



بنك الإمارات دبي الوطني
Emirates NBD

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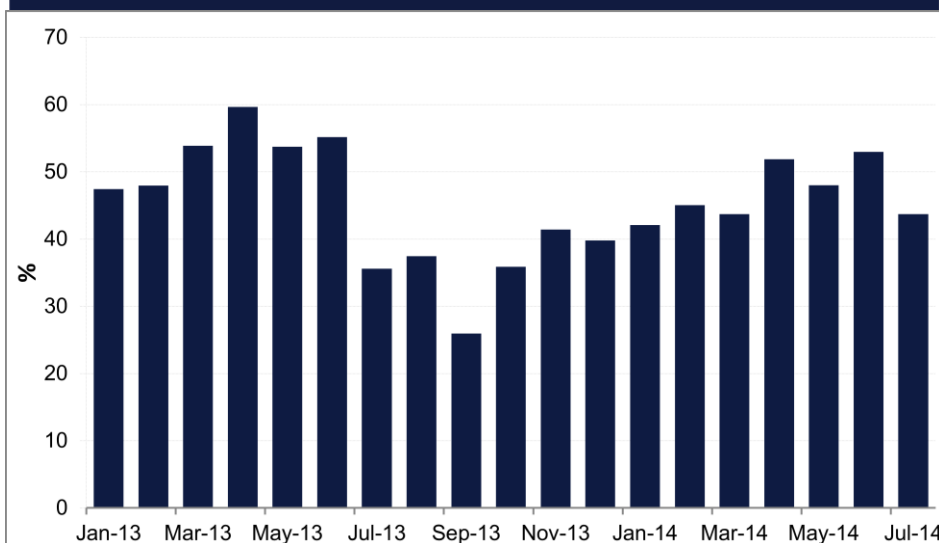
Daily Outlook

European markets shrugged off the resignation of the French government and weaker than expected economic data yesterday, with equity markets closing higher and bond yields lower on the day. France's government resigned over increasing disagreement about austerity policies. President Hollande asked PM Valls to form a new government excluding former Industry Minister Arnaud Montebourg, the most vociferous critic of the policy. In Germany, the IFO business climate index fell to an 11-month low of 106.3 in August, down from 108.0 in July as the impact of the Russia-Ukraine crisis negatively affected sentiment. Both the current situation assessment and the expectations index were lower than expected.

In the US too, equity markets shrugged off weaker than expected new home sales data with the S&P500 index reaching breaching 2000 points for the first time during the session. M&A news helped to bolster positive sentiment there. Today's market focus is likely to be on US durable goods orders, which are expected to print strong following an increase in aircraft orders in July.

In the UAE, data from STR global showed that hotel occupancy in Dubai fell to 45.9% in July, as the seasonal summer lull was compounded by Ramadan. The increased supply of hotel rooms also weighed on the average occupancy rate in the emirate. In Abu Dhabi however, hotel occupancy was slightly higher y/y at 50.1%. Outside the GCC, the sharpest improvement was in Egypt where hotel occupancy jumped to 43.7% compared to 35.8% in the same month last year, while RevPAR increased 48.5% y/y to USD27. Recently released data from Egypt's Tourism Ministry has been similarly positive, showing total visitor arrivals increasing 15.8% y/y in July to 885k. The decision at the start of H2 by several European governments to lift their travel warnings on the country has helped facilitate the recovery in tourism, and we expect to see further improvements over the coming months.

Hotel occupancy in Egypt is starting to improve y/y



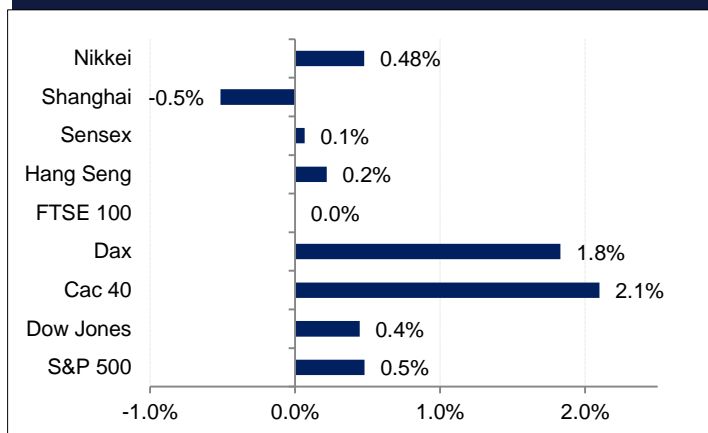
Source: STR Global, Emirates NBD Research

Day's Economic Data and Events

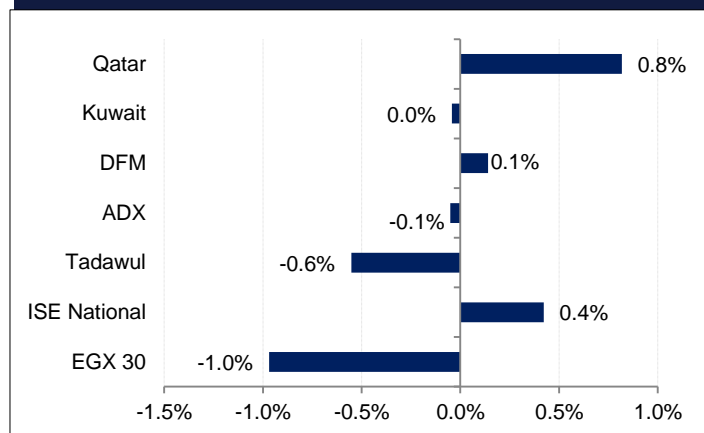
	Time	Cons		Time	Cons
US Durable goods	16:30	8.0%	US Consumer conf.	18:00	89.0

Source: Bloomberg, Emirates NBD Research

Global Equity Indices



MENA Equity Indices



Currencies

	Close	%1D chg	1 yr fwd		Close	%1D chg		Close	%1D chg
EURUSD	1.3200	-0.32	1.3243	USDTRY	2.1781	+0.12	EURAUD	4.8488	-0.53
GBPUSD	1.6594	+0.13	1.6516	USDEGP	7.1520	-0.01	GBPAED	6.0952	+0.13
USDJPY	103.90	-0.05	103.45	USDSAR	3.7504	--	JPYAED	0.0354	-0.19
USDCAD	1.0952	+0.08	1.1044	USDQAR	3.6413	-0.00	CADAED	3.3539	+0.06
AUDUSD	0.9315	-0.02	0.9091	USDKWD	0.2847	+0.18	AUDAED	3.4214	+0.01
USDCHF	0.9158	+0.22	0.9114	USDBHD	0.3770	--	CHFAED	4.0109	-0.45
EURGBP	0.7955	-0.45	0.8019	USDOMR	0.3850	-0.00	TRYAED	1.6863	-0.12
USDAED	3.6730	--	3.6706	USDINR	60.7700	-0.55	INRAED	0.0607	-0.02

Rates

Interbank	1 mo	3mo	6 mo	1 yr	Swaps	Close	1D chg (bps)
EIBOR	0.3986	0.7143	0.9043	1.0500	USD 2 yr	0.708	+1
USD LIBOR	#N/A	#N/A	#N/A	#N/A	USD 5 yr	1.797	+2
GBP LIBOR	#N/A	#N/A	#N/A	#N/A	USD 10 yr	2.530	-1
EURIBOR	0.0880	0.1970	0.2970	0.4770	EUR 2 yr	0.248	-5
JPY LIBOR	#N/A	#N/A	#N/A	#N/A	EUR 5 yr	0.501	-5
CHF LIBOR	#N/A	#N/A	#N/A	#N/A	EUR 10 yr	1.129	-5

Commodities & Fixed Income

Commodities	Close	%1D chg	Bonds/Sukuk	YTM	1D chg (bps)	CDS	Close	1D chg (bps)
Gold	1278.09	-0.23	ADGB 6.75 19	1.79	-0	Abu Dhabi	52	--
Silver	19.41	-0.62	DUGB 7.75 20	2.98	-0	Dubai	162	-1
Oil (WTI)	93.35	-0.32	QATAR 6.55 19	1.83	--	Qatar	56	--
Aluminium	#N/A		US Tsy 2 yr	0.50	+1	Saudi Arabia	53	--
Copper	#N/A		US Tsy 10 yr	2.38	-2	Bahrain	164	-1

Source: Bloomberg, Emirates NBD Research

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