

- NOUVELLES -

OUR WEEKLY CAPITAL MARKETS UPDATE

June 27th, 2017

International Market News Update

US Indices				
	Closing	Net Change	% Change	YTD
DJIA	21,409.55	-119.44	-0.55%	8.33%
S&P 500	2,439.07	-14.39	-0.59%	8.94%
NASDAQ Composite	6,247.15	+8.14	0.13%	16.05%

Europe Indices				
	Closing	Net Change	% Change	YTD
UK - FTSE 100	7,446.80	-77.01	-1.02%	4.26%
Eurozone - STOXX 50	3,210.62	-12.47	-0.39%	6.65%
France - CAC 40	5,295.75	-14.97	-0.28%	8.91%
Germany - DAX	12,770.83	-118.12	-0.92%	11.23%
Netherlands - AEX	520.62	-5.25	-1.00%	7.75%
Switzerland - SMI	9,121.22	+90.92	1.01%	10.97%

BRICS Indices				
	Closing	Net Change	% Change	YTD
Brazil - Ibovespa	62,188.09	+174.06	0.28%	3.26%
Russia - MICEX	1,860.39	+2.43	0.13%	-16.68%
India - SENSEX	31,030.34	-281.23	-0.90%	16.54%
China - Shanghai	3,187.10	+47.09	1.50%	2.69%
South Africa - JSE Africa	51,288.71	+128.14	0.25%	1.25%

Asia-Pacific Indices				
	Closing	Net Change	% Change	YTD
Japan - Nikkei 225	20,225.09	-5.32	-0.03%	5.81%
Hong Kong - Hang Seng	25,814.71	-28.33	-0.11%	17.34%
South Korea - KOSPI	2,391.95	+22.72	0.96%	18.04%
Australia - ASX 200	5,714.20	-43.05	-0.75%	0.85%

Commodities				
	Closing	Net Change	% Change	YTD
Gold Spot	1,250.19	+7.18	0.58%	8.95%
Silver Spot	16.66	0.19	1.16%	4.58%
Platinum Spot	923.10	0.74	0.08%	2.21%
Palladium Spot	872.17	-4.50	-0.51%	28.08%
Crude Oil (WTI)	43.57	+34	0.79%	-18.89%
Crude Oil (Brent)	46.04	+02	0.04%	-18.97%
Baltic Dry Ind	884.00	+36.00	4.25%	-8.01%

Money Markets				
	Closing	Net Change (5-D)	Net Change (6-M)	Net Change (YTD)
3M Libor	1.293	0.020	0.296	0.295
12M Libor	1.733	0.001	0.044	0.048
3M Euribor	(0.331)	(0.002)	(0.014)	(0.012)
12M Euribor	(0.163)	(0.009)	(0.081)	(0.081)
10Y US	2.132	(0.025)	(0.428)	(0.313)
10Y UK	1.011	(0.019)	(0.334)	(0.228)
10Y Germany	0.247	(0.015)	0.040	0.039
10Y Japan	0.046	(0.011)	(0.018)	-
10Y India	6.456	(0.003)	(0.159)	(0.059)

Currencies			
	Closing		Closing
GBP/USD	1.273	EUR/USD	1.120
USD/JPY	111.700	AUD/USD	0.760
USD/CHF	0.973	EUR/AED	4.113
USD/INR	64.459	EUR/INR	72.171
USD/CNY	6.827	EUR/CHF	1.089
USD/RUB	58.785	AED/INR	17.549

Source: Bloomberg

U.S. equities closed mostly higher on Friday as energy stocks stemmed this week's sell-off. The S&P 500 rose 0.1 percent as energy gained 0.7 percent to lead advancers and snapped a four-day losing streak. The Dow Jones industrial average closed flat with Boeing contributing the most gains and Home Depot the most losses. The NASDAQ composite climbed 0.4 and was rose 1.84 percent for the week after a sharp rally in health care. Health care stocks pulled back about 0.1 percent Friday, but the sector still notched a weekly gain of 3.7 percent to outperform the other spaces. Overall, U.S. stocks closed little changed for the week, with the Dow and S&P posting small gains in the period. Wall Street also kept an eye on financials Friday after testing results released Thursday by the Fed show the 34 institutions under scrutiny have enough capital to make it through a scenario akin to the financial crisis. The results briefly lifted financials on Friday.

The pan-European Stoxx 600 slipped 0.23 percent with most sectors and major bourses in negative territory. For the week, bourses were little changed. Europe's food and beverages sector was among the worst performers on Friday, down about 0.7 percent. Britain's pizza delivery business Domino's slipped towards the bottom of the benchmark after Berenberg bank lowered its outlook for the stock to "hold" from "buy". Its shares fell more than 2 percent on the news. Britain's biggest free-to-air commercial broadcaster, ITV, was among the best-performing stocks on Friday after Morgan Stanley raised its stock recommendation to "overweight". Its shares rose more than 3 percent.

France and Germany both released flash PMI figures for June on Friday morning. Germany's manufacturing and services sector - which accounts for over two-thirds of its economy - dipped to a four-month low in June. Markit's flash composite PMI fell to 56.1 from 57.4 in May. Business activity in France also eased more than predicted in June as growth weakened in the country's services sector.

Markets in Asia closed mixed after trading sideways on Friday following news that China's banking regulator had questions for banks related to loans for overseas asset purchases and as oil prices advanced off 10-month lows. Japan's Nikkei 225 rose 0.11 percent to close at 20,132.67. The S&P/ASX 200 edged higher by 0.17 percent, buoyed by gains in its health care and materials sub-indexes. Australian financials were under pressure, with the sub-index edging lower by 0.37 percent. Hong Kong's Hang Seng Index inched higher by 0.05 percent.

Commodity in Focus

Oil futures edged higher on Friday with a lift from a weaker dollar but remained down for a fifth week in a row and close to a 10-month low as OPEC-led production cuts have failed to substantially reduce a global crude glut.

Brent futures were up 0.6 percent at \$45.51 a barrel. U.S. West Texas Intermediate crude (WTI) rose at \$43.01 a barrel.

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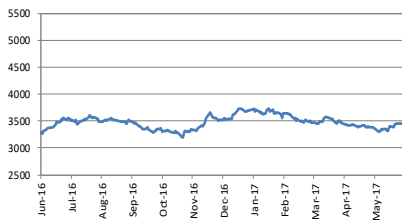
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Middle East Market News Update

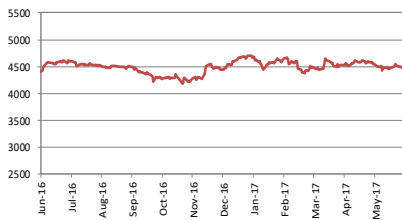
Key Indices

	Closing	Net		YTD
		Change	% Change	
Dubai - DFM	3,402.31	-57.13	-1.65%	-3.64%
Abu Dhabi - ADX	4,431.57	-70.20	-1.56%	-2.53%
Saudi Arabia - TASI	7,425.72	+604.91	8.87%	2.99%
Qatar - QE	9,030.44	-227.46	-2.46%	-13.47%
Bahrain - BHSE	1,312.96	-14.06	-1.06%	7.58%
Oman - MSM 30	5,118.31	-130.10	-2.48%	-11.49%
Kuwait	6,772.09	-81.00	-1.18%	17.81%

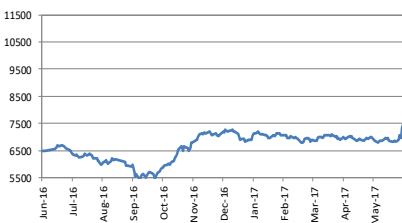
Dubai - DFM 52-Week Performance



Abu Dhabi - ADX 52-Week Performance



Saudi - TASI 52-Week Performance



Source: Bloomberg

The Saudi stock market was up four percent Wednesday on news that King Salman had named his powerful son as heir and that the exchange had moved closer to joining a major global index. The Saudi Tadawul index, the largest in the Middle East, surged 4.12 percent in early afternoon trading after Salman ousted his nephew as crown prince and installed his son Mohammed bin Salman. Trader confidence was also up after the Tadawul announced that global stock benchmark provider MSCI had added the exchange to its Emerging Market Index Watch List. Saudi Arabia is the only major emerging economy not represented in the index.

GEMS Education may fetch a valuation of about \$4 billion or more in a potential initial public offering in London as early as next year. The private-school operator, backed by private equity firms Blackstone Group and Fajr Capital and wealth fund Bahrain Mumtalakat Holding Co, has held meetings with investment banks in Dubai this month and is planning to make appointments in the coming weeks. Rothschild & Co is working as the company's financial adviser.

En Bref..... Biggest Market News

Saudi Arabia could become the ninth largest country on the MSCI Emerging Market index if it wins inclusion in 2019, attracting billions of dollars of inflows. On Wednesday, index provider MSCI announced the addition of Saudi Arabia to the 2018 annual review cycle for potential inclusion in the MSCI Emerging Markets index the following year. Analysts said the MSCI news was a further positive development for the country but warned that Saudi Arabia has more work to do to modernise its equity market. If upgraded, MSCI has estimated that Saudi Arabia would have a weight of around 2.4 percent. Given that around \$1.6trn of assets under management track the MSCI EM Index, this could translate into inflows of more than \$38bn – equal to around 6 percent of Saudi's GDP.

Events in the week ahead

29 June – USD Gross Domestic Product (Annualized).

30 June – Euro-Zone Consumer Price Index (Year on Year).

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