



**CIO OFFICE: Equity Market Update 9<sup>th</sup> July 2020**

**Developed Markets**

- ✓ The S&P 500 Index is at a one month high. U.S. equities finished higher, with technology, consumer discretionary, and the communication services sectors giving growth a significant advantage over value. The S&P 500 closed +0.78% and the Nasdaq +1.44%.
- ✓ Advances in mega-caps such as Apple and Amazon sent the Nasdaq Composite to a record. The Nasdaq Composite Index is up +1.44% on Wednesday.
- ✓ Banks lead European stocks lower. The Stoxx 600 Index was down -0.67% on Wednesday.
- ✓ Signals pertaining to the coronavirus have been mixed in recent days and weeks. The number of confirmed cases in the U.S. surpassed 3 million on Wednesday. However, the fatality rate has remained low, a data point flagged by optimists.

**Emerging Markets**

- ✓ China equities continue to rally, with echoes of 2015 at the back of investors' minds when the market came down as quickly as it had gone up. For now, momentum, trading volumes and margin lending are supporting the China rally. The Shanghai Composite Index was up 1.9% yesterday and this morning is up another 0.7%. The index has advanced 10% this week. Investors have been drawn to China's markets amid efforts by regulators to boost the attractiveness of stocks and hopes for an economic recovery.

**GCC**

- ✓ The DFM General Index dropped by -0.7%. All Emaar stocks declined, which contributed the most to the DFM index drop. Emaar Properties -1.79% Emaar Development -1.84% Emaar Malls -0.68%. Union Properties PJSC and Arabtec holding both saw the largest drop of the day -5%. Only 5 of the 37 listed stocks rose.
- ✓ The Abu Dhabi Index also ended in the negative, declining by -0.67%.
- ✓ The Tadawul All Share Index declined slightly, ending a 5-day gain, decrease of -0.08%. Saudi telecom contributed the most to the index decline, falling by -0.7%.

**Company News**

- ✓ **Microsoft** rolls out virtual theater seating to boost meeting app. The company's popular Teams app is also getting new voice-controlled devices from partners.
- ✓ **Nvidia** market valuation topped **Intel Corp's** for the first time, powered by soaring demand for graphics chips in data centers and other fast-growing technology fields. Nvidia gained 2.4% on Wednesday, giving it a market value of more than USD 248 bn. Shares of the graphics chipmaker are up 72% so far this year as investors bet the coronavirus pandemic has accelerated a shift to cloud-based digital services that use its technology. Intel shares have fallen 2% in 2020.
- ✓ **Google** abandoned plans to offer a major new cloud service in China and other politically sensitive countries due in part to concerns over geopolitical tensions and the pandemic, revealing the challenges for U.S. tech giants to secure business in those markets.

### 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	3168	0.7%	2.2%	-0.9%	31.5%	25.26	3.47	1.9%	14.2%
INDU Index	US	DOW JONES INDUS. AVG	26067	0.7%	1.0%	-7.5%	25.3%	23.73	3.75	2.4%	20.4%
CCMP Index	US	NASDAQ COMPOSITE INDEX	10493	1.4%	4.3%	17.6%	36.7%	38.43	5.42	0.8%	31.0%
RTY Index	US	RUSSELL 2000 INDEX	1425	0.6%	-1.1%	-14.0%	25.5%	136.40	1.61	1.4%	169.2%
SXXP Index	Europe	STXE 600 (EUR) Pr	366	-0.7%	1.5%	-10.1%	27.9%	21.47	1.69	3.0%	4.4%
UKX Index	UK	FTSE 100 INDEX	6156	-0.5%	0.0%	-16.9%	17.2%	18.53	1.47	3.8%	3.3%
HSI Index	Hong Kong	HANG SENG INDEX	26129	0.6%	7.0%	-5.0%	13.0%	12.10	1.02	3.3%	10.4%
NKY Index	Japan	NIKKEI 225	22439	-0.8%	1.4%	-4.1%	20.7%	21.94	1.65	1.9%	7.5%
NDDUWI Index	DM	MSCI DM TR USD	6635	-0.9%	1.5%	-4.0%	27.7%	23.33	2.41	2.2%	7.4%
<b>Emerging Markets</b>											
SHSZ300 Index	China	CSI 300 INDEX	4774	1.6%	12.4%	17.9%	39.2%	15.61	1.98	2.0%	10.9%
SENSEX Index	India	S&P BSE SENSEX INDEX	36329	-0.9%	2.6%	-11.3%	15.7%	21.95	2.53	1.5%	11.5%
DFMGI Index	UAE	DFM GENERAL INDEX	2083	-0.7%	0.9%	-20.8%	14.2%	9.36	0.74	3.2%	7.2%
ADSMI Index	UAE	ADX GENERAL INDEX	4312	-0.7%	0.6%	-10.3%	8.4%	16.61	1.28	3.9%	9.2%
SASEIDX Index	KSA	TADAWUL ALL SHARE INDEX	7394	-0.1%	1.9%	-9.9%	10.9%	22.27	1.82	3.1%	16.9%
NDUEEGF Index	EM	MSCI EM TR USD	505	-0.7%	5.4%	-4.4%	18.4%	17.02	1.60	2.4%	9.8%
<b>World Sectors</b>											
MXWDOFN Index		MSCI ACWI/FINANCE	101	-1.6%	1.9%	-21.7%	24.1%	13.41	0.93	3.6%	9.3%
MXWDOIIT Index		MSCI ACWI/INF TECH	360	-0.8%	2.0%	15.0%	47.5%	27.19	5.71	1.3%	22.5%
MXWDOHC Index		MSCI ACWI/HLTH CARE	289	-0.8%	1.0%	4.2%	23.3%	19.61	4.04	1.8%	21.5%
MXWDOCD Index		MSCI ACWI/CONS DIS	295	-1.3%	3.8%	6.3%	28.2%	42.57	3.48	1.0%	6.7%
MXWDOIIN Index		MSCI ACWI/INDUSTRIL	230	-1.1%	1.5%	-12.0%	27.2%	24.85	2.43	2.1%	8.1%
MXWDOIC Index		MSCI ACWI/COMM SVC	85	-0.4%	2.3%	4.4%	25.1%	22.12	2.83	1.6%	9.7%
MXWDOCS Index		MSCI ACWI/CON STPL	240	0.2%	1.7%	-3.9%	22.4%	20.99	3.75	2.8%	19.3%
MXWDOEN Index		MSCI ACWI/ENERGY	136	-2.0%	0.1%	-33.7%	13.9%	67.99	0.99	5.6%	2.0%
MXWDOMT Index		MSCI ACWI/MATERIAL	259	0.1%	2.8%	-5.5%	20.8%	21.37	1.64	2.8%	7.3%
MXWDOU Index		MSCI ACWI/UTILITY	136	-0.6%	0.2%	-7.3%	22.3%	16.40	1.59	3.9%	10.5%
MXWDO RL Index		MSCI ACWI/REAL EST	965	-1.8%	0.3%	-13.1%	24.0%	20.59	1.40	3.7%	9.8%
<b>Key Levels</b>											
XAUUSD CMPL Curn Gold		XAU-USD X-RATE	1809	-0.2%	1.8%	1.8%	29.5%				
USGG10YR Index	10 Year Yield	US Generic Govt 10 Yr	0.66	2.6%	-2.9%	-2.9%	-68.0%				
USGG2YR Index	2 Year Yield	US Generic Govt 2 Yr	0.16	0.0%	-2.2%	-2.2%	-91.7%				
CO1 Comdty	Brent	Generic 1st 'CO' Future	43.3	0.4%	2.9%	2.9%	-32.5%				

Source: Bloomberg; 12:10 am 9<sup>th</sup> July 2020

### Exhibit: Nasdaq Composite - 1 Year Performance



Source: Bloomberg 9<sup>th</sup> July 2020

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