



CIO OFFICE: Equity Market Update 20th August 2020

Developed Markets

- ✓ U.S. stocks dropped after the Federal Reserve tempered optimism about growth in the second half of 2020. The S&P 500 erased gains as the Fed noted the health crisis would “weigh heavily” on economic activity and repeated its view that the path of the recovery would depend on containment of the virus. The S&P 500 Index was down -0.44% on Wednesday.
- ✓ European markets closed higher on Wednesday following new record highs for Wall Street’s main indexes in the previous day. The travel sector came under pressure as several countries in Europe have imposed new travel bans due to a pick-up in coronavirus cases. The Stoxx 600 Index was up +0.65% on Wednesday.

Emerging Markets

- ✓ Chinese stocks ended lower after three consecutive sessions of gains, as investors took profits in healthcare and technology stocks. Stocks also dropped as trade talk delay with the U.S. damped sentiment. The CSI 300 Index was down -1.50% on Wednesday.

GCC

- ✓ The DFM General Index increased for the eighth day, rising +1%. Emirates NBD contributed the most to the index gain and had the largest move, increasing +2.9%. Emaar Properties saw a gain of +1.7%, Emaar Development -1.3% and Emaar Malls -0.7%. Arabtec Holding was the worst performer, decreasing -5%.
- ✓ The Abu Dhabi Securities Market General Index increased by +1.24%. Banks stocks led the market higher with FAB increasing +1.3%, ADCB +4.3% and ADIB +4.5%. AlDar also increased by +3.6%.
- ✓ The Tadawul All Share Index declined slightly by -0.01%. The move follows the previous session's increase of +1.2%. Aramco gained +0.4% along with Al Rajhi Bank, Riyadh Bank and NCB increasing +0.3%, +1.2% and +0.7%. Banque Saudi Fransi contributed the most to the index decline, decreasing -4.1%.
- ✓ DP World announces resilient 1H20 financial results. Revenues reported worth USD 4.08bn (+17.7%yoy) and Net income came in at USD 313mn (-58%yoy). Adjusted EBITDA declined to USD 1.53bn (-4.8%yoy) however excluding Emaar Land sale in 2019 increased (+1.1%yoy) on a like for like basis. Cash from operating activities remained strong at USD 1.12bn (+7.5%yoy).
- ✓ UAE’s Barakah nuclear energy plant has safely connected to the national power grid. The four units will generate up to 25% of the country’s electricity demand. The reactors' power levels will gradually be scaled along with tests until it reaches the full commercial operation output, scheduled for early 2021.

Company News

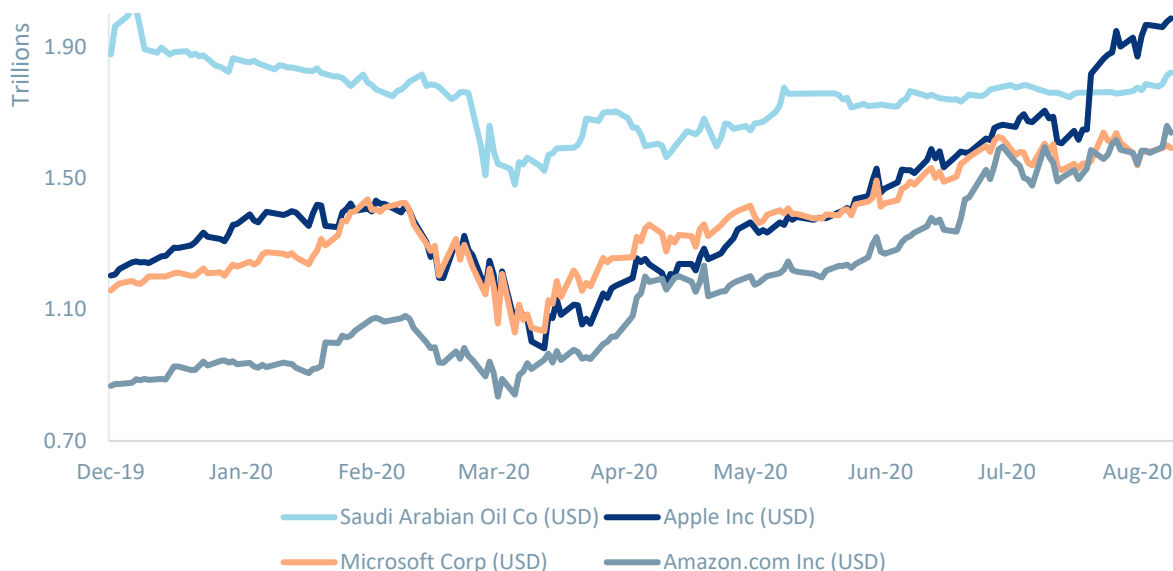
- ✓ **Apple** made Wall Street history on Wednesday as its market value rose over USD 2 tn, the first time a U.S. company has surpassed that level. Apple and Saudi Aramco are the only stocks ever to hit USD 2 tn.
- ✓ **Regeneron Pharmaceuticals** teams with rival **Roche** to help make and distribute REGN-COV2, Regeneron's experimental COVID-19 treatment. If it is approved, the treatment would be distributed by Regeneron in the U.S. and elsewhere in the world by Roche. The partnership could more than triple supplies of the medicine if regulators authorize it, the companies said Wednesday.
- ✓ **Johnson & Johnson** agreed to pay USD 6.5 bn in cash to acquire Momenta Pharmaceuticals Inc., a maker of autoimmune-disease drugs, in the largest pharmaceutical-industry merger this year.

Global Equity Indices

Ticker	Country	Index	Last Price	%1D	%5D	YTD	2019	P/E	P/B	Div. Yield	ROE
Developed Markets											
SPX Index	US	S&P 500 INDEX	3375	-0.4%	-0.2%	5.8%	31.5%	26.11	3.68	1.7%	15.1%
INDU Index	US	DOW JONES INDUS. AVG	27693	-0.3%	-1.0%	-1.5%	25.3%	25.08	3.96	2.3%	19.9%
CCMP Index	US	NASDAQ COMPOSITE INDEX	11146	-0.6%	1.2%	25.1%	36.7%	39.03	5.61	0.8%	33.8%
RTY Index	US	RUSSELL 2000 INDEX	1572	0.1%	-0.7%	-5.0%	25.5%	97.68	1.79	1.2%	169.5%
SXXP Index	Europe	STXE 600 (EUR) Pr	370	0.7%	-1.4%	-9.2%	27.9%	22.26	1.73	2.9%	4.5%
UKX Index	UK	FTSE 100 INDEX	6112	0.6%	-2.7%	-17.0%	17.2%	19.98	1.52	3.6%	2.6%
HSI Index	Hong Kong	HANG SENG INDEX	25179	-0.7%	-0.3%	-8.4%	13.0%	11.85	0.98	3.3%	10.4%
NKY Index	Japan	NIKKEI 225	23111	0.3%	1.2%	-1.2%	20.7%	23.30	1.72	1.8%	7.8%
NDDUWI Index	DM	MSCI DM TR USD	7108	0.2%	0.4%	2.9%	27.7%	24.41	2.55	2.1%	7.8%
Emerging Markets											
SHSZ300 Index	China	CSI 300 INDEX	4741	-1.5%	2.0%	17.9%	39.2%	15.64	1.98	2.0%	10.9%
SENSEX Index	India	S&P BSE SENSEX INDEX	38615	0.2%	0.6%	-5.5%	15.7%	24.43	2.78	1.4%	11.3%
DFMGI Index	UAE	DFM GENERAL INDEX	2247	1.0%	6.2%	-14.4%	14.2%	10.44	0.79	3.1%	7.4%
ADSMI Index	UAE	ADX GENERAL INDEX	4501	1.2%	3.2%	-6.2%	8.4%	17.04	1.30	3.7%	9.3%
SASEIDX Index	KSA	TADAWUL ALL SHARE INDEX	7853	0.0%	2.7%	-4.0%	10.9%	23.63	1.92	3.0%	17.4%
NDUEEGF Index	EM	MSCI EM TR USD	531	0.5%	1.0%	0.7%	18.4%	17.95	1.67	2.3%	9.7%
World Sectors											
MXWD0FN Index		MSCI ACWI/FINANCE	105	-0.3%	-1.6%	-18.4%	24.1%	13.63	0.96	3.4%	9.2%
MXWD0IT Index		MSCI ACWI/INF TECH	389	0.3%	1.1%	24.8%	47.5%	28.62	5.97	1.2%	23.7%
MXWD0HC Index		MSCI ACWI/HLTH CARE	302	0.1%	0.4%	8.9%	23.3%	19.73	4.12	1.8%	23.5%
MXWD0CD Index		MSCI ACWI/CONS DIS	328	1.2%	2.7%	18.1%	28.2%	45.57	3.78	0.9%	6.1%
MXWD0IN Index		MSCI ACWI/INDUSTR	251	-0.1%	-0.5%	-3.7%	27.2%	28.01	2.66	1.9%	7.8%
MXWD0TC Index		MSCI ACWI/COMM SVC	90	1.0%	1.1%	10.1%	25.1%	23.21	2.94	1.5%	9.5%
MXWD0CS Index		MSCI ACWI/CON STPL	254	0.4%	0.7%	2.3%	22.4%	21.99	3.88	2.7%	29.4%
MXWD0EN Index		MSCI ACWI/ENERGY	139	-0.8%	-2.8%	-31.5%	13.9%	84.76	1.03	5.3%	1.6%
MXWD0MT Index		MSCI ACWI/MATERIAL	284	0.1%	1.0%	4.1%	20.8%	21.53	1.79	2.6%	7.3%
MXWD0UT Index		MSCI ACWI/UTILITY	142	-0.4%	-1.7%	-3.1%	22.3%	16.99	1.64	3.8%	10.5%
MXWD0RL Index		MSCI ACWI/REAL EST	984	-0.1%	-0.2%	-11.1%	24.0%	21.32	1.42	3.6%	9.6%
Key Levels											
XAUUSD CMPL Cur Gold		XAU-USD X-RATE	1937	-1.4%	-0.9%	-0.9%	28.7%				
USGG10YR Index	10 Year Yield	US Generic Govt 10 Yr	0.68	2.2%	1.3%	1.3%	-57.5%				
USGG2YR Index	2 Year Yield	US Generic Govt 2 Yr	0.14	0.0%	-11.1%	-11.1%	-90.7%				
CO1 Comdty	Brent	Generic 1st 'CO' Future	45.3	-0.4%	-0.4%	-0.4%	-24.2%				

Source: Bloomberg; 12:15 am 20th August 2020

Exhibit: Apple's market capitalization is over USD 2 trillion



Source: Bloomberg 19th August 2020

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