

TOP NEWS

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MARKETS

- Major Gulf stock markets closed higher this week, mainly tracking global stocks along with firm oil prices.
- Saudi index got a boost this week from the appointment of a prominent businessman as labour minister, a move widely welcome by the private sector. Throughout the week, the index gained additional support from optimism index compiler MSCI will upgrade Riyadh to emerging market status.
- Qatari index had a great run outperforming other regions amid continued fund flows into blue-chips after MSCI recently raised their weightings. MSCI said last month it would raise the weightings of top Qatari companies after they increased their foreign ownership ceilings to 49 percent from 25 percent.
- UAE markets also jumped helped by newly announced stimulus plans, in Abu Dhabi and Dubai.
- Egyptian stocks slumped, with analysts attributing the drop to uncertainty over the public response to imminent energy subsidy cuts in light of protests in Jordan.

EQUITIES

	Price	% 1 W
Saudi Arabia	8344.39	2.25%
Abu Dhabi	4662.58	1.25%
Dubai	3041.72	2.62%
Qatar	9242.30	4.07%
Oman	4596.51	-0.22%
Egypt	15923.66	-2.99%
Kuwait	4787.32	2.06%
Bahrain	1263.79	-0.16%
Jordan	2066.02	-1.43%

[more data in PAGE 2](#)

FX Rates

	vs USD	vs EUR
SAR	3.75	4.42
AED	3.67	4.33
QAR	3.65	4.31
OMR	0.385	0.454
EGP	17.869	21.084
KWD	0.302	0.356
BHD	0.378	0.445
JOD	0.710	0.837

[more data in PAGE 3](#)

LEBANON

BEIRUT S.E.

	Price*	% 1 W
SOLIDERE A	8.12	-1.58%
SOLIDERE B	8.10	-1.82%
BANK OF BEIRUT	18.80	-
BoB Priority	21.00	-
BANK AUDI	5.42	-
BLOM BANK	10.50	-
BYBLOS BANK	1.47	-
BLC BANK	0.93	-
BEMO BANK	1.57	-

* June 8, 2018

BONDS

	Mat	YTM*
LEB 5.45	Nov-19	7.40
LEB 6.15	Jun-20	8.18
LEB 6.10	Oct-22	8.88
LEB 6.65	Apr-24	9.14
LEB 6.60	Nov-26	9.47
LEB 6.75	Nov-27	9.46
LEB 6.65	Feb-30	9.43
LEB 7.05	Nov-35	9.45
LEB 7.25	Mar-37	9.54

*MID Value

[more data in PAGE 3](#)

BANK OF BEIRUT FUNDS

NAME	CY	NAV*	YTD (%)	SINCE INCEPTION
BEIRUT PREFERRED FUND II	USD	940.82	-1.71%	21.50%
OPTIMAL INVESTMENT FUND	LBP	100,005.52	3.34%	62.60%
BOB LBP GROWTH FUND A	LBP	130,765.70	4.67%	30.77%
BOB LBP GROWTH FUND B	LBP	101,033.89	4.53%	26.40%

* NAV as of June 7, 2018

[\(click for more details\)](#)

TOP NEWS

Fitch Revises Qatar's Outlook to Stable; Affirms at 'AA-'

Fitch Ratings has revised Qatar's Outlook to Stable from Negative and affirmed its Long-Term Foreign-Currency Issuer Default Rating (IDR) at 'AA-'. The revision of the Outlook to Stable reflects the following key rating drivers: Qatar has successfully managed the fallout from last year's rupture of trade, financial and diplomatic relations with the Quartet consisting of the UAE, Saudi Arabia, Bahrain and Egypt. Public sector liquidity injections have stabilised the banking sector and stemmed the outflow of non-resident funding. The fiscal deficit has narrowed sharply and we expect it to turn into a surplus in 2019. The economy has reconfigured its supply chains and continues to grow at a robust pace. There has been no escalation of measures against Qatar.

A. Dhabi crown prince approve \$13.61 bn in economic stimulus

Abu Dhabi's crown prince said on Tuesday he had approved 50 billion dirham (\$13.61 billion) worth of measures to stimulate growth in the emirate and make it easier to do business, create jobs and boost tourism. Sheikh Mohamed Bin Zayed, de facto leader of the UAE, tweeted that the new initiative would also speed up contract payments to the private sector and exempt new licenses from the requirement of having a physical presence in the emirate in the first two years. "Under the guidance of HH Sheikh Khalifa bin Zayed, I have approved a 3-year, 50 billion dirham economic stimulus package to support Abu Dhabi's economic development and have tasked the Executive Council's Executive Committee to draw up a working plan for allocations within 90 days," Sheikh Mohammed tweeted. He also ordered the creation of at least 10,000 jobs for Emiratis in the private and public sectors over the next five years.

Dubai to cut municipal fees, freeze school costs

Dubai's gov't said it would reduce municipal fees, scrap some aviation charges and freeze school costs in the latest of a series of efforts to stimulate economic growth, which has been hindered by weak real estate and equity markets. The Dubai Executive Council approved steps to cut "market fees" imposed by Dubai municipality to 2.5% from 5%, the official WAM news agency said without elaborating on those fees. The council also decided to scrap 19 fees related to the aviation industry, which is a major engine of growth in Dubai, and waived late payment fees on property registrations for 60 days. It froze school fees for the 2018-2019 academic year, prohibiting all private schools from increasing their charges. In recent months, Dubai has taken other steps to reduce costs for companies such as exempting them from administrative fines this year.

Egypt eying sovereign fund by year end

Egypt plans to launch its first sovereign fund by the end of the year and will begin a roadshow in the first half of 2019 to drum up private investment, the country's planning minister said. Modeled after sovereign funds in India and Malaysia, Egypt's new investment arm will seek to generate additional wealth from under-utilized state assets rather than investing surplus oil and gas revenues as Gulf countries do. Partnering with the private sector, the fund will seek to attract domestic and foreign investment and build on economic reforms started in 2016 with the flotation of the currency. "Egypt has a wealth of assets and companies that have not been properly used and mismanaged over many years, and we are ready to start a real partnership with the private sector to render them productive and more advanced," Planning Minister Hala El-Saeed said in an interview in Cairo.

Jordan's next PM says to withdraw tax bill

Jordan's designated new prime minister said on Thursday he would drop a proposed tax law, conceding to a key demand of protesters who have already brought down the gov't. Omar al-Razzaz said there was a consensus to withdraw the income tax bill in comments to reporters after a meeting in parliament to consult on forming the new gov't. Jordan's biggest protests in years began eight days ago over tax increases and subsidy cuts pushed by the International Monetary Fund (IMF) to reduce the U.S. ally's big public debt. King Abdullah, often seen as a unifying figure in Jordan, on Tuesday called for new dialogue over the tax system after accepting the resignation of Razzaz's predecessor, Hani Mulki.

Kuwaiti creditor refuses Abraaj deal, may prompt liquidation

(Reuters) A Kuwaiti creditor is refusing to agree to a debt settlement deal with Abraaj, which could push the private equity firm to seek provisional liquidation, three sources close to the matter told Reuters. The refusal by Kuwait's Public Institution for Social Security (PIFSS) to join other creditors in a debt freeze could complicate Abraaj's efforts to sell its investment management business to New York-based Cerberus Capital Management, the sources said. On Thursday a PIFSS legal notice was published in UAE daily The National, seeking liquidation of Abraaj and the appointment of FTI consulting as liquidators.

Swiss bank Lombard Odier in talks on Saudi partnership

Swiss private bank Lombard Odier is in talks to set up a partnership with a Saudi bank as it aims to strengthen its presence in the Gulf, its managing director said on Wednesday. The Geneva-based bank, which had \$281 billion in total client assets as of the end of last year, has a representative office in Dubai and is now looking at potential

partnership options across the region, with a focus on Saudi Arabia. "The model is to have a partnership with one of the best local banks so clients don't have to transfer assets to Switzerland to us," Arnaud Leclercq, partner and group managing director told Reuters. "The money stays in the country, in the book of the bank, but we would have this partnership to manage the assets internationally," he said, but would not name the Saudi bank.

Abu Dhabi, Qatar among top 5 global real estate investors

Abu Dhabi Investment Authority (ADIA) and Qatar Investment Authority (QIA) are among the top five real estate investors in the world, a research report said, a sign of Gulf sovereign wealth funds (SWFs) growing their alternate investments portfolio. SWFs in the Gulf have helped diversify their economies away from oil and invest in a wide range of non-oil related assets. ADIA, one of the richest sovereign wealth funds in the world, manages \$62.1 billion in real estate assets, making it the number one real estate investor globally. Credit Agricole's IndoSuez Wealth Management said in a research note. That accounts for 7.5% of its total assets under management. QIA, with \$35 billion investments in real estate is ranked fifth after Netherlands, Germany and France.

Saudi's SABIC in talks with banks for dollar bond: sources

(Reuters) Saudi Basic Industries Corp (SABIC) is in talks with banks for a potential U.S. dollar-denominated bond, banking sources familiar with the matter said. SABIC, the world's fourth-largest petrochemicals company, bought in a 25% stake in the Swiss specialty chemicals group Clariant in January, becoming the firm's largest shareholder. CEO Yousef al-Benyani said at the time that SABIC could self-finance the Clariant stake acquisition, but did not exclude the possibility of inviting banks to part-finance the deal. The company raised earlier this year a \$3 billion bridge loan. Banking sources, who believe the loan was raised to partially finance the acquisition, said the new bond is likely to replace that facility. SABIC did not immediately respond to a request for comment on the bond plans.

UAE's ADNOC may sell more of distribution business: sources

(Reuters) Abu Dhabi National Oil Company is considering selling another 10% stake in its fuel distribution business, which listed in an initial public offering last year, but the timing is uncertain, three sources familiar with the matter said. ADNOC listed 10% of ADNOC Distribution in December last year, but the sale of another 10% would help ADNOC in its aim of joining the MSCI Emerging Markets Index and attract more international investors, two of the sources said. ADNOC Distribution, the largest operator of retail fuel service stations and convenience stores in the UAE, is seeking a minimum free float of 15% to improve its chances of joining the index, one of the sources said. An ADNOC spokesperson said: "We don't comment on market rumours or speculation."

Dubai's Mashreq applies for Saudi banking licence: sources

(Reuters) Mashreq, Dubai's third-largest bank by assets, has applied to Saudi Arabia's central bank for a banking licence as it seeks to benefit from opportunities surrounding the kingdom's ambitious economic reform plans, according to sources familiar with the matter. It follows similar moves by other foreign lenders including Goldman Sachs, Citigroup and fellow UAE-based lenders First Abu Dhabi Bank and Emirates NBD. "Within the Saudi 2030 vision, we are exploring opportunities for Mashreq in the Saudi market," Mashreq said in a statement, without commenting on what the sources said about the application for a banking licence. Saudi Arabia's central bank did not respond to a request for comment.









Emirates seeing oil, dollar 'double whammy'

The president of Emirates airline said the rare combination of higher oil and a stronger dollar, which usually move in opposite directions, represented a "double whammy" in terms of their impact on costs but that passenger demand remained strong. "We have very strong summer bookings at higher prices," Tim Clark told reporters at an airlines summit in Sydney, adding Emirates was monitoring those trends for any sign higher ticket prices were hurting demand. Global airlines body IATA on Monday downgraded its profit forecast for the industry, citing higher oil and labour costs, but also said yields, a proxy for air fares, were expected to rise 3.2% this year. IATA has cautioned that rising fares as airlines seek to make up for higher costs could temper growth in demand.

Qatar Airways could face 2nd straight annual loss: CEO

Qatar Airways could face a second straight year of losses in 2018 amid a regional dispute that has banned the airline from four Arab countries, the airline's CEO said on Tuesday. Qatar Airways has been blocked from flying to 18 cities in Saudi Arabia, the United Arab Emirates, Bahrain and Egypt since June 2017 when those countries cut ties with Qatar, accusing it of supporting terrorism. Doha denies the charges. The carrier made a "substantial loss" in 2017, CEO Akbar al-Baker said in April, without disclosing the figure. When asked about the outlook for 2018 in an interview with Reuters on Tuesday, al-Baker said: "Yes, there is a possibility it could be a second year of losses, but we have mitigated our losses in a big way." The airline has a healthy cash balance and does not need gov't aid at this time, he said on the sidelines of an industry conference. He said Qatar Airways, which has stakes in British Airways parent IAG, Hong Kong's Cathay Pacific Airways Ltd and South America's LATAM Airlines Group SA, was open to strategic investment in other airlines. Qatar Airways is in the process of filing for a license to set up a new airline in India, al-Baker said, but he warned the regulatory requirements were tough.

EQUITIES

			Price	As at	Δ 1 W NET	Δ 1 W %	High	Low
	TADAWUL ALL SH INDEX	SA	8344.39	07-Jun	183.31	2.25%	8,461.00	8,161.08
	ADX GENERAL INDEX	UA	4662.58	07-Jun	57.54	1.25%	4,666.41	4,553.24
	DFM GENERAL INDEX	UA	3041.72	07-Jun	77.59	2.62%	3,064.50	2,950.27
	QE Index	QA	9242.30	07-Jun	361.79	4.07%	9,370.66	8,904.07
	MSM30 Index	OM	4596.51	07-Jun	-10.17	-0.22%	4,616.10	4,580.28
	EGX 30 INDEX	EG	15923.66	07-Jun	-490.87	-2.99%	16,717.95	15,781.85
	KUWAIT PREMIER Index	KW	4787.32	07-Jun	96.77	2.06%	4,798.20	4,694.66
	BB ALL SHARE INDEX	BH	1263.79	07-Jun	-2.00	-0.16%	1,268.93	1,263.19
	AMMAN SE GENERAL INDEX	JO	2066.02	07-Jun	-29.96	-1.43%	2,095.04	2,061.45

TOP MOVERS

GAINERS		
1	EGYPT KUWAIT HOLDING CO SAE	EG 90.56%
2	NATIONAL TAKAFUL COMPANY	UA 31.58%
3	QATAR INSURANCE CO	QA 19.34%
4	AL-SALAM BANK	BJ 18.95%
5	ALMARAI CO	SR 14.91%
6	COMMERCIAL BANK INTERNATIONAL	UA 13.92%
7	BBK BSC	BJ 13.85%
8	ZARA INVESTMENTS	JO 13.46%
9	ARABTEC HOLDING CO PJSC	UA 12.82%
10	OBOUR LAND FOR FOOD INDUSTRI	EG 12.82%

LOSERS		
1	AL-DEERA HOLDING CO	KU -34.69%
2	METAL & RECYCLING CO	KU -31.96%
3	ALBARAKA BANKING GROUP	BJ -23.98%
4	ATLAS FOR LAND RECLAMATION A	EG -22.50%
5	NORTHERN UPPER EGYPT DEVELOP	EG -20.87%
6	REMCO FOR TOURISTIC VILLAGES	EG -20.07%
7	EGYPT FOR POULTRY	EG -19.85%
8	AL ARABI GROUP HOLDING CO	KU -19.54%
9	CAIRO OILS AND SOA	EG -19.43%
10	MENA TOURISTIC & REAL ESTATE	EG -18.29%

TOP MARKET CAPS

1	SAUDI BASIC INDUSTRIES CORP	SR -2.76%
2	SAUDI TELECOM CO	SR 1.02%
3	QATAR NATIONAL BANK	QA 3.39%
4	EMIRATES TELECOM GROUP CO	UA 3.70%
5	NATIONAL COMMERCIAL BANK	SR 3.19%
6	AL RAJHI BANK	SR 1.99%
7	SAUDI ELECTRICITY CO	SR 4.28%
8	DP WORLD LTD	UA 5.78%
9	SAUDI ARABIAN MINING CO	SR 0.00%
10	INDUSTRIES QATAR	QA 6.18%

TOP TRADING VOLUMES (WEEKLY AVG)

(in MILLIONS)		
1	DAR AL ARKAN REAL ESTATE DEV	SR 35.83
2	ORASCOM TELECOM MEDIA AND TE	EG 30.73
3	DRAKE & SCULL INTERNATIONAL	UA 29.52
4	ALINMA BANK	SR 26.25
5	GLOBAL TELECOM HOLDING	EG 24.44
6	DXB ENTERTAINMENTS PJSC	UA 23.68
7	PORTO HOLDING SAE	EG 18.29
8	CITADEL CAPITAL SAE	EG 16.34
9	DANA GAS	UA 11.23
10	AIR ARABIA PJSC	UA 11.06

TOP SECTORS MOVERS (where index is officially priced)

SAUDI ARABIA		ABU DHABI	
Tadawul Phar, Bio & LS	6.91%	ADX Telecommunication	3.70%
Tadawul Food & Beverages	6.37%	ADX Real Estate	1.95%
Tadawul RE Mgmt & Dev	5.11%	ADX Insurance	1.33%
Tadawul Media	-2.78%	ADX Services	-4.18%
Tadawul Cons Dura & App	-1.66%	ADX Consumer Staples	-1.37%
Tadawul REITs	-1.32%	ADX Industrial	-0.44%

CURRENCIES

Cross Rates



USD



EUR



GBP



AUD



JPY*



CHF

	Saudi Riyal	SAR	3.75	4.42	5.03	2.86	29.25	3.82
	UAE Dirham	AED	3.67	4.33	4.93	2.80	29.87	3.75
	Qatari Riyal	QAR	3.65	4.31	4.90	2.78	30.03	3.73
	Omani Riyal	OMR	0.385	0.454	0.517	0.294	284.97	0.393
	Egyptian Pound	EGP	17.869	21.084	23.961	13.610	6.15	18.207
	Kuwaiti Dinar	KWD	0.302	0.356	0.405	0.230	363.29	0.308
	Bahraini Dinar	BHD	0.378	0.445	0.507	0.288	290.57	0.385
	Jordanian Dinar	JOD	0.710	0.837	0.952	0.541	154.62	0.719

- Thursday's closing prices are used to calculate the cross rates
- USD/EUR/GBP/AUD/CHF are base currencies

BONDS

Sovereign Eurobonds (USD)

LEBANON

Maturity Range (yrs)	Maturity	YTM
0 - 1	Nov-18	5.31
	May-19	6.95
1 - 2	Nov-19	7.38
	Mar-20	8.08
	Apr-20	8.23
2 - 4	Jun-20	8.28
	Apr-21	8.71
	Oct-22	8.81
4 - 7	May-23	9.10
	Apr-24	9.17
	Nov-24	9.21
	Dec-24	9.26
	Feb-25	9.30
7 - 10	Jun-25	9.32
	Nov-26	9.45
	Mar-27	9.50
	Nov-27	9.46
10 - 30	May-29	9.48
	Feb-30	9.38
	Apr-31	9.48
	Mar-32	9.43
	Nov-35	9.39
	Mar-37	9.42

GULF

Maturity Range (yrs)	Country	Maturity	YTM
0 - 1	DUBAI	Dec-18	3.33
	DUBAI	Feb-19	3.34
	ABU DHABI	Apr-19	2.73
	QATAR	Apr-19	2.75
1 - 2	QATAR	Jan-20	3.23
	DUBAI	Oct-20	3.66
2 - 4	ABU DHABI	May-21	3.31
	QATAR	Jun-21	3.70
	DUBAI	Jun-21	3.88
4 - 7	QATAR	Jan-22	3.78
	ABU DHABI	Oct-22	3.55
	QATAR	Jan-23	3.79
	DUBAI	Mar-25	4.59
7 - 10	ABU DHABI	May-26	3.89
	QATAR	Jun-26	4.18
10 - 30	ABU DHABI	Oct-27	4.02
	QATAR	Jun-30	4.70
	QATAR	Jan-40	5.06
	QATAR	Jan-42	5.05
	DUBAI	Jan-43	5.87
	QATAR	Jun-46	4.98
	ABU DHABI	Oct-47	4.64

Yields are MID values and shown strictly for information purpose and subject to change at any time

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