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OUR WEEKLY CAPITAL MARKETS UPDATE

International Market News Update

Led by technology companies, U.S. stocks rose after a strong February jobs report. Most parts of the market moved higher as investors wait for the Federal Reserve to meet next week. The central bank is almost universally expected to raise interest rates. The jobs report was a bit better than investors expected, but they had assumed it would show employers are adding jobs at a solid clip. They had also anticipated since last week that the Fed will raise interest rates next Wednesday, and the data did nothing to challenge that. Technology, industrial and health care companies climbed while energy companies missed out on the rally as oil prices continued to fall. The Standard & Poor's 500 index rose 7.73 points, or 0.3 percent, to 2,372.60. The Dow Jones industrial average gained 44.79 points, or 0.2 percent, to 20,902.98. The Nasdaq composite added 22.92 points, or 0.4 percent, to 5,861.73.

European shares came off highs, as growing talk about central bank tightening in the region hit utilities and export-oriented stocks but continued to boost the heavyweight banking sector. A report that some European Central Bank (ECB) policymakers had discussed the possibility of rate hikes sent government bond yields soaring, making dividend-paying sectors like utilities less attractive. The euro also surged on the report by news agency Bloomberg, weighing on the DAX which is heavily geared to export-oriented stocks like industrial and auto makers. The German blue chip index fell 0.1 percent. But the pan-European STOXX 600 index managed to end in positive territory, up 0.1 percent, as banks - its biggest sub-sector with a market value of 1.2 trillion euros - rose 0.8 percent, helped by the rate prospects. Stronger than expected jobs data in the U.S. earlier on Friday also helped, further cementing expectations of a rate hike next week in the world's largest economy.

Japan's Nikkei share average closed at its highest since December 2015 on Friday as exporters benefitted from the dollar hitting a six-week high against the yen, while investors waited for a U.S. jobs report that could pave the way for a rate hike as early as next week. Financial stocks also rallied after U.S. bond yields rose. The Nikkei added 1.5 percent to 19,604.61, the highest closing level since Dec. 7, 2015. For the week, the benchmark index climbed 0.7 percent.

Commodity in Focus

U.S. crude slumped nearly 9 percent since Tuesday's close, the biggest three-day decline since February of 2016. The bullish outlook that prevailed for most of the last few months has been undercut by persistently high inventory figures, and was instrumental in herding speculators to the exits in the latter half of this week.

U.S. crude settled down 79 cents, or 1.6 percent, to \$48.49 a barrel, while Brent crude ended down 82 cents, or 1.6 percent, to \$51.37 a barrel.

US Indices	Net			
	Closing	Change	% Change	YTD
DJIA	20902.98	-102.73	-0.49%	5.77%
S&P 500	2,372.60	-10.52	-0.44%	5.97%
NASDAQ Composite	5,861.73	-9.03	-0.15%	8.89%

Europe Indices	Net			
	Closing	Change	% Change	YTD
UK - FTSE 100	7,343.08	-31.18	-0.42%	2.80%
Eurozone - STOXX 50	3,101.36	-15.55	-0.50%	3.02%
France - CAC 40	4,993.32	-1.81	-0.04%	2.69%
Germany - DAX	11,963.18	-64.18	-0.53%	4.20%
Netherlands - AEX	511.14	+5.28	1.04%	5.79%
Switzerland - SMI	8,669.97	-.09	0.00%	5.48%

BRICS Indices	Net			
	Closing	Change	% Change	YTD
Brazil - Ibovespa	64,675.46	-2,110.07	-3.16%	7.39%
Russia - MICEX	1,973.96	-75.04	-3.66%	-11.59%
India - SENSEX	28,946.23	+113.78	0.39%	8.71%
China - Shanghai	3,212.76	-5.55	-0.17%	3.52%
South Africa - JSE Africa	51,269.54	-439.07	-0.85%	1.22%

Asia-Pacific Indices	Net			
	Closing	Change	% Change	YTD
Japan - Nikkei 225	19,604.61	+135.44	0.70%	2.56%
Hong Kong - Hang Sen	23,568.67	+15.95	0.07%	7.13%
South Korea - KOSPI	2,097.35	+18.60	0.89%	3.50%
Australia - ASX 200	5,775.62	+46.01	0.80%	1.94%

Commodities	Net			
	Closing	Change	% Change	YTD
Gold Spot	1,204.64	-30.17	-2.44%	4.98%
Silver Spot	17.04	-0.94	-5.20%	6.98%
Platinum Spot	942.50	-56.25	-5.63%	4.36%
Palladium Spot	747.52	-27.56	-3.56%	9.77%
Crude Oil (WTI)	48.49	-4.84	-9.08%	-9.74%
Crude Oil (Brent)	51.37	-4.53	-8.10%	-9.59%
Baltic Dry Ind	1,086.00	+147.00	15.65%	13.01%

Money Markets	Closing	Net		Net Change (YTD)
		Change (5-D)	Change (6-M)	
3M Libor	1.121	0.020	0.269	0.123
12M Libor	1.818	0.010	0.262	0.133
3M Euribor	(0.329)	-	(0.028)	(0.010)
12M Euribor	(0.109)	0.004	(0.052)	(0.027)
10Y US	2.575	0.097	0.900	0.130
10Y UK	1.231	0.046	0.372	(0.008)
10Y Germany	0.485	0.129	0.474	0.277
10Y Japan	0.089	0.011	0.104	0.043
10Y India	6.904	0.120	(0.141)	0.389

Currencies	Closing		
	Closing	Closing	
GBP/USD	1.217	EUR/USD	1.067
USD/JPY	114.790	AUD/USD	0.754
USD/CHF	1.011	EUR/AED	3.920
USD/INR	66.605	EUR/INR	70.652
USD/CNY	6.909	EUR/CHF	1.079
USD/RUB	58.994	AED/INR	18.105

Source: Bloomberg

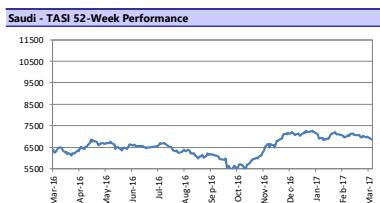
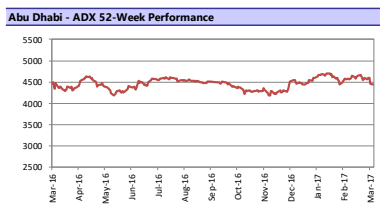
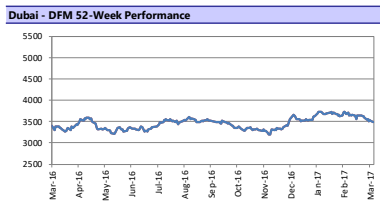
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Middle East Market News Update

Stock markets in the Gulf were mostly lower in early trade on Sunday after crude oil prices plunged at the end of last week to a three-month low, but Dubai's Shuaa Capital and Saudi Arabia's Bank Aljazira surged in response to company-specific news. A little over two-thirds of Saudi Arabia's 14 listed petrochemical makers traded lower with Saudi Kayan Petrochemical retreating 2.5 percent, helping drag the overall Saudi index 0.7 percent lower. Shares in Banque Saudi Fransi lost 1.2 percent after Credit Agricole, which owns 31 percent of the Saudi lender, said it was satisfied with business at the bank. On Wednesday Reuters reported the French major stakeholder had hired JP Morgan for a potential sale of its stake valued at around \$2.4 billion. Bank Aljazira jumped its 10 percent daily limit after the lender proposed a 30 percent capital increase through a bonus share issue. Dubai's index fell 0.3 percent as two-thirds of the traded shares dropped. Emaar Properties lost 1 percent and DXB Entertainments was down 1.6 percent.

Key Indices	Closing	Net		
		Change	% Change	YTD
Dubai - DFM	3,480.92	-62.41	-1.76%	-1.41%
Abu Dhabi - ADX	4,436.43	-128.72	-2.82%	-2.42%
Saudi Arabia - TASI	6,848.39	-119.58	-1.72%	-5.02%
Qatar - QE	10,484.87	-236.28	-2.20%	0.46%
Bahrain - BHSE	1,366.00	+23.43	1.75%	11.93%
Oman - MSM 30	5,741.21	-66.60	-1.15%	-0.72%
Kuwait	6,742.02	-62.54	-0.92%	17.29%



Source: Bloomberg

En Bref..... Biggest Market News

U.S. employers hired workers at a robust pace in February, beating expectations, and wages grinded higher, which could give the Federal Reserve the green light to raise interest rates next week despite slowing economic growth. Nonfarm payrolls increased by 235,000 jobs last month. January's employment gains were revised up to 238,000 from the previously reported 227,000. Fed Chair Janet Yellen signaled last week that the U.S. central bank would likely hike rates at its March 14-15 policy meeting.

Rising inflation, together with a tighter labor market, stock market boom and strengthening global economy, has left some economists expecting that the Fed could increase rates much faster than currently anticipated by financial markets. The U.S. central bank lifted its benchmark overnight rate in December and has forecast three rate increases for 2017.

Events in the week ahead

14 March – Eurozone Economic Sentiment Survey.

15 March – US FOMC Rate Decision.

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