Shopping season props up US equities

EMIRATES INVESTMENT BANK

LOOKING BACK

- **Shopping season props up US equities.** Global equities continued their uptrend with the S&P500 making a fresh high as US retailers gained on favourable sales forecasts for the extended "Black Friday" shopping season. Meanwhile, US economic data were mixed last week with weekly jobless claims hovering at historic lows, but durable goods orders declining 1.2% in October, falling short of consensus forecasts.
- **Eurozone posts strongest growth in a decade.** On the back of a strong labor market recovery, improving exports and an accommodative monetary policy, the Eurozone grew 0.6% QoQ in Q3 (2.5% annualized), surpassing the US growth rate so far this year. Eurozone growth has been broad-based with Germany being the largest contributor. The EuroStoxx50 is up 8.8% in local currency terms while the EUR has gained 13.5% versus the USD year-to-date.
- **UK budget tries to support Brexit economic fallout.** Amid a deteriorating economic outlook, Chancellor Hammond acknowledged in his annual budget speech that Brexit is already inflicting an economic cost on the UK economy. In response, he committed GBP4 billion to make housing more affordable to first time buyers. Meanwhile, PM May won ministerial backing to make an improved financial offer of GBP40 bn against the initial offer of GBP20 bn to the EU that could kick-start the stalled Brexit negotiations.
- **Moody's upgrades India's rating; S&P maintains status quo.** S&P kept India's sovereign rating and outlook unchanged at BBB-, saying its stable outlook reflects strong growth and a steady fiscal deficit going forward. Earlier, Moody's had upgraded India's sovereign rating one notch to Baa2 from Baa3, citing the economy's high growth potential due to recent economic and institutional reforms.
- **Oil prices rally following supply disruption.** Oil prices rose 1.8% last week as the temporary closure of a pipeline in South Dakota following a leak is expected to continue disrupting supplies through the end of November. Meanwhile, investors continued to focus on the upcoming OPEC meeting and the possibility of the extension of production cuts.

LOOKING FORWARD

- Eurozone Producer Price Inflation (PPI) will be released on **Tuesday** while US Q3 GDP will be published on **Wednesday.** Japan reports its Industrial Production (IP) figures on **Thursday** and the UK manufacturing PMI will be released on **Friday.**

MAIN CROSS RATES

€ 1	$ 1.1933
£ 1	$ 1.3337
$ 1	¥ 111.53

	Yield % (26/11)	Yield % (19/11)
Abu Dhabi 2019	1.77	1.69
KSA 2021	2.91	2.94
Dubai 2023	3.27	3.32
Qatar 2023	3.24	3.30
US 10Y	2.34	2.34
German 10Y	0.36	0.36

Equities	Last Price	Weekly Chg	YTD Chg
MSCI World	2,060	1.3%	17.6%
MSCI BRIC	339	2.1%	40.1%
MSCI EM	1,154	1.6%	33.9%
USA - S&P 500	2,602	0.9%	16.2%
UK- FTSE 100	7,410	0.4%	3.7%
France - CAC40	5,390	1.3%	10.9%
Germany - DAX	13,060	0.5%	13.8%
Japan - Nikkei 225	22,551	0.7%	18.0%
Dubai	3,461	0.0%	-2.0%
Abu Dhabi	4,287	-0.9%	-5.7%
Saudi	6,878	-0.5%	-4.6%
Oman	5,086	-0.4%	-12.0%
Kuwait	6,239	-1.1%	8.5%
Egypt	14,106	1.9%	14.3%
Qatar	7,742	-1.1%	-25.8%
Commodities			
Gold ($/oz)	1,288	-0.3%	12.3%
Silver ($/oz)	17	-1.5%	7.1%
Platinum ($/oz)	942	-1.0%	4.3%
Oil – Brent ($/bbl)	64	1.8%	12.4%

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 an independent private bank based in Dubai. It offers a wide-range of investment and banking services to an exclusive, but diverse, client base of high-net-worth individuals from across the region and around the world.

Emirates Investment Bank seeks to build long-term partnerships based on a foundation of trust, stability and integrity, which allows it to appreciate the unique circumstances and objectives of each of its clients. This personalised approach guides the Bank when providing its clients with bespoke banking solutions in connection with their wealth, business, and every day affairs.

IMPORTANT INFORMATION