

**Global Overview:** Despite a relief rally on Friday, US markets closed lower for a second consecutive week, with the Dow at -1.4%, the S&P at -0.8% and the Nasdaq at -0.6% on ongoing global growth concerns, widening credit spreads and lower oil, despite efforts from Fed Chair Janet Yellen, during her semiannual testimony to Washington, reassuring that the Fed remains data dependent and closely monitoring global and financial developments, with probability of a US rate hike now pushed into late 2017 or 2018. Equities traded higher on Friday supported by a rally in oil and higher than expected retail sales, after a selloff earlier in the week despite upbeat macro data with higher job openings, lower initial jobless claims along with corporate earnings exceeding previous quarters, with 381 S&P 500 companies reporting, 76%/48% topping earnings/sales estimates. US yield curve flattened and 10-year Treasury yields reached 1.53%, an August 2012 low, while safe-haven gold, Yen and Euro rose. European equities also traded lower with the Stoxx 600 at -4.1% and the FTSE at -2.4%, as banks hit multi-year lows, bank CDS reached crisis levels also driving worries over alt Tier1 capital including contingent convertible bonds, despite bank CEOs attempts at reassuring markets. Oil fell sharply beginning of the week but rallied on Friday on talks of possible coordinated production cuts, sending prices nearly +12% higher. Japanese equities witnessed their worst week since 2008, on stronger Yen impacting corporate earnings and BoJ's negative interest rate policy affecting banks' profitability. Chinese stock markets were closed last week for the Lunar New Year holiday. Important US macro data on a holiday-shortened week include NAHB housing market index, housing starts, building permits, industrial production, initial jobless claims, Philadelphia Fed manufacturing survey, EIA crude oil change, CPI and Baker Hughes oil rig count. Other macro data include EU trade balance, EU ZEW survey – economic sentiment, EU consumer confidence, UK core CPI, UK ILO unemployment rate, CNY trade balance, CNY CPI and JPY industrial production. Earnings season to continue with 54 S&P 500 companies set to report such as Orange, T-Mobile, Wal-Mart and Deere & Company among others.

**Previous Week Macro Data**

	Actual	Cons.
EU Sentix investor confidence (Feb)	6.0	7.6
US Labor market conditions index (Jan)	0.4	2.0
US JOLTS job openings (Dec)	5.60M	5.41M
UK NIESR GDP estimate (3M) (Jan)	0.4%	-
US EIA crude oil Δ (Feb 5)	-0.75M	3.65M
US Initial jobless claims (Feb 5)	269K	280K
EU GDP (YoY) (Q4)	1.5%	1.5%
EU Industrial production (YoY) (Dec)	-1.3%	0.7%
US Retail sales (MoM) (Jan)	0.2%	0.1%
US Baker Hughes oil rig count	439	-

**Upcoming Week Macro Data**

	Cons.	Prior
M CNY Trade balance USD (Jan)	\$60.6B	\$60.9B
M JPY Industrial production (YoY) (Dec)	-	-1.6%
M EU Trade balance s.a. (Dec)	€22.0B	€22.7B
T UK Core CPI (YoY) (Jan)	1.3%	1.4%
T EU ZEW survey – econ. sentiment (Feb)	-	22.7
T US NAHB housing market index (Feb)	60	60
W UK ILO unemployment rate (3M) (Dec)	5.0%	5.1%
W US Housing starts (MoM) (Jan)	1.17M	1.15M
W US Building permits (MoM) (Jan)	1.20M	1.23M
W US Industrial production (MoM) (Jan)	0.4%	-0.4%
Th CNY CPI (YoY) (Jan)	1.9%	1.6%
Th US Initial jobless claims (Feb 12)	275K	269K
Th US Philadelphia Fed manuf. survey (Feb)	-3.0	-3.5
Th US EIA crude oil Δ (Feb 12)	-	-0.75M
F US CPI (YoY) (Jan)	1.3%	0.7%
F EU Consumer confidence (Feb)	-6.6	-6.3
F US Baker Hughes oil rig count	-	439

**Upcoming Week Key Earnings**

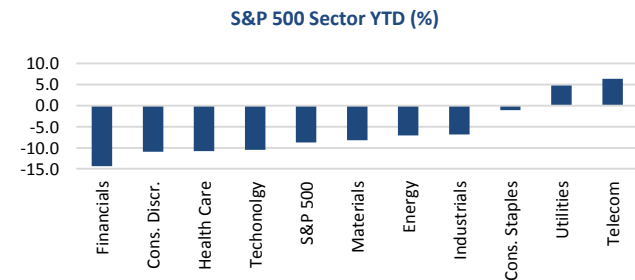
- T Express Scripts, Hormel Foods, Orange
- W Priceline Group, T-Mobile, Enbridge
- Th Wal-Mart, Duke Energy, Nestlé
- F Deere & Company, V.F Corporation, Allianz

**Upcoming Week Policy & Related Events**

- M EU ECB Draghi speech
- W US Fed Rosengren speech, EU non-monetary policy meeting, US FOMC minutes
- Th EU Council meeting, US Fed Bullard and Williams speeches, JPY BoJ Ishida speech, EU ECB monetary policy meeting
- F EU Council meeting, US FOMC Mester speech

Equities	Value	1 Week %	YTD %	EPS %	P/E	Div. Yld. %
S&P 500	1,864.8	-0.81	-8.8	9.4	16.5	2.5
Dow Jones	15,973.8	-1.43	-8.3	0.1	14.5	3.0
NASDAQ	4,337.5	-0.59	-13.4	16.1	18.7	1.4
Russell 2000	972.0	-1.38	-14.4	13.5	16.6	2.0
STOXX 600	312.4	-4.14	-14.6	12.7	15.6	4.1
FTSE 100	5,707.6	-2.40	-8.6	13.6	16.9	4.6
NIKKEI 225	16,022.6	-4.74	-15.8	3.4	16.1	2.0
Shanghai Index	2,746.2	-0.63	-22.4	16.7	12.8	2.5
S&P Pan Arab	574.5	-4.17	-12.8	5.4	10.1	4.8
MSCI ACWI	1,492.4	-4.74	-13.0	6.2	14.1	3.9
MSCI EM	711.2	-3.84	-10.4	-5.3	9.8	3.3

Fixed Income	Value	Yield %	YTD %
Barclays Global Aggregate	457.2	1.5	3.4
Barclays Global Agg. – Corporate	229.5	3.1	0.8
Barclays Global High Yield	1,004.1	9.2	-3.3
Markit CDX N.A. Investment Grade	121.8	NA	NA
Markit CDX N.A. High Yield	97.1	NA	NA
Markit iTraxx Europe	108.4	NA	NA
Markit iTraxx ITX Crossover	366.6	NA	NA



Rates	Value	Yield %
Treasuries 2-Yr	100.1	0.72
Treasuries 10-Yr	98.9	1.75
Treasuries 30-Yr	97.8	2.60
Gilts 10-Yr	105.2	1.41
Bunds 10-Yr	102.0	0.29
French 10-Yr	103.1	0.68
Italian 10-Yr	103.6	1.61
Spanish 10-Yr	104.1	1.69
Greek 10-Yr	55.0	11.27
JGBs 10-Yr	102.0	0.09

Volatility	Value	YTD %
S&P 500 VIX	25.4	39.5
Euro Stoxx 50 VIX	35.7	60.9
Crude Oil VIX	84.0	81.6
Interest Rate VIX	86.4	5.6

**Investment Style YTD (%)**

	Value	Blend	Growth
Large	-7.8	-8.8	-9.6
Mid	-9.0	-9.8	-10.6
Small	-9.8	-10.9	-11.9

Commodities	Value	YTD %
Oil-Brent	33.3	-10.8
Oil-WTI	29.3	-20.9
Natural Gas	2.0	-16.1
Gold	1,214.4	14.4
Silver	15.3	10.6
Copper	207.6	-2.8
S&P GSCI	295.0	-5.4

Currencies	Value	YTD %
EUR-USD	1.1205	3.2
GBP-USD	1.4521	-1.5
USD-JPY	113.9000	-5.5
USD-CHF	0.9809	-2.2
AUD-USD	0.7158	-1.8
USD-CAD	1.3809	0.2
USD-SEK	8.4358	0.1
Dollar Index	96.2430	-2.4

**FFA Equity Ideas**

- ARM Holdings plc (ARM)
- Airbus (AIR)
- Suncor (SU)
- Siemens (SIE)
- Commercial International Bank (COMI)

**FFA Fixed Income Ideas**

For fixed income ideas or price quotes, please contact our fixed income desk

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

## Contacts

### Head of Research: Nadim Kabbara, CFA

n.kabbara@ffaprivatebank.com +961 1 985195

### Analyst: Racha Saadeh Chehab

r.chehab@ffaprivatebank.com +961 1 985195

### Analyst: Anna Maria Chaaraoui

a.chaaraoui@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 No 7 - Level 1  
Gate Village  
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>