



May 2008

Instrument	Last	Year-to-date	1-Year	3-Year
DJIA	12,820	-1.72%	-3.35%	+23.92%
Nasdaq	1,386	-7.54%	-4.69%	+22.64%
CAC 40	4,997	-9.91%	-16.59%	+23.88%
\$/€	1.564	-6.01%	-12.72%	-16.88%
MSCI World	1,509	-5.02%	-4.36%	+10.33%

Very volatile markets this month. The Dow, CAC and other Footsies had bumpy rides. The big story of the month has been about the python (**Microsoft**) trying hard to swallow the alligator (**Yahoo**) and not succeeding. One has to remember that these two companies are dominant brands worldwide and the takeover fiasco will

be damaging for both parties. Nobody (except for some guys at Microsoft) seems to see any synergy in this deal. **Yahoo employees** would see themselves moving from the freedom of their company to new overlords and may rebel and cause trouble. As usual **Air France-KLM** refused to continue talks with **Alitalia**.

### Numbers *that strike*

- ✚ **1.6019** was the amount of **US Dollars** necessary to purchase **1 Euro** on April 22. There we are.
- ✚ **\$120** has been the price of one barrel of **oil**. This is only €73.13. Happy Europeans.
- ✚ **\$24,000,000,000** is the lifeline granted to **Royal Bank of Scotland** by the Bank of England to keep it afloat. English free markets at their best.
- ✚ **3.673** is the amount of **UAE Dirham** to purchase 1 US Dollar. Same as 20 years ago, yesterday and tomorrow.
- ✚ **Fed** trimmed rates by a quarter to **2%**, their lowest level since 2004.

### Emerging Markets *(investing in)*

Walnut Finance follows closely Emerging Markets and is advising both would be and existing investors in those markets to look at them more closely. **Indian companies** in particular are expected to come out with good 4<sup>th</sup>

quarter results. **China**, despite protests, will finally benefit from the Olympics; **Eastern European countries** are doing extremely well and witness outstanding growth numbers.

### Real Estate *office space*

A recently released report shows that in Dubai growing demand pushed **office rents up by 22%** on average - way above last year's seven per cent rent cap - from first quarter 2007 to first quarter 2008. Likewise, **commercial sales prices soared 54%**. In Deira, office leases climbed by as much as 38 per cent. Other premier corporate spots, such as Sheikh Zayed Road and Dubai International Financial Centre, registered lower increases, but they are commanding the most expensive rates at **Dh405 and Dh415 per square foot** respectively. There is definitely a shortage in that field and we think it is still advisable to look into it.

### Events

Successful **Golf** Tournament organized at the Wadi by **PlaNNet Finance UAE** on April 23rd. Against all bookmakers odds, the **Walnut Finance Team** won.