

Global Overview: US markets ended positively for a second-straight week, pushing aside worries from China and energy, with the Dow at +1.5%, the S&P at +1.6% and the Nasdaq at +1.9% encouraged by i) improving macro data with an increase in durable goods orders, Q4 GDP revised at +1.0% vs. estimates at +0.4%, higher than expected personal income and spending, despite weaker consumer confidence, and ii) higher oil prices holding above the USD 30 handle. Equities ended mixed on Friday likely driven by stronger than expected core PCE at +1.7% vs. estimate of +1.5%, increasing expectations for interest rate hikes in 2016 (FF now pricing in a 35% rate hike by June 2016). Improvement in risk sentiment capped safe haven gold and treasuries, while Euro traded lower ahead of ECB and as GBP fell to a seven year low on Brexit fears. European equities also traded higher with the Stoxx 600 at +1.6% and the FTSE at +2.5%, lifted by further likely monetary easing during ECB March 10 meeting validated by strength in banking, energy and metals/mining sectors, despite lackluster macro data with German IFO declining for the third consecutive month and flash services and manufacturing PMIs printing weaker than expected. Oil rebounded on confirmation of a March meeting between major producers and news of project delays and job cuts, despite bearish comments from Saudi and Iranian counterparts and against a rise in US crude inventories. Japanese equities rose for the week as the Yen halted its slide vs. US Dollar, benefiting exporters. Chinese equities fell sharply as investors worried about market liquidity in the financial system, while Central Bank maintained efforts at stabilizing the Yuan. Important US macro data this week include Chicago PMI, Dallas Fed manufacturing survey, ISM manufacturing PMI, ADP employment change, EIA crude oil change, initial jobless claims, ISM non-manufacturing PMI, factory orders, unemployment rate and nonfarm payrolls. Other macro data include EU Core CPI, EU Markit manufacturing PMI, EU unemployment rate, EU Markit PMI composite, JPY unemployment rate, JPY Markit manufacturing PMI, CNY non-manufacturing PMI, CNY NBS manufacturing PMI, UK Markit manufacturing PMI and UK consumer inflation expectations. Earnings season to continue with reports from Barclays, Costco, Broadcom and HP among others.

Previous Week Macro Data

	Actual	Cons.
EU Markit composite PMI (Feb)	52.7	53.3
US Markit manufacturing PMI (Feb)	51.0	52.0
EU IFO Germany – business climate (Feb)	105.7	106.7
US Consumer confidence (Feb)	92.2	97.7
US EIA crude oil Δ (Feb 19)	3.50M	3.33M
US Initial jobless claims (Feb 19)	272K	270K
US Durable goods orders (Jan)	4.9%	2.9%
US GDP annualized (Q4)	1.0%	0.4%
US Core PCE – price index (YoY) (Jan)	1.7%	1.5%
US Personal spending (Jan)	0.5%	0.3%
US Personal income (MoM) (Jan)	0.5%	0.4%

Upcoming Week Macro Data

	Cons.	Prior
M EU Core CPI (YoY) (Feb)	0.9%	1.0%
M US Chicago PMI (Feb)	52.5	55.6
M US Dallas Fed manufacturing survey (Feb)	-30.0	-34.6
M JPY Unemployment rate (Jan)	3.3%	3.3%
M JPY Markit manufacturing PMI	-	-
T CNY Non-manufacturing PMI (Feb)	-	53.5
T CNY NBS manufacturing PMI (Feb)	49.3	49.4
T EU Markit manufacturing PMI (Feb)	51.0	51.0
T UK Markit manufacturing PMI (Feb)	52.3	52.9
T EU Unemployment rate (Jan)	10.4%	10.4%
T US ISM manufacturing PMI (Feb)	48.5	48.2
W US ADP employment change (Feb)	185K	205K
W US EIA crude oil Δ (Feb 26)	-	3.50M
Th EU Markit PMI composite (Feb)	52.7	52.7
Th US Initial jobless claims (Feb 26)	270K	272K
Th US ISM non-manufacturing PMI (Feb)	52.3	53.5
Th US Factory orders (MoM) (Jan)	0.8%	-2.9%
F UK Consumer inflation expectations	-	2.0%
F US Unemployment rate (Feb)	4.9%	4.9%
F US Nonfarm payrolls (Feb)	195K	151K

Upcoming Week Key Earnings

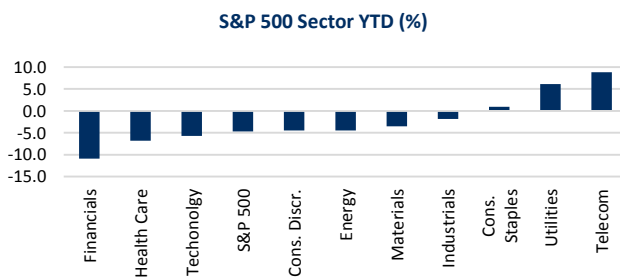
T Medtronic, Bank of Nova Scotia, Barclays
W Costco
Th Kroger, Broadcom, HP

Upcoming Week Policy & Related Events

M EU ECB Lautenschlaeger and Coeure
T US Fed Williams
W US Fed Beige Book

Equities	Value	1 Week %	YTD %	EPS %	P/E	Div. Yld. %
S&P 500	1,948.1	1.58	-4.7	8.8	17.2	2.4
Dow Jones	16,640.0	1.51	-4.5	-0.1	15.1	2.8
NASDAQ	4,590.5	1.91	-8.3	14.6	19.6	1.3
Russell 2000	1,037.2	2.69	-8.7	12.8	18.0	1.8
STOXX 600	331.5	1.58	-9.4	12.6	16.6	3.9
FTSE 100	6,096.0	2.45	-2.3	16.8	18.4	4.5
NIKKEI 225	16,026.8	0.37	-15.8	2.0	16.0	2.0
Shanghai Index	2,688.0	-6.02	-24.1	15.1	12.5	2.5
S&P Pan Arab	610.0	2.13	-7.4	6.5	10.9	6.1
MSCI ACWI	1,558.1	0.07	-9.2	6.0	15.0	3.6
MSCI EM	740.0	-0.13	-6.8	-7.9	10.3	3.1

Fixed Income	Value	Yield %	YTD %
Barclays Global Aggregate	454.8	1.5	2.9
Barclays Global Agg. – Corporate	229.2	3.0	0.7
Barclays Global High Yield	1,025.5	8.6	-1.2
Markit CDX N.A. Investment Grade	110.2	NA	NA
Markit CDX N.A. High Yield	98.8	NA	NA
Markit iTraxx Europe	92.6	NA	NA
Markit iTraxx ITX Crossover	366.5	NA	NA



Rates	Value	Yield %
Treasuries 2-Yr	99.9	0.79
Treasuries 10-Yr	99.0	1.74
Treasuries 30-Yr	97.6	2.62
Gilts 10-Yr	105.4	1.40
Bunds 10-Yr	103.5	0.14
French 10-Yr	104.8	0.50
Italian 10-Yr	104.8	1.47
Spanish 10-Yr	105.1	1.57
Greek 10-Yr	59.4	10.24
JGBs 10-Yr	103.7	-0.07

Volatility	Value	YTD %
S&P 500 VIX	19.8	8.8
Euro Stoxx 50 VIX	29.3	32.0
Crude Oil VIX	61.4	32.8
Interest Rate VIX	89.5	9.4

Investment Style YTD (%)

	Value	Blend	Growth
Large	-4.1	-4.7	-5.3
Mid	-3.5	-4.2	-4.8
Small	-4.3	-5.1	-5.9

Commodities	Value	YTD %
Oil-Brent	35.3	-5.3
Oil-WTI	32.8	-11.6
Natural Gas	1.7	-26.8
Gold	1,228.6	15.8
Silver	14.7	6.1
Copper	210.1	-1.6
S&P GSCI	300.0	-3.7

Currencies	Value	YTD %
EUR-USD	1.0900	0.3
GBP-USD	1.3851	-6.0
USD-JPY	112.9200	-6.1
USD-CNY	6.5529	0.9
USD-CHF	1.0009	-0.1
AUD-USD	0.7145	-1.9
USD-CAD	1.3573	-1.9
USD-SEK	8.5483	1.3
DXY Index	98.2270	-0.4

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

Disclaimer

This document has been issued by FFA Private Bank ("FFA") for informational purposes only. It does not constitute an offer or a solicitation to buy or sell the securities mentioned or to participate in any particular trading or investment strategy. Although the information herein is believed to be reliable and has been obtained from sources believed to be reliable, FFA makes no guarantee or warranty to the accuracy and thoroughness of the information mentioned and accepts no responsibility or liability for damages incurred as a result of opinions formed and decisions made based on information or opinions presented in this document. FFA makes reasonable efforts to provide accurate information and projections. However, certain statements in this document may constitute forward-looking statements or statements which may be deemed or construed to be forward-looking statements. These forward-looking statements involve, and are subject to known and unknown risks, uncertainties and other factors which could cause the actual results, performance (financial or operating) or achievements to differ from the future results, performance (financial or operating) or achievements expressed or implied by such forward-looking statements. Therefore, FFA accepts no responsibility or liability for damages incurred as a result of opinions formed and decisions made based on these forward-looking statements, estimates and projections. The financial instruments discussed in this document may not be suitable for all investors and this document does not take into account particular investment objectives, financial situation or specific needs. Therefore, investors must make their own informed investment decisions. Investment transactions can lead to losses as a result of price fluctuations and other factors. One should therefore consider the appropriateness of the information provided herein in light of his own objectives, financial situation or needs before acting on the information. Opinions, estimates and projections expressed herein constitute the current judgment of the author as of the date of this document. They are subject to change without prior notice. FFA has no obligation to update, modify or amend this document or to otherwise notify a recipient thereof if any opinion, forecast, projection or estimate contained herein changes or subsequently becomes inaccurate.



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>