

Market Commentary

- U.S. Second Quarter GDP:** The dollar strengthened from the lowest in more than two years after second-quarter growth figures were revised up. A report Wednesday showed U.S. second-quarter growth reached 3.0%, the fastest pace in two years on stronger household spending and gains in business investment. A private report on payrolls indicated robust hiring this month, two days before government jobs data will be scoured for clues on the timing of the Federal Reserve's next rate move.
- Trump Says Talk with North Korea Done:** Trump signaled he is running out of patience with Kim Jong Un's regime after the latest provocation in which Pyongyang sent a missile over Japan earlier this week. Trump dismissed the idea of negotiating, while his defense chief said the U.S. hasn't given up on diplomatic options. Meanwhile, Japanese Foreign Minister Taro Kono and U.S. Secretary of State Rex Tillerson agreed in a phone call to send a clear message to prevent North Korea from taking further actions and to prepare additional sanctions.
- China's Official Factory Gauge Strengthened:** China's official factory gauge rebounded, suggesting the economy may remain robust enough to offer policy makers more room to continue curbing financial risks.
- U.S. Refinery Capacity at Seven-Year Low:** Oil declined and gasoline advanced as Harvey continued to pound the energy-rich Gulf of Mexico coast, home to more than half of the U.S.'s refining capacity. Refineries have been battered, with more than an estimated 4 million barrels a day -- or about 23 percent of U.S. refinery capacity -- getting hit.
- Venezuela Cut Deeper Into Junk by Fitch on 'Probable' Default:** The world's riskiest credit continued its downward spiral after Fitch Ratings lowered Venezuela's grade deeper into junk, saying additional U.S. sanctions increase the probability of non-payment. Fitch reduced the nation's long-term foreign and local currency ratings to CC, just two notches from default, from CCC on Wednesday. S&P Global Ratings and Moody's Investors Service also rank the country at speculative levels.
- Moderate Qatar Slowdown:** Qatar's non-oil economic growth will slow this year as the gas-rich nation cuts spending and after a Saudi-led alliance imposed sanctions that hurt trade, the International Monetary Fund said. The non-hydrocarbon sector will expand 4.6 percent, the Washington-based lender said in an emailed statement on Wednesday, compared with 5.6 percent in 2016.

Source: Bloomberg, Reuters, Financial Times
Currencies

| | |
|---------|--------|
| EUR/USD | 1.1874 |
| GBP/USD | 1.2921 |
| USD/JPY | 110.55 |
| AUD/USD | 0.7899 |
| NZD/USD | 0.7165 |
| USD/CHF | 0.9641 |
| USD/CAD | 1.2650 |

Interbank Rates

| | USD | GBP | EUR | AED | SAR | BHD |
|------|---------|---------|---------|--------|---------|-------|
| 1WK | 1.20167 | 0.23531 | -0.4063 | 1.1200 | - | 1.650 |
| 1MO | 1.23889 | 0.25013 | -0.4014 | 1.2983 | 1.45875 | 2.250 |
| 2MO | 1.27556 | 0.2665 | -0.3829 | - | - | 2.300 |
| 3MO | 1.31694 | 0.27838 | -0.3726 | 1.5382 | 1.795 | 2.450 |
| 6MO | 1.45167 | 0.40175 | -0.3076 | 1.7600 | 2.04875 | 2.600 |
| 12MO | 1.714 | 0.59288 | -0.2084 | 2.1228 | 2.2425 | 3.075 |

Commodities

| | |
|-------------|---------|
| Brent Crude | 50.79 |
| WTI | 45.91 |
| Gold | 1302.75 |
| Aluminum | 2057.3 |
| Copper | 6769 |
| Silver | 17.34 |
| Platinum | 989.3 |
| Palladium | 929.2 |

Indices

| | |
|------------|----------|
| DJIA | 21,892.4 |
| S&P 500 | 2,457.6 |
| DAX | 12,002.5 |
| NIKKEI 225 | 19,644.3 |
| CAC 40 | 5,056.3 |
| FTSE 100 | 7,365.3 |
| DFM | 3,637.6 |
| TASI | 7,258.6 |

Treasuries

| | |
|--------|---------|
| US2Y | 1.3334 |
| US10Y | 2.1501 |
| EU2Y | -0.7220 |
| EU10Y | 0.3590 |
| GB2Y | 0.1750 |
| GB10Y | 1.0300 |
| SAR2Y | 2.3160 |
| SAR10Y | 3.6490 |

Main Economic Indicators

| Relevance | Country | Indicator | Consensus | Previous |
|-----------|---------|-----------------------------------------------------|-----------|----------|
| | GE | Unemployment Change (AUG) | -6k | -8k |
| | US | Personal Consumption Expenditure (MoM) (JUL) - Core | 0.1% | 0.1% |
| | CA | Quarterly Gross Domestic Product - Annualized (Q2) | 3.7% | 3.7% |
| | EU | Consumer Price Index (YoY) (AUG) - Core - Advance | 1.2% | 1.2% |

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