

## Overview

**Regional Markets:** MENA markets started the week on a negative note, tracking the sentiments seen in the global markets on Friday and the worst weekly performance reported after a strong 2017. The robust US economic data has raised the expectations of Fed rate hikes, which might be much earlier than the market estimates, hence there is a selling pressure seen in the equity markets. Despite the pressure seen in the past few sessions, the regional markets are holding on to the annual gains, however the trend is drifting lower for all the regional markets for now. For the regional markets, seven out of the eight indexes ended in red, while Oman was the only index to close in green for the day. Qatar was the worst performer as it was down by 2.7% for the day, giving some of the gains recorded earlier during the year. Egypt was another index that remained under pressure as it was down by 1.4% for the day, which has erased the annual gains to turn negative for the year. UAE markets ended on a negative note, as both Dubai and Abu Dhabi were down by 0.8% and 0.6% respectively for the day. The market breadth in Dubai was skewed towards losers as 21 stocks declined compared to 10 gainers for the day. Saudi Arabia also ended on the losing side as it was down by 0.6% for the day, which was mostly dragged lower by downward pressure in the energy and banking sector stocks. Kuwait also closed in red as it was down by 0.2% for the day. Bahrain was down by 0.2%, while Oman was up by 0.4% for the day.

**International Markets:** At the time of writing this report, Asian markets have opened on a negative note as Nikkei, Hang Seng and Shanghai are down by 2.4%, 1.7% and 0.2% respectively.

## Headlines

(WW) US construction spending rises as private outlays hit record high  
 (WW) China brings nearly 13mn people out of poverty in 2017  
 (WW) China's 2018 power usage to rise 5.5% on economic growth, pollution curbs  
 (WW) China seeks to rejuvenate countryside with 2018 rural policy  
 (WW) UK construction stagnates in January on political worries  
 (WW) After first UK rate rise in a decade, chances grow of another in May  
 (WW) Japan's economy seen growing for eighth straight quarter  
 (WW) Budget spurs inflation worries ahead of RBI policy  
 (CMD) US oil prices extend gains on compliance with output cuts  
 (CMD) Gold dips ahead of US jobs data  
 (FX) Dollar poised for weekly loss despite higher US yields  
 (FX) Sterling slips on construction data but still in best run since 2012  
 (FI) Bond yields fall on report of open market operations, buyback

(GCC) VAT, higher crude may boost GCC states public spendings  
 (GCC) GCC facing challenges of low-skilled expat labor  
 (SA) Saudi economy to grow by 1.5% this year  
 (SA) Expats feel the heat as Saudi Arabia retools economy  
 (AE) UAE can be a true green economy pioneer  
 (AE) UAE launches USD 1.9bn housing plan for citizens  
 (EG) Egypt net foreign reserves rise to USD 38.2bn at end-Jan  
 (EG) Egypt to issue Eurobonds worth USD 4-5bn within days  
 (KW) Kuwait ratings affirmed, economy to grow this year  
 (KW) Kuwait's financial buffers help it slow down fiscal reforms  
 (OM) Oman economy back in growth mode, reveals new data  
 (BH) Bahrain expects tourism boost from Saudi social reforms  
 (Source: Thomson Reuters, Bloomberg)

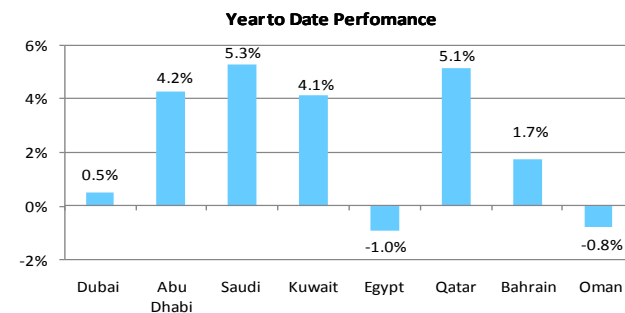
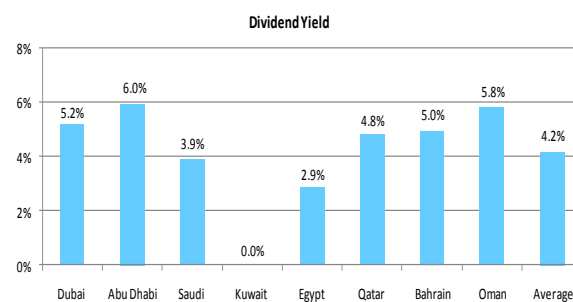
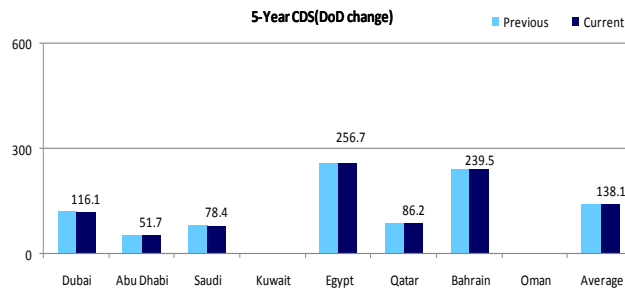
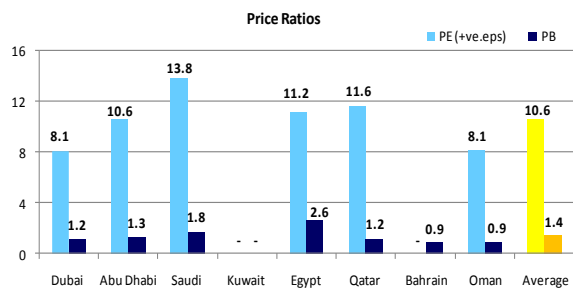
## MENA Markets

| Index             | Last      | DoD (%) | WTD (%) | MTD (%) | YTD (%) | ST Trend * | MT Trend * | LT Trend * |
|-------------------|-----------|---------|---------|---------|---------|------------|------------|------------|
| Dubai (DFMGI)     | 3,385.76  | -0.8%   | -0.8%   | -0.3%   | 0.5%    | ▼          | ▼          | ▼          |
| Abu Dhabi (ADSMI) | 4,584.56  | -0.6%   | -0.6%   | -0.4%   | 4.2%    | ▲          | ▲          | ▼          |
| Saudi (SASEIDX)   | 7,608.33  | -0.6%   | -0.6%   | -0.5%   | 5.3%    | ▲          | ▲          | ▲          |
| Kuwait (KWSE)     | 6,670.84  | -0.2%   | -0.2%   | -0.3%   | 4.1%    | ▲          | ▲          | ▼          |
| Egypt (EGX30)     | 14,874.84 | -1.4%   | -1.4%   | -1.1%   | -1.0%   | ▲          | ▲          | ▲          |
| Qatar (DSM)       | 8,959.30  | -2.7%   | -2.7%   | -2.7%   | 5.1%    | ▲          | ▲          | ▼          |
| Bahrain (BHSEIDX) | 1,354.86  | -0.2%   | -0.2%   | 0.3%    | 1.7%    | ▲          | ▲          | ▼          |
| Oman (MSM30)      | 5,057.55  | 0.4%    | 0.4%    | 1.2%    | -0.8%   | ▼          | ▼          | ▼          |

## MENA Market Statistics

| Index             | Volume (mln) | 3M Avg. Volume (mln) | 6M Avg. Volume (mln) | Value (USD mln) | 3M Avg. Value (USD mln) | 6M Avg. Value (USD mln) | Market Cap (USD mln) |
|-------------------|--------------|----------------------|----------------------|-----------------|-------------------------|-------------------------|----------------------|
| Dubai (DFMGI)     | 289          | 261                  | 234                  | 60              | 117                     | 98                      | 86,312               |
| Abu Dhabi (ADSMI) | 43           | 79                   | 90                   | 22              | 38                      | 43                      | 134,038              |
| Saudi (SASEIDX)   | 174          | 201                  | 167                  | 1,053           | 989                     | 870                     | 474,426              |
| Kuwait (KWSE)     | 71           | 89                   | 96                   | 30              | 50                      | 60                      | 75,578               |
| Egypt (EGX30)     | 162          | 291                  | 330                  | 80              | 85                      | 75                      | 26,797               |
| Qatar (DSM)       | 6            | 11                   | 9                    | 50              | 88                      | 68                      | 103,884              |
| Bahrain (BHSEIDX) | 3            | 6                    | 4                    | 1               | 2                       | 2                       | 22,495               |
| Oman (MSM30)      | 24           | 16                   | 17                   | 10              | 12                      | 10                      | 14,214               |

## Valuation and Performance Comparisons



## Top Performers by Country (\* indicates native currency; Latest data)

|              | Top Gainers                      |        |               |                  |         | Top Losers                        |        |               |                  |        |
|--------------|----------------------------------|--------|---------------|------------------|---------|-----------------------------------|--------|---------------|------------------|--------|
|              | Close *                          | DoD %  | Volume ('000) | Value (AED '000) | Company | Close *                           | DoD %  | Volume ('000) | Value (AED '000) |        |
| Dubai        | NATIONAL CENTRAL COOLING CO PJSC | 1.81   | 1.69%         | 0                | 818     | GULF NAVIGATION HOLDING PJSC      | 1.04   | -4.59%        | 0                | 5,022  |
|              | DUBAI ISLAMIC INSURANCE & REINS  | 0.82   | 1.49%         | 0                | 546     | EMAAR MALLS PJSC                  | 2.27   | -2.58%        | 0                | 1,123  |
|              | EMIRATES NBD BANK PJSC           | 8.90   | 1.14%         | 619              | 5,481   | DUBAI INVESTMENTS PJSC            | 2.40   | -2.44%        | 4,736            | 11,508 |
|              | GULF GENERAL INVESTMENT CO PSC   | 0.39   | 0.78%         | 632              | 246     | DXB ENTERTAINMENTS PJSC           | 0.63   | -1.41%        | 7,885            | 5,003  |
|              | DAR AL TAKAFUL PJSC              | 0.91   | 0.66%         | 296              | 268     | ARAMEX PJSC                       | 4.20   | -1.41%        | 804              | 3,400  |
| Abu Dhabi    | METHAQ TAKAFUL INSURANCE CO      | 0.88   | 3.53%         | 12,308           | 10,647  | GULF MEDICAL PROJECTS CO PSC      | 1.71   | -10.00%       | 1                | 3      |
|              | ABU DHABI SHIP BUILDING PJSC     | 2.00   | 2.56%         | 1                | 2       | UNITED ARAB BANK PJSC             | 1.53   | -10.00%       | 14               | 23     |
|              | ABU DHABI NATIONAL ENERGY CO     | 0.56   | 1.82%         | 424              | 235     | AXA GREEN CRESCENT INSURANCE CO   | 0.81   | -8.99%        | 5                | 4      |
|              | ESHRAQ PROPERTIES COMPANY PJSC   | 0.76   | 1.33%         | 3,026            | 2,284   | GULF CEMENT CO PSC                | 1.02   | -5.56%        | 25               | 26     |
|              | RAK PROPERTIES PJSC              | 0.78   | 1.30%         | 4,825            | 3,739   | AGTHIA GROUP PJSC                 | 4.12   | -5.07%        | 121              | 513    |
| Saudi Arabia | SAUDI RESEARCH AND MARKETING     | 74.50  | 9.88%         | 2,395            | 170,434 | MEDITERRANEAN AND GULF COOP       | 22.30  | -9.86%        | 1,077            | 25,337 |
|              | SALAMA COOPERATIVE INSURANCE     | 31.00  | 8.01%         | 805              | 24,023  | JARIR MARKETING CO SJSC           | 160.00 | -4.19%        | 167              | 27,253 |
|              | AL RAJHI COMPANY FOR COOPERATIV  | 71.80  | 7.00%         | 791              | 54,903  | AL SAMAANI FACTORY METAL INDUST   | 74.00  | -3.90%        | 2                | 155    |
|              | WALAA COOPERATIVE INSURANCE CO   | 38.15  | 6.27%         | 781              | 28,902  | AL HAMMADI COMPANY FOR DEVELO     | 37.70  | -2.33%        | 906              | 34,557 |
|              | MALATH COOPERATIVE INSURANCE     | 18.20  | 6.18%         | 3,939            | 69,611  | SAUDI BRITISH BANK SJSC           | 29.80  | -2.30%        | 157              | 4,730  |
| Kuwait       | KUWAIT BAHRAIN INTERNATIONAL EX  | 86.40  | 20.00%        | 0                | 0       | KUWAIT CABLE VISION COMPANY       | 19.50  | -14.47%       | 0                | 0      |
|              | CREDIT RATING AND COLLECTION CO  | 28.90  | 15.60%        | 0                | 0       | GULF FRANCHISING HOLDING CO KSCP  | 64.00  | -9.86%        | 58               | 4      |
|              | METAL AND RECYCLING CO KSCP      | 69.90  | 12.74%        | 12               | 1       | TAMKEEN HOLDING CO                | 21.30  | -7.39%        | 131              | 3      |
|              | FUTURE KID ENTERTAINMENT AND RE  | 124.00 | 11.71%        | 90               | 11      | ARZAN FINANCIAL GROUP FOR FINAN   | 31.00  | -6.06%        | 490              | 16     |
|              | KUWAIT AND GULF LINK TRANSPORT   | 117.00 | 8.33%         | 4,945            | 556     | ASIYA CAPITAL INVESTMENTS CO      | 41.10  | -5.52%        | 307              | 13     |
| Egypt        | EL EBOUR COMPANY FOR REAL EST    | 6.96   | 7.91%         | 0                | 102     | ORANGE EGYPT FOR TELECOMMUNIC     | 30.30  | -6.57%        | 41               | 1,272  |
|              | DELTA INSURANCE CO SAE           | 19.84  | 6.61%         | 12               | 233     | CLEOPATRA HOSPITAL                | 4.38   | -6.41%        | 1,270            | 5,753  |
|              | INDUSTRIAL ENGINEERING CO        | 8.38   | 3.71%         | 317              | 2,605   | PRIME HOLDING FOR FINANCIAL INVS  | 4.25   | -5.76%        | 7                | 32     |
|              | INTERNATIONAL CO FOR AGRICULTUR  | 2.75   | 3.38%         | 1,565            | 4,234   | SUEZ CEMENT COMPANY SAE           | 21.23  | -5.69%        | 37               | 816    |
|              | AL BARAKA BANK EGYPT SAE         | 15.34  | 3.02%         | 956              | 14,449  | AL EZZ DEKHEILA STEEL COMPANY ALE | 850.44 | -5.49%        | 1                | 795    |
| Qatar        | ALIJARAH HOLDING CO QPSC         | 9.96   | 1.01%         | 42               | 418     | QATAR GAS TRANSPORT CO LTD        | 17.41  | -5.84%        | 282              | 5,058  |
|              | QATAR OMAN INVESTMENT CO QSC     | 8.17   | 0.86%         | 1                | 10      | EZDAN HOLDING GROUP QSC           | 10.82  | -5.42%        | 197              | 2,192  |
|              | SALAM INTERNATIONAL INVESTMENT   | 7.00   | 0.72%         | 96               | 670     | QATARI INVESTORS GROUP QSC        | 31.59  | -5.19%        | 71               | 2,289  |
|              | DOHA INSURANCE CO QSC            | 13.90  | 0.00%         | 1                | 14      | MAZAYA QATAR REAL ESTATE DEVELO   | 7.55   | -5.15%        | 282              | 2,188  |
|              | QATAR CINEMA AND FILM DISTRIBUT  | 21.10  | 0.00%         | 1                | 11      | OOREDOO QSC                       | 91.00  | -5.08%        | 110              | 10,282 |

## Top 30 MENA Stocks by Market Capitalization (\* indicates native currency; Latest data)

|                                  | Company Name                            | Country | Market Cap (USD mln) | Close * | DoD % | YTD % | Volume ('000) | Value (USD '000) | 52w High * | 52w Low * | P/E | P/B | Div. Yield (T12M) |
|----------------------------------|---|---------|----------------------|---------|-------|-------|---------------|------------------|------------|-----------|-----|-----|-------------------|
| 1                                | Saudi Basic Industries Corporation SJSC | SA      | 84,798               | 106.00  | -0.9% | 4.1%  | 5,135         | 145,152          | 109.00     | 94.25     | 17  | 1.9 | 4.0%              |
| 2                                | Emirates Telecommunications Group Co    | AE      | 41,437               | 17.50   | -1.4% | 0.0%  | 882           | 4,202            | 18.85      | 15.75     | 17  | 3.6 | 4.6%              |
| 3                                | Saudi Telecom Company SJSC              | SA      | 39,359               | 73.80   | -0.1% | 7.6%  | 281           | 5,530            | 78.90      | 64.50     | 15  | 2.4 | 5.4%              |
| 4                                | Qatar National Bank QPSC                | QA      | 34,002               | 134.00  | -1.3% | 6.3%  | 136           | 5,005            | 157.10     | 115.01    | 9   | 1.6 | 4.5%              |
| 5                                | First Abu Dhabi Bank PJSC               | AE      | 33,527               | 11.30   | 0.0%  | 10.2% | 1,408         | 4,333            | 11.55      | 9.72      | 13  | 1.2 | 6.2%              |
| 6                                | Al Rajhi Banking & Investment Corp Ltd  | SA      | 32,369               | 74.70   | -1.3% | 15.6% | 3,649         | 72,686           | 76.00      | 61.00     | 14  | 2.3 | 3.0%              |
| 7                                | National Commercial Bank SJSC           | SA      | 31,306               | 58.70   | -0.5% | 6.5%  | 571           | 8,935            | 59.90      | 37.00     | 12  | 1.9 | 2.7%              |
| 8                                | Saudi Electricity Company SJSC          | SA      | 23,132               | 20.82   | -0.4% | -1.1% | 860           | 4,773            | 26.05      | 19.76     | 9   | 1.1 | 3.4%              |
| 9                                | DP World Ltd                            | AE      | 22,078               | 26.60   | -1.3% | 6.4%  | 123           | 889              | 27.06      | 19.11     | 22  | 2.2 | 1.4%              |
| 10                               | Industries Qatar QSC                    | QA      | 17,701               | 106.50  | -2.9% | 9.8%  | 87            | 2,556            | 121.60     | 85.00     | 25  | 1.9 | 3.8%              |
| 11                               | Saudi Arabian Mining Co SJSC            | SA      | 16,514               | 53.00   | -1.5% | 1.7%  | 1,171         | 16,551           | 57.10      | 39.00     | 87  | 2.4 | 0.0%              |
| 12                               | Jabal Omar Development Co SJSC          | SA      | 14,796               | 59.70   | -1.2% | 1.0%  | 352           | 5,600            | 75.60      | 58.00     | 412 | 5.4 | 0.0%              |
| 13                               | National Bank of Kuwait SAKP            | KW      | 14,705               | 744.00  | -0.3% | 2.2%  | 1,646         | 4,091            | 800.00     | 640.00    | 14  | 1.3 | 4.0%              |
| 14                               | Almarai Co SJSC                         | SA      | 14,080               | 52.80   | -0.6% | -1.9% | 498           | 7,010            | 78.64      | 51.80     | 25  | 3.6 | 1.4%              |
| 15                               | Emirates Islamic Bank PJSC              | AE      | 14,046               | 9.50    | 0.0%  | -3.1% | 1             | 1                | 11.95      | 4.02      | 73  | 7.1 | 0.0%              |
| 16                               | Emirates NBD Bank PJSC                  | AE      | 13,467               | 8.90    | 1.1%  | 8.5%  | 619           | 1,501            | 9.09       | 7.95      | 6   | 0.8 | 4.5%              |
| 17                               | Samba Financial Group SJSC              | SA      | 13,360               | 25.05   | -0.8% | 6.5%  | 732           | 4,888            | 27.10      | 19.80     | 10  | 1.2 | 3.8%              |
| 18                               | Emaar Properties PJSC                   | AE      | 12,749               | 6.54    | -1.2% | 0.0%  | 4,010         | 7,140            | 8.43       | 6.36      | 8   | 1.1 | 2.3%              |
| 19                               | Saudi British Bank SJSC                 | SA      | 11,920               | 29.80   | -2.3% | 10.4% | 157           | 1,247            | 31.00      | 20.05     | 12  | 1.4 | 2.3%              |
| 20                               | Kuwait Finance House KSCP               | KW      | 11,323               | 588.00  | 0.0%  | 2.1%  | 3,527         | 6,927            | 650.00     | 467.00    | 17  | 1.8 | 2.6%              |
| 21                               | Riyad Bank SJSC                         | SA      | 10,896               | 13.62   | -0.6% | 8.3%  | 681           | 2,472            | 14.18      | 10.10     | 13  | 1.1 | 4.8%              |
| 22                               | Abu Dhabi Commercial Bank PJSC          | AE      | 10,218               | 7.22    | -0.4% | 6.2%  | 120           | 236              | 7.60       | 6.55      | 9   | 1.2 | 5.8%              |
| 23                               | Yanbu National Petrochemicals Co SJSC   | SA      | 9,900                | 66.00   | -0.2% | 11.9% | 310           | 5,448            | 66.50      | 52.00     | 16  | 2.2 | 4.9%              |
| 24                               | Kingdom Holding Co                      | SA      | 9,724                | 9.84    | -1.4% | 10.6% | 509           | 1,336            | 12.05      | 7.90      | 58  | 1.2 | 5.1%              |
| 25                               | Banque Saudi Fransi SJSC                | SA      | 9,675                | 30.10   | -0.5% | 0.0%  | 181           | 1,456            | 33.40      | 22.75     | 10  | 1.1 | 0.0%              |
| 26                               | Dubai Islamic Bank PJSC                 | AE      | 8,343                | 6.20    | 0.0%  | 0.2%  | 4,162         | 7,027            | 6.63       | 5.36      | 8   | 1.2 | 7.3%              |
| 27                               | Alinma Bank SJSC                        | SA      | 8,248                | 20.62   | -0.5% | 7.6%  | 22,109        | 121,567          | 20.86      | 14.00     | 17  | 1.5 | 2.4%              |
| 28                               | Masraf Al Rayan QPSC                    | QA      | 8,091                | 39.27   | -2.4% | 4.0%  | 433           | 4,671            | 45.40      | 33.32     | 15  | 2.2 | 5.1%              |
| 29                               | Emaar Malls PJSC                        | AE      | 8,043                | 2.27    | -2.6% | 6.6%  | 488           | 302              | 2.70       | 2.00      | 15  | 1.8 | 4.4%              |
| 30                               | Ooredoo QSC                             | QA      | 8,008                | 91.00   | -5.1% | 0.3%  | 110           | 2,751            | 116.10     | 78.00     | 15  | 1.3 | 3.8%              |
| <b>Total M-Cap; W. Avg Yield</b> |   |         | <b>587,814</b>       |         |       |       |               |                  |            |           |     |     | <b>3.6%</b>       |

Data Source: Thomson Reuters

### Disclaimer:

This report is prepared by Al Masrah Capital Management Limited ("AMCML"). AMCML is a company incorporated in the DIFC (Dubai International Financial Centre) and regulated by the DFSA (Dubai Financial Services Authority). The information contained in this report does not constitute any offer to sell securities or the solicitation of any offer to buy, or recommendation for investment in, any securities in any jurisdiction. The information in this report is not intended as financial advice and is only intended to be used by experienced investment persons with appropriate investment knowledge and ones that AMCML is satisfied meet the regulatory criteria to be classified as a 'Professional Client' as defined under the Rules & Regulations of the appropriate financial authority, and as such should not be relied upon by or distributed to "Retail Clients". More-over, none of the report is intended as a prospectus within the meaning of the applicable laws of any jurisdiction and none of the report is directed to any person in any country in which the distribution of such report is unlawful. This report provides general information only. The information and opinions in the report constitute a judgment as at the date indicated and are subject to change without notice. The information may therefore not be accurate or current. The information and opinions contained in this report have been compiled or arrived at from sources believed to be reliable in good faith, but no representation or warranty, express, or implied, is made by AMCML, as to their accuracy, completeness or correctness and AMCML does also not warrant that the information is up to date. Any reference to third party research material or any other report contained in this report represents the respective research organization's estimates and views and does not represent the views of AMCML and its officers and employees do not accept any liability or responsibility whatsoever with respect to its accuracy or correctness and AMCML has included such reports or made reference to such reports in good faith. This report may also provide the addresses of, or contain hyperlinks to websites. Except to the extent to which the report refers, AMCML takes no responsibility whatsoever for the contents therein. Such addresses or hyperlinks are provided solely for your convenience and information and the content of the linked site does not in any way form part of this report. Accessing such website or following such link through this report shall be at your own risk. Moreover, you should be aware of the fact that investments in undertakings, securities or other financial instruments involve general and specific risks. Past results do not guarantee future performance. AMCML does not accept any liability for any loss arising from the use of material presented in this report. AMCML may seek to do business, or may already have had some business dealings, with companies covered in this report. As a result, investors should be aware that AMCML may be considered as having a conflict of interest that could affect the objectivity of research produced. Investors should consider any AMCML research as only a single factor in making any investment decision. This document has not been reviewed by, approved by or filed with the DFSA. This report or any portion hereof may not be reprinted, sold or redistributed without our prior written consent of the Company.