



2Q 2018 EVENT CALENDAR	DATE
GS / Bursa Kuwait Roadshow, LON	25 APR
MENA Roadshow ( <a href="#">Link</a> ), DXB	29-30 APR
Morgan Stanley EEMEA, LON	15-17 MAY

## IN CASE YOU MISSED IT . . .

GCC markets were mostly down, but Saudi Arabia (+0.8%) continued to outperform the region on the back of FTSE's decision to upgrade the country to emerging market status. Abu Dhabi (+0.2%) ended a volatile week in the green, supported by banking stocks. Qatar (-2.9%) slipped the most, under pressure from heavyweights QNB and Industries Qatar. Dubai (-1.3%) fell on the back of selling in real estate stocks. Kuwait (-0.4%), Bahrain (-1.2%) and Oman (-0.6%) also closed lower. In the US, markets witnessed strong gains with the Dow (+2.7%), S&P 500 (+2%) and Nasdaq (+1%) all closing higher, on easing concerns of a trade war and a late rebound in tech stocks. European markets also closed higher with FTSE 100 index (+1.9%) and the Stoxx 600 (+1.4%) reporting moderate gains.

ASSET CLASS MONITOR	WTD ↓	YTD
S&P 500	2.03%	-1.22%
FTSE 100	1.95%	-8.21%
MSCI World	1.29%	-1.41%
MSCI GCC	0.11%	7.15%
MSCI EM	-0.10%	1.07%
Oil (Brent)	-0.26%	5.08%
US Treasury Yields	-0.57%	24.46%
Gold	-1.62%	1.74%
Aluminum	-2.51%	-10.91%

## BRENT FUTURES PRICE



COMMODITIES	WTD ↓	YTD
Natural Gas	5.48%	-7.45%
Oil (Brent)	-0.26%	5.08%
Oil (WTI)	-1.43%	7.48%
Gold	-1.62%	1.74%

## Saudi's FTSE EM Index Inclusion Is a Game Changer

### The week ahead

#### Regional markets

GCC markets are likely to open strong, following the positive cues from US and European markets and the gain in crude prices on Thursday. Saudi market may continue to outperform the region post the upgrade by FTSE to emerging market status.

#### Global markets

The week starts with China and US manufacturing PMI data on Monday, while European markets remain closed for Easter. On Tuesday, the Australian CB will announce its interest rate decision, followed by manufacturing PMI numbers for Germany, Eurozone and UK. Eurozone inflation and unemployment figures will be released on Wednesday, along with US factory orders and employment data. On Thursday, German factory orders data will be released, followed by Eurozone retail sales and US jobless claims figures. The week ends with US labour force and non-farm payroll data, and Eurozone and Canadian employment figures.

#### You may be asked about

"Saudi Arabia's inclusion in the FTSE benchmark is the largest event in the emerging markets since 2001, and an important development for global investors," Mark Makepeace, chief executive of FTSE Russell, told a press conference in New York (Reuters).

#### Note to management

For corporate leaders and IR practitioners, especially in Saudi Arabia, EM Index inclusion is a game changer. Here are some key highlights to put things into perspective:

- Saudi could make up 2.7% of the EM Index; and 4.6% including Aramco's \$100 billion float
- Tadawul will become the 10th largest stock market in the FTSE EM index.
- Saudi will be included in five tranches in 2019, not to destabilize other emerging markets: 10% (18 March); 15% (22 April); 25% (24 June); 25% (23 September); 25% (23 December)
- The Saudi market could attract US\$5.4 billion in passive inflows (excluding Aramco)
- The Kingdom represents 17% of FTSE Middle East & Africa Index - second to South Africa
- Kuwait will represent 0.4% of FTSE EM Index; with potential inflows of US\$800 million
- FTSE will lower its required liquidity threshold to 0.04% per month to ensure wider index representation for Kuwait.
- With Saudi and Kuwait, along with Egypt, Qatar and the UAE, the Middle East represents 4.8% of the FTSE EM Index universe, and 6.8% of the FTSE EM Index excluding China.

Take a moment to read our high-level thoughts on FTSE index inclusion here: [Link](#). We also recommend a quick scan of the FTSE reclassification and FAQ documents listed below.

#### REGIONAL CALENDAR

02.04.2018	-	-
03.04.2018	-	-
04.04.2018	KSA Umrah Survey 2018	-
05.04.2018	KSA Weekly Money Supply	-

#### GLOBAL CALENDAR

02.04.2018	China Caixin Manufacturing PMI	US ISM Manufacturing PMI
03.04.2018	Germany Retail Sales Data	Eurozone Manufacturing PMI
04.04.2018	Eurozone Consumer Inflation (Preliminary)	US Factory Orders Data
05.04.2018	ECB Monetary Policy Meeting Accounts	Germany Composite PMI
06.04.2018	US Non-Farm Payrolls Data	Germany Industrial Production Data

## Food for thought

### IR & BEYOND

Iridium	Saudi Arabia Included in FTSE Emerging Market Index	<a href="#">Link</a>
FTSE Russell	Saudi Arabia Reclassification	<a href="#">Link</a>
FTSE Russell	FAQ Document: Reclassification of Saudi Arabia	<a href="#">Link</a>
Reuters	Saudi to join FTSE emerging index from next March, attract billions	<a href="#">Link</a>
The Economist	More market volatility seems likely	<a href="#">Link</a>

# Weekly IR Brief

Sunday, 01.04.2018

iridium

SOVEREIGN YIELDS (10YR)	CURRENT (%)	1 MONTH (bps)	1 YEAR (bps)
US	2.74	-12	+35
UK	1.35	-15	+21
Germany	0.49	-16	+17
France	0.71	-20	-25
Italy	1.78	-19	-53
Switzerland	-0.03	-7	+12
Japan	0.04	0	-2
Hong Kong	1.83	-5	+32
India	7.39	-33	+72

## About Iridium

Iridium is the GCC region's leading IR specialist.

We advance the science and practice of investor relations to help organizations and leaders protect downside, close gaps and unlock future potential.

We hope you enjoy IR Brief. We are always here to help you advance your IR activities. Please don't hesitate to let us know if we can be of assistance in any way.

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## GLOBAL AGENDA

US	Releases Employment Data
Reserve Bank of Australia	Sets Monetary Policy
New York Fed	Debuts the Secured Overnight Financing Rate (America's Libor)
Reserve Bank of India	Announces Interest Rate Decision
Bank of Japan	Reports output gap and potential growth rate
Saudi Crown Prince	Visits Saudi oil company Aramco's research center in Houston
Fed Governor Brainard	Delivers a speech in NYU
Earning Releases	Kewpie, CarMax, Novagold, PriceSmart, WD-40, China Motor Corp
Easter Monday	Holiday in many areas: UK, Australia, Canada, and most of Europe

## MOST READ REGIONAL SECTOR HEADLINES

Banks	Qatar's QIIB may issue \$400m-\$500m Sukuk this year: CEO
Financials	GFH Financials says potential acquisition could raise AUM to \$9b from \$6b
Energy	Al-Falih: Saudi Aramco's IPO could still happen in 2018
Retail	Qatar's Al Meera Consumer Goods Co. to open nine more outlets this year
REIT	Derayah REIT declares dividend for Q1 2018
Consumer Staples	Al Othaim gets regulatory nod for capital increase
Transportation	Qatar Airways plans to buy stake in Russian airport
Healthcare	UAE healthcare provider NMC Health raises \$2bn loan
Real Estate	Aldar Properties raises foreign ownership limit to 49%
Telecom	Zain Group waits for approval to sell mobile towers in Saudi Arabia

## MOST READ REGIONAL COMPANY HEADLINES

Emirates NBD	Emirates NBD closes in on Denizbank acquisition
Qatar Fuel Company	Qatar Fuel to invest QR634mn to fuel local expansion in 2018
Etisalat	Etisalat clears full-year 2017 dividends of 80 Fils per share
Dana Gas	Dana Gas plans cash dividend despite \$700mn Sukuk dispute
DP World	UAE's DP World wins deal for greenfield DRC Congo port
Ooredoo	Fitch downgrades Ooredoo's IDR to 'A-'; outlook 'Stable'
Ajman Bank	Ajman Bank signs MoU with GII-REIT
Saudi Marketing Company	Saudi Marketing Company signs SR100mn bank facility agreement
Al Rajhi Bank	Al Rajhi Bank eyes corporate lending growth, says CEO
Saudi Aramco	Honeywell signs deals with Saudi Aramco, Advanced Electronics

REGIONAL MARKETS	Last Close	YTD %	QTD %	MTD %	M-Cap (bn)	P/E (ttm)
Saudi Arabia	7,870.87	8.9%	8.9%	6.1%	\$502.2	17.4x
ADX	4,585.4	4.3%	4.3%	-0.3%	\$126.33	11.8x
DFM	3,108.53	-7.8%	-7.8%	-4.2%	\$81.86	11.0x
Nasdaq Dubai	3,239.60	-1.5%	-1.5%	-2.4%	NA	NA
Qatar	8,873.99	0.6%	0.6%	-0.9%	\$98.14	13.2x
Bahrain	1,318.39	-1.0%	-1.0%	-3.8%	\$20.0	8.7x
Oman	4,773.51	-6.4%	-6.4%	-4.6%	\$13.36	12.2x

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