

# - NOUVELLES -

OUR WEEKLY CAPITAL MARKETS UPDATE

June 11<sup>th</sup>, 2017

## International Market News Update

US Indices				
	Closing	Net Change	% Change	YTD
DJIA	21,271.97	+65.68	0.31%	7.64%
S&P 500	2,431.77	-7.30	-0.30%	8.62%
NASDAQ Composite	6,207.92	-97.88	-1.55%	15.32%

Europe Indices				
	Closing	Net Change	% Change	YTD
UK - FTSE 100	7,527.33	-20.30	-0.27%	5.38%
Eurozone - STOXX 50	3,210.07	-23.82	-0.74%	6.63%
France - CAC 40	5,299.71	-43.70	-0.82%	9.00%
Germany - DAX	12,815.72	+150.80	1.19%	11.62%
Netherlands - AEX	527.30	+5.56	0.11%	9.13%
Switzerland - SMI	8,845.85	-179.07	-1.98%	7.62%

BRICS Indices				
	Closing	Net Change	% Change	YTD
Brazil - Ibovespa	62,210.56	-300.14	-0.48%	3.29%
Russia - MICEX	1,883.34	+1.47	0.08%	-15.65%
India - SENSEX	31,262.06	-11.23	-0.04%	17.41%
China - Shanghai	3,158.40	+52.86	1.70%	1.76%
South Africa - JSE Africa	52,216.93	-672.77	-1.27%	3.09%

Asia-Pacific Indices				
	Closing	Net Change	% Change	YTD
Japan - Nikkei 225	20,013.26	-164.02	-0.81%	4.70%
Hong Kong - Hang Sen	26,030.29	+106.24	0.41%	18.32%
South Korea - KOSPI	2,381.69	+37.08	1.58%	17.53%
Australia - ASX 200	5,677.80	-110.31	-1.91%	0.21%

Commodities				
	Closing	Net Change	% Change	YTD
Gold Spot	1,266.76	-12.41	-0.97%	10.39%
Silver Spot	17.21	-0.35	-1.99%	8.03%
Platinum Spot	940.15	-14.30	-1.50%	4.10%
Palladium Spot	885.57	43.58	5.18%	30.05%
Crude Oil (WTI)	45.83	-1.83	-3.84%	-14.69%
Crude Oil (Brent)	48.15	-1.80	-3.60%	-15.26%
Baltic Dry Ind	849.00	+19.00	2.29%	-11.65%

Money Markets				
	Closing	Net Change (5-D)	Net Change (6-M)	Net Change (YTD)
3M Libor	1.236	0.014	0.280	0.239
12M Libor	1.728	(0.002)	0.080	0.043
3M Euribor	(0.331)	(0.002)	(0.015)	(0.012)
12M Euribor	(0.140)	(0.009)	(0.059)	(0.058)
10Y US	2.201	0.041	(0.267)	(0.244)
10Y UK	1.005	(0.033)	(0.448)	(0.234)
10Y Germany	0.264	(0.010)	(0.101)	0.056
10Y Japan	0.056	0.001	(0.005)	0.010
10Y India	6.503	(0.124)	0.062	(0.012)

Currencies			
	Closing		Closing
GBP/USD	1.275	EUR/USD	1.120
USD/JPY	110.320	AUD/USD	0.753
USD/CHF	0.969	EUR/AED	4.112
USD/INR	64.254	EUR/INR	71.821
USD/CNY	6.798	EUR/CHF	1.085
USD/RUB	57.029	AED/INR	17.525

Source: Bloomberg

The NASDAQ composite hit a record high before closing 1.8 percent lower. Shares of Apple, Facebook, Amazon, Netflix and Google-parent Alphabet all fell more than 3 percent. The tech-heavy index also posted its worst weekly performance of the year. Momentum names like Priceline and Tesla also took a hit, falling 2.6 percent and 3.4 percent, respectively. The S&P 500 closed 0.1 percent lower, erasing earlier gains, with information technology dropping more than 2.5 percent. Financials received a boost from higher bank stocks, as the SPDR S&P Bank ETF (KBE) advanced 2.9 percent. The ETF was also on track for its best week of the year. Energy, meanwhile, advanced 2.5 percent to lead advancers. The Dow Jones industrial average rose about 90 points, notching a record close with Goldman Sachs contributing the most gains. Stocks hit record intraday highs earlier in the session, as investors shook off a widely unexpected result to the general election in the United Kingdom.

Bourses in Europe closed higher on Friday afternoon after British Prime Minister Theresa May announced that she would form a government alliance with Northern Ireland's Democratic Unionist Party (DUP) following an inconclusive general election. The pan-European Stoxx 600 ended the day up 0.32 percent in afternoon deals, and all major bourses ticked up on May's announcement, which pledged a future of certainty for the U.K. Her Conservative party will be backed by the DUP in order to secure a parliamentary majority. May received approval from the Queen to remain in power.

Asian markets mostly shrugged off the political uncertainty in the U.K. Japan's Nikkei 225 rose 0.52 percent and the Kospi gained 0.77 percent. The Hang Seng Index reversed earlier gains to edge lower by 0.35 percent while markets on mainland China closed in the money. The Shanghai Composite closed up by 0.27 percent at 3,158.74 and the Shenzhen Composite added 0.23 percent to finish at 1,857.17. Shares of Japan's SoftBank Group surged 7.43 percent to close at 9,476 yen a stock following news the company had acquired robotics companies Boston Dynamics and Schaft from Alphabet.

## Commodity in Focus

In the main commodity markets, nothing is doing better than palladium this year. Palladium, which is mainly used to curb harmful emissions from gasoline vehicles, has rallied on expectations that supply will lag demand for a sixth straight year. It's now almost as expensive as platinum for the first time since 2001

The metal is up 30 percent this year. On Friday, prices surged as much as 7.9 percent to a 16-year high of \$928.36 an ounce as some traders were said to scramble to get hold of physical supplies.

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## Middle East Market News Update

Saudi Arabia's financial sector is hoping for tens of billions of dollars of foreign portfolio funds to start flowing into the country this month, but the money may do little to boost a stock market depressed by low oil prices and rising taxes. On June 20, global equity index compiler MSCI will announce whether it is putting Saudi Arabia on a list for possible upgrade to emerging market status. Index firm FTSE will decide in September whether to make Riyadh a secondary emerging market.

Investors in Qatari stocks, bonds and currency forwards were saddled with losses this week as the country was thrust into the epicenter of an unprecedented spat with its neighbors. The country's stock market shrank by about \$11 billion in value on Tuesday, the most since 2010, after Middle Eastern countries including Saudi Arabia and the United Arab Emirates cut ties with the Gulf nation. The country's most liquid bonds tumbled during the week as its sovereign rating was cut and bets against its currency surged. Contracts to protect against a potential default are now at a higher level than those of Peru and Slovenia.

## En Bref..... Biggest Market News

The pound tumbled on Friday, lifting the country's main FTSE share index, after an election that denied any party a majority in parliament and fomented a sense of political chaos just days before Brexit talks begin. While sterling registered its biggest daily fall in eight months, the slump appeared to be checked by expectations from some investors that the government may pursue a softer stance on Brexit and even loosen the purse strings to assuage an austerity-weary electorate. London's main FTSE 100 stock index, composed of multinational companies that largely earn in foreign currency and therefore benefit when the pound falls, climbed as much as 1.3 percent, before closing up 1 percent on the day.

## Events in the week ahead

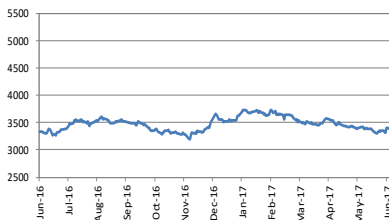
15 June – Bank of England Rate Decision.

16 June – Bank of Japan Policy Rate Decision.

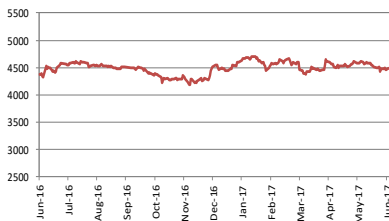
### Key Indices

	Closing	Net		YTD
		Change	% Change	
Dubai - DFM	3,387.95	+46.41	1.39%	-4.05%
Abu Dhabi - ADX	4,498.72	+15.63	0.35%	-1.05%
Saudi Arabia - TASI	6,809.19	-118.40	-1.71%	-5.56%
Qatar - QE	9,059.93	-863.67	-8.70%	-13.19%
Bahrain - BHSE	1,323.35	-9.49	-0.71%	8.43%
Oman - MSM 30	5,331.07	-96.82	-1.78%	-7.81%
Kuwait	6,754.54	-75.48	-1.11%	17.51%

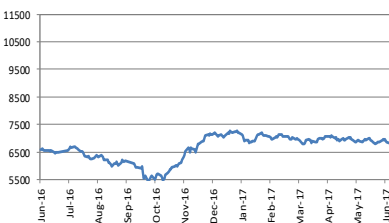
### Dubai - DFM 52-Week Performance



### 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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