

**Market Commentary**

- **Wall Street Futures Retreat:** US futures were weaker on Monday morning, despite a likely boost to the energy sector stemming from rebounding oil prices after Saudi Arabia opened the door to cutting crude production. Meanwhile, the dollar chalked up a new high for the year as growing concerns about the UK government's ability to secure a deal over Brexit dinged the pound, which in turn rattled the euro.
- **Pound Weakens:** The pound fell by around 1% versus the dollar on Monday, making it the worst-performing major currency, as doubts intensified over prime minister Theresa May's ability to win parliamentary support for a Brexit deal she is trying to negotiate with the EU.
- **UK's Job Report:** Today's U.K. jobs report may show signs of health that, without Brexit, would push the BOE toward a rate hike. BE sees a drop in the jobless rate to 3.9% in the three months through September and a pickup in new jobs and wage growth. Consensus, though, sees little or no change.
- **Euro at Lowest Levels Since June 2017:** The euro has the political risk factors it faces, which leaves the currency hovering around 17-month lows against its US counterpart, with investors unnerved at the uncertainty over a Brexit deal and the Italian budget. The shared currency was pinned under \$1.13 on Monday, which is down 0.6% from Friday's close. It hit a low of \$1.1237 during morning trade, the weakest point since June last year. It then bounced to \$1.1258 after Italian industrial orders data turned out to be better than expected.
- **Italy's Budget Deadline:** Italy's budget battle with Brussels may escalate today, the deadline for the government to submit a new budget proposal. Its determination to stick to its plan to boost benefit spending, cut taxes and lower the retirement age has left the EU with little choice but to start a disciplinary process.
- **Iran Nuclear Deal is Holding:** Iran continues to abide by its accord with world powers even though Trump abandoned the agreement, according to the IAEA. In its first report since the U.S. re-imposed oil and banking sanctions, the agency said the Islamic Republic is still allowing snap inspections and keeping its nuclear capacity and material below the allowed thresholds.
- **Oil Extends Losing Streak:** Oil fell for a 12th consecutive session in its longest losing streak on record after U.S. President Donald Trump criticized top OPEC producer Saudi Arabia's plan to cut output. WTI was down 0.8% at \$59.71 a barrel today in an 11th consecutive day of declines. Before Friday, WTI had never closed lower for more than nine days in a row. Brent was down 0.8% at \$69.65. It was heading for its 10th drop in 11 sessions.

Source: Bloomberg, Reuters

**Currencies**

EUR/USD	1.1247
GBP/USD	1.2883
USD/JPY	113.95
AUD/USD	0.7212
NZD/USD	0.6752
USD/CHF	1.0102
USD/CAD	1.3227

**Interbank Rates**

	USD	GBP	EUR	AED	SAR	BHD
1WK	2.21913	0.70838	-0.4461	2.1500	2.5075	2.475
1MO	2.31438	0.727	-0.4103	2.4100	2.5975	3.325
2MO	2.45513	0.76625	-0.3837	-	-	3.500
3MO	2.61813	0.86681	-0.3583	2.7063	2.79375	3.650
6MO	2.858	0.99263	-0.3297	2.9563	2.98	3.850
12MO	3.14413	1.16275	-0.2216	3.4740	3.2075	4.500

**Commodities**

Brent Crude	69.43
WTI	59.16
Gold	1203.24
Aluminum	1934.0
Copper	6049
Silver	14.09
Platinum	847.5
Palladium	1084.9

**Indices**

DJIA	25,387.2
S&P 500	2,726.2
DAX	11,325.4
NIKKEI 225	21,810.5
CAC 40	5,059.1
FTSE 100	7,053.1
DFM	2,788.4
TASI	7,775.0

**Treasuries**

US2Y	2.8952
US10Y	3.1580
EU2Y	-0.6080
EU10Y	0.3980
GB2Y	0.7540
GB10Y	1.4520
SAR2Y	3.3990
SAR10Y	4.1953

**Main Economic Indicators**

Relevance	Country	Indicator	Consensus	Previous
	UK	Claimant Count Rate (Oct)	--	2.6%
	UK	Jobless Claims Change (Oct)	--	18.5k
	UK	ILO Unemployment Rate 3Mths (Sep)	4.0%	4.0%
	GE	CPI MoM (Oct) - Forecast	0.2%	0.2%

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