

Market Commentary

- January FOMC Minutes:** The Federal Reserve has pledged to be patient, but minutes from its latest policy meeting are a reminder that interest rate hikes could resume if the US economy remains on track, economists and market analysts said Wednesday. In minutes from its January meeting, the Federal Open Market Committee said members saw “few risks” in maintaining current interest rate levels “for a time.” However, several participants argued further increases to rates might be necessary only if inflation growth exceeds their outlook, while several others saw rate rises as appropriate later this year if the economy evolves as forecast.
- Signs of Hope in US-China Trade Deal:** Negotiators on both sides are working on multiple pacts covering agriculture, non-tariff barriers, services, technology transfers and IP, which would form the basis of a final trade deal. No breakthrough is expected during this week's talks, but efforts are underway to extend a March 1 deadline for U.S. tariffs to rise on Chinese goods.
- Trump Threatens Tariffs on European Cars:** President Donald Trump on Wednesday said the United States would impose tariffs on European car imports if it cannot reach a trade deal with the European Union. “We’re trying to make a deal. They’re very tough to make a deal with - the EU,” Trump said. “If we don’t make the deal, we’ll do the tariffs.”
- Fitch May Cut UK Credit Rating on No-deal Brexit Risk:** The UK faces a potential credit rating downgrade because of the mounting risk that it will leave the EU without a transition deal, according to a leading rating agency. Fitch has put the UK’s AA credit rating on negative watch over the growing uncertainty about Brexit, a move which signals the increasing likelihood of a downgrade.
- ECB Minutes Updates Today:** Today's ECB minutes may show how officials debated shifting the balance of risks to their forecasts to the downside at the January meeting, recognizing a slowdown everyone else had seen coming. Equally important will be any references to the targeted longer-term refinancing operations loan program, which may need to be refreshed this year. Without action, the bank's balance sheet will shrink and that may prompt a tightening of financial conditions.
- Australia Adds More Jobs than Forecast:** The Australian dollar jumped to a two-week high on Thursday after the country’s economy added more jobs than expected in January, while the overall unemployment rate remained unchanged. The seasonally-adjusted unemployment rate held at 5 percent in January, according to the Australian Bureau of Statistics, in line with a Reuters poll. Australia’s economy added 39,100 jobs in January, beating forecasts of 15,000 jobs. Of those, 65,000 were full-time jobs while the number of part-time roles fell by 26,300.

Source: Bloomberg, Reuters

Currencies	
EUR/USD	1.1334
GBP/USD	1.3030
USD/JPY	110.78
AUD/USD	0.7097
NZD/USD	0.6813
USD/CHF	1.0017
USD/CAD	1.3198

Interbank Rates						
	USD	GBP	EUR	AED	SAR	BHD
1WK	2.4095	0.69638	-0.4516	2.2500	2.6875	2.833
1MO	2.48225	0.7285	-0.40871	2.5755	2.775	3.550
2MO	2.57813	0.78325	-0.3709	-	-	3.667
3MO	2.64125	0.86638	-0.34557	2.8853	2.9275	3.917
6MO	2.73575	0.9925	-0.2909	3.0925	3.05	4.033
12MO	2.89113	1.12438	-0.16771	3.5688	3.27125	4.650

Commodities	
Brent Crude	67.15
WTI	57.36
Gold	1338.65
Aluminum	1855.00
Copper	6405
Silver	15.99
Platinum	826
Palladium	1460.2

Indices	
DJIA	25,954.4
S&P 500	2,784.7
DAX	11,402.0
NIKKEI 225	21,464.2
CAC 40	5,196.0
FTSE 100	7,228.6
DFM	2,634.0
TASI	8,572.6

Treasuries	
US2Y	2.5099
US10Y	2.6590
EU2Y	-0.5690
EU10Y	0.1030
GB2Y	0.7470
GB10Y	1.1810
SAR2Y	3.0485
SAR10Y	3.9182

Main Economic Indicators

Relevance	Country	Indicator	Consensus	Previous
	FR	Markit France Manufacturing PMI (Feb) - Preliminary	51.00	51.20
	GE	Markit/BME Germany Manufacturing PMI (Feb) - Preliminary	49.80	49.70
	EC	Markit Eurozone Manufacturing PMI (Feb) - Preliminary	50.30	50.50
	US	Initial Jobless Claims	228k	239k

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