# Daily Morning Brief

September 11, 2019

#### **Equity Watch**

Indicators	M. Cap (USD Bn)	Close Price	Change %	MTD %	YTD %	3-Yr CAGR	5-Yr CAGR	P/E TTM
GCC Markets								
S&P GCC Composite	894	111	-0.5	-0.5	3.9	7.1	-5.5	15
Saudi (TASI)	504	7,965	-1.1	-0.7	1.8	8.8	-6.4	17
Abu Dhabi (ADI)	142	5,096	0.4	-1.4	3.7	4.1	-0.3	13
Qatar(QE Index)	140	10,376	0.6	1.4	0.7	-0.5	-5.9	14
Kuwait All Share Index	111	5,868	0.1	-1.2	15.5	12.1	-	14
Dubai (DFMGI)	80	2,892	0.4	4.8	14.3	-6.3	-10.2	8
Bahrain (BAX)	25	1,549	0.0	1.0	15.8	11.4	1.1	11
Oman(Muscat SM)	13	3,998	0.3	-0.2	-7.5	-11.6	-11.9	8
<b>Developed markets</b>								
MSCI World Index	40,421	2,179	0.0	1.9	15.7	8.5	4.7	18
U.S. (S&P 500)	26,067	2,979	0.0	1.8	18.8	11.9	8.5	20
U.K. (FTSE)	2,402	7,268	0.4	0.8	8.0	2.4	1.3	14
Japan (Topix)	5,542	1,558	0.4	3.1	4.3	5.1	3.5	13
<b>Emerging markets</b>								
MSCI EM Index	5,300	1,008	-0.2	2.4	4.4	3.5	-1.0	13
China (Shanghai Indx.)	4,701	3,165	-0.1	4.7	21.2	-0.6	5.3	13
India (Sensex)	925	37,145	0.0	-0.5	3.0	8.9	6.5	22

# **Blue Chip Watch**

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Companies	M.Cap (USD Bn)	Close Price	Change %	MTD %	YTD %	3-Yr CAGR	5-Yr CAGR	P/E TTM	
Saudi Arabia									
SABIC	77	97	-2.8	-3.4	-17.0	4.5	-6.3	20	
Saudi Telecom	55	104	-0.8	4.8	13.1	21.6	6.7	18	
Al-Rajhi Bank	40	60	-2.0	-0.5	5.8	17.2	4.4	14	
NCB	37	47	-0.3	-1.8	-2.2	24.9	7.2	13	
Saudi Electricity Co	23	21	0.0	2.4	38.7	3.4	3.1	-	
United Arab Emira									
FAB	45	15	0.1	-1.6	6.5	17.3	2.5	14	
ETISALAT	39	17	0.1	-2.2	-2.7	-5.9	9.5	16	
Emirates NBD	20	13	0.4	16.0	50.7	17.9	6.4	6	
ADCB	16	8	1.9	-2.5	3.8	9.6	-1.1	10	
DP WORLD	12	14	-2.6	-0.4	-18.4	-9.1	-7.1	9	
Kuwait									
NBK	21	969	0.2	-2.3	22.0	23.2	5.3	16	
KFH	17	728	-0.1	-2.7	31.1	27.7	7.7	21	
Zain	8	559	0.0	-1.1	24.5	19.2	-3.6	12	
Boubyan Bank	5	559	-0.9	-2.1	11.3	20.8	8.2	28	
Agility	4	742	0.1	-1.7	6.4	32.9	5.0	15	
Qatar									
Qatar National Bank	49	19	1.2	0.8	-1.0	11.0	4.2	13	
Industries Qatar	18	11	-0.1	1.8	-17.1	1.2	-10.6	17	
Qatar Islamic Bank	10	16	0.1	2.0	6.0	16.3	6.6	14	
Mesaieed Petro	10	3	-1.1	-1.4	86.3	15.9	-3.6	34	
Masraf Al Rayan	7	4	0.6	-0.8	-13.6	0.5	-8.6	13	

# Top 5 Gainers\* A

Companies	Country	M. Cap (USD Bn)	Change %	MTD %	YTD %
Orascom Construction	UAE	1.5	9.2%	19.1%	0.8%
Commercial Bank	Qatar	5.1	2.9%	-4.0%	16.0%
Qatar Insurance Company	Qatar	2.9	2.9%	1.6%	-11.4%
Qatar International Islamic Bank	Qatar	3.6	2.8%	13.0%	32.3%
Abu Dhabi Commercial Bank	ÜAE	16.0	1.9%	-2.5%	3.8%

# Top 5 Losers∗ ▼

Companies	Country	M. Cap (USD Bn)	Change %	MTD %	YTD %
Network International Holdings	UAE	3.4	-5.2%	-8.7%	-
Al Ahli Bank of Kuwait	Kuwait	1.6	-4.1%	-2.5%	4.1%
Abu Dhabi National Energy Company	UAE	1.2	-3.9%	0.7%	-32.7%
National Industrialization Company	KSA	2.4	-3.8%	-3.1%	-12.4%
Bank Albilad	KSA	5.0	-3.7%	-4.7%	14.6%

CAGR — Compounded annual growth rate | ADTV — Average daily traded value | M. Cap - Market capitalization TTM — Trailing twelve months | YTD — Year to date | \* Mcap > USD 1bn Note: \*\*12yr for Saudi Arabia

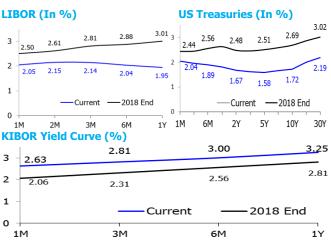
#### **Market News**

- > The 30-year German Bund yield rose by 4 bps to 0.008%, its highest since early August. A return of the bond to a positive yield would mean the entire curve of the euro zone's benchmark bond issuer would no longer be in negative territory. Zawya
- Global oil demand will peak in three years, plateau until around 2030 and then decline sharply. The main reason for forecasting peak oil demand in the early 2020s is our strong belief in the uptake of electric vehicles, as well as a less bullish belief in the growth of petrochemicals Energy Adviser DNV GL

# **Value Traded & Advances/Decline Ratio**

Companies	Value Traded (USD mn)		Advances	Declines	Unchanged	ADTV – 1M (USD mn)
Saudi Arabia	795	205	113	82	10	1,248
Kuwait	74	164	58	75	31	83
UAE	108	132	48	36	48	97
Qatar	81	46	28	12	6	68
Bahrain	1	44	21	7	16	2
Oman	4	121	26	18	77	25
Total	1,063	712	294	230	188	1,523

# **Yield Curve & CDS Watch**



# 5-year CDS Spread

Current	2018	52-Week		
Current	2010	High	Low	
65.5	100.0	107.9	65.5	
43.1	69.6	70.9	43.1	
131.9	135.0	148.5	125.2	
43.8	64.5	66.1	40.8	
43.8	81.3	84.1	43.8	
279.5	346.5	387.5	229.0	
239.9	293.6	358.4	229.3	
	43.1 131.9 43.8 43.8 279.5	65.5 100.0 43.1 69.6 131.9 135.0 43.8 64.5 43.8 81.3 279.5 346.5	Current 2018 High 65.5 100.0 107.9 43.1 69.6 70.9 131.9 135.0 148.5 43.8 64.5 66.1 43.8 81.3 84.1 279.5 346.5 387.5	

# **Interest Rate Watch**

Deposit Rate	3M Rate %	Spread %	6 5YR Rate	10YR Rate
U.S.	2.0	0.0	1.6	1.7
Kuwait	2.8	0.7	2.0	2.1
KSA**	2.1	0.0	2.2	2.8
UAE	2.0	-0.0	1.9	2.2
Qatar	2.3	0.3	2.4	2.5
Oman	2.4	0.4	4.3	6.0
Bahrain	2.6	0.5	5.1	5.0
Euro Region	-0.5	-2.5	-0.8	-0.5
Last FOMC Mee	ting Date: Ju	ıly 30/31	Next FOMC Mt Da	te: Sept 17/18

# **Commodity Watch**

Precious Metals	Close	Change	MTD	YTD	52-Week	
- recious rictuis	Price	%	%	%	High	Low
Gold \$/oz	1,485.5	-0.9	-2.3	15.8	1,552.4	1,182.4
Silver \$/oz	18.0	0.3	-1.9	16.3	19.6	14.0
IPE Brent \$/bbl	62.4	-0.3	3.2	15.9	86.0	50.4
Bitcoin/USD	10,096	-2.1	5.2	173.4	12,921	3,179.5
<b>Currency Watch</b>						
USD (1 EUR =)	1.1	-0.0	0.5	-3.7	1.2	1.1
Yen (1 USD =)	107.5	0.3	1.2	-1.9	114.5	105.3
KWD (1 USD =)	0.3	0.0	-0.1	0.2	0.3	0.3
CNY (1 EUR =)	7.1	-0.1	-0.6	3.4	7.2	6.7
CBOE VIX index	15.2	-0.5	-19.9	-40.2	36.1	10.9

- GCC countries are meeting most of their food demand from imports, due to limited internal resources for production. Net food product imports grew at 5.2% CAGR between 2011-16 to reach 41.9 MMT. Total net import value grew at 3.1% CAGR during the period to reach \$29.5 billion. Zawya
- Over 3,000 new official SMEs entered the market in Oman between 2018 and the end of July, 2019. The number of SMEs grew from 18,579 in 2015 to 40,326 by July 2019-Public Authority for SME Development (Riyada)

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