Daily Morning Brief

September 17, 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	110	0.7	-1.9	2.5	6.6	-5.9	15
Saudi (TASI)	494	7,827	1.0	-2.4	0.0	8.2	-6.7	17
Abu Dhabi (ADI)	144	5,161	1.7	-0.1	5.0	4.7	-0.3	13
Qatar(QE Index)	141	10,512	1.1	2.7	2.1	-0.1	-6.0	14
Kuwait All Share Index	109	5,633	-1.6	-5.2	10.9	10.6	-	13
Dubai (DFMGI)	80	2,878	0.3	4.3	13.8	-6.2	-10.8	8
Bahrain (BAX)	25	1,524	-0.7	-0.6	14.0	10.7	0.8	11
Oman(Muscat SM)	13	4,009	-0.3	0.1	-7.3	-11.5	-11.8	8
Developed markets								
MSCI World Index	40,421	2,196	-0.5	2.7	16.6	9.0	4.7	18
U.S. (S&P 500)	26,308	2,998	-0.3	2.4	19.6	11.9	8.3	21
U.K. (FTSE)	2,438	7,321	-0.6	1.6	8.8	2.9	1.4	14
Japan (Topix)	5,672	1,610	0.0	6.5	7.7	7.1	4.1	14
Emerging markets								
MSCI EM Index	5,300	1,027	0.0	4.3	6.4	5.1	-0.6	13
China (Shanghai Indx.)	4,748	3,175	-0.0	5.0	21.6	0.3	5.5	13
India (Sensex)	932	37,123	-0.7	-0.6	2.9	9.1	6.5	22

Blue Chip Watch

	M.Cap	Close	Change	MTD	YTD	3-Yr	5-Yr	P/E
Companies	(USD Bn)	Price	%	%	%	CAGR		TTM
Saudi Arabia								
SABIC	74	93	2.0	-7.1	-20.1	3.2	-7.3	19
Saudi Telecom	54	101	2.0	2.0	10.0	20.5	6.2	18
Al-Rajhi Bank	40	60	1.4	-1.2	5.1	17.0	4.7	14
NCB	37	46	4.2	-2.6	-3.0	24.6	7.1	13
Saudi Electricity Co	23	20	0.4	-0.1	35.3	2.5	2.8	-
United Arab Emira								
FAB	45	15	2.0	0.3	8.5	18.1	1.8	14
ETISALAT	40	17	2.6	-0.6	-1.1	-5.5	9.7	16
Emirates NBD	20	13	0.7	16.5	51.3	17.9	6.4	6
ADCB	16	8	2.9	-2.6	3.7	10.4	-0.9	10
DP WORLD	12	15	2.1	3.6	-15.2	-8.8	-7.6	9
Kuwait								
NBK	20	934	-0.8	-5.8	17.6	21.7	4.3	16
KFH	15	666	-3.5	-11.0	19.9	24.0	4.8	19
Zain	8	527	-1.5	-6.7	17.4	16.9	-4.4	11
Boubyan Bank	5	531	-1.1	-7.0	5.7	18.7	6.7	27
Agility	4	692	-3.4	-8.3	-0.8	29.8	3.0	14
Qatar								
Qatar National Bank	49	19	1.2	1.6	-0.3	11.3	3.8	13
Industries Qatar	19	11	2.3	4.6	-14.8	2.1	-10.5	17
Qatar Islamic Bank	11	16	0.9	2.8	6.8	16.6	6.2	14
Mesaieed Petro	10	3	2.2	-0.7	87.6	16.2	-3.7	34
Masraf Al Rayan	7	4	0.6	-0.3	-13.1	0.7	-8.8	13

Top 5 Gainers* A

Companies	Country	M. Cap (USD Bn)	Change %	MTD %	YTD %
Banque Saudi Fransi	KSA	11.2	4.5%	15.5%	10.5%
National Commercial Bank	KSA	37.1	4.2%	-2.6%	-3.0%
Samba Financial Group	KSA	14.8	3.5%	-3.3%	-11.6%
Company for Coop. Insurance	KSA	2.2	3.5%	1.5%	11.4%
Qatar Insurance Company	Qatar	3.0	3.4%	6.7%	-7.0%

Top 5 Losers∗ ▼

Companies	Country	M. Cap (USD Bn)	Change %	MTD %	YTD %
International Holding Company	UAE	2.0	-4.7%	35.0%	327.2%
Advanced Petrochemical Co	KSA	2.7	-4.3%	-7.7%	2.4%
Al Ahli Bank of Kuwait	Kuwait	1.6	-3.6%	-5.7%	0.7%
Kuwait Finance House	Kuwait	15.3	-3.5%	-11.0%	19.9%
Agility Public Warehousing Co	Kuwait	4.0	-3.4%	-8.3%	-0.8%

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

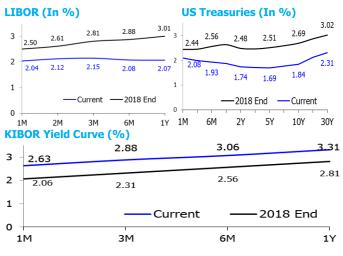
Market News

- Germany to cap the European Union's next budget for 2021-27 at 1% of the continent's economy. Because of Brexit, contributions of the remaining Member States to long term EU budget will increase significantly. -Reuters
- United States has reached initial trade agreements with Japan on tariff barriers and digital trade that will not require congressional approval. Currency provision won't be included in a Japan-U.S. bilateral trade deal. -Reuters

Value Traded & Advances/Decline Ratio

Companies	Value Traded (USD mn)		Advances	Declines	Unchanged	ADTV – 1M (USD mn)
Saudi Arabia	875	205	61	134	10	1,195
Kuwait	141	164	38	97	29	88
UAE	98	132	49	38	45	104
Qatar	91	46	30	11	5	68
Bahrain	3	44	20	11	13	2
Oman	1	121	35	21	65	22
Total	1,209	712	233	312	167	1,479

Yield Curve & CDS Watch



5-year CDS Spread

Country	Current	2018	52-Week		
Country	Current	2010	High	Low	
KSA	64.5	100.0	107.9	64.5	
Abu-Dhabi	41.8	69.6	70.9	41.8	
Dubai	124.5	135.0	148.5	124.5	
Kuwait	37.4	64.5	66.1	37.4	
Qatar	42.5	81.3	84.1	42.5	
Oman	278.5	346.5	387.5	229.0	
Bahrain	232.3	293.6	358.4	229.3	

Interest Rate Watch

Deposit Rate	3M Rate %	% Spread 9	% 5YR Rate	10YR Rate
U.S.	2.0	0.0	1.7	1.8
Kuwait	2.1	0.1	2.1	2.3
KSA**	2.4	0.4	2.4	3.1
UAE	2.0	-0.0	2.1	2.4
Qatar	2.3	0.3	2.5	2.7
Oman	2.4	0.4	4.3	6.0
Bahrain	2.5	0.4	5.1	5.2
Euro Region	-0.5	-2.5	-0.7	-0.5
Last FOMC Mee	ting Date:]	July 30/31	Next FOMC Mt Da	te: Sept 17/18

Commodity Watch

Precious Metals	Close Change		MTD	YTD	52-Week	
r recious rictuis	Price	%	%	%	High	Low
Gold \$/oz	1,497.5	0.6	-1.5	16.7	1,552.4	1,182.4
Silver \$/oz	17.8	2.3	-2.9	15.1	19.6	14.0
IPE Brent \$/bbl	68.4	13.5	13.1	27.0	86.0	50.4
Bitcoin/USD	10,215	-1.5	6.5	176.6	12,921	3,179.5
Currency Watch						
USD (1 EUR =)	1.1	-0.6	0.2	-4.0	1.2	1.1
Yen (1 USD =)	108.2	0.1	1.8	-1.2	114.5	105.3
KWD (1 USD =)	0.3	0.1	0.0	0.3	0.3	0.3
CNY (1 EUR =)	7.1	0.2	-0.9	3.1	7.2	6.7
CBOE VIX index	14.7	6.8	-22.7	-42.3	36.1	10.9

- Direct contribution of travel and tourism to the Middle East's GDP is predicted to rise by 4.2% to \$133.6bn by 2028 driven by additional tourists to the region due to megaevents, major sporting, cultural festivals, concerts and MICE events. - WTTC
- Saudi petrochemical sector to see lower Q3 earnings. Most petrochemical firms have already revealed a 40% reduction in feedstock supplies. Production may be lowered by about 5% during Q3-19 and additional costs will likely be incurred. -Zawya

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