KINGDOM SECURITIES

Today's economic highlights…

Dollar near one-week top amid rise in yields, caution before ECB

- TOKYO (Reuters) - The dollar hovered near a one-week peak on Wednesday against major peers, buoyed by higher Treasury yields and a weaker euro amid caution before a European Central Bank policy decision.
- The dollar index, which measures the currency against six rivals, was little changed at 92.553, just below Tuesday's high of 92.571, a level not seen since Sept. 1.
- The euro was almost flat at $1.18430 after dipping to $1.18375 in the previous session for the first time since Sept. 2. Read more...

Oil holds steady on slow return of U.S. supplies after Hurricane Ida

- MELBOURNE/SINGAPORE (Reuters) -Oil prices were little changed on Wednesday following overnight losses from a stronger dollar and demand concerns, with a slow production restart in the U.S. Gulf of Mexico providing some support.
- U.S. West Texas Intermediate (WTI) crude futures rose 11 cents, or 0.2%, to $68.46 a barrel at 0429 GMT, after sliding 1.4% on Tuesday following the Labor Day holiday.
- Brent crude futures fell 2 cents to $71.67 a barrel after falling 0.7% on Tuesday. Read more...

Stocks may fall 15% by year-end, warns Morgan Stanley. Here are some portfolio moves investors might consider

- Morgan Stanley's optimistic view of the economy isn't keeping it from warning about a looming correction in the U.S. stock market.
- "The issue is that the markets are priced for perfection and vulnerable, especially since there hasn't been a correction greater than 10% since the March 2020 low," said Lisa Shalett, chief investment officer of Morgan Stanley Wealth Management, in a note Tuesday. The bank's global investment committee expects a stock-market pullback of 10% to 15% before the end of the year, she wrote.
- "The strength of major U.S. equity indexes during August and the first few days of September, pushing to yet more daily and consecutive new highs in the face of concerning developments, is no longer constructive in the spirit of 'climbing a wall of worry,'" said Shalett. "Consider taking profits in index funds," she said, as stock benchmarks have dismissed "resurgent COVID-19 hospitalizations, plummeting consumer confidence, higher interest rates and significant geopolitical shifts." Read more...