



**CIO OFFICE: Equity Market Update 13<sup>th</sup> May 2020**

**Developed Markets**

- ✓ U.S. stocks fell after a U.S. health official warned against a premature reopening of the economy and as traders assessed a dire outlook from the Federal Reserve regional chiefs. The S&P 500 index dropped by -2.05% yesterday
- ✓ European stocks ended modestly higher on Tuesday as telecom surged after Britain's Vodafone maintained its dividend. Defensive stocks were broadly in favor as investors weighed risks from many countries starting to lift lockdowns. The Stoxx 600 index rose by +0.26%

**Emerging Markets**

- ✓ Similarly, stocks in Asia sold off on Tuesday as investors worried about economies reopening too soon. Hong Kong's Hang Seng Index dropped by -1.45%. The Shanghai Shenzhen CSI 300 Index closed flat for the day
- ✓ India's Sensex Index remains amongst the worst performers globally -22% year to date. Markets are up today as the Government of India has pledged a fiscal stimulus package of USD 265 bn to help the economy weather the fallout from the coronavirus outbreak. Details of the package will be unveiled over the next few days; this is c.10% of India's GDP making it one of the largest announced globally. Recent economic data has been dismal. Industrial production data for the month of March 2020, released yesterday, fell by a record 16.7% y/y and the CPI for the month of April was not released as data collection was hampered due to nationwide lockdown while the CPI reading for March 2020 is at 5.84%

**GCC**

- ✓ **Emirates NBD** gets included in the MSCI EM index, while FAB and Emaar Malls were not impacted this time around. Al Othaim has been added in the KSA. All changes are as of close of May 29<sup>th</sup>
- ✓ **Saudi Aramco** retained its dividend despite a 25% plunge in profit and signaled it would keep spending in check as it braces for deeper damage from the oil crisis. The company will pay a dividend of USD 18.75 bn for the first three months of 2020. That would leave it on track to meet its full-year goal of USD 75 bn
- ✓ **ADNOC** saw profit's dip as a result of provisions and a revaluation of inventory stock. Revenues, however, rose 3.6 % to AED 4.93 bn. The company's retail fuel business showed a strong performance, with retail fuel profits rising 13.1% y/y as a result of higher margins and volume growth in January and February

**Company News**

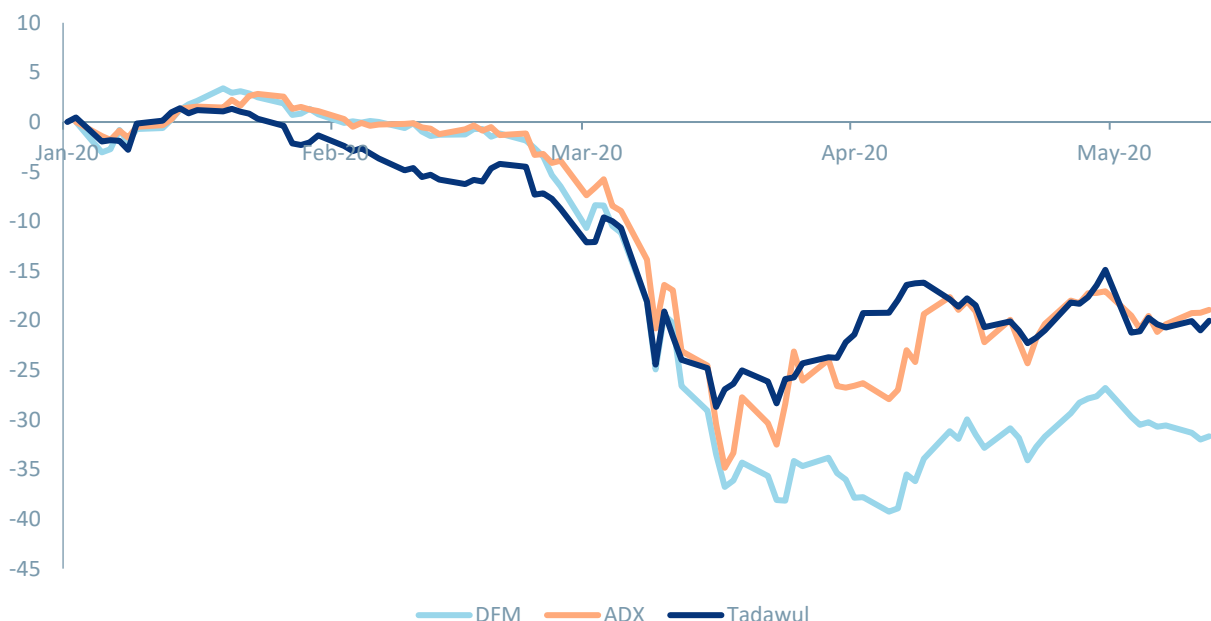
- ✓ **Vodafone** shares rise as much as 5.3% after reporting results, the top gainer in the FTSE 100 Index. The company achieved a solid performance and organic growth that beat consensus. The company also maintained its dividend
- ✓ **Nvidia** on Monday saw its stock reach a record high following its recent purchase of Mellanox Technologies, which sells computer networking products
- ✓ **PayPal** raises USD 4 bn in debt as business soars during the pandemic, underscoring how companies that make life under lockdown easier can also borrow cheaply

### Global Equity Indices

Region	Index	Last Price	%1D	%5D	YTD	2019	P/E	P/B	Div. Yield	ROE
<b>Developed Markets</b>										
U.S.	S&P 500 INDEX	2870	-2.1%	0.1%	-10.5%	31.5%	22.71	3.12	2.1%	14.6%
U.S.	DOW JONES INDUS. AVG	23765	-1.9%	-0.5%	-16.0%	25.3%	21.61	3.45	2.6%	19.9%
U.S.	NASDAQ COMPOSITE INDEX	9003	-2.1%	2.2%	0.8%	36.7%	32.55	4.86	1.0%	32.1%
U.S.	RUSSELL 2000 INDEX	1276	-3.5%	0.2%	-23.2%	25.5%	62.04	1.62	1.8%	200.4%
Europe	STXE 600 (EUR) Pr	341	0.3%	1.5%	-17.0%	27.9%	18.56	1.52	3.5%	4.5%
U.K.	FTSE 100 INDEX	5995	0.9%	4.2%	-19.4%	17.2%	17.26	1.41	4.3%	3.3%
Hong Kong	HANG SENG INDEX	24292	0.2%	0.6%	-13.5%	13.0%	11.19	0.98	3.6%	10.6%
Japan	NIKKEI 225	20281	-0.4%	3.4%	-13.4%	20.7%	17.19	1.45	2.2%	7.9%
DM	MSCI DM TR USD	6001	-1.3%	1.4%	-13.2%	27.7%	20.50	2.16	2.5%	7.6%
<b>Emerging Markets</b>										
China	CSI 300 INDEX	3957	-0.1%	0.5%	-3.3%	39.2%	12.47	1.58	2.5%	11.0%
India	S&P BSE SENSEX INDEX	32122	2.4%	1.4%	-21.9%	15.7%	17.11	2.19	1.8%	13.1%
UAE	DFM GENERAL INDEX	1892	0.5%	-2.0%	-28.5%	14.2%	7.88	0.65	5.3%	7.8%
UAE	ADX GENERAL INDEX	4134	0.3%	0.7%	-14.0%	8.4%	14.28	1.20	4.6%	11.2%
KSA	TADAWUL ALL SHARE INDEX	6684	1.2%	-0.4%	-18.9%	10.9%	19.23	1.77	3.6%	17.5%
EM	MSCI EM TR USD	433	-0.7%	1.2%	-18.0%	18.4%	13.86	1.26	2.9%	10.7%
<b>World Sectors</b>										
	MSCI ACWI/FINANCE	91	-1.6%	0.0%	-30.3%	24.1%	11.44	0.84	4.1%	10.2%
	MSCI ACWI/INF TECH	313	-1.7%	1.7%	-0.2%	47.5%	23.47	4.67	1.5%	22.9%
	MSCI ACWI/HLTH CARE	278	-0.6%	1.1%	-0.1%	23.3%	18.61	3.86	1.9%	21.4%
	MSCI ACWI/CONS DIS	251	-1.5%	1.9%	-10.0%	28.2%	31.48	2.93	1.4%	7.9%
	MSCI ACWI/INDUSTRAL	204	-1.4%	1.2%	-22.2%	27.2%	20.11	2.12	2.5%	8.7%
	MSCI ACWI/COMM SVC	77	-1.2%	1.7%	-5.9%	25.1%	20.01	2.29	1.8%	10.1%
	MSCI ACWI/CON STPL	228	0.1%	2.0%	-8.9%	22.4%	20.09	3.62	2.9%	20.0%
	MSCI ACWI/ENERGY	133	-1.3%	2.3%	-35.8%	13.9%	61.20	0.95	5.9%	2.7%
	MSCI ACWI/MATERIAL	226	-0.7%	1.5%	-18.1%	20.8%	18.20	1.43	3.3%	7.4%
	MSCI ACWI /UTILITY	128	-0.3%	1.0%	-13.7%	22.3%	15.46	1.50	4.1%	11.0%
	MSCI ACWI/REAL EST	881	-3.4%	-1.2%	-21.3%	24.0%	17.86	1.24	4.3%	9.5%

Source: Bloomberg: 9:40 am 13<sup>th</sup> May 2020

### Exhibit: DFMGI (Dubai), ADX (Abu Dhabi), Tadawul (KSA) Indices YTD Performance



Source: Bloomberg 13<sup>th</sup> May 2020

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