

US Indices				
	Closing	Net Change	% Change	YTD
DJIA	16,924.28	+207.11	1.24%	2.10%
S&P 500	1,949.44	+25.87	1.34%	5.47%
NASDAQ	4,321.40	+78.78	1.86%	3.47%

Europe Indices				
	Closing	Net Change	% Change	YTD
DJ STOXX 50	3,014.64	-61.58	-2.00%	3.26%
FTSE 100	6,757.77	-67.43	-0.99%	0.13%
CAC 40	4,436.99	-104.35	-2.30%	3.28%
DAX	9,815.17	-172.07	-1.72%	2.75%

BRICS Indices				
	Closing	Net Change	% Change	YTD
Bovespa	53,157.30	-1,480.89	-2.71%	3.20%
Russia TS	1,379.75	+21.02	1.55%	-4.37%
Sensex	25,099.92	-5.59	-0.02%	18.56%
Shanghai	2,036.51	+9.84	0.49%	-3.76%
JSE Africa	50,625.37	-697.30	-1.36%	9.45%

Asia & Japan Indices				
	Closing	Net Change	% Change	YTD
TOPIX	1,253.15	-15.77	-1.24%	-3.77%
NIKKEI 225	15,095.00	-254.42	-1.66%	-7.34%
Hang Seng	23,221.52	+27.46	0.12%	-0.36%
HSCEI	10,307.51	-87.94	-0.85%	-4.70%
KOSPI	1,988.51	+20.44	1.04%	-1.14%

#### Commodities / Money Market / Currencies

Commodities	Closing	Net Change	% Change	YTD
Baltic Dry Ind	831.00	-73.00	-8.08%	-63.50%
Gold Spot	1,316.17	1.35	0.10%	9.53%
Silver Spot	20.97	0.10	0.46%	7.68%
WTI Oil	105.74	-1.52	-1.42%	7.44%
Money Market	Closing	Net Change (5-D)	Net Change (6-M)	Net Change (YTD)
3M Libor	0.23	0.00	-0.01	-0.01
12M Libor	0.55	0.00	-0.04	-0.04
3M Euribor	0.21	-0.01	-0.09	-0.08
12M Euribor	0.49	0.00	-0.07	-0.07
10Y Bund	1.26	0.75	-0.69	-0.67
10Y US	2.53	0.63	-0.47	-0.49
10Y JPY	0.55	0.22	-0.14	-0.18

Currencies	Closing	Currencies	Closing
USD/JPY	101.4200	CNY/USD	6.2181
EUR/USD	1.3649	EUR/AED	5.0134
EUR/CHF	1.2158	INR/USD	60.0850
GBP/USD	1.7035	AUD/USD	1.0610

\* Source: Bloomberg

## International Market Update

**US Stocks** erased early losses to close up on Friday but still finished the week lower on mixed economic data, while European equities had their first weekly drop since April on worries over Iraq and Ukraine. U.S. Treasuries yields eased at the end of a week of steady price gains for government bonds, fueled by increasing worries that economic growth in the world's No. 1 economy may be slower than policymakers believe. Worries about the economy persisted despite U.S. consumer sentiment rising more than expected in a final June reading of a Thomson Reuters/University of Michigan poll issued on Friday. The dollar fell a quarter percent against a basket of major currencies for a second week of losses. The S&P 500 finished in striking distance of the intraday record high it hit on Tuesday. But some held their breath in the prelude to the earnings period that will start in the next two weeks, which will provide clues on whether the economy and profits are both picking up.

**European stocks** faded in the final hours of trading Friday, unable to trim this week's sharp losses and it ended with losses for the week, during which concerns about euro-zone growth were underscored. The Stoxx 600 index fell by 1.8% for the week, the biggest weekly pullback since mid-April. A run of lackluster data from the euro zone continued Friday with France's government saying growth in GDP stalled in the first quarter and inflation in Spain was flat this month, highlighting worries about the risk of deflation. Meanwhile, a European Commission survey found there was a decline in confidence in the region among businesses and households in June.

**Asian stocks** fell, with the regional benchmark index paring its seventh straight weekly gain, as a Federal Reserve official said the U.S. may raise interest rates by March. Japanese shares fell, with the Topix index posting its first weekly decline since mid-May, amid concern the Federal Reserve will raise rates sooner than expected and as the yen gained on disappointing U.S. data. The Topix posted a 1.2% slide this week.

**In India**, The broader market represented by the BSE Sensex opened for the week at 25,108 and closed flat at 25,099, a fall of just 9 points. Similarly, Nifty opened at 7,514 and closed at 7,508. The markets have bounced back over previous week's range as the Iraq crisis and the resultant fears over supply of crude oil tamed down. Domestic institutions continued to remain net buyers in equities for the week. Foreign institutional investors continued to sell in spite of improved sentiments, but turned net buyers towards the end of the week.

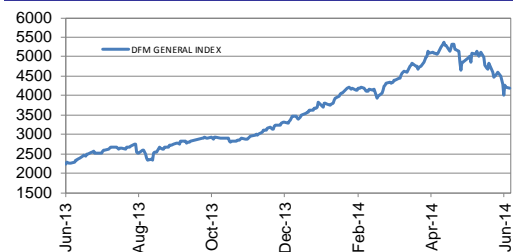
Gold had a fourth straight weekly gain to above \$1,316 an ounce, as geopolitical unrest in Iraq and Ukraine boosted the precious metal's appeal and soft U.S. data weakened the dollar.

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**Key Indices**

	Closing	Net Change	% Change	YTD
Dubai - DFM	4,175.56	-370.52	-8.07%	25.31%
Abu Dhabi - ADX	4,651.97	-139.02	-2.89%	8.73%
Saudi - Tadawul	9,569.49	-78.77	-0.82%	12.11%
Kuwait	6,981.85	+41.61	0.60%	-7.52%
Bahrain - BHSE	1,432.05	-2.79	-0.19%	14.67%
Qatar - DSM QE	11,583.97	-637.26	-5.12%	13.84%
Oman - MSM 30	6,958.38	+30.22	0.44%	1.59%
Turkey - ISEN 100	78,472.38	+71.69	0.09%	15.74%

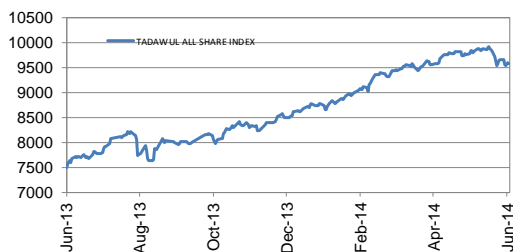
**Dubai - DFM Index 52-Week Performance**



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



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



\* Source: Bloomberg

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**Middle East**

GCC financial markets this week were in negative territory. Kuwait KSE Price Index recorded as the top gainer with 0.60% increase compared to the previous week, while the top losers were Dubai and Qatar Indices which decreased respectively by 8.07% and 5.12% last week.

Qatar Stock Exchange plunged 5.12% in its main index and a huge QR38bn capitalization was knocked off during the week with Iraq crisis putting foreign investors on the back foot. Foreign institutions' increasing net selling pressure and substantially lower net buying from local retail investors dragged the market 5.12% to settle at sub-12,000 levels during the week, which saw the Ministry of Development Planning and Statistics say that solid economic growth is expected in 2014 and 2015, driven by faster non-hydrocarbon economy due to faster growth in investment spending and population growth. With Iraq crisis precipitating, most of the Gulf bourses were in the red.

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

Dubai stocks tanked last week, with the Emirate's main share index losing a third of its value from its May peak. The sell-off sparked some fears of a repeat of the 2008 crisis, though local analysts and bankers played those concerns down. The Dubai Financial Markets general index fell by 12.65% in the first two days of the week to a low of 3,921; at this level it was 33% off the May high of 5,406.

The losses were led by construction and development firm Arabtec, which fell by the maximum 10% allowed for three sessions in a row after chief executive Hasan Ismaik quit the week before. The stock was also hit by rumours this week that the company had laid off hundreds of staff in the wake of his resignation. Arabtec's fall was certainly the trigger, but the question was whether it was the sole cause or just an expression of a deeper malaise. Naturally, when something like this happens it raises questions about whether this is the bubble bursting. It is certainly having an effect on the market and we will have to wait for a while before judging.

Others argue that Arabtec is large and liquid enough to cause shockwaves on its own: it is the most liquid stock on the exchange, accounting for a quarter of all trades and making up 6% of the exchange by market capitalization. **Arabtec debacle on the stock market reveals the crack among bourse regulations in the Gulf. Market participants have to stay cautious as we were waiting for this correction since beginning of this year.**

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