

Global Overview

• US equities closed higher amid seasonally low trading volumes with the S&P 500 at +0.7%, the Dow Jones at +0.6%, the Nasdaq at +0.8% while small caps outperformed with the Russell 2000 at +1.4%. Investor sentiment was mainly driven by political news which included i) optimism from reports that White House and Congressional leaders are making significant progress towards a tax-reform proposal, ii) concerns from US President Trump threats to allow a government shutdown if funding for a wall along the US-Mexico border is not approved and iii) worries over US government funding requiring Congress to raise the debt ceiling. Equities reacted favorably to US Fed Yellen and ECB Draghi speeches at the Jackson Hole Symposium which did not include guidance on monetary policy

• 2-year US Treasury yields closed higher while 10-year and 30-year yields were lower amid mixed US economic data as manufacturing and housing data disappointed while durable goods (ex transportation) and services PMI exceeded expectations. Investors further postponed their Fed interest rate hike expectations as US Fed Yellen’s speech at the Jackson Hole Symposium made no mention of monetary policy (FF pricing a 59% interest rate hike in June 2018 and 64% in September 2018). US Dollar Index weakened and gold traded slightly higher on geopolitical concerns and dovish Yellen at Jackson Hole

• WTI crude oil closed lower on concerns around weaker energy demand resulting from Hurricane Harvey as well as a slightly lower-than-expected decline in US crude inventories

• European equities closed flat and 10-year Bunds rallied on cautious sentiment throughout the week ahead of central bankers’ speeches at the Jackson Hole Symposium. EUR/USD reached its highest level since January 2015 as ECB Draghi did not voice any concern about the appreciation of the euro during his speech at Jackson Hole Symposium and indicated that global economic recovery is improving. UK equities closed higher with the FTSE 100 at +1.1% as UK Q2/17 GDP came in line with expectations

• Japanese equities edged lower with the Nikkei 225 at -0.1% despite stronger USD/JPY

• Chinese equities closed higher with the Shanghai Composite at +1.9%. Emerging markets outperformed with the MSCI EM at +2.4%

• MENA equities closed higher with the S&P Pan Arab Composite at +0.5% with gains in Saudi and Dubai markets on higher oil price earlier in the week

Previous Week Macro Data	Actual	Cons.
EU ZEW survey economic sentiment (Aug)	29.3	34.2
JPY Nikkei manufacturing PMI (Aug)	52.8	52.3
EU Markit PMI composite (Aug)	55.8	55.5
US Markit PMI composite (Aug)	56.0	-
US New home sales (MoM) (Jul)	0.57M	0.61M
EU Consumer confidence (Aug)	-1.5	-1.8
US EIA crude oil stocks change (Aug 18)	-3.3M	-3.4M
JPY Coincident index (Jun)	117.1	-
UK GDP (YoY) (Q2)	1.7%	1.7%
US Initial jobless claims (Aug 14)	234K	238K
US Existing home sales (MoM) (Jul)	5.44M	5.57M
JPY Core CPI (YoY) (Jul)	0.1%	0.1%
US Durable goods orders (Jul)	-6.8%	-6.0%
US Durable goods orders ex transportation (Jul)	0.5%	0.4%
US Baker Hughes oil rig count	759	-

Date	Upcoming Week Key Earnings
28-Aug	China Petrol & Chemical, Surgutneftegaz, China Eastern Airlines, Mobile TeleSystems
29-Aug	Bank of Nova Scotia, Bank of Montreal, POSCO, Best Buy, China Southern Airlines, H&R Block
30-Aug	Analog Devices, Ctrip, Workday, Brown Forman, Keysight Technologies
31-Aug	TDB, Dollar General, Campbell Soup, Palo Alto Networks, Cooper, lululemon athletica

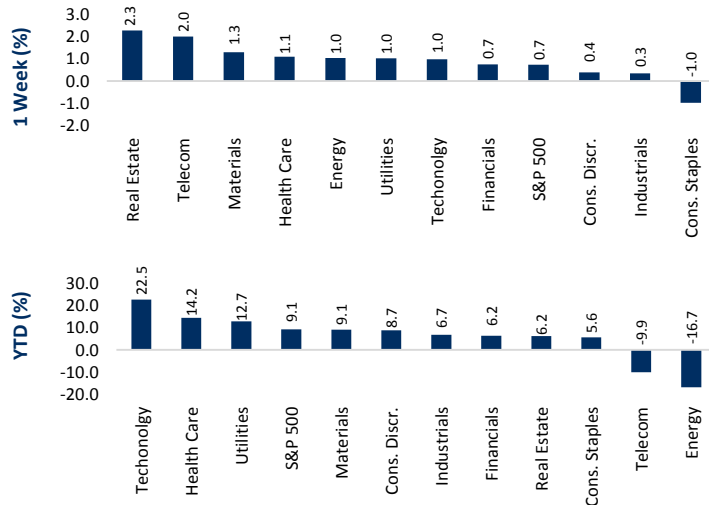
Date	Upcoming Week Macro Data	Cons.	Prior
28-Aug	US Wholesale inventories (Jul)	0.3%	0.7%
28-Aug	JPY Unemployment rate (Jul)	2.8%	2.8%
30-Aug	EU Consumer confidence (Aug)	-1.5	-1.5
30-Aug	US ADP employment change (Aug)	178K	178K
30-Aug	US Core PCE (QoQ) (Q2)	0.9%	0.9%
30-Aug	US GDP (Q2)	2.7%	2.6%
30-Aug	US EIA Crude oil stocks change (Aug 25)	-	-3.3M
30-Aug	UK Gfk consumer confidence (Aug)	-13.0	-12.0
30-Aug	JPY Industrial production (YoY) (Jul)	-	5.5%
31-Aug	CNY NBS manufacturing PMI (Aug)	51.3	51.4
31-Aug	EU Unemployment rate (Jul)	9.1%	9.1%
31-Aug	EU Core CPI (YoY) (Aug)	1.2%	1.3%
31-Aug	US Core PCE (YoY) (Jul)	-	1.5%
31-Aug	US Personal income (MoM) (Jul)	0.3%	0.0%
31-Aug	US Personal spending (MoM) (Jul)	0.4%	0.1%
31-Aug	US Initial jobless claims (Aug 25)	237K	234K
01-Sep	JPY Nikkei manufacturing PMI (Aug)	-	52.8
01-Sep	EU Markit PMI composite (Aug)	-	55.8
01-Sep	UK Markit manufacturing PMI (Aug)	55.0	55.1
01-Sep	US Nonfarm payrolls (Aug)	180K	209K
01-Sep	US Unemployment rate (Aug)	4.3%	4.3%
01-Sep	US Average hourly earnings (YoY) (Aug)	-	2.5%
01-Sep	US Michigan cons. sentiment index (Aug)	97.1	97.6
01-Sep	US ISM manufacturing PMI (Aug)	56.6	56.3
01-Sep	US Baker Hughes oil rig count	-	759

Date	Upcoming Policy & Related Events
30-Aug	UK BoE inflation report hearings, US Fed Powell
01-Sep	EU ECB Constâncio, US Fed bank stress test info

Equities	Value	1 Day %	1 Week %	YTD %	P/E	Div. Yld. %
S&P 500	2,443.05	0.17	▲ 0.72	▲ 9.12	20.50	2.03
Dow Jones	21,813.67	0.14	▲ 0.64	▲ 10.38	18.65	2.39
NASDAQ	6,265.64	-0.09	▲ 0.79	▲ 16.39	23.87	1.11
Russell 2000	1,377.45	0.26	▲ 1.45	▲ 1.50	20.14	1.25
STOXX 600	374.07	-0.12	▼ -0.03	▲ 3.50	17.68	3.45
FTSE 100	7,401.46	-0.08	▲ 1.06	▲ 3.62	22.24	4.19
Nikkei 225	19,452.61	0.51	▼ -0.09	▲ 1.76	16.99	1.93
Shanghai Comp.	3,331.52	1.83	▲ 1.92	▲ 8.25	16.53	1.96
S&P Pan Arab	691.80	-0.25	▲ 0.50	▲ 1.19	13.12	5.22
MSCI ACWI	1,927.80	0.43	▲ 0.58	▲ 14.48	17.28	3.24
MSCI EM	1,085.37	0.27	▲ 2.44	▲ 25.87	15.20	2.59

Credit	Value	1 Week %	YTD %	Yield %
Barclays Global Aggregate	483.55	▲ 0.38	▲ 7.13	1.52
Barclays Global Agg. – Corporate	250.32	▲ 0.18	▲ 4.51	2.43
Barclays Global High Yield	1,285.45	▲ 0.49	▲ 8.38	5.25
Markit CDX N.A. Investment Grade	59.83	▼ -4.02	NA	NA
Markit CDX N.A. High Yield (price)	106.91	▲ 0.42	NA	NA
Markit CDX EM (price)	96.25	▲ 0.28	NA	NA
Markit iTraxx ITX Crossover	116.25	▼ -4.60	NA	NA
Markit iTraxx Europe	25.25	▼ -6.58	NA	NA

S&P 500 Sector



Rates	Value	1 Week %	YTD %	Yield %
Treasuries 2-Yr	100.07	▼ -0.05	▼ -0.04	1.33
Treasuries 10-Yr	100.74	▲ 0.25	▲ 4.81	2.17
Treasuries 30-Yr	100.05	▲ 0.60	▲ 3.92	2.75
Gilts 10-Yr	131.07	▲ 0.27	▲ 1.10	1.05
Bunds 10-Yr	101.19	▲ 0.34	▲ 3.19	0.39
French 10-Yr	102.88	▲ 0.15	▲ 7.30	0.70
Italian 10-Yr	101.02	▼ -0.57	▲ 6.34	2.11
Spanish 10-Yr	98.68	▼ -0.39	▼ -0.59	1.61
JGBs 10-Yr	100.87	▲ 0.16	▲ 0.28	0.01

Volatility	Value	1 Week %	YTD %
S&P 500 VIX	11.28	▼ -20.90	▼ -19.66
Stoxx 50 VIX	15.33	▼ -12.79	▼ -15.43
EM VIX	16.43	▼ -17.06	▼ -26.42
Interest rate VIX	74.16	▲ 0.27	▼ -16.60
Deutsche Bank FX VIX	7.93	▼ -1.73	▼ -7.25
Crude Oil VIX	29.04	▲ 2.83	▼ -1.53

Investment Style

	Value	Blend	Growth
1 Week (%)			
Large	0.7	0.7	0.7
Mid	1.3	1.0	0.7
Small	1.4	1.1	0.9
YTD (%)			
Large	2.9	9.1	14.6
Mid	-0.1	2.9	5.7
Small	-3.5	-1.2	0.9

Commodities	Value	1 Week %	YTD %
Oil-Brent	52.41	▼ -0.59	▼ -7.76
Oil-WTI	47.87	▼ -1.62	▼ -10.89
Natural Gas	2.89	▼ -0.03	▼ -22.34
Gold	1,297.90	▲ 0.49	▲ 12.69
Silver	17.13	▲ 0.26	▲ 7.15
Copper	305.65	▲ 3.21	▲ 21.99
S&P GSCI	379.06	▼ -0.43	▼ -4.81

Currencies	Value	1 Week %	YTD %
EUR-USD	1.1924	▲ 1.39	▲ 13.38
GBP-USD	1.2882	▲ 0.09	▲ 4.39
USD-JPY	109.3600	▲ 0.16	▼ -6.50
USD-CNY	6.6465	▼ -0.36	▼ -4.30
USD-CHF	0.9570	▼ -0.79	▼ -6.08
AUD-USD	0.7932	▲ 0.04	▲ 10.04
USD-CAD	1.2481	▼ -0.83	▼ -7.14
USD-SEK	7.9644	▼ -1.87	▼ -12.54
DXY Index	92.7400	▼ -0.74	▼ -9.27

FFA Equity Ideas

For equity ideas or price quotes, please contact us, +961 1 985195

FFA Fixed Income Ideas

For fixed income ideas or price quotes, please contact our fixed income desk, +961 1 985225

Source: Reuters, Bloomberg, Barclays, Morningstar, WSI, CNBC, Briefing, FXStreet.

Contacts

Head of Research: Anna Maria Charaoui

a.charaoui@ffaprivatebank.com

+961 1 985195

Analyst: Nadine Mezher

n.mezher@ffaprivatebank.com

+961 1 985195

Sales and Trading, FFA Private Bank (Beirut)

+961 1 985225

Sales and Trading, FFA Dubai Ltd (DIFC)

+971 4 3230300

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FFA Private Bank s.a.l.

One FFA Gate - Marfaa 128 - Foch Street

Beirut Central District

PO Box 90-1283 - Beirut - Lebanon

Tel: +961.1.985 195

Fax: +961.1.985 193

<http://www.ffaprivatebank.com>

FFA Dubai Ltd

Building 5 – Office 410

Gate Precinct

Dubai International Financial Centre (DIFC)

PO Box 506567 - Dubai - UAE

Tel: +971.4.363 74 70

Fax: +971.4.363 74 71

<http://www.ffadubai.com>