

## — NOUVELLES —

OUR WEEKLY CAPITAL MARKETS UPDATE

### US & Europe Market News

US Indices				
	Closing	Net		YTD
		Change	% Change	
DJIA	23,533.20	-1,413.31	-5.67%	-4.80%
S&P 500	2,588.26	-163.75	-5.95%	-3.19%
NASDAQ Composite	6,992.67	-489.32	-6.54%	1.29%
TSX Composite Index	15,223.74	-487.59	-3.10%	-6.08%
CBOE - VIX	24.87	+10.03	67.59%	125.27%

Europe Indices				
	Closing	Net		YTD
		Change	% Change	
UK - FTSE 100	6,921.94	-242.20	-3.38%	-9.96%
Eurozone - STOXX 50	2,912.84	-102.74	-3.41%	-8.34%
France - CAC 40	5,095.22	-187.53	-3.55%	-4.09%
Germany - DAX	11,886.31	-503.27	-4.06%	-7.98%
Netherlands - AEX	521.45	-15.47	-2.88%	-4.25%
Switzerland - SMI	8,569.08	-313.45	-3.53%	-8.66%

(In Dollar Terms)

- ❖ Global Stocks fell sharply investors assessed the possibility of a trade war brewing between the U.S. and China. Dow Jones, S&P500 and Nasdaq were down 5.7%, 5.9% and 6.5% respectively. Facebook shares closed the week lower by 13.8% on news that Cambridge Analytica gathered data from 50 million Facebook profiles without the permission of its users.
- ❖ The global correction came on the back of President Donald Trump signing a memorandum that would implement tariffs on up to \$60 billion in imports from China. In response, China on Friday proposed a list of 128 U.S. products as potential retaliation targets.
- ❖ Federal Reserve Increased Interest rates by 25 basis points to 1.75%.
- ❖ The yield on the 10-year US Treasury note finished the week lower after falling the most in six months amid a brewing trade dispute between the U.S. and China.
- ❖ Dropbox exceeded its private valuation in its market debut, as shares soared after pricing above their marketed range in the biggest technology IPO of the year. Shares closed at \$28.48 apiece in New York on Friday, giving the company a market valuation of \$11.2 billion.
- ❖ Euro Stoxx 50 ended the week 3.4% lower, with Europe's autos leading the losses, off by 1.9 percent amid escalating concerns of a tit-for-tat trade war.

### BRICS & Asia Market News

BRICS Indices				
	Closing	Net		YTD
		Change	% Change	
Brazil - Ibovespa	84,377.20	-509.28	-0.60%	10.44%
Russia - MICEX	2,285.53	-9.07	-0.40%	8.33%
India - SENSEX	32,596.54	-579.46	-1.75%	-4.29%
China - Shanghai	3,152.76	-117.12	-3.58%	-4.67%
South Africa - JSE Africa	56,405.64	-1,798.13	-3.09%	-5.21%

(In Dollar Terms)

Asia-Pacific Indices				
	Closing	Net		YTD
		Change	% Change	
Japan - Nikkei 225	20,617.86	-1,186.09	-5.44%	-9.43%
Hong Kong - Hang Seng	30,309.29	-1,192.68	-3.79%	1.30%
South Korea - KOSPI	2,416.76	-77.21	-3.10%	-2.06%
Australia - ASX 200	5,820.73	-128.70	-2.16%	-4.03%

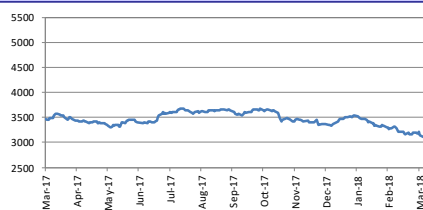
- ❖ Asian markets closed sharply lower on Friday on fears of a potential trade war. Major exporters were downbeat, with Honda Motor falling 5.27 percent and Sony losing 2.73 percent.
- ❖ Beyond trade tensions, the Hong Kong market was also weighed down by a 4.55 percent slide in index heavyweight Tencent due to Nasper's plan to sell its stake in the tech company.
- ❖ Most steel and aluminum plays in the region took a beating in China and South Korea. Posco was down 5.58 percent, and Aluminum Corp of China fell 3.51 percent.
- ❖ Losses on the mainland also came after Reuters reported the People's Bank of China raised the interest rate on seven-day reverse repurchase agreements, referred to as reverse repos, by 5 basis points.

## Middle East Market News

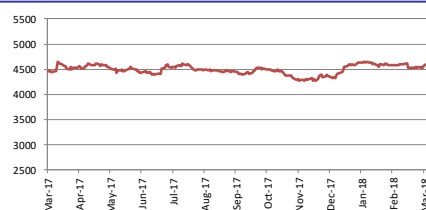
Key Indices	Net			YTD
	Closing	Change	% Change	
Dubai - DFM	3,115.16	-77.62	-2.43%	-7.56%
Abu Dhabi - ADX	4,615.27	+82.16	1.81%	4.93%
Saudi Arabia - TASI	7,842.63	+114.57	1.48%	8.53%
Qatar - QE	8,752.66	-50.14	-0.57%	2.69%
Bahrain - BHSE	1,334.96	-17.53	-1.30%	0.24%
Oman - MSM 30	4,802.56	-90.42	-1.85%	-5.82%
Kuwait	6,631.91	-125.59	-1.86%	3.49%

(In Dollar Terms)

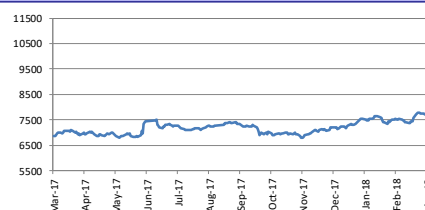
Dubai - DFM 52-Week Performance



Abu Dhabi - ADX 52-Week Performance



Saudi - TASI 52-Week Performance



- ❖ The 2017 cash dividends paid out by 62 companies listed on the Abu Dhabi and Dubai bourses amounted to AED33.1 billion (\$9 billion), according to the latest official figures. The banking sector continued to have the lion's share of cash distributions, after 13 out of 18 listed banks paid out around AED18 billion in cash, accounting for 54.3 percent of the total payout.
- ❖ Dana Gas will seek shareholder approval to pay a dividend for 2017, in a move that could complicate its legal dispute with investors demanding that the company settles \$700 million of Islamic bonds. The share price jumped by 8.3 percent after it announced that a shareholder meeting would discuss a proposal to pay its first cash dividend in several years. The dividend, equivalent to 5 percent of capital, would total about 349 million dirhams (\$95 million).
- ❖ Saudi Arabia is making "good progress" in its economic reforms, according to International Monetary Fund (IMF) managing director Christine Lagarde. Following a meeting with Saudi Crown Prince Mohammed bin Salman in Washington DC, Lagarde said that Saudi authorities are making good progress in implementing their ambitious reform agenda including through the recent introduction of the VAT [value-added taxes] and measures to increase women's participation in the economy.
- ❖ Emaar Properties witnessed continued selling pressure to hit their lowest level in 52 weeks after the company's statement lacked details on the annual dividend, weighing on the wider Dubai index.

## Commodity Market News

Commodities	Net			YTD
	Closing	Change	% Change	
Gold Spot	1,347.33	+33.09	2.52%	3.42%
Silver Spot	16.57	0.23	1.40%	-2.19%
Platinum Spot	948.90	-1.20	-0.13%	2.22%
Palladium Spot	976.34	-18.45	-1.85%	-8.20%
Crude Oil (WTI)	65.88	+3.54	5.68%	9.04%
Crude Oil (Brent)	70.45	+4.24	6.40%	5.35%
Baltic Dry Ind	1,122.00	-21.00	-1.84%	-17.86%

- ❖ Oil prices rose on Friday after the Saudi energy minister said OPEC would need to keep coordinating supply cuts with non-member countries including Russia into 2019. Brent Crude was up 5% for the week, closing above \$70/barrel for the first time since January.

## Currency Market News

Currencies			
	Closing		Closing
GBP/USD	1.413	EUR/USD	1.235
USD/JPY	104.740	AUD/USD	0.770
USD/CHF	0.947	EUR/AED	4.537
USD/INR	65.014	EUR/INR	80.191
USD/CNY	6.316	EUR/CHF	1.170
USD/RUB	57.276	AED/INR	17.714

- ❖ Sterling made further gains against the dollar on Friday and was set for its best week in eight after Britain agreed a Brexit transition deal and investors got some clarity over a possible interest rate hike in May.
- ❖ The dollar slipped to a 16-month low against the yen on Monday, pressured by lingering fears of a global trade war and a political crisis that has engulfed Japanese Prime Minister Shinzo Abe. The dollar had already slumped 1.2 percent versus its Japanese peer last week as escalating trade tensions between the United States and China stoked concerns about global growth.

## Investment Banking Deals

- ❖ Ride-hailing firm Uber Technologies Inc [UBER.UL] has agreed to sell its Southeast Asian business to bigger regional rival Grab, the firms said on Monday, marking the U.S. company's second retreat from an Asian market. The deal is the industry's first big consolidation in Southeast Asia, home to about 640 million people, and puts pressure on Indonesia's Go-Jek.
- ❖ South Africa's Naspers has raised \$9.8 billion from the sale of a 2 percent stake in Chinese investment Tencent to strengthen its balance sheet and fund growth in its e-commerce businesses.
- ❖ A consortium led by TPG is nearing an agreement to gain control of Fortis Healthcare Ltd., India's second-largest private hospital chain by market value. The investor group, which also includes Manipal Health Enterprises Pvt, could announce a deal as soon as the next few days. Under the plan being discussed, the operations of closely-held Manipal, whose backers include TPG and Temasek Holdings Pte, would be combined with Fortis's business.
- ❖ Streaming music leader Spotify Technology SA on Tuesday filed for a direct listing of its shares. In an amended filing with the U.S. Securities and Exchange Commission, the company expects shareholders to sell up to 55.7 million ordinary shares. Spotify's direct listing will let investors and employees sell shares without the company raising new capital or hiring a Wall Street bank or broker to underwrite the offering. ***[Please contact us if you require any further details on this issuance]***

Sources: CNBC, Bloomberg, Wall Street Journal & Reuters

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