

International Market News Update

US Indices				
	Closing	Net Change	% Change	YTD
DJIA	19,843.41	+86.56	0.44%	13.88%
S&P 500	2,258.07	-1.46	-0.06%	10.48%
NASDAQ Composite	5,437.16	-7.34	-0.13%	8.58%

Europe Indices				
	Closing	Net Change	% Change	YTD
UK - FTSE 100	7,011.64	+57.43	0.83%	12.32%
Eurozone - STOXX 50	3,003.73	+52.44	1.78%	-3.11%
France - CAC 40	4,833.27	+69.20	1.45%	4.23%
Germany - DAX	11,404.01	+200.38	1.79%	6.15%
Netherlands - AEX	477.70	+7.93	1.69%	8.12%
Switzerland - SMI	8,227.72	+128.09	1.58%	-6.69%

BRICS Indices				
	Closing	Net Change	% Change	YTD
Brazil - Ibovespa	58,389.04	-2,111.58	-3.49%	34.69%
Russia - MICEX	2,231.41	+22.88	1.04%	26.69%
India - SENSEX	26,489.56	-257.62	-0.96%	1.42%
China - Shanghai	3,122.98	-109.90	-3.40%	-11.76%
South Africa - JSE Africa	49,691.31	-852.13	-1.69%	-1.98%

Asia-Pacific Indices				
	Closing	Net Change	% Change	YTD
Japan - Nikkei 225	19,401.15	+404.78	2.13%	1.93%
Hong Kong - Hang Sen	22,020.75	-740.23	-3.25%	0.49%
South Korea - KOSPI	2,042.24	+17.55	0.87%	4.13%
Australia - ASX 200	5,532.93	-27.69	-0.50%	4.48%

Commodities				
	Closing	Net Change	% Change	YTD
Gold Spot	1,134.88	-24.98	-2.15%	6.95%
Silver Spot	16.10	-0.77	-4.55%	16.23%
Platinum Spot	927.60	11.75	1.28%	4.04%
Palladium Spot	696.83	-34.37	-4.70%	23.78%
Crude Oil (WTI)	51.90	+40	0.78%	40.12%
Crude Oil (Brent)	55.21	+88	1.62%	48.10%
Baltic Dry Ind	946.00	-144.00	-13.21%	97.91%

Money Markets				
	Closing	Net Change (5-D)	Net Change (6-M)	Net Change (YTD)
3M Libor	0.997	0.041	0.351	0.385
12M Libor	1.693	0.045	0.455	0.515
3M Euribor	(0.314)	0.002	(0.050)	(0.183)
12M Euribor	(0.081)	-	(0.055)	(0.141)
10Y US	2.592	0.124	1.013	0.322
10Y UK	1.438	(0.015)	0.328	(0.522)
10Y Germany	0.314	(0.051)	0.338	(0.315)
10Y Japan	0.081	0.020	0.272	(0.184)
10Y India	6.506	0.065	(1.001)	(1.255)

Currencies			
	Closing	Closing	
GBP/USD	1.250	EUR/USD	1.045
USD/JPY	117.930	AUD/USD	0.730
USD/CHF	1.026	EUR/AED	3.838
USD/INR	67.771	EUR/INR	70.825
USD/CNY	6.962	EUR/CHF	1.073
USD/RUB	62.092	AED/INR	18.474

Source: Bloomberg

What began as a record-setting streak for U.S. stocks fizzled as the week progressed, with the Dow Jones Industrial Average approaching and ultimately falling short of 20,000, as the biggest driver of the post-election rally declined. Financial firms decreased for the first time since Donald Trump's presidential victory, ending a five-week advance in which the group propelled benchmark indexes to records. The S&P 500 Index lost 0.1 percent to end at 2,258.07, while the Dow average climbed within 0.45 percent of 20,000 before ending at 19,843.41, a gain of 0.4 percent for the five days. Instead of financial shares, telephone and utility companies rallied on the week, each climbing at least 1.8 percent. Utility shares, the biggest laggard in the market since the election, advanced even as the yield on the 10-year Treasury note climbed 13 basis points to 2.59 percent after the Federal Reserve raised interest rates by a quarter-point.

European shares rose helped by gains in global banks after the Federal Reserve raised U.S. interest rates, while growing corporate deal activity underpinned year-end optimism. The pan-European STOXX 600 index rose 0.9 percent, ending at its highest level since Jan. 5. It is still down nearly 2 percent so far in 2016 but could close the year in positive territory if it sees an end-of-year rally. The European banking index surged 2.5 percent, also ending at an 11-month high. Deutsche Bank, BNP Paribas, HSBC, Santander and Credit Suisse rose 1.5 to 5.3 percent after the Fed's move. Banks benefited from gains by short-dated U.S. treasury yields, which touched their highest in more than seven years, after the Fed raised interest rates for the first time in a year and hinted at more in 2017. Higher yields are a boon to banks' profitability.

Japan's Nikkei share average rose on Friday to cap a nine-day rally as strength on Wall Street and a weaker yen buoyed confidence. The Nikkei climbed 0.7 percent to 19,401.15, with the ninth day of gains the longest winning streak since May 2015. For the week, the benchmark index rose 2.1 percent, posting sixth weekly gains. The broader Topix rose 0.5 percent to 1,550.67 and the JPX-Nikkei Index 400 advanced 0.6 percent to 13,882.89.

Commodity in Focus

Gold prices bounced from a 10-month low Friday, as the decline prompted investors to cover short positions and look for bargains. Gold for February delivery settled up 0.7% at \$1,137.40 a troy ounce on the Comex division of the New York Mercantile Exchange.

The precious metal fell to the lowest level since February on Thursday, after the Federal Reserve announced its decision to raise interest rates by a quarter of a percentage point.

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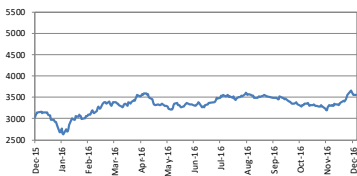
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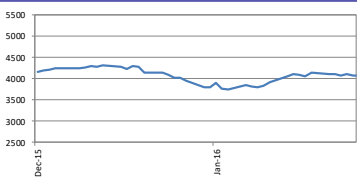
Key Indices

	Closing	Net Change	% Change	YTD
Dubai - DFM	3,554.69	-3.99	-0.11%	12.81%
Abu Dhabi - ADX	4,496.53	-20.62	-0.46%	4.39%
Saudi Arabia - TASI	7,133.41	-64.46	-0.90%	3.21%
Qatar - QE	10,224.13	+170.18	1.69%	-1.97%
Bahrain - BHSE	1,188.70	-3.25	-0.27%	-2.24%
Oman - MSM 30	5,728.27	+60.69	1.07%	5.96%
Kuwait	5,651.00	+39.22	0.70%	0.64%

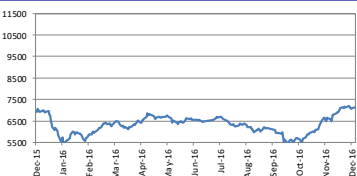
Dubai - DFM 52-Week Performance



Abu Dhabi - ADX 52-Week Performance



Saudi - TASI 52-Week Performance



Source: Bloomberg

Middle East Market News Update

BP PLC cemented its 77-year relationship with Abu Dhabi by swapping about \$2.2 billion of its own shares for a stake in one of the emirate's largest onshore oil concessions. The U.K.'s second-biggest oil group will issue new ordinary shares to pay for 10 percent of the Abu Dhabi Company for Onshore Petroleum Operations Ltd., giving the emirate a 2 percent holding in BP, the London-based company said Saturday in a statement. Abu Dhabi investor Mubadala Development Co. is likely to hold the BP shares. The agreement promises BP additional cash flow and revenue following a downturn that has forced the industry to slash billions of dollars of investments worldwide in the past two years.

Banks are seeking higher pricing on a \$3 billion loan that Dubai is raising to help fund airport expansion as it prepares for World Expo 2020. Lenders are seeking a margin of 200 to 220 basis points over the benchmark rate for the seven-year facility, compared with Dubai and adviser HSBC Holdings Plc's proposal of 180 basis points plus about 14 basis points in fees. The loan, which includes a \$2 billion conventional tranche and a 3.67 billion dirham (\$1 billion) Islamic facility, is being raised by a special-purpose company that will help pay for the expansion of Dubai World Central and associated facilities in the south of the city.

En Bref..... Biggest Market News

Shares of Trivago rose as much as 10.7 percent in their debut on Friday, valuing the hotel booking platform at about \$2.89 billion. Düsseldorf, Germany-based Trivago's stock rose to a high of \$12.18 in early trading. Trivago, which is mostly owned by U.S. online travel firm Expedia Inc, offered 26.1 million American depository shares (ADS) at \$11 each on Thursday, raising \$287 million for the company and selling shareholders. Like many of this year's technology IPOs, Trivago's offering was priced well below the expected range of \$13-\$15.

Events in the week ahead

- 20 December – Bank of Japan Policy Rate.
- 23 December – USD Gross Domestic Product - Annualized.

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