

Global Overview: US equities ended the week lower with the Dow at -1.6%, the S&P at -1.6%, erasing gains for the year, and the Nasdaq at -1.9%, following UK's vote to leave the European Union as repricing and uncertainty led to sharp volatility across financial markets. Gold rallied to two-year high while 10-year US Treasury and UK Gilt yields declined and 10-year Bunds closed negative, as demand for haven assets surged. Oil closed lower on risk aversion, stronger dollar and smaller than expected decline in US inventories. European equities tumbled with the Stoxx 600 at -1.2% with EUR/USD at 1.10 as investors weighed the vote's political implications for the EU ahead of other major European elections. UK equities closed higher for the week with the FTSE 100 at +2.0% despite an intraday low of -8.7% following UK voters' 51.9% to 48.1% decision in favor of leaving the EU leading PM David Cameron to step down by October. British banks were among the hardest hit with Lloyds Bank down -21%, Barclays -20% and Royal Bank of Scotland -18%. GBP/USD reached three-decade low as markets reacted to the results and BoE governor Carney warned that 'some market and economic volatility can be expected' as the exit process unfolds but also assured that Central Bank is ready to provide liquidity if needed. Japanese equities ended the week lower with the Nikkei 225 at -4.25% following the UK referendum's results while the Yen rallied to its highest level since November 2013 on safe-haven status. Chinese equities also fell on Friday with the Shanghai index closing at -2.1% although heavy selling was limited by capital controls.

Previous Week Macro Data

	Actual	Cons.
EU ZEW survey- economic sentiment (Jun)	20.2	16.8
US EIA crude oil Δ (Jun 17)	-0.9M	-1.7M
JPY Nikkei manufacturing PMI (Jun)	47.8	47.7
EU Markit PMI composite (Jun)	52.8	53.0
US Initial jobless claims (Jun 17)	259K	270K
US New home sales (MoM) (May)	-6.0%	1.6%
US Durable goods orders (May)	-2.2%	-0.5%
US Reuters/Michigan cons. sent. ind (Jun)	93.5	94.0
US Baker Hughes oil rig count	330	-
Upcoming Week Macro Data	Cons.	Prior
T US GDP (Q1)	1.0%	0.8%
T US S&P/ Case-Shiller home price ind. (YoY) (Apr)	5.5%	5.4%
T US Consumer confidence (Jun)	93.5	92.6
W EU Economic sentiment indicator (Jun)	104.7	104.7
W US Personal spending (May)	0.4%	1.0%
W US Core PCE-price index (YoY) (May)	1.6%	1.6%
W US Personal income (MoM) (May)	0.3%	0.4%
W EIA crude oil Δ (Jun 24)	-	-0.9M
W UK Gfk consumer confidence (Jun)	-2.0	-1.0
W JPY Industrial production (YoY) (May)	1.9%	-3.3%
Th UK GDP (YoY) (Q1)	2.0%	2.0%
Th EU Core CPI (YoY) (Jun)	0.8%	0.8%
Th US Initial jobless claims (Jun 24)	267K	259K
Th JPY National CPI (YoY) (May)	-0.5%	-0.3%
Th JPY Tankan large all industry capex (Q2)	5.6%	-0.9%
Th JPY Unemployment rate (May)	3.2%	3.2%
F CNY NBS manufacturing PMI (Jun)	50.0	50.1
F JPY Consumer confidence index (Jun)	41.0	40.9
F UK Markit manufacturing PMI (Jun)	50.1	50.1
F EU Unemployment rate (May)	10.1%	10.2%
F US ISM manufacturing PMI (Jun)	51.4	51.3
F US Baker Hughes oil rig count	-	330

Upcoming Week Key Earnings

T Nike, Carnival, IHS, FactSet	
W Monsanto, General Mills, Empire Co, Acuity Brands, Worthington Industries, Unifirst Corp	
Th Constellation Brands, ConAgra Foods, Paychex, Micron Technology, McCormick & Company, Darden Restaurants	

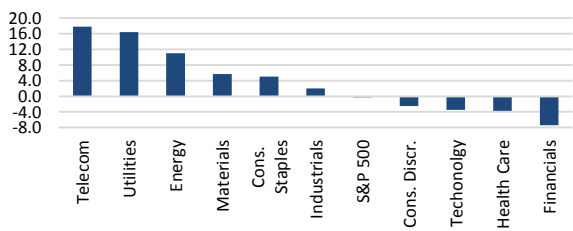
Upcoming Week Policy & Related Events

M EU ECB Forum on Central Banking, EU ECB Draghi
T EU ECB Draghi
W US Fed Yellen, US Fed Bank stress test results
Th EU ECB monetary policy meeting accounts, US Fed Powell & Bullard
F US Fed Mester

	Value	1 Day %	1 Week %	YTD %	P/E	Div. Yld. %
S&P 500	2,037.4	▼-3.59	▼-1.63	-0.3	18.2	2.3
Dow Jones	17,400.8	▼-3.39	▼-1.55	-0.1	16.5	2.7
NASDAQ	4,708.0	▼-4.12	▼-1.92	-6.0	20.4	1.3
Russell 2000	1,127.5	▼-3.81	▼-1.50	-0.7	19.4	1.5
STOXX 600	322.0	▼-7.03	▼-1.17	-12.0	16.6	3.9
FTSE 100	6,138.7	▼-3.15	▲1.95	-1.7	19.5	4.3
NIKKEI 225	14,952.0	▼-7.92	▼-4.15	-19.6	16.2	2.2
Shanghai Index	2,854.3	▼-2.78	▼-2.03	-18.4	13.7	2.2
S&P Pan Arab	636.9	▲0.24	▲0.65	-3.3	11.4	3.9
MSCI ACWI	1,567.3	▼-7.10	▼-1.76	-8.7	15.8	3.7
MSCI EM	805.9	▼-3.54	▼-0.04	1.5	12.0	2.8

Fixed Income	Value	Yield %	YTD %
Barclays Global Aggregate	479.3	1.2	8.4
Barclays Global Agg. – Corporate	241.7	2.5	6.2
Barclays Global High Yield	1,123.8	6.9	8.3
Markit CDX N.A. Investment Grade	86.9	NA	NA
Markit CDX N.A. High Yield (Price)	101.7	NA	NA
Markit iTraxx Europe	74.6	NA	NA
Markit iTraxx ITX Crossover	366.6	NA	NA

S&P 500 Sector YTD (%)



Rates	Value	Yield %
Treasuries 2-Yr	100.0	0.60
Treasuries 10-Yr	101.0	1.51
Treasuries 30-Yr	102.9	2.36
Gilts 10-Yr	108.0	1.08
Bunds 10-Yr	105.7	-0.08
French 10-Yr	101.5	0.35
Italian 10-Yr	100.6	1.54
Spanish 10-Yr	103.5	1.56
Greek 10-Yr	68.3	8.58
JGBs 10-Yr	103.0	-0.20

Volatility	Value	YTD %
S&P 500 VIX	25.8	41.5%
Euro Stoxx 50 VIX	35.4	59.8%
Crude Oil VIX	42.8	-7.5%
Interest Rate VIX	84.3	3.0%

Commodities	Value	YTD %
Oil-Brent	48.7	30.5%
Oil-WTI	47.7	28.8%
Natural Gas	2.7	13.7%
Gold	1,326.3	25.0%
Silver	17.8	28.4%
Copper	213.2	-0.1%
S&P GSCI CME	369.2	18.5%

Currencies	Value	YTD %
EUR-USD	1.1055	1.8%
GBP-USD	1.3446	-8.8%
USD-JPY	101.9000	-15.2%
USD-CNY	6.6379	2.2%
USD-CHF	0.9727	-2.9%
AUD-USD	0.7417	1.8%
USD-CAD	1.3034	-5.8%
USD-SEK	8.5262	1.0%
DXY Index	96.0200	-2.6%

Investment Style YTD (%)

	Value	Blend	Growth
Large	1.6	-0.3	-2.2
Mid	6.6	4.2	1.8
Small	5.7	3.0	0.6

FFA Equity Ideas

For equity ideas or price quotes, please contact us

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@ffapivatebank.com +961 1 985195

Analyst: Anna Maria Chaaraoui

a.chaaraoui@ffapivatebank.com +961 1 985195

Analyst: Nadine Mezher

n.mezher@ffapivatebank.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.ffapivatebank.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>