



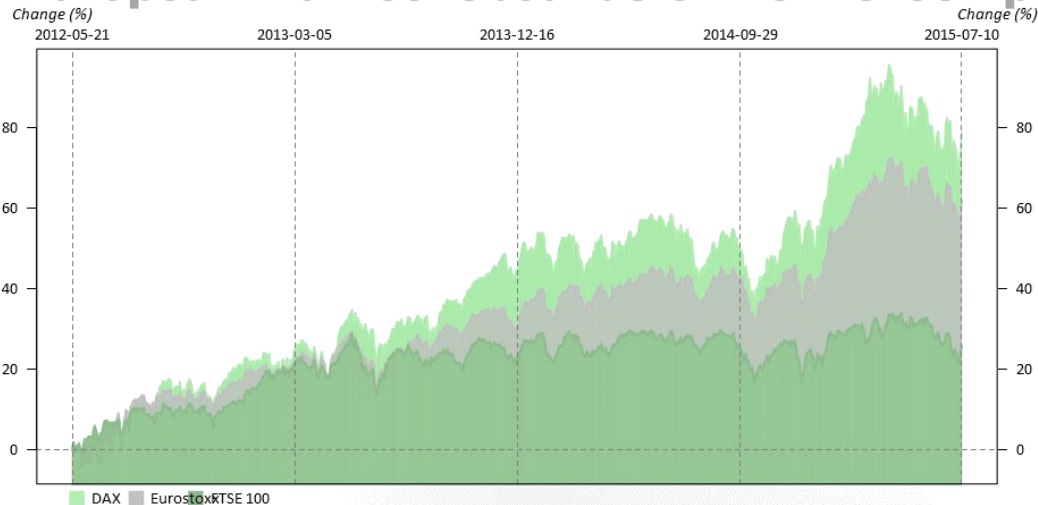
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14/07/2015

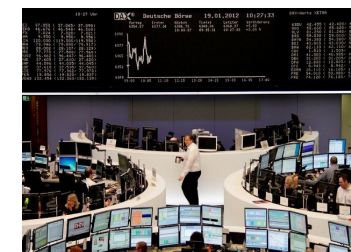


# **Weekly Global Stock Market Review**

# European market rebounds on new Greek proposal



European market managed to recover on Friday, ending a turbulent week, as worries about Greece's debt crisis and China's equity meltdown eased. For the week, European stock indices mostly rallied. Meanwhile, Greek Prime Minister Tsipras made a significant concessions to creditors late Thursday in order to reach a deal by Sunday and stave off bankruptcy. The proposal includes spending cuts, pension savings and tax increases that closely resemble the offer from creditors that Tsipras and the Greek electorate rejected in a strong "No" vote in last Sunday's referendum. One key difference is the timetable for some pension reform, fiscal and structural measures. European Union leaders will review and vote on the proposal this Sunday.



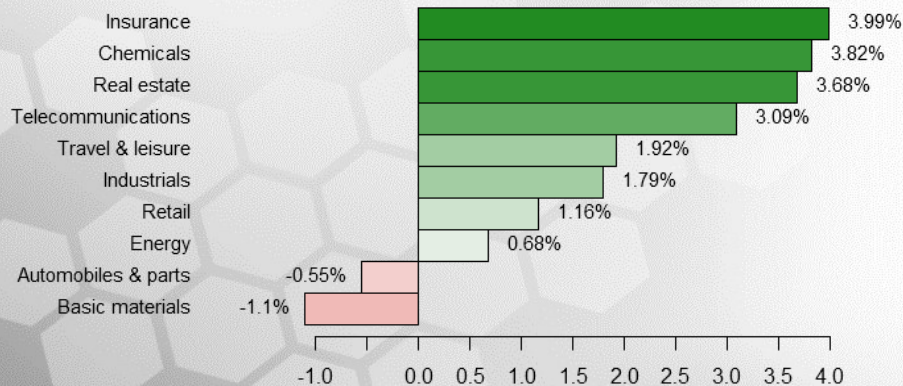
The benchmark Eurostoxx 600 Index, in turn, climbed 2.6% to 388.80 points from Monday to Friday, while all but two sectors advanced in their weekly value. Insurance and chemicals leded market gains, as both these industries added almost 4% last week. On the other hand, basic materials and automobiles & parts slumped slightly by 1.1% and 0.55%. Among market movers, Orion OYJ-Class B, a Finnish company, which develops and manufactures markets pharmaceuticals, rose 14.6% to trade at 36.19 euro per share at the end of the week on Friday. At the same time, Drax Group Plc, a British electrical power generation company, dropped 25.17% to 267 pence per share.

Among other major stock indicators, German DAX improved 3.9% to 11,340 points last week, while British FTSE 100 grew as much as 2.11% to 6,673.38 points.

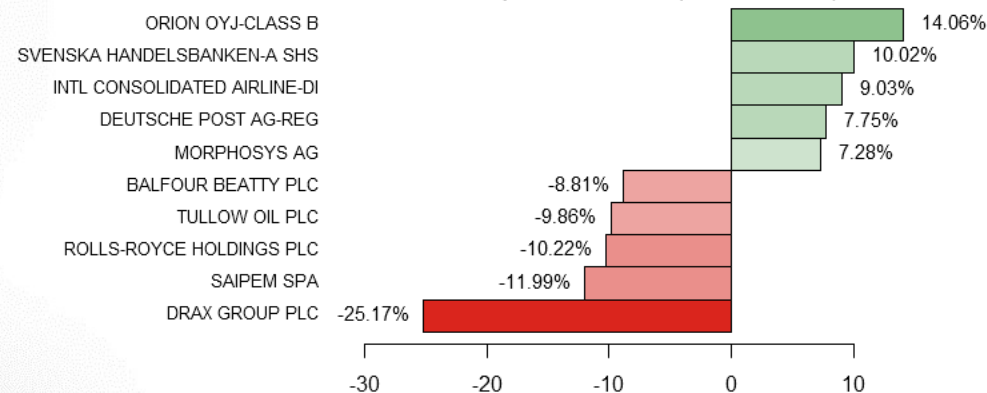
## Price Changes (%)

	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Eurostoxx	2.67	-0.51	-5.84	15.05	14.37	15.59
DAX	3.9	0.45	-8.56	17.28	15.37	17.15
FTSE 100	2.11	-2.3	-5.87	2.65	-0.66	0.02

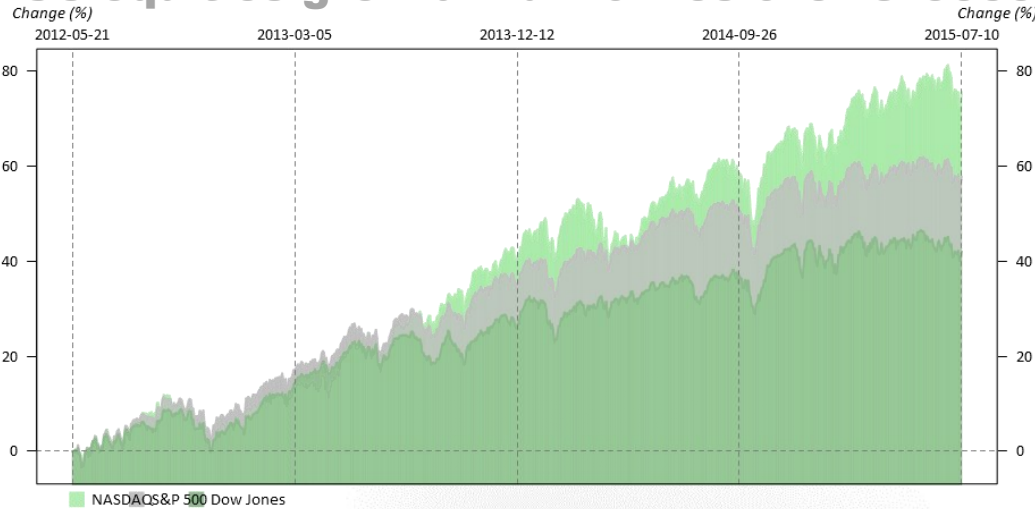
## Industry Performance (STOXX600)



## TOP performers (SXXP600)



# US equities grew amid worries over Greece and China



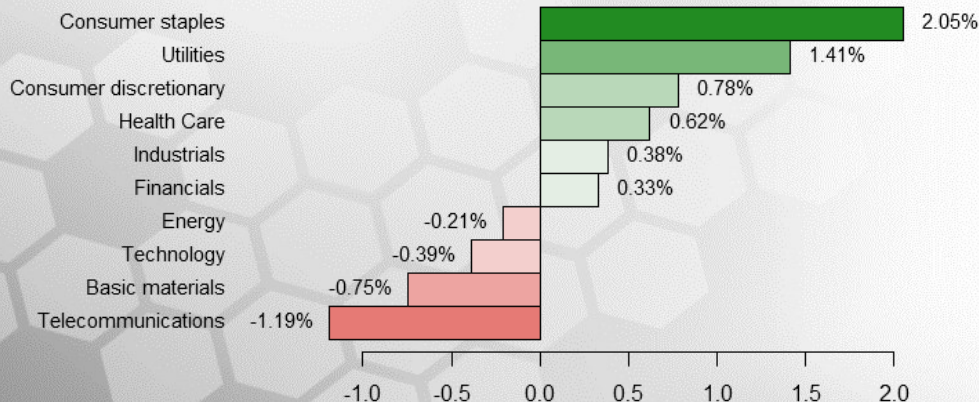
US stocks experienced increased volatility, as Greek's said 'no' for further austerity measures in Sunday's referendum and as the selloff in Chinese equities continued, which was halted on Thursday, after Beijing intervened to stop the downturn. Meanwhile, Janet Yellen on Friday, stated that the economy is improving and that it will be appropriate for a rate hike later in 2015, however, inflation and economic recovery outlook remains uncertain. US jobless claims rose by 15,000 to 297,000 compared with the projected figure of 275,000, which could have an impact on the timeline for the Fed to hike its benchmark interest rate. Meanwhile, the trade deficit for May rose by \$1.2 billion to \$41.9 billion.

The benchmark S&P 500 index advanced 0.4% to close at 2,076.62 points by the end of the trading week. The majority of all industries that comprise the benchmark increased in value, except for telecommunications and basic materials sectors, which declined 1.19% and 0.75%, respectively. Tesoro Corporation jumped 7.88% to close at \$98.50, as the petroleum products refiner and retailer announced better than expected Q1 earnings, positive outlook for 2015, and plans to continue share repurchasing program. Among other top weekly performers were the media holding company Gannett Co Inc, which rose 7.82% to \$13.37. However, the natural gas producer QEP Resources Inc fell 11.25% to \$16.18 on disappointing Q1 earnings and declining natural gas prices.

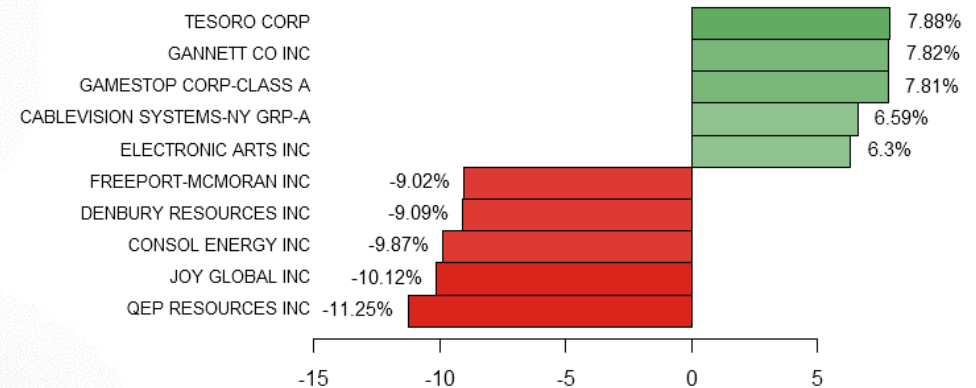
The NASDAQ Composite Index rose 0.1% to 4,997.7 points during the previous week, while the Dow Jones Industrial Average added 0.4% to close at 17,760.41 mark.

Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
S&P 500	0.38	-1.36	-1.21	1.56	5.26	5.7
Dow Jones	0.43	-1.33	-1.65	0.13	4.56	5
NASDAQ	0.12	-1.56	0.03	6.24	13.09	13.68

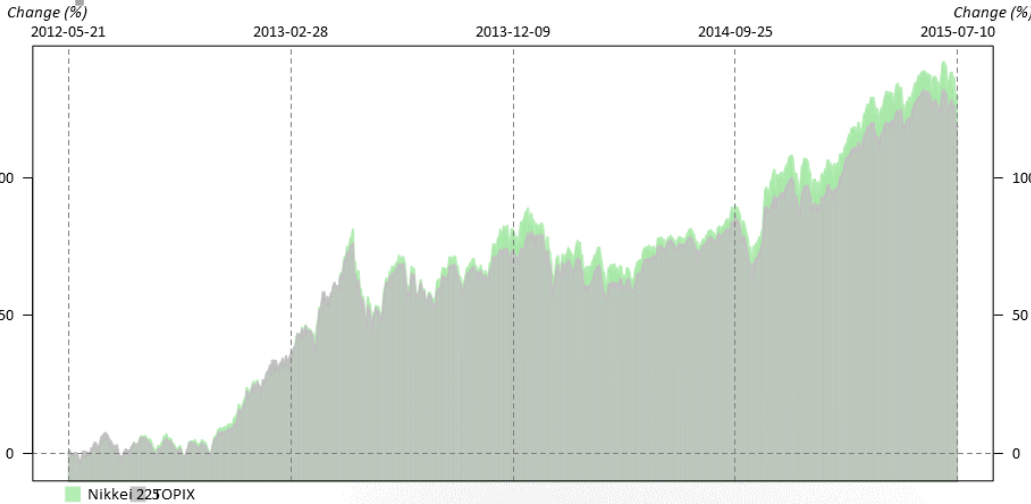
## Industry Performance (S&P 500)



## TOP performers (S&P 500)



# Japanese stocks declined amid volatile Chinese markets



Japanese equities declined for the past trading week, despite larger than expected increase in the current account and positive figure for month-over-month core machinery orders, therefore indicating increasing activity in the manufacturing sector. Major force behind the decline in the Japanese stocks for the week was the turbulence in the Chinese stock markets, as worries of a stock bubble continued and investor confidence has been damaged over possibility of a further selloff. China is Japan's main export partner and a correction in Chinese stock markets would influence Japanese equity markets substantially.

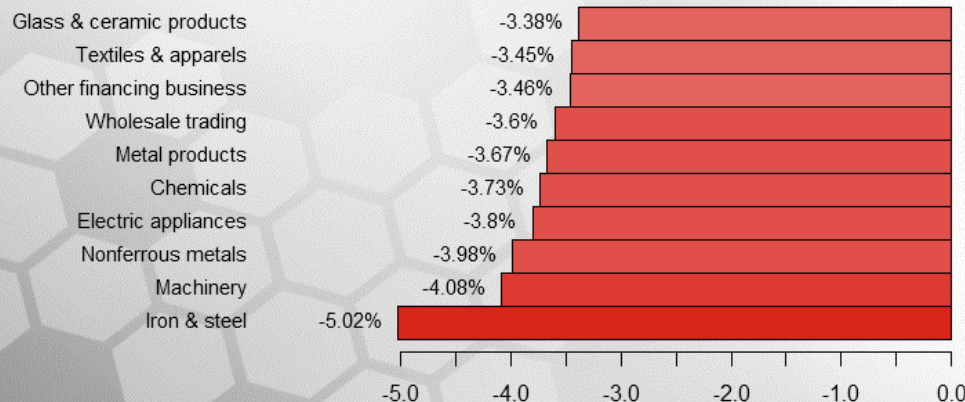
The benchmark TOPIX Index fell 2.27% to 1,583.55 points for the past week. Moreover, major industries such as glass & ceramic products, textiles & apparels and metal products were lower by losing 3.4% and 3.6% respectively. Meanwhile, iron & steel and machinery industries gains were limited to 4.08% and 5.02% respectively. Among individual top performers were CVS Bay Area Inc, which jumped 28.57% on the week to close at the 153 yen mark on Friday. Furthermore, Kobe Bussan Co Ltd soared 17.28% to 8,010 yen, while the Japan Property Management CE rose 13.03% to 1,943 yen. Meanwhile, Voltage Inc was the worst performer of the index and diminished 27.8% to 1,840 yen.

The second-largest equity index of Japan, the Nikkei 225, declined 1.6% to close at 19,779.83 points on Friday.

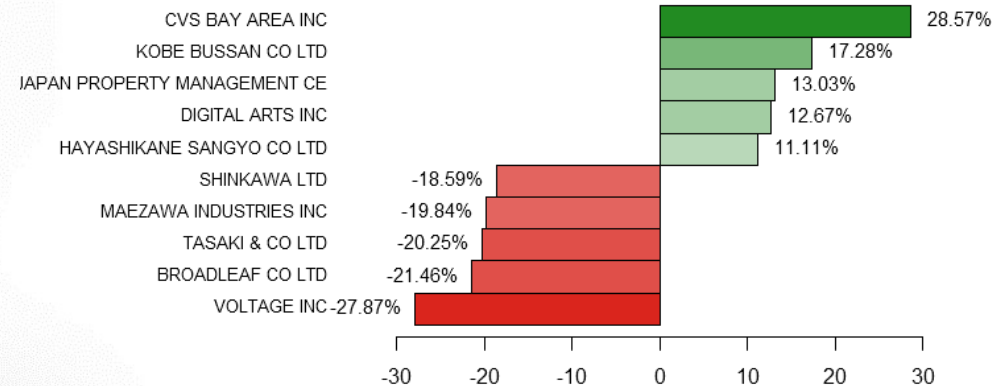
## Price Changes (%)

	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Nikkei 225	-1.65	-1.33	-0.64	15.01	29.26	29.99
TOPIX	-2.27	-2.74	-0.38	14.7	24.61	25.75

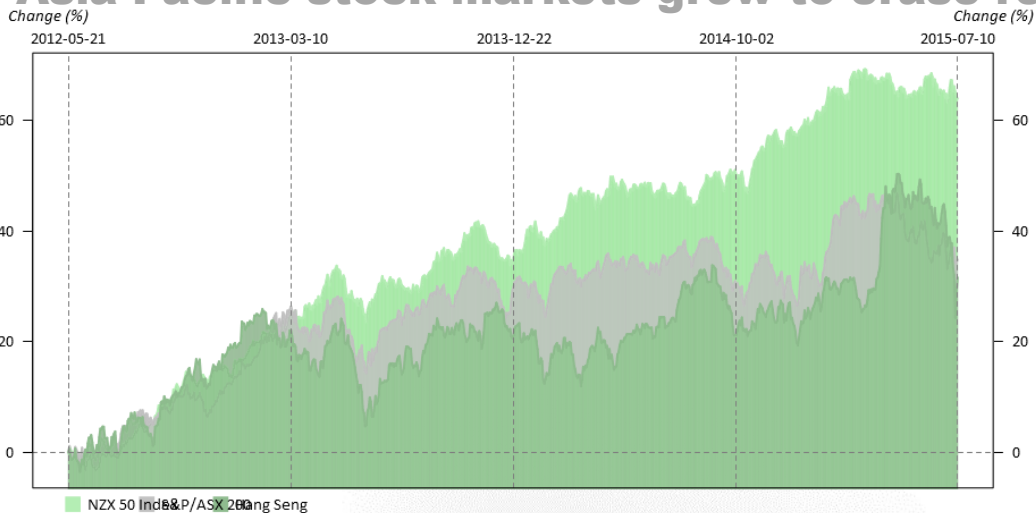
## Industry Performance (TOPIX)



## TOP performers (TOPIX)



# Asia-Pacific stock markets grew to erase recent losses



China's stock market regained ground on Thursday and Friday after three weeks of steep losses. The turnaround took place days after China's central bank acted to restore calm by pledging liquidity to a state-owned firm to help fund margin trading accounts. Half the stocks on the Shanghai and Shenzhen markets opted to suspend trading by the end of the week. In light of extraordinary measures, including aggressive interest rate cuts, suspended IPOs and relaxed margin lending and collateral rules, investors are increasingly worried about the lack of regulatory control and the sense of desperation among authorities.



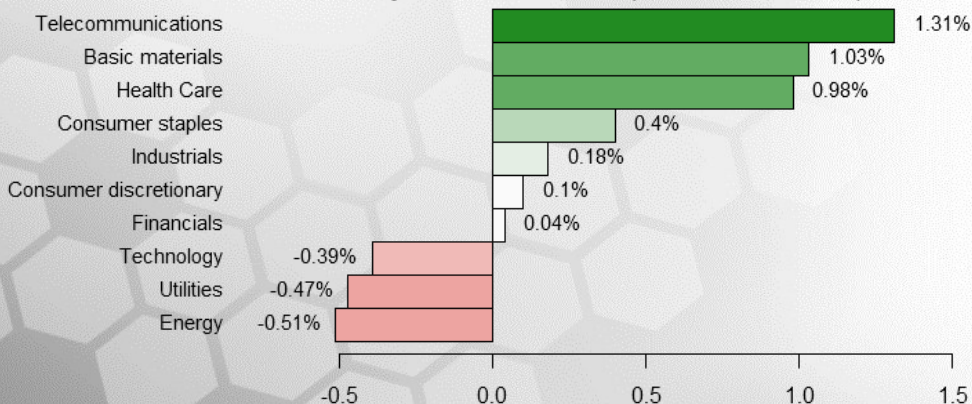
The S&P/ASX 200 Index, which represents the biggest companies of the region, mostly from Australia, added 0.3% to hit the 5,492 mark on Friday's evening. Almost all the sectors showed a positive development last week. Telecommunications and basic materials jumped as much as 1.3% and 1.03%, respectively. Northern Star Resources Ltd, the second biggest ASX-listed gold producer, advanced 8.1% to trade at \$2.27 per share due to record June quarter production result. On the other hand, Paladin Energy Ltd, a Western Australian based uranium production company plunged 18% to \$0.205 per share.

The Hang Seng Index registered a 1.3% slight decrease to reach 24,901.28 points last week, while New Zealand's NZX 50 Index only added 0.2% to 5,725.34 points.

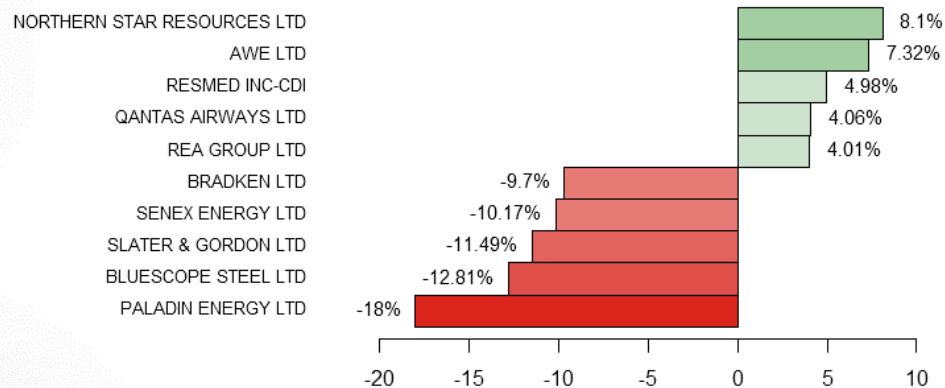
Price Changes (%)

	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
S&P/ASX 200	0.31	0.24	-7.98	0.48	0.73	0.5
Hang Seng	-1.33	-7.74	-8.69	4.1	7.15	7.18
NZX 50 Index	-0.89	-2.33	-2.09	2.52	11.76	11.65

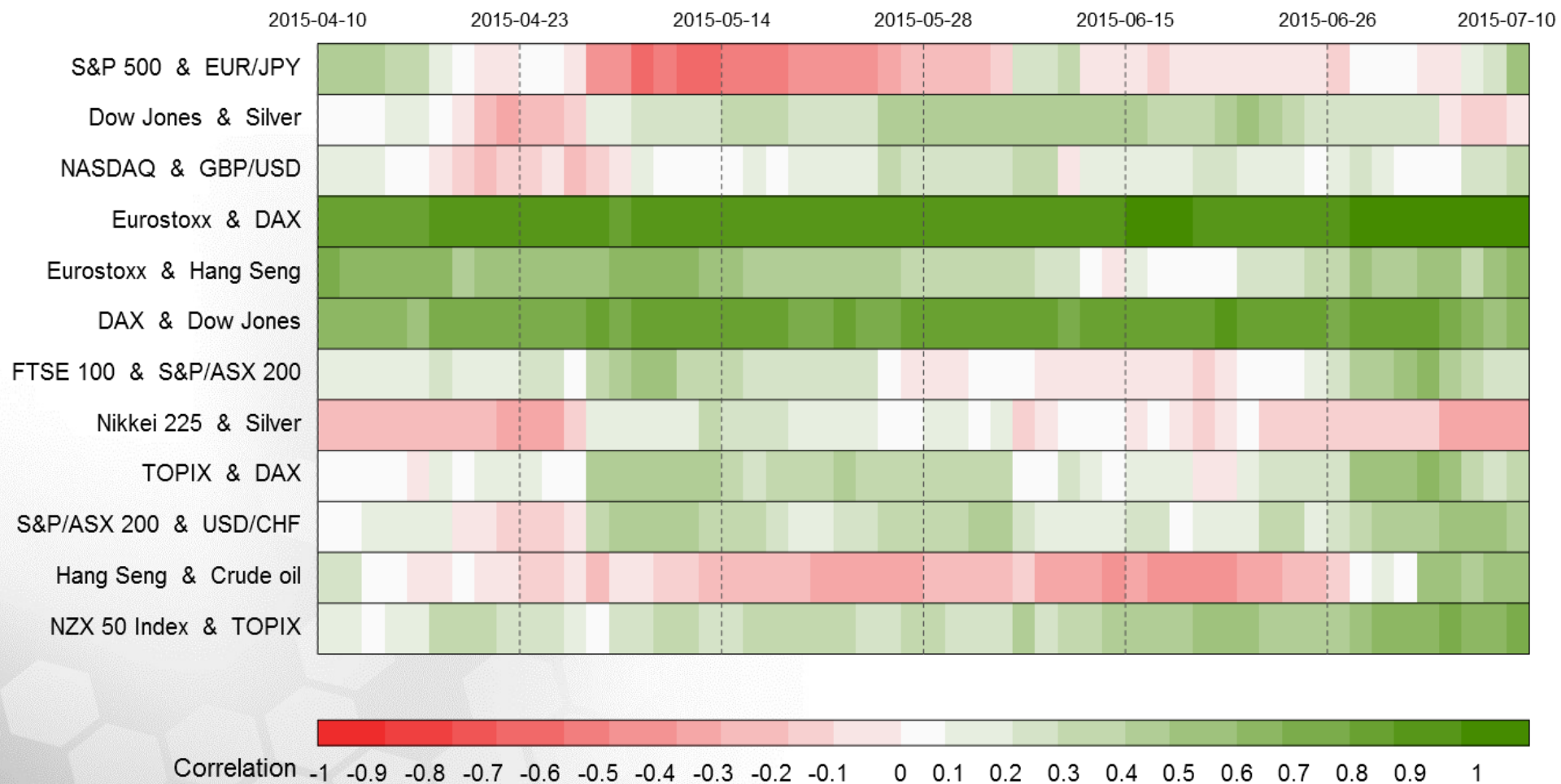
Industry Performance (S&P/ASX 200)



TOP performers (S&P/ASX 200)

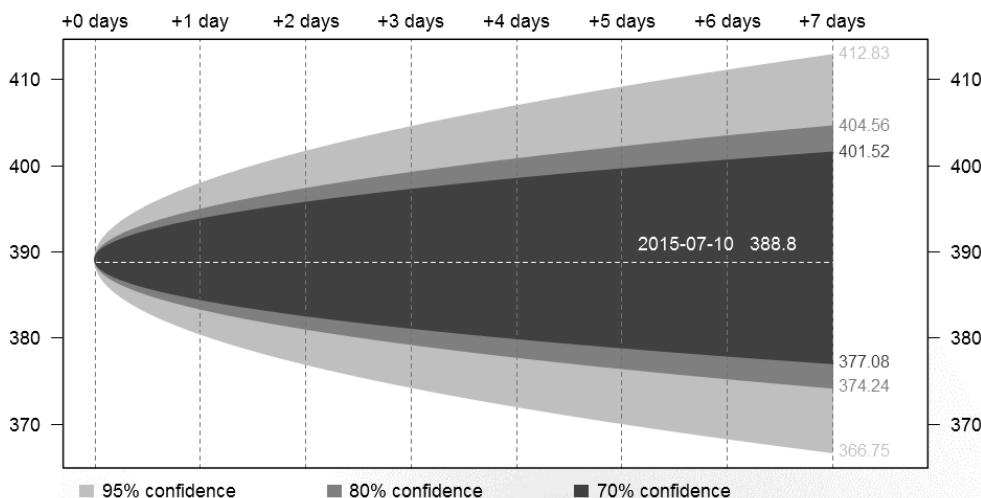


# Correlation Matrix

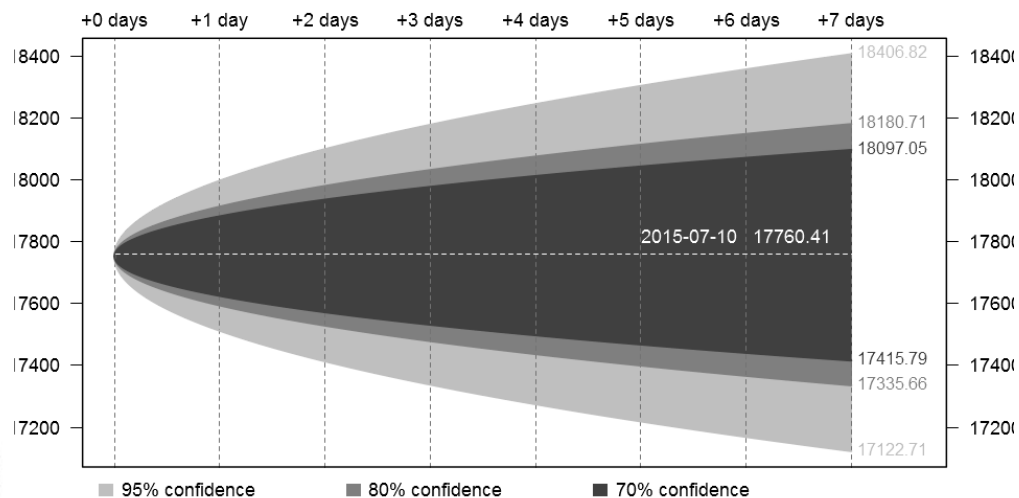


# Confidence Intervals

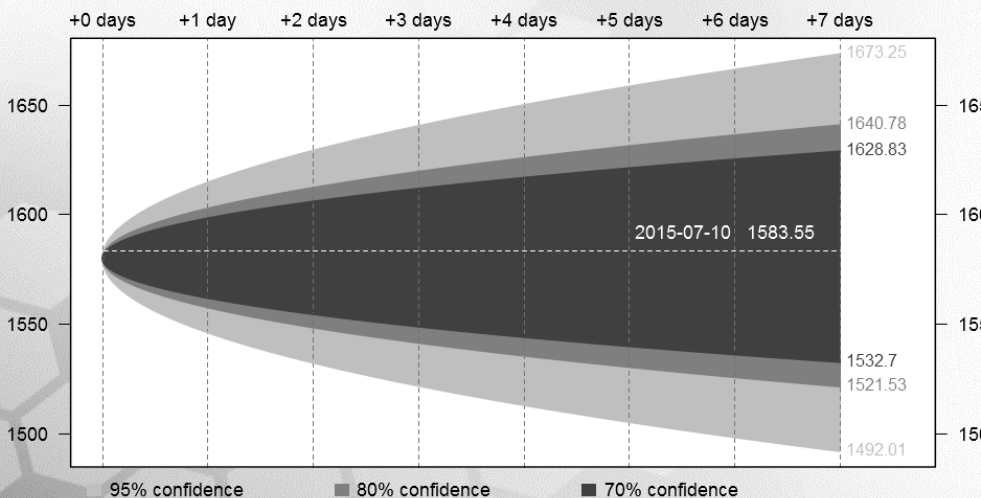
Eurostoxx Potential Rates



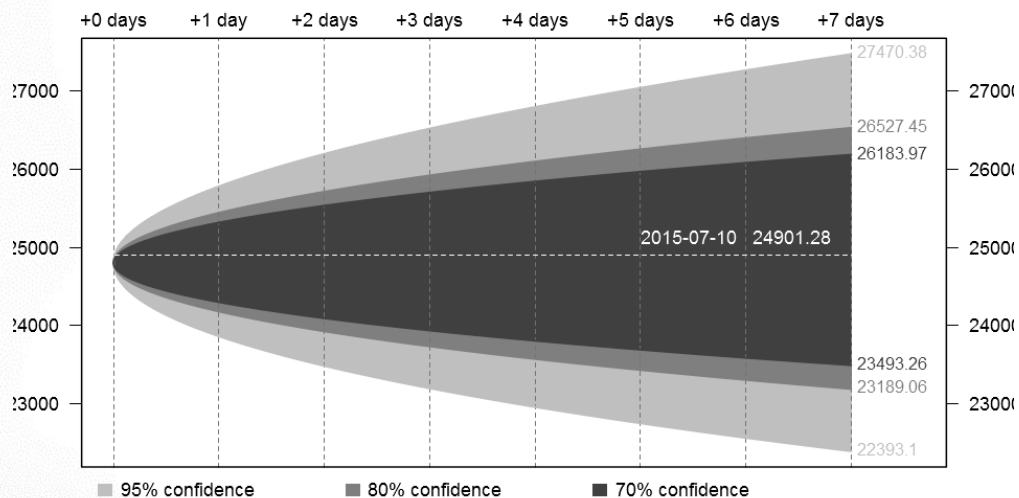
Dow Jones Potential Rates



TOPIX Potential Rates



Hang Seng Potential Rates



## EXPLANATIONS

### Indexes

- **Standard & Poor's 500 Index (S&P 500) or (SPX)** - U.S. stock market index consisting of the 500 large-cap shares widely traded on the New York Stock Exchange and the NASDAQ.
- **Dow Jones Industrial Average Index (INDU)** - U.S. stock market index consisting of the 30 large publicly owned U.S. companies, primarily industrials
- **NASDAQ Composite Index** - U.S. stock market index representing all the stocks that are traded on the Nasdaq stock market, mostly technology and Internet-related
- **New Zealand Exchange 50 Gross Index (NZX 50)** - stock market index consisting of the top 50 companies listed on the New Zealand Stock exchange
- **S&P/ASX 200** - a market-capitalization weighted stock market index of stocks listed on the Australian Securities Exchange from Standard and Poor's
- **Hang Seng Index (HI)** - Hong Kong's stock market index consisting of 48 largest companies listed on the Hong Kong Exchange
- **Japan's Nikkei Stock Average (Nikkei 225 Index) or (NKY)** - Japanese stock market index consisting of the 225 largest companies listed on Tokyo Stock Exchange
- **FTSE 100 Index (UKX)** - U.K. stock market index consisting of the 100 most capitalized U.K. companies trading on the London Stock Exchange
- **DAX Index (DAX)** - German stock market index consisting of the 30 largest and most liquid German companies trading on the Frankfurt Stock Exchange
- **Eurostoxx 600** - stock market index, derived from the Stoxx Europe Total Market Index, consisting of 600 large, mid- and small-sized companies from 18 European countries

### Chart

- **Correlation** - statistical measure of the linear relationship between two random variables. It is defined as the covariance divided by the standard deviation of two variables.
- **Historical price changes** - chart reflecting the historical price changes of particular region's stock indices

### Indicators

- **Industry performance** - weekly performance of industries within the particular stock market index
- **Top performers** - companies within a particular stock market index showing the best or worst weekly performance
- **Performance** - relative historical change of stock market index value





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