

## Results of financial stocks to be in focus this week

### In case you missed it...

Oman (+3.3%) jumped to end its three weeks losing streak. Qatar (+0.6%) edged up on the back of buying from all categories of investors, except domestic institutions. Dubai (0.0%) and Saudi Arabia (0.0%) ended unchanged. Abu Dhabi (-0.3%) was dragged down partly by FAB. Bahrain (-1.4%) reversed its prior week's gain. Kuwait (-4.0%) was hit by a downgrade of its outlook by S&P in the previous week and news reports about ill health of its ruler.

The US indices slipped as the rise in US-China confrontation, lack of progress on another fiscal stimulus bill following a \$1 trillion coronavirus relief package deal and unabated rise in new Covid-19 cases fretted investors. While the Nasdaq Composite (-1.5%) extended its decline, the Dow (-0.8%) and S&P 500 (-0.3%) reversed their trends. European indices also ended in the red. FTSE100 (-2.6%) fell the most, followed by CAC40 (-2.2%), STOXX600 (-1.5%) and DAX (-0.6%).

### The Week Ahead

#### Regional markets

Earnings announcements will continue to dominate the market movements with 2Q results releases of several major names lined up this week. Financial stocks are likely to be in focus as FAB, ADCB, UAB, Ajman Bank, CBD, INOVEST, NBB, Bahrain Kuwait Insurance, DHBK, Qatar Insurance, RJHI and others are scheduled to publish their 2Q 2020 financial performance. In addition, DFM, BATELCO, Alba, Industries Qatar, Ooredoo, Milaha and more will also publish results. Dubai-listed realty stocks may benefit from a latest DLD report showing sizeable real estate transactions in the emirate during 1H 2020.

#### Global markets

The escalation between Washington and Beijing after the US ordered closure of China's consulate in Houston may overcast the positive trigger from more stimulus. Market participants may get some relief from better than expected earnings which can offset worries about rising COVID-19 cases. For the week, traders and investors will look for interest rate decision by the US Fed and GDP data of the US, Germany and Eurozone.

### You may be asked about

S&P Global Ratings estimates cumulative debt of GCC governments to surge by a record \$100 billion in 2020 that will be required to finance an aggregate GCC central government deficit of ~\$180 billion, arising from squeeze in finances from COVID-19 crisis and slump in oil prices. Drawing down from government assets is likely to fund the rest of the deficit. Between 2020 and 2023, the ratings agency projects GCC government deficits to reach ~\$490 billion cumulatively, with 55% of it being attributable to Saudi Arabia. S&P has assumed Brent crude to average \$30 per barrel for the remaining 2020, \$50 in 2021 and \$55 from 2022 to arrive at these deficits.

#### REGIONAL CALENDAR

28.07.2020	KSA Statistical Bulletin	-
31.07.2020	Abu Dhabi GDP	-

#### GLOBAL CALENDAR

27.07.2020	Japan Leading Economic Index	Germany IFO Business Climate
27.07.2020	US Richmond Fed Manufacturing Index	US Consumer Confidence
28.07.2020	US Fed Interest Rate Decision	Japan Retail Trade
30.07.2020	US GDP (Prel)	Germany GDP (Prel)
31.07.2020	Eurozone GDP (Prel)	Eurozone Consumer Inflation

### Food for thought

#### IR & BEYOND

IR Magazine	World's largest firms failing on succession-planning disclosures	<a href="#">Link</a>
Sustainalytics	Sustainalytics Makes its ESG Ratings and Data Publicly Accessible	<a href="#">Link</a>
Inst. Investor	Europe Looks to Loosen 'Overly Burdensome' Rules on Sell-Side Research	<a href="#">Link</a>
Harvard Law	Our Approach to Sustainability [Blackrock]	<a href="#">Link</a>
IPE	SWFs: Never waste a good crisis	<a href="#">Link</a>

EARNINGS CALENDAR	Market	Est/Conf	Date
CBI	UAE	C	26 Jul
CBD	UAE	C	26 Jul
QAMC*	QAT	C	26 Jul
TABREED*	UAE	C	26 Jul
BOS	UAE	C	27 Jul
RJHI*	KSA	C	27 Jul
CBQ*	QAT	C	27 Jul
DFM	UAE	C	27 Jul
KCBK*	QAT	C	27 Jul
Ajman Bank	UAE	C	28 Jul
ADCB	UAE	C	28 Jul
FAB*	UAE	C	28 Jul
QGRIC	QAT	C	28 Jul
Chubb Arabia	KSA	C	29 Jul
Ooredoo*	QAT	C	29 Jul
Bank Albilad	KSA	C	31 Jul

\* Earnings Call

Q2 RESULTS	PROFIT (mn)	Y-O-Y%
Jarir Marketing Co.	SAR208.4	+23.2%
Yansab	SAR44.8	-85.8%
Etihad Etisalat Co.	SAR185.0	+389.8%
BAHRI	SAR760.6	+1569.1%
Saudi Kayan	-SAR398.2	NA
United Electronics Co.	SAR90.5	+24.9%
STC	SAR2,724.0	-4.4%
SAFCO	SAR359.8	-5.4%
Emirates Telecom Group	AED2,387.8	+7.0%
Omantel	OMR38.0	-42.4%
QEWS	QAR328.3	+9.7%
ABQK	QAR114.1	-37.3%

#### BRENT FUTURES PRICE



Sunday, 26.07.2020

## ASSET CLASS MONITOR

	WTD ↓	YTD
Gold	5.06%	25.36%
Aluminium	2.26%	-8.06%
MSCI EM	0.51%	-4.86%
Oil	0.46%	-34.33%
US Treasury	0.00%	-92.90%
MSCI World	-0.03%	-3.07%
S&P 500	-0.28%	-0.47%
MSCI GCC	-0.52%	-16.08%
FTSE 100	-2.65%	-18.81%

## SOVEREIGN YIELDS (10YR)

	CURRENT (%)	1 MONTH (bps)	1 YEAR (bps)
US	0.59	-10	-149
UK	0.14	-1	-57
Germany	-0.45	2	-9
France	-0.15	-2	-4
Italy	0.99	-31	-52
Switzerland	-0.52	-3	22
Japan	0.00	0	17
Hong Kong	0.22	-	-108
India	5.82	-7	-69

## 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.

### For more information contact:

Iridium Advisors DMCC  
Pamela Chahine, Director  
ir@iridium.ae  
[www.iridium.ae](http://www.iridium.ae)  
+971 4 429 5864

## GLOBAL AGENDA

<b>FOMC</b>	To hold its policy meeting to decide rates
<b>ECB</b>	To publish its economic bulletin
<b>UK</b>	Scheduled to hold informal meetings with EU for Brexit
<b>Germany</b>	Economy minister Peter Altmaier to be questioned by finance committee
<b>US</b>	Acting Comptroller of the Currency Brian Brooks to speak at an event
<b>Japan</b>	To release industrial production information
<b>Bali</b>	To open domestic tourism in spite of hitting a record high in covid19 deaths
<b>India</b>	To release eight core industries growth rate data
<b>IMF</b>	Executive board to consider South Africa's request for a \$4.2bn loan
<b>Earnings</b>	Samsung, Alphabet, Apple, Credit Suisse, Shell, Amazon.com, Audi etc.

## MOST READ REGIONAL SECTOR HEADLINES

<b>Oil &amp; Gas</b>	Saudi Arabia's total oil exports fall to 7.48mn bpd in May: JODI
<b>Real Estate</b>	Operating environment deteriorates for UAE realty firms: Moody's
<b>Banking</b>	Consumer trust in UAE banks remains high: UBF
<b>Airport</b>	No specific date for the resumption of international flights: GACA
<b>Telecom</b>	UAE 1st in Arab world for telecom infrastructure: UN
<b>Food &amp; Beverage</b>	Saudi Arabia liberalizes wheat imports for flour mills
<b>Power</b>	Lower power system losses generate OMR794mn in savings in Oman
<b>Insurance</b>	Oman's 1st online platform to provide insurance services launched
<b>Hospital</b>	Saudi Arabia's Almana General Hospitals in early talks for IPO
<b>Tourism</b>	Oman lists out priority tourism projects

## MOST READ REGIONAL COMPANY HEADLINES

<b>ADNOC</b>	Set to delay \$10bn Sour gas tenders off Abu Dhabi
<b>Saudi Aramco</b>	Saudi Aramco and Exxon make move to join BP, Shell in carbon curbs
<b>SRC</b>	Signs SAR3bn deal with pension agency
<b>TAQA</b>	Awards AED900mn projects to expand recycled water distribution program
<b>NBO</b>	Exits from Egypt
<b>SirajPower</b>	Gets \$50mn from APICORP for solar projects
<b>EMIRATES NBD</b>	Gets approvals to raise foreign ownership limits to 40% from 20%
<b>Emirates REIT</b>	Considers de-listing
<b>Mobily</b>	Continues to monitor situation with Huawei
<b>Al Othaim</b>	Saudi Arabia's Al Othaim Family said to plan IPO for malls unit

REGIONAL MARKETS	Last Close	YTD %	QTD %	MTD %	M-Cap (bn)	P/E (ttm)
<b>Saudi Arabia</b>	7,426.8	-11.5%	2.8%	2.8%	\$1,811.0	22.6x
<b>ADX</b>	4,261.1	-16.1%	-0.6%	-0.6%	\$162.9	14.1x
<b>DFM</b>	2,052.7	-25.8%	-0.6%	-0.6%	\$60.4	0.0x
<b>Nasdaq Dubai</b>	2,526.7	-20.7%	0.2%	0.2%	NP	NP
<b>Qatar</b>	9,368.3	-10.1%	4.1%	4.1%	\$134.5	14.7x
<b>Bahrain</b>	1,284.6	-20.2%	0.6%	0.6%	\$19.4	9.6x
<b>Oman</b>	3,563.9	-10.5%	1.4%	1.4%	\$11.4	10.7x
<b>Kuwait</b>	5,279.5	-24.3%	-5.8%	-5.8%	\$65.2	12.7x

DISCLAIMER: The information provided in this newsletter is for information purposes only and should not be construed in any way as business, financial or investment advice nor as a recommendation to buy, sell, or hold any particular security. Iridium Advisors believes the information in this newsletter to be accurate, but does not verify its accuracy, timeliness, completeness for any particular purpose and/or non-infringement. Iridium Advisors does not bear any responsibility whatsoever to provide any updates, corrections or changes to the information in this document, nor will it accept liability for any damages or losses in connection with the use of this document.