

— NOUVELLES —

OUR WEEKLY CAPITAL MARKETS UPDATE

US & Europe Market News

US Indices				
	Closing	Net		YTD
		Change	% Change	
DJIA	24,719.22	-63.07	-0.25%	25.08%
S&P 500	2,673.61	-10.96	-0.41%	19.42%
NASDAQ Composite	6,903.39	-61.97	-0.89%	28.24%
TSX Composite Index	16,209.13	+49.46	0.31%	6.03%

Europe Indices				
	Closing	Net		YTD
		Change	% Change	
UK - FTSE 100	7,687.77	+162.55	2.16%	7.63%
Eurozone - STOXX 50	3,177.84	+7.43	0.23%	5.56%
France - CAC 40	5,312.56	-40.21	-0.75%	9.26%
Germany - DAX	12,917.64	-151.53	-1.16%	12.51%
Netherlands - AEX	544.58	-2.80	-0.51%	12.71%
Switzerland - SMI	9,381.87	+67.04	0.72%	14.14%

- ❖ US markets closed lower for the week, with all sectors ending in the red. However, for the year, the 3 indices closed at their highest levels since 2013.
- ❖ The Nasdaq posted gains in 11 of 12 months of 2017, a first for the index.
- ❖ The Dow raced 25% higher in 2017, getting even closer to 25,000 and making this year its best since 2013.
- ❖ At nearly nine years old, the bull market is now the second-oldest and second-strongest in history.
- ❖ European stocks also wrapped up their best performance since 2013. The FTSE was up 7.6% for the year, closing at a record high.
- ❖ The Euro Stoxx 50 ended the year up 6.5%.

BRICS & Asia Market News

BRICS Indices				
	Closing	Net		YTD
		Change	% Change	
Brazil - Ibovespa	76,402.08	+3,035.05	4.14%	26.86%
Russia - MICEX	2,109.74	+6.80	0.32%	-5.51%
India - SENSEX	34,056.83	+300.55	0.89%	27.91%
China - Shanghai	3,307.17	+10.11	0.31%	6.56%
South Africa - JSE Africa	59,504.67	+1,472.58	2.54%	17.47%

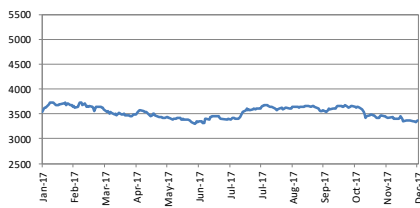
Asia-Pacific Indices				
	Closing	Net		YTD
		Change	% Change	
Japan - Nikkei 225	22,764.94	-137.82	-0.60%	19.10%
Hong Kong - Hang Seng	29,919.15	+685.06	2.34%	35.99%
South Korea - KOSPI	2,467.49	-4.88	-0.20%	21.76%
Australia - ASX 200	6,065.13	-10.49	-0.17%	7.05%

- ❖ Major markets in Asia closed mixed on the last trading day of the year, but have seen significant gains year-to-date. Markets across Asia have run up significantly this year, buoyed by the recovery in economic growth globally.
- ❖ MSCI's broad index of shares in Asia Pacific excluding Japan has risen more than 30 percent this year. The Hang Seng was the best performing index, up over 35% for the year.
- ❖ In India, real estate sector doubled wealth over the past 12 months and emerged as the best sector in the year gone by. The BSE Realty index climbed 106 per cent in 2017. With a rally of 102 per cent, consumer durables stood as the second-best sector of 2017.
- ❖ China's central bank said it will gradually raise the reserve funds ratio of third-party payment firms to 50 percent by April 2018 from a current rate of 20 percent, as it continues to ramp up regulation of the industry.

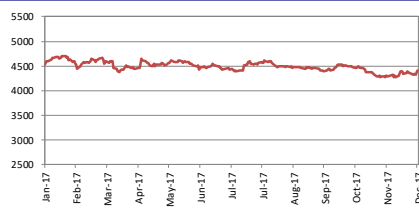
Middle East Market News

	Key Indices			
	Closing	Net Change	% Change	YTD
Dubai - DFM	3,370.07	+4.98	0.15%	-4.55%
Abu Dhabi - ADX	4,398.44	+49.29	1.13%	-3.25%
Saudi Arabia - TASI	7,262.99	+81.53	1.14%	0.73%
Qatar - QE	8,517.26	-82.94	-0.96%	-18.39%
Bahrain - BHSE	1,311.08	+25.20	1.96%	7.43%
Oman - MSM 30	5,061.61	+6.84	0.14%	-12.47%
Kuwait	6,408.01	-5.71	-0.09%	11.48%

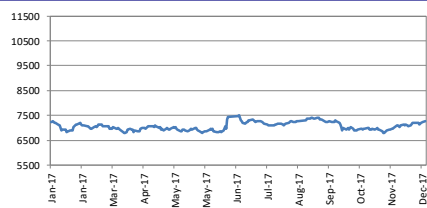
Dubai - DFM 52-Week Performance



Abu Dhabi - ADX 52-Week Performance



Saudi - TASI 52-Week Performance



- ❖ Qatar Stock Exchange (QSE) is planning to introduce more products to attract further foreign investment in the country, said a top official of the QSE at an event held in New York. The two-day event organised jointly by QSE and HSBC concluded yesterday at New York Palace Hotel.
- ❖ Gulf Arab energy companies issued record debt this year as producers opted to exploit lower borrowing costs to fund expansion plans. Oil and gas producers, pipeline operators and refiners in Kuwait, the United Arab Emirates, Saudi Arabia, Oman, Bahrain and Qatar borrowed \$28.7 billion through bonds and syndicated loans in 2017. Oil and gas producers in Saudi Arabia, Kuwait and the U.A.E. plan to spend more than \$600 billion on energy projects over the next five to 10 years, officials from the countries have announced.

Commodity Market News

	Commodities			
	Closing	Net Change	% Change	YTD
Gold Spot	1,302.80	+28.64	2.25%	0.00%
Silver Spot	16.94	0.61	3.74%	0.00%
Platinum Spot	928.25	11.21	1.22%	0.00%
Palladium Spot	1,063.52	22.75	2.19%	0.00%
Crude Oil (WTI)	60.42	+2.06	3.53%	12.47%
Crude Oil (Brent)	66.87	+1.97	3.04%	17.69%
Baltic Dry Ind	1,366.00	-253.00	-15.63%	42.14%

- ❖ Oil prices closed 2017 with strong gains on signs the global glut that has dogged the market since 2014 is shrinking. Brent is up more than 17 percent since the beginning of the year and U.S. West Texas Intermediate is 12.5 percent higher.
- ❖ Gold hit a one-month high on Friday and ended the year with its biggest annual rise since 2010 as a wilting dollar, political tensions and receding concerns over the impact of U.S. interest rate hikes fed into its rally.



Currency Market News

Currencies			
	Closing		Closing
GBP/USD	1.351	EUR/USD	1.201
USD/JPY	112.690	AUD/USD	0.781
USD/CHF	0.974	EUR/AED	4.409
USD/INR	63.871	EUR/INR	76.533
USD/CNY	6.507	EUR/CHF	1.170
USD/RUB	57.626	AED/INR	17.387

- ❖ The dollar fell to its lowest in over three months against a basket of major currencies on Friday, on track for its steepest annual drop since 2003, on doubts over durability of a pickup in U.S. economic growth in wake of last week's tax overhaul.
- ❖ Bets the European Central Bank might consider raising interest rates by the end of 2018 due to evidence of higher inflation and business activity in the euro have lifted the euro, which was poised for its best yearly performance versus the greenback in 14 years.
- ❖ Bitcoin and other cryptocurrencies rebounded after two days of losses tied partly to more regulators toughening rules on digital currencies in a bid to curb excessive speculation.

Investment Banking Deals

- ❖ A consortium led by SoftBank Group Corp will buy shares of Uber Technologies Inc in a deal that values the ride-services firm at \$48 billion. SoftBank and the rest of the consortium, which includes Dragoneer Investment Group, will own approximately 17.5 percent of Uber.
- ❖ Hong Kong bankers are eyeing a slew of blockbuster IPOs from Chinese technology firms with a total market capitalization of some \$500 billion over the next two years, in a sharp contrast to 2017 - the city's worst year for raising equity in a decade. Companies such as smartphone maker Xiaomi [IPO-XMGP.HK] and wealth management platform Lufax are among those mulling multi-billion dollar listings in Hong Kong next year, encouraged by a late-2017 rush of tech floats. Bankers estimate Xiaomi's IPO could value the company at up to \$100 billion, while Lufax was valued at \$18.5 billion in its last funding round.
- ❖ Speciality chemicals and pharmaceuticals manufacturer Aarti Industries Ltd signed a supply contract with a U.S. affiliate of Saudi Basic Industries Corp worth 100 billion rupees (\$1.56 billion). Aarti Industries will supply a high value speciality chemical intermediate to SABIC Innovative Plastics US LLC over a period of 20 years.
- ❖ Debt-laden Reliance Communications has signed a deal to sell its wireless assets to Reliance Jio Infocom, for a total value of nearly 240 billion rupees (\$3.75 billion). The sale, if finalised, would mark a big step in Reliance Communication's quest to cut down its debt, which had sent its shares to record lows and led creditors such as China Development Bank (CDB) to start insolvency proceedings over missed payments.

Sources: CNBC, Bloomberg, Wall Street Journal & Reuters

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