

- NOUVELLES -

OUR WEEKLY CAPITAL MARKETS UPDATE

June 5th, 2017

International Market News Update

US Indices				
	Closing	Net Change	% Change	YTD
DJIA	21,206.29	+123.34	0.59%	7.31%
S&P 500	2,439.07	+24.00	0.99%	8.94%
NASDAQ Composite	6,305.80	+100.54	1.62%	17.14%

Europe Indices				
	Closing	Net Change	% Change	YTD
UK - FTSE 100	7,552.61	+4.98	0.07%	5.74%
Eurozone - STOXX 50	3,233.09	+1.90	0.06%	7.39%
France - CAC 40	5,334.18	+1.71	0.03%	9.70%
Germany - DAX	12,822.94	+220.76	1.75%	11.69%
Netherlands - AEX	525.46	-2.27	-0.43%	8.75%
Switzerland - SMI	9,043.96	+1.93	0.02%	10.03%

BRICS Indices				
	Closing	Net Change	% Change	YTD
Brazil - Ibovespa	62,510.70	-1,574.71	-2.46%	3.79%
Russia - MICEX	1,883.31	-57.46	-2.96%	-15.65%
India - SENSEX	31,316.58	+207.30	0.67%	17.61%
China - Shanghai	3,091.66	-16.18	-0.52%	-0.39%
South Africa - JSE Africa	52,709.11	-1,235.11	-2.29%	4.06%

Asia-Pacific Indices				
	Closing	Net Change	% Change	YTD
Japan - Nikkei 225	20,170.82	+488.25	2.48%	5.53%
Hong Kong - Hang Senx	25,826.58	+187.31	0.73%	17.39%
South Korea - KOSPI	2,368.62	+15.65	0.67%	16.88%
Australia - ASX 200	5,754.87	+47.80	0.84%	1.57%

Commodities				
	Closing	Net Change	% Change	YTD
Gold Spot	1,281.50	+13.40	1.06%	11.68%
Silver Spot	17.55	0.15	0.84%	10.15%
Platinum Spot	953.55	-1.55	-0.16%	5.59%
Palladium Spot	842.50	43.39	5.43%	23.72%
Crude Oil (WTI)	48.11	-1.69	-3.39%	-10.44%
Crude Oil (Brent)	50.41	-1.88	-3.60%	-11.28%
Baltic Dry Ind	830.00	-88.00	-9.59%	-13.63%

Money Markets				
	Closing	Net Change (5-D)	Net Change (6-M)	Net Change (YTD)
3M Libor	1.223	0.021	0.276	0.225
12M Libor	1.731	0.009	0.086	0.045
3M Euribor	(0.329)	-	(0.016)	(0.010)
12M Euribor	(0.131)	(0.001)	(0.055)	(0.049)
10Y US	2.166	(0.081)	(0.228)	(0.278)
10Y UK	1.059	0.047	(0.344)	(0.180)
10Y Germany	0.283	(0.015)	(0.050)	0.075
10Y Japan	0.050	0.011	0.009	0.004
10Y India	6.635	(0.027)	0.418	0.120

Currencies			
	Closing	Closing	
GBP/USD	1.288	EUR/USD	1.127
USD/JPY	110.500	AUD/USD	0.747
USD/CHF	0.964	EUR/AED	4.140
USD/INR	64.305	EUR/INR	72.492
USD/CNY	6.804	EUR/CHF	1.087
USD/RUB	56.608	AED/INR	17.505

Source: Bloomberg

U.S. equities rose to record levels on Friday as Wall Street shrugged off a jobs report that came in well below expectations. The Dow Jones industrial average closed about 60 points higher and reached its first intraday record since March 1 as well as its second straight record close. The S&P 500 and the NASDAQ composite also managed intraday and closing records. The solid strong weekly gains were helped by high-yielding sectors, including telecommunications and utilities, which rose 2.33 percent and 1.67 percent, respectively. The Russell 2000, which tracks small cap stocks, rose 0.67 percent and was less than 2 percent away from a record high. The Labor Department said 138,000 jobs were created last month, well below the expected 185,000; the unemployment rate, however, fell to 4.3 percent from 4.4 percent.

European markets closed slightly higher on Friday as investors reacted to weaker-than-expected U.S. jobs data and digested the news that President Donald Trump has decided to withdraw from the Paris climate change deal. The pan-European Stoxx 600 closed up 0.23 percent with most sectors and major bourses in positive territory. The U.K.'s FTSE 100 hit a fresh record high as markets opened but retreated after subdued U.S. non-farm payrolls data. Italy's national statistics bureau said stronger-than-anticipated domestic demand had boosted economic growth in the first three months of the year. The euro zone economy grew 0.5 percent in the first quarter, twice as fast as previously indicated by preliminary data.

Investors are also watching out for comments from European Central Bank officials after a Reuter's report earlier this week indicated that the central bank will kick off tapering discussions next week.

Asian markets closed in the green on Friday. The Nikkei 225 jumped 1.6 percent or 317.25 points to close at 20,177.28. It was the first time since August 2015 that the index crossed the 20,000 mark. Shares of Japanese automakers traded higher after May auto sales in the U.S. reflected that Nissan and Honda recorded increases in sales on year, while Toyota fell just short. Hong Kong-listed gaming stocks were higher. This followed news that revenues of Macau casinos rose amidst the ongoing anti-corruption drive and capital controls in China.

Commodity in Focus

Gold prices rose to a near six-week high in response to disappointing U.S. non-farm payrolls data that lowered expectations for more aggressive U.S. interest rate increases.

Spot gold had gained 0.95 percent to \$1,277.32 per ounce, headed for its fourth week of gains. U.S. gold futures for August delivery rose 0.76 percent to \$1,279.80 an ounce.

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Middle East Market News Update

The legal firm working on Saudi Aramco's IPO flotation has advised the kingdom that a New York listing poses the greatest litigation risk of any jurisdiction. White & Case and others offering informal counsel have briefed top oil executives and the kingdom's highest authorities, emphasizing a litigious culture in the United States. Legal risks arising from a New York listing include U.S. legislation that could allow families of the victims of the 9/11 attacks of 2001 to sue Saudi Arabia. Aramco could also face class-action suits if it did not comply with U.S. regulators' rules on disclosing reserves and data for oil companies, while aggressive shareholder lobby groups in the United States are also seen as a threat. A New York Stock Exchange listing and one on Saudi Arabia's Tadawul exchange has been the favored option for Saudi Aramco as Saudi officials and Saudi Aramco's financial advisers believe the venue has the deepest pool of investors and is the most prestigious.

En Bref..... Biggest Market News

Qatar's stock market plunged after Saudi Arabia, Egypt, the United Arab Emirates and Bahrain severed ties with Doha, accusing it of supporting terrorism. The Qatari stock index sank 7.6 percent in the first hour of trade. Some of the market's top blue chips were hit hardest, with Vodafone Qatar, the most heavily traded stock, sliding its 10 percent daily limit. Qatar National Bank, the country's largest bank, dropped 5.7 percent. The diplomatic rift could have a serious impact on some business deals and companies in the region, particularly Qatar Airways, which can no longer fly to some of the Middle East's biggest markets. However, with an estimated \$335 billion of assets in its sovereign wealth fund, a trade surplus of \$2.7 billion in April alone and extensive port facilities, Qatar appears likely to be able to ride out the impact without any economic crisis.

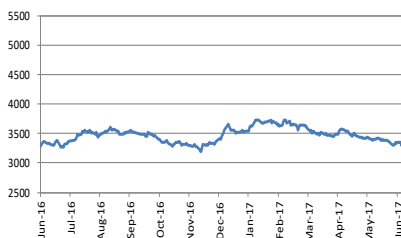
Events in the week ahead

- 7 June – US DOE Crude Oil Inventories.
- 8 June – European Central Bank Rate Decision.

Key Indices

	Closing	Net		YTD
		Change	% Change	
Dubai - DFM	3,301.88	-16.24	-0.49%	-6.49%
Abu Dhabi - ADX	4,465.72	-27.20	-0.61%	-1.77%
Saudi Arabia - TASI	6,915.61	+93.90	1.38%	-4.09%
Qatar - QE	9,112.97	-999.42	-9.88%	-12.68%
Bahrain - BHSE	1,332.84	+14.13	1.07%	9.21%
Oman - MSM 30	5,418.93	+33.72	0.63%	-6.29%
Kuwait	6,830.02	+167.13	2.51%	18.82%

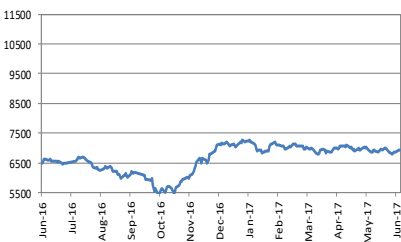
Dubai - DFM 52-Week Performance



Abu Dhabi - ADX 52-Week Performance



Saudi - TASI 52-Week Performance



Source: Bloomberg

Sources: Bloomberg, Reuters, CNBC, Wall Street Journal and Zawya.

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