

## Onset of Ramadan might lead to lower market activity

### In case you missed it...

GCC markets closed mixed last week as crude oil prices recovered after plunging to record lows during the week. The UAE indices advanced supported by some bargain buying. Abu Dhabi (+2.4%) was boosted by FAB while Dubai (+1.7%) was driven by gains in ENBD and Emaar group companies. However, both Kuwait (-1.9%) and Oman (-1.6%) partly reversed their gains of last week. Qatar (-1.2%) was hurt by weakness in QNB and Industries Qatar. Bahrain and Saudi Arabia clocked identical losses (-0.4%, each). The US indices - Nasdaq Composite (-0.2%), S&P 500 (-1.3%) and Dow Jones (-1.9%) - ended their two-week winning streak. The US crude oil futures closing in negative for the first time in its history earlier last week, disappointing results of a potential COVID-19 treatment drug, mixed set of corporate results and weak economic data overshadowed passing of the \$484 billion additional COVID-19 aid package. The European indices also posted losses; DAX (-2.7%), CAC40 (-2.3%), STOXX600 (-1.2%) and FTSE100 (-0.6%) all fell.

### The Week Ahead

#### Regional markets

Regional markets are likely to witness reduced activity with the onset of the holy month of Ramadan. However, some investors might cheer the temporary recovery in crude oil prices, after WTI crashed below zero and Brent hit its lowest since June 1999 last week. The UAE announcing to ease restrictions from 24 April 2020 will allow reduced operations of shopping malls, restaurants, public transport services, commercial outlets, marine activities, etc. This week FAB, ADNIC, Ooredoo, QFB among others will meet to discuss 1Q 2020 financial performance. In addition, TAQA, SALAMA, Sharjah Cement, IHG etc. will hold AGM/EGM.

#### Global markets

In the last few weeks, global markets have experienced sell-offs due to COVID-19 related concerns. Although the majority of stocks are trading much below their recent highs, many investors will prefer to wait and see. Market participants will take cues from GDP numbers of the US, Eurozone and industrial production in Japan for their investment decisions.

#### You may be asked about

Bahrain has become the latest GCC nation announcing a spending cut as the unprecedented decline in crude oil prices has battered government finances. Bahrain's cabinet said earlier last week that it will slash spending by government agencies and ministries by 30%. Saudi Arabia's finance minister also said on 22 April that the government is considering additional measures to lower spending. Notably, the Kingdom had already announced in March to reduce the 2020 budget by SAR50 billion (\$13.2 billion). Similarly, Oman has also lowered its 2020 budget expenditure by OMR500 million (\$1.3 billion). In addition, Dubai has also told all government agencies to decrease capital spending by at least half.

#### Note to management

The coronavirus pandemic has revealed a major divergence between companies in the GCC and their peers around the world, and the divergence is all about investor relations. As listed firms scramble to raise capital, suspend dividends, cut senior pay and support their customers and staff, the GCC's listed firms are strangely silent on the issue. This approach is not sustainable and will lead to long term value destruction. It's time for IR to come the fore, and to tell it like it is. Read our viewpoint on Al Arabiya News [HERE](#)

EARNINGS CALENDAR	Market	Est/ Conf	Date
Mesaieed Petrochem Hold.	Qatar	C	27 Apr
Baladna	Qatar	C	27 Apr
FAB	UAE	C	28 Apr
Qatar Aluminum Manf.	Qatar	C	28 Apr
Gulf Warehousing Co.	Qatar	C	28 Apr
Polarcus Ltd	UAE	C	30 Apr

Q1 RESULTS	PROFIT (mn)	Y-O-Y%
ABQK	QAR180.4	+1.7%
QEWS	QAR320.1	+3.6%
MASQ	AED450.3	-28.3%
CBQK	QAR402.1	-8.5%
Etihad Etisalat Co.	SAR130.0	+93.2%
Emirates NBD	AED2,079.1	-24.2%
EIB	AED155.0	-62.3%
Saudi Telecom Co.	SAR2,913.0	+5.9%
Etisalat	AED2,178.6	-1.5%
BAHRI	SAR419.2	+133.8%

### BRENT FUTURES PRICE



ASSET CLASS MONITOR	WTD ↓	YTD
Gold	2.78%	13.99%
US Treasury	0.00%	-92.26%
FTSE 100	-0.60%	-23.74%
Aluminium	-0.64%	-18.14%
MSCI GCC	-1.10%	-23.34%
S&P 500	-1.32%	-12.20%
MSCI World	-1.59%	-16.39%
MSCI EM	-2.43%	-21.11%
Oil	-23.65%	-67.52%

### REGIONAL CALENDAR

28.04.2020	Abu Dhabi Building Material Price Index	KSA Statistical Bulletin
30.04.2020	Abu Dhabi GDP	KSA Weekly Money Supply

### GLOBAL CALENDAR

27.04.2020	US Manufacturing Business Index	Japan Unemployment Rate
28.04.2020	Japan Interest Rate Decision	Eurozone Bank Lending Survey
29.04.2020	US Fed Interest Rate Decision	Japan Industrial Production
30.04.2020	Germany Unemployment Rate	Eurozone Interest Rate Decision
01.05.2020	US ISM Manufacturing PMI	Germany Markit Manufacturing PMI

### Food for thought

#### IR & BEYOND

Al Arabiya / Iridium	Gulf companies should stop hiding away from discussing coronavirus impact	<a href="#">Link</a>
Institutional Investor	The II Fear Index: How Scared Are Institutional Investors?	<a href="#">Link</a>
Bloomberg	The 20 Minutes That Broke the U.S. Oil Market	<a href="#">Link</a>
Bloomberg Blog	COVID-19 may change corporate sustainability as we know it	<a href="#">Link</a>
Blackrock	Investment Stewardship Global Engagement Summary Report	<a href="#">Link</a>

## COMMODITIES

	WTD ↓	YTD
Gold	2.78%	13.99%
Natural Gas	-0.40%	-20.24%
Oil (WTI)	-7.28%	-72.26%
Oil (Brent)	-23.65%	-67.52%

## SOVEREIGN YIELDS (10YR)

	CURRENT (%)	1 MONTH (bps)	1 YEAR (bps)
US	0.6	-27	-193
UK	0.29	-15	-86
Germany	-0.48	-21	-47
France	0.01	-19	-35
Italy	1.83	30	-85
Switzerland	-0.5	-21	-13
Japan	-0.03	-6	1
Hong Kong	0.39	-	-
India	6.17	-	-

## 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

<b>Fed</b>	Officials to hold policy-setting Federal Open Market Committee meeting
<b>ECB</b>	President Christine Lagarde to hold a press conference
<b>OPEC+</b>	Supply cuts, agreed upon early in April, are scheduled to take effect
<b>US</b>	To publish total vehicle sales
<b>Japan</b>	Parliament to begin deliberations on an extra budget for COVID-19 crisis
<b>China</b>	The Standing Committee of China's parliament to continue its meeting
<b>UK</b>	George Osborne ex-chancellor of Exchequer to talk on COVID-19 & the UK
<b>South Korea</b>	To publish department store sales
<b>Mexico</b>	To release preliminary reading of first-quarter GDP
<b>Earnings announcements</b>	Amazon, Apple, Microsoft, Boeing, HSBC, BP etc.

## MOST READ REGIONAL SECTOR HEADLINES

<b>Bank</b>	CBK tells lenders to postpone customer dues for six months
<b>Real Estate</b>	Dubai home sales plunge 42% MoM in March
<b>Oil &amp; Gas</b>	Saudi Arabia, Russia to consider deeper oil production cuts
<b>Airline</b>	Saudi airline sees flight disruption until year-end
<b>Port</b>	Sohar Port becomes first member of SEA-LNG from Middle East
<b>Agriculture</b>	Al Dahra signs crop deal with Bulgaria-based AJD Agro
<b>Power</b>	Saudi Electricity sees lower costs offsetting 2020 revenue loss
<b>Insurance</b>	Fitch revises Oman Reinsurance Company's outlook to Negative
<b>Travel &amp; Tourism</b>	Middle East tourism fair in Dubai cancelled over coronavirus
<b>Personal Care</b>	UAE, Saudi Arabia online sales of skincare, makeup soars by up to 700%

## MOST READ REGIONAL COMPANY HEADLINES

<b>DP World</b>	Launches sea, land, air online freight platform
<b>Etihad Airways</b>	Has full support of state owner, will resume flights in May
<b>ADNOC</b>	Bidders for ADNOC gas pipelines in talks for \$8bn loan
<b>ACWA</b>	Saudi's ACWA said to plan to raise up to \$1bn in bonds
<b>Etihad Etisalat Co.</b>	Sees coronavirus lifting demand for some services
<b>Dana Gas</b>	To use Egypt sale funds to pay debt if deal goes ahead
<b>Petrofac</b>	Says Abu Dhabi National Oil Co ends \$1.65bn Dalma gas contracts
<b>GEMS Education</b>	Dubai's GEMS faces \$40mn hit from lower fee collection
<b>Ajman Bank</b>	Gets shareholder's approval for \$150mn sukuk issuance
<b>Seef Properties</b>	Bahrain's Seef Properties secures \$11.97mn Murabaha loan

REGIONAL MARKETS	Last Close	YTD %	QTD %	MTD %	M-Cap (bn)	P/E (ttm)
<b>Saudi Arabia</b>	6,604.9	-21.3%	1.5%	1.5%	\$2,041.8	18.2x
<b>ADX</b>	4,063.0	-20.0%	8.8%	8.8%	\$121.1	11.4x
<b>DFM</b>	1,891.1	-31.6%	6.8%	6.8%	\$56.0	7.2x
<b>Nasdaq Dubai</b>	2,314.5	-27.3%	8.4%	8.4%	NP	NP
<b>Qatar</b>	8,473.2	-18.7%	3.2%	3.2%	\$117.8	12.8x
<b>Bahrain</b>	1,307.6	-18.8%	-3.2%	-3.2%	\$20.2	9.4x
<b>Oman</b>	3,482.1	-12.5%	1.0%	1.0%	\$11.1	7.3x

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