



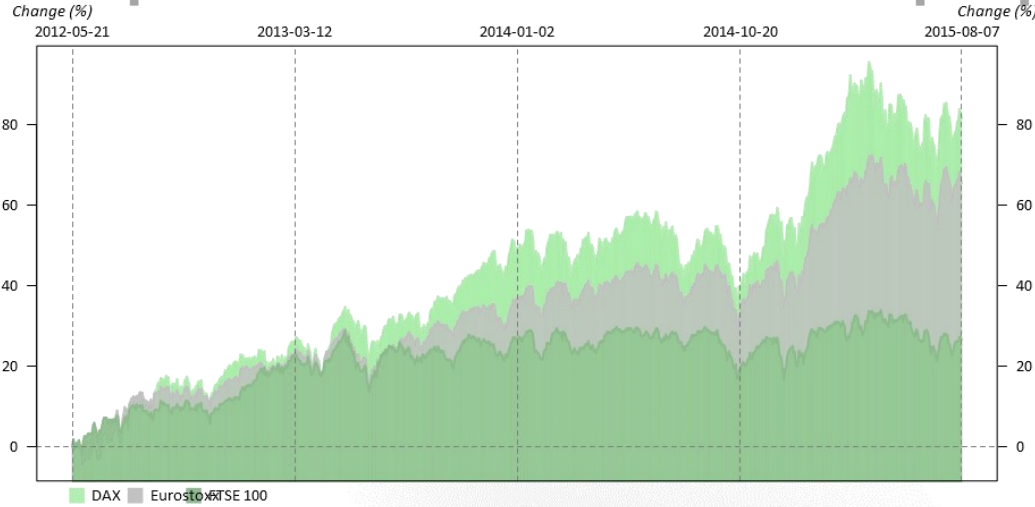
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10/08/2015



# **Weekly Global Stock Market Review**

# European stock market weakened despite positive PMI



European shares showed mixed performance over the last week amid growing concerns over the global economy and mounting geopolitical tensions. Meanwhile, Euro zone's manufacturing index strengthens, while Greece's manufacturing PMI reached an all-time low of 30.2 points in July. The overall Euro zone PMI rose to 52.4 points. Nevertheless, activity slowed somewhat in Germany, Spain and the Netherlands but Italy's PMI rose to a four-year record. Moreover, according to the German Federal Statistical Office, factory orders went up 2% from May to June and 7.2% on the yearly basis.

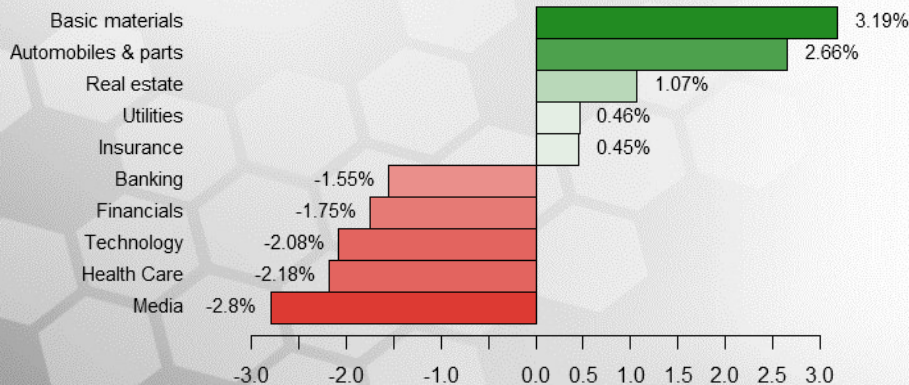


The benchmark Eurostoxx 600 Index, however, lost 0.5% to 397.07 points on Friday's evening. The sectors in their gains divided almost equally. Basic materials and automobiles & parts increased by 3.1% and 2.6%, while health care and media lost the most— 2.1 and 2.8, respectively. Among the best performers, Fuchs Petrolub SE-PREF, the world's leading supplier of lubricants, surged 11.45% to 39.005 euro. On the other hand, National Bank of Greece dropped dramatically 51% to trade at 0.58 euro per share at the end of the previous trading week. Abengoa SA-B shares, a Spain-based company engaged in the provision of technological solutions for the engineering sector, followed with a decrease of 46% to 1.094 euro.

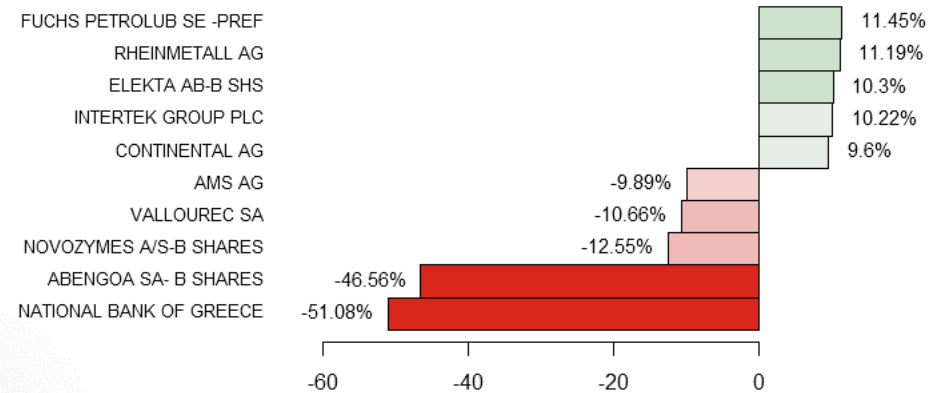
Other European market indicators, German DAX and British FTSE 100, in turn posted a slight gain of 0.4% and 0.4% in five days to close at 11,494.50 and 6,718.49 points.

Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Eurostoxx	-0.59	6.49	-0.77	6.36	20.62	21.44
DAX	0.41	6.92	-1.87	5.94	25.86	27.13
FTSE 100	0.45	3.51	-4.66	-1.97	1.24	1.84

## Industry Performance (STOXX600)

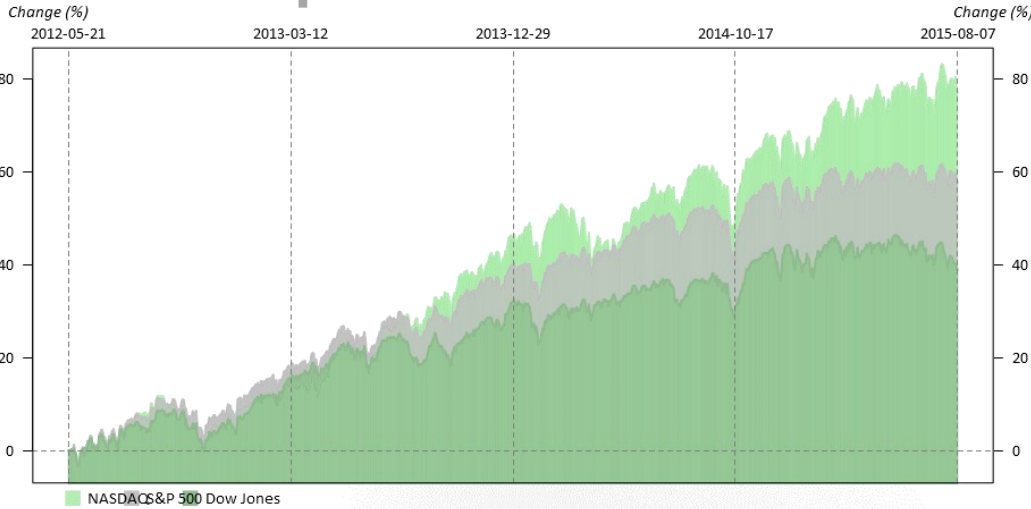


## TOP performers (SXXP600)





# American equities traded lower on mixed economic data



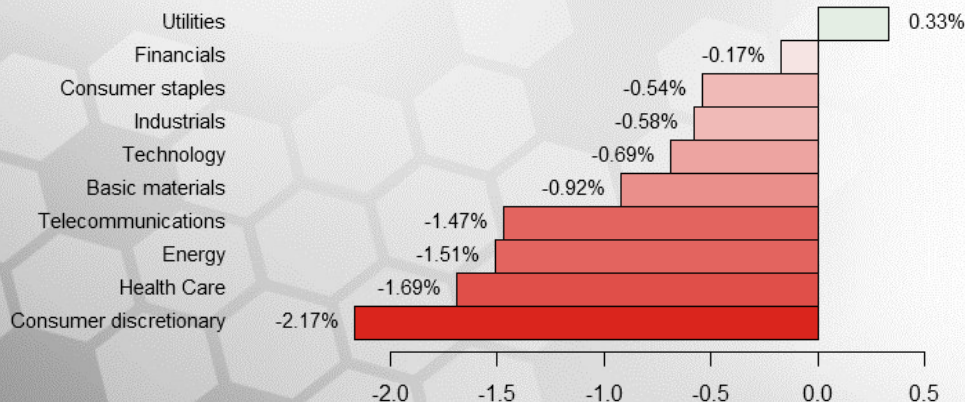
Equity market in the United States performed worse than its European counterpart during the previous week, as fundamental statistics used to be rather mixed. US manufacturing activity grew at a slower pace in July, as the Institute purchasing managers' index dropped from 53.5 in June to 52.7, while the employment index slowed from 55.5 to 52.7. Meanwhile, the Markit US PMI edged up from 53.6 points to 53.8 points over the same period. Moreover, the US trade deficit widened 7.1% to \$43.8 billion in June. Exports were flat, while imports rose 1.2%, with the strong US Dollar and weak overseas demand hurting exports and accelerating imports.

The main S&P 500 gauge dropped 0.9% last week to trade at 2,077.57 points on Friday. All the sectors of the index decreased in value, with consumer discretionary and health care losing the most, namely 2.1% and 1.6%. Among main market makers, First Solar Inc, a global leader in photovoltaic (PV) solar energy solutions, added 17.5% to 52.08, after the company released second-quarter earnings, which advanced 65% to \$896.2 million. On the other hand, a number of companies lost in value during the last week, including Genworth Financial Inc-Cl A and Keurig Green Mountain Inc, as they diminished 31% and 28% to close at \$4.82 and \$53.43.

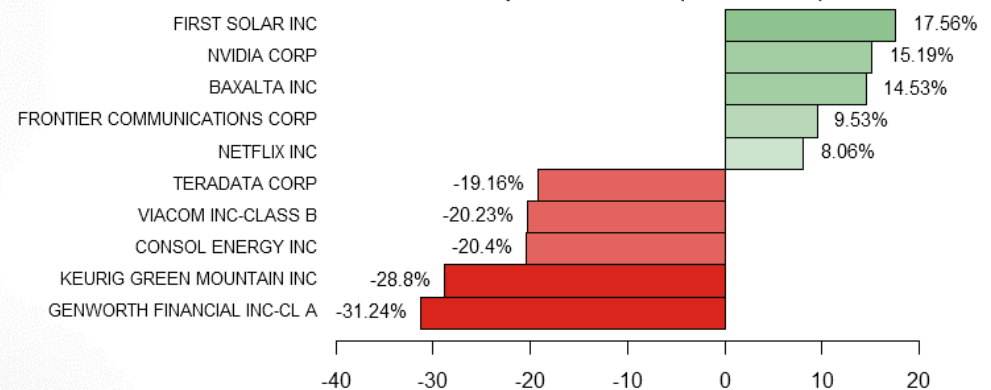
Meanwhile, the Dow Jones Industrial Average shrunk 1.2% and closed at 17,373.38 points on Friday, while NASDAQ traded down 1.4% to 5,043.54 points.

Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
S&P 500	-0.98	1.51	-1.82	1.08	8.19	8.8
Dow Jones	-1.28	-0.81	-4.5	-2.53	5.66	6.14
NASDAQ	-1.4	2.72	0.8	6.31	15.81	16.35

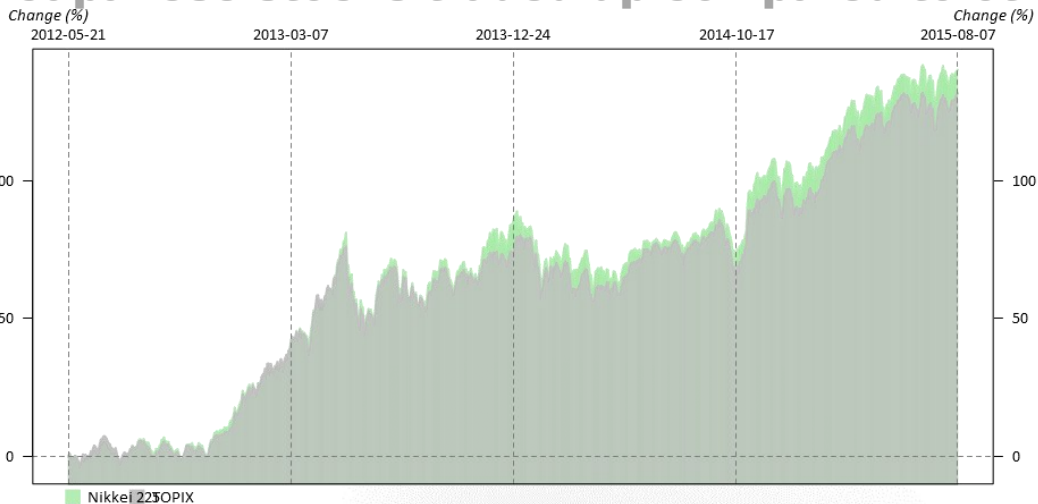
## Industry Performance (S&P 500)



## TOP performers (S&P 500)



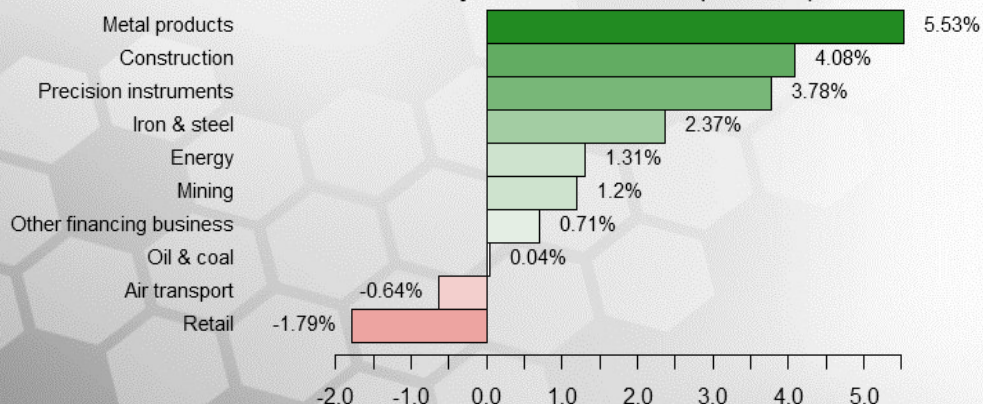
# Japanese stocks traded up compared to other markets



## Price Changes (%)

	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Nikkei 225	0.86	5	6.94	17.43	36.71	36.06
TOPIX	1.18	6.11	5.76	18.49	34.2	33.47

## Industry Performance (TOPIX)



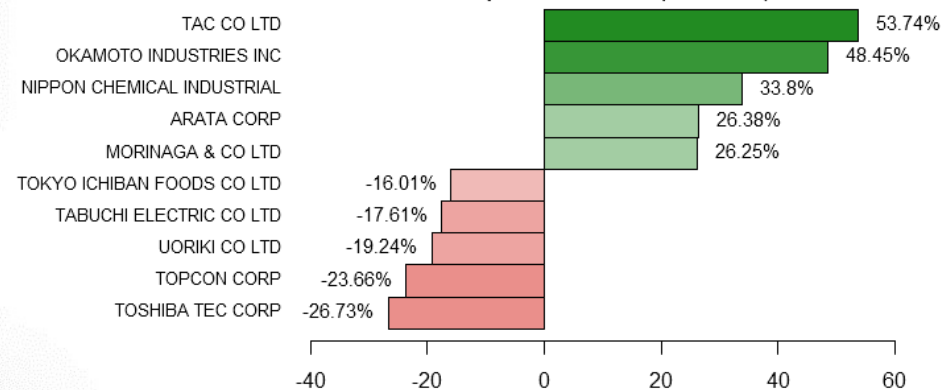
Opposite to other world's biggest stock markets, the Japanese one showed a strong positive tendency in course of the last trading week, as weekly gains turned to be the biggest in a month. Important events included the speech by the Governor of the Bank of Japan, Haruhiko Kuroda, who warned that the timing for hitting the 2% inflation target may be delayed further if oil price falls persist, but he stressed the central bank is not going to expand stimulus again.



As a result, equity markets in the country reacted positively on these news, with the benchmark Topix Index rising as much as 1.1% to 1,679.19 points. The best performing industries included metal products and construction, as they rose 5.5% and 4.08%, respectively. Tac Co Ltd, the company is primarily engaged in providing educational services, soared 53.7% to close at a 329 yen mark on Friday's evening. Okamoto Industries Inc, a Japan-based manufacturer of industrial products like automobile parts, followed with a surge of 48.4% to 861 yen. Meanwhile, some sectors traded down during the last week, as air transport lost 0.6% and retail dipped 1.7%.

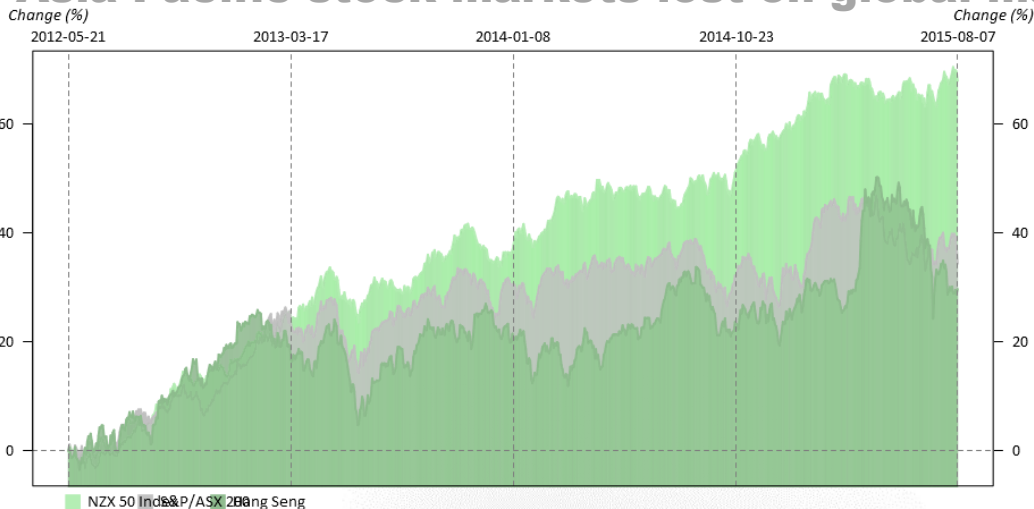
The second-largest equity index of Japan, the Nikkei 225, reported a slower pace of increase than its domestic counterpart, as it added 0.8% to hover at 20,724.56 points at market closing time on Friday.

## TOP performers (TOPIX)





# Asia-Pacific stock markets lost on global market weaknesses



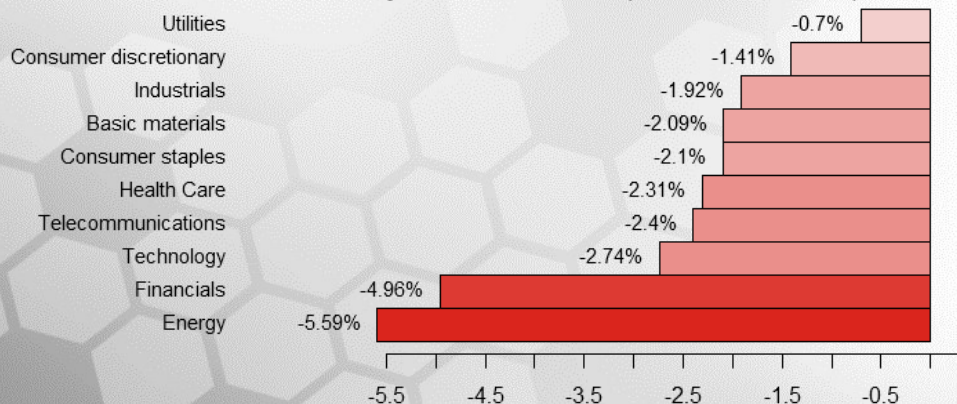
Markets in the Asia-Pacific region traded to the downside during the August 3-7 week. Concerning the economic data, the Caixin China manufacturing PMI dropped from 49.4 points in June to 47.8 points in July, affected by slumping foreign and domestic demand and possibly impaired by China's sharp stock market slide in June and July. Meanwhile, the official government gauge edged down from 50.2 points in June to settle at 50 points in July.

The main gauge of the region, the S&P/ASX 200, dropped 3.6% to 5,474.80 points from Monday to Friday. All the sectors plunged in value. Losses were led by financials and energy industries, as they fell 4.9% and 5.5%. Ozforex Group Ltd, a provider of online international payment services for consumer and business clients, added 14.2% to \$2.56, after the company announced a 31% uplift in net operating income and 22% improvement in transaction volumes for the first quarter of the year. However, Orica Ltd, an Australian-based multinational corporation that is the largest provider of commercial explosives and blasting systems, ended the last week with a decrease of 18.5% to \$15.64, crashing to a six-and-a-half-year low, due to the weak demand for its goods and services. Stock market in New Zealand moved mostly in line with its Australian counterpart, as it declined 1.5% to 5,868.66 in five trading days. Hang Seng, in turn, rose 0.5% to close at 24,552.47 points on Friday.

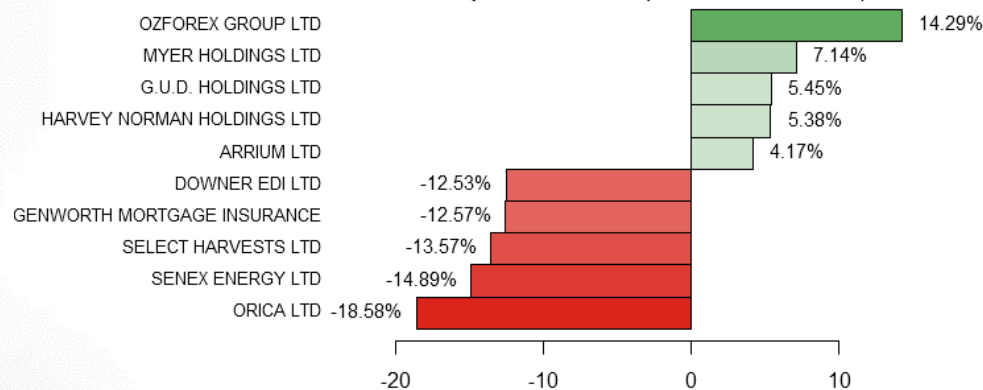
## Price Changes (%)

	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
S&P/ASX 200	-3.6	0.1	-2.84	-5.93	-0.68	-0.62
Hang Seng	0.58	4.41	-10.97	-0.51	-0.13	0.68
NZX 50 Index	-1.5	1.75	2.32	1.72	15.25	15.13

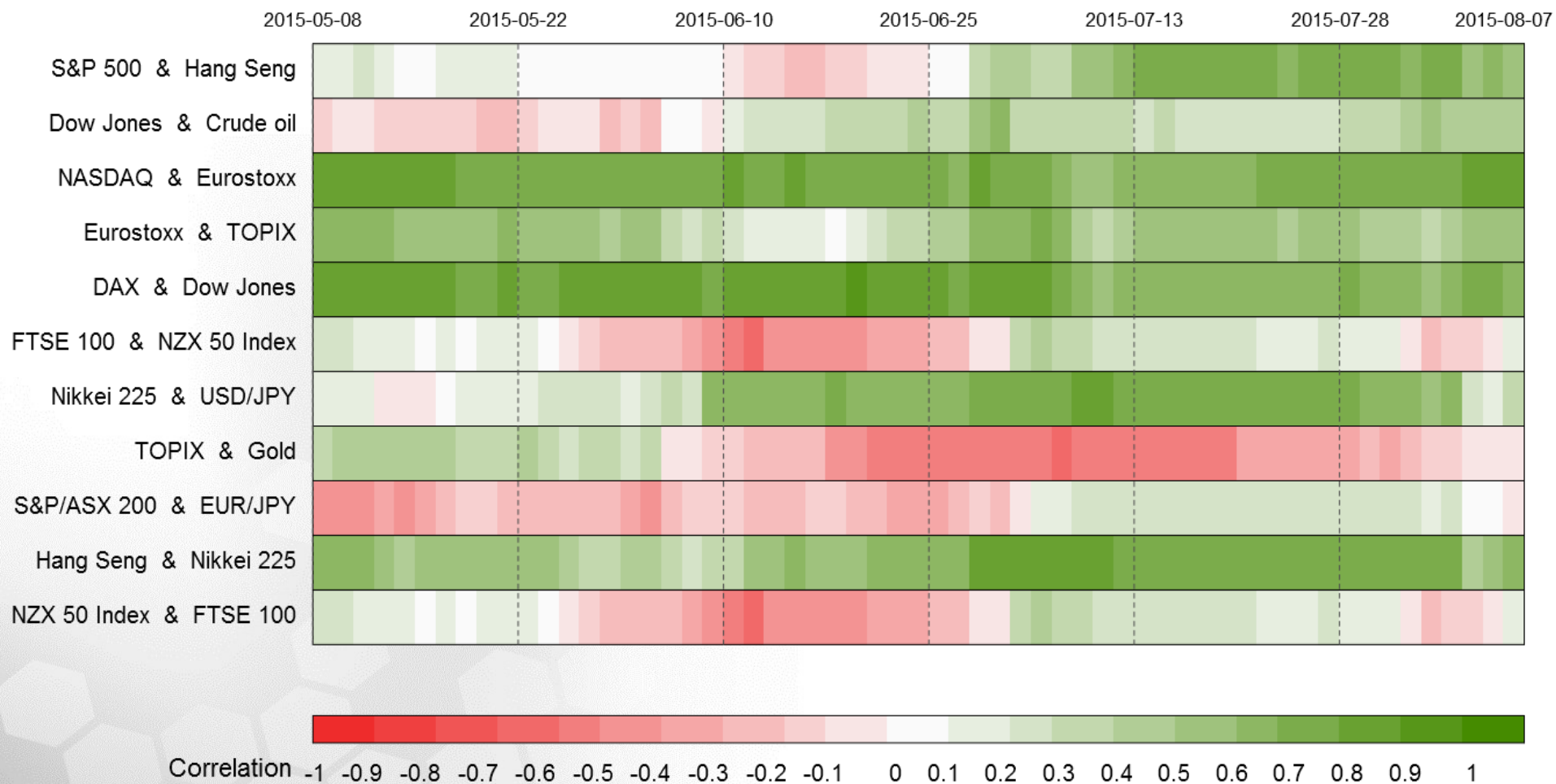
## Industry Performance (S&P/ASX 200)



## TOP performers (S&P/ASX 200)

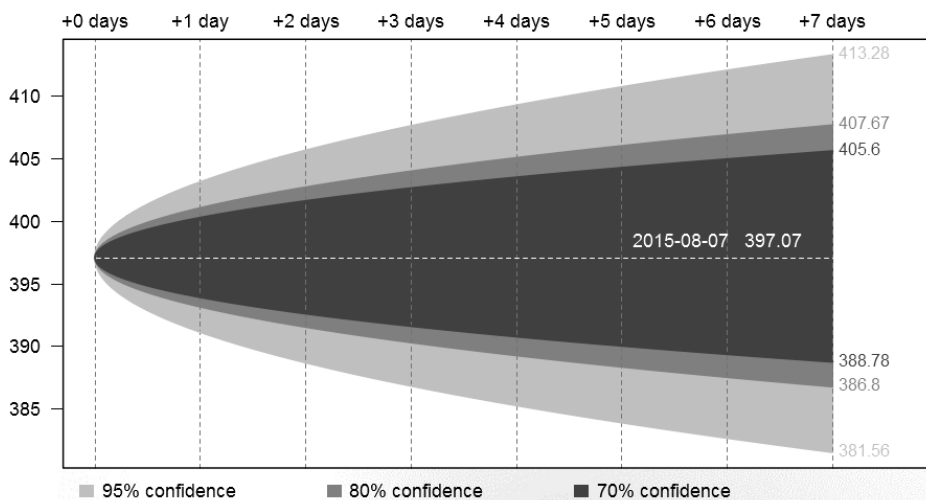


# Correlation Matrix

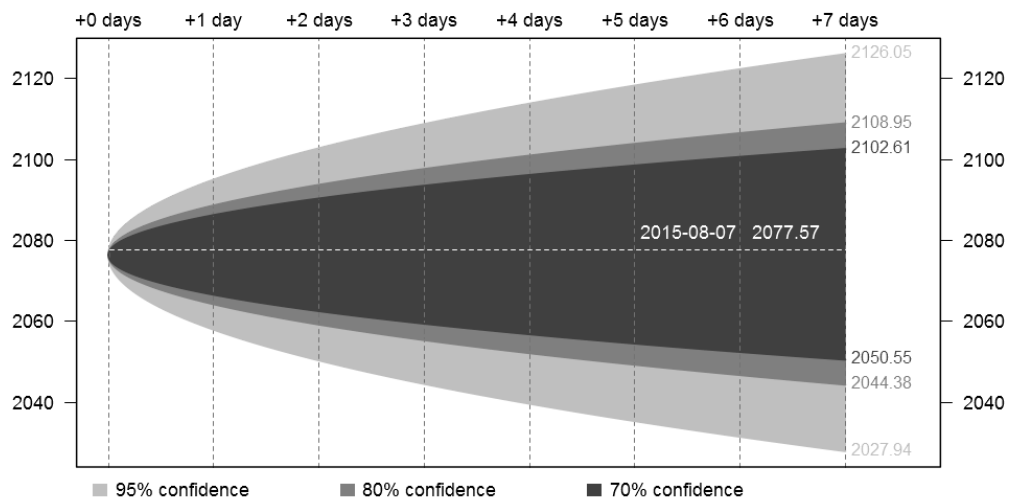


# Confidence Intervals

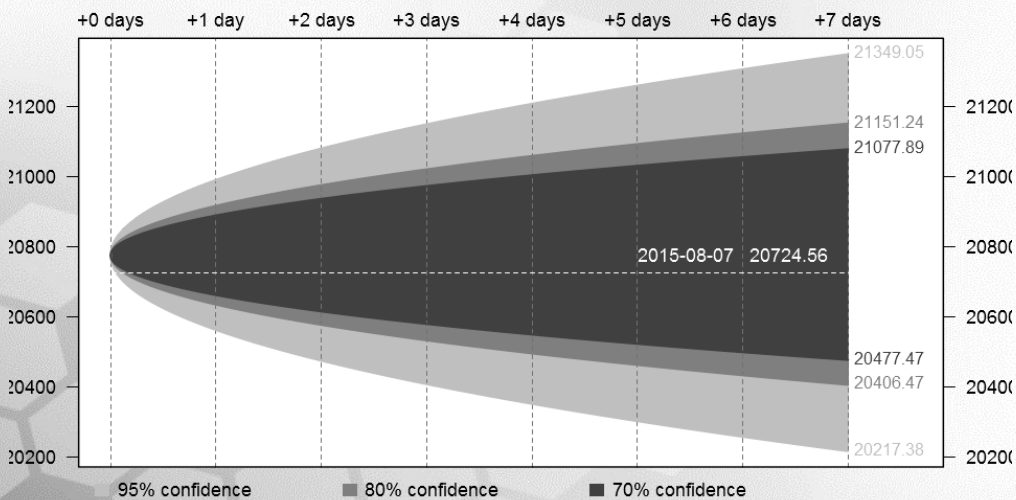
Eurostoxx Potential Rates



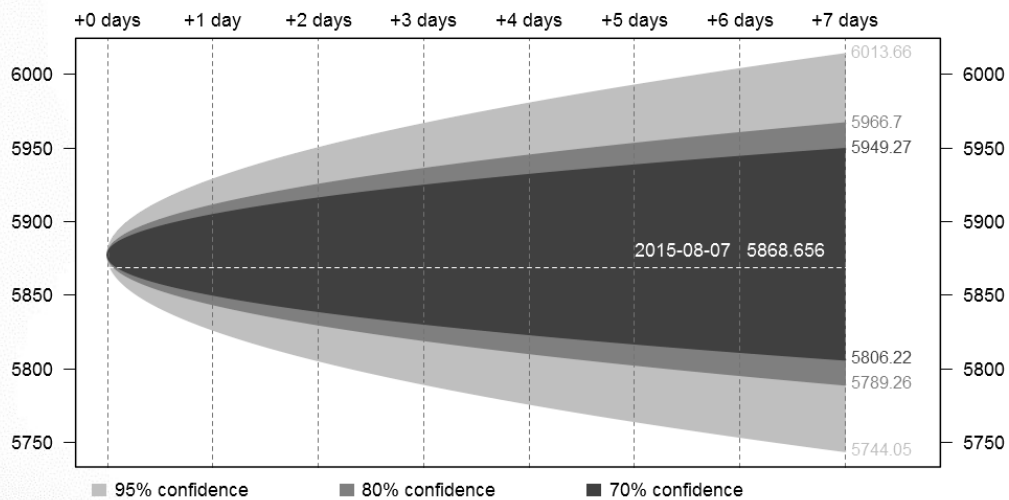
S&P 500 Potential Rates



Nikkei 225 Potential Rates



NZX 50 Index 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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