

# Global Market Review

Issued by the Capital Markets Division

September 3, 2012

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Equity Indices		3-Sep
Index	Previous Cls	%Change
DJIA	13,090.84	0.69%
S&P 500	1,406.58	0.51%
NASDAQ	3,066.97	0.60%
EURO Stoxx 50	2,440.71	1.54%
FTSE 100	5,711.48	-0.14%
Nikkei 225	8,783.89	-0.63%
VXX	11.59	-2.77%

Forex Rates			3-Sep
	Previous Cls	%Chg *	Hi-Lo 10am
EURUSD	1.2561	0.46%	1.2585-60
GBPUSD	1.5865	0.51%	1.5886-51
USDJPY	78.38	-0.28%	78.38-20
USDCHF	0.9554	-0.50%	0.9560-43
AUDUSD	1.0279	-0.05%	1.0298-41
USDCAD	0.9866	-0.56%	0.9879-53
NZDUSD	0.7995	0.24%	0.8016-0.7985

\*% Chg is calculated from closing before last

Regional Markets		3-Sep
Index	Previous Cls	Chg in Pts
KSA	7,090.90	-0.67%
Dubai	1,545.59	-0.14%
Abu Dhabi	2,557.01	-0.18%
Kuwait	5,899.32	0.04%
Bahrain	1,077.22	-0.84%
Muscat	5,511.40	0.09%
Qatar Exch	8,454.90	-0.34%

Beirut Stock Exchange		3-Sep
Listed Shares [USD]	Prev Cls	% Change
Solidere A	12.69	-0.31%
Solidere B	12.66	-1.02%
Bank Audi	5.49	2.43%
Bank of Beirut	19.00	0.00%
BLOM Bank	7.40	0.00%
Byblos Bank	1.52	-1.94%
Holcim Liban	16.72	7.87%

Key Economic Data						3-Sep
Event	Currency	Time [LB]	Forecast	Previous	Impact	
RETAIL SALES y/y	CHF	10:15	3.50%	3.70%	HIGH	
SPANISH MANUFACTURING PMI	EUR	10:15	-	42.3	MEDIUM	
SVME PMI	CHF	10:30	49.2	48.6	MEDIUM	
ITALIAN MANUFACTURING PMI	EUR	10:45	44.9	44.3	MEDIUM	
FINAL MANUFACTURING PMI	EUR	11:00	45.3	45.3	LOW	
MANUFACTURING PMI	GBP	11:30	46.1	45.4	HIGH	
BANK HOLIDAY	CAD	ALL DAY	-	-	-	
BANK HOLIDAY	USD	ALL DAY	-	-	-	
ECB PRESIDENT DRAGHI SPEAKS	EUR	16:30	-	-	HIGH	

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Critical Key Points for Future Contracts						3-Sep
Contract	Prv Cls/Trend	Swing Point	Resistance	Support	TRP	
SEP GBP	15877 - up	-	15890+/-, 16000+	15755, 157-15676, 15641	156.41	
SEP CAD	10144 - sdwys/up	-	10155+/-, 10192	10104, 10054-48, 9986	99.86	
SEP EUR	12509 - sdwys/up	12670	12622, 12670-12750	12518-, 12467, 12448	123.30	
SEP JPY	12777 - sdwys/up	-	12798, 12839-54	12782, 12703-00, 12647	126.47	
SEP CHF	10480 - sdwys/up	10620	10522, 10625	10423-19, 104, 10299-70	102.70	
SEP AUD	10314 - sdwys/down	10165	10344-10362, 10457	10220-, 10165	103.01	
SEP USD	81215 - down	8106	81585, 81985, 82805	8106-8090, 8030-	82.805	
DEC T-BONDS	15121 - up	15310+	15130, 15215-16, 15310+	15028-25, 15001-14931	148.00	
SEP MINI S&P	1405 - sdwys/up	-	1411-141350, 1420+	149425, 138550, 137750	1377.50	
SEP MINI DJ	13079 - sdwys/up	-	13129-13147, 13265+	13004, 12942, 12825-12810	129.42	
SEP MINI NASDAQ	277100 - up	-	278800-280250	274750-, 272300, 267725	2677.25	
DEC COPPER	34570 - sdwys/up	35625+	34860, 35100-70, 355-35625	34195, 33835, 335-	338.35	
DEC GOLD	168760 - up	169110	169110, 1705	167250, 1666, 1656	1656.00	
DEC SILVER	3144 - up	3180	3180+/-, 3240-3250	30925, 3060-, 29965	2996.50	
OCT CRUDE OIL	9648 - up	-	9784-9829, 9950-10003	9521-18, 9445-41, 9286	91.39	

\*TRP: Trend Reversal Point

## Markets Summary

3-Sep

➤ Asian stocks outside Japan rose as economic reports across the region fueled speculation that central banks will boost stimulus measures; Japanese stocks fell as the JPY rose against most of its major counterparts, weighing on the earnings outlook for exporters; the MSCI Asia Pacific excluding Japan Index gained 0.3% to 419.02 as of 3:31 p.m in Tokyo with about 3 stocks gaining for each that fell; the MSCI Asia Pacific Index was little changed at 117.76; shares rose after Federal Reserve Chairman Ben S. Bernanke said on Aug. 31 that further monetary easing is an option.

--The Fed chief "is defending the case that quantitative easing and unconventional policy have been effective, and that could be a controversial statement," said Tim Leung, a portfolio manager who helps manage about \$1.5 billion at IG Investment Ltd. in Hong Kong, referring to the Fed's large-scale asset purchases. "If in the future the economy is not performing as good as they expect, they still have room" for more stimulus.

➤ European stock futures were little changed after 2 weeks of losses for the benchmark Stoxx Europe 600 Index; U.S. index futures were also little changed; futures on the Euro Stoxx 50 Index expiring in September fell 0.2% to 2,431 at 7:14 a.m. in London, while FTSE 100 Index futures dropped less than 0.1%; contracts on the S&P's 500 Index slipped 0.2%; volumes may be limited today as U.S. markets are closed for Labor Day.

--"We are waiting anxiously for the U.S. to see whether are going to do QE3, to see what the European Central Bank is going to do and what China is going to do" to support markets, Nick Maroutsos, who oversees about \$2.9 billion as managing director and co-founder of Sydney-based Kapstream Capital, said in an interview on Bloomberg Television. "Tis the season for stimulus, in terms of monetary policy as well as fiscal policy."

➤ Oil dropped from the highest closing price in almost two weeks as manufacturing unexpectedly contracted in China and crude production resumed in the Gulf of Mexico after Hurricane Isaac; futures fell as much as 0.5% in New York after the biggest monthly gain since October; China's Purchasing Managers Index shrank for the first time in 9 months in August, a government survey showed Sept. 1; a separate measure by HSBC Holdings Plc and Markit Economics today showed the fastest contraction since March 2009; China is the world's second biggest oil user; about 72% of daily crude output in the Gulf of Mexico is shut, from as much as 95% last week, the U.S. Bureau of Safety and Environmental Enforcement said.

--"The primary reason is the reaction to the PMI figure in China," said Ric Spooner, a chief market analyst at CMC Markets in Sydney. "The general run of indicators in recent months has shown an easing in the Chinese economy and the manufacturing sector in particular."

➤ Speculators increased bets on rising gold prices to the highest since March as mounting speculation that the Fed will expand its record stimulus drove bullion to its second-biggest monthly gain this year; money managers raised their net-long positions by 19% to 131,687 futures and options contracts in the week to Aug. 28, U.S. CFTC data show; combined bets across 18 U.S. commodities fell 1.9% to 1.3 million contracts, still near the highest in 15 months; the S&P's GSCI Spot Index of 24 commodities gained for a fifth straight week, the longest rally since June 2011.

--"Anytime they're putting more money into the economy, it's good news for gold," said Dan Denbow, fund manager at the \$1.8 billion USAA Precious Metals & Minerals Fund. The outlook for monetary stimulus "allows the risk-on trade to come back in to the market."

Source: Bloomberg News

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## Equity Highlights

HIGHLIGHTED EARNINGS RELEASES					
Company	Symbol	Period	EPS est	Prev Actual	
118000 AG	Z18.F	Q1 & H1 '12	n/a	n/a	
African Rainbow Minerals Ltd	ARI.J	PRELIM 2011/12	n/a	n/a	
Audika Groupe SA	ADI.PA	Q2 2012	n/a	n/a	
Biome Technologies PLC	BIOM.L	INTERIM 2012	n/a	n/a	
City of London Investment Group PLC	CLIG.L	PRELIM 2011	n/a	n/a	
Communication & Systemes par Abreviation CS SA	SX.PA	Q2 2012	n/a	n/a	

HIGHLIGHTED DIVIDENDS					
Company	Amount	Ex-Date	Payable	Record	Declaration
Asciano Ltd	\$0.040	3-Sep	20-Sep	7-Sep	22-Aug
ResMed Inc	\$0.017	3-Sep	28-Sep	7-Sep	3-Aug
Absa Group Ltd	\$315.000	3-Sep	10-Sep	7-Sep	27-Jul
ACTi Corp	\$1.014	3-Sep	25-Sep	4-Sep	12-Apr
AECI Ltd	\$78.000	3-Sep	10-Sep	7-Sep	25-Jul
Aglie Property Holdings Ltd	\$0.145	3-Sep	25-Sep	4-Sep	16-Aug

## Equity News

3-Sep

- ✓ **S&P European MarketScope:** Glencore's proposed merger with Xstrata is facing collapse after CEO Ivan Glasenberg told Qatar he would not meet its asking price, according to The Sunday Times; Qatar is Xstrata's largest shareholder with around 12%, and has pressed for 3.25 Glencore shares per each Xstrata share, compared to the current offer of 2.8; Glasenberg is understood to have told Qatar that the offer will not be raised to 3.0 shares or more.
- ✓ **Reuters:** Sharp Corp's president may travel to Taiwan in a bid to conclude as soon as possible a deal that will make Hon Hai Precision Industry Co Ltd the biggest shareholder of the embattled Japanese TV maker, a source told Reuters.
- ✓ **Reuters:** Fresenius pulled the plug on plans to take over Rhoen-Klinikum, discouraged by healthcare industry investors who had sought to prevent the emergence of a dominant private-sector hospitals operator in Germany.
- ✓ **Reuters:** Vodafone said it has agreed a deal with Kuwait-based telecoms operator Zain that would expand the global telecoms group's presence in the Middle East.
- ✓ **Reuters:** Italian drinks company Campari said Monday it will buy Jamaican rum maker Lascelles de Mercado & Co, strengthening its most profitable business segment, in a public tender offer for USD 414.7 million.