



CIO OFFICE: Equity Market Update 13th October 2020

Developed Markets

- ✓ U.S. stocks climbed to an almost six-week high amid a rally in some of the world's largest technology companies. The S&P 500 was up +1.6%, extending gains into a fourth day and the Nasdaq 100 posted its biggest advance since April after surging as much as 4.1%. Amazon soared ahead of its Prime Day while Apple jumped as the tech giant is set to embrace 5G as one of its most significant additions to this year's iPhones.
- ✓ The Stoxx Europe 600 Index gained 0.7%.

Emerging Markets

- ✓ China stocks climbed on optimism before President Xi Jinping's address in the southern city of Shenzhen this week.
- ✓ The Hang Seng China Enterprises Index rose 3%,. Xiaomi Corp. surged 6.7% to be among the best performers, while shares of telecoms also advanced. The CSI 300 Index added 2.8% as it trades near a five-year high.
- ✓ Xi is expected to shore up plans to make southern China a global technology hub during the trip. He is scheduled to deliver an address on Wednesday, the official Xinhua News Agency said. China will take cooperation between Shenzhen and Hong Kong to a "higher level," Xinhua reported earlier, without offering more details.
- ✓ Chinese equities listed in Hong Kong have underperformed their mainland peers in 2020, with the Hang Seng China gauge still down 11%. The CSI 300 is up 17%, beating most of the world's major equity gauges.

GCC

- ✓ The DFM General Index rose for the third day, climbing +0.5%. Emirates NBD Bank PJSC contributed the most to the index gain, increasing +1.0%. Union Properties PJSC had the largest increase, rising +4.1%. Yesterday, 13 of 37 shares rose, while 5 fell; 5 of 9 sectors were higher, led by real estate and construction stocks.
- ✓ The ADAMI Index rose +0.89%. Banks stocks led the market higher. FAB and ADCB contributed the most to the index gain, rising +1.45% and +1.79%.
- ✓ The Tadawul All Share Index rose for the third day, climbing +0.4%. The index advanced to the highest closing level in at least a year. Al Rajhi Bank contributed the most to the index gain, increasing +0.9%. Al Yamamah Steel Industries Co. had the largest increase, rising +10.0%.
- ✓ Yesterday, 93 of 198 shares rose, while 97 fell; 12 of 20 sectors were higher, led by banks stocks.

Company News

- ✓ **AstraZeneca** started late-stage trials for an antibody medicine against COVID-19 with a large investment from the U.S., after President Donald Trump credited a similar therapy with aiding his recovery. The company received USD 486 mn from the U.S. for development.
- ✓ **SoftBank Group's** Vision Fund will outline plans for a blank-check company in the next two weeks, seeking to capitalize on the investor frenzy surrounding the unusual fundraising vehicle.
- ✓ **Disney** announced a realignment of its business divisions on Monday that placed the focus squarely on Disney+ and its other streaming services as the future of the company's creative efforts. The reorganization essentially creates three divisions that will focus on content, and another that will handle how it is distributed.

Global Equity Indices

Country	Index	Last Price	%1D	%5D	YTD	2019	P/E	P/B	Div. Yield	ROE
Developed Markets										
US	S&P 500 INDEX	3534	1.6%	3.7%	11.0%	31.5%	26.29	3.76	1.7%	23.9%
US	DOW JONES INDUS. AVG	28838	0.9%	2.4%	2.9%	25.3%	24.67	4.36	2.1%	26.5%
US	NASDAQ COMPOSITE	11876	2.6%	4.8%	33.4%	36.7%	38.68	5.90	0.8%	55.3%
US	RUSSELL 2000 INDEX	1649	0.7%	4.2%	-0.1%	25.5%	96.79	1.91	1.2%	-1.4%
Europe	STXE 600 (EUR) Pr	371	-0.5%	1.4%	-8.6%	27.9%	22.60	1.74	2.9%	3.3%
UK	FTSE 100 INDEX	5967	-0.6%	0.3%	-18.7%	17.2%	19.50	1.47	3.7%	2.5%
Hong Kong	HANG SENG INDEX	24650	2.2%	3.7%	-9.8%	13.0%	12.94	1.05	2.9%	9.9%
Japan	NIKKEI 225	23602	0.2%	0.7%	1.4%	20.7%	23.65	1.75	1.7%	8.4%
DM	MSCI DM TR USD	7359	1.2%	4.0%	6.5%	27.7%	24.75	2.60	2.0%	10.3%
Emerging Markets										
China	CSI 300 INDEX	4839	0.3%	5.6%	20.5%	39.2%	16.57	2.01	1.9%	10.4%
India	S&P BSE SENSEX INDEX	40495	-0.2%	2.3%	-0.8%	15.7%	25.73	2.88	1.3%	10.7%
UAE	DFM GENERAL INDEX	2241	0.3%	0.7%	-14.6%	14.2%	11.30	1.11	3.1%	8.5%
UAE	ADX GENERAL INDEX	4544	0.2%	1.4%	-5.2%	8.4%	16.78	1.35	3.9%	10.1%
KSA	TADAWUL ALL SHARE INDEX	8545	0.0%	2.1%	4.6%	10.9%	27.27	2.08	2.3%	16.9%
EM	MSCI EM TR USD	548	1.3%	3.2%	3.9%	18.4%	18.24	1.72	2.2%	8.5%
World Sectors										
	MSCI ACWI/FINANCE	106	0.9%	2.7%	-17.7%	24.1%	13.47	0.94	3.4%	8.0%
	MSCI ACWI/INF TECH	419	2.3%	6.1%	34.4%	47.5%	29.19	6.40	1.1%	40.7%
	MSCI ACWI/HLTH CARE	306	0.7%	3.4%	10.7%	23.3%	20.06	4.15	1.7%	24.7%
	MSCI ACWI/CONS DIS	350	1.6%	4.9%	26.2%	28.2%	46.41	3.97	0.8%	6.7%
	MSCI ACWI/INDUSTRIL	262	0.4%	2.6%	0.6%	27.2%	30.07	2.73	1.8%	7.3%
	MSCI ACWI/COMM SVC	92	1.9%	4.1%	12.9%	25.1%	22.96	2.99	1.5%	9.7%
	MSCI ACWI/CON STPL	259	0.9%	2.6%	4.4%	22.4%	22.14	3.89	2.6%	19.9%
	MSCI ACWI/ENERGY	121	-0.1%	2.4%	-40.1%	13.9%	81.18	0.91	6.0%	1.9%
	MSCI ACWI/MATERIAL	291	0.2%	3.4%	7.1%	20.8%	21.21	1.90	2.7%	8.1%
	MSCI ACWI /UTILITY	147	0.8%	2.7%	0.9%	22.3%	17.60	1.70	3.6%	10.6%
	MSCI ACWI/REAL EST	998	0.5%	1.4%	-9.4%	24.0%	21.75	1.48	3.5%	9.5%
Key levels										
Gold	XAU-USD X-RATE	1919	-0.3%	0.8%	0.8%	28.5%				
10 Year Yield	US Generic Govt 10 Yr	0.75	-2.8%	2.3%	2.3%	-56.5%				
2 Year Yield	US Generic Govt 2 Yr	0.15	-3.9%	0.1%	0.1%	-90.8%				
Brent	Generic 1st 'CO' Future	41.8	0.1%	-2.1%	-2.1%	-31.0%				

Source: Bloomberg: 9:35 am 13th October 2020

Exhibit: S&P 500 1 Year Performance



Source: Bloomberg 12th October 2020

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