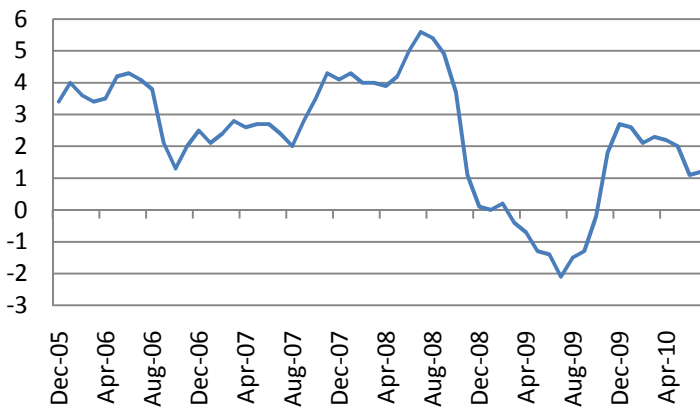


## Daily Markets Report

August 16, 2010

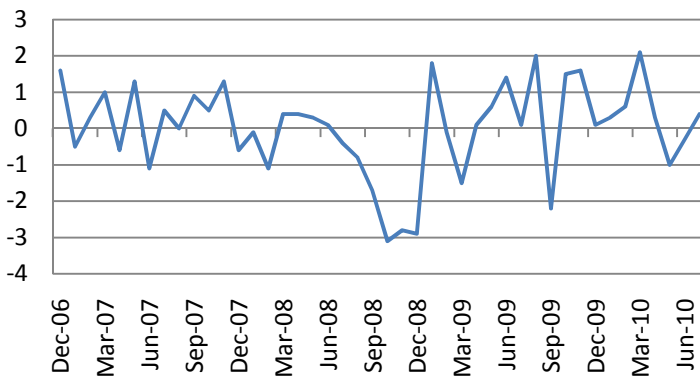
US major stock indices closed lower on Friday with Consumer Services (-0.85%) and Technology (-0.68%) outperforming. The CPI Index rose 0.3% m/m in July, slightly above the consensus estimates of a 0.2% rise. The core CPI was up 0.1%, in line with the consensus estimates.

CPI, % chg, y/y



US Retail Sales were up 0.4%, below consensus estimates of a 0.5% rise while the core indicator, excluding auto&gas components, slid 0.1% (consensus - +0.1%).

US retail Sales, % m/m



The University of Michigan Consumer confidence Index inched up to 69.6 in August, slightly above the consensus forecast of 69. The index remains far below its maximum levels, seen earlier this year.

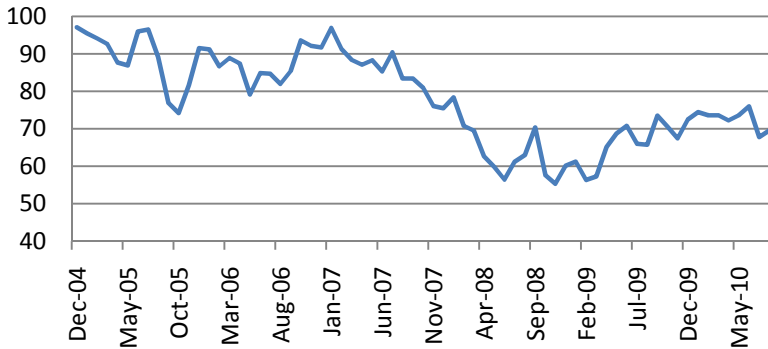
Market Data*		
CDS HY 5Y	572.18	-0.66%
ITX Crossover Eur	446.37	-0.16%
CDS Japan 5Y	69.86	-2.24%
CDS EM 5Y	112.05	-0.10%
CDS Russia 5Y	164.93	+1.26%
US Tsys 10Y	125.75	+0.32%
US Tsys 5Y	120.48	+0.10%
Brazil 10Y	138.50	-0.43%
UK 10Y	111.76	+0.19%
Germany 10Y	109.83	+0.37%
EUR/USD	1.28	-0.40%
USD/JPY	85.83	+0.13%
EUR/GBP	0.82	+0.37%
Oil Brent	75.22	-0.40%
Gold	1,220.10	+0.28%
Copper	7,156.00	-0.61%
Nickel	21,207.50	-1.93%
S&P 500	1,079.25	-0.94%
Topix	824.50	-1.02%
Shanghai Comp	2,661.71	+3.35%
DJ EURO Stoxx 5C	2,697.99	-0.84%
VIX	26.24	+3.35%

Most active stocks in Europe*		
ING GROEP NV-CVA	7.162	-1.93%
STMICROELECTRONI	5.82	-1.92%
BNP PARIBAS	52.33	-1.76%
DEXIA SA	3.393	-1.62%
SOC GENERALE	42.67	-1.61%
K+S AG	41.73	-1.41%
SYMRISE AG	19.74	-1.40%
GDF SUEZ	25.41	-1.32%
CREDIT AGRICOLE	10.175	-1.26%
TOMTOM	4.4	-1.32%
VOPAK	31.245	+1.40%
SIKA AG-BR	1438.63	+1.35%
MERCK KGAA	68.81	+1.49%
ADIDAS AG	42.66	+1.62%
AHOLD NV	10.02	+1.62%

\*As of 8:00 GMT, Bloomberg

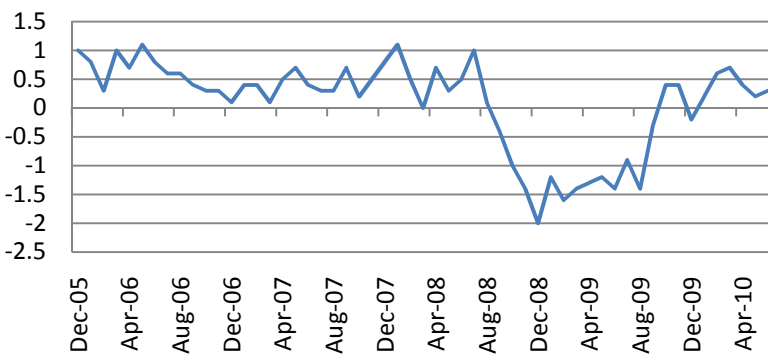
Daily Market Report

The University of Michigan Consumer confidence Index



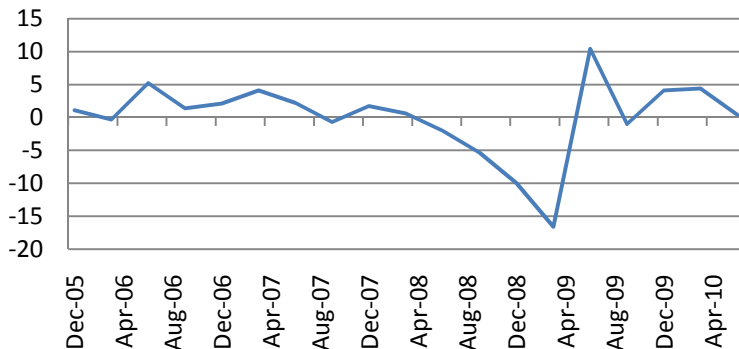
Business inventories increased by 0.3% in June, slightly above the consensus estimates.

Business inventories, % chg



Asian markets finished the session mixed at the beginning of the week. Japanese Nikkei was down 0.61% and Kospi lost 0.17% while Australian S&P/ASX 200 Index was down 0.47% as Japanese economy rose mere 0.4% annualized in the 2<sup>nd</sup> quarter, trailing consensus estimates of a 2.3% rise.

Japan GDP, % chg, annualized.



DJIA Eurostoxx	Last	Change
SX3P	331.52	-0.11%
SX4P	465.15	+0.11%
SX6P	306.16	-0.80%
SX7P	215.21	-1.02%
SX86P	104.14	-0.35%
SX8P	186.67	-0.32%
SXAP	253	+0.41%
SXDP	375.29	+0.06%
SXEP	298.87	-0.91%
SXFP	231.3	-0.41%
SXIP	148.32	-0.64%
SXKP	265.27	-0.80%
SXMP	168.53	-0.31%
SXNP	275.92	-0.29%
SXOP	241.93	+0.16%
SXPP	493.02	-0.07%
SXQP	370.39	-0.22%
SXRP	259.95	+0.46%
SXTP	115.59	-0.19%
SXXP	254.49	-0.42%

S&P 500 Sub-index	Last	Change
CONS	242.2663	-1.05%
DISCRET		
CONS	276.3286	-0.04%
ENERGY	399.4576	-0.34%
FINANCIALS	189.0947	-0.32%
HEALTH CARE	336.6267	-0.42%
INDUSTRIALS	254.3815	-0.24%
INFO TECH	338.8354	-0.67%
MATERIALS	189.3933	-0.38%
TELECOM SERV	112.6589	-0.09%
UTILITIES	155.0024	+0.32%

Shanghai stock indices rose by 1.31-2.11% on good economic outlook. Hang Seng added 0.19%.

European indices started the week lower. Dow Jones Eurostoxx 600 was down 0.61% with Oil & Gas (-1.15%) and Financials' stocks (-1.02%) as the worst performers.

### European corporate news and events

- Deutsche Bank AG (DBK GY) sale of BHF-Bank AG will probably attract few non-binding offers as many potential bidders are unwilling to acquire the unit as a whole. *Die Welt*.

- E.ON AG, RWE AG (EOAN GY, RWE GY) told German officials they may shut down their nuclear reactors early if the government introduces a tax on fuel elements and implements stricter rules, Spiegel magazine said. *Bloomberg*.

- Hochtief AG (HOT GY) predicted its order book will grow this year, buoyed by expansion overseas and gains in the Australian and U.S. dollar. *Bloomberg*.

- SAP AG (SAP GY) isn't ruling out further acquisitions, although purchases would be smaller than the recent takeover of Sybase Inc. *WirtschaftsWoche*.

- Novartis AG (NOVN VX) CEO Joe Jimenez said the Swiss drugmaker may raise its \$9.8 billion offer to buy out eye-care company Alcon Inc.'s minority shareholders.

- France Telecom SA (FTE FP) and Iliad SA have in recent weeks dropped lawsuits that they had started against each other. *La Tribune*.

- Sanofi-Aventis SA (SAN FP) has been told by a court in Nanterre that it must restart the procedure under which it aims to cut jobs in France. *Les Echos*.

**Ahead Today**

US Empire Manufacturing for August, due at 12:30 GMT, Long-term TIC flows due at 13:00 and NAHB homebuilders Index, due at 14:00, will be in focus in the US today.

**Technical view**

**S&P 500 Index, daily**

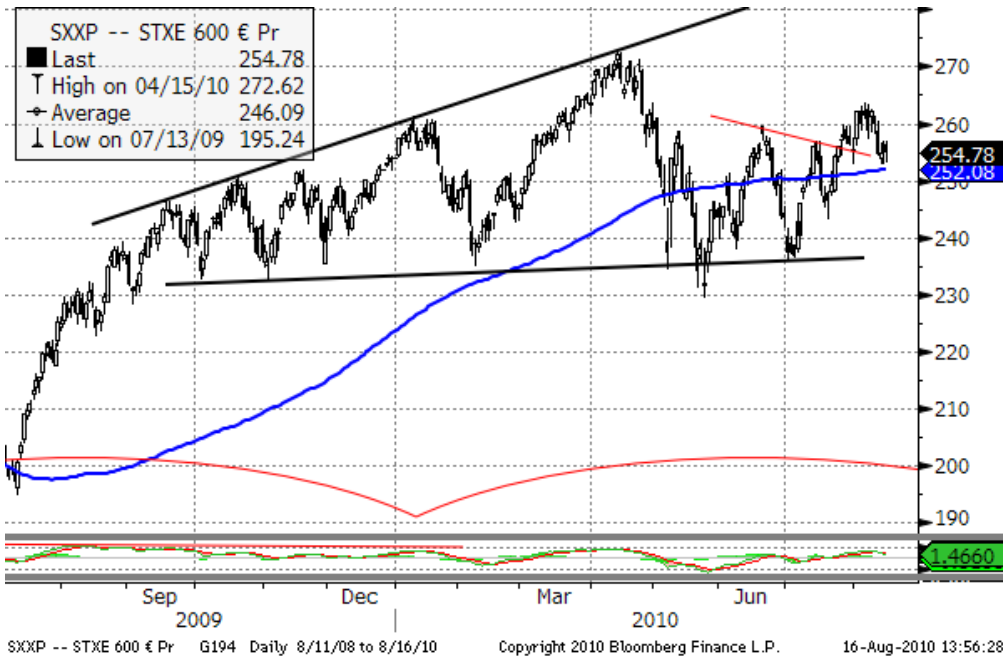


The S&P 500 Index has formed a long-term head & shoulders pattern. A midterm target seems to be below 1000 at around 980 and 850 in 1-2 months.

Current support levels are at 1078, 1055, 1010, 980, 950, 870.

Resistance levels: 1130, 1150.

**Dow Jones Stoxx 600 Europe Index, daily**



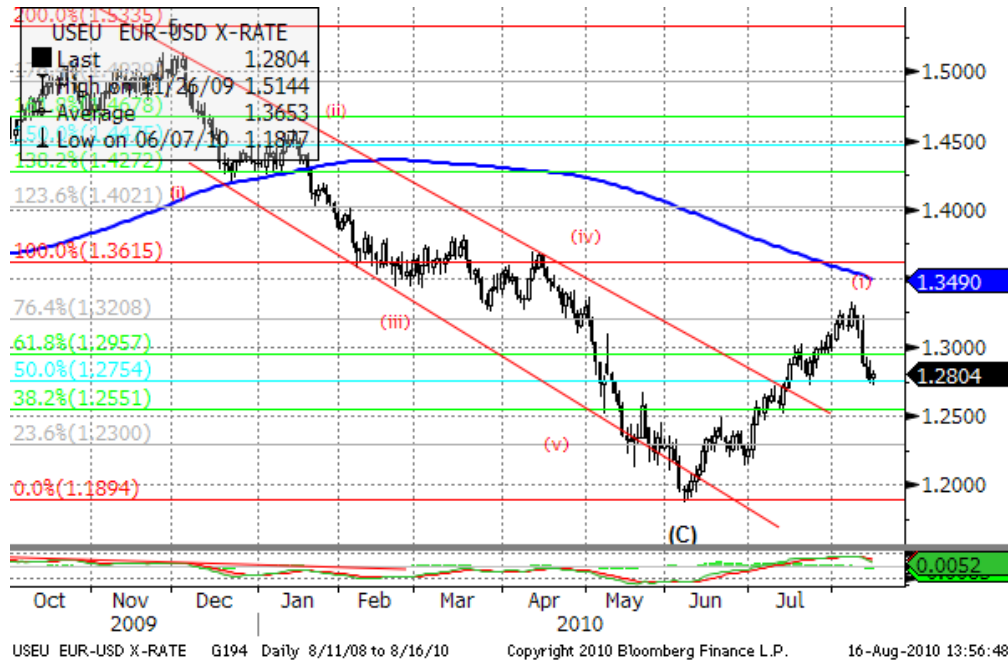
The index has formed a head & shoulders pattern. Although it may consolidate at the current levels for 1-2 weeks, breaking the neck line at 240 will point 218, 210 levels as the final targets of the current downward leg.

Important support levels: 250, 243, 238, 217.

Important resistance level – 272.

Daily Market Report

EURUSD, daily



EURUSD finished the first impulse 5-wave leg of a correction to major move from December 2009 to June 2010 and retraced to 1.2781 (almost (iv)-wave low of the formation. After a small bounce, the retracement is likely to go on in the coming days to a support around 1.25.

However, testing new highs of this year above 1.40 is still likely after the retracement zigzag of flat correction is finished in 2-3 weeks.

**US earnings season results**

Sector	Reported	Total	Pos Surp	Neg Surp
All Securities	436	498	328	103
Oil & Gas	36	36	25	11
Basic Materials	26	26	16	10
Industrials	66	72	54	11
Consumer Goods	43	55	33	10
Health Care	44	46	31	12
Consumer Services	47	73	42	4
Telecommunications	10	10	7	2
Utilities	36	36	24	12
Financials	82	83	64	18
Technology	46	61	32	13

**EU Earnings season results**

Sector	Reported	Total	Pos Surp	Neg Surp
All Securities	272	310	147	107
Oil & Gas	22	25	10	12
Basic Materials	31	32	19	11
Industrials	51	56	27	21
Consumer Goods	30	32	16	12
Health Care	20	22	9	11
Consumer Services	20	26	13	6
Telecommunications	14	15	7	7
Utilities	16	17	7	7
Financials	53	69	29	15
Technology	15	16	10	5

## Daily Market Report

Macroeconomic calendar*					
Time, GMT	Country	Data	Period	Forecast	Prior.
08/16/2010 02:00	CH	Conference Board China June Leading	23-Apr		
08/16/2010 04:00	JN	Tokyo Condominium Sales (YoY)	JUL	--	--
08/16/2010 09:00	EC	Euro-Zone CPI (MoM)	JUL	--	0.00%
08/16/2010 09:00	EC	Euro-Zone CPI (YoY)	JUL F	--	--
08/16/2010 09:00	EC	Euro-Zone CPI - Core (YoY)	JUL	--	0.90%
16-20 AUG	JN	Nationwide Dept. Sales (YoY)	AUG	--	--
16-20 AUG	JN	Tokyo Dept. Store Sales (YoY)	JUL	--	--
08/16/2010 12:30	US	Empire Manufacturing	AUG	--	5.08
08/16/2010 13:00	US	Net Long-term TIC Flows	JUN	--	\$35.4B
08/16/2010 13:00	US	Total Net TIC Flows	JUN	--	\$17.5B
08/16/2010 14:00	US	NAHB Housing Market Index	AUG	--	14
16-27 AUG	US	Mortgage Delinquencies	2Q	--	10.06%
16-27 AUG	US	MBA Mortgage Foreclosures	2Q	--	4.63%
08/17/2010 08:00	EC	ECB Euro-Zone Current Account SA	JUN	--	-5.8B
08/17/2010 08:00	EC	Euro-Zone Current Account nsa	JUN	--	-16.7B
08/17/2010 08:30	UK	CPI (MoM)	JUL	--	0.10%
08/17/2010 08:30	UK	CPI (YoY)	JUL	--	3.20%
08/17/2010 08:30	UK	Core CPI YOY	JUL	--	3.10%
08/17/2010 08:30	UK	Retail Price Index	JUL	--	224.1
08/17/2010 08:30	UK	RPI (MoM)	JUL	--	0.20%
08/17/2010 08:30	UK	RPI (YoY)	JUL	--	5.00%
08/17/2010 09:00	EC	ZEW Survey (Econ. Sentiment)	AUG	--	10.7
08/17/2010 09:00	GE	ZEW Survey (Econ. Sentiment)	AUG	--	21.2
08/17/2010 09:00	GE	Zew Survey (Current Situation)	AUG	--	14.6
08/17/2010 12:30	US	Producer Price Index (MoM)	JUL	--	-0.50%
08/17/2010 12:30	US	PPI Ex Food & Energy (MoM)	JUL	--	0.10%
08/17/2010 12:30	US	Producer Price Index (YoY)	JUL	--	2.80%
08/17/2010 12:30	US	PPI Ex Food & Energy (YoY)	JUL	--	1.10%
08/17/2010 12:30	US	Housing Starts	JUL	--	549K
08/17/2010 12:30	US	Housing Starts MOM%	JUL	--	-5.00%
08/17/2010 12:30	US	Building Permits	JUL	--	586K
08/17/2010 12:30	US	Building Permits MOM%	JUL	--	2.10%
08/17/2010 13:15	US	Industrial Production	JUL	--	0.10%
08/17/2010 13:15	US	Capacity Utilization	JUL	--	74.10%
08/17/2010 15:30	US	U.S. to Sell 4-Week Bills	17-Aug		
08/17/2010 20:30	US	API U.S. Crude Oil Inventories	13-Aug	--	--
08/17/2010 20:30	US	API U.S. Gasoline Inventories	13-Aug	--	--
08/17/2010 20:30	US	API U.S. Distillate Inventory	13-Aug	--	--
08/17/2010 20:30	US	API Cushing Crude OK Inventory	13-Aug	--	--
08/17/2010 21:00	US	ABC Consumer Confidence	15-Aug	--	--
08/18/2010 05:00	JN	Leading Index CI	JUN F	--	--
08/18/2010 05:00	JN	Coincident Index CI	JUN F	--	--

## Daily Market Report

08/18/2010 08:30	UK	Bank of England Minutes	18-Aug		
08/18/2010 09:00	EC	Construction Output SA MoM	JUN	--	-1.00%
08/18/2010 09:00	EC	Construction Output WDA YoY	JUN	--	-6.30%
08/18/2010 11:00	US	MBA Mortgage Applications	13-Aug	--	--
08/18/2010 14:30	US	DOE U.S. Crude Oil Inventories	13-Aug	--	--
08/18/2010 14:30	US	DOE U.S. Gasoline Inventories	13-Aug	--	--
08/18/2010 14:30	US	DOE U.S. Distillate Inventory	13-Aug	--	--
08/18/2010 14:30	US	DOE U.S. Refinery Utilization	13-Aug	--	--
08/18/2010 14:30	US	DOE Cushing OK Crude Inventory	13-Aug	--	--
08/18/2010 14:30	US	DOE Crude Oil Implied Demand	13-Aug	--	--
08/18/2010 14:30	US	DOE Gasoline Implied Demand	13-Aug	--	--
08/18/2010 14:30	US	DOE Distillate Implied Demand	13-Aug	--	--
08/19/2010 04:30	JN	All Industry Activity Index (MoM)	JUN	--	0.20%
08/19/2010 06:00	GE	Producer Prices (MoM)	JUL	--	0.60%
08/19/2010 06:00	GE	Producer Prices (YoY)	JUL	--	1.70%
19-29 AUG	US	Obama vacations at Martha's Vineyard	23-Apr		
08/19/2010 12:30	US	Initial Jobless Claims	14-Aug	--	--
08/19/2010 12:30	US	Continuing Claims	7-Aug	--	--
08/19/2010 14:00	US	Philadelphia Fed.	AUG	--	5.1
08/19/2010 14:00	US	Leading Indicators	JUL	--	-0.20%
08/19/2010 14:30	US	EIA Natural Gas Storage Change	13-Aug	--	--
08/20/2010 07:00	JN	Convenience Store Sales YoY	JUL	--	-1.50%
21-24 AUG	EC	PMI Services	AUG A	--	--
21-24 AUG	EC	PMI Manufacturing	AUG A	--	--
21-24 AUG	EC	PMI Composite	AUG A	--	--

## Earnings Calendar – US\*

Company Name	Ticker	Date	Time	Period	Actual	Estimate	Surprise
Urban Outfitters Inc	URBN	8/16/2010	20:00	Q2		0.39	
Agilent Technologies Inc	A US	8/16/2010	Aft-mkt	Q3		0.474	
Lowe's Cos Inc	LOW US	8/16/2010		Q2		0.585	
Sysco Corp	SYU US	8/16/2010		Q4		0.577	
Wal-Mart Stores Inc	WMT	8/17/2010	11:00	Q2		0.962	
Abercrombie & Fitch Co	ANF US	8/17/2010	11:00	Q2		0.151	
TJX Cos Inc	TJX US	8/17/2010	13:30	Q2		0.731	
Analog Devices Inc	ADI US	8/17/2010	20:00	Q3		0.602	
Home Depot Inc	HD US	8/17/2010		Q2		0.705	
NetApp Inc	NTAP	8/18/2010	20:00	Q1		0.456	
Ltd Brands Inc	LTD US	8/18/2010	Aft-mkt	Q2		0.357	
Deere & Co	DE US	8/18/2010		Q3		1.221	
Applied Materials Inc	AMAT	8/18/2010		Q3		0.158	
Target Corp	TGT US	8/18/2010		Q2		0.917	

## Daily Market Report

Sears Holdings Corp	SHLD	8/19/2010	Bef-	Q2	-0.184	
Ross Stores Inc	ROST	8/19/2010	12:30	Q2	1.065	
Gap Inc/The	GPS US	8/19/2010	20:00	Q2	0.351	
Hewlett-Packard Co	HPQ US	8/19/2010	Aft-mkt	Q3	1.073	
Intuit Inc	INTU US	8/19/2010	Aft-mkt	Q4	-0.099	
Salesforce.com Inc	CRM US	8/19/2010	Aft-mkt	Q2	0.081	
Dell Inc	DELL US	8/19/2010		Q2	0.3	
Staples Inc	SPLS US	8/19/2010		Q2	0.198	
GameStop Corp	GME US	8/19/2010		Q2	0.268	
Hormel Foods Corp	HRL US	8/20/2010	Bef-	Q3	0.592	
JM Smucker Co/The	SJM US	8/20/2010		Q1	0.956	

Earnings calendar, Europe*							
Company Name	Ticker	Date	Time	Period	Actual	Estimate	Surprise
Michael Page International PLC	MPI LN	8/16/2010	6:00	S1 2010	0.066	0.066	0%
IMMOFINANZ AG	IIA AV	8/16/2010	Aft-	Y 2010		0.209	
Hochtief AG	HOT GR	8/16/2010		Q2 2010	0.812	0.732	10.93%
Cimpor Cimentos de Portugal	CPR PL	8/17/2010	Bef-	S1 2010			
Carlsberg A/S	CARLB DC	8/17/2010	5:00	Q2 2010		13.706	
Tryg AS	TRYG DC	8/17/2010	5:30	S1 2010			
Crucell NV	CRXL NA	8/17/2010	5:45	S1 2010			
Wienerberger AG	WIE AV	8/17/2010	6:00	Q2 2010		0.223	
Galenica AG	GALN SW	8/17/2010		S1 2010		16.955	
PSP Swiss Property AG	PSPN SW	8/17/2010		Q2 2010		0.78	
Sydbank A/S	SYDB DC	8/17/2010		Q2 2010		2.89	
Schindler Holding AG	SCHP SW	8/17/2010		S1 2010		2.56	
Telekom Austria AG	TKA AV	8/18/2010	5:00	Q2 2010		0.178	
Swiss Life Holding AG	SLHN VX	8/18/2010	5:00	S1 2010		5	
SBM Offshore NV	SBMO NA	8/18/2010	5:30	S1 2010		0.608	
Eurasian Natural Resources Corp	ENRC LN	8/18/2010	6:00	S1 2010		0.737	
Vestas Wind Systems A/S	VWS DC	8/18/2010	6:30	Q2 2010		-0.017	
Henderson Group PLC	HGG LN	8/18/2010	8:00	S1 2010		0.048	
AP Moller - Maersk A/S	MAERSKB	8/18/2010		S1 2010		2179	
Voestalpine AG	VOE AV	8/18/2010		Q1 2011		0.626	
William Demant Holding AS	WDH DC	8/18/2010		S1 2010		8.016	
Holcim Ltd	HOLN VX	8/19/2010	5:00	Q2 2010		1.665	
Straumann Holding AG	STMN SW	8/19/2010	5:00	S1 2010		5.299	
FLSmidth & Co A/S	FLS DC	8/19/2010	6:00	Q2 2010		5.764	
Coloplast A/S	COLOB DC	8/19/2010	6:00	Q3 2010		8.755	

## Daily Market Report

Koninklijke Boskalis Westminster	BOKA NA	8/19/2010		S1 2010		0.85	
bwin Interactive Entertainment	BWIN AV	8/19/2010		Q2 2010			
VIENNA INSURANCE GROUP AG	VIG AV	8/19/2010		Q2 2010		0.66	
Ratos AB	RATOB SS	8/20/2010	6:30	Q2 2010			
Valiant Holding	VATN SW	8/20/2010		S1 2010			

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