

#### US Indices

	Closing	Net Change	% Change	YTD
DJIA	16,553.93	+60.56	0.37%	-0.14%
S&P 500	1,931.59	+6.44	0.33%	4.50%
NASDAQ	4,370.90	+18.26	0.42%	4.65%

#### Europe Indices

	Closing	Net Change	% Change	YTD
DJ STOXX 50	2,898.48	-50.41	-1.71%	-0.72%
FTSE 100	6,567.36	-111.82	-1.67%	-2.69%
CAC 40	4,147.81	-54.97	-1.31%	-3.45%
DAX	9,009.32	-200.76	-2.18%	-5.68%

#### BRICS Indices

	Closing	Net Change	% Change	YTD
Bovespa	55,572.93	-329.94	-0.59%	7.89%
Russia TS	1,170.60	-42.14	-3.47%	-18.86%
Sensex	25,329.14	-151.70	-0.60%	19.64%
Shanghai	2,194.43	+9.12	0.42%	3.71%
JSE Africa	50,669.95	-247.83	-0.49%	9.54%

#### Asia & Japan Indices

	Closing	Net Change	% Change	YTD
TOPIX	1,228.26	-53.04	-4.14%	-5.68%
NIKKEI 225	14,778.37	-744.74	-4.80%	-9.29%
Hang Seng	24,331.41	-201.02	-0.82%	4.40%
HSCEI	10,832.66	-149.99	-1.37%	0.15%
KOSPI	2,031.10	-42.00	-2.03%	0.98%

#### Commodities / Money Market / Currencies

Commodities	Closing	Net Change	% Change	YTD
Baltic Dry Ind	777.00	26.00	3.46%	-65.88%
Gold Spot	1,309.58	15.83	1.22%	8.98%
Silver Spot	19.90	-0.43	-2.13%	2.17%
WTIOil	97.56	-0.32	-0.33%	-0.87%
Money Market	Closing	Net Change (5-D)	Net Change (6-M)	Net Change (YTD)
3M Libor	0.24	0.00	0.00	-0.01
12M Libor	0.55	-0.02	0.00	-0.03
3M Euribor	0.20	-0.01	-0.09	-0.08
12M Euribor	0.48	-0.01	-0.07	-0.07
10Y Bund	1.05	0.73	-0.61	-0.88
10Y US	2.42	0.63	-0.26	-0.61
10Y JPY	0.50	0.32	-0.12	-0.24

Currencies	Closing	Currencies	Closing
USD/JPY	102.0400	CNY/USD	6.1564
EUR/USD	1.3410	EUR/AED	4.9251
EUR/CHF	1.2143	INR/USD	61.1450
GBP/USD	1.6773	AUD/USD	1.0779

\* Source: Bloomberg

## International Market Update

In **US**, the stock markets got off to a positive start for the week. However, sentiments quickly reversed as the Russian government announced its intent to ban agricultural imports from the US and European countries in retaliation to the sanctions imposed by these countries. US Labor Department reported a large fall in weekly jobless claims to 289,000 which helped the US markets end the week on a more positive note. The four-week moving average also fell to 293,500, the lowest since February 2006. The Non-Manufacturing Index, which measures activity in the US service sector, rose to 58.7 percent last month expanding at the fastest pace in more than eight years.

In **Europe**, economic figures released Wednesday showed that Italy had fallen back into recession. The German manufacturing orders declined sharply, which was being attributed to the prevailing crisis in Russia-Ukraine.

While most experts anticipated the bans imposed by Russia to have only a very small direct impact on European economies and an even smaller impact on the US, the poor economic data coming out of Europe brought out new worries during the week about the overall health of the Eurozone and resulted in all major European indices closing the week sharply in the red.

In **Asia**, stocks fell sharply on Friday on news that US had begun targeted airstrikes on Iraq thus causing all major Asian indices to end up with overall big weekly declines. Japan's Nikkei index fell to its lowest level since May 30 while the safe-haven yen strengthened to a two-week high after data showed the Japanese economy's June current account had logged a deficit for the first time in five months. Hong Kong's benchmark share index had its first losing week in four weeks, despite strong numbers coming out of Chinese energy companies.

In **India**, the benchmark share indices ended lower for the week tracking the sell-off in global equities. On the domestic front, rising crude oil prices raised fears of the further widening of India's fiscal and current account deficits, while the Reserve Bank of India kept key interest rates unchanged flagging inflation concerns that weighed on investor sentiment during the week. Bank shares were among the top Sensex losers during the week on fears that the sharp hike in bond yields on the new 10-year benchmark government bond raised the risk that their bond portfolios could take a hit and treasury profits might come under pressure in this July-September quarter.

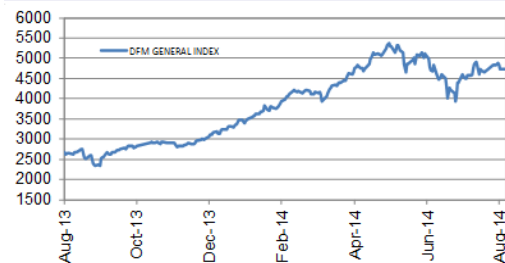
In commodities, gold had its best weekly advance in seven weeks, as the geopolitical tensions in the Middle East and Ukraine prompted investors to seek refuge in safer assets. Brent crude fell on speculation that the U.S. airstrikes in Iraq will stabilize supplies from OPEC's second-largest producer. The conflict has spared production in Iraq's south which is home to about three-quarters of its crude output.

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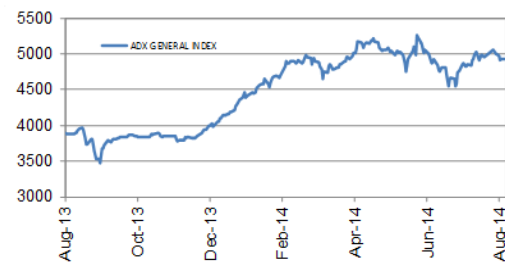
**Key Indices**

	Closing	Net Change	% Change	YTD
Dubai - DFM	4,734.76	-98.48	-2.04%	40.51%
Abu Dhabi - ADX	4,925.14	-129.81	-2.57%	14.80%
Saudi - Tadawul	10,552.48	+337.75	3.31%	23.63%
Kuwait	7,186.42	+55.53	0.78%	-4.81%
Bahrain - BHSE	1,494.03	+22.33	1.52%	19.63%
Qatar - DMSM QE	13,076.33	+199.02	1.55%	25.98%
Oman - MSM 30	7,336.40	+135.70	1.88%	7.34%
Turkey - ISEN 100	78,843.31	-3,313.56	-4.03%	16.29%

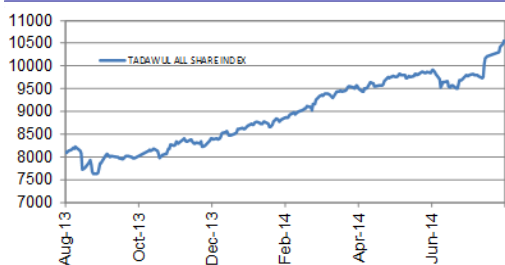
**Dubai - DFM Index 52-Week Performance**



**Abu Dhabi - ADX Index 52-Week Performance**



**Saudi - Tadawul Index 52-Week Performance**



\* Source: Bloomberg

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**Middle East**

The financial markets in the GCC opened for the first full week post-Eid holidays. In UAE, the major indices saw a sharp correction because of a weak global environment and lack of fresh, positive news as the second-quarter earnings reporting season drew to a close and short-term retail investors see few new incentives to buy on the immediate horizon. Profit-taking in property firms and banks pulled down both the Dubai and Abu Dhabi stock indices

Qatar this week confirmed a law providing for foreign investors to own up to 49 percent of listed Qatari companies on the stock market. Also, it was announced that GCC citizens will be treated as Qatari citizens for the purpose of owning firms. Qatar's market, which is the second largest bourse in the GCC after Saudi Arabia, has risen strongly this year on the back of its upgrade in May by MSCI to emerging market status from frontier market status. The Tadawul in Saudi Arabia continued its strong upside following on the decision in July that Saudi Arabia would open its bourse to direct investment by foreign institutions in the first half of next year.

**En Bref ..... Biggest market news**

The US stock indices have continued their rise even in face of the widening global conflicts leading many experts to warn that the US markets had grown dangerously complacent. The VIX, a gauge of expectation of future U.S. stock volatility, has climbed nearly 50 percent since early July 2014.

The last week's Eurozone economic data prompted suggestions that Europe could fall back into another recession after having emerged from one last year. The economies of the 18 countries that share the Euro currency are barely growing, and many of them depend on Russia for natural gas imports with Germany importing nearly all its natural gas from Russia. During the week, the head of the European Central Bank, Mario Draghi, warned that the crisis in Ukraine could hurt the fragile recovery in Europe.

Benchmark government bond yields in the world's biggest economies fell this week to new 2014 lows as geopolitical tensions boosted the allure of safe-haven assets. The yield on the 10-year German government notes hit an all-time low on Friday. The yield on US notes of the same maturity has reached its lowest level in about a year, falling briefly below 2.4% for the first time this year.

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