

#### US Indices

	Closing	Net Change	% Change	YTD
DJIA	16,458.56	+21.51	0.13%	-0.71%
S&P 500	1,838.70	-3.67	-0.20%	-0.52%
NASDAQ	4,197.58	+22.92	0.55%	0.50%

#### Europe Indices

	Closing	Net Change	% Change	YTD
DJ STOXX 50	2,978.94	+56.20	1.92%	2.04%
FTSE 100	6,829.30	+89.36	1.33%	1.19%
CAC 40	4,327.50	+76.90	1.81%	0.73%
DAX	9,742.96	+269.72	2.85%	2.00%

#### BRICS Indices

	Closing	Net Change	% Change	YTD
Bovespa	49,181.86	-514.59	-1.04%	-4.51%
Russia TS	1,395.66	-6.16	-0.44%	-3.26%
Sensex	21,063.62	+305.13	1.47%	-0.51%
Shanghai	2,004.95	-8.35	-0.41%	-5.25%
JSE Africa	46,675.88	+1,127.73	2.48%	0.91%

#### Asia & Japan Indices

	Closing	Net Change	% Change	YTD
TOPIX	1,297.39	+64	0.05%	-0.38%
NIKKEI 225	15,734.46	-145.87	-0.92%	-3.42%
Hang Seng	23,133.35	+287.10	1.26%	-0.74%
HSCEI	10,167.28	+2.60	0.03%	-6.00%
KOSPI	1,944.48	+5.94	0.31%	-3.32%

#### Commodities / Money Market / Currencies

Commodities	Closing	Net Change	% Change	YTD
Baltic Dry Ind	1,421.00	-91.00	-6.02%	-37.59%
Gold Spot	1,254.05	5.55	0.44%	4.36%
Silver Spot	20.31	0.15	0.76%	4.29%
WTI Oil	94.37	1.65	1.78%	-4.12%
Money Market	Closing	Net Change (5-D)	Net Change (6-M)	Net Change (YTD)
3M Libor	0.24	-0.01	-0.03	-0.01
12M Libor	0.57	-0.01	-0.11	-0.01
3M Euribor	0.30	0.02	0.08	0.02
12M Euribor	0.57	0.01	0.05	0.02
10Y Bund	1.75	0.79	0.21	-0.18
10Y US	2.82	0.34	0.33	-0.21
10Y JPY	0.66	0.26	-0.15	-0.07
Currencies	Closing	Currencies	Closing	
USD/JPY	104.3200	-	CNY/USD	6.0498
EUR/USD	1.3541	-	EUR/AED	4.9739
EUR/CHF	1.2326	-	INR/USD	61.5500
GBP/USD	1.6424	-	AUD/USD	1.1388

\* Source: Bloomberg

## International Market Update

**US Stocks** ended mixed for the week after a sharp loss on Monday was offset by a strong rally over the next two days. Most observers attributed the pullback at the start of the week to concerns that had lingered after December's very weak payrolls report. U.S. Indices had mixed fortunes, with solid earnings from American Express helping lift the Dow Jones industrial average, but the S&P 500 and the Nasdaq fell, dragged down by Intel and General Electric after disappointing results.

**European stocks** European stocks posted a second weekly advance, with the benchmark index reaching six-year high, as mining companies rallied and the World Bank's upgrade of global-growth forecasts offset concern over valuations. The World Bank raised its global-growth forecasts, predicting the economy will expand 3.2% this year. That is higher than its June projection of 3%. The Washington-based lender raised the estimate for growth in the richest nations to 2.2% from 2%. Part of the increase reflects improvement in the 18-country euro area. **The World Bank's growth forecasts were the first trigger which made markets such as Germany jump to new highs, Investors not wishing to miss out on ongoing gains were squeezed back into the market.**

**Asian stocks** remained flat last week, with the regional benchmark MSCI Asia Pacific gauge sliding the most in four weeks, as data from China added to concern about a slowdown in the world's second-largest economy. Investors got nervous about the Chinese economic growth as data pointed out that the producer price index declined for the 22nd consecutive month and exports rose at a pace of 4.3% on year on year basis as against the expectations of 5% growth.

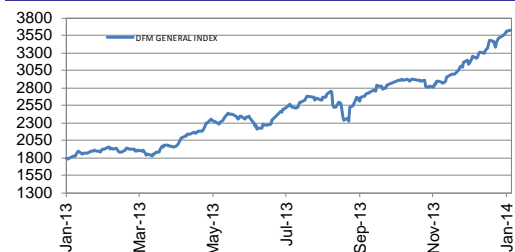
**In India**, stocks managed to closed in positive territory even after benchmark indices falling almost a 1% on last trading day of the week. Stocks are expected to be volatile and prone to profit-taking in the coming weeks. Institutional flows in cash shares as well as index futures paint a picture of indecision from overseas investors, which may also weigh on sentiment.

**Gold** rose last week as weakness in U.S. equities, strong fund buying and Asian physical demand lifted bullion to its fourth consecutive weekly gain. The market was surprised by news of Deutsche Bank withdrawing from gold and silver benchmark setting, or fixing, as German regulators investigate suspected manipulation of precious metals prices by banks. Gold's recent rise has been supported by a drop in equities early in 2014 following a record run-up in stocks last year. **Gold should be up this year as Federal Reserve is still not ready to increase the interest rates and global demand around the world is once again increasing.**

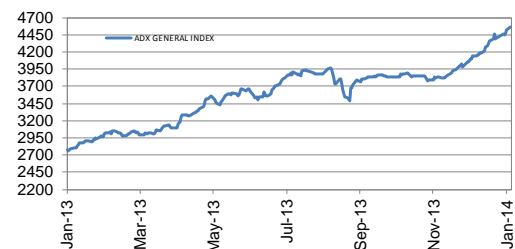
**Key Indices**

	Closing	Net Change	% Change	YTD
Dubai - DFM	3,609.18	+153.19	2.95%	6.74%
Abu Dhabi - ADX	4,521.47	+89.63	2.35%	4.55%
Saudi - Tadawul	8,761.06	+92.78	1.07%	2.46%
Kuwait	7,665.14	+7.57	0.10%	1.53%
Bahrain - BHSE	1,268.52	+10.58	0.84%	1.92%
Qatar - DSM QE	11,106.13	+187.68	1.73%	6.56%
Oman - MSM 30	7,140.24	+68.62	0.97%	4.69%
Turkey - ISEN 100	67,349.50	+802.93	1.19%	0.49%

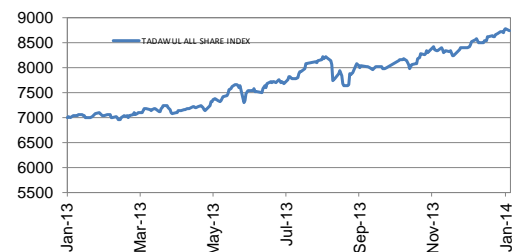
**Dubai - DFM Index 52-Week Performance**



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



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



\* Source: Bloomberg

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**Middle East**

**GCC Regional markets traded on a positive note last week.**

**Dubai and Abu Dhabi** stocks ended the week strongly as national and foreign investors traded in large numbers amid positive news of some companies, which led to a big jump in their share prices. UAE's indices are still extremely well-oriented and are benefiting from a growing interest for the market. Dubai's benchmark measure DFM General Index gained 2.95% this week. **The Bull market continues in UAE, and at this point, the risk of a correction is higher than the chance for a continued advance.**

**Abu Dhabi Investment Authority** is investing alongside Singapore's state fund GIC in the headquarters of Time Warner in New York. The lead developer of Time Warner Center is in talks to buy the media company's 1.1 million square feet of space for \$1.3 billion and bring in partners including GIC. **State funds are increasing allocations to alternative assets, including real estate, infrastructure and private equity, as they diversify their investments.** China Investment Corp. has said it favors infrastructure and property in Europe, while Korea Investment said in August it plans to spend as much as \$10 billion to triple its allocation to alternative investments including properties.

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

Industrial production in the U.S. rose for a fifth month in December, capping the strongest quarter since 2010 and indicating manufacturing is helping propel the economy. Output at factories, mines and utilities climbed 0.3% after a revised 1% increase in November, figures from the Federal Reserve. Manufacturing production rose more than projected.

**Positive economic data had been a primary force driving stocks higher in the fourth quarter, and some worried that a reversal in those underpinnings might cause investors to harvest gains.** Thursday's weekly unemployment claims report was favorable, however, assuaging some labor market fears. Some economists believe that poor weather in December deserves a large part of the blame for the small rise in payrolls, and they expect improved data in coming months. One factor driving the rebound in stock prices on Tuesday was favorable retail sales data, suggesting that consumers remained relatively sanguine about the improving labor market. Retail sales outside of autos rose considerably in December, helping to offset some earlier signals that the holiday shopping season had been a poor one. Also, Housing starts remained strong in December, and factory output continued to expand at a healthy clip.

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