

Macroeconomic indicators earnings to lead markets

In case you missed it...

Regional markets closed mixed last week. Dubai (+1.8%) was boosted by advances in banks. Kuwait (+1.5%) mostly recovered the prior week's loss. Abu Dhabi (+0.9%) was partially driven by FAB and Etisalat, as the telecom firm ruled out security concerns about using Huawei's technology. Bahrain (+0.7%) rose slightly. Saudi Arabia (-2.8%) fell mostly due to weakness in banking stocks and SABIC, as Fitch downgraded the petrochemicals firm. Qatar (-0.8%) slipped, due to selling by foreign institutions. Oman (-0.3%) edged lower. The US markets ended in the green, mainly driven by news reports that the US and China have reached phase-one trade agreement and the US Fed saying it will start buying T-bills worth \$60 billion every month starting next week. The Dow Jones and Nasdaq Composite (+0.9%) clocked identical gains, followed by S&P500 (+0.6%). European indices also gained; DAX (+4.2%), CAC40 (+3.2%), STOXX600 (+3.0%) and FTSE100 (+1.3%) all climbed.

The Week Ahead

Regional markets

Regional markets should commence the trading week on an optimistic note, following the run-up in global equities last week amid reports of the US and China striking a partial trade deal. The UAE Central Bank has removed a 70-year client age limit for mortgage repayments, which is likely to positively impact banks and real estate firms. Meanwhile, investors will await the outcome of the BoD meetings of Dubai Islamic Bank and Mashreq Bank, scheduled this week, to discuss third-quarter financial performance. Investors will also be watchful of Iran's response to attack on its oil tanker last week.

Global markets

Investors' focus this week will be on US banks which are expected to kick off the earnings season. The IMF and World Bank will hold their annual meetings in Washington and are expected to mark down their estimates for growth in worldwide GDP. Moreover, investors will look for new data on economic sentiment in Germany, Eurozone and the US industrial production, and US retail sales. Meanwhile, EU leaders are meeting to discuss Brexit (again).

You may be asked about

The World Economic Forum, in its 'Global Competitiveness Report 2019,' has ranked the UAE as the most competitive economy in the Arab World for a 4th consecutive year. Out of 103 indicators in the report, the UAE improved upon in 52 indicators and maintained performance in 27 indicators. Additionally, the UAE stood at 25th position (up two places from 2018), ranking 1st and 2nd globally in the sub-indicators of macroeconomic stability and ICT adoption, respectively. Regionally, the UAE was followed by Qatar (global rank: 29th) and Saudi Arabia (36th), whereas Kuwait's ranking improved the most to 46th (up 8 positions). Globally, Singapore stood first in overall ranking, followed by the US.

Note to management

Last week, Saudi Arabia's Capital Markets Authority announced new regulation and market rule changes designed to attract non-Saudi companies to list on the Tadawul. Attractions for regional firms or multinationals with Gulf operations are many: liquidity, regulatory, currency and business opportunity are among the potential benefits from a Saudi listing. But the biggest draw to international listings has yet to appear. When it does, we believe the Tadawul could enter a new era of dominance and growth. Read our insights [HERE](#)

2H 2019 EVENTS CALENDAR

	DATE
JPM KSA Investment Forum, NY	14-15 OCT
Future Investment Initiative, RUH	29-31 OCT
GS CEEMEA Conference, LON	11-12 NOV
UBS GEMs Conference, NYC	3-5 DEC

EARNINGS CALENDAR

Market	Est/ Conf	Date
Boubyan Bank (Call)	KUW C	15 OCT
Dubai Islamic Bank (Call)	UAE C	16 OCT

Q3 RESULTS

	PROFIT (mn)	Y-O-Y%
Advanced Petrochemicals	SAR 213.0	+5.3%
Almarai	SAR 581.2	-8.5%
United Electronics Co.	SAR 27.2	-12.0%
QNB Group	QAR 3,864.8	+3.2%

BRENT FUTURES PRICE



ASSET CLASS MONITOR

	WTD ↓	YTD
Aluminium	2.42%	-7.01%
Oil	2.41%	9.85%
FTSE 100	1.54%	6.81%
S&P 500	0.94%	17.20%
MSCI World	0.83%	12.82%
MSCI EM	0.43%	3.18%
Gold	-0.74%	16.49%
US Treasury	-1.18%	-31.43%
MSCI GCC	-1.61%	-1.33%

REGIONAL CALENDAR

15.10.2019	Abu Dhabi Non Oil Foreign Merchandise Trade	-
17.10.2019	Abu Dhabi Consumer Price Index	KSA Annual Economic Est. Survey
17.10.2019	KSA Weekly Money Supply	-

GLOBAL CALENDAR

14.10.2019	Eurozone Industrial Production	China Trade Balance
15.10.2019	China Consumer Price Index	UK ILO Unemployment Rate
16.10.2019	UK Consumer Price Index	US Retail Sales Control Group
17.10.2019	UK Retail Sales	US Industrial Production
18.10.2019	China Gross Domestic Product	European Council Meeting

Food for thought

IR & BEYOND

IR Magazine / Iridium	It just became easier to cross-list in Saudi Arabia	Link
Institutional Investor	When EBITDA Is Just BS	Link
ESG Clarity	Investors struggle to incorporate ESG in fixed income	Link
Ipreo	Navigating the "DIY" Approach to Investor Relations	Link
Bloomberg Blog	A win-win plan for U.A.E. banks to digitize, pair with fintechs	Link

Sunday, 13.10.2019

SOVEREIGN YIELDS (10YR)	CURRENT (%)	1 MONTH (bps)	1 YEAR (bps)
US	1.73	-4	-143
UK	0.7	+3	-93
Germany	-0.45	+7	-94
France	-0.13	+11	-99
Italy	0.94	+7	-263
Switzerland	-0.7	+10	-73
Japan	-0.19	+3	-33
Hong Kong	1.25	-	-108
India	6.5	-14	-147

COMMODITIES	WTD ↓	YTD
Oil (Brent)	2.41%	9.85%
Oil (WTI)	2.10%	17.93%
Gold	-0.74%	16.49%
Natural Gas	-4.77%	-24.56%

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.

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GLOBAL AGENDA

IMF & World Bank	To meet to discuss economic development and finance
EU leaders	To meet in Brussels for a two-day summit
Russian President	to meet with Saudi Arabia's King Salman and Crown Prince
U.K. Parliament	To debate on PM Johnson's policy program
U.S.	Scheduled to enact further tariff hikes on Chinese goods
IIF	To hold its annual membership meeting
BOE	Publishes its quarterly credit conditions survey
China	To releases 3Q19 GDP, September industrial production, retail sales data
St. Louis Fed President	To deliver a speech in London
Earning Releases	JPMorgan, Citigroup, Wells Fargo, Bank of America, Goldman Sachs etc

MOST READ REGIONAL SECTOR HEADLINES

Energy	Saudi Aramco CEO: Attacks have no impact on IPO plans
Transport	UAE's Etihad Rail awards \$436mn contract to Hitachi Rail
Telecommunication	5G services to generate \$15.4bn of economic expansion in MENA: GSMA
Aviation & Tourism	Share of aviation & tourism sector in UAE to more than double
Infrastructure	Dubai roads, transport infrastructure investments saved \$46bn: Al Tayer
Logistics	Saudi cold market chain sector set for 11% growth
Entertainment	GCC's Leisure and Entertainment sector can generate \$3.4bn annually
Banks	GCC banks to maintain stable credit fundamentals in 2020: S&P
Utility	Dubai Utility to assess solar-plant bids, plans to go debt-free
Financial	Brookfield's Dubai JV to borrow \$653mn against future rent

MOST READ REGIONAL COMPANY HEADLINES

QNB	QNB's 9M 2019 net profit rises 4%
Saudi Aramco	Fitch downgrades Saudi Aramco to 'A' with 'Stable' outlook
Raysut Cement	Raysut Cement's subsidiary sets up cement plant in Georgia
National Bank of Oman	NBO shareholders approve capital raising plan
Dar Al Arkan	Dar Al Arkan sells \$600mn in Islamic bonds
Gulf International Bank	Saudi Arabia's Gulf International Bank plans \$500mn bond
SABIC	SABIC downgraded to 'A' by Fitch
Aldar Properties	Abu Dhabi's Aldar Properties picks banks for Dollar Sukuk sale
ADNOC	ADNOC said to kick off \$5bn gas pipeline lease deal
Emirates NBD	Emirates NBD said to plan 5% cost reduction in sluggish economy

REGIONAL MARKETS	Last Close	YTD %	QTD %	MTD %	M-Cap (bn)	P/E (ttm)
Saudi Arabia	7,695.5	-1.7%	-4.9%	-4.9%	\$490.5	19.0x
ADX	5,073.5	3.2%	0.3%	0.3%	\$139.9	15.2x
DFM	2,810.5	11.1%	1.1%	1.1%	\$77.7	11.8x
Nasdaq Dubai	3,161.3	2.8%	0.2%	0.2%	NP	NP
Qatar	10,227.5	-0.7%	-1.3%	-1.3%	\$141.2	14.7x
Bahrain	1,523.0	13.9%	0.4%	0.4%	\$23.8	11.4x
Oman	4,013.6	-7.2%	-0.1%	-0.1%	\$12.8	8.1x

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