

Global Equities

	DJIA	S&P 500	NASDAQ	FTSE	SHANGHAI A	NIKKEI 225	HSI
High	10,236.40	1,083.94	2,222.61	5,179.99	2,651.93	9,378.91	20,403.01
Low	10,007.76	1,056.88	2,159.95	5,090.57	2,596.44	9,247.76	20,075.72
Close	10,229.96	1,083.48	2,222.49	5,139.46	2,650.23	9,300.46	20,264.59
Net Change	75.53	12.23	24.26	-8.82	55.91	-107.90	173.64
% Change	0.74	1.14	1.10	-0.17	2.16	-1.15	0.86

Currencies

	EUR / USD	USD / JPY	GBP / USD	USD / CHF	AUD / USD	NZD / USD	USD / CAD
High	1.3028	87.48	1.5309	1.0556	0.8838	0.7162	1.0586
Low	1.2840	86.70	1.5154	1.0453	0.8669	0.7047	1.0435
Close	1.2889	87.34	1.5282	1.0520	0.8824	0.7156	1.0453

Bonds Yields / Commodities / Crosses

	10 Yrs UST	Crude Oil Future	CRB	GOLD	GBP/JPY	EUR / JPY	EUR /GBP
High	105-04/32	77.57	262.20	1,193.80	133.64	113.33	0.8534
Low	104-15/32	75.65	259.88	1,176.30	131.52	111.48	0.8434
Close	104-21/32	77.32	261.52	1,191.80	133.49	112.61	0.8434
Net Change	2.95% (Yield)	0.90	0.32	9.00			

Key News of the day

The euro retreated from a 10-week high against the dollar on Tuesday as weak US earnings dulled risk appetite and investors took profits on euro gains ahead of European bank stress test results. Some analysts say test results could soothe concerns about how European banks would cope with a deterioration in the region's economy and financial markets. Some in the market say banks may not pass the test. The US dollar weakness, including against the yen, is partly a function of fading expectations for a US interest rate hike in 2010.

Payrolls decreased in 27 U.S. states in June, led by California and New York, signaling the slowdown in hiring is broad-based. Employers in California cut staff by 27,600 workers last month and those in New York reduced employment by 22,500, the Labor Department said today in Washington. Thirty-nine state showed a decrease in joblessness, paced a half percentage-point drop in New Hampshire.

Housing starts fell in June to the lowest level since October as a slump in sales following the expiration of a government tax incentive caused U.S. builders to cut back. Work began on 549,000 houses at an annual rate last month and down 5 percent from May. Building permits, gauge of future construction, rose 2.1 percent last month to a 586,000 pace, propelled by a 20 percent jump in multifamily applications that are often volatile. Permits for single-family housing, the biggest part of the market, dropped 3.4 percent to a 421,000 pace, the lowest since April 2009.

The Bank of Canada raised its benchmark lending rate for a second month, and said that slower economic growth through next year means any future moves will be "weighed carefully." Governor Mark Carney raised the target rate for overnight loans between commercial banks a quarter point to 0.75 percent, as expected. The growth forecast was cut to 3.5 percent from 3.7 percent for this year and to 2.9 percent from 3.1 percent for 2011, according to Ottawa-based bank.

Spain, Ireland and Greece sold almost 10 billion euros (\$13 billion) of debt, with demand rising for shorter-dated securities, on optimism the European Union's aid programs will contain the region's fiscal crisis. Hungary raised less than planned at a sale of three-month bills, triggering a decline in the forint. Greece, which activated an EU-led bailout package in May to avoid default, auctioned 13-week bills, with investors bidding for 3.85 times the amount on offer, compared with a bid-to-cover ratio of 3.64 times at a sale of 26-week securities a week ago. Spain and Ireland also sold debt.

The U.K. pound fell against the dollar after June's budget deficit narrowed less than predicted, strengthening the case for the Bank of England to keep interest rates at a record low as the government cuts spending. Sterling surpassed 85 pence against the 16-nation euro for the second consecutive day. A central bank report today showed mortgage approvals fell in June, a day after a Rightmove Plc said U.K. home sellers cut prices for the first time this year.

The yen fell for a second day against the dollar on speculation the Bank of Japan will intervene to weaken the currency after it climbed to a seven-month high last week.

The Reserve Bank of Australia signaled that Europe's stress tests on banks, along with local inflation data, will determine whether it raises interest rates for the second time in its history during a federal election. Policy makers signaled that consumer-price figures due to be published by the bureau of statistics on July 28 may prompt further tightening in borrowing costs to prevent an acceleration in Australia's economy from stoking inflation, which the bank aims to keep between 2 percent and 3 percent on average.

Yuan forwards weakened for a fourth day after China's central bank set the currency's reference rate at a two-week low, spurring speculation it is slowing appreciation in response to a cooling economy. The People's Bank of China set the yuan's daily rate at 6.7812 per dollar, 0.05 percent lower than yesterday's spot rate.

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US Equities

Stocks rose late Tuesday amid speculation about steps the Federal Reserve could take to boost the economy and optimism ahead of key corporate results due after the market close. The advance came after the Dow's triple-digit selloff earlier in the session on concerns about weaker-than-expected quarterly revenue from companies such as IBM. But traders said the tone improved amid talk that the Fed is considering additional steps to encourage bank lending. Ben Bernanke, chairman of the U.S. central bank, is scheduled to testify before Congress on Wednesday.

IBM -2.50% after the company reported late Monday second-quarter earnings that beat expectations, while sales growth was weaker than expected. Goldman Sachs said profit fell 82% in the second quarter to \$613 million, due to a slowdown in the bank's trading business. Results were also hurt by a bonus tax in the United Kingdom and the \$550 million settlement Goldman reached with the Securities and Exchange Commission. Shares open lower on the result but +2.22% at the end.

Johnson & Johnson -1.66% after the company lowered its full-year earnings estimate to a range between \$4.65 to \$4.75 a share, compared with earlier guidance of \$4.80 to \$4.90 a share. For the second quarter, J&J said its earnings rose 7% to \$1.23 a share from \$1.15 a share in the same period last year. J&J also said it has received a grand jury subpoena and is cooperating with a federal investigation stemming from multiple recalls of its popular non-prescription drugs.

Harley-Davidson +13.64% after the motorcycle maker said it earned 59 cents a share, versus expectations for 41 cents a share. Shares of Toyota -1.45% after the automaker said it was cooperating with a subpoena from a U.S. federal grand jury for documents related to steering problems in its vehicles.

World markets snapshot, European shares ended lower with FTSE 100 -0.2%, CAC 40 -0.5% and DAX -0.7%. Asian markets ended mixed. The Shanghai Composite +2.2%, Hang Seng index +0.9%. but Nikkei -1.2%.

Key Economic Data & Events on July 21

Country	GMT/HKT	Release	For	Median	Previous
UK	08:30/16:30	BoE Monetary Policy Committee Meeting Minutes	JUL	7-1	7-1
UK	08:30/16:30	Retail Sales, M/M, Y/Y	JUN	0.5%/1.0%	0.6%/2.2%
US	11:00/19:00	MBA Mortgage Applications	16-Jul	-	-2.90%
CAN	12:30/20:30	Wholesale Trade, SA M/M	MAY	0.50%	-0.30%

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