

## FY 2019 corporate earnings season set to commence

### In case you missed it...

GCC markets reversed the previous week's gains on concerns over heightened geopolitical tensions as Iran retaliated the killing of its general by firing missiles on US military bases in Iraq. Bahrain (-0.9%) decreased the most. Kuwait, Oman and Dubai clocked identical losses (-0.7%, each). Qatar and Saudi Arabia edged lower 0.6% each. Selling pressure from retail investors dragged down Qatar. On the other hand, the Kingdom jumped 2.7% on 9 January, posting its biggest intraday gain since October 2018 which aided it to pare some losses. Abu Dhabi (-0.5%) was weighed down by weakness in FAB and Etisalat. The US markets resumed their positive momentum, primarily buoyed by remarks from the US and Iran which suggested both the countries are refraining from further military action. Favorable data on the US services sector and private jobs also supported the markets. Nasdaq Composite (+1.8%) jumped, followed by S&P 500 (+0.9%) and Dow Jones (+0.7%). European indices, meanwhile, closed mixed. DAX (+2.0%) and STOXX600 (+0.2%) gained, whereas CAC40 (-0.1%) and FTSE100 (-0.5%) edged down.

### The week ahead

#### Regional markets

Regional investors are likely to shift their focus on FY 2019 corporate earnings releases. This week, Qatar's QNB Group and Ahli Bank are scheduled to post their financial results. Investors will, however, also keep a close watch on regional geopolitical situation as the confrontation between the US and Iran is far from over. Markets will also look forward to signing of phase I trade agreement by the US and China this week. Meanwhile, Oman's market will remain closed for three days from 12 January till 14 January to mourn the death of its leader His Majesty Sultan Qaboos bin Said.

#### Global markets

In the upcoming week investors will focus on the US consumer inflation and retail sales as in 2019 inflation was weak and consumer spending was robust. Moreover, the coming week will be dominated by GDP data from major economies like the UK and China. Market participants will also look for the first phase of the trade deal between the US & China, the UK trade balance, US production price index, consumer inflation in Germany, industrial production in China and earnings from banks such as JPMorgan, Citigroup, BofA etc.

#### You may be asked about

The World Bank lowered its global economic growth forecast for a fourth time, reducing the estimates by 0.2% each for 2019, 2020 and 2021 to 2.4%, 2.5% and 2.6%, respectively. The slight pickup in global economic growth in 2020 (vs. 2019) is attributed to, among other factors, phase I trade deal reached between the US and China. The global lender also cut MENA and GCC region's growth projections, taking note of regional geopolitical tensions and lower oil demand in the backdrop of fading world economic growth. Within the GCC region, Oman's 2020 growth rate has been slashed the most (-2.3 percentage points vs. June 2019 estimates), yet it is forecasted to clock the highest growth rate of 3.7% in 2020.

EARNINGS CALENDAR	Market	Est/ Conf	Date
QNB Group	Qatar	C	14 Jan
Gulf Warehousing	Qatar	C	14 Jan
Qatar Islamic Bank	Qatar	C	15 Jan

### BRENT FUTURES PRICE



ASSET CLASS MONITOR	WTD ↓	YTD
US Treasury	1.32%	-37.14%
S&P 500	0.94%	30.26%
MSCI EM	0.87%	17.38%
Aluminium	0.80%	-5.22%
Gold	0.65%	21.82%
MSCI World	0.65%	25.19%
FTSE 100	-0.45%	12.78%
MSCI GCC	-0.60%	5.42%
Oil	-5.28%	20.78%

### REGIONAL CALENDAR

12.01.2020	KSA Tourism Establishments Survey	-
15.01.2020	Abu Dhabi Trade Statistics	-
17.01.2020	Abu Dhabi Consumer Inflation	-

### GLOBAL CALENDAR

13.01.2020	UK Manufacturing Production	UK GDP
14.01.2020	US Consumer Inflation	China Trade Balance
15.01.2020	UK Consumer Inflation	Eurozone industrial Production
16.01.2020	Eurozone Monetary Policy Meeting	US Retail Sales
17.01.2020	US Michigan Consumer Sentiment Index	China GDP

### Food for thought

#### IR & BEYOND

IR Magazine	Investor meeting activity falls 8 percent in five years, finds research	<a href="#">Link</a>
Moody's	GCC sovereigns' 2020 outlook is negative	<a href="#">Link</a>
World Bank	MENA Economic Prospects	<a href="#">Link</a>
ISS	ESG Matters	<a href="#">Link</a>
IPE	China: On a long climb up the ESG ladder	<a href="#">Link</a>

COMMODITIES	WTD ↓	YTD
Natural Gas	3.38%	-25.10%
Gold	0.65%	21.82%
Oil (Brent)	-5.28%	20.78%
Oil (WTI)	-6.36%	30.02%

SOVEREIGN YIELDS (10YR)	CURRENT (%)	1 MONTH (bps)	1 YEAR (bps)
US	1.82	3	-88
UK	0.77	0	-52
Germany	-0.2	12	-44
France	0.04	5	-62
Italy	1.32	12	-153
Switzerland	-0.55	8	-33
Japan	-0.01	-	-
Hong Kong	1.52	-	-36
India	6.59	-17	-100

## 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

<b>EU</b>	The new trade chief, Phil Hogan, to visit Washington
<b>ECB</b>	Executive Board member Yves Mersch to speak in Frankfurt
<b>India</b>	To hosts its annual Raisina Dialogue on geopolitics
<b>U.S.</b>	U.S. and China to sign the first phase of their trade deal
<b>Bank of Japan</b>	Governor Haruhiko Kuroda to speak at the BOJ branch managers' meeting
<b>Eastern Europe</b>	FMs & central bankers to speak in Central & Eastern European Forum 2020
<b>Guatemala</b>	Alejandro Giammattei to be sworn in as the new president
<b>BOE</b>	Michael Saunders to speak in Bangor, Northern Ireland
<b>Boston Fed President</b>	Eric Rosengren to discuss the economic outlook in Hartford
<b>Earnings announcements</b>	JPMorgan, Citigroup, BofA, Morgan Stanley, Goldman etc

## MOST READ REGIONAL SECTOR HEADLINES

<b>Renewable Energy</b>	Oman targets 3,050 MW of renewable energy by 2025
<b>Aviation</b>	New Jeddah Airport to be fully operational in Ramadan: GACA
<b>Cement</b>	Oman Cement issues tender to set up new cement factory in Duqm
<b>Energy</b>	OPEC will respond to any oil shortage if needed, however, capacity limited
<b>Port</b>	NIMR International, Port of Duqm sign bunkering deal
<b>Bank</b>	Saudi Arabia grants license to Bank of China to open branch
<b>Pharmaceutical</b>	Two new medicine plants to start production in Bahrain by 2020-end
<b>Real Estate</b>	Dubai real estate deals hit 11-year high in 2019
<b>Tourism</b>	Sheikh Mohammed unveils multi-entry, five-year tourist visas in UAE
<b>Manufacturing</b>	Oman's Ministry of Commerce & Industry plans to boost the sector

## MOST READ REGIONAL COMPANY HEADLINES

<b>Bank Muscat</b>	Tasmim signs MoU with Bank Muscat to offer easy home loans
<b>WOQOD</b>	Qatar Fuel Company (WOQOD) opened Baaya Petrol Station
<b>Careem</b>	Uber officially completes acquisition of Careem for \$3.1bn
<b>ADIB</b>	Gives \$80mn Shari'ah-compliant financing to Oman Shipping Company
<b>Dana Gas</b>	Buys back 1,000,000 shares
<b>Eshraq Investments</b>	Approves cross-listing on ADX, Tadawul
<b>Tristar Group</b>	Acquires logistics land in Port of Duqm
<b>Kamco</b>	Completes merger with Global Investment House
<b>Amlak Finance</b>	Achieves 95% approval on debt restructuring
<b>Burgan Bank</b>	Kuwait's Burgan Bank to sell stake in Bank of Baghdad

REGIONAL MARKETS	Last Close	YTD %	QTD %	MTD %	M-Cap (bn)	P/E (ttm)
Saudi Arabia	8,345.8	-0.5%	-0.5%	-0.5%	\$2,418.8	22.4x
ADX	5,075.7	0.0%	0.0%	0.0%	\$140.8	15.5x
DFM	2,749.3	-0.6%	-0.6%	-0.6%	\$78.4	10.9x
Nasdaq Dubai	3,172.5	-0.4%	-0.4%	-0.4%	NP	NP
Qatar	10,444.4	0.2%	0.2%	0.2%	\$143.7	15.2x
Bahrain	1,597.3	-0.8%	-0.8%	-0.8%	\$25.0	12.7x
Oman	3,977.2	-0.1%	-0.1%	-0.1%	\$12.9	7.5x

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