

Market Commentary

- Dow Gives Up 2018 Gains as Trade Tensions Loom:** The Dow ended Tuesday's trading session down 1.15%, shedding 287 points as its industrial constituents felt the heat from the trade moves. Boeing, Caterpillar and 3M were among its biggest fallers as concerns ratchet up once again about what the tit-for-tat tiff between US and China will mean for their businesses.
- It's Brexit Crunch Time:** Theresa May faces a tight vote in the House of Commons as pro-European rebels in her own party fight for power to influence the U.K.'s exit negotiations. The PM is grappling with a revolt over whether she can take Britain out of the bloc without a deal or if Parliament should have a "meaningful vote" on the way forward if talks break down.
- Dovish Message:** Mario Draghi promised that the European Central Bank will take its time to lift interest rates, reinforcing last week's agreement by policy makers to keep borrowing costs unchanged at least through the summer of 2019. "We will remain patient in determining the timing of the first rate rise and will take a gradual approach to adjusting policy thereafter," the ECB president said in a speech in Sintra, Portugal.
- No Compromise:** Iran rejected a potential compromise at OPEC, saying it won't support even a small increase in oil output when the cartel meets on Friday. "I don't believe in this meeting we can reach an agreement," Oil Minister Bijan Namdar Zanganeh said.
- Greece to Plan Post-Bailout Straitjacket:** Greece's post-bailout future will include binding targets, compliance reviews, and even disbursements, an internal memo for creditors showed. Any room for the nation to shape its own policies will be constrained by "continued engagement with European institutions. The country will be required to maintain a surplus before interest payments equal to 3.5% of its economic output.
- Argentina Stock Market Upgrade:** MSCI is still likely to upgrade Argentina's stocks to emerging market status despite market turmoil and a peso sell-off that forced the government to obtain a record \$50 billion IMF credit line. At least four Wall Street brokerages see between 60%-70% chance of an upgrade at today's announcement.
- UAE's Economy to Grow 3% in 5 Years:** The International Monetary Fund (IMF) expected the UAE's economic growth to reach 3% in the next year until 2023. It added that the UAE's economy is likely to advance by 2% in 2018. The country's GDP at current prices is forecast to increase to around AED 1.89 billion by 2023, against AED 1.51 billion expected in 2018.

Source: Bloomberg, Reuters

Currencies

EUR/USD	1.1575
GBP/USD	1.3158
USD/JPY	110.11
AUD/USD	0.7395
NZD/USD	0.6905
USD/CHF	0.9958
USD/CAD	1.3289

Interbank Rates

	USD	GBP	EUR	AED	SAR	BHD
1WK	1.97188	0.49225	-0.4270	1.8663	2.1875	2.350
1MO	2.08375	0.5055	-0.3987	2.1413	2.2975	3.075
2MO	2.1505	0.54875	-0.3703	-	-	3.250
3MO	2.32469	0.63075	-0.3557	2.4938	2.52375	3.500
6MO	2.49688	0.755	-0.3047	2.7973	2.69625	3.675
12MO	2.77188	0.93563	-0.234	3.2369	2.9025	4.238

Commodities

Brent Crude	75.47
WTI	65.5
Gold	1274.34
Aluminum	2171.0
Copper	6840
Silver	16.35
Platinum	862.3
Palladium	975.2

Indices

DJIA	24,700.2
S&P 500	2,762.6
DAX	12,678.0
NIKKEI 225	22,555.4
CAC 40	5,390.6
FTSE 100	7,603.9
DFM	2,948.4
TASI	8,270.5

Treasuries

US2Y	2.5493
US10Y	2.8986
EU2Y	-0.6240
EU10Y	0.3770
GB2Y	0.7030
GB10Y	1.2830
SAR2Y	3.1053
SAR10Y	3.9059

Main Economic Indicators

Relevance	Country	Indicator	Consensus	Previous
	US	Existing Home Sales (MAY)	5.52m	5.46m

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