

International Market News Update

US Indices				
	Closing	Net Change	% Change	YTD
DJIA	19,933.81	+90.40	0.46%	14.40%
S&P 500	2,263.79	+5.72	0.25%	10.76%
NASDAQ Composite	5,462.69	+25.53	0.47%	9.09%

Europe Indices				
	Closing	Net Change	% Change	YTD
UK - FTSE 100	7,068.17	+56.53	0.81%	13.23%
Eurozone - STOXX 50	2,998.33	-5.40	-0.18%	-3.29%
France - CAC 40	4,839.68	+6.41	0.13%	4.37%
Germany - DAX	11,449.93	+45.92	0.40%	6.58%
Netherlands - AEX	482.86	+5.16	1.08%	9.29%
Switzerland - SMI	8,232.64	+4.92	0.06%	-6.64%

BRICS Indices				
	Closing	Net Change	% Change	YTD
Brazil - Ibovespa	57,937.11	-451.93	-0.77%	33.65%
Russia - MICEX	2,173.18	-58.23	-2.61%	23.38%
India - SENSEX	25,827.80	-546.90	-2.07%	-1.11%
China - Shanghai	3,092.04	-26.04	-0.84%	-12.63%
South Africa - JSE Africa	49,400.56	-290.75	-0.59%	-2.55%

Asia-Pacific Indices				
	Closing	Net Change	% Change	YTD
Japan - Nikkei 225	19,413.26	+12.11	0.06%	1.99%
Hong Kong - Hang Sen	21,574.76	-445.99	-2.03%	-1.55%
South Korea - KOSPI	2,037.80	-59	-0.03%	3.90%
Australia - ASX 200	5,627.90	+94.97	1.72%	6.27%

Commodities				
	Closing	Net Change	% Change	YTD
Gold Spot	1,133.30	-1.58	-0.14%	6.80%
Silver Spot	15.74	-0.23	-1.43%	13.66%
Platinum Spot	891.74	-35.86	-3.87%	0.02%
Palladium Spot	659.41	-37.42	-5.37%	17.13%
Crude Oil (WTI)	53.02	+1.12	2.16%	43.14%
Crude Oil (Brent)	55.16	-.05	-0.09%	47.96%
Baltic Dry Ind	961.00	+15.00	1.59%	101.05%

Money Markets				
	Closing	Net Change (5-D)	Net Change (6-M)	Net Change (YTD)
3M Libor	0.997	(0.000)	0.357	0.384
12M Libor	1.690	(0.004)	0.440	0.512
3M Euribor	(0.317)	(0.003)	(0.048)	(0.186)
12M Euribor	(0.082)	(0.001)	(0.053)	(0.142)
10Y US	2.537	(0.001)	0.977	0.268
10Y UK	1.345	(0.093)	(0.028)	(0.615)
10Y Germany	0.221	(0.093)	0.128	(0.408)
10Y Japan	0.062	(0.026)	0.232	(0.203)
10Y India	6.559	0.096	(0.917)	(1.202)

Currencies			
	Closing		Closing
GBP/USD	1.227	EUR/USD	1.046
USD/JPY	117.070	AUD/USD	0.719
USD/CHF	1.025	EUR/AED	3.843
USD/INR	67.834	EUR/INR	70.965
USD/CNY	6.949	EUR/CHF	1.073
USD/RUB	61.056	AED/INR	18.469

Source: Bloomberg

Wall Street ended the week on a positive note on Friday as investors doubled down on a rally fueled by optimism that President-elect Donald Trump's policies will boost economic growth. The Dow Jones Industrial Average, which briefly came within striking distance of the historic 20,000 level earlier this week, recorded its seventh straight weekly gain. Following a rally since the Nov. 8 U.S. election, the Dow is up about 14 percent for the year and the S&P 500 is 11 percent higher on bets that the economy will benefit from Trump's plans for deregulation and infrastructure spending. Additional gains will depend on how quickly and successfully Trump can deliver on his promises and whether he meets resistance from a U.S. Congress reluctant to widen the budget deficit, many investors believe.

European stocks were mixed, with banks edging higher after both Deutsche Bank and Credit Suisse settled investigations into U.S. mortgage securities sales. Deutsche Bank's \$7.2 billion settlement with the U.S. Department of Justice over toxic mortgage securities sold in the run-up to the 2008 financial crisis was nearly half of the fine initially levied in September. Deutsche Bank's shares rose 4.4 percent and are up 86 percent since September lows. Credit Suisse shares rose 0.6 percent after it agreed to pay \$5.3 billion to the DOJ to settle similar charges. Barclays became the latest in a long-list of other lenders under investigation to be sued.

Elsewhere markets were quiet with UK markets closing at midday. A bailout for Italy's oldest bank, Monte dei Paschi, was also approved as Italy's government looked to end a protracted banking crisis that has gummed up the economy. European shares closed little changed with an index of Italian lenders up 0.64 percent. While Monte dei Paschi shares were suspended from trading, Italian government bond yields fell, with 10-year yields slipping to 1.81 percent.

Asian stocks retreated in subdued trade on Friday after Wall Street took a breather from its surge since the U.S. election. MSCI's broadest index of Asia-Pacific shares outside Japan fell 0.4 percent to a five-month low. It was heading for a drop of 1.8 percent in its second consecutive week of declines. China's CSI 300 index dropped 0.7 percent, dragged lower by brokerage and insurance shares, on expectations regulators will tighten supervision over online insurance products. Hong Kong's Hang Seng retreated 0.5 percent. Japan's Nikkei, closed for a holiday on Friday, edged up 0.1 percent for the week. The index has posted seven straight weeks of gains, its longest winning streak since early 2013, boosted by the yen's weakness in the face of a surging dollar.

Commodity in Focus

As risk appetite ebbed on Friday, the decline in gold prices, which have languished in the wake of the dollar's rally, reversed. Spot gold climbed 0.3 percent to \$1,131.79 an ounce, shrinking its weekly loss to 0.2 percent.

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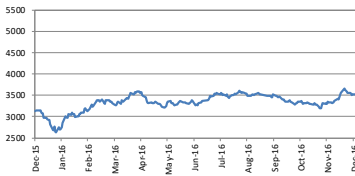
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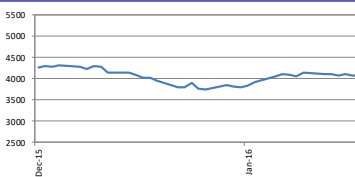
Key Indices

	Closing	Net Change	% Change	YTD
Dubai - DFM	3,525.35	-29.34	-0.83%	11.88%
Abu Dhabi - ADX	4,439.17	-57.36	-1.28%	3.06%
Saudi Arabia - TASI	7,190.95	+53.33	0.75%	4.04%
Qatar - QE	10,394.74	+170.61	1.67%	-0.33%
Bahrain - BHSE	1,211.07	+22.72	1.91%	-0.40%
Oman - MSM 30	5,730.97	+2.70	0.05%	6.01%
Kuwait	5,700.16	+49.16	0.87%	1.51%

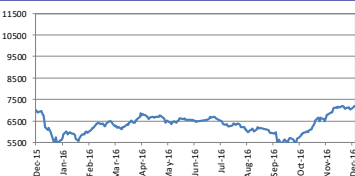
Dubai - DFM 52-Week Performance



Abu Dhabi - ADX 52-Week Performance



Saudi - TASI 52-Week Performance



Source: Bloomberg

Middle East Market News Update

After slumping in 2016, issuance of Islamic bonds from the Middle East looks likely to rebound next year as Gulf States take advantage of unsatisfied demand, but investors may shun the long end of the curve. As governments scrambled to cover budget deficits due to low oil prices this year, they overwhelmingly turned to conventional debt - a shift from the traditional pattern in which sukuk and conventional bonds had roughly equal shares of the region's international bond issuance. In the first half of 2016, governments in the six-nation Gulf Cooperation Council raised just \$1.1 billion or 5 percent of their total debt issuance through longer-term sukuk, against 38 percent a year earlier, Moody's estimated. Saudi Arabia's \$17.5 billion debut bond in October was entirely conventional.

Gulf stock markets barely moved in quiet, early trade on Thursday before the announcement of Saudi Arabia's 2017 state budget, expected in the afternoon. The Saudi stock index edged up 0.1 percent in the first 40 minutes. Much activity focused on second-tier stocks such as Saudi Printing and Packaging, up 4.9 percent, although Saudi Electricity rose 0.9 percent. Dubai's stock index fell 0.4 percent, Abu Dhabi was down 0.1 percent and Qatar lost 0.2 percent, dampened by a 1.8 percent pull-back by its largest bank, Qatar National Bank.

En Bref..... Biggest Market News

Industrial-gas giants Praxair Inc. and Germany's Linde AG concluded a two-year courtship Tuesday, agreeing to join forces to create the industry's biggest player with a combined market value of \$66.6 billion. The two companies Tuesday said both boards endorsed the combination after on-again, off-again talks that foundered earlier this year before picking back up more recently. Regulators around the world still need to approve the tie-up. Linde is currently the industry's No. 2 player and Praxair, based in Danbury, Conn., is No. 3, behind industry leader Air Liquide SA of France. A Linde-Praxair combination would have about \$30 billion in annual sales before divestitures.

Events in the week ahead

27 December – Japanese Consumer Price Index.

28 December – USD Consumer Confidence.

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