



Major World Indices

US- Asia	Closing	Ch %	YtD %
Dow Jones	10809.85	-5.55%	-6.63%
S&P500	1119.46	-6.66%	-10.99%
Nasdaq	2357.69	-6.90%	-11.13%
Nikkei 225	8944.48	-1.68%	-12.09%
Hong Kong	19258.51	-6.01%	-16.40%

Europe	Closing	Ch %	YtD %
Eurofirst 300	936.29	-3.97%	-16.53%
Eurostoxx 50	2286.91	-3.72%	-18.11%
CAC 40	3125.19	-4.68%	-17.86%
DAX 30	5923.27	-5.02%	-14.33%
FTSE	5068.95	-3.39%	-14.08%
SMI	4967.99	-3.95%	-22.81%

Market comments

- European stocks pared early gains on Tuesday and slipped back into negative territory, as energy shares sank along with oil prices, eclipsing bargain hunting in recently-hammered mining stocks. Indices have dropped for seven straight days on worries about major economies falling back into recession.
- U.S. stock futures rallied Tuesday in choppy trading after markets suffered their worst one-day loss since late 2008 and as traders awaited the Federal Reserve's statement on monetary policy. The S&P 500 is valued at 11.3 times estimated income, the lowest since March 2009, according to data compiled by Bloomberg. The price-earnings ratio reached as low as 9.52 in 2008. The S&P 500 has dropped 18% since April 29.
- The Nikkei average closed down 1.7% on Tuesday in heavy volume, cutting its losses on bargain hunting after tumbling more than 4 percent in the wake of a plunge on Wall Street and a downgrade of U.S. sovereign debt.

Major Currencies (Indicative)

Major commodities Futures

US Benchmark Rates

	Last	Previous	Var.	YTD
EUR/USD	1.4228	1.4174	+0.38%	+6.36%
USD/YEN	77.24	77.58	-0.44%	-5.27%
EUR/YEN	109.90	109.99	-0.08%	+1.41%
USD/CHF	0.7515	0.7540	-0.33%	-19.67%
EUR/CHF	1.0695	1.0688	+0.07%	-13.93%
GBP/USD	1.6332	1.6323	+0.06%	+4.70%

	Last	Previous	Change
Oil/Barrel \$	79.75	83.72	-4.74%
Silver/Ounce \$	38.65	40.20	-3.85%
Gold/Ounce \$	1742	1712	+1.75%

	Yield
1 YEAR	0.10
2 YEAR	0.28
5 YEAR	1.16
10 YEAR	2.41
30 YEAR	3.72

- Gold bullion gained more than 3% on Tuesday, roaring to all-time highs for a second consecutive session to stand above \$1,770 as equity markets dived on growing fears of a global recession following last week's U.S. credit downgrade. Goldman Sachs Group Inc. (GS) raised its forecasts for gold futures to \$1,730 in six months and \$1,860 in a year based on expectations for real U.S. interest rates to stay lower for longer. The previous estimates were \$1,635 and \$1,730, the bank said in a report dated Aug. 7.
- Crude Oil headed for its biggest two-day plunge in more than two years in New York as the U.S. credit-rating cut and rising stockpiles stoked concern an economic slowdown will worsen, reducing demand in the world's biggest crude consumer. Brent tumbled below \$100 a barrel.
- The Swiss franc surged to an all-time high against the euro on Tuesday as investors' confidence was shattered by extended falls in share prices, prompting them to flock to safe haven currencies.
- Treasuries fell, erasing earlier gains, as Asian stocks trimmed losses and U.S. equity futures climbed amid speculation the Federal Reserve may introduce new measures to boost financial confidence.

Economic Watch List

Economic News

Economic Indicator	Cons.
FOMC announcement	
UK Industrial production	+0.4%

The FOMC plans to issue a statement at about 2:15 p.m. New York time. BNP Paribas, said the central bank may say today the economic slowdown is persisting longer than expected. Policy makers may also say the Fed's securities portfolio will remain at a record for an "extended period" and replace shorter-term securities with longer maturities to reduce rates on longer-term debt. The Fed reiterated in June that the overnight interbank lending rate would be "exceptionally low" for an "extended period" and said the policy of reinvesting maturing securities to keep the balance sheet steady would be maintained, without saying how long.

Chinese CPI accelerated further to 6.5% in July from 6.4% in the previous month, beating expectations and keeping alive the prospect that Beijing may maintain a restrictive monetary policy.