

Global Markets Update

U.S. stocks retreated to trim a weekly gain as investors awaited next week's Federal Reserve meeting, with economic indicators pointing to uneven growth in the world's largest economy. Banks and energy producers carried the steepest losses Friday, with crude oil sinking to a one-month low. Sentiment soured on lenders as Deutsche Bank AG sparked a selloff in European banks after it rebuffed a Department of Justice offer to settle a financial crisis related probe for \$14 billion. Oracle Corp. declined 4.8 percent after its quarterly revenue missed estimates. Intel Corp. climbed 3 percent after raising its sales forecast. The S&P 500 Index fell 0.4 percent to 2,139.16, in heavy trading amid a quarterly event known as quadruple witching, when futures and options contracts on indexes and individual stocks expire. The Dow Jones Industrial Average lost 88.68 points, or 0.5 percent, to 18,123.80. The Nasdaq Composite Index declined 0.1 percent. About 9.5 billion shares changed hands on U.S. exchanges, 38 percent above the three-month average.

European shares edged lower in early trading on Friday and headed for their second straight week of losses, with Deutsche Bank slumping after saying the U.S. government was asking it to pay a huge amount to settle the mortgages case. Shares in Deutsche Bank fell 6.7 percent, the top decliner in the pan-European STOXX 600 index, after Germany's flagship lender said the U.S. Department of Justice was asking it to pay \$14 billion to settle an investigation into its selling of mortgage-backed securities. Royal Bank of Scotland and Credit Suisse fell 4.8 percent and 4.5 percent respectively, pushing the European banking index 1.5 percent lower. The STOXX Europe 600 index fell 0.1 percent in early trading. The index is down 1.6 percent so far this week, the biggest weekly loss since mid-August, after falling 1.4 percent in the previous week.

Japan's Nikkei share average bounced back from three-week lows on Friday as Apple-related shares rose on strong sales of new iPhone 7 and as bank shares were bought back after heavy selling earlier this week. The Nikkei share average rose 0.7 percent to 16,519.29, a day after it hit a three-week low, while the broader Topix gained 0.8 percent to 1,311.50. On the week, the Nikkei fell 2.6 percent, its biggest weekly fall since early July.

Commodity In Focus

Gold prices hit a two-week low on Friday, as a stronger U.S. dollar and jitters over the path of monetary policy weighed on demand.

Gold for December delivery settled down 0.6% at \$1,310.35 a troy ounce on the Comex division of the New York Mercantile Exchange, closing out its second consecutive day of losses to its lowest level since Sept. 2. A stronger dollar tends to hurt gold prices, since the metal is priced in dollars and becomes more expensive to investors using other currencies.

US Indices				
	Closing	Net Change	% Change	YTD
DJIA	18,123.80	+38.35	0.21%	4.01%
S&P 500	2,139.16	+11.35	0.53%	4.66%
NASDAQ Composite	5,244.57	+118.66	2.31%	4.74%

Europe Indices				
	Closing	Net Change	% Change	YTD
UK - FTSE 100	6,710.28	-66.67	-0.98%	7.50%
Eurozone - STOXX 50	2,807.99	-68.76	-2.39%	-9.43%
France - CAC 40	4,332.45	-158.95	-3.54%	-6.57%
Germany - DAX	10,276.17	-297.27	-2.81%	-4.35%
Netherlands - AEX	439.07	-13.81	-3.05%	-0.62%
Switzerland - SMI	8,130.44	-133.69	-1.62%	-7.80%

BRICS Indices				
	Closing	Net Change	% Change	YTD
Brazil - Ibovespa	57,079.76	-919.97	-1.59%	31.67%
Russia - MICEX	1,981.96	-46.29	-2.28%	12.52%
India - SENSEX	28,599.03	-446.25	-1.54%	9.50%
China - Shanghai	3,002.85	-89.08	-2.88%	-15.15%
South Africa - JSE Africa	51,832.55	-1,514.75	-2.84%	2.25%

Asia-Pacific Indices				
	Closing	Net Change	% Change	YTD
Japan - Nikkei 225	16,519.29	-446.47	-2.63%	-13.21%
Hong Kong - Hang Sen	23,335.59	-583.75	-2.44%	6.49%
South Korea - KOSPI	1,999.36	-67.17	-3.25%	1.94%
Australia - ASX 200	5,296.70	-42.48	-0.80%	0.02%

Commodities				
	Closing	Net Change	% Change	YTD
Gold Spot	1,310.35	-17.48	-1.32%	23.49%
Silver Spot	18.79	-0.26	-1.39%	35.65%
Platinum Spot	1,020.38	-42.02	-3.96%	14.45%
Palladium Spot	673.50	-1.50	-0.22%	19.63%
Crude Oil (WTI)	43.03	-2.85	-6.21%	16.17%
Crude Oil (Brent)	45.77	-2.24	-4.67%	22.77%
Baltic Dry Ind	800.00	-4.00	-0.50%	67.36%

Money Markets				
	Closing	Net Change (5-D)	Net Change (6-M)	Net Change (YTD)
3M Libor	0.857	0.005	0.218	0.244
12M Libor	1.545	(0.012)	0.300	0.367
3M Euribor	(0.301)	-	(0.071)	(0.170)
12M Euribor	(0.054)	0.003	(0.050)	(0.114)
10Y US	1.693	0.018	(0.216)	(0.577)
10Y UK	0.873	0.014	(0.650)	(1.087)
10Y Germany	0.007	(0.004)	(0.304)	(0.622)
10Y Japan	(0.039)	(0.024)	0.040	(0.304)
10Y India	6.868	(0.177)	(0.706)	(0.893)

Currencies			
	Closing		Closing
GBP/USD	1.300	EUR/USD	1.116
USD/JPY	102.290	AUD/USD	0.749
USD/CHF	0.980	EUR/AED	4.100
USD/INR	66.985	EUR/INR	75.184
USD/CNY	6.675	EUR/CHF	1.094
USD/RUB	65.124	AED/INR	18.263

Source: Bloomberg

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Regional Markets Update

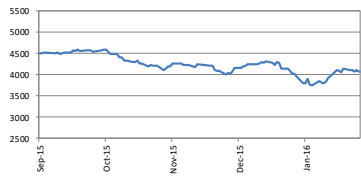
The UAE has welcomed the cooperation between Saudi Arabia and Russia in the energy sector, especially in the area of oil. Minister of Energy, Suhail bin Mohammed Faraj Al Mazroui, said the UAE, as an active and responsible member of OPEC, will always support any joint efforts which will benefit market stability. He added that the UAE believes in the commitment of both the Saudi Arabia and Russia, major oil producers, to working together and with others to achieve oil market stability. Al Mazroui said the UAE is encouraged by the cooperation between Saudi Arabia and Russia.

Key Indices	Closing	Net Change	% Change	YTD
Dubai - DFM	3,483.32	-62.91	-1.77%	10.55%
Abu Dhabi - ADX	4,486.28	-25.73	-0.57%	4.16%
Saudi Arabia - TASI	6,093.12	-97.23	-1.57%	-11.84%
Qatar - QE	10,572.45	-278.03	-2.56%	1.37%
Bahrain - BHSE	1,128.42	+30	0.03%	-7.19%
Oman - MSM 30	5,779.18	+51.39	0.90%	6.90%
Kuwait	5,426.36	+30.87	0.57%	-3.36%

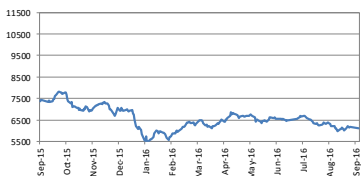
Dubai - DFM 52-Week Performance



Abu Dhabi - ADX 52-Week Performance



Saudi - TASI 52-Week Performance



Source: Bloomberg

Dubai and Abu Dhabi have been ranked as the two most sustainable cities in the Middle East region, according to a study by Arcadis, a global design and consultancy firm for natural and built assets. Dubai was ranked first out of the eight Middle East cities covered in the Sustainable Cities Index report and 52nd overall globally. However, in the category of the world's wealthiest and most economically sustainable cities, Dubai was ranked fourth with Abu Dhabi not far behind in 13th place. The index measured factors including tourism, infrastructure, GDP and business performance. The 2016 Sustainable Cities Index was compiled for Arcadis by the Centre for Economic and Business Research (Cebr) and explores three core pillars of sustainability - social (people), environmental (planet) and economic (profit) to develop an indicative ranking of 100 of the world's leading cities.

En Bref – The Biggest Market News

For the first time since the tech boom, the S&P 500 is gaining a new sector. The S&P Dow Jones Indices will spin off real-estate companies from the financial sector to create an 11th stock grouping. The new classification, undertaken by a team of executives from S&P and rival indexing firm MSCI Inc., which made the change in late August, will make it easier for investors to track one of the hottest investments of the past decade. REITs own real estate and pay steady dividends, which have been attractive to investors with interest rates so low. A net \$62 billion has flowed into real-estate funds since 2001, according to Morningstar Inc. data. The number of publicly traded REITs has also risen. Since 2001, 129 real-estate investment trusts have gone public in the U.S., raising more than \$38 billion, according to Dealogic. There are roughly 240 REITs listed on the New York Stock Exchange and the Nasdaq, according to S&P Dow Jones Index.

The Week Ahead

- 21 Sept – Bank of Japan Policy Rate Decision.
- 21 Sept – Fed Summary of Economic Projections (USD).
- 23 Sept – Canadian Consumer Price Index (CPI) – Year-on-Year.

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