



### CIO OFFICE: Equity Market Update 8<sup>th</sup> July 2020

#### Developed Markets

- ✓ Shares in the U.S. closed lower yesterday, ending a run of five straight days of gains. The S&P 500 fell -1.1% and the Nasdaq -0.86%. The Nasdaq has retreated from an all-time high after a relentless tech rally with Apple, Amazon, Microsoft, Facebook, Tesla and Alphabet with strong year to date gains and except Alphabet all have made fresh all-time highs in the past few days.
- ✓ The European Commission lowered its economic growth forecasts for 2020 with lockdowns still in place in some areas. The Stoxx 600 index closed down - 0.7% and the UK FTSE 100 -1.5%. European shares slipped on concern the economy will take longer to recover. Officials now forecast a contraction of 8.7% in the euro area this year, a full percentage point deeper than previously predicted.

#### Emerging Markets

- ✓ Most Asian shares dropped, even as China powered ahead for a sixth day, although at a slower pace. The Shanghai Shenzhen CSI 300 index is up +0.60% on Tuesday. The government-backed China Securities Journal emphasized on Monday the need for a “healthy” bull market to support the recovery. The China stock market is up 10% over the past week.

#### GCC

- ✓ The DFM index saw a gain of 0.5% for its third day in a row. Emaar Properties PJSC contributed the most to the index gain, increasing +1.5%. Emaar Malls increases for the 5th consecutive day +0.68%, extending the longest win streak since January 2018.
- ✓ Almak Finance PJSC had the largest increase +14.8% after announcing a partnership with Dubai Land Department, which will allow the real estate financier to sell its properties on installment payment plans for a tenure of up to 6 years.
- ✓ The Abu Dhabi General index increased almost identically to the DFM index at +0.52%.
- ✓ After Dubai announced reopening of borders to international tourists, the first batch of commercial flights carrying overseas tourists landed shortly after midnight today, arriving from London, Cairo, and Amsterdam.
- ✓ The Tadawul Index rose for the fifth day, climbing 0.1% with energy stocks leading the market higher. Saudi Arabian Oil Co. contributed the most to the index gain.

#### Company News

- ✓ **Google** and **Deutsche Bank AG** have agreed to form a long-term partnership that will see the U.S. technology company provide cloud computing capabilities to the bank. The deal is said to include joint technology investments and research. The bank expects EUR 1 bn return on investment from the partnership.
- ✓ **Nvidia** is close to surpassing **Intel** in market value for the first time. Nvidia has gained more than 70% in 2020 as the coronavirus pandemic has accelerated a shift to cloud-based digital services that use its technology.
- ✓ **SoftBank** shares just reached a new high this year, propelled by a series of buybacks that have seen the stock recoup losses. The stock rose 2.6% on Friday to the highest level since July 2019.
- ✓ **Amazon** and **Google** face tough rules in India’s e-Commerce draft. The plan comes amid calls to reduce the dominance of global giants. An E-Commerce regulator is to be named to ensure fair competition.

### Global Equity Indices

Ticker	Country	Index	Last Price	%1D	%5D	YTD	2019	P/E	P/B	Div. Yield	ROE
<b>Developed Markets</b>											
SPX Index	US	S&P 500 INDEX	3144	-1.1%	3.0%	-1.7%	31.5%	25.05	3.44	1.9%	14.2%
INDU Index	US	DOW JONES INDUS. AVG	25890	-1.5%	1.2%	-8.1%	25.3%	23.61	3.73	2.4%	20.4%
CCMP Index	US	NASDAQ COMPOSITE INDEX	10344	-0.9%	4.8%	15.9%	36.7%	38.04	5.35	0.8%	31.0%
RTY Index	US	RUSSELL 2000 INDEX	1416	-1.9%	-0.4%	-14.5%	25.5%	134.55	1.60	1.4%	169.9%
SXXP Index	Europe	STXE 600 (EUR) Pr	369	-0.6%	2.4%	-9.6%	27.9%	21.67	1.70	3.0%	4.4%
UKX Index	UK	FTSE 100 INDEX	6190	-1.5%	0.3%	-16.4%	17.2%	18.94	1.48	3.8%	3.3%
HSI Index	Hong Kong	HANG SENG INDEX	25976	-1.4%	6.9%	-5.5%	13.0%	12.03	1.01	3.3%	10.4%
NKY Index	Japan	NIKKEI 225	22615	-0.4%	1.5%	-3.3%	20.7%	22.06	1.67	1.9%	7.5%
NDDUWI Index	DM	MSCI DM TR USD	6697	1.7%	2.9%	-3.1%	27.7%	23.56	2.43	2.2%	7.4%
<b>Emerging Markets</b>											
SHSZ300 Index	China	CSI 300 INDEX	4698	0.6%	12.8%	16.0%	39.2%	15.37	1.95	2.0%	10.9%
SENSEX Index	India	S&P BSE SENSEX INDEX	36675	0.5%	5.0%	-10.4%	15.7%	22.14	2.55	1.5%	11.5%
DFMGI Index	UAE	DFM GENERAL INDEX	2098	0.5%	1.6%	-20.3%	14.2%	9.43	0.75	3.1%	7.2%
ADSMI Index	UAE	ADX GENERAL INDEX	4341	0.5%	1.3%	-9.7%	8.4%	16.74	1.29	3.9%	9.2%
SASEIDX Index	KSA	TADAWUL ALL SHARE INDEX	7401	0.1%	2.4%	-9.8%	10.9%	22.31	1.83	3.1%	16.9%
NDUEEGF Index	EM	MSCI EM TR USD	508	2.7%	6.8%	-3.7%	18.4%	17.16	1.61	2.4%	9.8%
<b>World Sectors</b>											
MXWDOFN Index		MSCI ACWI/FINANCE	103	2.4%	3.4%	-20.4%	24.1%	13.64	0.95	3.5%	9.3%
MXWDOIT Index		MSCI ACWI/INF TECH	363	1.9%	3.1%	16.0%	47.5%	27.45	5.75	1.2%	22.5%
MXWDOHC Index		MSCI ACWI/HLTH CARE	292	1.1%	2.4%	5.0%	23.3%	19.78	4.08	1.8%	21.5%
MXWDOCD Index		MSCI ACWI/CONS DIS	299	3.4%	6.2%	7.6%	28.2%	42.88	3.52	1.0%	6.7%
MXWDOIN Index		MSCI ACWI/INDUSTRY	232	1.8%	2.5%	-11.0%	27.2%	25.11	2.46	2.1%	8.1%
MXWDOIC Index		MSCI ACWI/COMM SVC	86	1.8%	4.3%	4.8%	25.1%	22.37	2.85	1.6%	9.7%
MXWDOCS Index		MSCI ACWI/CON STPL	239	1.0%	1.7%	-4.1%	22.4%	20.96	3.75	2.8%	19.3%
MXWDOEN Index		MSCI ACWI/ENERGY	139	1.1%	1.7%	-32.3%	13.9%	67.01	1.02	5.4%	2.0%
MXWDOMT Index		MSCI ACWI/MATERIAL	258	1.6%	2.9%	-5.6%	20.8%	21.41	1.64	2.8%	7.3%
MXWDOU Index		MSCI ACWI/UTILITY	137	-0.1%	2.1%	-6.8%	22.3%	16.47	1.60	3.9%	10.6%
MXWDO RL Index		MSCI ACWI/REAL EST	983	1.0%	4.0%	-11.5%	24.0%	20.94	1.39	3.6%	9.8%
<b>Key Levels</b>											
XAUUSD CMPL Curn	Gold	XAU-USD X-RATE	1797	0.0%	1.5%	1.5%	28.6%				
USGG10YR Index	10 Year Yield	US Generic Govt 10 Yr	0.63	-6.1%	-3.2%	-3.2%	-68.8%				
USGG2YR Index	2 Year Yield	US Generic Govt 2 Yr	0.16	0.1%	5.5%	5.5%	-91.6%				
CO1 Comdty	Brent	Generic 1st 'CO' Future	42.8	-0.6%	4.1%	4.1%	-33.3%				

Source: Bloomberg: 12:10 am 8<sup>th</sup> July 2020

### Exhibit: S&P 500, Stoxx 600, CSI 300 YTD (%) Performance



Source: Bloomberg 8<sup>th</sup> July 2020

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