



بنك الإمارات دبي الوطني  
Emirates NBD

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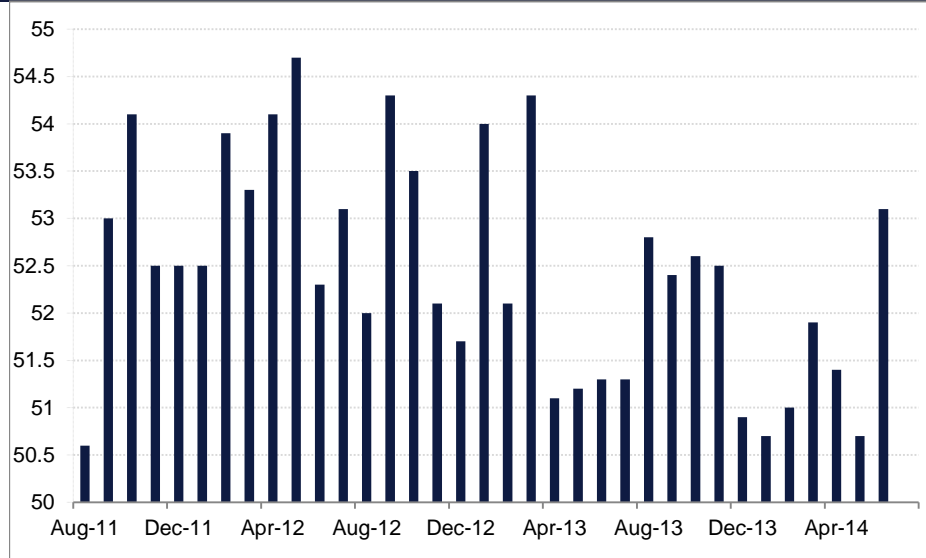
## Daily Outlook

**China's Services Purchasing Managers' Index fell to 50.0 in July, marking the lowest headline reading in the survey's entire history**, and a sharp turnaround from the 18-month high of 53.1 registered in June. As these monthly surveys can often prove volatile, it is unclear whether July's reading was a temporary blip or the start of a more fundamental slowdown.

**Activity across the UK's construction sector remains firm at the start of H2 2014** according to the latest Markit Purchasing Managers' Index for the sector. The headline reading dropped slightly to 62.4 in the month from 62.6 in June, yet this was still above consensus expectations for a fall to 62.0, and represents the 15<sup>th</sup> consecutive month of expansion. A sub-index on residential construction rose to 68.0, which was the highest reading since 2003, while a separate employment sub-index also showed the fastest pace of job growth in the survey's history.

**A recently released IMF report on Lebanon following the conclusion of the latest Article IV consultation highlights the significant challenges confronting the country.** The discussions appear to have focused in large part on how the crisis in Syria continues to affect the economic outlook, with the Fund describing the impact as 'dramatic'. Aside from undermining confidence and weakening the security environment, the IMF estimates that in areas where refugees (which number over one million) have settled, housing rents have increased 20%, while unemployment has also surged. The Fund also stated that *'Without a resolution in Syria, economic performance is expected to remain weak. Growth is likely to linger at around 2%'*. This compares to our own forecast which sees real GDP expanding only 1.2% in 2014.

### China Services PMI Falls to Record Low



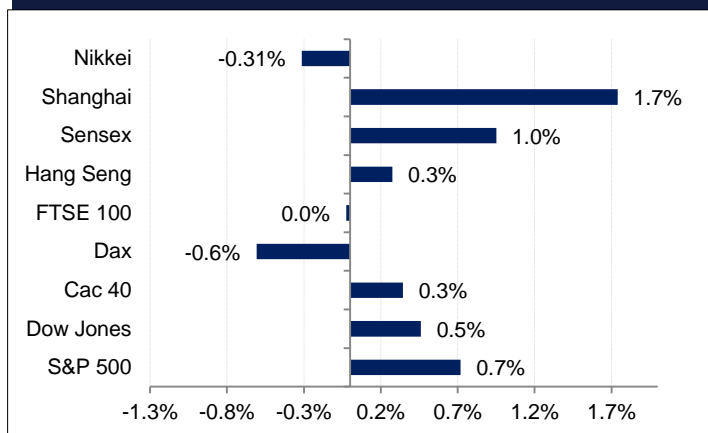
Source: Bloomberg, Emirates NBD Research

### Day's Economic Data and Events

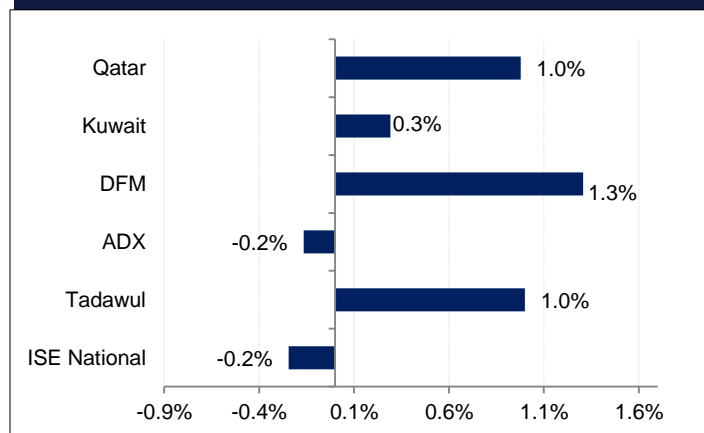
	Time	Cons		Time	Cons
RBA Decision	8:30	2.50%	RBI Decision	9:30	8.00%
UAE, Saudi, Egypt PMI	9:30	-	Eurozone Retail Sales	13:00	0.5%
US Factory Orders	18:00	0.6%	US Non-Manuf. ISM	18:00	56.5

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	1.3422	-0.04	1.3450	USDTRY	2.1311	-0.13	EURAUD	4.9301	-0.03
GBPUSD	1.6863	+0.25	1.6779	USDEGP	7.1510	+0.00	GBPAED	6.1941	+0.27
USDJPY	102.57	-0.04	102.16	USDSAR	3.7504	-0.00	JPYAED	0.0358	+0.03
USDCAD	1.0906	-0.09	1.0998	USDQAR	3.6411	-0.01	CADAED	3.3681	+0.13
AUDUSD	0.9334	+0.24	0.9109	USDKWD	0.2834	+0.07	AUDAED	3.4284	+0.24
USDCHF	0.9067	+0.09	0.9030	USDBHD	0.3770	--	CHFAED	4.0511	-0.07
EURGBP	0.7959	-0.31	0.8016	USDOMR	0.3850	--	TRYAED	1.7235	+0.13
USDAED	3.6730	--	3.6709	USDINR	60.9350	-0.41	INRAED	0.0603	-0.18

## Rates

Interbank	1 mo	3mo	6 mo	1 yr	Swaps	Close	1D chg (bps)
EIBOR	0.4000	0.7214	0.9043	1.0757	USD 2 yr	0.677	-1
USD LIBOR	#N/A	#N/A	#N/A	#N/A	USD 5 yr	1.792	-1
GBP LIBOR	#N/A	#N/A	#N/A	#N/A	USD 10 yr	2.622	-1
EURIBOR	#N/A	#N/A	#N/A	#N/A	EUR 2 yr	0.340	+0
JPY LIBOR	#N/A	#N/A	#N/A	#N/A	EUR 5 yr	0.650	+1
CHF LIBOR	#N/A	#N/A	#N/A	#N/A	EUR 10 yr	1.358	+0

## Commodities & Fixed Income

Commodities	Close	%1D chg	Bonds/Sukuk	YTM	1D chg (bps)	CDS	Close	1D chg (bps)
Gold	1289.00	-0.39	ADGB 6.75 19	1.90	+1	Abu Dhabi	55	--
Silver	20.17	-0.79	DUGB 7.75 20	3.12	-0	Dubai	174	+3
Oil (WTI)	98.29	+0.42	QATAR 6.55 19	1.95	-0	Qatar	56	--
Aluminium	2013.75	+2.61	US Tsy 2 yr	0.46	-1	Saudi Arabia	58	--
Copper	7133.50	+0.63	US Tsy 10 yr	2.48	-1	Bahrain	172	-3

Source: Bloomberg, Emirates NBD Research

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