Global equities close higher on supportive economic data

بنك الامارات للاستثمار
EMIRATES INVESTMENT BANK

LOOKING BACK

- **US equities keep trending higher.** Despite increasing geopolitical tensions between the US and North Korea after the latter fired a missile over Japan, a relatively disappointing US jobs report and hurricane Harvey, the S&P managed to record a 1.4% weekly gain. Meanwhile, the Nasdaq jumped 2.7% over the week on renewed M&A activity and recorded its strongest weekly performance this year.
- **US Q2 GDP hits a 2-year high.** Mainly due to stronger than previously forecast consumer spending and business investment, the US Q2 GDP figure was upwardly revised to an annualized 3.0%, from the 2.6% previously estimated. This represents the fastest pace since Q1 2015 and lifts the US economic growth for the first half of 2017 to an annualized 2.1%.
- **Eurozone inflation surprises to the upside.** Headline inflation in the Eurozone edged 0.2% higher in August to 1.5%, while core inflation remained unchanged at 1.2%. Meanwhile, growing concern among ECB officials over the recent strengthening of the EUR might lead the ECB to delay tapering its QE program. As a result, the EUR lost 0.5% against the USD over the week.
- **China manufacturing PMI beats expectations.** China's manufacturing PMI rose to a solid 51.7 reading in August, from 51.4 in July, marking its 13th consecutive month in expansionary territory, which provided a boost to base metal prices. Meanwhile, the services PMI weakened to 53.4 in August, from 54.5 previously.
- **Gasoline prices rally as hurricane Harvey hits the US.** As hurricane Harvey hit the Texas coast and shut down more than 10% of the US refining capacity, motor fuel prices surged almost 7% over the week, while the reduction in crude oil demand from refineries weighed on oil prices. The WTI finished the week 1.2% lower, while Brent managed to record a 0.6% gain.

LOOKING FORWARD

- The Eurozone reports retail sales data alongside its final Q2 GDP figure on **Monday**, while its final composite PMI for August will be released on **Tuesday**. On **Thursday**, ECB officials will meet and announce their latest monetary policy decisions. On **Friday**, Japan's final Q2 GDP will be released.

MAIN CROSS RATES

€ 1	$ 1.1860
£ 1	$ 1.2951
$ 1	¥ 110.25

	Yield % (03/09)	Yield % (27/08)
Abu Dhabi 2019	1.56	1.60
KSA 2021	2.55	2.55
Dubai 2023	3.07	3.05
Qatar 2023	2.93	2.94
US 10Y	2.17	2.17
German 10Y	0.37	0.38

Equities	Last Price	Weekly Chg	YTD Chg
MSCI World	1,966	1.1%	12.3%
MSCI BRIC	314	1.0%	30.0%
MSCI EM	1,091	0.6%	26.6%
USA - S&P 500	2,477	1.4%	10.6%
UK- FTSE 100	7,439	0.4%	4.1%
France - CAC40	5,123	0.4%	5.4%
Germany - DAX	12,143	-0.2%	5.8%
Japan - Nikkei 225	19,691	1.2%	3.0%
Dubai	3,638	0.4%	3.0%
Abu Dhabi	4,468	-0.6%	-1.7%
Saudi	7,259	0.2%	0.7%
Oman	5,053	2.1%	-12.6%
Kuwait	6,892	0.1%	19.9%
Egypt	13,416	3.8%	8.7%
Qatar	8,801	-1.7%	-15.7%
Commodities			
Gold ($/oz)	1,325	2.6%	15.5%
Silver ($/oz)	18	3.9%	11.3%
Platinum ($/oz)	1,008	3.4%	11.6%
Oil – Brent ($/bbl)	52.75	0.6%	-7.2%

FOR MORE INFORMATION, PLEASE CONTACT:

Emirates Investment Bank pjsc
PO Box 5503, Dubai
Dubai Festival City, UAE

+971 4 231 7777

+971 4 231 7788

www.eibank.com

ASSET MANAGEMENT TEAM:

Nadi Bargouti, CFA
Managing Director – Head of Asset Management
nadi.bargouti@eibank.com

Yaser Al-Nimr
Director – Asset Management
yaser.alnimr@eibank.com

Fabien Paturaud, CFA
Associate Director – Asset Management
fabien.paturaud@eibank.com

Hamad Al Majidi
Senior Associate – Asset Management
hamad.almajidi@eibank.com

Joyson D'Souza, CFA
Associate – Asset Management
joyson.dsouza@eibank.com

EMIRATES INVESTMENT BANK

EIBank is a Dubai-based boutique dedicated to the service of an exclusive group of private and institutional clients. Private banking and investment banking needs are approached holistically.

In private banking, the bank prides itself on offering highly personalised investment solutions and one-on-one servicing by a professional team of wealth management specialists. EIBank's open platform provides clients with access to markets globally.

In investment banking, the bank provides clients with advice on mergers & acquisitions, access to capital markets and other corporate finance matters.

IMPORTANT INFORMATION