

— NOUVELLES —

OUR WEEKLY CAPITAL MARKETS UPDATE

US & Europe Market News

US Indices	Net			
	Closing	Change	% Change	YTD
DJIA	24,190.90	-1,330.06	-5.21%	-2.14%
S&P 500	2,619.55	-142.58	-5.16%	-2.02%
NASDAQ Composite	6,874.49	-366.46	-5.06%	-0.42%
TSX Composite Index	15,034.53	-571.50	-3.66%	-7.25%

Europe Indices	Net			
	Closing	Change	% Change	YTD
UK - FTSE 100	7,092.43	-351.00	-4.72%	-7.74%
Eurozone - STOXX 50	2,974.33	-169.57	-5.39%	-6.40%
France - CAC 40	5,079.21	-285.77	-5.33%	-4.39%
Germany - DAX	12,107.48	-677.68	-5.30%	-6.27%
Netherlands - AEX	518.33	-31.75	-5.77%	-4.82%
Switzerland - SMI	8,682.00	-538.69	-5.84%	-7.46%

(In Dollar Terms)

- ❖ The Dow and the S&P 500 both lost 5.2 percent on the week, while the Nasdaq shed 5.1 percent - their worst performance since January 2016, as rising interest rates spooked investors. The Dow average experienced two drops of more than 1,000 points and two gains of more than 300 points during this volatile week.
- ❖ The CBOE Volatility index (VIX) — the market's best fear gauge — shot above 40 again Friday after jumping as high as 50 earlier in the week. At the end of January, the VIX was below 14.
- ❖ Energy companies suffered during the week with a slide in oil prices - Exxon finished the week down more than 10 percent.
- ❖ The pan-European STOXX 600 ended down by 1.45 percent, with all sectors and major bourses in negative territory. Britain's FTSE 100 closed the trading week down 4.7 percent while the French CAC 40 and German DAX slipped 5.3 percent each.
- ❖ The Bank of England's monetary policy committee voted to keep interest rates unchanged.

BRICS & Asia Market News

BRICS Indices	Net			
	Closing	Change	% Change	YTD
Brazil - Ibovespa	80,898.70	-3,142.64	-3.74%	5.89%
Russia - MICEX	2,197.12	-84.72	-3.71%	4.14%
India - SENSEX	34,005.76	-1,060.99	-3.03%	-0.15%
China - Shanghai	3,129.85	-332.23	-9.60%	-5.36%
South Africa - JSE Africa	55,902.62	-2,754.20	-4.70%	-6.05%

Asia-Pacific Indices	Net			
	Closing	Change	% Change	YTD
Japan - Nikkei 225	21,382.62	-1,891.91	-8.13%	-6.07%
Hong Kong - Hang Seng	29,507.42	-3,094.36	-9.49%	-1.38%
South Korea - KOSPI	2,363.77	-161.62	-6.40%	-4.20%
Australia - ASX 200	5,837.97	-283.42	-4.63%	-3.75%

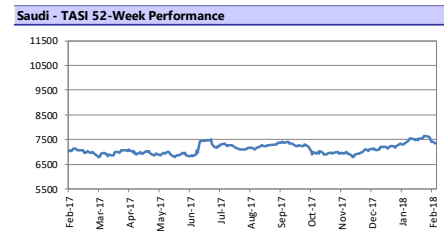
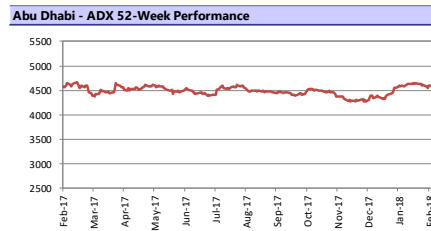
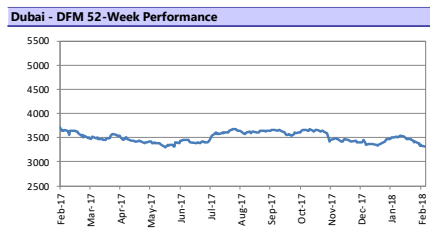
(In Dollar Terms)

- ❖ Asian shares closed lower on Friday, taking cues from U.S. indexes which extended sharp losses on Thursday. The market correction has erased all the gains made by the indices in a record breaking January.
- ❖ In Japan, Automakers, financials, manufacturers and technology stocks all ended the session firmly in negative territory. Toyota, Fanuc and Softbank were all down over 2% for the week.
- ❖ China CPI rose 1.5 percent in January compared to one year ago; PPI rose 4.3% versus the 4.4% expected.
- ❖ The top 10 most valued companies in India lost a combined 1 lakh crore (Approximately \$16 billion) over the last week, with Tata Consultancy Services (TCS) being the biggest loser.

Middle East Market News

	Key Indices			
	Closing	Net Change	% Change	YTD
Dubai - DFM	3,320.58	-65.18	-1.93%	-1.47%
Abu Dhabi - ADX	4,584.41	-.15	0.00%	4.23%
Saudi Arabia - TASI	7,336.40	-271.93	-3.57%	1.52%
Qatar - QE	9,044.41	+85.11	0.95%	6.11%
Bahrain - BHSE	1,333.56	-21.30	-1.57%	0.14%
Oman - MSM 30	4,994.02	-63.53	-1.26%	-2.06%
Kuwait	6,639.98	-30.86	-0.46%	3.62%

(In Dollar Terms)



- ❖ Middle Eastern stock markets fell because of the global downturn in equities, but the region outperformed emerging markets in Asia. Because of low oil prices and poor liquidity, the Gulf greatly underperformed the uptrend in global emerging markets last year, so fund managers say it may be less prone to profit-taking and have less distance to fall on the way down.
- ❖ Dubai-based Emaar Properties said on Sunday it posted a net profit of \$1.55 billion in 2017, about 8 percent higher than a year earlier.
- ❖ Egypt is considering plans for a Eurobond issue but wants to see more stability in global financial markets before it goes ahead. The issue is expected to be around three billion to five billion dollars in size.

Commodity Market News

	Commodities			
	Closing	Net Change	% Change	YTD
Gold Spot	1,316.65	-16.74	-1.26%	1.06%
Silver Spot	16.37	-0.23	-1.36%	-3.38%
Platinum Spot	965.42	-25.80	-2.60%	4.00%
Palladium Spot	977.66	-71.74	-6.84%	-8.07%
Crude Oil (WTI)	59.20	-6.25	-9.55%	-2.02%
Crude Oil (Brent)	62.79	-5.79	-8.44%	-6.10%
Baltic Dry Ind	1,125.00	+30.00	2.74%	-17.64%

- ❖ Oil prices fell for a sixth day on Friday, as record-high U.S. crude output added to concerns about a sharp rise in global supplies. Brent was heading for a weekly loss of more than 6 percent, while WTI fell nearly 8 percent on the week to drop below \$60.
- ❖ Gold held steady on Friday amid tumbling equity markets, but a firmer dollar and worries about rising global interest rates weighed on prices. For the week, Spot gold was down 1 percent and recorded its second straight weekly drop due to a recovery in the dollar.



Currency Market News

Currencies			
	Closing		Closing
GBP/USD	1.383	EUR/USD	1.225
USD/JPY	108.800	AUD/USD	0.781
USD/CHF	0.939	EUR/AED	4.500
USD/INR	64.398	EUR/INR	78.869
USD/CNY	6.303	EUR/CHF	1.151
USD/RUB	58.387	AED/INR	17.487

- ❖ Sterling erased recent gains and slid against the dollar and the euro on Friday after the European Union's Brexit negotiator warned Britain that a post-Brexit transition deal was "not a given". The pound dropped 0.9 percent against the dollar to trade at a session low of \$1.3786, its weakest since Jan. 17, before recovering slightly.
- ❖ The dollar rose on Friday for its strongest week against a basket of currencies in nearly 15 months as some traders piled into the greenback in a week of tremendous swings felt in stock and bond markets around the world. Against a basket of six major currencies, the greenback was up 0.22 percent at 90.427. On the week, the dollar index gained 1.41 percent for its best week in almost 15 months.

Investment Banking Deals

- ❖ Alibaba Group Holding will pay about 5.45 billion yuan (\$866 million) for a 15 percent stake in China's Easyhome, a home improvement chain, as the internet giant expands its investments in offline and retail businesses. The investment underscores the company's retail strategy, aimed at leveraging offline and online activities
- ❖ China's Ant Financial Services Group is planning to raise up to \$5 billion in fresh equity that could value the online payments giant at more than \$100 billion. Ant's last fundraising in 2016 valued the owner of Alipay, China's top online payment platform, at about \$60 billion. The new round should start with a valuation of between \$80 billion to \$100 billion. Ant is currently in talks to appoint advisers for the fundraising which is expected to be launched in the next couple of months.
- ❖ A consortium led by India's Oil and Natural Gas Corp has become the first group to win a stake in Abu Dhabi National Oil Co.'s (ADNOC) 40-year offshore oil concession, a deal set to help the UAE expand its foothold in Asia. State-run ADNOC signed an agreement on Saturday with the ONGC Videsh-led consortium giving the group a 10 percent stake in the new Lower Zakum offshore concession, with a participation fee of 2.2 billion dirhams (\$600 million).
- ❖ India's leading e-commerce company Flipkart looks set to team up with Walmart Inc., garnering the startup a valuation of as much as \$20 billion in return for a stake that could be as large as 20%.

Sources: CNBC, Bloomberg, Wall Street Journal & Reuters

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