

3Q 2018 IR CALENDAR

	DATE
Arqaam Investor Conference, DXB	24-25 SEPT

IN CASE YOU MISSED IT . . .

Key GCC markets, barring Saudi Arabia, ended in the red last week. Saudi Arabia (+2.3%) recovered sharply after hitting a new 6-month low on September 16, partly aided by firming oil prices. Conversely, Qatar (-2.6%) eased from the 16-month high it touched the previous week, dragged down by Industries Qatar and QNB Group. Dubai (-1.6%) and Abu Dhabi (-1.0%) fell, despite measures announced by the government to prop up realty and industrial sectors. Oman (-1.4%) and Bahrain (-0.4%) fell, while Kuwait (-0.1%) ended marginally lower. The US markets ended mixed, as encouraging economic data including jobless claims overshadowed trade related concerns. Dow (+2.3%) and S&P500 (+0.8%) hit fresh all-time highs during the week, with the Dow posting its largest weekly percentage gain since July; NASDAQ (-0.3%) inched down, however. Key European markets recorded solid gains for a second consecutive week; CAC 40 (+2.6%), DAX and FTSE 100 (+2.5%, each), and STOXX 600 (+1.7%) ended firmly in the green.

ASSET CLASS MONITOR

	WTD ↓	YTD
MSCI EM	1.90%	-10.49%
MSCI World	1.57%	2.56%
FTSE 100	1.18%	-4.17%
US Treasury	0.93%	56.12%
Aluminium	0.92%	-9.33%
S&P 500	0.91%	9.62%
MSCI GCC	0.90%	10.43%
Oil	0.67%	17.69%
Gold	0.48%	-7.34%

BRENT FUTURES PRICE



COMMODITIES

	WTD ↓	YTD
Natural Gas	5.64%	0.78%
Oil (WTI)	3.22%	17.18%
Oil (Brent)	0.67%	17.69%
Gold	0.48%	-7.34%

US Fed, oil producers' meeting to drive markets

The week ahead

Regional markets

Regional markets will keenly follow the US Fed monetary policy meeting this week, with the focus being on the widely anticipated interest rate hike and guidance on the rate trajectory in the future. If the Fed doesn't provide major surprises, investors should remain bullish during the week, with worries over the ongoing US-China trade war likely relegated to the background despite diplomatic tension and reports of China calling off scheduled trade talks. With Brent crude logging back-to-back weekly gains and testing the psychologically relevant \$80 barrel mark amid improving co-operation among OPEC+, investors may consider positive outcomes to a meeting of major oil producers on September 23 in Algiers.

Global markets

The week begins with the release of Bank of Japan's (BoJ) monetary policy meeting minutes on Monday. US' July housing price index data and the BoJ Governor's speech are scheduled for Tuesday. Wednesday will witness the US FOMC economic projections and interest rate decisions & monetary policy statements by the US Federal Reserve. September consumer inflation for Germany (prelim), the US' 2Q18 annualized GDP and personal consumption expenditure, and the Bank of Canada Governor's speech will be presented on Thursday. Eurozone's September consumer inflation (prelim) and the US August personal consumption expenditure will bring the week to a close on Friday.

You may be asked about

The Central Bank of the UAE (CBUAE) trimmed the 2018 inflation-adjusted GDP growth forecast for the UAE to 2.3% (vs. its 2.7% projection made three months earlier). The projection followed reported deceleration in 2Q18 non-oil sector growth to 3.6% YoY from 3.8% (revised) in 1Q18, which was the fastest pace of growth since the beginning of 2016. The CBUAE anticipates the non-oil economy to register 3.6% growth in 2018, with oil GDP to decline 0.5%. The central bank said that property prices in Dubai contracted 5.8% YoY and 1.7% QoQ in 2Q18. Weakness in real estate markets has impacted the UAE's economy.

Note to management

Successful company founders are rightly celebrated in investment circles. Not only do they have the vision and toughness to build a successful business, but their actions reward investors, colleagues, and staff.

So when Jack Ma, founder of China's largest company, the \$420 billion-valued Alibaba, announced he would step down as Chairman last week, market should have been concerned. Generally, when the founder walks away, a vacuum is left, and at best firms face a period of uncertainty as they adjust to new leadership. Alibaba shares registered barely a ripple, by contrast, and Mr Ma's succession was applauded by investors and commentators. How did he pull this off?

We identify five rules for IR professionals around succession planning conversations that must be held with leaders. Because when leaders leave, risks abound, and companies owe it to their investors to be prepared. Read more on the subject [HERE](#)

REGIONAL CALENDAR

23.09.2018	Abu Dhabi Consumer Inflation Data	-
25.09.2018	KSA Consumer Inflation Data	KSA 2Q18 GDP Data
27.09.2018	Abu Dhabi 2Q18 GDP Data	KSA Monthly Statistical Bulletin

GLOBAL CALENDAR

24.09.2018	BoJ Monetary Policy Meeting Minutes	Germany IFO Business Climate Data
25.09.2018	US Housing Price Index Data	New Zealand Trade Balance Data
26.09.2018	US Fed Interest Rate Decision	RBNZ Interest Rate Decision
27.09.2018	US 2Q18 GDP Data	Germany Consumer Inflation Data
28.09.2018	US Personal Consumption Expenditures Data	Eurozone Consumer Inflation Data

Food for thought

IR & BEYOND

IR Magazine / Iridium	When leaders leave: Five ways IR can act as shock-absorber	Link
Bloomberg Blog	It's not just Aramco, Saudi's privatization push is slowing down	Link
Forbes	CEOs Who Focus On ROIC (Return On Invested Capital) Outperform	Link
SWF Institute	Mubadala Surpasses \$225 Billion in Assets, Post-ADIC Merger	Link
Institutional Investor	Why Would a Saudi Oil Fund Borrow \$11 Billion?	Link

SOVEREIGN YIELDS (10YR)	CURRENT (%)	1 MONTH (bps)	1 YEAR (bps)
US	3.06	+24	+81
UK	1.55	+28	+20
Germany	0.46	+12	+1
France	0.78	+9	+5
Italy	2.82	-23	+72
Switzerland	-0.04	+13	+6
Japan	0.12	+3	+11
Hong Kong	2.34	+28	+83
India	8.07	+25	+142

GLOBAL AGENDA

ECB President	ECB President Mario Draghi delivers a speech to EU Parliament in Brussels
US President	US President Donald Trump addresses the United Nations General Assembly
Japan PM	Japanese PM Shinzo Abe meets Donald Trump to discuss trade
Federal Reserve	The Fed to release rate decision and updated projections for the economy
France Budget	France unveils its 2019 budget in Paris
Brexit	EU27 government envoys meet in Brussels to discuss Brexit
French President	French President Emmanuel Macron meets U.S. President Donald Trump
BoJ Governor	Bank of Japan Governor gives a speech and holds a news conference after the central bank releases minutes from its July policy meeting
US BEA	Releases consumer inflation data for August
Earning Releases	Nike, Accenture, Blackberry, H&M

MOST READ REGIONAL SECTOR HEADLINES

Energy	OPEC And non-OPEC oil market cooperation here to stay, says OPEC Secretary
Banks	Abu Dhabi Islamic Bank raises \$750mn in Tier-1 perpetual Sukuk
Financials	Abu Dhabi Financial Group offers revised bid for Abraaj's Middle East funds
Materials	SABIC and Clariant spell out growth plans, create joint venture
Real Estate	Emaar Properties said to hire Standard Chartered for Islamic bond sale
Transport	Qatar Airways raises stake in Cathay Pacific to 9.99% from 9.94%
Industrials	Saudi Cable Company sells entire stake in Turkish group, Demirer Kablo
Telecom	Ooredoo sees strong momentum for Aamali Mobile business solution
Consumer	SRMG, Bloomberg to launch 'Bloomberg Asharq' news service
REIT	Taleem REIT plans 1.37% dividend for the period from Jul. 1 to Sept. 19, 2018

MOST READ REGIONAL COMPANY HEADLINES

Saudi Aramco	Saudi Aramco to spend over \$133bn on drilling over next decade
Al Ahli Bank Kuwait	Al Ahli Bank of Kuwait issues \$300mn perpetual bond
Drake & Scull	Tabarak Investment raises its stake in Drake & Scull to 13.73%
Emirates NBD	Emirates NBD expands its Saudi Arabian branch network
QNB Group	QNB Group in talks to refinance EUR2.25bn loan
SRECO	SRECO awards SAR1.1bn contract for Saudi Arabian project
DP World	DP World accepts \$413.5mn of bids in Jafza Sukuk buyback
NBO	National Bank of Oman starts marketing five-year US Dollar bond
IDB	Islamic Development Bank issues \$1.3bn Sukuk
Al Khaliji	Al Khalij Commercial Bank (Al Khaliji) not to proceed with sale of French unit

REGIONAL MARKETS	Last Close	YTD %	QTD %	MTD %	M-Cap (bn)	P/E (ttm)
Saudi Arabia	7,768.3	7.5%	-6.6%	-2.3%	\$496.8	17.1x
ADX	4,883.4	11.0%	7.1%	-2.1%	\$130.7	12.9x
DFM	2,764.4	-18.0%	-2.0%	-2.7%	\$74.4	7.4x
Nasdaq Dubai	3,197.1	-2.8%	3.0%	-2.5%	NP	NP
Qatar	9,766.3	14.6%	8.2%	-1.2%	\$115.8	14.5x
Bahrain	1,340.1	0.6%	2.2%	0.1%	\$20.6	9.1x
Oman	4,495.3	-11.8%	-1.7%	1.7%	\$13.6	11.1x

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

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