

International Market News Update

US Indices				
	Closing	Net Change	% Change	YTD
DJIA	18,552.57	-23.90	-0.13%	6.47%
S&P 500	2,183.87	-18	-0.01%	6.85%
NASDAQ Composite	5,238.38	+5.48	0.10%	4.61%

Europe Indices				
	Closing	Net Change	% Change	YTD
UK - FTSE 100	6,872.29	-68.90	-0.99%	10.09%
Eurozone - STOXX 50	2,853.59	-36.81	-1.27%	-7.96%
France - CAC 40	4,425.00	-72.86	-1.62%	-4.57%
Germany - DAX	10,602.16	-137.05	-1.28%	-1.31%
Netherlands - AEX	450.83	-3.68	-0.81%	2.04%
Switzerland - SMI	8,184.71	-120.57	-1.45%	-7.18%

BRICS Indices				
	Closing	Net Change	% Change	YTD
Brazil - Ibovespa	59,098.92	+800.51	1.37%	36.33%
Russia - MICEX	1,953.14	-24.14	-1.22%	10.89%
India - SENSEX	27,983.75	-168.65	-0.60%	7.15%
China - Shanghai	3,084.81	-40.39	-1.29%	-12.84%
South Africa - JSE Africa	52,976.06	+578.09	1.10%	4.50%

Asia-Pacific Indices				
	Closing	Net Change	% Change	YTD
Japan - Nikkei 225	16,598.19	-271.37	-1.61%	-12.80%
Hong Kong - Hang Sen	22,921.51	-11.00	-0.05%	4.60%
South Korea - KOSPI	2,042.16	-8.31	-0.41%	4.12%
Australia - ASX 200	5,515.10	-24.86	-0.45%	4.14%

Commodities				
	Closing	Net Change	% Change	YTD
Gold Spot	1,333.18	-6.22	-0.46%	25.64%
Silver Spot	18.91	-0.90	-4.56%	36.58%
Platinum Spot	1,107.68	-3.22	-0.29%	24.24%
Palladium Spot	704.70	11.41	1.65%	25.17%
Crude Oil (WTI)	47.80	+2.06	4.50%	29.05%
Crude Oil (Brent)	50.09	+1.74	3.60%	34.36%
Baltic Dry Ind	683.00	+12.00	1.79%	42.89%

Money Markets				
	Closing	Net Change (5-D)	Net Change (6-M)	Net Change (YTD)
3M Libor	0.817	(0.001)	0.199	0.204
12M Libor	1.523	(0.002)	0.383	0.345
3M Euribor	(0.298)	0.001	(0.100)	(0.167)
12M Euribor	(0.047)	0.002	(0.030)	(0.107)
10Y US	1.585	0.027	(0.167)	(0.685)
10Y UK	0.584	0.053	(0.810)	(1.376)
10Y Germany	(0.058)	0.016	(0.234)	(0.687)
10Y Japan	(0.062)	0.023	(0.057)	(0.327)
10Y India	7.151	0.045	(0.622)	(0.610)

Currencies			
	Closing	Closing	
GBP/USD	1.307	EUR/USD	1.128
USD/JPY	100.760	AUD/USD	0.761
USD/CHF	0.964	EUR/AED	4.143
USD/INR	67.165	EUR/INR	75.758
USD/CNY	6.660	EUR/CHF	1.088
USD/RUB	64.184	AED/INR	18.288

Source: Bloomberg

Trading in markets was lacklustre over the week, although there was a sharp rise in the oil price on hopes for a production cap in September. The FOMC minutes effectively said the Fed would not make any moves until the data allowed them to do so. Despite Fed president William Dudley indicating that the US economy had evolved sufficiently to justify an imminent hike, the most recent minutes said that the committee wanted more data before this would happen. July consumer prices were flat on the month thanks to tumbling gasoline prices. Core inflation, which excludes food and fuel prices, inched up just 0.1% for the month. Overall, inflation is up just 0.8% from a year ago and far below the 2% target set by the Federal Reserve.

European stock markets fell on Friday in their worst weekly loss since the middle of June, with storage tank group Vopak slumping after its results while major bank stocks also weakened. The pan-European STOXX 600 index ended down 0.8 percent, posting a weekly loss of 1.7 percent - its worst since mid-June. The index is down 7 percent so far in 2016. Uncertainty over a possible near-term interest rate hike in the United States, the world's biggest economy, also weighed on markets. Vopak, the world's largest independent storage tank operator, was the top faller on the STOXX 600, dropping 7.1 percent after its first-half results were hit by impairment charges. Shares in Italian banks, which have faced concerns over their bad debts, also slumped with UniCredit down 6.3 percent. European stock markets had recouped losses incurred in the immediate aftermath of June's shock "Brexit" vote for Britain to quit the European Union, but they have since lost ground again on the back of weak earnings and an anaemic economic backdrop.

Hong Kong shares finished lower on Friday as investors are cautious about the coming central bank chiefs' meeting in Wyoming. Investors will be looking for clues about a U.S. rate hike at an annual meeting of central bank governors in Jackson Hole next week. The Hang Seng Index fell 0.4 percent, to 22,937.22, while the China Enterprises Index lost 0.5 percent, to 9,606.17 points. For the week, HSI was up 0.7 percent, a third straight weekly gain, while HSCE gained 0.5 percent.

Finally, India's incoming central bank governor Urjit Patel will aggressively fight inflation and continue a policy of a stable rupee and cash injections into the financial system, investors said, offering a comforting degree of continuity to his predecessor's policies. That could help overcome an expected initial negative reaction in bond markets on Monday, when the benchmark 10-year bond IN10YT=RR yield is expected to rise 2-3 basis points due to bets Patel will hold interest rates in the near-term.

Commodity in Focus

Oil prices settled steady to higher on Friday, with U.S. crude posting its biggest weekly gain since March after surging nearly 25 percent in a little over two weeks, on speculation that Saudi Arabia and other members of the Organization of the Petroleum Exporting Countries will agree next month to a production freeze deal with non-OPEC producers led by Russia.

U.S. West Texas Intermediate (WTI) crude settled up 30 cents, or 0.6 percent, at \$47.80 a barrel after reaching \$48.75, it's highest since July. Brent crude closed at \$50.09 a barrel.

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Middle East Market News Update

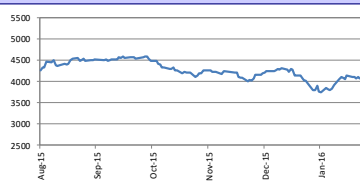
Most Gulf stock markets edged down on Sunday despite strength in some Saudi Arabian petrochemical shares, while Telecom Egypt boosted Egypt's bourse slightly. Brent crude oil closed above \$50 a barrel on Thursday and Friday for the first time since July 4. This encouraged buying of petrochemical stocks on Sunday, with Saudi Basic Industries adding 0.9 percent to 84.25 riyals, the top of the range in which it has traded since April. Most other stocks were sluggish in the absence of fresh, positive news, and the main Saudi equities index fell 0.2 percent. Dubai's stock index fell 0.4 percent to 3,560 points, once again retreating from technical resistance at its April peak of 3,605 points.

Key Indices	Closing	Net		YTD
		Change	% Change	
Dubai - DFM	3,546.45	-56.02	-1.56%	12.55%
Abu Dhabi - ADX	4,515.15	-44.75	-0.98%	4.83%
Saudi Arabia - TASI	6,141.91	-215.66	-3.39%	-11.14%
Qatar - QE	11,212.56	+84.39	0.76%	7.51%
Bahrain - BHSE	1,155.99	-3.34	-0.29%	-4.93%
Oman - MSM 30	5,882.22	-24.49	-0.41%	8.80%
Kuwait	5,449.97	-42.28	-0.77%	-2.94%

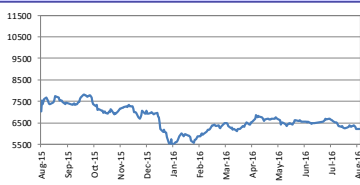
Dubai - DFM 52-Week Performance



Abu Dhabi - ADX 52-Week Performance



Saudi - TASI 52-Week Performance



Source: Bloomberg

Qatar's index fell 0.2 percent. Stocks which surged last week on hopes they would be included in FTSE's emerging markets index next month lost steam, with Qatar National Bank flat and Qatar Insurance losing 1.4 percent. Bahrain's index outperformed the region, rising 0.7 percent, but that was mostly because of a 6.3 percent jump in Arab Banking Corp in very thin trade. In Egypt, the index rose 0.4 percent as Telecom Egypt surged 3.0 percent. Late last week the telecommunications regulator approved revised terms for 4G mobile broadband network licences; Telecom Egypt has said it will buy a licence.

En Bref..... Biggest Market News

New York has knocked off London as the world's premier city for foreign investment in commercial real estate due to fears the vote to leave the European Union would diminish the British capital's appeal as a global financial center. Data on cross-border property transactions indicate greater unease among investors prior to the referendum, which voters unexpectedly approved on June 23, than had been captured in the capital markets prior to the vote. Cross-border capital flows into London real estate fell 44 percent in this year's first six months from the same period in 2015, according to data from brokerage Jones Lang LaSalle Inc. Property investors feared Britain's exit from the EU would erode London's role as a premier financial center and reduce the value of their investments, the majority of which are office buildings. Norway's sovereign wealth fund, one of Britain's largest foreign investors, said on Wednesday it cut the value of its UK property portfolio by 5 percent because of the vote.

Events in the week ahead

- 23 Aug – Euro Zone Consumer Confidence.
- 26 Aug – JPY National Consumer Price Index.
- 27 Aug – CNY Industrial Profits (Yearly)

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