

Global Market Review

Issued by the Capital Markets Division

September 11, 2012

For Further Info please contact GFIC's Capital Markets Division at: +961 1 985236-7-8

Equity Indices		11-Sep
Index	Previous Cls	%Change
DJIA	13,254.29	-0.39%
S&P 500	1,429.08	-0.61%
NASDAQ	3,104.02	-1.03%
EURO Stoxx 50	2,528.53	-0.40%
FTSE 100	5,793.20	-0.03%
Nikkei 225	8,807.38	-0.70%
VXX	9.93	5.53%

Forex Rates		11-Sep
	Previous Cls	%Chg * Hi-Lo 10am
EURUSD	1.2757	-0.39% 1.2793-55
GBPUSD	1.5988	-0.11% 1.6017-1.5985
USDJPY	78.26	0.03% 78.28-19
USDCHF	0.9458	0.13% 0.9473-42
AUDUSD	1.0330	-0.46% 1.0353-21
USDCAD	0.9773	-0.07% 0.9777-55
NZDUSD	0.8086	-0.43% 0.8106-078

*% Chg is calculated from closing before last

Regional Markets		11-Sep
Index	Previous Cls	Chg in Pts
KSA	7,072.60	-0.33%
Dubai	1,557.21	-0.89%
Abu Dhabi	2,592.93	0.01%
Kuwait	5,866.32	0.28%
Bahrain	1,076.67	0.20%
Muscat	5,587.93	-0.07%
Qatar Exch	8,477.76	0.23%

Beirut Stock Exchange		11-Sep
Listed Shares [USD]	Prev Cls	% Change
Solidere A	12.78	-0.47%
Solidere B	12.72	1.68%
Bank Audi	5.50	0.00%
Bank of Beirut	19.00	0.00%
BLOM Bank	7.40	0.00%
Byblos Bank	1.50	0.00%
Holcim Liban	15.36	0.00%

Key Economic Data						11-Sep
Event	Currency	Time [LB]	Forecast	Previous	Impact	
TRADE BALANCE	GBP	11:30	-8.9B	-10.1B	MEDIUM	
HOUSING STARTS	CAD	15:15	203K	209K	LOW	
TRADE BALANCE	CAD	15:30	-1.4B	-1.8B	HIGH	
TRADE BALANCE	USD	15:30	-44.2B	42.9B	HIGH	
IBD/TIPP ECONOMIC OPTIMISM	USD	17:00	47.3	45.6	LOW	
MPC MEMBER MILES SPEAKS	GBP	20:15	-	-	MEDIUM	

Global Market Review

Issued by the Capital Markets Division

September 11, 2012

Critical Key Points for Future Contracts					11-Sep
Contract	Prv Cls/Trend	Swing Point	Resistance	Support	TRP
SEP GBP	15992 - up	16011	16040, 16105, 16212+	15928, 15896, 15860-26	158.26
SEP CAD	10221 - sdwys/up	10266	10236, 10266+	10164-49, 10110, 10021	100.21
SEP EUR	12762 - up	12939	12821, 12939, 13149	12732, 12670-50, 12597	125.97
SEP JPY	12774 - sdwys/up	12895+	12808-54, 12895	12740, 12716	127.16
SEP CHF	10568 - up	10620	10625, 10815	10534-27, 10497, 10353	103.53
SEP AUD	10327 - sdwys	-	10417, 10455-65, 10500+	10317, 10276-46, 10165	104.17
SEP USD	80375 - down	7950-	8062, 8100+/-, 81715	7985, 7950-7925	81.715
DEC T-BONDS	14915 - sdwys/up	15310+	14930-15001, 15017	14810-09, 14802-00	148.02
SEP MINI S&P	142650 - up	1444	143675, 1445+/-, 1460+/-	1418-141675, 141125	1411.25
SEP MINI DJ	13237 - up	13432	13308-13324, 13425-13450	13195, 13160, 13102	131.02
SEP MINI NASDAQ	278450 - up	285300	285500, 290500	277900-277450, 275700	2712.75
DEC COPPER	36885 - up	377	37025, 377	36320, 35760, 35190	351.90
DEC GOLD	173180 - up	1769	1747, 176920, 1790+/-	1721, 170640	1684.60
DEC SILVER	33635 - up	3635	3400, 3525	3286-32775, 3217-	3170.00
OCT CRUDE OIL	9628 - sdwys/up		9730-71, 9784	9441-9395, 9286	91.39

*TRP: Trend Reversal Point

Markets Summary

11-Sep

Asian stocks fell, with the regional benchmark index poised for the first drop in 4 days, as concern grew Europe will fail to contain its debt crisis and as investors wait to see if the Fed will boost economic stimulus; the MSCI Asia Pacific Index has gained 1.7% this quarter through yesterday as expectations of further stimulus measures overshadowed signs of a global economic slowdown; the Asian benchmark traded at 12.4x estimated earnings, compared with 13.8x for the S&P's 500 Index and 12x for the Stoxx Europe 600 Index.

--"Concern about Europe's debt crisis is casting a shadow at a time when investors can't be confident about the global economy," said Tomomi Yamashita, a senior fund manager in Tokyo at Shinkin Asset Management Co., which oversees about \$6.3 billion. "This is not an easy environment to take risks."

European stock-index futures fell amid concern developments in Spain or Germany will derail the ECB's bond-buying plan. U.S. futures; the Stoxx Europe 600 Index surged the most since June last week as ECB policy makers agreed to an unlimited bond-buying plan; tomorrow, Germany's Federal Constitutional Court will decide whether to halt the country's participation in the EUR 500 billion European Stability Mechanism, the Euro area's permanent bailout fund.

--"A policy of fiscal retrenchment "is pushing Europe into a deeper and longer depression," billionaire investor George Soros said during a speech in Berlin yesterday. "The German public doesn't yet feel it and doesn't quite believe it, but it's all too real in the periphery and it will reach Germany in the next 6 months or so. My message is that the depression is largely self-inflicted and the nightmare can be escaped."

The dollar declined against most of its major peers before the Federal Open Market Committee starts a two-day meeting tomorrow; the Dollar Index slid toward a 4-month low amid speculation the Fed will buy bonds in a third round of quantitative easing, a measure that tends to debase the currency; demand for the EUR was limited before a report this week forecast to show European industrial production contracted amid concern the sovereign-debt crisis is constraining growth.

--"It's highly likely that additional easing will be announced at the FOMC meeting," said Yoshitsugu Fujita, assistant vice president of global markets in New York at Sumitomo Mitsui Trust Bank Ltd. "Should QE3 be announced, the USD will be sold and probably continue to weaken."

Treasuries halted a gain from yesterday as investors prepared to bid at a USD 32 billion 3-year auction today, which will be followed by sales of 10-year notes tomorrow and 30-year bonds the day after; the spread between 10- and 30-year yields reached 1.18% yesterday, the most since May; 30-year bonds, because of their longer maturity, are more sensitive to inflation than shorter-dated Treasuries.

--"Yields are unattractive," said Kei Katayama, who buys U.S. government debt in Tokyo for Daiwa SB Investments Ltd., which manages the equivalent of \$63.1 billion. "There is gradual, slow growth in the economy." Daiwa SB is betting Treasury rates will increase as the economy improves, he said.

Oil slid from the highest level in almost three weeks amid signs of slowing economic growth in China and concern that Europe's bailout plan will falter.

--"The market is waiting on the two big news events in the German court decision and whether or not the Fed does something," said Ric Spooner, a chief market analyst at CMC Markets in Sydney. "At best, I think with oil we're looking at a fairly gradual expansion in demand against a backdrop of fairly well-covered supply."

Gold rose, after dropping for the first day in 3 yesterday, as the outlook for more stimulus from the U.S. Fed spurred demand for the metal as a store of value.

--"The market will hover around current levels as investors await the Fed meeting," said Xiang Nan, an analyst at CITICS Futures Co., a unit of China's biggest listed brokerage. "While technical levels indicate gold may be overbought as most of the expectation for QE3 is priced into the market, there is still buying interest on the outlook for a weaker dollar."

Source: Bloomberg News

Global Market Review

Issued by the Capital Markets Division

September 11, 2012

Equity Highlights

HIGHLIGHTED EARNINGS RELEASES				
Company	Symbol	Period	EPS est	Prev Actual
Globecomm Systems Inc	GCOM	Q4 2012	\$0.20	\$0.10
United Natural Foods Inc	UNFI	Q4 2012	\$0.51	\$0.43
AEP Industries Inc	AEP1	Q3 2012	n/a	n/a
Aragon AG	A8A.F	Q2 2012	n/a	n/a
Ashmore Group PLC	ASHM.L	PRELIM 2012	n/a	n/a
Assystem SA	ASY.PA	Q2 2012	n/a	n/a

HIGHLIGHTED DIVIDENDS [Ex-Date Today]				
Company	Symbol	Amount	Payable	Declaration
Principal Financial Group Inc	PFGR B	\$0.407	1-Oct	21-Aug
Principal Financial Group Inc	PFGZP.PK	\$1.391	1-Oct	21-Aug
Ingersoll-Rand PLC	IR	\$0.160	28-Sep	3-Aug
T.Rowe Price Group Inc	TROW	\$0.340	27-Sep	1-Aug
Apollo Investment Corp	AINV	\$0.200	4-Oct	8-Aug
Berry Petroleum Co	BRY	\$0.080	28-Sep	31-Aug

Equity News

11-Sep

- ✓ **S&P European MarketScope:** British major bank Barclays will shrink dramatically its tax structuring unit as part of the bank's Project Transform under CEO Antony Jenkins, Barclays investment banking chief Rich Ricci, told investors yesterday; at its peak, the business may have generated as much as three-quarters of profits at Barclays' investment banking operation; Ricci also signalled a likely withdrawal from selling derivatives products to consumers and small business customers, following an industry-wide scandal over the mis-selling of interest rate hedging contracts to SMEs.
- ✓ **S&P European MarketScope:** Nokia Siemens Networks, a joint venture of Nokia and Siemens, expects to jump to second place in its global market for the full year 2013, ahead of Huawei Technologies, a top executive told Reuters.
- ✓ **S&P European MarketScope:** Gazprom will reportedly repay around EUR 1 billion to E.ON; price talks with 3 other customers, including RWE's Czech unit, are ongoing.
- ✓ **Reuters:** Investor Qatar said on Tuesday it had not yet decided whether to support Glencore's revised bid for Xstrata and would announce a decision in due course when it had considered all the implications.
- ✓ **Reuters:** The U.S. government cut its stake in American International Group Inc to about 21.5% on Monday, making a profit of USD 12.4 billion on the insurer's crisis-era bailout and bringing the unpopular rescue closer to its end.
- ✓ **Reuters:** Goldman Sachs was not paid a USD 20 million fee it billed for advising natural gas provider El Paso Corp on its more than USD 20 billion sale to Kinder Morgan Energy Partners Inc after the investment bank was accused of a conflict of interest in the sale.
- ✓ **Reuters:** Thai Beverage PCL said it was in talks with a partner to team up on a bid for Fraser and Neave Ltd, moving the Thai group a step closer in its effort to snap up the remaining pieces of the Singapore conglomerate.
- ✓ **Reuters:** Luigi Lavazza SpA increased its stake in Green Mountain Coffee Roasters Inc, giving the Italian coffee roaster control of 6.8% of the U.S. company, a securities filing showed on Monday.