

**Market Commentary**

- The U.S. Federal Reserve might need to raise interest rates in the near future to avoid falling behind the curve on inflation, Dallas Fed President Robert Kaplan said on Monday.
- China will further open up its economy to foreign investors, new commerce minister Zhong Shan said on Monday, and he hopes foreign companies will play a bigger role in boosting China's slowing economy, according to Xinhua, the official news agency.
- New orders for key U.S.-made capital goods unexpectedly fell in January after three straight months of strong gains, but did little to change views that manufacturing was recovering from a prolonged downturn amid rising commodity prices.
- Euro zone banks have cut lending to their peers in other members of the currency bloc over the past year, European Central Bank (ECB) data showed on Monday, as questions mounted about the health of some lenders and the very future of the euro.
- China plans to target broad money supply growth of around 12 percent in 2017, slightly lower than last year's goal, policy sources said, signaling a bid to contain debt risks while keeping growth on track.
- Japanese Prime Minister Shinzo Abe said on Tuesday the central bank's aggressive monetary easing is aimed not just at achieving its 2 percent inflation target but at stimulating the economy.
- Eurozone businesses grew more optimistic about their prospects in February, as a measure of confidence among service providers rose to its highest level since before the global financial crisis.
- The global ratings agency S&P 500 Global has forecast a \$315 billion or 4 percent decrease in commercial borrowing by the 130 sovereigns it currently rates, to reach \$6.8trn in 2017. The US and Japan will again be the most prolific borrowers this year, accounting for 60 percent of the total, followed by China, Italy, and France.
- The Saudi Ministry of Trade and Investment will assess a plan to amend regulations to allow expatriates to invest in the Kingdom within specific regulations and standards in addition to paying taxes.
- Saudi Arabia may increase its domestic gasoline prices by 30 percent from July, industry sources said, part of a reform plan by the world's top oil exporter to align its fuel prices with global benchmark levels.

*Source: Bloomberg, Reuters*
**Currencies**

|         |        |
|---------|--------|
| EUR/USD | 1.0599 |
| GBP/USD | 1.2449 |
| USD/JPY | 112.45 |
| AUD/USD | 0.7688 |
| NZD/USD | 0.7196 |
| USD/CHF | 1.0068 |
| USD/CAD | 1.3174 |

**Interbank Rates**

|      | USD     | GBP     | EUR     | AED    | SAR     | BHD   |
|------|---------|---------|---------|--------|---------|-------|
| 1WK  | 0.71111 | 0.23906 | -0.4080 | 0.7377 | -       | 1.050 |
| 1MO  | 0.78056 | 0.26506 | -0.3951 | 0.9643 | 1.43875 | 1.575 |
| 2MO  | 0.85167 | 0.31281 | -0.3691 | 0.5971 | 2.029   | 1.800 |
| 3MO  | 1.054   | 0.35431 | -0.3514 | 1.3904 | 1.795   | 2.075 |
| 6MO  | 1.36072 | 0.51213 | -0.2471 | 1.6361 | 2.03    | 2.200 |
| 12MO | 1.73956 | 0.7425  | -0.1124 | 2.0943 | 2.22    | 2.575 |

**Commodities**

|             |        |
|-------------|--------|
| Brent Crude | 56.17  |
| WTI         | 54.2   |
| Gold        | 1254.3 |
| Aluminum    | 1899.5 |
| Copper      | 5934   |
| Silver      | 18.35  |
| Platinum    | 1033.9 |
| Palladium   | 785.0  |

**Indices**

|            |          |
|------------|----------|
| DJIA       | 20,837.4 |
| S&P 500    | 2,369.8  |
| DAX        | 11,822.7 |
| NIKKEI 225 | 19,119.0 |
| CAC 40     | 4,845.2  |
| FTSE 100   | 7,253.0  |
| DFM        | 3,641.8  |
| TASI       | 6,969.3  |

**Treasuries**

|        |         |
|--------|---------|
| US2Y   | 1.1925  |
| US10Y  | 2.3614  |
| EU2Y   | -0.9250 |
| EU10Y  | 0.1980  |
| GB2Y   | 0.0950  |
| GB10Y  | 1.1500  |
| SAR2Y  | 2.4500  |
| SAR10Y | 4.0480  |

**Main Economic Indicators**

| Importance | Country | Indicator                                       | Consensus | Previous |
|------------|---------|---|-----------|----------|
|            | US      | Wholesale Inventories (MoM) (JAN) - Preliminary | 0.4%      | 1.0%     |
|            | US      | GDP Annualized (QoQ) (4Q) - Second              | 2.1%      | 1.9%     |
|            | CA      | Industrial Product Price (MoM) (JAN)            | 0.5%      | 0.4%     |
|            | FR      | GDP (QoQ) (4Q) - Preliminary                    | 0.4%      | 0.4%     |

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