

**Global Overview**

- US equities closed lower for the week ahead of US presidential election with the Dow Jones at -1.5%, the S&P 500 at -1.9% and the Nasdaq at -2.8% amid stronger volatility from i) political uncertainty as FBI investigation into Hillary Clinton emails led to tighter polls although still in favor of Clinton, ii) favorable US macro and Fed speak strengthening the case for a Fed rate hike in December as personal spending, manufacturing, unemployment rate and average hourly earnings came in better-than-expected despite disappointing non-farm payrolls and personal income and iii) mixed Q3/16 earnings season with 65%/33% S&P companies exceeding respective EPS/sales estimates despite last minute cuts in forecasts.
- 2-year and 10-year Treasury yields closed lower on safe-haven demand despite better-than-expected US employment data supporting market expectations for a Fed rate hike in December (FF now pricing 76% rate hike probability) and inflationary expectations respectively driving the short-end and long-end of the yield curve.
- US Dollar weakened while Gold closed higher on safe-haven demand as political uncertainty ahead of election day weighed on investor sentiment despite Fed policy statement suggesting stronger case for rate hike in December. Crude oil closed lower on increased tensions between Saudi Arabia and Iran over supply cut agreement in addition to record build in US crude oil stocks.
- European equities closed lower with the Stoxx 600 at -3.5% while Euro strengthened on global risk-off environment from US political uncertainty. UK equities closed lower with the FTSE 100 at -4.3% weighed by US elections and stronger Sterling from High Court decision in favor of a parliamentary vote before the government can invoke Article 50 to begin formal Brexit negotiations with the EU. 10-year Gilt yields closed higher as BoE raised its near-term growth and inflation forecasts while keeping interest rates and QE purchase targets unchanged.
- Japanese equities closed lower with the Nikkei 225 at -3.1% on stronger safe-haven Yen. BoJ cut its inflation forecasts, postponing its 2% target to March 2019 instead of March 2018 while leaving its target for 10-year government bond yields and its interest rate unchanged.
- Chinese equities closed higher with the Shanghai Composite at +0.7% helped by better-than-expected manufacturing data. Emerging markets closed lower with the MSCI EM at -2.6%.
- Q3/16 earnings season winds down with 30 S&P 500 and 91 Stoxx 600 companies set to report.

Previous Week Macro Data	Actual	Cons.
EU GDP (YoY) (Q3)	1.6%	1.6%
EU Core CPI (YoY) (Oct)	0.8%	0.8%
US Core PCE (MoM) (Sep)	0.1%	0.1%
US Personal spending (Sep)	0.5%	0.4%
US Personal income (MoM) (Sep)	0.3%	0.4%
CNY NBS manufacturing PMI (Oct)	51.2	50.4
BoJ Interest rate decision	-0.1%	-0.1%
US ISM manufacturing PMI (Oct)	51.9	51.7
US ADP employment change (Oct)	147K	165K
US EIA crude oil Δ (Oct 28)	14.4M	1.0M
US Fed interest rate decision	0.5%	0.5%
EU Unemployment rate (Sep)	10.0%	10.0%
UK BoE interest rate decision (Oct 13)	0.25%	0.25%
US Initial jobless claims (Oct 28)	265K	258K
US ISM non-manufacturing PMI (Oct)	54.8	56.0
EU Markit PMI composite (Oct)	53.3	53.7
US Nonfarm payrolls (Oct)	161K	175K
US Unemployment rate (Oct)	4.9%	4.9%
US Average hourly earnings (YoY) (Oct)	2.8%	2.6%

Date	Upcoming Week Key Earnings
07-Nov	HSCB, Westpac, Priceline, Nissan, Cognizant, Sysco
08-Nov	Toyota, CVS Health, ArcelorMittal
09-Nov	NetEase, Dish Networks, Sun Life
10-Nov	Walt Disney, AstraZeneca, Siemens, Petrobras, Banco Bradesco, Nvidia, Manulife
11-Nov	NTT, Allianz, Brookfield Asset Management

Date	Upcoming Week Macro Data	Cons.	Prior
07-Nov	CNY FDI (YTD) (YoY) (Oct)	2.5%	4.2%
08-Nov	CNY Trade balance CNY (Oct)	367B	278B
08-Nov	JPY Leading economic index (Sep)	100.5	100.9
08-Nov	UK Industrial production (MoM) (Sep)	0.0%	-0.4%
08-Nov	UK Manufacturing production (MoM) (Sep)	0.4%	0.2%
08-Nov	US JOLTS job openings (Sep)	5.47M	5.44M
08-Nov	UK NIESR GDP estimate (3M) (Oct)	-	0.4%
08-Nov	JPY Trade balance (Sep)	¥668B	¥243B
09-Nov	CNY CPI (MoM) (Oct)	0.0%	0.7%
09-Nov	UK Trade balance (Sep)	£-3.9B	£-4.7B
09-Nov	US Wholesale inventories (Sep)	0.2%	0.2%
09-Nov	US EIA crude oil Δ (Nov 4)	-	14.42M
10-Nov	US Initial jobless claims (Nov 4)	260K	265K
11-Nov	UK CB Leading economic index (Oct)	-	0.0%
11-Nov	US Michigan consumer sentiment (Nov)	87.9	87.2

Date	Upcoming Policy & Related Events
07-Nov	EU ECB Constancio, EU Eurogroup meeting
08-Nov	US Presidential Election, UK Inflation report hearings, US Fed Evans
09-Nov	EU European Commission economic growth forecasts, JPY BoJ Summary of opinions, US Fed Kashkari
10-Nov	US Fed Williams & Bullard
11-Nov	US Fed Fischer

Equities	Value	1 Day %	1 Week %	YTD %	P/E	Div. Yld. %
S&P 500	2,085.2	▼ -0.17	▼ -1.94	2.02	18.70	2.22
Dow Jones	17,888.3	▼ -0.24	▼ -1.50	2.66	17.05	2.68
NASDAQ	5,046.4	▼ -0.24	▼ -2.77	0.78	21.65	1.26
Russell 2000	1,163.4	▲ 0.57	▼ -2.04	2.43	18.69	1.46
STOXX 600	328.8	▼ -0.83	▼ -3.52	-10.12	17.33	3.75
FTSE 100	6,693.3	▼ -1.43	▼ -4.33	7.22	23.80	4.27
Nikkei 225	16,905.4	▼ -1.34	▼ -3.10	-9.75	19.05	1.92
Shanghai Index	3,125.3	▼ -0.12	▲ 0.68	-11.47	15.38	1.92
S&P Pan Arab	611.6	▼ -1.23	▼ -1.26	-6.94	11.38	3.99
MSCI ACWI	1,639.3	▼ -0.81	▼ -1.58	-4.49	16.98	3.46
MSCI EM	880.1	▼ -0.54	▼ -2.59	10.83	13.02	2.57

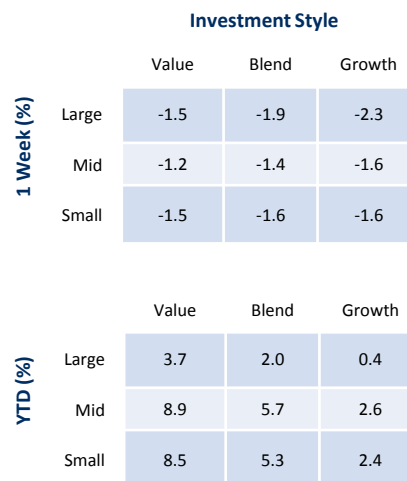
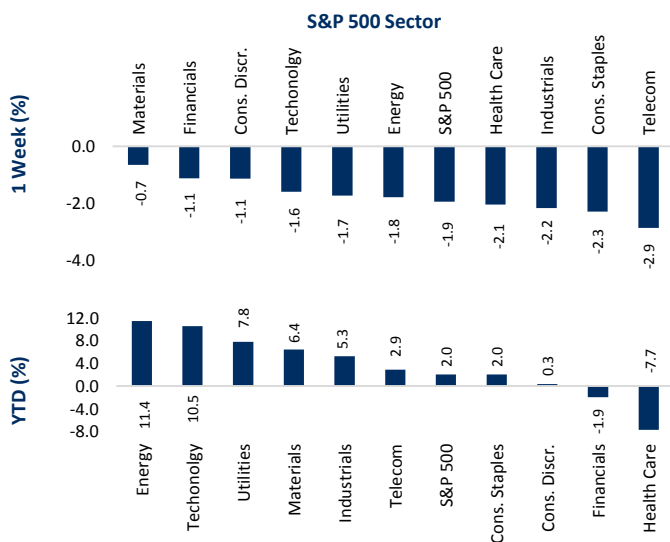
Credit	Value	1 Week %	YTD %	Yield %
Barclays Global Aggregate	477.1	▲ 1.29	7.9	1.3
Barclays Global Agg. – Corporate	244.7	▲ 0.77	7.5	2.4
Barclays Global High Yield	1180.3	▼ -0.42	13.7	6.0
Markit CDX N.A. Investment Grade	73.8	▲ 4.97	NA	NA
Markit CDX N.A. High Yield (price)	103.8	▼ -0.53	NA	NA
Markit CDX EM (price)	93.4	▼ -0.50	NA	NA
Markit iTraxx ITX Crossover	244.0	▲ 7.05	NA	NA
Markit iTraxx Europe	49.3	▲ 9.12	NA	NA

Rates	Value	1 Week %	YTD %	Yield %
Treasuries 2-Yr	99.93	▲ 0.14	0.18	0.82
Treasuries 10-Yr	97.52	▲ 0.65	-2.53	1.82
Treasuries 30-Yr	93.53	▲ 1.16	-7.09	2.59
Gilts 10-Yr	103.41	▲ 1.18	2.66	1.13
Bunds 10-Yr	98.71	▲ 0.32	-4.81	0.16
French 10-Yr	97.94	▲ 0.04	-2.44	0.48
Italian 10-Yr	95.45	▼ -0.90	-7.61	1.75
Spanish 10-Yr	100.32	▼ -0.35	-2.62	1.26
Greek 10-Yr	73.91	▲ 4.67	3.10	7.61
JGBs 10-Yr	101.60	▲ 0.02	1.23	-0.05

Volatility	Value	1 Week %	YTD %
S&P 500 VIX	22.51	▲ 39.04	23.61
Stoxx 50 VIX	25.21	▲ 30.82	13.68
EM VIX	28.98	▲ 24.11	26.49
Crude Oil VIX	43.18	▲ 12.51	-6.60
Interest rate VIX	82.38	▲ 1.28	0.73

Commodities	Value	1 Week %	YTD %
Oil-Brent	45.58	▼ -10.06	22.26
Oil-WTI	44.07	▼ -9.51	18.98
Nat. Gas	2.77	▼ -10.89	18.40
Gold	1304.50	▲ 2.17	22.90
Silver	18.37	▲ 3.23	32.66
Copper	226.50	▲ 3.26	6.09
S&P GSCI	349.10	▼ -5.65	12.02

Currencies	Value	1 Week %	YTD %
EUR-USD	1.1141	▲ 1.42	2.57
GBP-USD	1.2517	▲ 2.72	-15.06
USD-JPY	103.1200	▼ -1.55	-14.22
USD-CNY	6.7565	▼ -0.33	4.05
USD-CHF	0.9684	▼ -1.99	-3.36
AUD-USD	0.7673	▲ 0.97	5.31
USD-CAD	1.3404	▲ 0.04	-3.14
USD-SEK	8.9462	▼ -0.72	5.98
DXY Index	97.0650	▼ -1.30	-1.59



**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, WSI, CNBC, Briefing, FXStreet.

## 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

## 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 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>