



LMC Weekly Market Summary and Islamic Capital Markets News



Good day,

After Monday's sharp decline in equity markets rattled investors' confidence, stocks churned uneasily through the week, fading further after an initial bounce Tuesday. The newly returned volatility may take some time to subside but macro fundamentals remain intact. The domestic and global economies are improving, earnings growth is accelerating, and credit markets remain unfazed. There is no heightened recession risk and no reason to believe the current bull market for equities has run its course. Corrections like this are natural and expected during any bull market. By any historical standard, equity markets were long overdue for a pause of some sort. What was most unsettling for some investors was the speed of the pull back. Falling 10% from its peak in just nine days, the S&P 500 logged its fastest correction since 1950 (larger moves like those experienced in 1987 and 2008 came amidst lengthier retreats already well underway). Yet, until last Friday, the S&P 500 was registering its longest streak ever without a 3% correction. Even after the losses of recent days, most major indices remain at levels representing well-above-average gains versus a year ago.

Regionally, The UAE government has no intention to raise the rate of the value-added tax (VAT) or excise tax over the forthcoming period, Minister of State for Financial Affairs Obaid Al Tayer said. "If you're referring to the next five years, we don't see anything [in regards to] increasing the VAT rate of the excise tax," Al Tayer told reporters at the third Arab Fiscal Forum in Dubai. "I also want to confirm that there aren't any subsidies or any legislation or any legislation regarding introducing income tax," he added. Bukhamseen Holding has purchased 200,000 shares in Kuwait International Bank (KIB) on Thursday. The average price of this transaction stands at KWD 0.228 per share at a total value of approximately KWD 45,600, according to a bourse filing on Sunday. Bukhamseen is considered the largest shareholder in KIB with a stake of 35.32%. KIB has a capital of KWD 103.73 million distributed on 1.04 billion shares at a par value of 100 fils each.



Market Summary

Week of February 02 – February 09

Index	Value	Weekly Change	YTD Change
Dow Jones Industrial AVG	24190.90	-5.21	-2.55
FTSE 100 Index	7092.43	-4.72	-2.68
NIKKEI 225	21382.62	-8.13	-9.04
Nymex Crude oil Future WTI	59.2	-9.55	-1.94
Gold	1316.15	-1.26	+1.04
EUR-USD	1.2252	-1.69	+2.00
USD-JPY	108.7965	-1.25	-3.40
GBP-USD	1.3827	-2.06	+2.40
3 month Libor \$	1.82000	+3 bps	+12 bps
5 year swap \$	2.6412	-4 bps	+40 bps
US Treasury 10 year yield	2.8510	+1 bps	+45 bps

[More Market Info...](#)

Capital markets news

Week of February 04 – February 11

Islamic Finance

- Qatar Islamic Bank Sells Its 60% Stake in Asian Finance Bank - [More...](#)
- Oman Is Said in Talks With Banks for Dollar Sukuk Sale - [More...](#)
- Dubai's DAMAC in talks with banks for possible dollar sukuk issue - [More...](#)
- Saudi Arabia working with HSBC, JPMorgan, MUFG on \$10 billion loan refinancing - [More...](#)
- Bahrain Sells 26 Million Dinars 182-day Sukuk - [More...](#)
- Dubai's Noor Bank CEO Says Weighing Sale of Islamic Bonds - [More...](#)

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Short Term Sukuk is a short-term Investment program fully backed by Sharia'a Compliant Sukuk with various tenors (short to medium) and various obligors managed by LMC and offered to F.Is, Corps and sophisticated investors as short term investment 1 month to 1 year terms with more attractive rates than the average returns offered by FIs on Wakalat & Murabahat.

Kindly find below the indicative rates,

Tenor	Indicative Rates
1 month	1.90 %
2 months	2.00 %
3 months	2.20 %
6 months	2.85 %
1 Year	3.00 %

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