

Market Commentary

- Prospects for the euro zone economy have improved but the time to withdraw support has not yet come, three European Central Bank rate setters said on Wednesday, days before a tense French presidential election and the ECB's own policy meeting.
- The U.S. economy expanded at a modest-to-moderate pace between mid-February and the end of March, but inflation pressures remained in check despite more difficulties in attracting and retaining workers, the Federal Reserve said on Wednesday.
- Capital outflows from China eased sharply in the first quarter and cross border flows were more balanced, the foreign exchange regulator said on Thursday, in the latest official comments indicating policymakers are growing less worried about the yuan currency.
- Japan has less room to compromise with the United States under a bilateral trade deal than under a multilateral agreement like the Trans-Pacific Partnership (TPP), its deputy prime minister said, taking a swipe at U.S. attempts to directly pressure Tokyo into opening up heavily-protected markets like agriculture.
- South Africa's credit rating could get downgraded deeper into junk status if political uncertainty triggered by the recent firing of the finance minister stalls reforms needed to grow the economy, an executive from S&P Global Ratings said on Wednesday.
- Britain's current account deficit, one of the weak points of its economy, was bigger than previously thought in the years up to 2012, according to new estimates from the Office for National Statistics on Wednesday. The figures showed British companies had paid out more interest to foreign holders of corporate bonds than initially estimated, resulting in a larger current account deficit.
- Japan's exports rose in March at the fastest pace in more than two years as increased shipments of car parts and steel signaled that expanding overseas demand could help boost the country's notoriously slow economic growth.
- Euro zone core inflation was higher than initially forecast, the European Union's statistics office said on Wednesday, while confirming its estimate for the headline figure. Eurostat confirmed inflation in March in the 19 countries sharing the euro slowed down to 1.5 per cent year-on-year from a four-year high of 2.0 per cent recorded in February.
- Egypt is to increase the maximum amount of dollar bonds it can issue on international markets to \$7 billion, a cabinet statement said. The present \$5 billion cap will be lifted by up to \$2 billion, the statement said. In February, Egypt's central bank raised \$4 billion from a Eurobond sale, raising twice as much as it initially targeted and at lower yields than expected.

Source: Bloomberg, Reuters

Currencies

EUR/USD	1.0725
GBP/USD	1.2822
USD/JPY	108.87
AUD/USD	0.7509
NZD/USD	0.7042
USD/CHF	0.9968
USD/CAD	1.3475

Interbank Rates

	USD	GBP	EUR	AED	SAR	BHD
1WK	0.94722	0.23688	-0.4093	0.8472	-	1.350
1MO	0.99278	0.25563	-0.3921	1.0675	1.2925	1.850
2MO	1.03667	0.29838	-0.3707	-	-	2.075
3MO	1.15622	0.33556	-0.3593	1.4673	1.72875	2.300
6MO	1.39767	0.48494	-0.2573	1.6845	2.00625	2.475
12MO	1.76122	0.69606	-0.1433	2.1937	2.20625	2.975

Commodities

Brent Crude	53.24
WTI	50.69
Gold	1279.54
Aluminum	1894.0
Copper	5556
Silver	18.17
Platinum	969.2
Palladium	777.6

Indices

DJIA	20,404.5
S&P 500	2,338.2
DAX	12,016.5
NIKKEI 225	18,430.5
CAC 40	5,003.7
FTSE 100	7,114.4
DFM	3,482.7
TASI	6,948.1

Treasuries

US2Y	1.1744
US10Y	2.2018
EU2Y	-0.8170
EU10Y	0.1960
GB2Y	0.1300
GB10Y	1.0650
SAR2Y	2.3115
SAR10Y	3.8920

Main Economic Indicators

Importance	Country	Indicator	Consensus	Previous
	US	Initial Jobless Claims	240k	234k
	EU	Consumer Confidence (Apr) - Advance	-4.8	-5.0
	US	Leading Index (Mar)	0.2%	0.6%

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