



## Euro rose against \$

The euro rose against the dollar on Tuesday, recovering from an 8 month low hit last week, as the market speculated that a rescue for struggling Greece would be organised soon, prompting some covering of short positions. The European Union leaders are holding a special summit on the economy on Feb. 11 in Brussels. But market activity stayed mostly subdued in Asian trade as investors were unwilling to place big bets due to concerns about sovereign credit risks in the euro zone. The fear being that, any positive news for the euro from the EU summit would give the currency a chance to rebound.

In the UK the government must avoid being labelled STUPID. The acronym PIGS (Portugal, Italy, Greece and Spain) is now old hat. The new acronym on trading floors for possible dominoes if Greece should fall is STUPID (Spain, Turkey, UK, Portugal, Italy, Dubai) and this should worry the UK. Given the way such acronyms can become contagious, the UK needs to distance itself from the others. Doubtless the UK authorities are well aware of the need to come up with a credible budget next month.

## Economic Indicators

Country	Indicator	Period	Previous	Forecast
GB	Trade Balance GBP	Dec	-6.78b	-6.63b
US	Wholesale sales	Dec	3.30%	1.00%



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### Benchmark Interest Rates

	Today	Dec '09
US FED FUNDS	0.25	0.25
UK BASE RATE	0.50	0.50
ECB REPO RATE	1.00	1.00
Interest Rates	Bid	Offer
US 1MTH DEP	0.16	0.26
US 3MTH DEP	0.18	0.28
US 6MTH DEP	0.32	0.42
US 1YR DEP	0.77	0.87
UK 1MTH DEP	0.25	0.40
UK 3MTH DEP	0.35	0.50
UK 6MTH DEP	0.65	0.80
UK 1YR DEP	1.05	1.20
EUR 1MTH DEP	0.35	0.45
EUR 3MTH DEP	0.41	0.51
EUR 6MTH DEP	0.76	0.86
EUR 1YR DEP	0.98	1.08

### Bond Markets

		Yield	Dec '09
US	6MTH T BILLS	0.17	0.19
US	2 YEAR BOND	0.78	1.14
US	5YEAR BOND	2.26	2.68
US	30 YEAR BOND	4.51	4.64
UK	6MTH T BILLS	0.54	0.45
UK	2 YEAR GILT	1.19	1.30
UK	5 YEAR GILT	2.98	2.80
EUR	2 YEAR BOND	1.03	1.33
EUR	5 YEAR BOND	2.21	2.42



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### FX Markets

	Today	Dec '09
GBP/USD	1.5615	1.617
EUR/USD	1.3718	1.4321
USD/JPY	89.54	93.02
GBP/EUR	1.1385	1.1275
USD/CHF	1.0697	1.0352
USD/MAD	8.1946	7.9024
USD/ALG	74.5873	71.9136
USD/TUN	1.3779	1.3237
USD/LYD	1.2479	1.2313
USD/JOR	0.71	0.71

### Commodities & Metals

	Today	Dec '09
GOLD \$OZ	1068.25	1104.00
SILVER	15.16	16.85
COPPER GR A	\$ 6346.00	\$7375
ALUMINUM HG	\$ 2002.00	\$2241
BRENT DATED	70.06	77.93
COFFEE FUTURE	\$ 1296	\$1294
RUBBER C/KG	\$ 1006.50	953.75m
WHEAT	\$ 484.00	\$541.50
SUGAR FUT WHITE	\$ 738.00	\$710.20

### Equities

	Daily Move	Close	Dec '09
FTSE 100	31.41	5092.33	5412.88
DAX	50.51	5484.85	5957.43
DOW JONES	-103.84	9908.39	10428.05
NASDAQ	-15.07	2126.05	2269.15
NIKKEI	-18.92	9932.90	10546.44
HANG SENG	239.39	19790.28	21872.50
CAIRO	37.09	1614.93	1400.50
JORDAN	-26.44	5488.69	5520.14
MOROCCO	22.30	10949.26	10443.81
KUWAIT	1049.10	7150.20	7005.30
BAHRAIN	-1.08	1506.15	1458.24
SAUDI	5.87	6222.03	6121.76
DUBAI	15.99	1646.80	1803.59

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British Arab Commercial Bank

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