

— NOUVELLES —

OUR WEEKLY CAPITAL MARKETS UPDATE

US & Europe Market News

US Indices

	Closing	Net		YTD
		Change	% Change	
DJIA	24,329.16	+97.57	0.40%	23.11%
S&P 500	2,651.50	+9.28	0.35%	18.43%
NASDAQ Composite	6,840.08	-7.51	-0.11%	27.07%
TSX Composite Index	16,096.07	+57.10	0.36%	5.29%

Europe Indices

	Closing	Net		YTD
		Change	% Change	
UK - FTSE 100	7,393.96	+93.47	1.28%	3.52%
Eurozone - STOXX 50	3,176.94	+38.40	1.22%	5.53%
France - CAC 40	5,399.09	+82.20	1.55%	11.04%
Germany - DAX	13,153.70	+292.21	2.27%	14.57%
Netherlands - AEX	547.22	+11.65	2.18%	13.26%
Switzerland - SMI	9,319.16	+44.61	0.48%	13.37%

- ❖ U.S. equities closed higher on Friday following the release of a stronger-than-expected jobs report. The Dow Jones industrial average rose 117.68 points to 24,329.16.
- ❖ The S&P 500 gained 0.6 percent to close at 2,651.50 with health care rising more than 1 percent. Both indexes also closed at record highs.
- ❖ The U.S. economy added 228,000 jobs last month, according to the Bureau of Labor Statistics. Economists polled by Reuters expected a gain of 200,000. The unemployment rate held steady at 4.1 percent.
- ❖ The pan-European Stoxx 600 was up 0.78 percent, with almost all sectors and major bourses in positive territory
- ❖ Europe's banking index led the gains Friday, up more than 2 percent after global regulators signed a long-awaited agreement in the previous session.
- ❖ The U.K. and European Union finally agreed upon three particular issues that had impeded negotiations, paving the way for the next phase of discussions.

BRICS & Asia Market News

BRICS Indices

	Closing	Net		YTD
		Change	% Change	
Brazil - Ibovespa	72,731.84	+467.39	0.65%	20.76%
Russia - MICEX	2,104.99	-1.00	-0.05%	-5.72%
India - SENSEX	33,250.30	+417.36	1.27%	24.88%
China - Shanghai	3,289.99	-27.63	-0.83%	6.00%
South Africa - JSE Africa	58,012.31	-1,437.07	-2.42%	14.53%

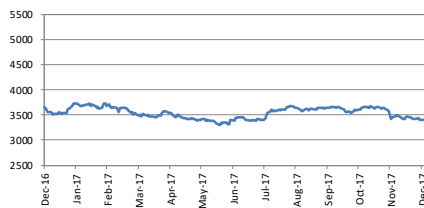
Asia-Pacific Indices

	Closing	Net		YTD
		Change	% Change	
Japan - Nikkei 225	22,811.08	-7.95	-0.03%	19.34%
Hong Kong - Hang Seng	28,639.85	-434.39	-1.49%	30.18%
South Korea - KOSPI	2,464.00	-11.41	-0.46%	21.59%
Australia - ASX 200	5,994.37	+4.61	0.08%	5.80%

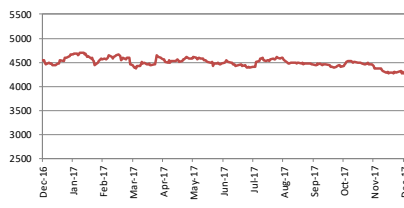
- ❖ The Shanghai Composite index pullback is a signal of a major interruption to the uptrend in the key market measure in China. This behaviour shows the failure of three important support features. This suggests the uptrend had lost momentum. At best, this could develop into a period of consolidation prior to the development of a uptrend continuation. At worst, this could signal the collapse of the uptrend and a test of support between 3,260 and 3,290.
- ❖ The Nikkei 225 has moved past a very important resistance level at 20,800. The longer-term resistance target for the Nikkei is 26,500.
- ❖ The Aussie has strong support at \$0.77 to the dollar, technical analyst Daryl Guppy says. The Australian currency could retest resistance highs near \$0.8.1

Middle East Market News

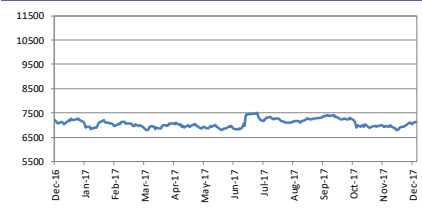
Dubai - DFM 52-Week Performance



Abu Dhabi - ADX 52-Week Performance



Saudi - TASI 52-Week Performance



- ❖ Most Gulf stock markets look set to consolidate on Sunday in an absence of fresh catalysts, but positive short-term technical suggest Saudi Arabia may continue to outperform. The Saudi index rose 0.9 percent to 7,086 points on Thursday, bouncing from technical support around 7,000 points, where the peaks in late October and November roughly coincide with the 200-day average. Trading volume shot up to its highest level since late June, another positive technical signal which suggested retail buyers might be returning to the market after some pulled out last month in reaction to Riyadh's crackdown on corruption.
- ❖ Egypt's inflation rate is expected to drop to 20 percent in January and to 13-14 percent by August, Finance Minister Amr El Garhy said on Sunday. Egypt's annual urban consumer price inflation fell to 26 percent in November from 30.8 percent in October, the official statistics agency CAPMAS said on Sunday.
- ❖ The kingdom of Saudi Arabia on Thursday condemned the decision by U.S. President Donald Trump to recognize Jerusalem as the capital of Israel. The Saudi Royal Court issued a statement saying that the kingdom followed "with deep sorrow" Trump's decision and warned of "dangerous consequences of moving the U.S. Embassy to Jerusalem".

Commodity Market News

Commodities

	Closing	Net Change	% Change	YTD
Baltic Dry Ind	1,702.00	76.00	4.67%	77.11%
Gold Spot	1,248.49	-32.13	-2.51%	8.80%
Silver Spot	15.86	-0.58	-3.52%	-0.41%
WTIOil	57.36	-1.00	-1.71%	6.78%

- ❖ Gold, which is on pace for its largest yearly gain since 2010, has been mimicking the atypical low volatility environment of the stock market. Gold prices are up more than 12 percent this year.
- ❖ China imported a record amount of U.S. crude in November. U.S. crude's discount to international benchmark Brent crude is driving the recent surge in shipments. U.S. supplies remain a small share of Chinese imports, but American producers are poised to capture some of the country's growing demand.

Currency Market News

Currencies

	Closing		Closing
USD/JPY	113.4800	CNY/USD	6.6209
EUR/USD	1.1773	EUR/AED	4.3241
EUR/CHF	1.1691	INR/USD	64.4575
GBP/USD	1.3390	AUD/USD	1.3317

* Source: Bloomberg



- ❖ The dollar edged higher against a basket of major currencies on Wednesday, on optimism about progress on U.S. tax legislation and lawmakers' efforts to avert a U.S. government shutdown on Saturday. The dollar index, which measures the greenback against six rival currencies, was up 0.25 percent at 93.61. Bitcoin rockets to another record high above \$12,800.
- ❖ After six months of intense talks, a settlement has been reached on how much the U.K. will pay before it leaves the Union, on citizens' rights and on the Irish border. The "breakthrough" sent the pound higher against the euro, with the single currency hitting a five-month low. Most markets players had already priced in some sort of agreement between the U.K. and the EU before European leaders meet next week in Brussels. The pound initially fell against the dollar, but soon tracked higher and hit 1.3499 by 8:30 a.m. London time.

Investment Banking Deals

- ❖ Apple Inc (AAPL.O) is in talks to acquire Shazam Entertainment Ltd, whose software helps users identify songs by pointing their phone at an audio source, according to a person familiar with the situation. Shazam's smartphone app is already tightly integrated with Apple's Siri digital assistant. Users of Apple's iPhone with the Shazam app installed can say: "Hey Siri, what's that song?" and the app will identify it. But Shazam has other features, such as the ability to identify television shows, that do not yet work with Siri. Tech news website TechCrunch reported the talks earlier, writing that Apple could pay about \$400 million for Shazam and that a deal could be signed as early as next week.
- ❖ Italian private equity fund Investindustrial is set to gain a controlling stake in British carmaker Aston Martin by the end of the year and aims to list the company next summer. Investindustrial is in advanced negotiations to raise its stake in the maker of the famous sports car driven by fictional secret agent James Bond to 50 percent from 37.5 percent, the Italian newspaper reported, citing legal sources. The fund, which is led by founder Andrea Bonomi, would buy shares from other stakeholders, including a consortium of Kuwaiti investors, which currently holds 54.5 percent, Daimler (DAIGn.DE) and the group's management.
- ❖ Brewing groups including Thai Beverage (TBEV.SI), Anheuser-Busch InBev (ABI.BR) and Kirin Holdings (2503.T) are gearing up to bid for a stake in Vietnam's largest brewer, Sabeco SAB.HM, people familiar with the matter said, with the \$5 billion sale process by the government opening this week. The auction of up to 54 percent of Sabeco, in what is set to be Vietnam's biggest privatization, offers brewers access to a fast-growing market with a youthful population and beer drinking culture. Sabeco is seen as attractive as assets are scarce in a highly consolidated global beer market.

Sources: CNBC, Bloomberg, Wall Street Journal & Reuters

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