

**Market Commentary**

- **Turkey Opens Investigation:** Turkish authorities vowed to crack down on news and social media posts they say are threatening confidence in the economy, as the government launches a multipronged effort to halt the lira currency's rapid descent.
- **Lira Hovers Near Record Low:** The Turkish lira was hovering near its previous close and most major currencies in the region were little moved after a tumultuous start to the week. The lira was 0.4% weaker at TL6.884 after falling 7% despite central bank efforts.
- **Italian Yields Hit Highest:** Italian bond yields are at their highest levels since early June, as the wider market rout combines with fresh political tensions to cause jitters among investors. The 10-year Italian yield reached 3.109%, its highest level since early June, while its spread over the equivalent German Bund — a widely watched measure of eurozone political risk sentiment — hit 278 bps, its highest level since the worst of the sell-off in late May.
- **Euro at One-Year Lows:** The euro is hovering around one-year lows against the dollar while the crisis in Turkish markets continues to stir concerns over contagion into the nearby currency bloc. The euro is pinned under \$1.14, 0.25% weaker on the day.
- **Argentina Raise Rates:** Argentina's central bank raised the benchmark overnight interest rate to 45% after the peso tumbled to a record low as a corruption scandal unnerved investors and emerging markets took a beating from Turkey's currency crisis. The bank raised the rate 5 percentage points to reduce the risk of a surge in inflation, adding in a brief statement it would keep the rate at this level until at least October.
- **Saudi's Oil Production:** Saudi lowered its oil production in July even as the kingdom has pledged to raise output significantly to make up for an expected drop in Iranian exports. Opec's largest producer pumped just under 10.4m barrels a day last month. This is a fall of more than 52,000 b/d from the prior month.
- **Oil Prices Slow Recovery:** Oil prices sharply trimmed their losses, having fallen more than 2% earlier in the session as Turkey's crisis raised concerns about demand for oil and as Opec issued its latest supply figures. Brent crude, the global oil benchmark, declined as much as 2.4% before clawing back its losses to settle 0.3% lower at \$72.61 a barrel. Meanwhile, West Texas Intermediate, the US crude marker, fell as much as 2.8% before trimming those losses to trade about 0.6% to \$67.20 a barrel.
- **Gold Hits Lowest Level:** Gold is failing to find buyers amid the fallout from Turkey's currency crisis, hitting its lowest level since March 2017. The price of bullion touched \$1,203.61 a troy ounce in London trading. Gold has fallen 9% year-to-date amid an escalating trade war between the US and China.

Source: Bloomberg, Reuters

**Currencies**

EUR/USD	1.1427
GBP/USD	1.2801
USD/JPY	111.01
AUD/USD	0.7271
NZD/USD	0.6603
USD/CHF	0.9928
USD/CAD	1.3094

**Interbank Rates**

	USD	GBP	EUR	AED	SAR	BHD
1WK	1.95188	0.71113	-0.4273	1.9300	2.2988	2.400
1MO	2.06675	0.72213	-0.403	2.2010	2.40625	3.075
2MO	2.18638	0.74988	-0.3826	-	-	3.275
3MO	2.31925	0.8055	-0.3611	2.5350	2.6075	3.525
6MO	2.51213	0.89925	-0.3107	2.8026	2.7875	3.775
12MO	2.8155	1.04081	-0.2273	3.3045	2.99875	4.325

**Commodities**

Brent Crude	72.78
WTI	67.4
Gold	1195.78
Aluminum	2082.5
Copper	6153.5
Silver	15.09
Platinum	805.5
Palladium	884.8

**Indices**

DJIA	25,187.7
S&P 500	2,821.9
DAX	12,358.7
NIKKEI 225	22,356.1
CAC 40	5,412.3
FTSE 100	7,642.5
DFM	2,852.1
TASI	7,872.8

**Treasuries**

US2Y	2.6288
US10Y	2.8931
EU2Y	-0.6390
EU10Y	0.3280
GB2Y	0.7060
GB10Y	1.2520
SAR2Y	3.2050
SAR10Y	3.9175

**Main Economic Indicators**

Relevance	Country	Indicator	Consensus	Previous
	GE	ZEW Survey Current Situation (Aug)	72.1	72.4
	GE	ZEW Survey Expectations (Aug)	-21.3	-24.7
	EC	GDP SA QoQ (2Q P)	0.30%	0.30%
	EC	Industrial Production WDA (YoY) (Jun)	2.40%	2.40%

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