

- NOUVELLES -

OUR WEEKLY CAPITAL MARKETS UPDATE

July 16th, 2017

International Market News Update

US Indices				
	Closing	Net Change	% Change	YTD
DJIA	21,409.55	-119.44	-0.55%	8.33%
S&P 500	2,439.07	-14.39	-0.59%	8.94%
NASDAQ Composite	6,247.15	+8.14	0.13%	16.05%

Europe Indices				
	Closing	Net Change	% Change	YTD
UK - FTSE 100	7,446.80	-77.01	-1.02%	4.26%
Eurozone - STOXX 50	3,210.62	-12.47	-0.39%	6.65%
France - CAC 40	5,295.75	-14.97	-0.28%	8.91%
Germany - DAX	12,770.83	-118.12	-0.92%	11.23%
Netherlands - AEX	520.62	-5.25	-1.00%	7.75%
Switzerland - SMI	9,121.22	+90.92	1.01%	10.97%

BRICS Indices				
	Closing	Net Change	% Change	YTD
Brazil - Ibovespa	62,188.09	+174.06	0.28%	3.26%
Russia - MICEX	1,860.39	+2.43	0.13%	-16.68%
India - SENSEX	31,030.34	-281.23	-0.90%	16.54%
China - Shanghai	3,187.10	+47.09	1.50%	2.69%
South Africa - JSE Africa	51,288.71	+128.14	0.25%	1.25%

Asia-Pacific Indices				
	Closing	Net Change	% Change	YTD
Japan - Nikkei 225	20,225.09	-5.32	-0.03%	5.81%
Hong Kong - Hang Sen	25,814.71	-28.33	-0.11%	17.34%
South Korea - KOSPI	2,391.95	+22.72	0.96%	18.04%
Australia - ASX 200	5,714.20	-43.05	-0.75%	0.85%

Commodities				
	Closing	Net Change	% Change	YTD
Gold Spot	1,250.19	+7.18	0.58%	8.95%
Silver Spot	16.66	0.19	1.16%	4.58%
Platinum Spot	923.10	0.74	0.08%	2.21%
Palladium Spot	872.17	-4.50	-0.51%	28.08%
Crude Oil (WTI)	43.57	+0.34	0.79%	-18.89%
Crude Oil (Brent)	46.04	+0.02	0.04%	-18.97%
Baltic Dry Ind	884.00	+36.00	4.25%	-8.01%

Money Markets				
	Closing	Net Change (5-D)	Net Change (6-M)	Net Change (YTD)
3M Libor	1.293	0.020	0.296	0.295
12M Libor	1.733	0.001	0.044	0.048
3M Euribor	(0.331)	(0.002)	(0.014)	(0.012)
12M Euribor	(0.163)	(0.009)	(0.081)	(0.081)
10Y US	2.132	(0.025)	(0.428)	(0.313)
10Y UK	1.011	(0.019)	(0.334)	(0.228)
10Y Germany	0.247	(0.015)	0.040	0.039
10Y Japan	0.046	(0.011)	(0.018)	-
10Y India	6.456	(0.003)	(0.159)	(0.059)

Currencies			
	Closing		Closing
GBP/USD	1.273	EUR/USD	1.120
USD/JPY	111.700	AUD/USD	0.760
USD/CHF	0.973	EUR/AED	4.113
USD/INR	64.459	EUR/INR	72.171
USD/CNY	6.827	EUR/CHF	1.089
USD/RUB	58.785	AED/INR	17.549

Source: Bloomberg

Stocks rose to record levels on Friday as earnings season kicked off. The S&P climbed 0.6 percent to close at 2,459.27, setting intraday and closing records. The index's previous intraday record was 2,453.82, which was set June 19. The Dow Jones industrial average closed 84.65 points higher at 21,637.74, a record. The 30-stock index also notched an intraday record. The Nasdaq composite outperformed the Dow and the S&P, rising 0.6 percent to close at 6,312.47. The major indexes have overcome several hurdles recently to climb back to record territory. First, tech stocks showed signs of weakness to close out the first half of the year. Tech has been the best-performing sector this year, rising about 20 percent. JPMorgan Chase, Citigroup and Wells Fargo all posted better-than-expected profits. Shares of JPMorgan and Citigroup fell, however, after reporting declines in trading sales. Earlier in the week, Federal Reserve Chair Janet Yellen signaled that future rate hikes will be gradual. Her remarks lifted the Dow to a record.

The pan-European Stoxx 600 ended the day slightly higher, with sectors in mixed territory. Friday marked the official start of U.S. earning season, which drove major European bourses down from a positive morning to close in the red. The FTSE was unchanged for the week, while the German Dax and the French CAC were up by around a percent. The banking sector in Europe slumped on the news of the US banks outperforming expectations. Also down Friday was the construction and materials sector. Swedish construction group Skanska moved close to the bottom of the European benchmark, down 6.15 percent, after announcing it is writing down the value of projects in the U.S. and the U.K.

Asian markets closed mostly higher in Friday trade as investors digested the second day of Federal Reserve Chair Janet Yellen's testimony ahead of earnings season. Japan's Nikkei 225 gained 19 points to close at 20,118.9. The Kospi advanced 0.21 percent to end at 2,414.63, making gains for a second-straight day after closing at a record level in the last session. Down Under, the S&P/ASX 200 rose 0.49 percent to close at 5,765.1. Greater China markets were a mixed picture. Hong Kong's Hang Seng Index edged up 0.16 percent to hold near two-year highs. Mainland markets recorded declines. The Shanghai Composite rose slightly to close the week at 3,222.3.

Commodity in Focus

Oil prices edged higher in volatile trading on Friday as signs of strengthening demand was offset by still-high global stocks and concerns about economic growth.

Brent crude futures, the international benchmark for oil prices, were up 0.11 percent at \$48.94 per barrel. U.S. West Texas Intermediate (WTI) crude futures rose 0.1 percent to close \$46.54.

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Middle East Market News Update

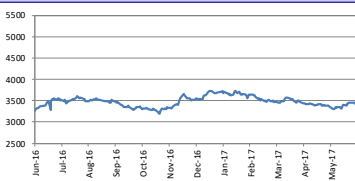
Saudi Arabia, the world's biggest exporter of crude oil, moved a step closer toward the construction of its first utility-scale wind-power project. Saudi Arabia plans to develop 30 solar and wind projects over the next 10 years as part of a \$50 billion program to boost power generation and cut its oil consumption. The country will produce 10 percent of its power from renewable energy by 2023.

The IMF has lowered its growth forecast for the UAE for this year and 2018, as low oil prices continue to impact the economy. The fund, however, said over the medium term non-oil growth is forecast to stay around 3 per cent, thanks to higher investment in the lead-up to Expo2020. It also said the introduction of a 5 per cent value added tax (VAT) in January next year will not have a "significant adverse impact on growth". Overall growth this year is now projected to reach 1.3 per cent, compared to its 1.5 per cent forecast in April due to a slower expansion in the non-oil economy, which will grow 3.3 per cent, compared to 3.8 per cent in its previous forecast. The growth forecast for next year was lowered one percentage point to 3.4 per cent from 4.4 per cent in April, owing to an easing of oil growth to 3.2 per cent, compared with 6.2 per cent in the April forecast.

Key Indices

	Closing	Net Change	% Change	YTD
Dubai - DFM	3,402.31	-57.13	-1.65%	-3.64%
Abu Dhabi - ADX	4,431.57	-70.20	-1.56%	-2.53%
Saudi Arabia - TASI	7,425.72	+604.91	8.87%	2.99%
Qatar - QE	9,030.44	-227.46	-2.46%	-13.47%
Bahrain - BHSE	1,312.96	-14.06	-1.06%	7.58%
Oman - MSM 30	5,118.31	-130.10	-2.48%	-11.49%
Kuwait	6,772.09	-81.00	-1.18%	17.81%

Dubai - DFM 52-Week Performance



Abu Dhabi - ADX 52-Week Performance



Saudi - TASI 52-Week Performance



Source: Bloomberg

En Bref..... Biggest Market News

JP Morgan has had the most profitable year in the history of banking. The US-owned global company revealed 26.5 billion US dollars in profits in the past 12 months, a record for a US bank. It made profits of 7 billion US dollars in the second quarter of 2017, up 13 per cent year-on-year. JP Morgan's commercial banking arm set records in the last quarter, with revenue of 2.1 billion dollars (up 15 per cent) and net income of 902 million (up 30 per cent). Asset and wealth management also delivered record profits, with net income of \$624 million in net income. The bank also posted record assets under management at \$1.9 trillion and record client assets of \$2.6 trillion.

Events in the week ahead

18 July – European Central Bank Lending Survey

20 July – Bank of Japan Monetary Policy Meeting

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