# Daily Morning Brief

September 19, 2019

#### **Equity Watch**

| Indicators               | M. Cap<br>(USD Bn) | Close<br>Price | Change<br>% | MTD<br>% | YTD<br>% | 3-Yr<br>CAGR | 5-Yr<br>CAGR | P/E<br>TTM |
|--------------------------|--------------------|----------------|-------------|----------|----------|--------------|--------------|------------|
| GCC Markets              |                    |                |             |          |          |              |              |            |
| S&P GCC Composite        | 894                | 109            | -0.0        | -2.5     | 1.9      | 7.4          | -6.0         | 15         |
| Saudi (TASI)             | 493                | 7,821          | 0.7         | -2.5     | -0.1     | 9.6          | -6.7         | 17         |
| Abu Dhabi (ADI)          | 144                | 5,156          | -0.3        | -0.2     | 4.9      | 4.8          | -0.3         | 13         |
| Qatar(QE Index)          | 142                | 10,540         | 0.7         | 3.0      | 2.3      | 1.3          | -6.0         | 14         |
| Kuwait All Share Index   | 107                | 5,502          | -1.9        | -7.4     | 8.3      | 9.7          | -            | 13         |
| Dubai (DFMGI)            | 78                 | 2,824          | -0.9        | 2.4      | 11.6     | -6.8         | -11.1        | 7          |
| Bahrain (BAX)            | 24                 | 1,489          | -1.6        | -2.9     | 11.4     | 9.5          | 0.3          | 11         |
| Oman(Muscat SM)          | 13                 | 4,016          | 0.4         | 0.3      | -7.1     | -11.3        | -11.8        | 8          |
| <b>Developed markets</b> |                    |                |             |          |          |              |              |            |
| MSCI World Index         | 40,421             | 2,201          | -0.0        | 2.9      | 16.8     | 8.9          | 4.8          | 18         |
| U.S. (S&P 500)           | 26,293             | 3,007          | 0.0         | 2.7      | 19.9     | 12.0         | 8.4          | 21         |
| U.K. (FTSE)              | 2,442              | 7,314          | -0.1        | 1.5      | 8.7      | 2.4          | 1.4          | 14         |
| Japan (Topix)            | 5,661              | 1,607          | -0.5        | 6.3      | 7.5      | 7.0          | 3.8          | 13         |
| <b>Emerging markets</b>  |                    |                |             |          |          |              |              |            |
| MSCI EM Index            | 5,300              | 1,021          | 0.2         | 3.8      | 5.8      | 4.4          | -0.6         | 13         |
| China (Shanghai Indx.)   | 4,669              | 3,128          | 0.3         | 3.4      | 19.8     | -0.4         | 5.1          | 13         |
| India (Sensex)           | 914                | 36,564         | 0.2         | -2.1     | 1.4      | 8.5          | 6.2          | 22         |

## **Blue Chip Watch**

| Dide Cilip W         | ICCII             |                |             |          |          |              |              |            |
|----------------------|-------------------|----------------|-------------|----------|----------|--------------|--------------|------------|
| Companies            | M.Cap<br>(USD Bn) | Close<br>Price | Change<br>% | MTD<br>% | YTD<br>% | 3-Yr<br>CAGR | 5-Yr<br>CAGR | P/E<br>TTM |
| Saudi Arabia         |                   |                |             |          |          |              |              |            |
| SABIC                | 72                | 90             | 0.2         | -9.9     | -22.5    | 2.7          | -7.9         | 18         |
| Saudi Telecom        | 54                | 102            | 0.6         | 3.0      | 11.1     | 22.9         | 6.4          | 18         |
| Al-Rajhi Bank        | 41                | 61             | 1.8         | 1.0      | 7.4      | 19.0         | 5.1          | 15         |
| NCB                  | 36                | 46             | -1.0        | -4.4     | -4.8     | 26.7         | 6.7          | 13         |
| Saudi Electricity Co | 23                | 21             | 2.9         | 1.3      | 37.1     | 5.5          | 3.1          | -          |
| United Arab Emira    |                   |                |             |          |          |              |              |            |
| FAB                  | 46                | 15             | -0.4        | 0.8      | 9.1      | 18.6         | 1.9          | 14         |
| ETISALAT             | 40                | 17             | -0.4        | -0.7     | -1.2     | -5.4         | 9.6          | 16         |
| Emirates NBD         | 20                | 13             | -1.1        | 14.7     | 49.0     | 16.9         | 6.1          | 6          |
| ADCB                 | 16                | 8              | -1.4        | -4.5     | 1.7      | 9.6          | -1.3         | 10         |
| DP WORLD             | 12                | 14             | 0.0         | 1.4      | -17.0    | -9.3         | -8.0         | 9          |
| Kuwait               |                   |                |             |          |          |              |              |            |
| NBK                  | 19                | 907            | -2.3        | -8.6     | 14.2     | 20.5         | 3.7          | 15         |
| KFH                  | 14                | 629            | -4.4        | -15.9    | 13.2     | 21.7         | 3.6          | 18         |
| Zain                 | 7                 | 524            | -1.1        | -7.3     | 16.7     | 16.1         | -4.5         | 11         |
| Boubyan Bank         | 5                 | 516            | -2.1        | -9.6     | 2.7      | 17.6         | 6.1          | 26         |
| Agility              | 4                 | 694            | -0.3        | -8.1     | -0.5     | 29.0         | 3.1          | 14         |
| Qatar                |                   |                |             |          |          |              |              |            |
| Qatar National Bank  | 49                | 20             | 0.0         | 1.8      | 0.0      | 11.9         | 3.9          | 13         |
| Industries Qatar     | 19                | 11             | 0.3         | 4.0      | -15.3    | 4.6          | -10.6        | 17         |
| Qatar Islamic Bank   | 10                | 16             | 0.0         | 1.4      | 5.4      | 17.2         | 5.9          | 14         |
| Mesaieed Petro       | 10                | 3              | 5.6         | 5.6      | 99.6     | 20.8         | -2.5         | 37         |
| Masraf Al Rayan      | 7                 | 4              | 0.8         | 0.0      | -12.9    | 2.3          | -8.8         | 13         |

# Top 5 Gainers\* A

| Companies                     | Country | M. Cap<br>(USD Bn) | Change<br>% | MTD<br>% | YTD<br>% |
|-------------------------------|---------|--------------------|-------------|----------|----------|
| International Holding Company | UAE     | 2.5                | 7.5%        | 15.5%    | 427.4%   |
| Qatar Insurance Company       | Qatar   | 3.1                | 6.2%        | 10.2%    | -3.9%    |
| Mesaieed Petrochem Holding Co | Qatar   | 10.3               | 5.6%        | 5.6%     | 99.6%    |
| Ahli Bank                     | Qatar   | 2.2                | 3.3%        | 9.7%     | 33.6%    |
| National Central Cooling Co   | ÜAE     | 1.3                | 2.9%        | 1.7%     | 1.2%     |

#### Top 5 Losers∗ ▼

| Companies                 | Country | M. Cap<br>(USD Bn) | Change<br>% | MTD<br>% | YTD<br>% |
|---------------------------|---------|--------------------|-------------|----------|----------|
| Advanced Petrochemical Co | KSA     | 2.7                | -7.9%       | -16.4%   | -7.3%    |
| Orascom Construction      | UAE     | 1.5                | -6.1%       | 9.3%     | -7.5%    |
| Ahli United Bank          | Bahrain | 7.3                | -5.1%       | -9.0%    | 34.1%    |
| Ahli United Bank          | Kuwait  | 2.1                | -4.6%       | -7.5%    | 9.6%     |
| Kuwait Finance House      | Kuwait  | 14.4               | -4.4%       | -15.9%   | 13.2%    |

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

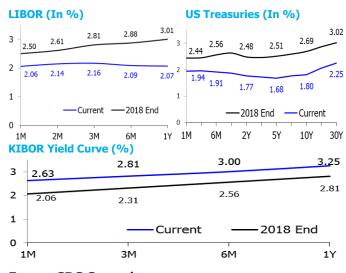
#### **Market News**

- U.S Fed lowered its benchmark overnight lending rate by a quarter of a percentage point to a range of 1.75% to 2.00%-Reuters
- Euro zone inflation, at 1% y-o-y, was stable in August, at its lowest level in nearly three years. Inflation on m-o-m basis went up by 0.1% -Reuters

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

| Companies    | Value Traded<br>(USD mn) |     | Advances | Declines | Unchanged | ADTV – 1M<br>(USD mn) |
|--------------|--------------------------|-----|----------|----------|-----------|-----------------------|
| Saudi Arabia | 706                      | 205 | 72       | 127      | 6         | 1,156                 |
| Kuwait       | 205                      | 164 | 28       | 110      | 26        | 94                    |
| UAE          | 62                       | 132 | 46       | 46       | 40        | 103                   |
| Qatar        | 81                       | 46  | 31       | 11       | 4         | 69                    |
| Bahrain      | 2                        | 44  | 18       | 12       | 14        | 2                     |
| Oman         | 3                        | 121 | 40       | 22       | 59        | 20                    |
| Total        | 1,059                    | 712 | 235      | 328      | 149       | 1,444                 |

# **Yield Curve & CDS Watch**



# 5-year CDS Spread

| Country   | Current | 2018  | 52-Week |       |  |
|-----------|---------|-------|---------|-------|--|
| Source y  |         |       | High    | Low   |  |
| KSA       | 68.5    | 100.0 | 107.9   | 64.5  |  |
| Abu-Dhabi | 42.1    | 69.6  | 70.9    | 41.8  |  |
| Dubai     | 124.6   | 135.0 | 148.5   | 124.5 |  |
| Kuwait    | 30.4    | 64.5  | 66.1    | 30.4  |  |
| Qatar     | 43.8    | 81.3  | 84.1    | 42.5  |  |
| Oman      | 283.0   | 346.5 | 387.5   | 229.0 |  |
| Bahrain   | 228.7   | 293.6 | 358.4   | 228.5 |  |

#### **Interest Rate Watch**

| Deposit Rate  | 3M Rate %  | Spread 9   | % 5YR Rate     | 10YR Rate      |
|---------------|------------|------------|----------------|----------------|
| U.S.          | 2.1        | 0.0        | 1.7            | 1.8            |
| Kuwait        | 2.1        | 0.0        | 2.2            | 2.3            |
| KSA**         | 2.8        | 0.7        | 2.4            | 3.1            |
| UAE           | 2.0        | -0.1       | 2.2            | 2.4            |
| Qatar         | 2.3        | 0.2        | 2.5            | 2.7            |
| Oman          | 2.4        | 0.3        | 4.2            | 6.0            |
| Bahrain       | 2.6        | 0.5        | 5.1            | 5.3            |
| Euro Region   | -0.5       | -2.6       | -0.7           | -0.5           |
| Last FOMC Mee | ting Date: | Sept 17/18 | Next FOMC Mt D | ate: Oct 29/30 |

## **Commodity Watch**

| Precious Metals       | Close   | Change | MTD   | YTD   | 52-Week |         |
|-----------------------|---------|--------|-------|-------|---------|---------|
| Trectous Fretuis      | Price   | %      | %     | %     | High    | Low     |
| Gold \$/oz            | 1,493.7 | -0.6   | -1.7  | 16.4  | 1,552.4 | 1,182.4 |
| Silver \$/oz          | 17.7    | -1.5   | -3.3  | 14.6  | 19.6    | 14.0    |
| IPE Brent \$/bbl      | 63.6    | -1.5   | 5.2   | 18.2  | 86.0    | 50.4    |
| Bitcoin/USD           | 10,152  | -0.4   | 5.8   | 174.9 | 12,921  | 3,179.5 |
| <b>Currency Watch</b> |         |        |       |       |         |         |
| USD (1 EUR =)         | 1.1     | -0.4   | 0.4   | -3.8  | 1.2     | 1.1     |
| Yen (1 USD =)         | 108.4   | 0.3    | 2.0   | -1.0  | 114.5   | 105.3   |
| KWD (1 USD =)         | 0.3     | 0.1    | 0.0   | 0.3   | 0.3     | 0.3     |
| CNY (1 EUR =)         | 7.1     | -0.1   | -1.0  | 3.0   | 7.2     | 6.7     |
| CBOE VIX index        | 14.0    | -3.4   | -26.5 | -45.1 | 36.1    | 10.9    |

- The CPI in the emirate of Abu Dhabi slashed by 0.8% y-o-y during the first eight months of 2019. In August 2019, the CPI in the UAE's capital fell by 1.2% y-o-y-Zawya
- > Saudi Arabia's crude oil exports in July rose to 6.88 mn bpd from 6.72 mn bpd in June. Zawa

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