

Global Overview: US equities closed lower on the week with the Dow at -1.0%, the S&P at -0.8%, both just below their fifty-day moving averages, and the Nasdaq at -0.4% after gains earlier in the week were later erased mainly by i) mixed US macro with retail sales recording their biggest increase in thirteen months, and consumer sentiment index reaching its highest level since June 2015 largely exceeding expectations, although not reflected in the corporate retail sector judging by the decline in Macy's and other retailers shares, and business inventories rising more than expected while initial jobless claims reached fourteen-month high, ii) stronger dollar, rising to a two-week high on the back of firmer macro data and hawkish tone from Fed officials, pressuring oil and gold, iii) risk-off sentiment driving demand towards US Treasuries as the yield curve flattened with 2-year Treasuries underperforming the longer end of the curve. Oil closed higher for the week, mainly driven by Canada and Nigeria production outages following activity interruption in key oil facilities, in addition to lower than expected crude inventories and supply-demand rebalancing "becoming evident" according to IEA. European equities closed higher after erasing mid-week losses with the Stoxx 600 at +0.9% supported by US data, weaker euro and strong GDP growth in Germany despite softer than expected Eurozone economic growth and cautious sentiment from potential Brexit impact highlighted by IMF and BoE Carney as well as growing concerns regarding Italian banking sector. Japanese equities closed higher with the Nikkei 225 at +1.9% as the Yen pulled back against the dollar pressured by BoJ talks of additional monetary easing. Chinese equities fell for a fourth week with the Shanghai Index closing at -3.0% on weaker Yuan, at its lowest in two months, also weighed by weakness in materials and energy shares. Concerns over rising indebtedness in China were further fueled by slower than expected credit growth, possibly suggesting PBOC policy to address potential financial systemic risks in addition to supporting growth. Important US macro data this week include NY Empire State manufacturing index, housing starts, CPI, industrial production, EIA crude oil change, Chicago Fed national activity index, initial jobless claims, Philadelphia Fed manufacturing survey and CB leading indicator. Other macro data include EU core CPI, UK retail price index, UK core CPI, UK ILO unemployment rate, UK retail sales, JPY industrial production, JPY GDP and CNY house price index. Earnings season slows with 23 S&P companies due to return such as Mitsubishi UFJ, Home Depot, Vodafone, Cisco Systems, Lowe's, Target, Walmart among others.

Previous Week Macro Data	Actual	Cons.
US JOLTS job openings (Mar)	-3.4%	-3.7%
UK NIESR GDP estimate (3M) (Apr)	0.3%	-
US EIA crude oil Δ (May 6)	-3.4M	0.7M
EU Industrial production (YoY) (Mar)	0.2%	0.9%
UK BoE interest rate decision (May 12)	0.5%	0.5%
US Initial jobless claims (May 6)	294K	270K
EU GDP (YoY) (Q1)	1.5%	1.6%
US Retail sales (MoM) (Apr)	1.3%	0.8%
US Reuters/Michigan cons. sent. index (Apr)	95.8	89.5
US Business inventories (Mar)	0.4%	0.2%

	Value	1 Day %	1 Week %	YTD %	P/E	Div. Yld. %
S&P 500	2,046.6	▼ -0.85	▼ -0.51	0.1	18.3	2.3
Dow Jones	17,535.3	▼ -1.05	▼ -1.16	0.6	16.7	2.7
NASDAQ	4,717.7	▼ -0.41	▼ -0.39	-5.8	20.3	1.3
Russell 2000	1,102.4	▼ -0.56	▼ -1.10	-2.9	19.0	1.6
STOXX 600	334.7	▲ 0.47	▲ 0.91	-8.9	17.3	3.8
FTSE 100	6,138.5	▲ 0.56	▲ 0.21	-2.2	19.5	4.3
NIKKEI 225	16,412.2	▼ -1.41	▲ 1.90	-13.5	17.5	2.0
Shanghai Index	2,827.1	▼ -0.31	▼ -2.96	-19.4	13.5	2.2
S&P Pan Arab	645.5	▼ -0.25	▼ -0.02	-2.0	11.5	4.1
MSCI ACWI	1,631.7	▼ -3.63	▼ -0.46	-4.9	16.4	3.6
MSCI EM	796.1	▼ -5.25	▼ -1.15	0.2	11.5	3.0

Rates	Value	Yield %
Treasuries 2-Yr	100.0	0.76
Treasuries 10-Yr	99.2	1.71
Treasuries 30-Yr	98.8	2.56
Gilts 10-Yr	105.5	1.37
Bunds 10-Yr	103.6	0.13
French 10-Yr	100.2	0.48
Italian 10-Yr	104.6	1.48
Spanish 10-Yr	103.1	1.61
Greek 10-Yr	74.7	7.33
JGBs 10-Yr	102.1	-0.11

Commodities	Value	YTD %
Oil-Brent	48.5	30.0%
Oil-WTI	46.9	26.5%
Natural Gas	2.1	-11.0%
Gold	1,281.3	20.7%
Silver	17.3	25.1%
Copper	208.6	-2.3%
S&P GSCI	361.7	16.1%

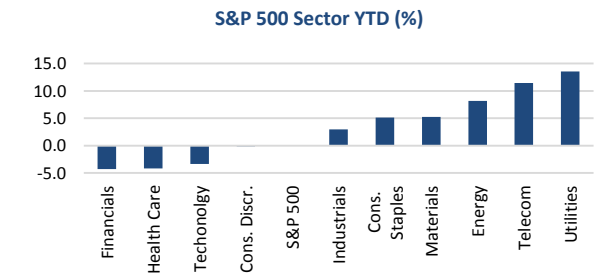
Upcoming Week Macro Data	Cons.	Prior
M US NY Empire State man. index (May)	6.5	9.6
T JPY Industrial production (YoY) (Mar)	-	0.1%
T UK Retail price index (YoY) (Apr)	1.5%	1.6%
T UK Core CPI (YoY) (Apr)	1.4%	1.5%
T US Housing starts (MoM) (Apr)	1.1M	1.1M
T US CPI (YoY) (Apr)	1.1%	0.9%
T US Industrial production (MoM) (Apr)	0.3%	-0.6%
T JPY GDP (QoQ) (Q1)	0.1%	-0.3%
W CNY House price index (Apr)	-	4.9%
W UK ILO unemployment rate (3M) (Mar)	5.1%	5.1%
W EU Core CPI (YoY) (Apr)	0.7%	0.7%
W US EIA crude oil Δ (May 13)	-	-3.4M
Th UK Retail sales (YoY) (Apr)	2.5%	2.7%
Th US Chicago Fed national activity index (Apr)	-0.2	-0.4
Th US Initial jobless claims (May 13)	275K	294K
Th US Philadelphia Fed man. survey (May)	3.0	-1.6
Th US CB leading indicator (MoM) (Apr)	0.4%	0.2%

Fixed Income	Value	Yield %	YTD %
Barclays Global Aggregate	471.78	1.33	6.71
Barclays Global Agg. – Corporate	241.04	2.53	5.85
Barclays Global High Yield	1,112.25	7.04	7.16
Markit CDX N.A. Investment Grade	83.17	NA	NA
Markit CDX N.A. High Yield	102.01	NA	NA
Markit iTraxx Europe	66.2	NA	NA
Markit iTraxx ITX Crossover	366.6	NA	NA

Volatility	Value	YTD %
S&P 500 VIX	15.0	-17.4%
Euro Stoxx 50 VIX	23.6	6.4%
Crude Oil VIX	42.1	-8.9%
Interest Rate VIX	84.8	3.7%

Currencies	Value	YTD %
EUR-USD	1.1320	4.2%
GBP-USD	1.4364	-2.5%
USD-JPY	108.7300	-9.6%
USD-CNY	6.5253	0.5%
USD-CHF	0.9756	-2.6%
AUD-USD	0.7292	0.1%
USD-CAD	1.2914	-6.7%
USD-SEK	8.2350	-2.4%
DXY Index	94.5050	-4.2%

Upcoming Week Key Earnings
M Mitsubishi UFJ
T Home Depot, Vodafone, TJX
W Cisco Systems, Lowe's, Salesforce.com, Target, Staples
Th Walmart, National Grid



	Investment Style YTD (%)		
	Value	Blend	Growth
Large	1.5	0.1	-1.2
Mid	4.7	3.0	1.4
Small	3.4	0.8	-1.5

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

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

Upcoming Week Policy & Related Events
M US Fed Kashkari
T EU ECB Praet, US Fed Williams, Lockhart & Kaplan
W EU ECB non-monetary policy meeting, US FOMC minutes
Th EU ECB monetary policy meeting accounts, US Fed Dudley, JPY BoJ monetary policy meeting minutes

Contacts

Head of Research: Nadim Kabbara, CFA

n.kabbara@ffaprivatebank.com +961 1 985195

Analyst: Anna Maria Chaaraoui

a.chaaraoui@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>