



CIO OFFICE: Equity Market Update 23rd June 2020

Developed Markets

- ✓ U.S. stocks rose, with the technology sector leading the advance as investors continued to bet on companies with strong balance sheets and better prospects in an economy where work-from-home remains part of the norm. The S&P 500 was up +0.65%. Some sectors are still under pressure as investors weighed the economic impact of the virus flare-ups in some states.
- ✓ The Nasdaq Composite rose 1.11%, with Adobe, Amazon and Square ending at all-time highs. The Nasdaq capped a seventh straight advance in its longest rally of the year.
- ✓ Equity markets have steadied in recent weeks and the S&P 500 index is within 10% of its pre-pandemic peak. Risk appetite is being supported by historic stimulus programs by central banks around the world.
- ✓ European stocks slumped as growing concerns over a rise in infections in Germany. The Stoxx 600 index declined by 0.70%.

Emerging Markets

- ✓ Asian equities were mixed as investors kept an eye on recent coronavirus flare-ups in the U.S. and Beijing. The Shanghai Shenzhen CSI 300 index was almost flat on Monday, +0.08%. Asian markets saw similar weakness at the start today but are all now trading higher after the clarification, that the US china trade deal is still intact.
- ✓ Oil ticking lower this morning after overnight rally saw Brent close at fresh multi-month highs boosted by lower U.S. and Canadian oil rig count.

GCC

- ✓ The Dubai Index ended +1.56%. Emirates NBD Bank contributed the most to the index gain. Air Arabia had the largest percentage increase +5.3% due to government restrictions being lifted on tourism by 7th of July. EMAAR Malls and EMAAR Dev ended +3.85% and +2.39%. Emaar Properties GA will consider distribution of interim dividend. The Abu Dhabi Index closed +0.3%.
- ✓ DP World PLC has engaged banks for a possible issuance of Dollar denominated perpetual Sukuk and Euro hybrid bonds.

Company News

- ✓ **BP** will take a hit of up to USD 17.5bn (EUR 14bn) from writedowns and impairment charges in the second quarter, making it the biggest writedown in a decade on the value of its business as the British oil major predicts the coronavirus pandemic will hurt long-term demand and accelerate the shift to cleaner energy. BP's stock price is down -30.1% YTD.
- ✓ **SoftBank** has completed its USD 4.7bn buyback program in just three months as the Japanese company spends to bolster its share price against losses in the investment business. The company is also preparing to part with some of its stake, USD 20bn in T-Mobile as part of a wider strategy to sell USD 41bn (EUR 32bn) of assets and fund a share-buyback program. Softbank's stock price is up +16.5% YTD.
- ✓ **Nokia** gets about a 10% share of China Unicom's 5G core network. The deal includes multiple Nokia software, ION products, including unified data management, user plane, and session management functions. Nokia's stock price is up +16.5% YTD.
- ✓ **Microsoft's** Xbox unit will shut down its Mixer video-game streaming service after failing to attract a large global user base and will recommend players and audiences shift to **Facebook's** streaming site. Microsoft's stock is up 30.0% YTD.

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	3112	0.5%	1.5%	-2.7%	31.5%	24.96	3.41	1.9%	14.6%
INDU Index	US	DOW JONES INDUS. AVG	26025	0.6%	1.0%	-7.7%	25.3%	23.86	3.75	2.4%	20.5%
CCMP Index	US	NASDAQ COMPOSITE INDEX	10056	1.1%	3.4%	12.7%	36.7%	37.23	5.27	0.9%	31.9%
RTY Index	US	RUSSELL 2000 INDEX	1431	0.8%	0.8%	-13.7%	25.5%	86.38	1.87	1.2%	238.9%
SXXP Index	Europe	STXE 600 (EUR) Pr	363	-0.8%	2.7%	-11.2%	27.9%	20.94	1.65	3.1%	4.5%
UKX Index	UK	FTSE 100 INDEX	6245	-0.8%	3.0%	-15.8%	17.2%	19.06	1.47	3.9%	3.4%
HSI Index	Hong Kong	HANG SENG INDEX	24511	-0.5%	3.1%	-11.6%	13.0%	11.45	0.96	3.4%	10.4%
NKY Index	Japan	NIKKEI 225	22437	-0.2%	4.2%	-4.2%	20.7%	21.71	1.65	1.9%	7.4%
NDUWI Index	DM	MSCI DM TR USD	6529	-0.3%	1.7%	-5.5%	27.7%	23.00	2.37	2.2%	7.6%
Emerging Markets											
SHSZ300 Index	China	CSI 300 INDEX	4102	0.1%	3.7%	0.9%	39.2%	13.40	1.71	2.3%	10.9%
SENSEX Index	India	S&P BSE SENSEX INDEX	34911	0.5%	5.1%	-15.0%	15.7%	20.62	2.42	1.6%	11.7%
DFMGI Index	UAE	DFM GENERAL INDEX	2091	1.6%	1.9%	-20.7%	14.2%	9.79	0.72	3.1%	6.9%
ADSMI Index	UAE	ADX GENERAL INDEX	4347	0.3%	1.9%	-9.6%	8.4%	16.11	1.30	4.1%	#VALUE!
SASEIDX Index	KSA	TADAWUL ALL SHARE INDEX	7260	-1.2%	0.0%	-11.6%	10.9%	21.35	1.88	3.1%	17.1%
NDUEEGF Index	EM	MSCI EM TR USD	478	0.6%	3.7%	-9.4%	18.4%	16.08	1.52	2.5%	9.9%
World Sectors											
MXWD0FN Index		MSCI ACWI/FINANCE	102	-0.4%	0.8%	-21.7%	24.1%	13.45	0.93	3.6%	9.4%
MXWD0IT Index		MSCI ACWI/INF TECH	344	-0.4%	2.6%	10.0%	47.5%	26.41	5.57	1.3%	23.0%
MXWD0HC Index		MSCI ACWI/HLTH CARE	287	1.0%	3.5%	3.3%	23.3%	19.53	4.02	1.8%	21.4%
MXWD0CD Index		MSCI ACWI/CONS DIS	281	-0.3%	2.1%	1.1%	28.2%	39.71	3.29	1.1%	7.0%
MXWD0IN Index		MSCI ACWI/INDUSTR	228	-0.6%	1.4%	-12.7%	27.2%	24.31	2.42	2.1%	8.3%
MXWD0TC Index		MSCI ACWI/COMM SVC	83	-0.1%	2.2%	1.5%	25.1%	21.74	2.77	1.6%	9.9%
MXWD0CS Index		MSCI ACWI/CON STPL	238	0.1%	2.4%	-4.6%	22.4%	21.04	3.73	2.8%	19.5%
MXWD0EN Index		MSCI ACWI/ENERGY	141	-0.4%	0.8%	-31.3%	13.9%	63.17	1.02	5.5%	2.4%
MXWD0MT Index		MSCI ACWI/MATERIAL	250	0.0%	1.8%	-8.9%	20.8%	20.56	1.59	2.9%	7.6%
MXWD0UT Index		MSCI ACWI/UTILITY	135	-1.4%	-0.5%	-8.2%	22.3%	16.18	1.58	3.9%	10.6%
MXWD0RL Index		MSCI ACWI/REAL EST	965	-0.9%	0.0%	-13.3%	24.0%	20.28	1.36	3.7%	9.5%
Key Levels											
XAUUSD CMPL Curr	Gold	XAU-USD X-RATE	1756	0.1%	1.6%	1.6%	24.1%				
USGG10YR Index	10 Year Yield	US Generic Govt 10 Yr	0.70	1.2%	-2.7%	-2.7%	-65.8%				
USGG2YR Index	2 Year Yield	US Generic Govt 2 Yr	0.19	2.3%	0.4%	0.4%	-89.3%				
CO1 Comdty	Brent	Generic 1st 'CO' Future	43.1	2.2%	8.5%	8.5%	-33.9%				

Source: Bloomberg; 12:05 am 23rd June 2020

Exhibit: A high for the Biotech Index reflects investor interest in the healthcare sector on cure/ vaccines



Source: Bloomberg 20th June 2020

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