



US jobless claims rise

According to the figures released yesterday by the Labour Department, US jobless claims increased to 371,000 for the week ending the 10 of May compared to 365,000 the previous week. On the other hand, US industrial production dropped 0.7 percent against market expectation of 0.3 percent drop.

Gross domestic product within the Euro zone increased 0.7 percent in the first quarter as outlined by the European Union statistics offices. This was due to a strong performance within the Germany economy, however, growth is likely to slow during the second quarter because of the strong Euro and higher commodity prices.

Credit traded slightly better again (Itraxx crossover minus 8 at 420) but has all been about the new issue market. Still not seeing a great deal of liquidity in secondary market.

The focus today in the Euro zone will be in the trade balance. In the US, the focus will be on the housing starts, building permits and the University of Michigan confidence.

Economic Indicators

Country	Indicator	Period	Previous	Forecast
EC	Euro Zone Trade Balance	MAR	0.8B	2.5B
US	Housing Starts	APR	947K	939K
US	U.Of Michigan Confidence	MAY	62.6	62



Benchmark Interest Rates

	Today	Dec '07
US FED FUNDS	2.00	4.25
UK BASE RATE	5.00	5.50
ECB REPO RATE	4.00	4.00
Interest Rates	Bid	Offer
US 1MTH DEP	2.37	2.42
US 3MTH DEP	2.59	2.64
US 6MTH DEP	2.79	2.84
US 1YR DEP	2.98	3.03
UK 1MTH DEP	5.32	5.82
UK 3MTH DEP	5.69	5.74
UK 6MTH DEP	5.77	5.82
UK 1YR DEP	5.85	5.90
EUR 1MTH DEP	4.55	4.60
EUR 3MTH DEP	4.73	4.78
EUR 6MTH DEP	4.79	4.84
EUR 1YR DEP	4.88	4.93

Bond Markets

		Yield	Dec '07
US	6MTH T BILLS	1.86	3.40
US	2 YEAR BOND	2.45	3.08
US	5YEAR BOND	3.11	3.48
US	30 YEAR BOND	4.56	4.49
UK	6MTH T BILLS	5.08	4.89
UK	2 YEAR GILT	4.70	4.38
UK	5 YEAR GILT	4.68	4.53
EUR	2 YEAR BOND	3.99	4.01
EUR	5 YEAR BOND	4.02	4.17



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FX Markets

	Today	Dec '07
GBP/USD	1.9504	1.9961
EUR/USD	1.5477	1.4712
USD/JPY	104.22	112
GBP/EUR	1.2604	1.357
USD/CHF	1.0541	1.1261
USD/MAD	7.4355	7.7247
USD/ALG	63.79	67.02
USD/TUN	1.1824	1.2194
USD/LYD	1.1875	1.217
USD/JOR	0.71	0.71

Commodities & Metals

	Today	Dec '07
GOLD \$OZ	881.70	841.85
SILVER	16.84	14.90
COPPER GR A	\$8193.25	\$6830
ALUMINUM HG	\$2996.25	\$2418
BRENT DATED	122.42	96.58
COFFEE FUTURE	\$2225	\$1850
RUBBER C/KG	937.0m	846.0m
WHEAT	\$771.50	\$885
SUGAR FUT WHITE	\$332.2	\$315.9

Equities

	Daily Move	Close	Dec '07
FTSE 100	35.80	6251.80	6456.90
DAX	-2.19	7081.05	8067.32
DOW JONES	94.28	12992.66	13264.82
NASDAQ	37.03	2533.73	2652.28
NIKKEI	-32.26	14219.48	15307.78
HANG SENG	127.28	25640.99	27812.65
CAIRO	-150.26	3361.03	3412.27
JORDAN	-61.31	9268.76	7519.25
MOROCCO	-140.23	14426.24	12694.97
KUWAIT	closed	14863.90	12558.90
BAHRAIN	18.23	2837.84	2755.27
SAUDI	closed	9783.19	7933.29
DUBAI	-1.31	5685.46	5931.95

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British Arab Commercial Bank

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