

— NOUVELLES —

OUR WEEKLY CAPITAL MARKETS UPDATE

23rd April 2018

US & Europe Market News

US Indices				
	Closing	Net		YTD
		Change	% Change	
DJIA	24,462.94	+102.80	0.42%	-1.04%
S&P 500	2,670.14	+13.84	0.52%	-0.13%
NASDAQ Composite	7,146.13	+39.48	0.56%	3.52%
TSX Composite Index	15,484.32	+210.35	1.38%	-4.47%
CBOE - VIX	16.69	-3.20	-16.09%	58.79%

Europe Indices				
	Closing	Net		YTD
		Change	% Change	
UK - FTSE 100	7,367.46	+169.26	2.35%	-4.17%
Eurozone - STOXX 50	3,037.96	+12.84	0.42%	-4.40%
France - CAC 40	5,405.29	+92.33	1.74%	1.75%
Germany - DAX	12,517.17	+125.76	1.01%	-3.10%
Netherlands - AEX	550.96	+4.34	0.79%	1.17%
Switzerland - SMI	8,767.09	+40.55	0.46%	-6.55%

- ❖ U.S. stocks had a strong week Uptil Friday when markets fell almost 1%. Erasing most of the gains for the week.
- ❖ Apple shares fell 4.1 percent after Morgan Stanley said the company's iPhone sales for the June quarter will disappoint Wall Street.
- ❖ About 16 percent of the S&P 500 has released its quarterly results through Friday, with 81.5 percent of those companies posting better-than-expected earnings.
- ❖ Wall Street also kept an eye on interest rates as the 10-year Treasury yield added to strong gains for the week on Friday. The yield reached 2.96 percent, its highest level since 2014, while the two-year yield rose to its highest level in a decade.
- ❖ European stocks posted fourth straight week of gains as global markets recovered from a turbulent start to the year.
- ❖ On Friday, tech firm Ericsson reported smaller-than-expected losses during the first three months of the year. Shares consequently finished at the top of Europe's benchmarks, soaring 17.5 percent on the news.

BRICS & Asia Market News

BRICS Indices				
	Closing	Net		YTD
		Change	% Change	
Brazil - Ibovespa	85,550.09	+1,215.68	1.44%	11.97%
Russia - MICEX	2,220.51	+76.84	3.58%	5.25%
India - SENSEX	34,445.49	+140.06	0.41%	1.14%
China - Shanghai	3,068.01	-42.64	-1.37%	-7.23%
South Africa - JSE Africa	57,536.54	+803.07	1.42%	-3.31%

(In Dollar Terms)

Asia-Pacific Indices				
	Closing	Net		YTD
		Change	% Change	
Japan - Nikkei 225	22,088.04	+252.51	1.16%	-2.97%
Hong Kong - Hang Seng	30,254.40	-61.19	-0.20%	1.12%
South Korea - KOSPI	2,474.11	+16.62	0.68%	0.27%
Australia - ASX 200	5,886.01	+44.67	0.76%	-2.95%

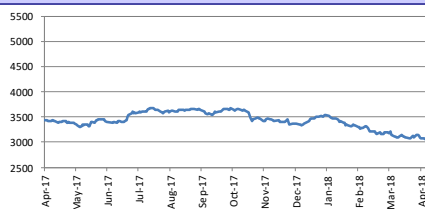
- ❖ The BRICS indices closed a strong week, with four of the five indices closing in the green.
- ❖ Chinese markets declined over the week, on the back of a fall in US technology stocks. China Huarong Asset Management tumbled 10.69 percent by 2:55 p.m. HK/SIN after the company said its chairman, currently being investigated by the state, had stepped down from its board.
- ❖ Semiconductor companies in the region traded lower after Taiwan Semiconductor Manufacturing (TSMC), the largest contract chipmaker in the world, said it was forecasting second-quarter revenue to come in between \$7.8 billion and \$7.9 billion, below a Wall Street estimate of \$8.8 billion.
- ❖ India reached very near to getting its first \$100 billion market capitalization, as Tata Consultancy Services (TCS) neared the mark. World over, there are only 63 other companies in this league, including the likes of Amazon and Facebook.

Middle East Market News

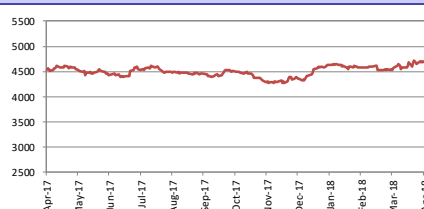
	Key Indices			
	Closing	Net Change	% Change	YTD
Dubai - DFM	3,061.88	-78.60	-2.50%	-9.14%
Abu Dhabi - ADX	4,695.00	+12.73	0.27%	6.74%
Saudi Arabia - TASI	8,315.98	+265.68	3.30%	15.08%
Qatar - QE	9,174.55	+218.86	2.44%	7.64%
Bahrain - BHSE	1,298.22	-1.24	-0.10%	-2.52%
Oman - MSM 30	4,756.03	-11.16	-0.23%	-6.73%
Kuwait	6,633.44	+0.00	0.00%	3.52%

(In Dollar Terms)

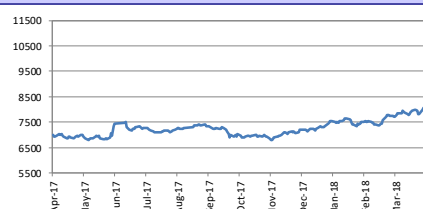
Dubai - DFM 52-Week Performance



Abu Dhabi - ADX 52-Week Performance



Saudi - TASI 52-Week Performance



- Nasdaq Dubai on Wednesday welcomed the listing of two sukuk by UAE issuers Sharjah Islamic Bank (SIB) and Damac Properties. Sharjah Islamic Bank listed a \$500 million sukuk, while real estate developer Damac listed a \$400 million instrument, a statement said. It added that two other sukuk issued by SIB are currently admitted to trading on Nasdaq Dubai.
- The shareholders of Dana Gas have given a nod to distribute the company's potentially first-ever cash dividend despite the board's recommendation to defer disbursement to a later date in the wake of the ongoing litigation. The company, on the recommendation of the Securities and Commodities Authority, tabled a resolution at the annual general meeting on Wednesday detailing the legal battles in London and the UAE and asked the shareholders to delay the cash dividend disbursement, a request which they rejected.
- Abu Dhabi-based NMC Health Plc closed at a record on Friday in London, boosting its market value to \$10.8 billion (Dh39.67 billion). That's about \$200 million less than Emaar Properties PJSC, the developer of the world's tallest tower in Dubai. NMC Health is now one of 24 equities in the region with a market cap above \$10 billion.

Commodity Market News

	Commodities			
	Closing	Net Change	% Change	YTD
Gold Spot	1,328.19	-17.74	-1.32%	1.95%
Silver Spot	16.95	0.28	1.67%	0.08%
Platinum Spot	922.54	-6.75	-0.73%	-0.62%
Palladium Spot	1,019.60	15.63	1.56%	-4.13%
Crude Oil (WTI)	68.00	+1.78	2.69%	12.55%
Crude Oil (Brent)	73.74	+2.32	3.25%	10.27%
Baltic Dry Ind	1,281.00	+267.00	26.33%	-6.22%

- Gold prices eased on Friday and were on track to end the week lower as the dollar advanced on expectations of higher interest rates and the view that global political and security risks were easing.

Currency Market News

Currencies			
	Closing		Closing
GBP/USD	1.396	EUR/USD	1.223
USD/JPY	108.240	AUD/USD	0.764
USD/CHF	0.977	EUR/AED	4.493
USD/INR	66.436	EUR/INR	81.275
USD/CNY	6.308	EUR/CHF	1.195
USD/RUB	62.004	AED/INR	18.090

- ❖ The U.S. dollar rose to a two-week high against a basket of currencies on Friday on rising U.S. yields.
- ❖ The euro fell to a two-week low versus the dollar, for its biggest weekly drop in two months, as investors trimmed record high bets before a European Central Bank meeting next week where policymakers are largely expected to signal no change in policy.
- ❖ Sterling slipped to a two-week low against the dollar as investors questioned whether the Bank of England would raise interest rates in May following weaker-than-expected economic data and cautious comments from governor Mark Carney.

Investment Banking Deals

- ❖ Walmart Inc could seal a deal to buy a more than 51 percent stake in Indian online marketplace Flipkart as early as next week. The U.S. retail giant has been in talks with Flipkart for months to acquire a controlling stake in the firm as it looks to take on rival Amazon.com Inc head-on in India, a market where e-commerce is tipped to grow to \$200 billion in a decade.
- ❖ Ping An Healthcare and Technology Co Ltd, a unit of Ping An Insurance (Group) Co of China Ltd, plans to raise up to HK\$8.77 billion (\$1.1 billion) in a Hong Kong initial public offering to help expand its e-commerce business. The unit, also known as Ping An Good Doctor, plans to sell a total of 160.09 million shares at up to HK\$54.80 apiece, it said in a filing to the Hong Kong bourse on Monday.
- ❖ Canadian gaming company The Stars Group Inc said on Saturday it had agreed to buy Sky Betting and Gaming from owners CVC Capital Partners and Sky PLC, in a deal worth \$4.7 billion. It had been expected that private equity firm CVC, 80 percent owner of the online betting site Sky Bet, would list the company publicly.
- ❖ Procter & Gamble Co (P&G) has agreed to acquire Merck KGaA's consumer health unit for 3.4 billion euros (\$4.2 billion), giving it vitamin brands such as Seven Seas and greater exposure to Latin American and Asian markets. U.S.-based P&G derived 12 percent of group sales, or \$7.5 billion, from health care products last year, including Oral-B toothbrushes and toothpastes. The purchase price for Merck's business suggests that the German company climbed down from price demands of as much as 4 billion euros, which sources told Reuters had deterred initial suitors such as Nestle, Perrigo and Stada owners Bain and Cinven.

Sources: CNBC, Bloomberg, Wall Street Journal & Reuters

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