[Times for Market News International stories are ET]

06:58 11/20 **LIBOR FIXINGS:** Euro 3-mth Libor fixing highest since October 18
-- Stg 3-mth Libor fixing highest since September 19
-- Dollar 3-mth Libor fixing highest since October 25.

06:59 11/20 **GILT SUMMARY**: Gilts are mixed and outperformed Bunds following strong auction results of the new 0.75% Nov 2047 IL Gilt for Stg750 million, which came in with a bid-to-cover ratio of 2.42 times and real yield of 0.831%. Ahead of the auction, most strategists were expecting that this auction should be easily absorbed, given relative small size. Strategists also note that Stg370mln worth of coupon payments for 3-mth lag IL Gilts due on November 22, which are seen being reinvested. In addition, LDI accounts were also active, where the new 40-year linker bond was appealing given its long duration. Some small real money interest was also noted. Gilt markets paid little attention to UK CBI industrial trend survey, where manufacturing sector orders posted an unexpected rise in Nov at +8% vs -6% in Oct. Gilts also shrugged off PSNB and PCNSR data, which showed a far lower debt repayment than forecast. The Gilt 2-/10-year yield spread was 7.5 bps steeper at +7.3 bps, whilst the 10-/30-year yield spread was 1.7bps steeper at -20.4bps.

07:09 11/20 **BUND SUMMARY:** Bunds opened lower on profit-taking as Japanese Government Bonds closed moderately lower after strong rebound in Nikkei-225 overnight, amid market talk of an emergency Fed rate cut. However, Bund prices then recovered as stocks pared earlier gains as financial stocks came back under pressure -- notably UBS, Swiss Re, Northern Rock and Paragon. Also news that ACA Capital, the first bond insurer was the first to bite the dust also reminded markets of the broadening spillover from the subprime problem. Bunds then eased off as stocks attempted another recover. However, pullbacks were short-lived as Libor rates were fixed higher. The Euro 2-mth Libor was fixed at 4.63000% -- highest fixing since May 2001. The yield on the benchmark 4.00% Jan 2018 Bund fell 1.0 bps at 4.04%, having hit 4.02% earlier, which is the lowest level since March 27. Attention turns to the Fed minutes from the Oct 30-31 FOMC meeting along with first set of enhanced economic forecasts on growth, inflation and unemployment.

06:53 11/20 **WORLD:** Important comments from officials Tuesday,
** PRESS: Saudi Arabia may be reluctantly considering its first riyal revaluation since 1986 to address concern among its Gulf Arab neighbours about the region's peg to the falling dollar, al-Riyadh quoted Abdul-Aziz al-Uwaisheg, head of studies and economic integration at the GCC General Secretariat, as saying.
** UAE: UAE Ecomomy minister said the govt is serious about containing inflationary pressures, adding these pressures would subside if the dollar decline stops or if the currency peg regime changed.
** IMF LIPSKY: Disorderly currency movements not desirable
- Dollar depreciation consistent with goal of preserving growth
- Dollar probably still on strong side on medium term basis
- Market turmoil has increased risks to global economy
- Risks have probably slowed growth in US, EMU
- Underlying global economic fundamentals still solid, favourable.

06:40 11/20 **EUROZONE**: Reported comments from eurozone officials Tuesday....(2),
** ECB LIEBSCHER: EMU inflation data is striking me with concern
- Must avoid 2nd round inflation effects
- Strong euro has helped Austrian economy somewhat
- Shouldn't overstress benefits of strong euro
- ECB doesn't promote/hinder use of euro; mkts decide.
** EUROGROUP JUNCKER: EMU economic growth robust this year
- Impact of US subprime minimal in 2007.
- EMU public deficit declining faster than expected
- New risks for EMU economy on horizon
- Risks of fallout from US subprime crisis

06:38 11/20 **EUROZONE:** Reported comments from eurozone officials Tuesday....(1),
** ECB QUADEN: Reported comments from ECB Gov Council member,
- More transparency needed to avoid subprime-like crises.
- Belgian political crisis could one day create more serious economic consequences.
- Economic outlook more uncertain due to market turbulence, ECB job harder.
- Economic slowdown could be stronger than expected.
- Inflation rising due to raw material prices, especially oil.
- ECB decided to take time to reflect, to analyze forthcoming data from start of December.
** ECB BINI SMAGHI: Financial market turmoil shows risk of too low interest rate