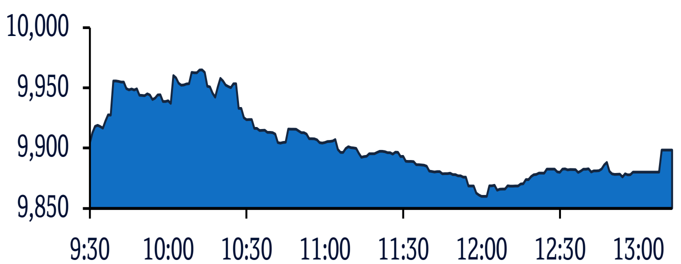
Daily Market Report

Monday, 24 February 2020

QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.4% to close at 9,898.4. Losses were led by the Transportation and Telecoms indices, falling 1.6% and 1.0%, respectively. Top losers were Doha Insurance Group and Qatar International Islamic Bank, falling 2.5% and 2.2%, respectively. Among the top gainers, Qatari German Company for Medical Devices gained 5.1%, while Doha Bank was up 2.8%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.3% to close at 7,983.0. Losses were led by the Utilities and Telecommunication Services indices, falling 1.8% and 1.6%, respectively. Baazeem Trading Company declined 2.9%, while Northern Region Cement Company was down 2.3%.

Dubai: The DFM Index fell 0.7% to close at 2,717.8. The Consumer Staples and Discretionary index declined 2.5%, while the Transportation index fell 1.7%. Al Ramz Corporation Invest. & Dev. declined 10.0%, while Air Arabia was down 3.2%.

Abu Dhabi: The ADX General Index gained 0.2% to close at 5,041.9. The Banks index rose 0.6%, while the other indices ended flat or in red. Eshraq Investments rose 1.8%, while Abu Dhabi Aviation Company was up 1.6%.

Kuwait: The Kuwait All Share Index fell 0.3% to close at 6,171.1. The Consumer Goods index declined 1.5%, while the Real Estate index fell 0.7%. Alrai Media Group Co. declined 7.7%, while Tijara and Real Estate Invesment Co. was down 7.1%.

Oman: The MSM 30 Index gained 0.1% to close at 4,197.3. However, all indices ended in red. Oman United Insurance rose 1.2%, while Bank Muscat was up 0.9%.

Bahrain: The BHB Index gained marginally to close at 1,668.7. The Commercial Banks index rose 0.1%, while the other indices ended in red. Khaleeji Commercial Bank rose 10.0%, while Bahrain Cinema Co. was up 0.9%.

Market Indicators	23 Feb 20	20 Feb 20	%Chg.
Value Traded (QR mn)	129.0	349.4	(63.1)
Exch. Market Cap. (QR mn)	547,821.8	549,479.6	(0.3)
Volume (mn)	50.5	114.3	(55.8)
Number of Transactions	3,036	7,121	(57.4)
Companies Traded	42	45	(6.7)
Market Breadth	11:28	24:19	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	18,301.91	(0.4)	(0.4)	(4.6)	14.5
All Share Index	2,966.62	(0.3)	(0.3)	(4.3)	15.2
Banks	4,227.22	(0.1)	(0.1)	0.2	14.8
Industrials	2,548.47	(0.5)	(0.5)	(13.1)	19.0
Transportation	2,394.31	(1.6)	(1.6)	(6.3)	12.3
Real Estate	1,411.04	(0.4)	(0.4)	(9.8)	10.6
Insurance	2,643.45	0.8	0.8	(3.3)	16.0
Telecoms	852.36	(1.0)	(1.0)	(4.8)	14.7
Consumer	7,767.26	(0.7)	(0.7)	(10.2)	17.9
Al Rayan Islamic Index	3,660.49	(0.5)	(0.5)	(7.4)	15.7

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Mouwasat Med. Serv. Co.	Saudi Arabia	90.40	3.0	127.9	2.7
Jabal Omar Dev. Co.	Saudi Arabia	29.25	2.6	4,670.5	7.7
Saudi Arabian Oil Co	Saudi Arabia	34.05	1.2	11,361.3	(3.4)
Qatar Insurance Co.	Qatar	3.09	1.2	1,827.4	(2.3)
First Abu Dhabi Bank	Abu Dhabi	14.76	1.0	972.4	(2.6)

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Emirates NBD	Dubai	12.65	(2.3)	945.2	(2.7)
Saudi Electricity Co.	Saudi Arabia	17.08	(2.2)	2,336.3	(15.5)
Qatar Int. Islamic Bank	Qatar	9.00	(2.2)	223.4	(7.0)
Mesaieed Petro. Holding	Qatar	1.86	(2.1)	2,942.7	(25.9)
Saudi Telecom Co.	Saudi Arabia	87.00	(2.0)	567.8	(14.5)

Source: Bloomberg (# in Local Currency) (## GCC Top gainers/losers derived from the S&P GCC Composite Large Mid Cap Index)

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatari German Co for Med. Devices	0.60	5.1	3,443.7	2.6
Doha Bank	2.37	2.8	2,412.8	(6.5)
Al Khalij Commercial Bank	1.37	1.3	8,407.4	4.6
Qatar Insurance Company	3.09	1.2	1,827.4	(2.3)
Al Khaleej Takaful Insurance Co.	1.85	1.0	94.1	(7.6)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Doha Insurance Group	1.11	(2.5)	84.8	(7.4)
Qatar International Islamic Bank	9.00	(2.2)	223.4	(7.0)
Qatar Navigation	5.86	(2.1)	71.6	(3.9)
Mesaieed Petrochemical Holding	1.86	(2.1)	2,942.7	(25.9)
Mazaya Qatar Real Estate Dev.	0.69	(1.7)	597.4	(4.5)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Al Khalij Commercial Bank	1.37	1.3	8,407.4	4.6
Masraf Al Rayan	4.15	(0.1)	6,580.9	4.8
Ezdan Holding Group	0.58	(0.2)	4,673.6	(5.9)
Qatari German Co for Med. Devices	0.60	5.1	3,443.7	2.6
Mesaieed Petrochemical Holding	1.86	(2.1)	2,942.7	(25.9)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Masraf Al Rayan	4.15	(0.1)	27,315.4	4.8
QNB Group	19.50	0.0	15,063.5	(5.3)
Al Khalij Commercial Bank	1.37	1.3	11,459.6	4.6
Industries Qatar	9.00	0.0	9,500.2	(12.4)
Qatar Islamic Bank	16.60	(0.6)	5,846.6	8.3

Source: Bloomberg (* in QR)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	9,898.40	(0.4)	(0.4)	(5.2)	(5.1)	35.27	149,500.6	14.4	1.4	4.3
Dubai	2,717.80	(0.7)	(0.7)	(2.6)	(1.7)	23.20	102,158.8	9.8	1.0	4.3
Abu Dhabi	5,041.86	0.2	0.2	(2.2)	(0.7)	18.82	143,641.9	14.9	1.4	4.9
Saudi Arabia	7,982.95	(0.3)	(0.3)	(3.2)	(4.8)	799.99	2,306,669.2	21.9	1.8	3.4
Kuwait	6,171.07	(0.3)	(0.3)	(2.4)	(1.8)	61.13	114,754.6	15.7	1.4	3.5
Oman	4,197.32	0.1	0.1	2.9	5.4	3.41	17,827.8	8.4	0.8	7.1
Bahrain	1,668.66	0.0	0.0	0.7	3.6	4.85	26,164.9	12.4	1.0	4.3

Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (** TTM; * Value traded ($ mn) do not include special trades, if any)

Qatar Market Commentary

- The QE Index declined 0.4% to close at 9,898.4. The Transportation and Telecoms indices led the losses. The index fell on the back of selling pressure from GCC shareholders despite buying support from Qatari and non-Qatari shareholders.
- Doha Insurance Group and Qatar International Islamic Bank were the top losers, falling 2.5% and 2.2%, respectively. Among the top gainers, Qatari German Company for Medical Devices gained 5.1%, while Doha Bank was up 2.8%.
- Volume of shares traded on Sunday fell by 55.8% to 50.5mn from 114.3mn on Thursday. Further, as compared to the 30-day moving average of 84.5mn, volume for the day was 40.2% lower. Al Khalij Commercial Bank and Masraf Al Rayan were the most active stocks, contributing 16.7% and 13.0% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	24.09%	51.64%	(35,550,270.14)
Qatari Institutions	50.72%	21.14%	38,159,798.02
Qatari	**74.81%**	**72.78%**	**2,609,527.88**
GCC Individuals	0.74%	3.35%	(3,374,147.62)
GCC Institutions	5.65%	8.67%	(3,902,364.13)
GCC	**6.39%**	**12.02%**	**(7,276,511.75)**
Non-Qatari Individuals	9.81%	9.68%	177,235.32
Non-Qatari Institutions	8.99%	5.51%	4,489,748.55
Non-Qatari	**18.80%**	**15.19%**	**4,666,983.87**

Source: Qatar Stock Exchange (*as a % of traded value)

Earnings Releases and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 4Q2019	% Change YoY	Operating Profit (mn) 4Q2019	% Change YoY	Net Profit (mn) 4Q2019	% Change YoY
National Medical Care Co.*	Saudi Arabia	SR	708.4	-7.3%	104.8	18.6%	80.1	28.8%
Saudi Kayan Petrochemical Co.*	Saudi Arabia	SR	9,536.4	-22.2%	379.0	-85.8%	(636.8)	N/A
Gulf Medical Projects*	Abu Dhabi	AED	534.9	13.7%	–	–	65.0	-42.6%
Agility*	Kuwait	KD	1,578.6	1.8%	–	–	86.8	7.0%

Source: Company data, DFM, ADX, MSM, TASI, BHB.(*Financial for FY2019)

Earnings Calendar

Tickers	Company Name	Date of reporting 4Q2019results	No. of days remaining	Status
QNNS	Qatar Navigation (Milaha)	25-Feb-20	1	Due
QGRI	Qatar General Insurance & Reinsurance Company	26-Feb-20	2	Due
QISI	Qatar Islamic Insurance Group	26-Feb-20	2	Due
MCCS	Mannai Corporation	27-Feb-20	3	Due
WDAM	Widam Food Company	1-Mar-20	6	Due
DBIS	Dlala Brokerage & Investment Holding Company	3-Mar-20	8	Due
AKHI	Al Khaleej Takaful Insurance Company	3-Mar-20	8	Due
QFBQ	Qatar First Bank	4-Mar-20	9	Due
QOIS	Qatar Oman Investment Company	8-Mar-20	13	Due
QGMD	Qatari German Company for Medical Devices	11-Mar-20	16	Due

Source: QSE

Qatar

- **SIIS postpones its AGM to March 11 –** Salam International Investment Limited (SIIS) has postponed the date of its Annual General Assembly meeting (AGM) to March 11, 2020, instead of March 1, 2020. In the event that the quorum is not complete, the second meeting will be held on March 25, 2020. (QSE)
- **Chairman: KCBK stays well positioned to achieve excellence –** Al Khalij Commercial Bank (KCBK) is well positioned to achieve excellence in the market with its strong financial position, sustainable profitability and market share, according to KCBK's Chairman, HE Sheikh Hamad bin Faisal bin Thani Al Thani. He was addressing Al Khaliji shareholders at their Annual General Meeting. Presenting the board of directors' report on the bank's activities and financial position for 2019, Sheikh Hamad said, "Year 2019 was another successful year for KCBK at all levels. We continued our growth in Qatar thanks to the prudent economic policies and the stable financial system of Qatar. Stability and sustainability were key drivers for growing our balance sheet while managing risk cautiously." At this meeting, the shareholders endorsed the financial statements for the fiscal year 2019, which registered a net profit (after tax) of QR646mn for the bank. During the meeting, the shareholders reviewed and endorsed the external auditor's report on the bank's accounts. They endorsed the financial statements for the fiscal year 2019 as presented to the meeting and approved the board's proposal to distribute a cash dividend equal to 7.5% of the share nominal value i.e., QR0.075 per share for 2019, and added the remaining profits to the accounting reserves. (Gulf-Times.com)
- **QNCD reiterates commitment to Qatar's infrastructure development –** Qatar National Cement Company (QNCD) has reiterated its continued support to the country's infrastructure development. In this regard, the company is diversifying the product portfolio by adding new products to meet the growing local demand. This was disclosed by QNCD's Chairman, Salem bin Butti Al-Naimi at the Annual General Assembly (AGM) where shareholders approved 30% cash dividend. In his address, he highlighted efforts to diversify the production by adding new types of cement to meet the demand of local market and utilize the opportunity of exporting to external markets. The company had last year stated it was looking to annually export as much as 3mn tons clinker, especially to Africa, Asia (including India) and Kuwait. The export markets, which also include Yemen and Iraq, come in view of the company recently operationalizing its fifth plant that will enhance the daily clinker production by 5,000 tons to 11,000 tons. QNCD is also seeking to optimize the production capacity of washed sand and calcium carbonate to meet the expected local market demand to achieve its targeted goals. (Gulf-Times.com)
- **Medicare Group's AGM endorses items on its agenda –**Medicare Group announced the results of the group's the Annual Ordinary General meeting (AGM) was held on February 23, 2020 and the company's AGM endorsed all items on its agenda. The agenda includes – (i) Adopted the profits appropriation policy and approved the proposal of the board of directors regarding the distribution of cash dividends in the rate of 7.5% of the share nominal value i.e., QR0.075 per share for the year ended December 31, 2019, and (ii) Approved the Corporate Governance Report for the year 2019 including endorsement of the policy of remuneration and incentives of the Board and Senior Management members, among others. (QSE)
- **MoCI organizes workshop on reforms for facilitating business in Qatar –** The Ministry of Commerce and Industry (MoCI) held a workshop to highlight the reforms undertaken by Qatar to facilitate business environment procedures at the various legislative, organizational, and administrative levels that would enhance the competitiveness of the country's economy. The workshop, which was attended by representatives of various business sectors in the country, focused on the systems that have been adopted to develop the business environment according to an integrative perspective, as well as highlighting new reforms and changes in the pipeline. Adviser to the Minister of Finance, Nasser Al-Taweel, delivered a presentation on 'Doing Business in Qatar 2020', which discussed reforms that the country has witnessed and the facilities it granted to business owners to attract more direct investments and support the private sector. (Gulf-Times.com)

International

- **UK takes swipe at indecisive EU as trade talk rancor grows –** Britain criticized the European Union on Sunday over the process of agreeing its negotiating mandate for post-Brexit trade talks, saying the bloc was hamstrung by indecision and delay because different members wanted different things. The outcome of the talks between Britain and the EU - its biggest trading partner - will define how the $2.7tn British economy develops following its departure from the EU. However before formal talks have even begun the mood of the negotiations is already tense, with European leaders questioning whether there is enough time to do a deal and Britain accusing the EU of changing its mind about what is on offer. On Sunday, Prime Minister Boris Johnson's office increased that tension by taking a swipe at the EU process of finalizing its negotiating position. (Reuters)
- **China braces for inevitable big hit to economy from virus, says Xi –** China will step up policy adjustments to help cushion the blow to the economy from a corona-virus outbreak that authorities are still trying to control, President Xi Jinping was quoted as saying on Sunday. Chinese policymakers have rolled out a raft of measures to support an economy jolted by the virus, which is expected to have a devastating impact on first-quarter growth. The situation is showing a positive trend after arduous efforts but there is no room for weariness and relaxed mentality among officials, state television quoted the president as saying. "At present, the epidemic situation is still severe and complex, and prevention and control work is in the most difficult and critical stage," Xi said. "The outbreak of novel corona-virus pneumonia will inevitably have a relatively big impact on the economy and society," Xi said, adding that the impact would be short-term and controllable. China's economic growth may show a sharp slowdown in the first quarter, probably dipping to 3% or

even lower from 6% in the previous quarter - which was the weakest pace in nearly 30 years, economists estimated. (Reuters)

- **G20 finance heads eye impact of corona-virus outbreak on growth, see modest pickup –** Finance chiefs of the world's top 20 economies vowed to monitor the impact of the corona-virus outbreak on global growth and act if needed, as they said loose monetary policy and easing trade tensions would prompt a pick-up in 2020 and 2021. The Group of 20 (G20) Finance Ministers and central bank heads faced a sober presentation by the International Monetary Fund (IMF), which predicted the epidemic would shave 0.1 percentage points off global growth. "We will enhance global risk monitoring, including of the recent outbreak of COVID-19. We stand ready to take further action to address these risks," the statement from the financial leaders said, using the medical acronym for the disease caused by the new corona-virus. "Global growth is expected to pick up modestly in 2020 and 2021. The recovery is supported by the continuation of accommodative financial conditions and some signs of easing trade tensions," they predicted. (Reuters)
- **IMF Chief sees negative economic impact from corona-virus, even if outbreak contained –** The corona-virus that originated in China will have a negative impact on the global economy even if it is rapidly contained, and it would be prudent to prepare for more significant consequences, the Head of the International Monetary Fund (IMF) said on Sunday. IMF's Managing Director, Kristalina Georgieva, in a statement issued after a meeting of finance officials from the world's 20 largest economies, called for coordinated action to contain the human and economic impact of the virus. "Of course, we all hope for a V-shaped, rapid recovery - but given the uncertainty, it would be prudent to prepare for more adverse scenarios," Georgieva said in a statement. (Reuters)

Regional

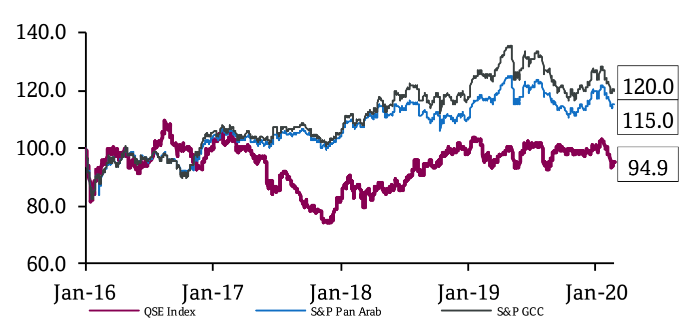
- **IMF harps on sustained structural reforms in GCC –** With continued improvements in energy-saving technologies, adoption of renewable sources of energy, and a stronger policy response to climate change, the energy-exporting countries in the region may need to be ready for a post-oil future sooner rather than later, alerted IMF. The urgency of continued reforms is greater in the GCC countries with more vulnerable financial positions, the Fund noted in its latest policy document on the region. The report 'Future of oil and fiscal sustainability in the GCC region' stated the countries with larger financial savings like Qatar, Kuwait and UAE are rather less vulnerable to possible future fiscal challenges as compared to that of peer economies. The ongoing reform efforts in the region will provide momentum over the next five years, but they need to be accelerated. The IMF document noted that faster economic diversification will not resolve the fiscal challenge on its own. Countries will need to increase their non-oil fiscal revenue. The fiscal revenue GCC governments generate from the hydrocarbon industry (about 80 cents from a dollar of hydrocarbon GDP) is much higher than what is generated from non hydrocarbon industries (about 10 cents from a dollar as compared to 14½ cents globally). Thus, even full replacement of the hydrocarbon industry with non-oil activity would still create a significant revenue shortfall. While this has begun to change with the recent introduction of VAT and excises in some countries, there is significant potential to build on this progress. As the region transitions toward a non hydrocarbon economy, moving from wide-ranging fees toward fewer broad-based taxes, for example, could provide much needed revenue diversification while also reducing distortions and facilitating SME development. (Peninsula Qatar)
- **Saudi Arabia seeks higher capital for insurers –** Saudi Arabia is working on new rules that stipulate higher capital for insurance companies, Governor of the Saudi Arabian Monetary Authority (SAMA), Ahmed Alkholifey said. The Governor said, "The government is trying to expedite regulations, hopeful they will be passed this year. The aim is to fix the capital, also to make the market more attractive to foreign investors and to domicile some of their business here. Government is encouraging mergers in overcrowded insurance sector." (Bloomberg)
- **Dallah Healthcare signs MoU to buy majority stake in Makkah Medical Center –** Dallah Healthcare has signed non-binding MoU with Makkah Medical Center to buy a majority stake for cash, Dallah Healthcare stated. The final value of the transaction will be determined on results of due diligence reviews. The MoU will be effective from the signing date, and will remain effective until June 30. The proposed transaction is subject to completion of financial, tax, legal, commercial due diligence. (Bloomberg)
- **Saudi Electricity Company's 84,000 kilometers national grid powers 9.8mn customers –** Saudi Electricity Company (SEC) has completed more than 84,000 kilometers of cabling line to boost the national power grid since its inception in 2012. The grid runs some 434 terawatt-hours through 1,124 high-voltage transformers and 3,559 medium-voltage transformers to 9.8mn customers in over 13,000 cities, towns, villages and communities of Saudi Arabia, stated the National Grid, the SEC's transmission subsidiary. SEC has made great strides in finance, technology and human resources, thus taking its asset value to SR147bn. The company's high-tech communications network, the largest-of-its-kind in the Middle East, uses the latest digital mobile radio technology and a 76,000-kilometres fiber optics network. Because it considers quality as paramount, the company has dedicated 58 quality control teams around its facilities, staffed with proficient experts whose mission is to assure the quality of the services it offers, SEC stated. To bolster the human element, NGSA steadily replaced foreign staff with talented, qualified and well-trained Saudi nationals, to the point where 88% of its 5,143-strong workforce is now made up of Saudis. SEC has built a solid network of strategic partnerships, including 16 partnerships with global manufacturers, to gain and develop its expertise and knowhow, it added. Recently the Saudi company had signed two contracts with Egyptian Electricity Transmission Company (EETC) for providing consultancy services. The signing was done during the visit by a delegation from EETC to a number of Saudi utility's dynamic compensating stations in Jeddah and Madinah. (Zawya)
- **CBUAE: UAE's economy grew at 2.9% in 2019 –** The UAE's economy grew at 2.9% YoY in 2019, up from 1.7% in 2018, a Central Bank of the UAE (CBUAE) report stated. The country's hydrocarbon sector grew at 7.6% in 2019, while the non-hydrocarbon sector expanded by 1.1%, the bank report stated. The CBUAE stated that the UAE economy grew 1.3% in the fourth quarter from a year earlier, slowing from a pace of 2.9% in

the third quarter. The IMF expects the UAE economy to expand at 2.5% in 2020 as oil producers will be hit by output cuts following the decision by OPEC and non-OPEC producers in December to extend supply cuts. The CBUAE report also stated that property prices in Dubai fell by 7.0% in the fourth quarter from a year earlier, compared with an 8.2% drop in the previous quarter. "The Dubai market continues to exhibit decline in rent due mainly to excess supply," it stated. Property group Knight Frank stated in a report earlier this month that a total of 62,500 residential units are scheduled to be completed this year in Dubai, the biggest number of new units since 2008. For Abu Dhabi, the CBUAE stated that residential property prices fell 7.5% in the fourth quarter from a year earlier, moderating from a drop of 8.2% in the third quarter. (Zawya)

- **Deflation in UAE slows down over rising employment and non-oil growth –** The UAE's' consumer price index (CPI) is falling at a slower pace due to an uptick in the non-oil sector and employment, according to new data published by the Central Bank of the UAE (CBUAE). The CPI declined by 1.6% YoY during the fourth quarter of 2019 compared to a drop of 2.1% in the previous quarter, the report stated. "The pickup in non-energy growth and employment has moderated the pace of deflation," the regulator stated. However, it added that the decline in oil prices, pegged at 6.5%, and the continued fall in rent prices have continued to weigh negatively on inflation in the UAE. The central bank report noted that employment in the private sector increased by 2% YoY during the fourth quarter, the highest growth in the last seven quarters and higher than the 1.1% increase recorded in the previous quarter. The non-hydrocarbon GDP growth also accelerated during the same period. "The pickup in non-oil activities is also reflected in improved labor market indicators. Employment in the private sector picked up further momentum," CBUAE stated. (Zawya)
- **UAE and Saudi Arabian firms team up for non-oil export credit insurance –** The UAE's federal export credit company is partnering with the Saudi Fund for Development to finance and provide credit insurance for non-oil exports from the two nations. It is a favorable step to strengthening the alliance between both countries and will boost local businesses, according to a statement from Etihad Credit Insurance. The highlights include sharing of work streams that include insurance, reinsurance and collections, commercial information and credit opinion sharing, cooperation in technical training programs, trade promotions and SME programs. Two of the major OPEC producers, the UAE and Saudi Arabia have been seeking to diversify their economies away from oil in recent years due to lower global demand and heightened geopolitical risks. (Bloomberg)
- **Emirates NBD agrees on 40% cash dividends –** The board of Emirates NBD has approved the distribution of 40% of the capital as cash dividends for fiscal year 2019. The distribution of the cash dividends stands at AED0.40 per share, aggregating to an amount of AED2.526bn, according to the bank's disclosure. Meanwhile, the bank's Ordinary General Meeting is scheduled to be held on March 10 to consider this dividend recommendation. It is noteworthy mention that during fiscal year 2019, the bank's net profits saw a 44% YoY hike to AED14.5bn, compared to AED10.04bn in 2018. (Zawya)
- **DP World parent's funding package comprises three acquisition finance facilities and $3bn loan –** DP World parent's funding package comprises three acquisition finance facilities with tenors of up to three years and a $3bn five-year term loan, Port and Free Zone World stated. Port and Free Zone World is DP World's parent company. (Bloomberg)
- **Three UAE-listed energy companies post 64% YoY higher profits in 2019 –** The profits of three UAE-listed energy companies surged 64% YoY in 2019, supported by higher production and sale value, along with lower costs. The three companies' net profits soared to AED3.03bn last year, compared to AED1.85bn in the year-ago period. Abu Dhabi National Oil Company for Distribution (ADNOC Distribution) topped the Emirati energy companies in terms of profits. ADNOC Distribution recorded a 4.2% rise in net profits to AED2.218bn in 2019 from AED2.128bn in 2018. Dana Gas came second, as the Abu Dhabi-listed company logged a net profit of AED575mn for the full year ended December 31, 2019, against a loss worth AED682mn in 2018. Abu Dhabi National Energy Company's (TAQA) net profit attributable to the parent company's shareholders shrank to AED234mn last year, compared to AED398mn in 2018. As for revenue, the three energy companies' revenue dropped to AED40.6bn in 2019, against AED42.35bn the year before. (Zawya)
- **Etisalat acquires cyber security specialist German firm Help AG –** Etisalat announced that it has completed the acquisition of Help AG, a privately held regional company specializing in the delivery of cyber security solutions and services. Prompted by a clear synergy, this acquisition sees the integration of the cyber security capabilities of both companies to create the region's strongest cyber security unit augmenting Etisalat Digital's portfolio of digital security services. This development enables Etisalat Digital established lines of business - comprising the Cloud, Internet of Things (IoT), Artificial Intelligence (AI), Big Data and Analytics - to become more robust and resilient against modern day cyber threats. (Zawya)
- **Oman's new ruler aims to reduce country's debt –** Oman's Sultan Haitham bin Tariq Al-Said said that the government would work to reduce public debt and restructure public institutions and companies to bolster the economy. He said the government would create a national framework to tackle unemployment while addressing strained public finances. "We will direct our financial resources in the best way that will guarantee reducing debt and increasing revenues. We will also direct all government departments to adopt efficient governance that leads to a balanced, diversified and sustainable economy," he said. Rated junk by all three major credit rating agencies, Oman's debt to GDP ratio spiked to nearly 60% last year from around 15% in 2015, and could reach 70% by 2022, according to S&P. The small oil producing country has relied heavily on debt to offset a widening deficit caused by lower crude prices. The country has delayed introducing a 5% value added tax from 2019 to 2021, and economic diversification has been slow, with oil and gas accounting for over 70% of government revenues. Last week, rating agency Fitch stated Oman was budgeting for a higher deficit of 8.7% for 2020 despite its expectation of further asset-sale proceeds and some spending cuts. (Reuters)

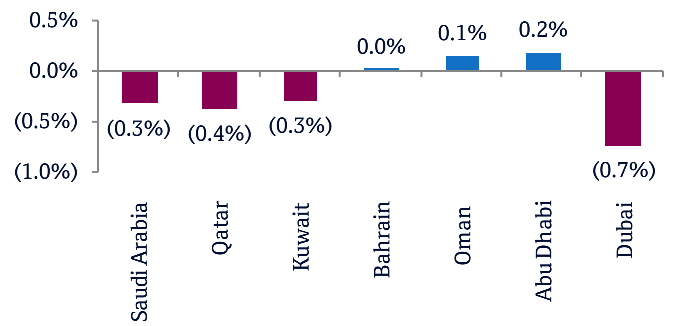
- **Al Baraka Banking Group achieved a net income of $180mn in FY2019 –** Al Baraka Banking Group (ABG) achieved a net income of $180mn in FY2019 a decline of 17% compared to $217mn in FY2018. Total operating income came in at $967mn in the same period decreasing by 2% compared to $988mn in 2018. Total assets increased to exceed $26bn at the end of December 2019 compared to end of December 2018. After deducting operating expenses, which increased by 5% due to higher investments in technology and digital transformation strategy, net operating income reached $399mn, a decrease of 11% compared to $477mn in 2018. Net income attributable to the shareholders of the Group was $106mn, a decrease of 18% compared to $129mn in 2018. Basic and diluted earnings per share reached $0.0601 I FY2019 compared to $0.0797 for the year FY2018. Due to the improvement of local currencies for most of the year in a number of countries where the Group's units operate, the consolidated balance sheet of the Group reached at $26.3bn at the end of December 2019, an increase of 10% compared to $23.8bn at December 31, 2018. The Group maintained a large portion of these assets in the form of liquid assets. Operating assets (financing and investments) amounted to $19.8bn as at the end of December 2019 compared to $17.9bn on December 31, 2018, increasing by 11%. Customer accounts including due to banks and financial institutions as at the end of December 2019 reached $22.5bn, an increase of 14% compared to $19.6bn level as at the end of December 2018, and represents 86% of total assets, which indicates the continued customer confidence and loyalty in the Group and the growing customer base. Total equity reached $2.3bn at the end of December 2019, increasing by 3% compared to the end of December 2018. Based on this performance, the board of directors recommended to the AGM to distribute cash dividends of $0.02 for each outstanding shares, subject to regulatory and AGM approvals. (Zawya)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,643.41	1.5	3.7	8.3
Silver/Ounce	18.49	0.7	4.2	3.6
Crude Oil (Brent)/Barrel (FM Future)	58.50	(1.4)	2.1	(11.4)
Crude Oil (WTI)/Barrel (FM Future)	53.38	(0.7)	2.6	(12.6)
Natural Gas (Henry Hub)/MMBtu	1.96	(2.5)	1.6	(6.2)
LPG Propane (Arab Gulf)/Ton	43.38	(0.8)	9.8	5.2
LPG Butane (Arab Gulf)/Ton	65.50	1.2	19.4	(1.3)
Euro	1.08	0.6	0.1	(3.3)
Yen	111.61	(0.4)	1.7	2.8
GBP	1.30	0.6	(0.6)	(2.2)
CHF	1.02	0.6	0.4	(1.1)
AUD	0.66	0.2	(1.3)	(5.6)
USD Index	99.26	(0.6)	0.1	3.0
RUB	64.06	(0.2)	0.8	3.3
BRL	0.23	0.1	(2.1)	(8.4)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,402.80	(0.7)	(1.2)	1.9
DJ Industrial	28,992.41	(0.8)	(1.4)	1.6
S&P 500	3,337.75	(1.1)	(1.3)	3.3
NASDAQ 100	9,576.59	(1.8)	(1.6)	6.7
STOXX 600	428.07	0.1	(0.4)	(0.5)
DAX	13,579.33	(0.0)	(1.1)	(0.7)
FTSE 100	7,403.92	0.3	(0.6)	(4.0)
CAC 40	6,029.72	0.1	(0.5)	(2.5)
Nikkei	23,386.74	(0.1)	(3.0)	(3.6)
MSCI EM	1,084.22	(1.0)	(2.0)	(2.7)
SHANGHAI SE Composite	3,039.67	0.3	3.6	(1.2)
HANG SENG	27,308.81	(1.2)	(2.1)	(3.1)
BSE SENSEX	41,170.12	0.0	(0.8)	(1.2)
Bovespa	113,681.40	(0.6)	(2.3)	(9.9)
RTS	1,524.71	(0.7)	(0.7)	(1.6)

Source: Bloomberg(*$ adjusted returns)

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