

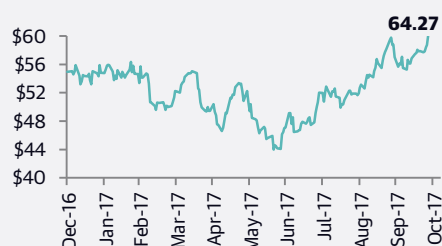
IR CALENDAR	DATE
Goldman Sachs CEEMEA Conf., LON	13-14 NOV
Merrill Lynch MENA Conference, DXB	15-16 NOV
QSE 8th Annual IR Conference, DOH	20 NOV
Iridium C-Suite Dinner, DXB	23 NOV
HSBC Saudi Arabia Forum, HK	27 NOV
UBS GEMs Conference, NY	28-30 NOV

## IN CASE YOU MISSED IT ...

Dubai (-4.8%) was the biggest underperformer, as real estate stocks fell on concerns about lower Saudi investment in the sector after the anti-graft decrees and arrests became public in the Kingdom. Kuwait (-4.4%), Qatar (-3.2%) and Bahrain (-1.2%) also followed suit. Saudi Arabia (-0.3%) was mostly flat on the back of buying support from state-linked funds. The Dow (-0.5%) and S&P (-0.2%), ended an eight-week winning streak, while the Nasdaq (-0.2%) broke its six-week rally on concerns over possible delay in tax cuts. European markets also ended the week lower, with Stoxx 600 (-1.8%), DAX (-2.6%), CAC (-2.5%) and FTSE (-1.7%) all registering declines, owing mainly to stronger currencies.

Q3 RESULTS	PROFIT (mn)	Y-O-Y%
Aramex	AED 81.6	+20.5%
Savola	SAR 829	+361.8%
Saudi Electricity	SAR 5,262	+6.8%
Air Arabia	AED 364.5	+25.0%
Emaar Malls	AED 485	+0.6%

## BRENT SPOT PRICE



ASSET CLASS MONITOR	WTD ↓	YTD
US Treasury Yields	4.24%	141.18%
Oil (Brent)	2.34%	11.79%
Gold	0.41%	11.12%
MSCI EM	0.21%	30.87%
MSCI World	-0.20%	18.02%
S&P 500	-0.21%	15.34%
MSCI GCC	-0.91%	-2.28%
FTSE 100	-1.68%	4.06%
Aluminum	-3.42%	23.32%

## More surprises to come in Saudi Arabia this week?

### The week ahead

#### Regional markets

Market uncertainty stemming from Saudi's anti-corruption move is expected to drive volatility again this week. Saudi's five-year CDS spread has increased to the highest level since July, while the Saudi Riyal's 1-year forward exchange rate is the weakest in about 5 months, though there is no risk of a devaluation in the near term. These tensions and likely extension of OPEC agreement on supplies should keep oil prices firm above USD 63. Key earnings to watch out for during the week are the UAE's real estate majors: Aldar and Emaar.

#### Global markets

The week begins with FOMC member Harker's speech on Monday, who may give some hints on deleveraging plans. The euro zone and Germany's Q3 GDP data (preliminary) will be published on Tuesday, along with the UK inflation and the Euro zone industrial production data. US inflation and retail sales data will be out on Wednesday, with an update on US consumer spending, followed by US jobless claims data on Thursday along with Eurozone inflation and UK retail sales data. The week ends with the monthly US housing stats.

#### You may be asked about

Saudi Arabia has detained more than 200 people. The government has frozen bank accounts of 'persons of interest', and has stated that bank accounts of their respective companies will not be frozen; businesses may continue as usual. Tensions between Iran and Saudi Arabia have been escalating after the resignation of the Lebanese Prime Minister, announced in Riyadh, and the interception of a ballistic missile from Yemen towards Riyadh Airport.

#### Note to management

The arrival of VAT in the GCC in January is a blind corner. No-one can say with certainty what the impact will be, in a region that has limited experience with taxation. But for management teams, there are some practical pointers that can help to prepare capital market participants:

1. Any economic forecast needs to add several percentage points to its inflation outlook for VAT. The recent announcement that water and electricity supplies in the UAE will be subject to VAT adds to this change.
2. Any company that earns its revenue from GCC consumers is going to be competing for a diminished wallet. Guidance needs to be adjusted.
3. The public policy landscape will change. With a new revenue stream, governments and the public sector can afford to press ahead with projects and upgrades.
4. Because of this, there may be an upside for firms that supply the public sector. Any company with major government contracts will find a more benign business atmosphere.
5. Any company should be prepared to answer detailed investor questions on their readiness for VAT. We suspect fines for non-compliance will be used in the early days.

### REGIONAL CALENDAR

13.11.2017	Abu Dhabi Birth Statistics	-
15.11.2017	Abu Dhabi Non-oil Foreign Trade	-
16.11.2017	KSA Weekly Money Supply	-

### GLOBAL CALENDAR

13.11.2017	China FDI Data	US Monthly Budget Statement
14.11.2017	Eurozone Q3 2017 GDP (Prelim)	UK Inflation Figures
15.11.2017	US Retail Sales	US Inflation Numbers
16.11.2017	Eurozone Inflation Data	US Industrial Production
17.11.2017	US Oil Rig Count	-

## Food for thought

### IR NEWS & VIEWS

Ipreo	Does Shareholder Composition Impact Investor Decision-Making	<a href="#">Link</a>
Bloomberg	IFRS 9: Accounting and risk must align for success	<a href="#">Link</a>
IPE	Emerging Market Equities: Heading for catch up	<a href="#">Link</a>
IR Magazine	From CFO to IRO is new way to go for ambitious finance professionals	<a href="#">Link</a>
Institutional Investor	No 'Seismic Disruptions' Coming from MiFID II	<a href="#">Link</a>

EARNINGS CALENDAR*	Market	Est/ Conf	Date
Drake & Scull International	UAE	E	12 Nov
Depa Ltd	UAE	E	12 Nov
DXB Entertainments	UAE	E	12 Nov
Aldar Properties	UAE	C	13 Nov
Emaar Properties	UAE	E	15 Nov

\*Courtesy of Arqaam Capital Research

SOVEREIGN YIELDS (10YR)	CURRENT (%)	1 MONTH (bps)	1 YEAR (bps)
US	2.40	+5	+25
UK	1.34	-4	-2
Germany	0.41	-5	+10
France	0.77	-11	+3
Italy	1.83	-32	-18
Switzerland	-0.13	-4	+11
Japan	0.03	-2	+7
Hong Kong	1.65	+4	+40
India	6.96	+22	+24

## 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>Brexit Legislation</b>	British House of Commons to examine the legislation
<b>China</b>	Releases Industrial Production and Retail Sales Data
<b>Central Bankers Meet</b>	Major Central Bankers are slated to meet in Frankfurt
<b>Vodafone</b>	Releases half yearly results
<b>IMF</b>	Holds its Fifth Statistical Forum in Washington
<b>Wal-Mart Stores</b>	Releases quarterly results
<b>NAFTA Talks</b>	US, Canada and Mexico to hold round five of the NAFTA negotiations
<b>US</b>	Releases Retail Sales and Inflation Data
<b>Climate Change Talks</b>	German Chancellor and French President to attend talks on climate change

## MOST READ REGIONAL SECTOR HEADLINES

<b>Banks</b>	Saudi banks' net interest income growth is credit positive: Moody's
<b>Real Estate</b>	Arabtec posts third-quarter profit; looking at more divestments
<b>Energy</b>	UK wooing Saudi Aramco IPO, offers \$2 Billion loan guarantee
<b>Financials</b>	Saudi CMA exempts debt instrument offers from fees until 2020
<b>Consumer Staples</b>	Savola's Q3 profits rise on Almarai stake sale
<b>Materials</b>	Maaden spends SAR 5.3 bn of rights issue proceeds
<b>REITs</b>	Emirates REIT CEO: Company looks to replace all debt with Sukuk
<b>Consumer Discretionary</b>	Al Hokair Group opens three entertainment centers
<b>Transportation</b>	Qatar Airways agrees to buy 9.61% stake in Cathay Pacific
<b>Telecom</b>	Ooredoo sees demand in security solutions for financial sector

## MOST READ REGIONAL COMPANY HEADLINES

<b>Saudi Aramco</b>	Saudi Aramco signs pacts for oil and gas projects valued \$4.5bn
<b>Qatar Air</b>	Qatar Air sells three 777 jets to leasing firm amid profit slump
<b>ADNOC</b>	ADNOC expected to sign \$6bn loan with 13 banks
<b>Bank Muscat</b>	Bank Muscat advances its procurement operations with Bravo Solution
<b>Emirates NBD</b>	Emirates NBD launches \$750mn five-year bond
<b>Saudi Kayan</b>	Saudi Kayan sees SAR 425 Million 4Q impact from halt of plants
<b>Emirates</b>	Emirates is set to purchase around 36 to 38 Airbus A380 superjumbo jets
<b>Mubadala Investment</b>	UAE's Mubadala to invest EUR 1bn in France
<b>SHUAA Capital</b>	SHUAA Capital eyes controlling stake in Global Investment House
<b>Bahri</b>	Bahri is shipping oil products for Aramco: Vice Chairman

REGIONAL MARKETS	Last Close	YTD %	QTD %	MTD %	M-Cap (bn)	P/E (ttm)
<b>Saudi Arabia</b>	6,954.38	-3.6%	-4.5%	0.3%	\$ 445.50	16.3 x
<b>ADX</b>	4,376.22	-3.7%	-0.5%	-2.3%	\$ 113.58	15.9 x
<b>DFM</b>	3,449.81	-2.3%	-3.2%	-5.1%	\$ 80.35	21.1 x
<b>Nasdaq Dubai</b>	3,357.67	1.9%	-2.0%	-3.8%	n/a	n/a
<b>Qatar</b>	7,885.50	-24.4%	-5.1%	-3.4%	\$ 90.78	12.6 x
<b>Bahrain</b>	1,267.58	3.9%	-1.2%	-0.7%	\$ 19.93	7.1 x
<b>Oman</b>	5,055.24	-12.6%	-1.6%	0.9%	\$ 13.99	11.4 x

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