

1Q 2018 IR CALENDAR	DATE
Morgan Stanley Saudi Conf., NYC	12-13 MAR

## IN CASE YOU MISSED IT...

Most GCC markets fell last week with Saudi Arabia (+0.6%) being the only exception, supported by foreign inflows on the back of increased speculation of the potential upgrade by FTSE and MSCI to emerging market status. Qatar (-3.8%) fell the most, as major stocks went ex-dividend. Dubai (-1.6%) was under pressure from Real Estate stocks, closing below the key 3,200 support level. Abu Dhabi (-1.5%) and Oman (-1.6%) also fell. Meanwhile, Kuwait (-0.2%) and Bahrain (-0.4%) recorded moderate losses. In the US, strong labour market data boosted the Dow (+3.3%) and the S&P 500 (+3.5%), while the Nasdaq (+4.2%) closed at a record level, shrugging off worries of a trade war. European markets followed a similar trend with the Stoxx 600 (+3.1%) and the FTSE 100 index (+2.2%) rising sharply.

FY 17 RESULTS	PROFIT (mn)	Y-O-Y%
YANSAB	SAR 2,376.4	+1.4%
Sahara Petrochemicals	SAR 444.5	+3.0%
Middle East Paper Co	SAR 68.1	-28.2%
Bawan Co.	SAR 71	-37.9%
Petro Rabigh	SAR 1,423	+3991.1%
Banque Saudi Fransi	SAR 3,532	+0.6%

## BRENT SPOT PRICE



ASSET CLASS MONITOR	WTD ↓	YTD
S&P 500	3.54%	4.22%
MSCI World	2.76%	2.42%
FTSE 100	2.19%	-6.03%
MSCI EM	2.13%	4.21%
Oil (Brent)	1.74%	-2.06%
US Treasury Yield	1.21%	20.14%
MSCI GCC	0.64%	2.95%
Gold	0.09%	1.62%
Aluminum	-3.03%	-7.27%

## Ties between Qatar and Gulf countries could improve

### The week ahead

#### Regional markets

With the earnings season coming to an end, local investors are likely to focus on cues from global markets. Some GCC markets are likely to start the week on a slightly positive note, following the strong gains in Western markets, as well as the gains in crude oil on Friday.

#### Global markets

The week starts with China FDI numbers on Monday, followed by US monthly budget statement. On Tuesday, UK Budget report will be released along with US inflation numbers. On Wednesday, China retail sales and industrial production figures would be published, followed by Eurozone industrial production and employment change, and US retail sales figures. On Thursday, US jobless claims and manufacturing survey data will be released. Eurozone inflation numbers, followed by Bank of England quarterly bulletin, and US housing starts and building permits data on Friday.

#### You may be asked about

Saudi Arabia, UAE, Bahrain and Egypt are reportedly studying plans to relax some restrictions on Qatar as the first step towards a wider deal. According to news reports, the four countries are considering a proposal to lift restrictions on civilian travel to Qatar after closing land, air and sea links as part of a boycott that began last June.

#### Note to management

Credit Suisse released its annual global hedge fund investor survey, which captures the responses of 345 investors representing over \$1 trillion of investments.

Some takeaways:

- Hedge fund industry assets reached a new all-time-high of \$3.21 trillion
- Risk management (63%) takes over from outperformance as top factor in HF selection
- Highest sources of risk are crowded trades/ herd behaviour (69%), inflated asset prices (53%) and lack of market liquidity (42%)

There is strong appetite for equity focused strategies. Top ranked strategies are:

- Emerging markets equity (33%)
- Fundamental long/ short (20%)
- Quantitative market neutral (19%)

Investors expect to increase target returns to 8.53% during 2018, up from 7.25% in 2017.

Read more about the survey results here : [Link](#)

### REGIONAL CALENDAR

11.03.2018	-	-
12.03.2018	-	-
13.03.2018	-	-
14.03.2018	-	-
15.03.2018	KSA Weekly Money Supply	-

### GLOBAL CALENDAR

12.03.2018	US Monthly Budget Statement	-
13.03.2018	US Consumer Inflation	Japan Machinery Orders
14.03.2018	US Retail Sales	BoJ Monetary Policy Meeting Minutes
15.03.2018	US NAHB Housing Market Index	-
16.03.2018	Eurozone Consumer Inflation	US Industrial Production

## Food for thought

### IR & BEYOND

Iridium	Sometimes, Investor Champions Are Found Where Least Expected	<a href="#">Link</a>
The Guardian	Gulf states considering plans to bring end to Saudi-led Qatar boycott	<a href="#">Link</a>
Credit Suisse	2018 global survey of hedge fund investor appetite and activity	<a href="#">Link</a>
Institutional Investor	Where (Most) Activists Fear to Tread	<a href="#">Link</a>
CFO magazine	CFO Optimism Climbs to 22-Year High	<a href="#">Link</a>

SOVEREIGN YIELDS (10YR)	CURRENT (%)	1 MONTH (bps)	1 YEAR (bps)
US	2.89	+4	+32
UK	1.49	-8	+26
Germany	0.64	-10	+16
France	0.89	-9	-22
Italy	2.00	-4	-35
Switzerland	0.05	-7	+6
Japan	0.04	-1	-4
Hong Kong	1.92	0	+13
India	7.67	+16	+77

COMMODITIES	WTD ↓	YTD
Oil (Brent)	1.74%	-2.06%
Natural Gas	1.37%	-7.48%
Oil (WTI)	1.29%	2.68%
Gold	0.09%	1.62%

## 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

OECD	Publishes interim economic outlook, with forecasts for the global economy
China	Releases industrial production data
German Chancellor	Signs a coalition pact with the Social Democrats in Berlin
GCC	Central Bank Governors hold a press conference in Kuwait
EU Finance Ministers	Discuss measures to reduce risks in the banking industry
UK Chancellor	Issues spring statement with new economic forecasts
US	Releases Consumer Inflation Data
Earning Releases	Broadcom, Petrobras, Tiffany, Lukoil, Adidas
European Commission	Comments on US steel and aluminum tariffs to the EU Parliament in France

## MOST READ REGIONAL SECTOR HEADLINES

Banks	Credit growth, interest rates to boost Saudi banks' profitability: Moody's
Consumer Discretionary	eXtra's Q4 revenue hit record-high on annual mega sale
Energy	OPEC to have plan to keep market balanced in 2019: UAE Minister
Cement	Saudi cement sales drop 11% y-o-y in February
Healthcare	NMC Health seeks acquisitions, proposes 13p/share dividend
Financials	UAE insurance firms' profits hit \$381mn in 2017
Transportation	Qatar Navigation inaugurates first phase of Milaha Logistics City
Materials	SABIC chief sees Brexit as start of new era for UK-KSA trade
Real Estate	Jabal Omar Development Co. to close Umm Al Qura merger deal in 2018
Telecom	Abu Dhabi's Etisalat plans \$2 billion buyback

## MOST READ REGIONAL COMPANY HEADLINES

Saudi Aramco	Saudi Aramco says fears of 'Peak Oil Demand' are overblown
Omantel	Omantel said to hire banks to raise \$1.5 billion from bond sale
Doha Bank	Doha Bank plans to Issue \$500 million bond in third quarter: CEO
ADNOC	ADNOC to build largest global refining & chemical site
GFH Financial	GFH Financial Group joins as a founding partner in Bahrain's fintech hub
Al Rayan Bank	Moody's: Al Rayan Bank's first asset-backed Sukuk is credit positive
Islamic Development Bank	Islamic Development Bank to launch \$2.5bn Sukuk
Gulf International Services	GISS to invest QR1.5bn as part of five-year growth strategy
Ooredoo	Ooredoo targets 5G lead to sustain data edge
Commercial Bank	Qatar's Commercial Bank extends talks with Tabarak on United Arab Bank

REGIONAL MARKETS	Last Close	YTD %	QTD %	MTD %	M-Cap (bn)	P/E (ttm)
Saudi Arabia	7,562.11	4.6%	4.6%	1.9%	\$480.6	16.6x
ADX	4,527.1	2.9%	2.9%	-1.5%	\$125.8	11.6x
DFM	3,157.45	-6.3%	-6.3%	-2.7%	\$80.9	11.1x
Nasdaq Dubai	3,261.57	-0.8%	-0.8%	-1.8%	NA	NA
Qatar	8,308.34	-2.5%	-2.5%	-4.0%	\$93.0	12.9x
Bahrain	1,370.25	2.9%	2.9%	0.0%	\$21.3	9.1x
Oman	4,929.8	-3.3%	-3.3%	-1.5%	\$13.8	12.0x

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