

Coronavirus epidemic remains a major concern

In case you missed it...

GCC markets ended in the red last week, except Bahrain (+0.3%) and Oman (+0.2%). Saudi Arabia, Dubai, Abu Dhabi and Qatar all clocked identical losses (-1.7%, each), followed by Kuwait (-1.0%). The markets mirrored weakness in crude oil prices and global equities which fell mostly due to concerns related to the potential impact of a coronavirus outbreak in China. The US markets extended their slide from last week, after the US declared the coronavirus a public health emergency and advised its citizens to avoid travelling to China. This overshadowed mostly positive US economic data and largely above expected earnings reports. Dow Jones (-2.5%), S&P 500 (-2.1%) and Nasdaq Composite (-1.8%) all fell. European indices also closed sharply lower; DAX (-4.4%) stood as the biggest loser, followed by FTSE100 (-4.0%), CAC40 (-3.6%) and STOXX600 (-3.1%).

The Week Ahead

Regional markets

Regional markets might extend weakness heading into a new trading week, following sell-off in global equities and a sharp drop in crude oil prices as the WHO declared China's coronavirus a global public health emergency. Crude oil prices, which clocked the biggest January loss since 1991, might remain subdued as several airlines stopped or reduced their flights to China. Investors, meanwhile, will also keep a tab on upcoming earnings. This week, Mashreq Bank, Dubai Insurance, Abu Dhabi National Hotels, TAQA, Mabaneer, Zain Bahrain, Qatar Insurance, Doha Bank and Vodafone Qatar are likely to hold BoD meetings to discuss FY 2019 financial performance.

Global markets

This week, investors will focus on macroeconomic data such as Germany factory orders, China trade balance, EU producer inflation and retail sales, interest rate decisions by central banks of India, Australia and Russia. While news regarding the coronavirus outbreak will continue to attract attention, traders are also likely to keep an eye on the monthly jobs data as well as reports on manufacturing and service sector activity. Markets in China will reopen on 3 February after a long break on account of Lunar New Year and might witness sell-off following recent virus-related health concerns.

You may be asked about

The UAE's third largest emirate of Sharjah has announced a new gas discovery earlier last week, its first in over three decades. The new well, called Mahani-1, has been explored by state-owned Sharjah National Oil Corporation (Snoc) and Italy-based Eni. Both these firms hold 50% stake each in this newly discovered well, which was drilled to a total depth of 14,597 feet and has tested gas at flow rates of up to 50 million standard cubic feet per day, together with associated condensate. Snoc had awarded Eni areas A, B and C onshore exploration concessions in January 2019 and Mahani-1 is located in the area B concession.

Note to management

Environmental, Social and Governance factors are increasingly driving investor choices, and Wall Street banks that serve those investors are rapidly adopting new policies and standards in response. This week was the turn of Goldman Sachs, State Street and Morgan Stanley. Each made a pronouncement that will have far-reaching implications for the capital markets - and the Gulf is very much in their sights. Read our insights [HERE](#)

REGIONAL CALENDAR

06.02.2020	KSA Quarterly Monetary & Bank. Dev. Report	KSA Quarterly Inflation Report
08.02.2020	KSA Industrial Production Survey Dec 19	-

GLOBAL CALENDAR

03.02.2020	China Caixin Manufacturing PMI Jan	US ISM Manufacturing PMI Jan
04.02.2020	UK Markit Construction PMI Jan	Eurozone Producer Inflation Dec
05.02.2020	China Caixin Services PMI Jan	Eurozone Retail Sales Dec
06.02.2020	German Factory Orders Dec	ECB Economic Bulletin
07.02.2020	China Trade Balance Jan	US Nonfarm Payrolls Jan

Food for thought

IR & BEYOND

Al Arabiya / Iridium	As Wall Street giants prioritize diversity, businesses should follow suit	Link
WEF	Toward Common Metrics and Consistent Reporting of Sustainable Value Creation	Link
State Street	ESG Oversight Framework for Directors	Link
Pensions & Investments	European ESG funds pull in record \$132 billion for 2019	Link
Bloomberg Blog	Abu Dhabi plans to sell \$2 billion slice of private equity book	Link

EARNINGS CALENDAR	Market	Est/ Conf	Date
Doha Bank	Qatar	C	2 Feb
Riyad Bank	KSA	C	3 Feb
Vodafone Qatar	Qatar	C	3 Feb
DP World	UAE	C	4 Feb
United Development	Qatar	C	5 Feb

BRENT FUTURES PRICE



Q4 RESULTS	PROFIT (mn)	Y-O-Y%
Savola Group	SAR137.3	NM
Saudi Electricity*	SAR1,415.0	-19.5%
SABIC**	-SAR0.7	NM
Qatar Fuel	QAR344.6	+3.0%
Tabreed*	AED472.5	+10.5%
FAB*	AED12,520.2	+4.2%
Emirates NBD*	AED14,502.6	+44.4%
Saudia Dairy	SAR68.1	+26.9%
CBQK	QAR517.1	+24.8%
ADCB*	AED4,789.7	-1.0%

*Annual, **in bn

ASSET CLASS MONITOR	WTD ↓	YTD
Gold	1.12%	4.74%
US Treasury	0.65%	0.00%
MSCI GCC	-1.82%	-1.66%
S&P 500	-2.12%	-0.16%
MSCI World	-2.56%	-1.17%
Aluminium	-3.72%	-5.03%
FTSE 100	-3.95%	-3.40%
Oil	-4.17%	-11.88%
MSCI EM	-5.10%	-4.69%

COMMODITIES	WTD ↓	YTD
Gold	1.12%	4.74%
Natural Gas	-2.75%	-15.90%
Oil (Brent)	-4.17%	-11.88%
Oil (WTI)	-4.85%	-15.56%

SOVEREIGN YIELDS (10YR)	CURRENT (%)	1 MONTH (bps)	1 YEAR (bps)
US	1.51	-41	-118
UK	0.52	-29	-72
Germany	-0.44	-25	-60
France	-0.18	-29	-75
Italy	0.93	-48	-181
Switzerland	-0.78	-26	-49
Japan	-0.08	-5	-5
Hong Kong	1.19	--	-44
India	6.6	9	--

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

U.S.	President Trump to deliver his State of the Union address
Germany	Angela Merkel meets Austrian counterpart Sebastian Kurz in Berlin
EU	To publish chief Brexit negotiator's mandate for the next stage of talks.
European Commission	To release a report on revising debt rules in the bloc.
ECB	To publish its economic bulletin.
Argentina	Argentine Economy Minister to meet with IMF Managing Director
France	French President Emmanuel Macron makes a two-day trip to Poland
China	Trading to resume on the Shanghai and Shenzhen stock exchanges
India	Reserve Bank of India to announce rate decision
Earnings announcements	Alphabet, Sony, Nokia, Uber, Honda, BP, Total etc

MOST READ REGIONAL SECTOR HEADLINES

Entertainment	Investments to build new cinemas in KSA expected to top SAR5bn in 2020
Renewable Energy	Unit 1 of the UAE's Barakah Nuclear Energy Plant ready for start up
Tourism	Oman looks for more tourists from the US, Nepal, Lithuania and Ukraine
Oil & Gas	OPEC+ to consider all options in March to ensure continued market balance
Gaming	GCC gaming market to hit \$821mn by 2021 from \$693mn in 2017: Strategy&
Aviation	Oman's aviation authority issues new permit for Sharqiyah Aviation
Aquaculture	Four Saudi aquaculture firms merge in SAR500mn (\$133mn) deal: SPA
Transportation	Ethihad Rail launches construction of 139 km Ghuweifat-Ruwais route
E-commerce	Dubai Customs launches Cross Border e-Commerce platform
Real Estate	Riyadh's residential sector's value rises 63% YoY in 2019: CBRE

MOST READ REGIONAL COMPANY HEADLINES

Burgan Bank	Gets approval from Iraq's central bank to sell stake in Bank of Baghdad
Saudi Telecom	To buy Vodafone Group's 55% stake in Vodafone Egypt for \$2.4bn
Dubai Aerospace	Moody's upgrades Dubai Aerospace's corporate family rating to 'Baa3'
Kuwait Finance House	To shed assets worth about 100mn dinars in 2020
Empower	Receives commitments from banks for loans totaling up to \$2.2bn
Oman Oil Marketing	Signs long-term fuel supply agreement with the Port of Duqm
Emirates NBD	Sells 1.04% stake in NMC Health for \$35.55mn
Conares	Conares, UAE-based steel manufacturer, aims to double turnover to AED2bn
Gulf Air	Hires 22 Bahraini maintenance technicians
Saudi Enaya Coop. Ins.	Signs contract worth SAR33.1mn with International Medical Center

REGIONAL MARKETS	Last Close	YTD %	QTD %	MTD %	M-Cap (bn)	P/E (ttm)
Saudi Arabia	8,246.6	-1.7%	-1.7%	-1.7%	\$2,388.6	22.7x
ADX	5,156.2	1.6%	1.6%	1.6%	\$146.2	16.1x
DFM	2,790.4	0.9%	0.9%	0.9%	\$81.8	11.3x
Nasdaq Dubai	3,237.9	1.7%	1.7%	1.7%	NP	NP
Qatar	10,442.0	0.2%	0.2%	0.2%	\$145.6	15.4x
Bahrain	1,657.6	2.9%	2.9%	2.9%	\$25.9	13.2x
Oman	4,079.3	2.5%	2.5%	2.5%	\$13.2	7.3x

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