

## GCC WACC - H2 2017

*A Toolkit for Corporate Financiers*



Calculation of equity risk premiums and weighted average cost of capital for GCC countries, using the ratings, credit default spreads and implied ERP methods.

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## PERIODIC RESEARCH REPORT

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# Executive Summary

Subsequent to our note published in July 2017, we have updated the values of equity risk premiums and cost of capital to reflect the changes in current operating environment. Cost of capital (under the implied ERP method) decreased for most GCC countries in comparison with H1 2017 values, with Qatar and Kuwait being the exceptions. This drop in cost of capital could be attributed to the overall reduction of risk premiums (Damodaran). Despite the ratings downgrade for Oman, the WACC has decreased in under both CDS and rating method.

In Nov, 2017 Standard and Poor's downgraded Oman long-term foreign and local currency sovereign credit rating further into junk territory, to 'BB' from 'BB+'. This was Oman's second downgrade in six months, raising concerns about cost of borrowing, when it is looking towards

international market to finance the fiscal deficit. This follows Moody's downgrade of Oman's long-term bond rating to Baa2 from Baa1 in July 2017. The rating agencies cited slower than expected progress in addressing the large fiscal and external balances and the continued high level of hydrocarbon sector, despite the diversification efforts.

Calculation of risk free rates for GCC countries was previously done by computing the inflation differentials between the country and U.S and summing it with U.S risk free rate, as most of the GCC countries had not issued sovereign bonds earlier. However, throughout 2016 and 2017, most of the GCC countries such as UAE, KSA, Oman and Qatar have issued bonds in order to bridge the deficit in their budgets. Therefore, the risk free rate for the GCC countries has now been obtained using the sovereign bond yield.

## GCC WACC, H2 2017

	WACC (Implied ERP)		WACC (CDS Spreads)		WACC (Ratings)	
	H2 2017	H1 2017	H2 2017	H1 2017	H2 2017	H1 2017
<b>Bahrain</b>	7.2%	7.6%	10.1%	9.7%	10.9%	10.2%
<b>Abu Dhabi</b>	6.6%	7.2%	6.9%	7.3%	6.7%	7.3%
<b>Dubai</b>	5.6%	6.0%	7.2%	7.8%	4.0%	7.3%
<b>Qatar</b>	6.1%	4.9%	7.1%	7.8%	6.9%	7.4%
<b>Kuwait</b>	5.9%	5.8%	6.9%	7.3%	6.7%	7.3%
<b>KSA</b>	4.8%	5.9%	7.2%	7.8%	7.0%	7.5%
<b>Oman</b>	6.2%	6.8%	8.9%	9.2%	8.2%	8.6%

Source: Damodaran, Marmore Research;

Other Assumptions: D/E ratio of 0.5, Beta of 1.0, Cost of Debt: 5%

# 1

## Why worry about WACC?

Cost of capital represents the opportunity cost of all financial capital, primarily debt and equity, invested in an enterprise. Opportunity cost is what is given up as a consequence of your decision to use a scarce resource, such as financial capital, in a particular way<sup>1</sup>. 'Opportunity cost' also referred to as 'hurdle cost' or 'discount rate', is of primary importance in valuation and helps the management in identifying projects, which add value to the enterprise.

Given the importance of this metric in creating value for shareholders, it is essential to understand how it is computed. Though in reality it is surprising to note that not much effort is invested in calculating cost of capital; while a significant amount of time is focused on forecasting uncertain future cash flows. Improper capital cost assumptions could lead to type-I error (accepting projects that do not add shareholder value) or type-II error (rejecting projects that add shareholder value).

In order to compute the cost of capital, we start by finding the cost of each capital component that the firm utilizes. Cost of capital primarily consists of equity and debt costs, weighed according to the proportions of debt and equity capital in the capital structure. The cost of debt can be inferred easily as it entails specific cost in the form of interest payments made in cash. The entire debt mix including money market debt in

the form of commercial papers/notes, bank debt in the form of loans/overdraft, financial leases and bonds raised is aggregated. The interest payments made as a proportion of interest bearing debt instruments provides us with the debt cost.

Unlike debt holders, equity holders do not demand an explicit return on their capital. However, equity holders incur an implicit opportunity cost for investing in a specific company, because they could invest in an alternative company with similar risk profile<sup>2</sup>. Equity cost involves various factors such as risk free asset, beta, market risk premium, country risk premium among others. Beta – a measure of priced risk, is arrived by regressing the past price returns on an index. As private firms do not trade, estimation of beta becomes a complex process for private firms.

In order to estimate the value of beta for a private firm, we create a list of comparable public firms operating in the same industry. Firms with similar line of business and asset size would typically be considered as a good comparison. To ensure we have zeroed down on appropriate comparable enterprise(s), a simple regression test between the revenues could be done. Firms, which are affected by similar economic and industry factors, in general, would exhibit higher correlation.

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<sup>1</sup>Prof. Aswath Damodaran

<sup>2</sup>ibid

Once the publicly listed comparable list is drawn, we may average their beta values and leverage ratios to arrive at levered beta for the particular sector or industry. This levered beta is then unlevered to arrive at the beta for the industry/sector. The unlevered beta could then be levered based on the debt to equity (D/E) ratio for the private firm. One may either use the management target set for debt to equity ratio or the industry average to re-lever the unlevered beta. Considering this as beta for the private firm, we proceed with the calculation of cost of equity using the Capital Asset Pricing Model (CAPM)<sup>3</sup>.

## Part I. Cost of Equity

Capital Asset Pricing Model (CAPM) states that the equity investors in addition to risk free rate demand a premium for bearing the extra risk of enterprise operations. The additional risk is referred to as Equity risk Premium (ERP). ERP for a company is dependent on the "beta" which measures the relative risk of the company with respect to the entire market.

CAPM can be expressed mathematically as,

$$\text{Cost of Equity, } K_e = \text{Risk free-rate, } R_f + \text{Beta} * (\text{ERP})$$

The easy way out to calculate ERP is to find the difference between historic long-term return of equity index and the risk-free investment, such as government bonds. Though it appears simple, the methodology has its drawbacks especially for emerging and frontier countries like the GCC region

1. Until recently, not all GCC Countries had instruments that could be considered risk free. This was either because sovereign bonds were not issued (Ex. Kuwait) or because governments may have default risk (Ex. Dubai). In such case, we find the nominal yield of 10-yr US treasury and add inflation differential for the country compared to U.S in order to arrive at the risk free rate.

Alternatively, we take the local bond yield and deduct the sovereign risk premium (default spread based on ratings) to derive the risk-free rate. For instance, risk-free rate of Dubai can be calculated as difference between 5.95% (local bond yield) and 0.51% (sovereign risk premium).

Risk-free rate,  $R_f$  for Dubai = 5.44%

### Long Term International Sovereign Issues – Average Yield

Country	Yield
Kuwait	3.46%
Abu Dhabi	4.05%
KSA	4.29%
Qatar	4.49%
Dubai	4.95%
Oman	5.40%
Bahrain	7.43%

Source: Reuters, Note: Avg yield of multiple long duration bonds as of Dec-2017.

<sup>3</sup> We have illustrated the cost of equity calculation using CAPM methodology, as it is popular and widely used. Other available methods include Arbitrage Pricing Theory and Fama French three factor model

However, due to absence of active trading of the locally issued bonds, obtaining yield is constrained. Hence, we have used the summation of the 10yr US treasury yield and country specific sovereign risk premium to compute the risk free rate.

- Equity markets are volatile and risk premiums calculated with short historical data experience significant estimation errors.
- Almost all GCC exchanges are still undergoing a lot of transformation in terms of regulations, trading platforms, instrument availability, and corporate disclosures. This coupled with nascent secondary market for bonds will make the risk premiums calculated with historical numbers inaccurate.

While the traditional way of calculating ERP has many obstacles due to lack of data and volatile nature of equity markets in the region, Marmore computes Equity Risk Premium data using alternate methods such as:

#### a. Sovereign Rating

Taking the U.S market equity risk premium, of 5.1%<sup>4</sup>, the ERP of GCC countries are arrived at by adding the default spread based on their credit rating:

#### b. CDS Spreads

Rating agencies are generally considered to be slow in updating their ratings. Therefore, instead of arriving at default spread based on rating, we have used CDS spreads as a proxy. In this method, the CDS spread of a country's bond (adjusted for spread of risk free country) is considered as default spread instead of looking at the yield differentials of similarly rated bonds.

The adjusted CDS for Bahrain (3.0%) is the difference between the 10Yr CDS for Bahrain (3.3%) and U.S (0.3%). Since 10Yr CDS spread for Kuwait is not available, Abu Dhabi's spread was taken as proxy for Kuwait due to similar ratings.

### ERP for GCC Countries based on Credit Rating

Country	US Eq. Risk Premium	Rating	Default Spread	Total Equity Risk Premium
Bahrain	5.1%	B1	4.62%	9.7%
Kuwait	5.1%	Aa2	0.51%	5.6%
Oman	5.1%	Baa2	1.95%	7.0%
Qatar	5.1%	Aa3	0.62%	5.7%
Saudi Arabia	5.1%	A1	0.72%	5.8%
UAE	5.1%	Aa2	0.51%	5.6%
Abu Dhabi	5.1%	Aa2	0.51%	5.6%

Source: Moody's, Aswath Damodaran, Marmore Research

<sup>4</sup> Aswath Damodaran- 1st January 2018



### c. Implied ERP

Implied equity risk premium is an alternative approach to estimating risk premiums. Assuming that stocks are correctly priced in, if we can estimate the expected cash flows from buying stocks, then we can estimate the expected rate of return on stocks by computing an internal rate of return (IRR). Subtracting out the risk free rate from IRR should yield an implied equity risk premium.

The inputs such as risk free rate and perpetual growth rate, required for calculation of Implied ERP were not readily available for GCC countries. In addition, the lack of consensus earnings growth estimate makes it hard to determine the market's view on growth for the next 5 years.

### ERP for GCC Countries on CDS Spread

Country	US Eq. Risk Premium	10Yr CDS	Adjusted CDS	Total Equity Risk Premium
Bahrain	5.1%	3.3%	3.0%	8.1%
Kuwait	5.1%	1.0%	0.7%	5.8%
Oman	5.1%	3.7%	3.5%	8.5%
Qatar	5.1%	1.4%	1.2%	6.3%
KSA	5.1%	1.4%	1.1%	6.2%
Abu Dhabi	5.1%	1.0%	0.7%	5.8%
Dubai	5.1%	1.7%	1.5%	6.5%

Source: Aswath Damodaran, Thomson Reuters Eikon, Marmore Research

### Implied Risk Premium for GCC Countries

Country	Index Level*	Implied Equity Risk Premium
KSA	7,226	1.5%
Kuwait	6,408	4.0%
Qatar	8,523	4.3%
Abu Dhabi	4,398	5.3%
Dubai	3,370	3.2%
Oman	5,099	3.1%
Bahrain	1,332	2.3%

Source: Thomson Reuters Eikon, Zawya, Marmore Research \* As of 10-Jul-2017

## Part II. Cost of Debt

The cost of debt can be inferred easily as it entails specific cost in the form of interest payments made in cash. To compute the cost of debt, entire debt, including money market debt in the form of commercial papers/notes, bank debt in the form of loans/overdraft, financial leases and bonds raised is aggregated. The interest payments made as a proportion of interest bearing debt instruments provides us with the debt cost.

For instance, consider ABC Ltd., which has SAR 500mn in the form of long-term bonds and SAR 100mn in the form of bank loans. Annual interest payments include SAR 36mn and the tax rate for the firm is 5%.

Total Debt = Short-term Debt (money market/  
commercial papers/notes payable)  
+ Long-term debt (bonds)  
+ bank debt (loans/overdraft/working  
capital finance)  
+ financial lease obligations

Thus, on a total debt of SAR 600mn ABC Ltd. pays an annual charge of SAR 36mn. From this, we can infer that the interest charged for ABC Ltd. 6%.

As interest payments are tax deductible, we may find the after tax cost of debt as:

$$\begin{aligned}\text{Cost of Debt, after-tax} &= (\text{Interest charge incurred} / \text{Total Debt}) * (1 - \text{Tax rate}) \\ &= (36/600) * (1 - 0.05) \\ &= \mathbf{5.7\%}\end{aligned}$$

## Part III. Cost of Capital

Having found out the cost of debt and cost of equity, we could compute the cost of capital as weighted average cost of capital as

$$\text{WACC} = (\text{Proportion of Debt} * \text{Cost of debt, after-tax}) + (\text{Proportion of Equity} * \text{Cost of Equity})$$

# 2

## Country-wise Commentary

### Saudi Arabia

Risk-free rate for Saudi Arabia is estimated by adding country premium for Saudi Arabia from 10-yr US Treasury yield. There are multiple ways to compute the risk-free rate for a country.

$$\begin{aligned} \text{Rf for KSA} &= \text{10-yr Treasury Yield (2.40\%)} - \text{KSA} \\ &\quad \text{Country Risk Premium (0.72\%)} \\ &= 3.12\% \end{aligned}$$

Saudi Arabia sovereign bond rating stands at A1 (Moody's) and A- (S&P ratings). Considering the U.S market equity risk premium, of 5.1%, the ERP for Saudi Arabia is arrived by adding the default spread based on their credit rating.

The implied ERP method provides the lowest equity risk premium for KSA market. The low ERP can be attributed to discounted levels at which the index is trading on anticipation of lower earnings growth.

On the contrary, ERP estimated using the credit rating and CDS spread methodology provides relatively higher ERP of 9.6% and 8.8% respectively. This is attributed to the inability of these methodologies to capture the prevailing negative investor sentiments towards equity instruments.

### Kuwait

The risk free rate for Kuwait witnessed a marginal increase, despite the reduction in the sovereign

risk premium, predominantly due to the increase in the U.S risk free rate. Kuwait has managed to maintain its long-term credit rating of Aa2 since 2007. The 10yr CDS for Kuwait is not available and hence to overcome this problem, we have taken proxies from countries with rating similar to Kuwait. In this case, we have taken the average of 10 Yr CDS spreads for Abu Dhabi proxy for Kuwait. Kuwait's ERP based on credit rating and CDS spread is 5.6% and 5.8% respectively, the implied ERP for Kuwait is 4.0%.

### Qatar & UAE

Both Qatar and UAE has witnessed no changes in their respective credit ratings since the last publication. Qatar witnessed a marginal increase in the risk free from 2.97% at the end of H1 2017 to 3.02% at the end of H2 2017. Similar level of increase in risk free rate, also witnessed for Dubai and Abu Dhabi. The increase in the risk free rate across the GCC countries was due to the rate increase by the US Federal Reserve.

Qatar's credit rating based ERP of (6.9%) and CDS based ERP of (7.5%) method decreased by 120bps and 130 bps respectively compared to H2-2017. The decrease can be attributed to change in Qatar's sovereign spread and decrease in the 10yr CDS spread.

The difference in 10 Yr CDS for Dubai and Abu Dhabi has resulted in the difference in ERP for Dubai and Abu Dhabi. Dubai with the history of

<sup>5</sup> Aswath Damodaran- 1st July 2017

default has higher CDS spread of 1.7% and hence the high ERP of 6.5% relative to Abu Dhabi's ERP of 5.8%. The Implied ERP for Abu Dhabi is 5.3%, higher compared to Dubai with implied ERP of 3.2% and Qatar with 4.3%.

## Oman

Oman whose rating is lower than that of KSA, Kuwait, Qatar and UAE has its ERP at 7% based on the credit rating methodology. Based on the CDS methodology, Oman's ERP is the highest at 8.5%. However, the implied ERP is at 3.1% for Oman.

## Bahrain

In July-2017 Moody's downgraded Bahrain's rating further into the junk territory to B1 from Ba2. The absence of a comprehensive fiscal

consolidation strategy, resulting in further deterioration of the country's profile, was the prominent reason quoted by the rating agency. This expected to increase Bahrain's government debt burden and debt affordability significantly over the coming two to three years.

Despite the rating downgrade, the CDS based ERP for Bahrain has reduced from 8.8% at the end of H1-2017 to 8.1% at the end of H2 2017. This is due to reduced current ERP for mature market 5.1% compared 6.2% at the end of July 2017. Rating based ERP value of Bahrain, is at a premium value of 9.7% compared to its GCC peers. The implied ERP of Bahrain is high at 2.3%.

### Sovereign Ratings of GCC Countries, 2017

Country	Moody's Rating		S&P Ratings	
	H2 2017	H1 2017	H2 2017	H1 2017
KSA	A1	A1	A-	A-
Kuwait	Aa2	Aa2	AA	AA
Qatar	Aa3	Aa3	AA-	AA-
UAE	Aa2	Aa2	AA	AA
Oman	Baa2	Baa1	BB	BB+
Bahrain	B1	Ba2	B+	BB-

Source: Moody's S&P

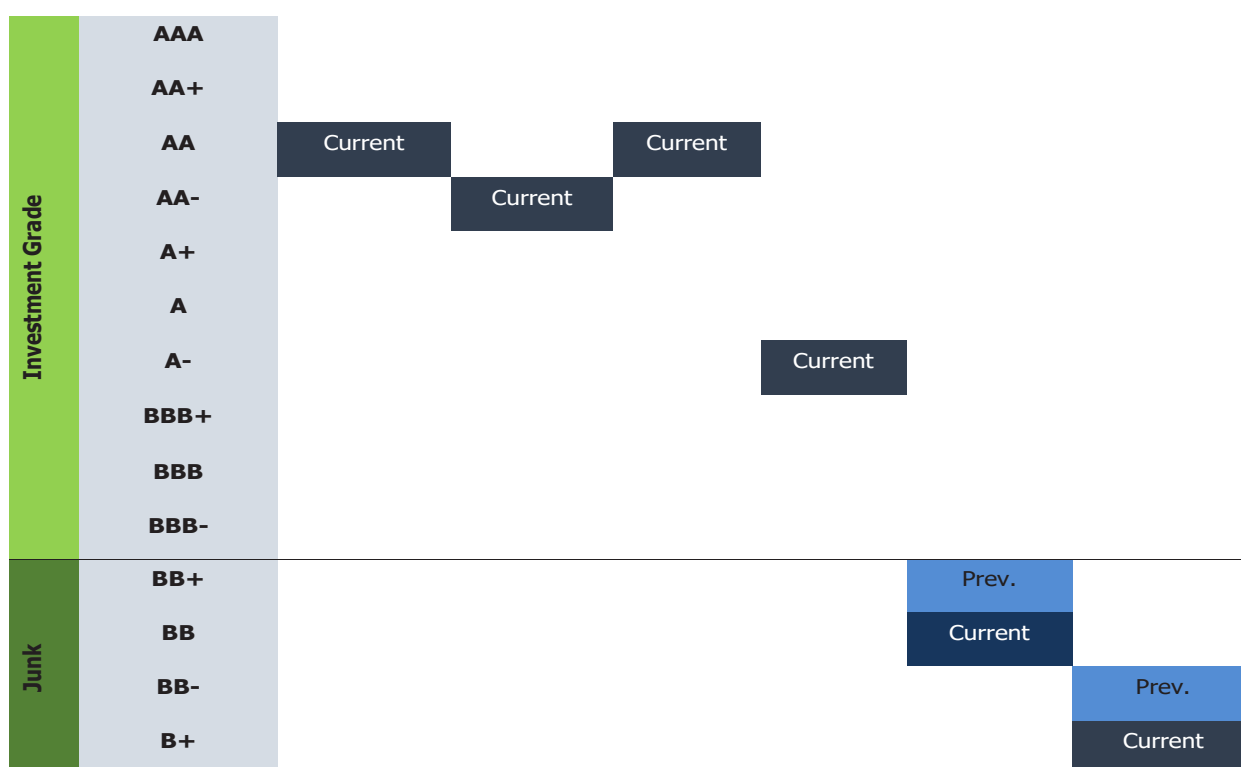
# 3

## Final Note

Cost of capital in most of the GCC countries decreased in H2 2017 due to decrease in CDS spreads. Notably, Oman and Bahrain were pushed further down the Junk territory on

the concerns that low oil prices have eroded the external reserves and debt exceeding the reserves in the future.

### S&P Ratings of GCC Sovereigns



Source: S&P; Data as of December 2017

Adjusted CDS spreads of most GCC countries increased in H2 2017, due to increased CDS spreads. After Qatar's adjusted CDS increased by 0.5% in H1 2017, it decreased by 0.2% in H2 2017. Bahrain witnessed the largest increase in the adjusted CDS spread.

Risk free rates have increased for the GCC countries in H2 2017 when compared to H1 2017.

Previously, inflation differential method was used to compute the risk free rates for Oman, Kuwait, Qatar and Abu Dhabi while proxy bonds, such as Saudi Electricity Company's bond yield were used to compute risk free rate for KSA. Currently, KSA, Oman, Qatar, Kuwait and UAE have issued long-term (10-year) sovereign bonds and their yields can be used to compute the risk free rate.

## Adjusted CDS of GCC countries, H2 2017 vs H1 2017

Country	Adjusted CDS – H2 2017	Adjusted CDS – H1 2017
Oman	3.5%	3.1%
Bahrain	3.0%	2.6%
Dubai	1.5%	1.6%
Qatar	1.2%	1.4%
KSA	1.1%	1.4%
Kuwait	0.7%	0.7%
Abu Dhabi	0.7%	0.7%

Source: Reuters, Marmore Research

## Risk Free Rate, H1 2017 vs H2 2016

Country	H2 2017	H1 2017
<b>KSA</b>	2.91%	2.84%
<b>Kuwait</b>	2.91%	2.84%
<b>Dubai</b>	2.91%	2.84%
<b>Abu Dhabi</b>	3.02%	2.97%
<b>Qatar</b>	3.12%	3.08%
<b>Oman</b>	4.35%	4.11%
<b>Bahrain</b>	7.02%	5.74%

Source: Reuters, Marmore Research

Alternatively, we have used the summation of U.S 10yr Treasury yield rate and the respective countries sovereign risk premium to compute the risk-free rate.

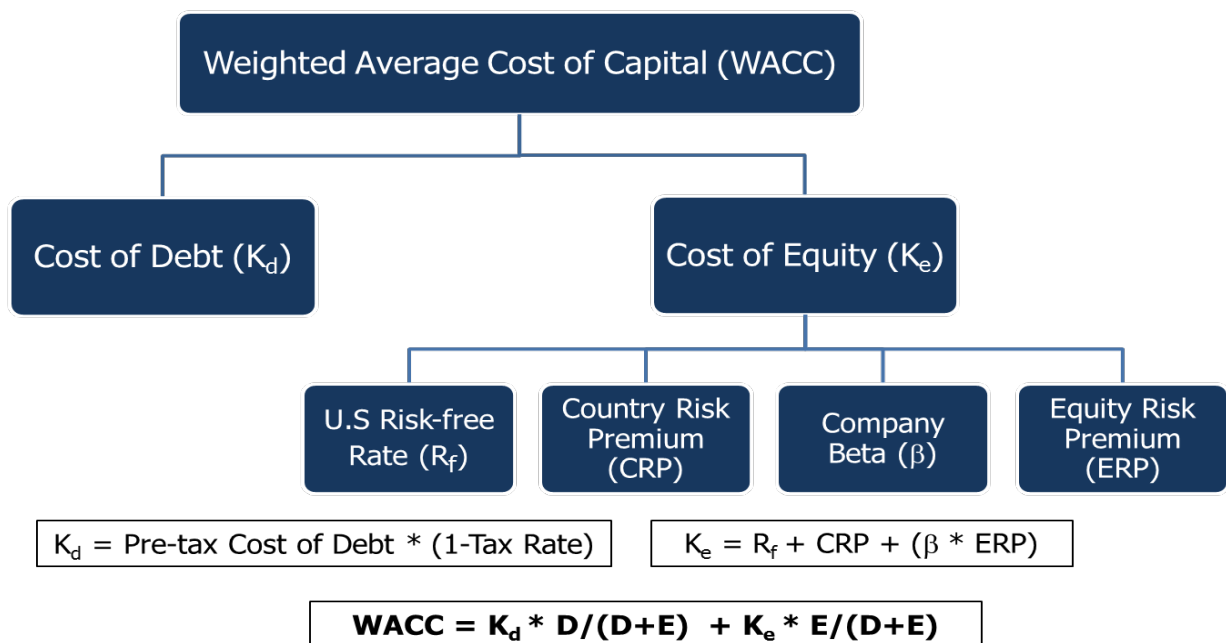
Bahrain has the highest sovereign risk premium (4.62%) despite the revision of risk premium across the rating scale, which led to a higher risk-free rate compared to most other peers. Oman and Bahrain witnessed the biggest Jump in their risk free rate, due to their respective ratings downgrade.

The WACC for most of the GCC countries declined because of decrease in sovereign default spread and ERP for mature market. The GCC bond yields declined benefitting from the stable oil price and growing appetite for debt in the GCC markets. Qatar and Kuwait were the exceptions who witnessed increase in the WACC. The increase in WACC for Qatar and Kuwait is due to increase in risk free rate.

# 4

## Appendix

The broad methodology of our computation could be illustrated as:



Source: Marmore Research; Note: 'D' stands for Debt and 'E' stands for Equity.

### Illustrative Example: Cost of Capital for a Private Firm

To illustrate this concept, we shall try to arrive at the cost of capital for a private cement company (ABC Ltd.) operating out of Saudi Arabia. Assume ABC Ltd has yearly revenues of SAR 4.5 billion and that the management has set a D/E target of 30%.

Comparable companies would then include the following list of companies:

Company	Revenues (FY 2015)	D/E	Beta (levered)
Saudi Cement Co	SAR 5.1bn	0.22	0.64
Southern Province Cement Co	SAR 5.4bn	0.23	0.48
Arabian Cement Co	SAR 4.3bn	0.11	0.89
Yanbu Cement	SAR 4.3bn	0.05	0.53
<b>Average</b>		<b>0.15</b>	<b>0.36</b>

Source: Reuters

From the levered beta, for ABC Ltd. comparable we arrive at the unlevered beta,

Unlevered Beta = Levered Beta / (1 + (1-tax rate) (Average D/E))

$$= 0.36 / (1 + (1-0.05) (0.15))$$

$$= \mathbf{0.32}$$

This is levered according to the Debt-to-Equity ratio of ABC Ltd.

Levered Beta = Unlevered Beta \* (1 + (1 - tax rate)\* (ABC Debt-to-Equity))

$$= 0.32 * (1 + (1-0.05) * (0.3))$$

$$= \mathbf{0.36}$$

Considering this as the value of beta for the private firm, ABC Ltd. Its cost of equity is computed as below:

$$\text{Cost of Equity for ABC Ltd.} = R_f + \text{Beta} * (\text{KSA Equity Risk Premium})$$

$$= 2.49\% + (0.36 * 7.0\%)$$

$$= \mathbf{5.01\%}$$

Cost of Debt was computed earlier as 5.7%. With the values of cost of equity and cost of debt, we may arrive at the WACC

$$\text{Cost of Capital, WACC} = 0.3 * (5.7\%) + 0.7 * (5.01\%)$$

**WACC, Cost of Capital for ABC Ltd. = 5.21%**

Thus, the cost of capital for cement company ABC Ltd. with a capital structure of 30% debt and 70% equity in Saudi Arabia works out to be 5.21%.



# Research Library

## Capital Market Research

- Most Valuable Companies in GCC
- GCC High Margin Industries
- GCC Sovereign Debt Issuances
- Berkshire Hathaway (2015)
- Apple: 5 Questions (Bilingual) (2015)
- Kuwait's new Law on Preference Shares (2015)
- Mother of All IPOs: National Commercial Bank (Bilingual) (2015)
- Kuwait Investment Sector (2012)

## Economic Research

- SME Startup Stories in GCC
- Bitcoin to Blockchain
- Financing Options in GCC
- Are GCC Businesses Leveraging Social Media
- The What of VAT
- FINTECH in GCC
- Kuwait Projects: KWD 10bn Awarded
- Kuwait Economic Themes
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- Saudi Economic Themes
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## Industry Research

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- Asset Management: UAE, Saudi
- Banking: Kuwait, Saudi, UAE, Qatar
- Contracting: Saudi, UAE, Kuwait
- Education: GCC, Saudi, UAE
- Investment Banking: GCC, UAE
- Healthcare: UAE, GCC, Saudi
- Insurance: GCC, Saudi
- Petrochemicals: GCC, Kuwait Petrochemicals, Saudi
- Retail: Kuwait Luxury Retail, UAE Luxury Retail, GCC Luxury Retail, Saudi Retail, GCC Retail, GCC Online Retail
- Wealth Management: UAE Wealth Management, GCC Wealth Management
- Media: UAE Media, UAE Social Media, GCC Social Media, GCC Media
- Other Industries: GCC Institutional Investors SWF, Saudi Remittance Industry, Saudi Mortgage, GCC Family Business, Saudi Hospitality, GCC Islamic Finance, Offsets in the GCC, GCC Hospitality, GCC Islamic Finance, Metals and Mining, When GCC Women Invest

## Infrastructure Research

- Power: Kuwait, UAE, Qatar, Egypt, Saudi
- Water: Saudi, Kuwait, Qatar
- Ports: Saudi, Kuwait, UAE, Qatar, Oman
- ICT: UAE, Qatar, Saudi, Kuwait
- Aviation: Qatar, Kuwait, GCC Aviation: Full Service Carriers (FSC), GCC Aviation: Low Cost Carriers, UAE, Saudi
- Roads and Railways: Saudi, Qatar
- Real Estate: Qatar Residential Real Estate, Saudi Residential Real Estate, UAE Residential Real Estate, GCC Office Real Estate, Saudi Office Real Estate, GCC Affordable Housing, Kuwait Real Estate (Bilingual) (2015)

## Policy Research

- An Innovation driven Economic Diversification Strategy for Kuwait (KFAS)
- Kuwait – Starting Business
- Kuwait Reforms (series): Education (2015)
- Oil & Gas Markets and the Emergence of New Resources (2014)
- GCC Countries & Asia: Bolstering Energy Ties (2014)
- GCC Energy Strategies: The Way Forward (2014)
- Blueprint for Public Sector Good Governance in Kuwait (2013)
- Kuwait: Private Labor Market (2013)
- Kuwait: Alternatives for Power Generation (2013)
- Kuwait: Sustainable Power Strategy (2012)
- Tools to Strengthen & Support Kuwait's Private Sector (2012)

## Regulatory Research

- Kuwait's BOT law (2014)
- Land Reforms in Kuwait (2014)
- Kuwait's PPP Law (Bilingual) (2013)
- Bankruptcy Law in the GCC (2013)

## Company Reports

- KSA
  - Al Rajhi Bank
  - Almarai Group
  - Company for Cooperative Insurance (Tawuniya)
  - Jarir Marketing Co.
  - National Commercial Bank Riyadh Bank
  - SABIC
  - Samba Financial Group
  - Saudi Arabian Fertilizer Co.
  - Saudi Arabian Mining Company
  - Saudi British Bank
  - Saudi Cement Company
- Saudi Electricity Co
- Saudi Telecom
- Savola Group
- TASNEE National Industrialization Company
- The National Shipping Co. of Saudi Arabia (BAHRI)
- Qatar
  - Barwa Real Estate Co QSC
  - Commercial Bank of Qatar
  - Ooredoo
  - Qatar Electricity and Water Co
  - Qatar Insurance Co
  - Qatar National Bank

- UAE
  - Abu Dhabi Commercial Bank
  - Abu Dhabi National Hotels Co
  - Air Arabia
  - Aldar Properties PJSC
  - Arab National Bank
  - Arabtec Holding Company




Aramex  
Dubai Islamic Banking  
EMAAR Properties  
Emirates NBD  
Emirates Telecom  
First Gulf Bank  
National Bank of Abu Dhabi




## Periodic Reports

- Daily Morning Brief
- Daily Fixed Income
- Kuwait Daily
- Monthly Market Review
- International Market Update
- GCC M&A Report
- GCC Bonds and Sukuk Market
- GCC Corporate Earnings
- GCC WACC
- GCC Stock & Debt Market Outlook
- GCC Regulatory Digest

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