

— NOUVELLES —

OUR WEEKLY CAPITAL MARKETS UPDATE

US & Europe Market News

US Indices	Net			
	Closing	Change	% Change	YTD
DJIA	25,520.96	-1,095.75	-4.12%	3.24%
S&P 500	2,762.13	-110.74	-3.85%	3.31%
NASDAQ Composite	7,240.95	-264.83	-3.53%	4.89%
TSX Composite Index	15,606.03	-633.19	-3.90%	-3.72%

Europe Indices	Net			
	Closing	Change	% Change	YTD
UK - FTSE 100	7,443.43	-222.11	-2.90%	-3.18%
Eurozone - STOXX 50	3,143.90	-115.15	-3.53%	-1.07%
France - CAC 40	5,364.98	-164.17	-2.97%	0.99%
Germany - DAX	12,785.16	-555.01	-4.16%	-1.03%
Netherlands - AEX	550.08	-16.71	-2.95%	1.01%
Switzerland - SMI	9,220.69	-294.87	-3.10%	-1.72%

(In Dollar Terms)

- ❖ U.S. stocks fell sharply on Friday after a stronger-than-expected jobs report sent interest rates higher. The Dow posted its worst day since June 2016. The S&P 500 and Nasdaq had their biggest one-day fall since September 2016 and August 2017, respectively.
- ❖ The U.S. economy added 200,000 jobs in January as compared to an expected growth of 180,000. Wages, meanwhile, rose 2.9 percent on an annualized basis. The benchmark 10-year yield rose to 2.85 percent on the back of the report, hitting a four-year high.
- ❖ Of the S&P 500 companies that have reported as of Friday morning, 78 percent have beaten bottom-line expectations, while 80 percent have surpassed sales estimates.
- ❖ All European indices closed lower on Friday as investors digested further earnings reports. The pan-European Stoxx 600 closed Friday 1.38 percent lower with every sector trading in negative territory.
- ❖ Telecommunications stocks were among the worst performers, dragged down by Danish telecoms operator TDC.
- ❖ Deutsche Bank posted its third consecutive annual loss, with the stock falling over 11% last week.

BRICS & Asia Market News

BRICS Indices	Net			
	Closing	Change	% Change	YTD
Brazil - Ibovespa	84,041.34	-1,489.50	-1.74%	10.00%
Russia - MICEX	2,281.84	-13.42	-0.58%	8.16%
India - SENSEX	35,066.75	-983.69	-2.73%	2.97%
China - Shanghai	3,462.08	-96.05	-2.70%	4.68%
South Africa - JSE Africa	58,656.82	-2,939.04	-4.77%	-1.42%

Asia-Pacific Indices	Net			
	Closing	Change	% Change	YTD
Japan - Nikkei 225	23,274.53	-357.35	-1.51%	2.24%
Hong Kong - Hang Seng	32,601.78	-552.34	-1.67%	8.97%
South Korea - KOSPI	2,525.39	-49.37	-1.92%	2.35%
Australia - ASX 200	6,121.39	+71.37	1.18%	0.93%

(In Dollar Terms)

- ❖ Asian shares came under pressure on Friday, with India, Korea and Japan resuming their declines.
- ❖ Weakness in the Nikkei 225 came as the country's central bank attempted to stop the rise in Japanese bond yields by offering to purchase an unlimited amount of long-term Japanese government bonds
- ❖ Technology names were mostly lower, with heavyweight SoftBank falling 1.4 percent.
- ❖ China markets reversed slight declines to close above the flat line after sliding for most of the week. Apple suppliers AAC Technologies and Sunny Optical rose 7.83 percent and 4.44 percent, respectively, following the U.S. tech giant's expectation-topping quarterly results.
- ❖ Indian markets took a beating on Friday after the annual budget was announced on 1st February – with the government announcing various reforms such as the re-introduction of Long Term Capital Gains Tax on equities (with a grandfathering clause from 31st January 2018). The Sensex and Nifty were down over 2% each.

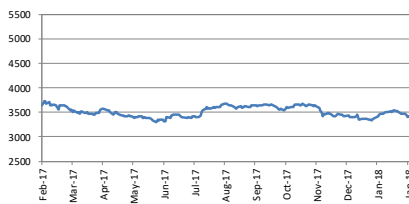


Middle East Market News

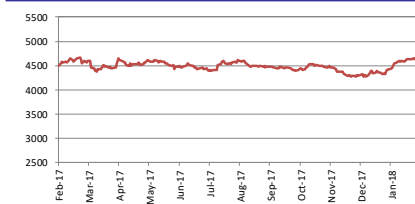
	Key Indices			YTD
	Closing	Net Change	% Change	
Dubai - DFM	3,385.76	-78.38	-2.26%	0.47%
Abu Dhabi - ADX	4,584.56	-47.30	-1.02%	4.23%
Saudi Arabia - TASI	7,608.33	+69.95	0.93%	5.29%
Qatar - QE	8,959.30	-452.23	-4.81%	5.11%
Bahrain - BHSE	1,354.86	+12.55	0.93%	1.74%
Oman - MSM 30	5,057.55	+66.17	1.33%	-0.82%
Kuwait	6,670.84	+41.73	0.63%	4.10%

(In Dollar Terms)

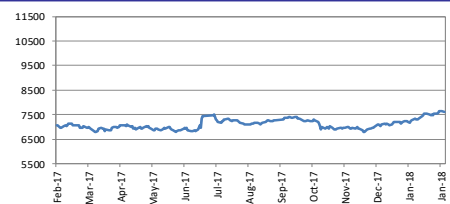
Dubai - DFM 52-Week Performance



Abu Dhabi - ADX 52-Week Performance



Saudi - TASI 52-Week Performance



- ❖ Some of Saudi Arabia's most powerful men detained in November in an anti-corruption purge have been released. More than 200 princes, politicians, and wealthy businessmen were detained in the crackdown. In the aftermath of the purge, Saudi Arabia's attorney general said at least \$100bn had been misused through systemic corruption and embezzlement going back decades, with the Government looking to bring a large part of this amount back into the economy in the form of financial settlements with the detainees.
- ❖ Dubai Financial Market has announced that the shares of Emaar Development will be added to its general index and to sector indices on Sunday. The addition of the Emaar unit will lift the number of companies included in the index to 37 companies.
- ❖ Shares in Kingdom Holding rose almost 10% last week, following the release of its chairman Prince Alwaleed bin Talal. The winding down of Saudi Arabia's anti-corruption drive and upgrades stoke optimism for the country's bourse in the year ahead.

Commodity Market News

	Commodities			YTD
	Closing	Net Change	% Change	
Gold Spot	1,333.39	-15.73	-1.17%	2.35%
Silver Spot	16.59	-0.82	-4.69%	-2.05%
Platinum Spot	991.22	-20.43	-2.02%	6.78%
Palladium Spot	1,049.40	-42.63	-3.90%	-1.33%
Crude Oil (WTI)	65.45	-.69	-1.04%	8.33%
Crude Oil (Brent)	68.58	-1.94	-2.75%	2.56%
Baltic Dry Ind	1,095.00	-124.00	-10.17%	-19.84%

- ❖ Oil prices fell on Friday as the U.S. dollar rose following a strong jobs report. A stronger greenback makes dollar-denominated commodities like crude oil more expensive to holders of other currencies. Oil prices have come under pressure in the past few weeks because of rising oil production in the U.S., together with a marginal rebound in the U.S. dollar index.
- ❖ Gold prices declined on Friday as the U.S. Dollar ticked up against the Euro after U.S. jobs data showed a robust rise in jobs and wages and 10-year U.S. Treasury yields peaked. Gold is ended the week over 1 percent lower, after rising in six out of the last seven weeks and hitting its highest in 17 months last week at \$1,366.07.



Currency Market News

Currencies			
	Closing		Closing
GBP/USD	1.412	EUR/USD	1.246
USD/JPY	110.170	AUD/USD	0.793
USD/CHF	0.931	EUR/AED	4.577
USD/INR	64.065	EUR/INR	80.053
USD/CNY	6.301	EUR/CHF	1.161
USD/RUB	56.550	AED/INR	17.488

- ❖ The dollar gained against the Euro, Pound and Yen on the back on strong employment and wages numbers. The greenback scored its best daily performance since October 26.
- ❖ The rupee today extended its losses for the second straight session, weakening by 4 Paise at 64.06 a dollar as forex traders appeared cautious in view of upward revision of fiscal deficit target and the net borrowing for the current fiscal in yesterday's Union Budget.

Investment Banking Deals

- ❖ U.S. private equity firm Blackstone Group LP catapulted itself into the major leagues of Wall Street's financial information industry with the acquisition of a 55% stake, valued at \$17 billion, in the Financial and Risk business of Thomson Reuters Corp.
- ❖ China's Alibaba became the biggest shareholder in India's leading online grocer BigBasket after it led a \$300-million funding round, stepping up its rivalry with Amazon in the country. Alibaba invested \$146 million in the grocer, subscribing to compulsorily convertible preference shares.
- ❖ Walkie-talkie maker Motorola Solutions Inc said on Thursday it would buy Canadian security camera maker Avigilon Corp for C\$1.2 billion (\$978 million) cash. Motorola's offer of C\$27 per Avigilon share represents a premium of 18.3 percent to Avigilon's Thursday closing price on the Toronto Stock Exchange.
- ❖ Japan's Fujifilm Holdings is set to take over Xerox Corp in a \$6.1 billion deal, combining the U.S. company into their existing joint venture to gain scale and cut costs amid declining demand for office printing. Consolidation of R&D, procurement and other operations would enable Fuji Xerox to deliver at least \$1.7 billion in total cost savings by 2022.
- ❖ Tencent Holdings Ltd is leading a deal to invest 10 billion yuan (\$1.59 billion) in Chinese menswear group Heilan Home Co Ltd, upping a retail rivalry with fellow internet giant Alibaba Group Holding Ltd. Heilan had a market value of about \$8.13 billion as of Monday, when it halted shares from trading.

Sources: CNBC, Bloomberg, Wall Street Journal & Reuters

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