

MONTHLY DRIVERS

Debt ceiling, Harvey, mixed economic news, geopolitical tensions... a larger fraction of economists is convinced that the Fed will not increase interest rates in December (64% according to a recent Bloomberg survey). Central banks in the U.S., Euro Zone, China, and Japan seem to pursue their support to their respective economies, and this is likely to continue in the coming months. Within the current low interest rates conditions, investors have decided to invest further in the stock markets and to gradually exit US dollar, in favour of the Euro, which could be considered as a safe haven currency due to the proliferation of political risks in North Korea.

KEY INDICES

EQUITIES

- **S&P 500**
- **EuroStoxx 50**
- FTSE 100
- Nikkei 225

FOREIGN EXCHANGE

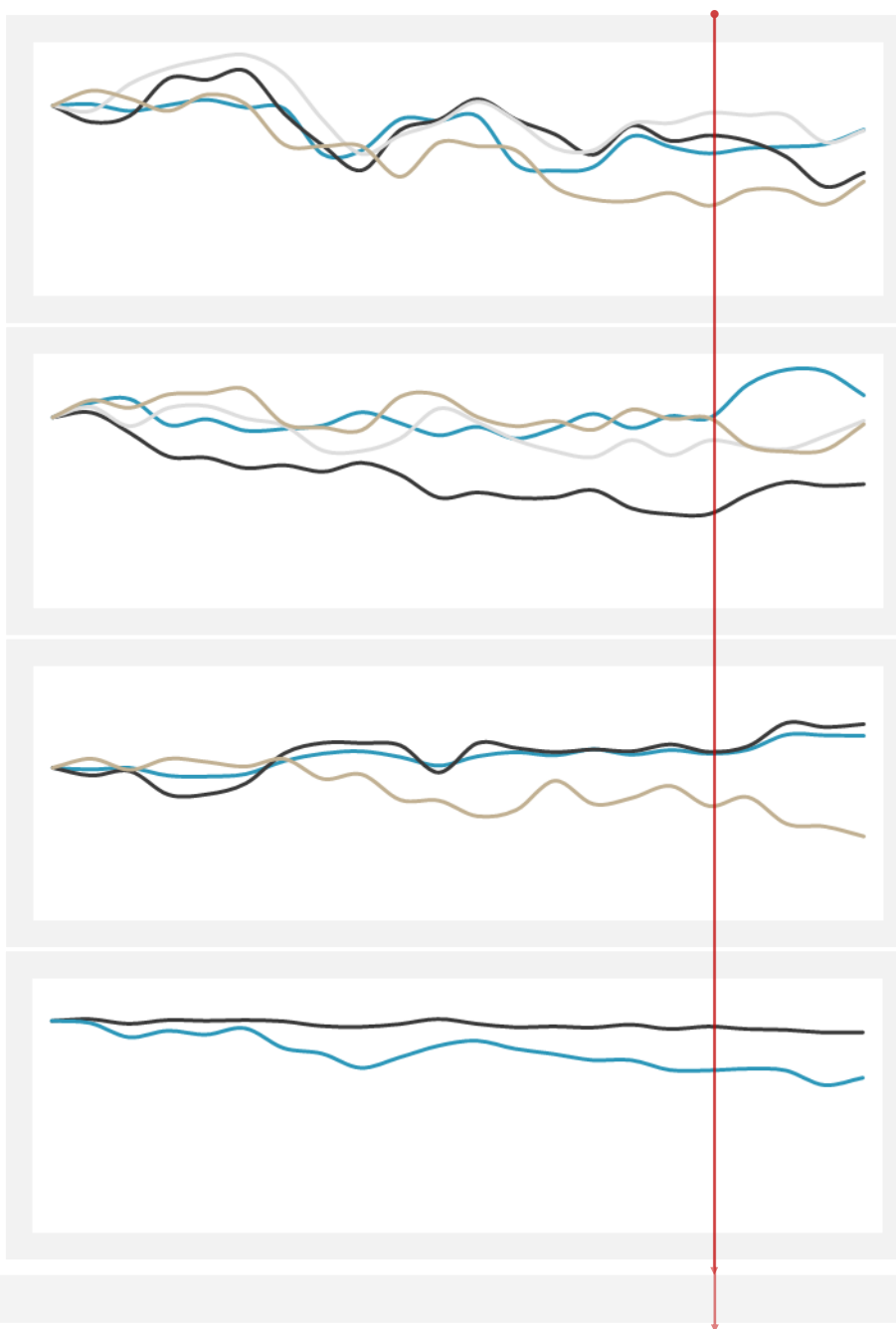
- **EUR/USD**
- **GBP/USD**
- USD/JPY
- **USD/CHF**

COMMODITIES

- **Gold**
- **Silver**
- **Oil**

FIXED INCOME

- **US 10Y Yields**
- **EU 10Y Yields**



August 25: Jackson Hole Meeting

August 25: Hurricane Harvey hits the United States

Stocks finished mostly flat albeit higher volatility. The markets were supported by upwardly revised GDP growth that reached 3% for the first time since 2015. Other factors supported the market such as renewed focus on possible U.S. tax reform and better-than-expected manufacturing data. However, these drivers were counterbalanced by headwind concerns including the devastation brought by Hurricane Harvey and continued geopolitical tensions with North Korea. European Markets, namely ex-

porting companies and dollar earners seem to be becoming weighed by a stronger Euro. However, the potential for earning growth in the Eurozone is still encouraging. Brexit negotiations have not yet seen any progress and continue to weigh markets with uncertainty. Periodic risk factors include the German Elections, Washington Debt Ceiling, Korea-US tensions and Brexit Negotiations and are likely to keep the markets in check during September.

GLOBAL EQUITY BENCHMARK INDICES

	Last Price	MTD %	YTD %	Δ30D Vol
World	1169.45	0.18%	13.42%	0.94%
Developed	1959.74	-0.07%	11.91%	0.82%
Emerging	1087.7	2.01%	26.14%	1.49%
Frontier	2806.33	1.77%	16.04%	0.43%
Europe	126.19	-1.06%	3.02%	-0.18%
Latin America	2873.1	4.40%	22.75%	-1.13%
Asia Pacific	160.91	0.35%	19.15%	-0.99%

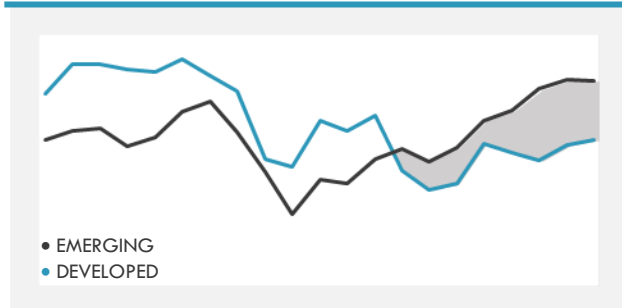
INTERNATIONAL EQUITY INDICES

	Last Price	MTD %	YTD %	Δ30D Vol
EuroStoxx 50	3421.47	-0.81%	3.98%	-0.45%
FTSE 100	7430.62	0.80%	4.03%	2.17%
CAC 40	5085.59	-0.16%	4.59%	-1.02%
DAX	12055.84	-0.52%	5.01%	0.23%
Swiss SMI	8925.45	-1.43%	8.58%	0.15%
Nikkei 225	19646.24	-1.40%	2.78%	1.89%
CSI 300	3822.09	2.25%	15.47%	0.44%

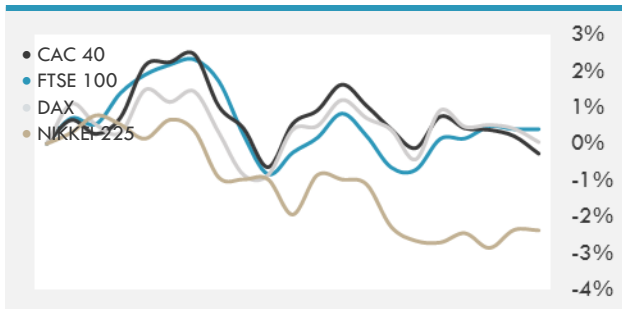
S&P 500 IN FOCUS

	Last Price	MTD %	YTD %	Δ30D Vol
S&P Indices				
S&P 500	2471.65	0.05%	10.40%	1.48%
S&P Value	1034.13	-1.47%	3.30%	1.10%
S&P Growth	1427.15	1.28%	16.69%	0.79%
Sectors Indices				
Discretionary	712.1257	-2.00%	9.93%	1.06%
Staples	561.81	-1.27%	5.65%	-0.13%
Energy	461.61	-5.71%	-16.75%	-3.08%
Financials	408.45	-1.86%	5.67%	1.18%
Healthcare	938.28	1.64%	17.74%	0.57%
Industrials	582.01	-0.17%	8.17%	0.99%
IT	1012.14	3.24%	25.27%	-0.43%
Materials	344.67	0.77%	10.41%	0.22%
Telecom	156.85	-3.08%	-11.19%	-1.44%
Utilities	277.28	2.68%	12.34%	-2.19%
Real Estate	202.98	0.86%	6.70%	-1.46%

DEVELOPED VS EMERGING - MONTH TO DATE



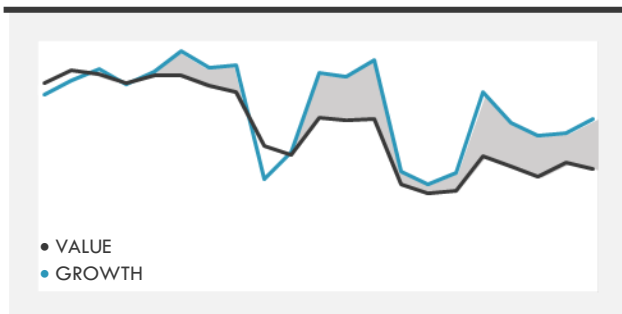
INTERNATIONAL EQUITY - MONTH TO DATE



S&P 500 SUPPORT & RESISTANCE



S&P VALUE VS GROWTH



The US Dollar continues to be restrained as Yellen's speech during Jackson Hole lacked hawkish statements. However, positive growth data in the US and renewed focus on Trump's possible tax reform allowed the US Dollar to record a slim comeback. The Euro broke the 1.20 level briefly, driven by higher inflation and weaker dollar and as few ECB members mentioned a robust and consolidated economy and reconsiderations for the QE program. However, the currency quickly gave up some of

the gains as other ECB members warned about its strength. Details of asset purchase program might come from the ECB as soon its next meeting in September. Stronger UK data provided little support for the pound as it remained under pressure due to lack of progress concerning Brexit. The Japanese Yen and Swiss Franc were slightly stronger due to safe haven demand amid geopolitical risks.

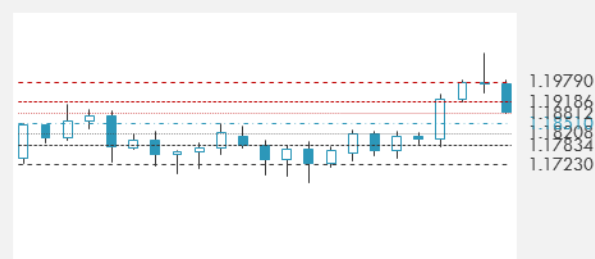
FOREIGN EXCHANGE PERFORMANCE

	Last Price	MTD %	Δ30D	Vol 25ΔRR
Major Indices				
USD Index	1152.94	-0.04%	-0.28%	-
EUR/USD	1.191	0.57%	-0.26%	0.270
USD/JPY	109.98	-0.25%	-0.31%	-1.235
GBP/USD	1.293	-2.16%	-0.21%	-0.283
USD/CAD	1.2482	0.02%	-0.02%	0.130
AUD/USD	0.7947	-0.70%	0.22%	-0.480
NZD/USD	0.7178	-4.45%	-0.34%	-0.555
USD/CHF	0.9587	-0.85%	0.06%	-0.560
USD/NOK	7.7611	-1.31%	-0.45%	-0.013
USD/SEK	7.9387	-1.60%	-0.01%	-0.070
USD/CNY	6.5901	-2.03%	0.20%	0.470
Major EUR Cross Rate				
EUR/GBP	0.9211	2.79%	0.39%	0.208
EUR/CHF	1.14183	-0.27%	-0.22%	-0.300
EUR/JPY	130.98	0.31%	-0.18%	-0.883

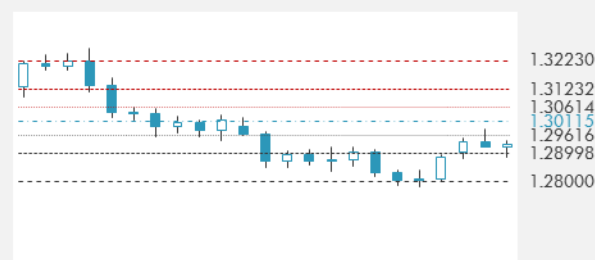
DISTANCE FROM 52 WEEKS LOW/HIGH

	52W Low	52W High
EUR/JPY	112.09	130.77
EUR/CHF	1.0632	1.1455
EUR/GBP	0.8305	0.9415
USD/CNY	6.6168	6.9649
USD/SEK	8.0577	9.4482
USD/NOK	7.8571	8.7584
USD/CHF	0.9439	1.0344
NZD/USD	0.6818	0.7558
AUD/USD	0.7160	0.8066
USD/CAD	1.2414	1.3793
GBP/USD	1.1841	1.3445
USD/JPY	99.54	118.66
EUR/USD	1.0341	1.1846
USD Index	1152.48	1280.78

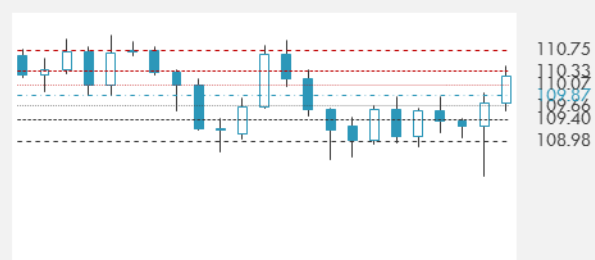
EUR/USD 1 MONTH SUPPORT & RESISTANCE



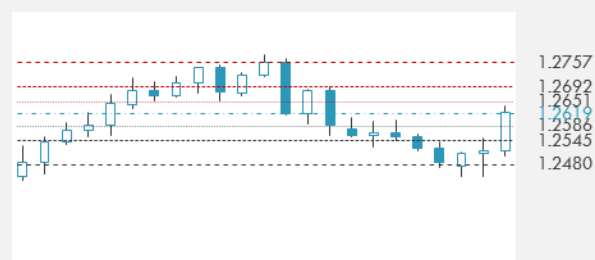
GBP/USD 1 MONTH SUPPORT & RESISTANCE



USD/JPY 1 MONTH SUPPORT & RESISTANCE



USD/CAD 1 MONTH SUPPORT & RESISTANCE



Federal Reserve Chair Janet Yellen and ECB President Mario Draghi provided no update on the path of monetary tightening at the Jackson Hole central bank meeting. Thus with no clear indication on the balance sheet size and tapering announcements, markets were influenced by geopolitical and weather concerns pushing investment grade yield spreads slightly wider. The Hurricane Harvey will undisputedly have an impact on corporate earnings and hence on

corporate credit but the impact is expected to remain muted. The ECB is expected to start tapering its asset purchase program this autumn due to positive economic data, reduced deflation risks and scarcity of eligible assets to purchase. The European yields remained tight with the exclusion of Italian bonds amid headlines of former Prime Minister Berlusconi's political proposals.

GLOBAL BOND INDICES

	Yield	ΔYield (in Bps)
Benchmark Indices		
US 10 Years Benchmark	2.117	-0.177
EU 10 Years Benchmark	0.361	-0.182
UK 10 Years Benchmark	1.034	-0.196
Sovereign Bonds		
US Treasury Bond	1.764	-0.091
Eurozone Sovereign Bond	0.582	-0.071
U.K. Sovereign Bond	1.045	-0.123
Japan Sovereign Bond	0.086	-0.061
USD Emerging Sovereign Bond	4.395	-0.208
Corporate Bonds		
US Investment Grade Bond	3.076	-0.045
US High Yield Bond	5.67	0.127
EUR Investment Grade Bond	0.606	-0.069
EUR High Yield Bond	2.02	0.032
USD Emerging Market IG & HY	4.517	-0.133

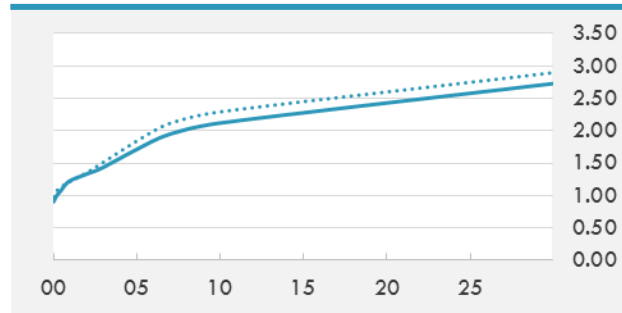
OVERNIGHT RATES - SWAPS

	Rate	ΔRate (in Bps)
3M USD LIBOR	1.31778	0.0072
3M EUR EURIBOR	-0.329	0.0010
3M GBP LIBOR	0.27744	-0.0087
3Y USD SWAP	1.6175	-0.0975
5Y USD SWAP	1.7615	-0.1462
10Y USD SWAP	2.0669	-0.1814
30Y USD SWAP	2.3801	-0.1752

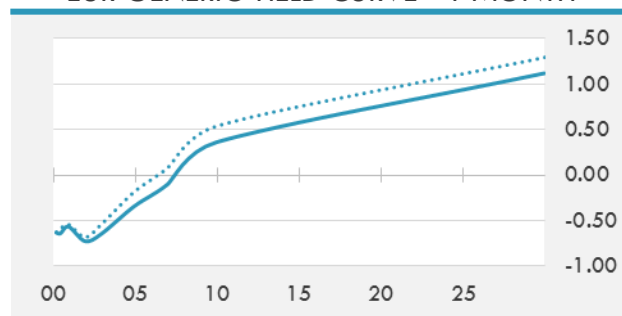
FIXED INCOME SPREADS

	Spread	ΔSpread (in Bps)
USD 3M vs 10Y Spread	1.11968	(0.0971)
USD 2Y vs 10Y Spread	0.78747	(0.1516)
USD IG Spread	1.42	0.0700
USD HY Spread	3.48	0.3700
EU vs US 10Y Spread	-1.7765	(0.0286)
EU vs US 2Y Spread	-2.0573	(0.0302)
EM vs Benchmark Spread	2.404	(0.0520)

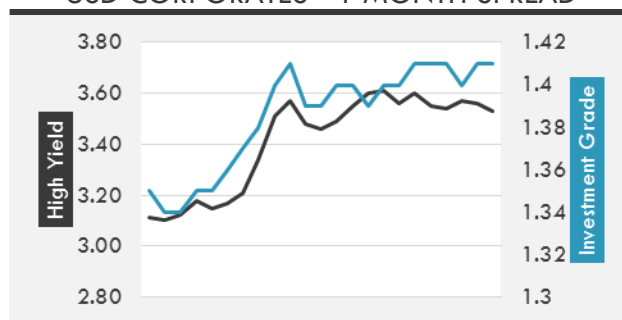
US TREASURIES YIELD CURVE - 1 MONTH



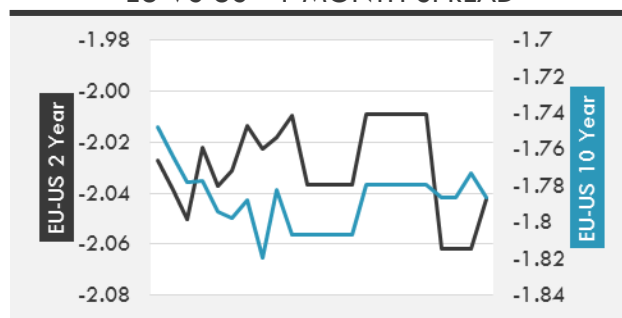
EUR GENERIC YIELD CURVE - 1 MONTH



USD CORPORATES - 1 MONTH SPREAD



EU VS US - 1 MONTH SPREAD



GLOBAL COMMODITIES MARKET

	Last Price	Daily %
Commodity Index	84.66	0.31%

Energy

WTI Crude Future	47.23	-6.03%
Brent Crude Future	52.86	-0.02%
NYMEX Gasoline	177.92	14.07%
NYMEX Heat Oil	174.19	4.34%
ICE Gasoil	503.25	3.55%
NYMEX Natural Gas	3.04	7.27%

Precious Metals

Gold Spot \$/Oz	1321.43	4.10%
Silver Spot \$/Oz	17.5791	4.47%
Platinum Spot \$/Oz	999.15	6.22%
Palladium Spot \$/Oz	938.38	5.74%
Gold Future	1322.2	3.83%
Silver Future	17.575	4.09%
Platinum Future	998.5	0.00%
Palladium Future	932.25	0.00%

Base Metals

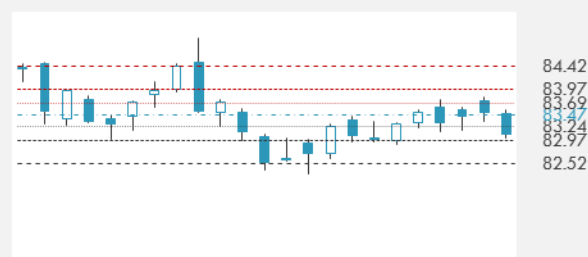
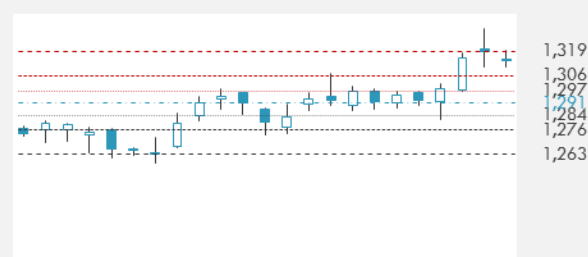
LME Aluminum	2117	10.38%
LME Copper	6788	6.58%
LME Zinc	3146	12.56%
LME Nickel	11800	15.52%
LME Lead	2394	2.57%
LME Tin	20670	0.10%

Agricultural

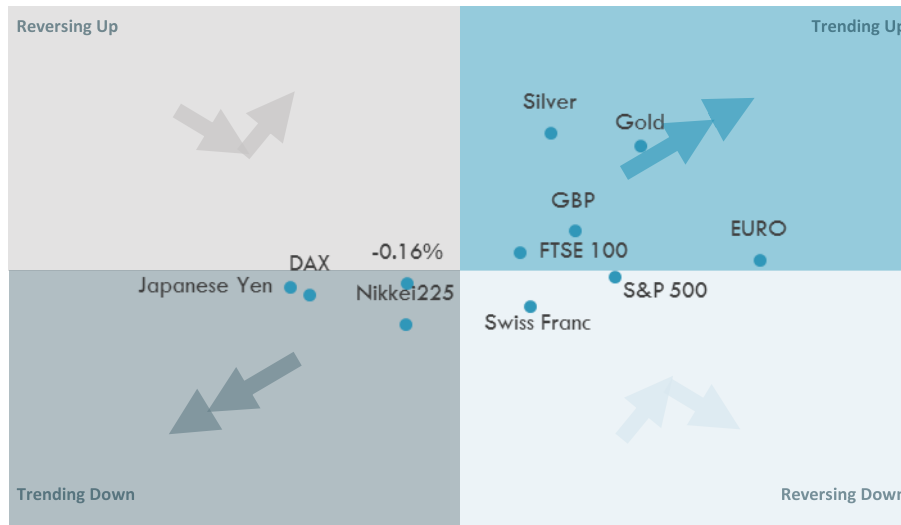
Corn CBT	357.75	-7.02%
Wheat CBT	434.5	-13.06%
Soybeans CBT	945.25	-6.16%
Bean Meal CBT	299.5	-7.96%
Rough Rice CBT	12.825	2.44%
MDE Palm Oil	2706	1.16%
Soybean CBT	35.06	-0.20%
Coffee ICE	129.35	-9.39%
Sugar #11 ICE	14.4	-3.42%
Cotton #2 ICE	70.93	3.01%
Cocoa ICE	1926	-7.71%
Ethanol CME	1.488	-3.25%
Lumber CME	371.8	2.62%
Orange Juice ICE	133.8	0.72%
Live Cattle CME	105.4	-5.85%
Feeder Cattle CME	143.3	-2.00%
Lean Hogs CME	61.4	-7.00%

Due to the hurricane's impact, oil refineries are at much higher risk as compared to oil producers, therefore slower demand is expected to outweigh any production cut. It was reported that more than 4.2 million b/d of refinery throughput was impacted due to the storm as flooding resulted in operation shut-downs across the coast of Texas. In addition, close to 700k b/d of offshore and onshore production was impacted due to the storm. However, despite bearish action on oil prices, some factors were supportive and balanced the supply-and-demand market. Among those factors are stronger demand growth from Europe and Asia and absence of shale production growth as confirmed by the EIA report.

However, oil prices fell were affected as geopolitical concerns triggered a flight of investors away from crude markets and into gold as a safe haven commodity. Gold prices rose near 1-year high against the Dollar due to dollar weakness and amid reports that North Korea will follow its series of nuclear weapon tests with an intercontinental ballistic missile.

COMMODITY INDEX SUPPORT & RESISTANCE

GOLD 1 MONTH SUPPORT & RESISTANCE


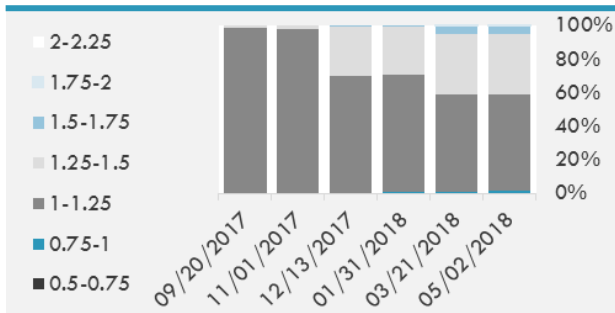
KEY ASSETS TRENDS



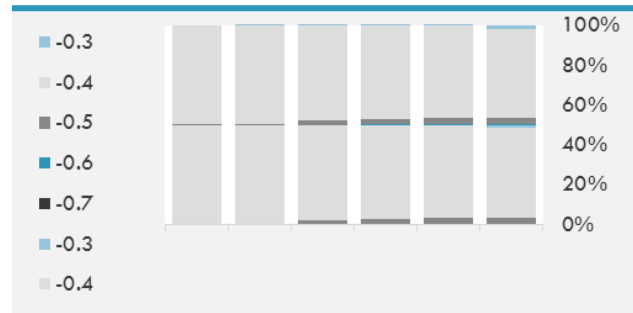
* Monthly trends are calculated based on the last two-month period

CENTRAL BANKS WATCH - IMPLIED RATES PROBABILITIES

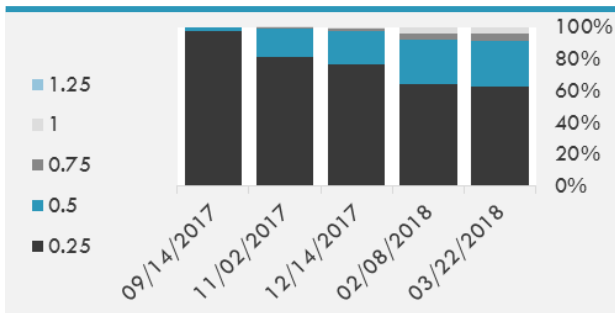
FEDERAL RESERVES



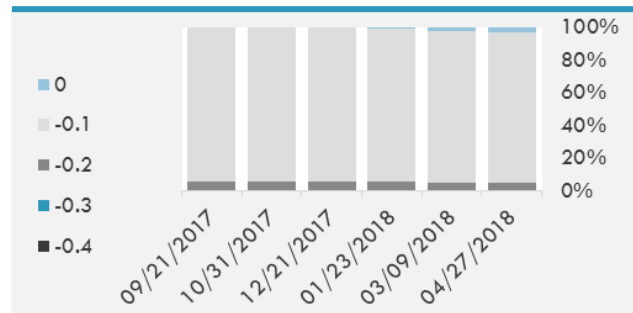
EUROPEAN CENTRAL BANK



BANK OF ENGLAND



BANK OF JAPAN



FEAR BAROMETERS



LOW FEAR HIGH FEAR

The CS Fear Barometer measures investor sentiment for 3-month investment horizons by pricing a zero-cost collar. The higher the level, the greater the fear.



LOW VOLATILITY HIGH VOLATILITY

The Chicago Board Options Exchange Volatility Index reflects a market estimate of future volatility, based on the weighted average of the implied volatilities for a wide range of strikes.

KEY ECONOMIC INDICATORS

Country	Event	Date
Canada	Bank of Canada Rate Decision	09/06/2017 17:00
Canada	CPI YoY	09/22/17 15:30
China	CPI YoY	09/09/2017 4:30
Eurozone	ECB Main Refinancing Rate	09/07/2017 14:45
Eurozone	CPI YoY	09/18/17 12:00
France	CPI YoY	09/14/17 09:45
France	CPI YoY	09/29/17 09:45
Germany	IFO Business Climate	09/25/17 11:00
Germany	ZEW Survey Expectations	09/19/17 12:00
Germany	ZEW Survey Current Situation	09/19/17 12:00
Italy	Manufacturing Confidence	09/27/17 11:00
Japan	Industrial Production MoM	09/14/17 07:30
Japan	Jobless Rate	09/29/17 02:30
Japan	GDP SA QoQ	09/08/2017 2:50
Japan	BoP Current Account Balance	09/08/2017 2:50
United Kingdom	Bank of England Bank Rate	09/14/17 14:00
United Kingdom	GDP QoQ	09/29/17 11:30
United Kingdom	GDP YoY	09/29/17 11:30
United Kingdom	CPI YoY	09/12/2017 11:30
United States	Change in Nonfarm Payrolls	10/06/2017 15:30
United States	Initial Jobless Claims	09/07/2017 15:30
United States	FOMC Rate Decision (Upper Bound)	09/20/17 21:00
United States	GDP Annualized QoQ	09/28/17 15:30
United States	CPI MoM	09/14/17 15:30
United States	ISM Manufacturing	10/02/2017 17:00

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