

Weekly Market Review

| GCC Indices | 22 nd Oct | 29 th Oct | % YTD |
|------------------------|----------------------|----------------------|---------|
| Qatar Stock Exchange | 7,285 | 7,135 | 3.62% |
| Saudi Tadawul* | 6,516 | 6,442 | 34.12% |
| Kuwait Stocks Exchange | 7,608 | 7,348 | -5.59% |
| Bahrain Stock Exchange | 1,558 | 1,526 | -15.42% |
| Muscat Stock Market | 6,609 | 6,355 | 16.79% |
| Abudhabi Stock Market | 3,120 | 3,023 | 26.49% |
| Dubai Financial Market | 2,244 | 2,198 | 34.30% |

*Dated as on 21st Oct'09 and 28th Oct '09

| World Indices | 23 rd Oct | 30 th Oct | % YTD |
|------------------------|----------------------|----------------------|--------|
| DJIA | 9,972 | 9,713 | 13.63% |
| S&P 500 Index | 1,080 | 1,036 | 19.52% |
| Nasdaq Composite Index | 2,154 | 2,045 | 36.62% |
| Nikkei 225 | 10,283 | 10,035 | 16.07% |
| Cac 40 Index | 3,808 | 3,608 | 18.34% |
| FTSE 100 Index | 5,343 | 5,045 | 20.49% |

| Commodities | 23 rd Oct | 30 th Oct | % YTD |
|-------------------|----------------------|----------------------|--------|
| Brent Crude(USD) | 78.16 | 75.09 | 64.71% |
| 100 Oz Gold (USD) | 1,055.80 | 1,045.10 | 18.18% |

| Currencies | 23 rd Oct | 30 th Oct | % YTD |
|------------|----------------------|----------------------|--------|
| EUR/USD | 1.5031 | 1.4819 | 6.05% |
| GBP/USD | 1.6304 | 1.6547 | 13.24% |
| USD/JPY | 92.0400 | 90.0700 | -0.66% |

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U.S. government reported that gross domestic product rose at an annualised rate of 3.5% in the third quarter compared with the second quarter. This was the first increase since the second quarter of 2008. Home resale's jumped by 9.4% in September from August, the biggest rise in 26 years, as first-time buyers rushed to take advantage of a tax credit. But the fragility of the recovery was highlighted by economic reports that showed U.S. consumers cut spending in September and consumer sentiment turned gloomier this month. Consumer spending fell 0.5 percent in September after a 1.4 percent jump in August. The Reuters/University of Michigan final index of consumer sentiment decreased to 70.6 in October from 73.5 the month before.

The Dow industrials suffered its worst slide since July on concerns that the economic recovery won't be robust enough to sustain the seven-month stock rally, while financials sank on renewed worries about Citigroup's balance sheet. GCC stock market indices also closed this week's trade on a negative note as retreating global equities and lower oil prices marred investors' appetite across the region.

The Dollar gained the most against the Euro in six months on concern the global recovery may stall as economic stimulus winds down, reducing demand for higher-yielding assets funded by the greenback. While Pound touched the strongest level against the Euro since September after gains in consumer confidence and mortgage approvals added to signs an economic recovery is taking hold in the U.K. The advance in the Dollar before next's week Federal Reserve announcement pared a fourth consecutive monthly loss, part of the longest losing streak since 2004.

Crude oil fell the most in a month after U.S. consumer spending dropped for the first time since April, increasing skepticism that the economy will strengthen. Conflicting signals with respect to oil demand led to volatility in crude prices during the week. Crude prices fell in response to growing concerns regarding energy demand after the weekly US Energy Department inventory report showed that fuel demand in the US dropped 0.8% last week, while stocks of gasoline climbed 1.62 million barrels against an expected drop of 1 million barrels.

Gold fell to below \$1,050 per ounce on Friday as the dollar edged up, snapping a rally that took prices to all-time highs for three consecutive days.

According to the latest IMF forecast, the six Gulf economies together are projected to grow 5.2 per cent in 2010 against a projected real growth of 0.7 per cent in their combined gross domestic product in 2009.

Dubai Government announced a dual-tranche 5 year USD and AED Sukuk Al Ijara. The \$1.25 billion USD tranche has a fixed rate coupon with a price guidance of mid-swap+375 while the AED2.5 billion floating rate note has a guidance of 3M Eibor+375. It's expected that a successful Bond issue from Dubai would have a positive impact on bond issuance by some of the Dubai names.

In a landmark amendment, Qatar opened up foreign investor's stake in consultative and technical work services, the information and technology sector, and distribution services to 100 percent. This new amendment forms part of the ongoing economic reforms, which is expected to attract huge foreign capital to the local market.

15 month Gold-linked note offering up to 14% on maturity

This is a 100% capital guaranteed note with assured return of 5% on maturity and a bonus rate of 9% provided Gold stays between USD 850/oz and USD 1,150/oz. For more details, contact your Relationship Manager.

Sources : Bloomberg/Reuters/Economist/Zawya