sidra capital

Monday 27th of January 2014

NOUVELLES

….. Weekly market news for you

US Indices				
	Closing	Net Change	% Change	YTD
DJIA	15,879.11	-537.90	-3.28%	-4.21%
S&P 500	1,790.29	-55.60	-3.01%	-3.14%
NASDAQ	4,128.17	-90.52	-2.15%	-1.16%

Europe Indices				
	Closing	Net Change	% Change	YTD
DJ STOXX 50	2,877.63	-101.31	-3.40%	-1.43%
FTSE 100	6,663.74	-165.56	-2.42%	-1.26%
CAC 40	4,161.47	-166.03	-3.84%	-3.13%
DAX	9,392.02	-350.94	-3.60%	-1.68%

BRICS Indices				
	Closing	Net Change	% Change	YTD
Bovespa	47,787.38	-1,394.48	-2.84%	-7.22%
Russia TS	1,362.50	-31.99	-2.29%	-5.56%
Sensex	21,133.56	+69.94	0.33%	-0.18%
Shanghai	2,054.39	+49.44	2.47%	-2.91%
JSE Africa	46,462.14	-213.74	-0.46%	0.45%

Asia & Japan Indices				
	Closing	Net Change	% Change	YTD
TOPIX	1,264.60	-32.79	-2.53%	-2.89%
NIKKEI 225	15,391.56	-342.90	-2.18%	-5.52%
Hang Seng	22,450.06	-683.29	-2.95%	-3.67%
HSCEI	10,014.02	-153.26	-1.51%	-7.42%
KOSPI	1,940.56	-3.92	-0.20%	-3.52%

Commodities / Money Market / Currencies				
Commodities	Closing	Net Change	% Change	YTD
Baltic Dry Ind	1,246.00	-175.00	-12.32%	-45.28%
Gold Spot	1,270.06	16.01	1.28%	5.69%
Silver Spot	19.95	-0.36	-1.76%	2.45%
WTI Oil	96.68	2.31	2.45%	-1.77%
Money Market	Closing	Net Change (5-D)	Net Change (6-M)	Net Change (YTD)
3M Libor	0.24	0.00	-0.03	-0.01
12M Libor	0.57	0.00	-0.10	-0.01
3M Euribor	0.30	0.00	0.08	0.01
12M Euribor	0.57	0.00	0.03	0.01
10Y Bund	1.66	0.84	0.01	-0.27
10Y US	2.72	0.90	0.13	-0.31
10Y JPY	0.62	0.39	-0.14	-0.11

Currencies	Closing		**Currencies**	Closing
USD/JPY	102.3100	-	CNY/USD	6.0484
EUR/USD	1.3678	-	EUR/AED	5.0232
EUR/CHF	1.2235	-	INR/USD	62.6850
GBP/USD	1.6482	-	AUD/USD	1.1517

*** Source: Bloomberg***

International Market Update

US Stocks fell for the week, giving benchmark indexes their biggest losses since 2012, as a selloff in emerging-market currencies and signs of weakness in China spurred concern that global growth will slow. The deepest decline came in the Dow Jones, which fell 3.28% in the biggest weekly loss since November 2011. This week's bruising finale raised the issue of a stock market correction to the top of the agenda. After the S&P surged nearly 30% in 2013, equity markets have largely meandered through the first part of the new year on loose confidence that the US economic recovery was on track.

European stocks fell the most since June, as investors assessed a tumble in emerging-market currencies amid concern Federal Reserve tapering is hurting growth. National benchmark indexes fell in all 18 western European markets. In Germany, the yield on 10-year government bonds fell to the lowest level since August as concern growth in emerging markets is slowing boosted demand for the safest assets.

Asian stocks fell this week, posting the longest streak of weekly losses in more than 18 months amid concern growth is slowing in China, the world's second-largest economy seen today as an unattractive place to invest.. Japan's TOPIX fell 2.5% this week and the Nikkei declined 2.2% as the yen strengthened against the US dollar.

After registering record closing highs, **Indian stocks** ended with small weekly gains as the index fell sharply on Friday after the RBI governor's strong comments on inflation dented sentiment. Rajan called inflation a "destructive disease" on Thursday. Earlier in the week, a panel recommended that the RBI should make managing inflation its main policy objective and set monetary policy by committee. The central bank is likely to keep the repo rate on hold at its policy review next week, a Reuters poll published on Jan. 23 showed.

Gold prices enjoyed a late-week surge as concerns about the global economy reinvigorated flight-to-quality buying, building on the recent short-term higher trend seen in the metal. **Gold could rise next week if current nervousness about global economy persists; this is all very positive for gold.**

A fall in U.S. Treasury yields and a sharp sell-off in emerging-market currencies accelerated, causing traders to take a "risk off" view, spurred by concerns about an economic slowdown in China. **It is expected that the trend of lower yields to continue for sometimes as investors may move back to bonds and out of stocks for the time being.**

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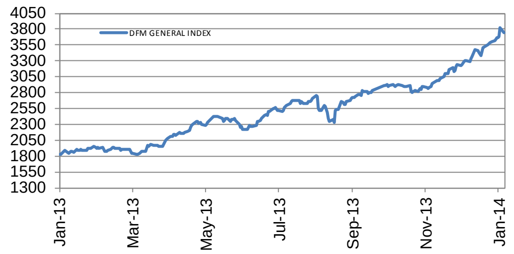
NOUVELLES
….. *Weekly market news for you*

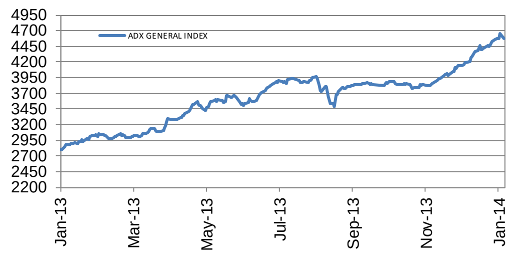
Key Indices

	Closing	Net Change	% Change	YTD
Dubai - DFM	3,819.02	+209.84	5.81%	13.33%
Abu Dhabi - ADX	4,655.32	+133.85	2.96%	8.51%
Saudi - Tadawul	8,771.99	+10.93	0.12%	2.77%
Kuwait	7,778.56	+113.42	1.48%	3.03%
Bahrain - BHSE	1,276.98	+8.46	0.67%	2.25%
Qatar - DSM QE	11,338.41	+232.28	2.09%	9.24%
Oman - MSM 30	7,200.52	+60.28	0.84%	5.35%
Turkey - ISEN 100	64,427.52	-1,207.51	-1.84%	-4.98%

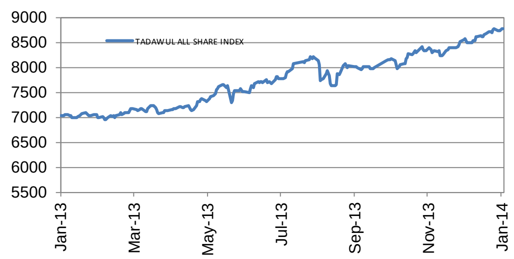
Dubai - DFM Index 52-Week Performance



Abu Dhabi - ADX Index 52-Week Performance



Saudi - Tadawul Index 52-Week Performance



**** Source: Bloomberg***

Middle East

All GCC Regional markets traded on a positive note late week with Dubai being the top gainer, increasing 5.8%. Abu Dhabi was up 3% and Qatar gained 2.1%. Tadawul was the lowest gainer, advancing only 0.1%.

Last week, the Dubai Financial Market General Index (DFMGI) gained 5.81% to close at 3,819.02, the strongest performance for the index since early-September 2013, and a new high level. Even though the market remains strong it's important to keep in mind that we have now had ten consecutive weeks of gains, the most consistent advance on a weekly basis in at least five years. To date, GCC stocks have remained relatively unscathed by the steadily increasing exodus of investors from emerging markets in recent months

The recent rally in stocks in the Emirates and Qatar will be severely tested this week as local bourses reopen after global markets sell-off gathered pace on Friday. Investors should stay cautious; the risk of a correction is higher than the chance for a continued advance. Dubai could be worst affected as it has the best run to date.

En Bref ….. *Biggest market news*

The S&P 500 Index endured its largest weekly loss in well over a year as investors worried about signs of a slowdown in the global economy. After a mostly positive start to the holiday-shortened week, stocks turned decisively lower on Thursday following bad news about the crucial Chinese manufacturing sector. A gauge of Chinese factory activity moved slightly into contraction territory, reviving concerns about the country's growth outlook after China's government reported Monday that GDP growth slowed in last year's final quarter from the previous three months. China concerns helped spark a sell-off in emerging markets, which made its way to the U.S. market on Thursday and Friday. An additional concern to some was the flight to perceived safe-haven assets, such as the Japanese yen and U.S. Treasuries.

U.S. stocks could be set for another selloff next week as the Fed is expected to continue withdrawing its economic stimulus further pressuring equities already roiled by a flight from emerging markets. <u>The current trend is bearish and the sentiment is cautious.</u>

<u>For more information</u>:

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