

# - NOUVELLES -

OUR WEEKLY CAPITAL MARKETS UPDATE

## International Market News Update

On Wall Street, the Dow Jones Industrial Average extended its winning streak to 11 sessions, the longest since 1987, and the S&P 500 rebounded from earlier losses. The Nasdaq Composite erased an earlier drop, paring its weekly loss. The Dow ended up 11.44 points, or 0.05 percent, at 20,821.76; the S&P 500 closed 3.53 points, or 0.15 percent, higher at 2,367.34 and the Nasdaq finished up 9.80 points, or 0.17 percent, to 5,845.31. The three indexes posted record highs this week, buoyed by confidence about company results in the coming quarters even without fiscal stimulus. Utility shares gained 1.3% and was the best performing industry group in the S&P 500 this week. Telephone companies picked up 0.72%. Financial companies weighed on market, tumbling 0.75%. Energy shares slipped 0.89% as oil prices declined.

Europe's stocks benchmark fell more than 1 percent on Friday while German and French indexes slid by their most in nearly 5 months as jitters in the bond markets over political risk looked to have spilled over into equities. Futures on the European bluechips index fell 1.4 percent with traders pointing to a bout of selling in the afternoon session as a reason that exacerbated earlier weakness in stock markets. Banks and commodity-related sectors led losses across Europe following a slump in metals prices overnight, subdued forecasts from the likes of BASF and weak results from Standard Chartered and Royal Bank of Scotland. The STOXX 600 was down 1.2 percent in afternoon trading and was poised for its third straight session of losses. European banks, the sector most sensitive to bond spreads, fell more than 2 percent while the basic resources slid more than 3 percent.

Japanese stocks fell on Friday, with investors staying on the sidelines as a lack of clarity over U.S. economic policies under President Donald Trump and political uncertainty in Europe weighed on sentiment. The Nikkei 225 fell 0.5 percent to 19,283.54. The benchmark index however gained 0.3 percent on the week. The broader Topix index shed 0.4 percent to 1,550.14, while the JPX-Nikkei Index 400 declined 0.4 percent to close at 13,893.04

## Commodity in Focus

Oil prices tumbled on Friday after U.S. Energy Information Administration data showed U.S. crude inventories rose for a seventh straight week. The market has been supported within a tight \$4 to \$5 range since November, when the Organization of the Petroleum Exporting Countries (OPEC) and other producers agreed to cut production. The International Energy Agency put OPEC's average compliance at a record 90 percent in January, and based on a Reuters average of production surveys, it stands at 88 percent.

Brent crude fell to \$55.99 a barrel, while U.S. West Texas Intermediate dropped 0.1 percent to \$53.99 a barrel.

US Indices	Net			
	Closing	Change	% Change	YTD
DJIA	20,821.76	+201.99	0.98%	5.36%
S&P 500	2,367.34	+20.12	0.86%	5.74%
NASDAQ Composite	5,845.31	+30.41	0.52%	8.59%

Europe Indices	Net			
	Closing	Change	% Change	YTD
UK - FTSE 100	7,243.70	-56.26	-0.77%	1.41%
Eurozone - STOXX 50	3,071.97	-1.20	-0.04%	2.04%
France - CAC 40	4,845.24	-22.34	-0.46%	-0.35%
Germany - DAX	11,804.03	+47.01	0.40%	2.81%
Netherlands - AEX	494.90	-4.18	-0.84%	2.43%
Switzerland - SMI	8,525.62	+19.13	0.22%	3.72%

BRICS Indices	Net			
	Closing	Change	% Change	YTD
Brazil - Ibovespa	66,662.10	-1,086.32	-1.60%	10.68%
Russia - MICEX	2,093.09	-55.39	-2.58%	-6.25%
India - SENSEX	28,892.97	+591.70	2.09%	8.51%
China - Shanghai	3,253.43	+51.36	1.60%	4.83%
South Africa - JSE Africa	51,609.86	-613.68	-1.18%	1.89%

Asia-Pacific Indices	Net			
	Closing	Change	% Change	YTD
Japan - Nikkei 225	19,283.54	+48.92	0.25%	0.89%
Hong Kong - Hang Sen	23,965.70	-68.04	-0.28%	8.93%
South Korea - KOSPI	2,094.12	+13.54	0.65%	3.34%
Australia - ASX 200	5,738.99	-66.83	-1.15%	1.29%

Commodities	Net			
	Closing	Change	% Change	YTD
Gold Spot	1,257.19	+22.59	1.83%	9.56%
Silver Spot	18.37	0.37	2.07%	15.33%
Platinum Spot	1,027.50	24.17	2.41%	13.77%
Palladium Spot	771.48	-6.11	-0.79%	13.29%
Crude Oil (WTI)	53.99	+6.3	1.18%	0.50%
Crude Oil (Brent)	55.99	+1.8	0.32%	-1.46%
Baltic Dry Ind	875.00	+134.00	18.08%	-8.95%

Money Markets	Closing	Net		Net Change (YTD)
		Change (5-D)	Change (6-M)	
3M Libor	1.054	0.002	0.229	0.056
12M Libor	1.740	0.004	0.213	0.054
3M Euribor	(0.329)	-	(0.031)	(0.010)
12M Euribor	(0.113)	(0.004)	(0.065)	(0.031)
10Y US	2.312	(0.103)	0.751	(0.133)
10Y UK	1.078	(0.133)	0.525	(0.161)
10Y Germany	0.186	(0.116)	0.275	(0.022)
10Y Japan	0.068	(0.026)	0.136	0.022
10Y India	6.916	0.064	(0.243)	0.401

Currencies	Closing	
	USD	USD
GBP/USD	1.246	EUR/USD 1.056
USD/JPY	112.120	AUD/USD 0.768
USD/CHF	1.008	EUR/AED 3.880
USD/INR	66.825	EUR/INR 70.498
USD/CNY	6.869	EUR/CHF 1.064
USD/RUB	58.443	AED/INR 18.145

Source: Bloomberg

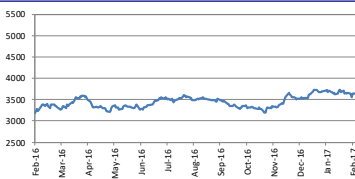
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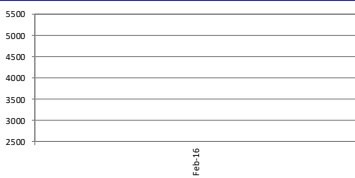
**Key Indices**

	Closing	Net Change	% Change	YTD
Dubai - DFM	3,642.51	-3.34	-0.09%	3.16%
Abu Dhabi - ADX	4,656.73	+35.92	0.78%	2.43%
Saudi Arabia - TASI	7,049.54	-90.64	-1.27%	-2.23%
Qatar - QE	10,937.07	+20.08	0.18%	4.79%
Bahrain - BHSE	1,350.14	+28.87	2.18%	10.63%
Oman - MSM 30	5,833.56	-24.85	-0.42%	0.88%
Kuwait	6,809.78	-14.71	-0.22%	18.47%

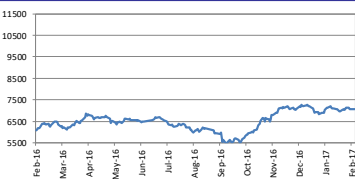
**Dubai - DFM 52-Week Performance**



**Abu Dhabi - ADX 52-Week Performance**



**Saudi - TASI 52-Week Performance**



Source: Bloomberg

## Middle East Market News Update

Dubai contractor Arabtec said on Wednesday it received approval in principle from the stock market regulator for its recapitalisation programme. The approval is subject to the completion of Arabtec's 2016 full-year financial audit and final approval from the regulator. Arabtec reported a wider fourth-quarter loss on Feb 13, and its board said it was seeking shareholders' approval for a 1.5 billion dirhams (\$408.4 million) rights issue to recapitalise the company. Shares of Arabtec have lost 36.4 percent of their value since the company announced its results and disclosed plans of the rights offering.

Saudi Arabia is favouring New York to list state oil giant Saudi Aramco IPO, while also considering London and Toronto for the prospect of floating the firm, the Wall Street Journal reported on Monday. Saudi officials also talked to exchanges in Singapore, Hong Kong, Tokyo and Shanghai but are unlikely to pursue listing in those places, the newspaper said, citing people familiar with the matter. The listing is the centrepiece of a Saudi Arabian government plan to transform the kingdom by enticing investment and diversifying the economy away from a reliance on oil. Saudi officials expect the IPO to value Aramco at a minimum of \$2 trillion.

## En Bref..... Biggest Market News

Japan's SoftBank Group Corp is close to finalizing an investment in U.S. office-sharing startup WeWork in a deal expected to be worth over \$3 billion. The investment under discussion is a \$2 billion primary tranche of funding, followed by a secondary round worth more than \$1 billion. SoftBank may increase the size of the secondary investment to nearly \$2 billion for a total investment of nearly \$4 billion. This investment would be the first from the SoftBank Vision Fund, a \$100 billion tech investment fund backed by the Saudi government.

## Events in the week ahead

28 February – US Gross Domestic Product Index.

1 March – Euro-zone unemployment rate.

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