 per ounce.
- ▶ **Qatar Petroleum Secures Deal.** Qatar Petroleum, one of the world's biggest liquefied natural gas (LNG) suppliers, has secured a new deal to supply LNG to China for a period of 15 years. The sale and purchase agreement (SPA) with CNNOC Gas and Power Trading & Marketing Limited, a subsidiary of China National Offshore Oil Corporation, will see Qatar deliver 3.5 million tonnes of LNG per annum (MTPA) starting from January 2022.
- ▶ **OPEC+ Sticking to November Output Plans.** OPEC+ is likely to stick to an existing deal to add 400,000 barrels per day (bpd) to its output for November when it meets next week, despite oil hitting a three-year high above \$80 a barrel and pressure from consumers for more supply. The OPEC+ agreed in July to increase production by 400,000 bpd each month to phase out 5.8 million bpd in cuts. It also agreed to assess the deal in December.
- ▶ **US Imports of Saudi Crude Oil Rise.** U.S. imports of Saudi crude oil rose 162k b/d to 561k b/d for the week ending Sept. 24 by 41%.
- ▶ **ACWA Power Sets Final IPO Price at nearly \$15.** Saudi utility developer ACWA Power has set the final price of its initial public offering at SR56 (\$14.9) per share, the company said in a bourse filing. Half-owned by the Public Investment Fund, the company earlier announced its intention to issue 85.3 millions shares or 11.67 percent of the company in an IPO. Retail offering started on Wednesday, and will run until Oct. 1. Around 8.12 million shares or 10 percent of the offering size were allocated for individual investors. The company is expecting to raise more than \$1 billion from the public offering, valuing the company at about \$10 billion.

### Interbank Offer Rates

	USD	GBP	EUR	AED	SAR	BHD
1WK	0.07188	0.04063	-0.5806	0.1700	0.5886	1.033
1MO	0.08413	0.0485	-0.5734	0.1975	0.6486	1.508
2MO	0.11025	0.0615	-0.5579	-	-	1.517
3MO	0.1315	0.085	-0.5569	0.3639	0.8086	1.550
6MO	0.15788	0.15675	-0.5333	0.4808	0.8571	1.625
12MO	0.2385	0.34963	-0.4924	0.4362	0.93	1.800

Country	Indicator	Cons.	Prev.
US	Initial Jobless Claims	330 k	351 k
US	GDP Annualized QoQ	6.6%	6.6%
GE	CPI YoY	4.2%	3.9%

Source: Bloomberg, Reuters

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Currencies	Last Price	1 Day	Net Chg	Day Low	Day High	1 Month	2020 Close	YTD	1Y	52Wk Low	52Wk High	
EURUSD	1.1593	⇒	-0.04%	-0.0005	1.1593	1.1609	-1.83%	1.2216	-5.1%	-1.1%	1.1589	1.2349
GBPUSD	1.3422	⇒	-0.04%	-0.0005	1.3422	1.346	-2.42%	1.367	-1.8%	3.9%	1.282	1.4248
AUDUSD	0.7193	↑	0.24%	0.0017	0.7173	0.7213	-1.68%	0.7694	-6.5%	0.4%	0.6991	0.8007
NZDUSD	0.6872	⇒	0.04%	0.0003	0.6865	0.6887	-2.46%	0.7184	-4.3%	3.9%	0.6547	0.7465
USDCHF	0.935	↑	0.07%	0.0007	0.9329	0.935	2.17%	0.8852	5.6%	1.5%	0.8758	0.9473
USDJPY	112.03	↑	0.06%	0.07	111.8	112.06	1.83%	103.25	8.5%	6.2%	102.59	112.06
USDCAD	1.2737	↓	-0.16%	-0.002	1.272	1.2763	0.96%	1.2725	0.1%	-4.4%	1.2007	1.339
USDCNY	6.4662	↓	-0.07%	-0.0046	6.4646	6.4755	-0.01%	6.5272	-0.9%	-5.1%	6.357	6.7607
USDKWD	0.30165	↑	0.10%	0.0003	0.30165	0.30165	0.30%	0.30325	-0.5%	-1.5%	0.3003	0.30315
Bitcoin	43,325.09	↑	5.35%	2200.04	40,965.33	43,826.23	-7.84%	28,996.28	49.42%	304.64%	28,817.89	64,869.78

Commodities	Last Price	1 Day	Net Chg	Day Low	Day High	1 Month	2020 Close	YTD	1Y	52Wk Low	52Wk High	
Brent	78.47	↓	-0.22%	-0.17	78.25	78.86	9.44%	51.80	54.17%	75.98%	35.74	80.75
WTI	74.65	↓	-0.24%	-0.18	74.54	75.21	9.01%	48.52	56.01%	77.19%	33.64	76.98
Gold	1,727.24	↑	0.05%	0.87	1,726.23	1,734.90	-4.76%	1,898.36	-9.01%	-8.41%	1,676.89	1,965.59
Silver	21.5643	↑	0.13%	0.0285	21.43	21.64	-9.75%	26.40	-18.32%	-7.19%	21.42	30.10
Platinum	957.49	↑	0.33%	3.16	953.52	964.28	-5.74%	1,072.12	-10.69%	7.20%	839.75	1,339.73
Palladium	1,881.52	↑	1.08%	20.1	1,856.02	1,884.12	-23.85%	2,448.81	-23.17%	-18.58%	1,846.07	3,018.82

Rates	Last Price	1 Day	Net Chg	Day Low	Day High	1 Month	2020 Close	YTD	1Y	52Wk Low	52Wk High	
US Gov 2YR	0.2951	↑	2.04%	0.0059	0.2853	0.2951	37.19%	0.1211	143.68%	139.92%	0.0972	0.3186
US Gov 10YR	1.5376	↑	1.38%	0.0209	1.5028	1.5428	17.64%	0.9132	68.37%	136.74%	0.6397	1.7742
US Swap 5YR	1.0919	↑	2.22%	0.0237	1.0623	1.0948	26.04%	0.43	153.93%	215.76%	0.3322	1.1295
US Swap 10YR	1.558	↑	1.54%	0.0237	1.5218	1.5621	17.55%	0.9253	68.38%	119.50%	0.6791	1.7976
UK Gilt's 2YR	0.424	↑	4.69%	0.019	0.424	0.437	259.32%	-0.16	365.00%	900.00%	-0.183	0.471
UK Gilt's 10YR	1.009	↑	1.82%	0.018	1.009	1.029	74.57%	0.197	412.18%	448.37%	0.149	1.06
EU Gov 2YR	-0.683	↑	0.73%	0.005	-0.688	-0.678	7.20%	-0.7	2.43%	0.00%	-0.813	-0.637
EU Gov 10YR	-0.198	↑	7.04%	0.015	-0.2	-0.191	53.19%	-0.569	65.20%	63.67%	-0.67	-0.074
SAR Swap 2YR	1.1734	↑	2.03%	0.0234	1.12	1.1736	13.26%	1.0221	14.80%	10.47%	0.5975	1.2014
SAR Swap 10YR	2.844	↑	0.28%	0.008	2.81	2.844	8.97%	2.695	5.53%	14.77%	2.3931	3.045
SAIBOR 3M	0.80857	⇒	0.00%	0	0.80857	0.80857	1.62%	0.8175	-1.09%	-7.06%	0.79143	0.86875
EIBOR 3M	0.36392	↓	-0.09%	-0.00034	0.36392	0.36392	0.05%	0.5125	-28.99%	-16.13%	0.2526	0.5125
BHIBOR 3M	1.55	⇒	0.00%	0	1.55	1.55	0.00%	2.25	-31.11%	-31.11%	1.2333	2.25

Indices	Last Price	1 Day	Net Chg	Day Low	Day High	1 Month	2020 Close	YTD	1Y	52Wk Low	52Wk High	
DJIA	34,390.72	↑	0.26%	90.73	34,305.96	34,580.42	-3.00%	30,606.48	12.36%	24.68%	26,143.77	35,631.19
S&P 500	4,359.46	↑	0.16%	6.83	4,355.08	4,385.57	-3.61%	3,756.07	16.06%	29.63%	3,233.94	4,545.85
NASDAQ	14,512.44	↓	-0.24%	-34.24	14,493.66	14,676.62	-4.08%	12,888.28	12.60%	30.54%	10,822.57	15,403.44
DAX	15,365.27	↑	0.77%	116.71	15,301.35	15,422.75	-3.07%	13,718.78	12.00%	19.38%	11,450.08	16,030.33
Nikkei 225	29,452.66	↓	-0.31%	-91.63	29,311.34	29,622.27	4.85%	27,444.17	7.32%	27.03%	22,948.47	30,795.78
CAC 40	6,560.80	↑	0.83%	54.3	6,538.11	6,590.81	-1.79%	5,551.41	18.18%	35.78%	4,512.57	6,913.67
FTSE 100	7,108.16	↑	1.14%	80.06	7,026.85	7,117.52	-0.16%	6,460.52	10.02%	20.53%	5,525.52	7,224.46
Shanghai Compos	3,566.93	↑	0.87%	30.631	3,541.93	3,572.43	0.65%	3,473.07	2.70%	10.84%	3,202.34	3,731.69
EURO STOXX 50	4,080.22	↑	0.53%	21.4	4,070.45	4,108.22	-2.77%	3,552.64	14.85%	26.94%	2,920.87	4,252.78
DFMGI	2,829.19	↑	0.09%	2.66	2,825.03	2,837.28	-2.54%	2,491.97	13.53%	24.44%	2,139.67	2,919.36
Abu Dhabi	7,727.79	⇒	-0.04%	-2.84	7,727.79	7,743.16	0.56%	5,045.32	53.17%	71.04%	4,479.59	7,890.32
Tadawul	11,383.65	⇒	0.01%	1.24	11,331.35	11,390.53	0.57%	8,689.53	31.00%	37.41%	7,842.69	11,458.68
Qatar Exchange	11,428.54	⇒	-0.02%	-2.61	11,426.90	11,446.08	3.03%	10,435.96	9.51%	14.40%	9,586.79	11,446.08
Boursa Kuwait	6,870.89	⇒	-0.03%	-1.98	6,867.84	6,876.72	1.24%	5,546.04	23.89%	26.18%	5,335.28	6,887.30
Bahrain Bourse	1,703.34	⇒	0.01%	0.12	1,703.22	1,703.34	3.52%	1,489.78	14.34%	18.74%	1,421.57	1,703.34
Muscat Securities 30	3,940.99	↓	-0.06%	-2.4	3,940.99	3,947.67	-0.65%	3,658.77	7.71%	9.03%	3,535.21	4,136.34

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