

Overview

Regional Markets: MENA markets ended on a positive trend for third consecutive sessions as investors continue to buy into the regional markets. Investors are adopting selective buying into the regional equities, especially companies with a history of dividend payout. Further, the upcoming earnings will also be important for the regional markets as it will give more clarity to investors about the growth prospects in 2018. For the day, five out of the eight indexes closed in green, while two in red and one remained unchanged during the session. UAE markets continued their upward trend during the week as both Dubai and Abu Dhabi were up by 0.4% and 0.2% respectively for the day. Dubai and Abu Dhabi have started the year 2018 on a strong note as both have advanced by around 4.0% so far. Saudi Arabia closed on a negative note for second consecutive sessions as it was down by 0.3% for the day, however the index remains in positive territory for the week. Egypt continued to gain further traction as the index closed higher by 1.4% for the day, adding to the gains of 1.2% recorded in previous session. Kuwait also closed on a positive note as it was up by 0.3% for the day, extending the gains to 1.0% during the week. Qatar closed higher by 0.3% for the day, continuing the positive trend during the week. Bahrain was down by 0.4%, while Oman was flat for the day.

International Markets: US markets closed on a positive note as DJIA, Nasdaq and S&P were up by 0.4%, 0.1% and 0.1% respectively for the day. European markets ended on a positive note as FTSE, DAX and CAC were up by 0.5%, 0.1% and 0.7% respectively for the day. At the time of writing this report, Asian markets have opened on a positive note as Hang Seng and Shanghai are up by 0.7% and 0.4% respectively, while Nikkei is down by 0.1%.

Headlines

(WW) US imports forecast to rocket in February
 (WW) US Physicians generate USD2.3tn in economic activity
 (WW) China, France to seek stronger trade ties
 (WW) Mobile banking boosts local economies across China
 (WW) Chinese steel production to slow sharply in 2018
 (WW) Pervasive skill shortages across UK economy to drive up wages
 (WW) Confidence in Euro-zone economy highest in 17 years
 (WW) Modest Japan wage gains point to cautious consumption outlook
 (CMD) US oil prices hit highest since 2015, but doubts loom over rally
 (CMD) Gold, Silver prices pressured by profit-taking, firmer US Dollar
 (FX) Dollar slips to session low against Yen
 (FX) Sterling hits 3-week high vs Euro after cabinet reshuffle
 (FI) Spanish/German bond-yield gap at tightest since September

(GCC) GCC states except Qatar to see financial stability in 2018
 (GCC) GCC job prospects forecast to improve in 2018
 (GCC) GCC power construction contracts to soar by 41%
 (SA) Saudi handouts will boost consumption, non-oil economy
 (SA) USD 4bn to be generated from Saudi power market restructuring
 (SA) Saudi said to weigh increasing size of USD 10bn existing loan
 (AE) Abu Dhabi Ports helps create diversified, sustainable economy
 (AE) UAE has become an international destination for entrepreneurs
 (AE) UAE economic growth expected to rise to 3.9% in 2018
 (EG) Egypt pays back USD 700mn in debt to Paris Club
 (EG) Egypt to benefit from sustainable development
 (KW) 17000 new private sector jobs for Kuwaitis
 (Source: Thomson Reuters, Bloomberg)

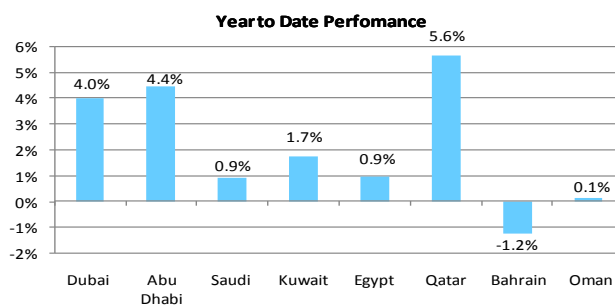
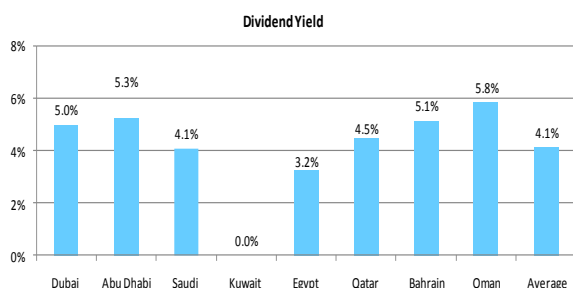
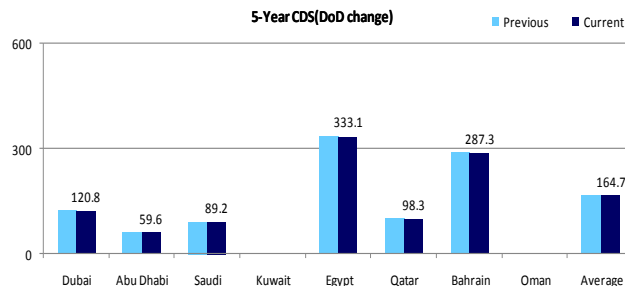
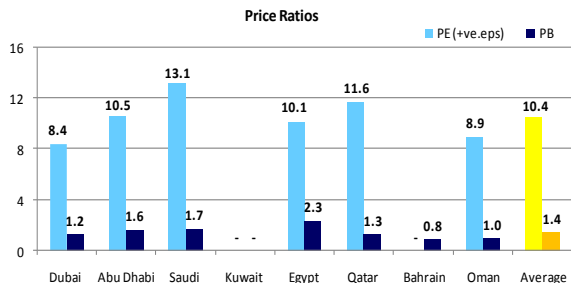
MENA Markets

Index	Last	DoD (%)	WTD (%)	MTD (%)	YTD (%)	ST Trend *	MT Trend *	LT Trend *
Dubai (DFMGI)	3,503.44	0.4%	1.2%	4.0%	4.0%	^	v	v
Abu Dhabi (ADSMI)	4,593.11	0.2%	1.0%	4.4%	4.4%	^	v	v
Saudi (SASEIDX)	7,290.96	-0.3%	0.2%	0.9%	0.9%	^	^	v
Kuwait (KWSE)	6,518.99	0.3%	1.0%	1.7%	1.7%	^	v	v
Egypt (EGX30)	15,159.37	1.4%	2.6%	0.9%	0.9%	^	^	^
Qatar (DSM)	9,002.46	0.3%	4.3%	5.6%	5.6%	^	^	v
Bahrain (BHSEIDX)	1,315.17	-0.4%	0.2%	-1.2%	-1.2%	^	^	v
Oman (MSM30)	5,106.28	-0.0%	0.0%	0.1%	0.1%	^	^	v

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)	275	281	231	114	124	98	87,536
Abu Dhabi (ADSMI)	86	83	91	35	37	43	134,983
Saudi (SASEIDX)	168	187	158	818	933	834	453,196
Kuwait (KWSE)	87	77	92	288	53	66	75,578
Egypt (EGX30)	399	347	338	85	80	68	22,719
Qatar (DSM)	11	9	9	78	71	67	103,413
Bahrain (BHSEIDX)	6	4	4	3	2	2	21,855
Oman (MSM30)	9	16	17	4	11	11	14,328

Valuation and Performance Comparisons



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

	Top Gainers	Close *	DoD %	Volume ('000)	Value (AED '000)	Top Losers	Close *	DoD %	Volume ('000)	Value (AED '000)
Dubai	AIR ARABIA PJSC	1.29	3.20%	0	36,039	DRAKE AND SCULL INTERNATIONAL	2.21	-3.49%	0	39,719
	DUBAI ISLAMIC INSURANCE & REINS	0.88	2.57%	0	3,698	AL SALAM BANK SUDAN PLC	1.84	-3.16%	0	761
	NATIONAL CENTRAL COOLING CO PJSC	1.91	2.14%	1,367	2,583	SHUAA CAPITAL PSC	1.17	-2.50%	2,641	3,130
	EMAAR DEVELOPMENT PJSC	5.77	1.76%	5,937	33,959	GULF GENERAL INVESTMENT CO PSC	0.40	-1.74%	1,058	422
	DUBAI ISLAMIC BANK PJSC	6.49	1.72%	6,677	42,967	GULF NAVIGATION HOLDING PJSC	1.18	-1.67%	865	1,029
Abu Dhabi	EMIRATES INSURANCE COMPANY PSC	6.90	15.00%	56	358	UNITED ARAB BANK PJSC	1.94	-9.77%	1	1
	SHARJAH ISLAMIC BANK PJSC	1.52	8.57%	1,033	1,509	NATIONAL CORP FOR TOURISM	2.08	-2.80%	950	2,004
	RAS AL KHAIMAH CEMENT CO PSC	0.74	5.71%	923	664	GULF PHARMACEUTICAL INDUSTRIES	2.35	-2.08%	2	4
	RAK PROPERTIES PJSC	0.81	2.53%	9,717	7,774	RAS AL KHAIMAH CERAMICS PSC	2.80	-1.75%	225	636
	ABU DHABI NATIONAL FOR BLDG MAT	0.43	2.38%	145	62	ABU DHABI NATIONAL ENERGY CO	0.56	-1.75%	1,968	1,112
Saudi Arabia	AXA COOPERATIVE INSURANCE CO	22.14	8.53%	1,623	34,511	AL ASEEL CO LTD	61.00	-4.69%	4	261
	RABIGH REFINING AND PETROCHEM	17.68	4.00%	4,961	86,027	DAR AL ARKAN REAL ESTATE DEVELOP	10.34	-4.44%	72,329	765,241
	ALINMA TOKIO MARINE CO SJSC	22.04	2.99%	468	10,176	ALAHLI FUND OF REITS FUND	9.74	-3.37%	3,027	30,000
	SAUDI ARABIA FERTILIZERS CO SJSC	68.20	2.71%	262	17,659	METLIFE AIG ANB COOPERATIVE INS	14.40	-3.36%	446	6,533
	NATIONAL AGRICULTURE DEVELOP	33.10	2.48%	309	10,103	TABUK CEMENT CO SJSC	13.00	-3.27%	749	9,905
Kuwait	AWJ HOLDING COMPANY KSCP	70.00	16.67%	0	0	KUWAIT CABLE VISION COMPANY	19.20	-20.00%	0	0
	GULF INSURANCE GROUP KSCP	640.00	10.92%	4	2	WARBA INSURANCE COMPANY KSCP	56.10	-11.51%	1	0
	MENA REAL ESTATE CO KSCP	18.00	10.43%	9,887	170	REAL ESTATE TRADE CENTERS CO	29.10	-7.62%	4	0
	ENERGY HOUSE HOLDING COMPANY	31.90	6.69%	24	1	SALBOOKH TRADING CO KSCP	51.80	-5.82%	12	1
	WETHAQ TAKAFUL INSURANCE CO	50.00	6.38%	1	0	EKTITAB HOLDING CO KSCP	32.50	-5.25%	447	15
Egypt	GLAXOSMITHKLINE SAE	23.44	10.00%	0	839	MOHANDES INSURANCE CO SAE	14.99	-6.08%	16	243
	EL NASR TRANSFORMERS AND ELEC	13.76	8.86%	260	3,438	EL NASR FOR MANUFACTURING AGRI	9.45	-5.41%	16	158
	ALEXANDRIA CO FOR PHARMA	126.78	8.67%	12	1,441	CAIRO FOR HOUSING AND DEV	16.05	-5.20%	8	124
	ORANGE EGYPT FOR TELECO	48.18	7.64%	93	4,327	EGYPTIAN INTERNATIONAL PHARMA	144.14	-3.90%	0	59
	MISR REFRIGERATION AND AIR COND	116.63	5.77%	0	36	ORASCOM DEVELOPMENT EGYPT SAE	23.07	-3.88%	189	4,447
Qatar	QATAR INSURANCE CO SAQ	59.75	6.93%	60	3,494	AL KHALEEJ TAKAFUL GROUP QPSC	13.65	-3.05%	10	138
	QATAR NAVIGATION QPSC	61.12	6.11%	315	18,704	QATAR ISLAMIC INSURANCE CO QPSC	57.02	-3.03%	1	75
	DOHA INSURANCE CO QSC	15.00	4.53%	17	252	GULF WAREHOUSING CO QPSC	47.77	-2.53%	88	4,252
	AAMAL CO QPSC	8.81	2.44%	631	5,493	QATARI GERMAN COMPANY FOR MED	6.27	-1.88%	24	151
	BARWA REAL ESTATE COMPANY QPSC	34.50	2.19%	737	25,166	AL KHALIJ COMMERCIAL BANK QPSC	13.50	-1.82%	286	3,892

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	80,960	101.20	-0.6%	-0.6%	3,861	104,182	105.40	91.25	16	1.9	5.9%
2	Emirates Telecommunications Group Co	AE	42,627	18.00	0.3%	2.9%	753	3,693	18.90	15.75	18	3.7	4.4%
3	Saudi Telecom Company SJSC	SA	36,213	67.90	-0.1%	-1.0%	68	1,227	78.90	64.50	14	2.2	5.9%
4	Qatar National Bank QPSC	QA	33,178	130.75	-0.1%	3.8%	187	6,724	157.27	115.01	9	1.6	2.4%
5	First Abu Dhabi Bank PJSC	AE	32,642	11.00	0.0%	7.3%	1,429	4,280	11.55	9.72	12	1.2	4.1%
6	National Commercial Bank SJSC	SA	29,867	56.00	-0.7%	1.6%	370	5,527	58.00	37.00	12	1.8	2.9%
7	Al Rajhi Banking & Investment Corp Ltd	SA	29,423	67.90	-0.6%	5.1%	3,386	61,298	71.70	61.00	13	2.1	3.3%
8	Saudi Electricity Company SJSC	SA	22,888	20.60	-1.2%	-2.2%	1,053	5,782	26.05	19.65	9	1.1	3.4%
9	DP World Ltd	AE	21,978	26.48	0.0%	5.9%	215	1,548	26.52	18.30	21	2.2	1.4%
10	Industries Qatar QSC	QA	16,953	102.00	0.4%	5.2%	92	2,582	121.60	85.00	24	1.9	3.9%
11	Saudi Arabian Mining Co SJSC	SA	16,483	52.90	0.8%	1.5%	295	4,167	57.00	38.50	184	2.4	0.0%
12	National Bank of Kuwait SAKP	KW	14,754	751.00	0.9%	3.2%	2,657	6,621	800.00	628.57	15	1.4	3.8%
13	Jabal Omar Development Co SJSC	SA	14,548	58.70	-0.3%	-0.7%	135	2,118	75.60	58.00	405	5.4	0.0%
14	Emirates Islamic Bank PJSC	AE	14,491	9.80	0.0%	0.0%	1	2	11.95	1.57	107	7.4	0.0%
15	Emaar Properties PJSC	AE	14,252	7.31	-0.7%	5.3%	4,127	8,215	8.95	6.75	9	1.2	2.1%
16	Almarai Co SJSC	SA	14,107	52.90	-1.5%	-1.7%	542	7,639	78.64	51.80	26	3.8	1.4%
17	Samba Financial Group SJSC	SA	13,120	24.60	-0.3%	4.6%	201	1,318	27.10	19.80	10	1.1	3.9%
18	Emirates NBD Bank PJSC	AE	12,334	8.15	0.0%	-0.6%	380	842	9.00	7.95	6	0.8	4.9%
19	Kuwait Finance House KSCP	KW	11,505	601.00	0.3%	4.3%	2,155	4,296	650.00	467.00	18	1.9	2.6%
20	Saudi British Bank SJSC	SA	11,040	27.60	1.3%	2.2%	168	1,234	28.55	20.05	11	1.3	2.5%
21	Abu Dhabi Commercial Bank PJSC	AE	10,376	7.33	1.1%	7.8%	2,173	4,337	7.68	6.55	9	1.2	5.5%
22	Riyad Bank SJSC	SA	10,256	12.82	0.5%	1.9%	148	507	12.84	10.10	12	1.0	5.1%
23	Banque Saudi Fransi SJSC	SA	9,643	30.00	0.2%	5.3%	40	319	33.40	22.10	10	1.1	3.5%
24	Ezdan Holding Group QSC	QA	9,291	12.75	2.1%	5.5%	908	3,180	16.58	6.19	18	1.1	3.9%
25	Yanbu National Petrochemicals Co SJSC	SA	8,985	59.90	-1.0%	0.0%	254	4,053	61.90	52.00	15	2.1	0.0%
26	Dubai Islamic Bank PJSC	AE	8,734	6.49	1.7%	4.8%	6,677	11,800	6.49	5.36	9	1.3	6.9%
27	Masraf Al Rayan QPSC	QA	8,613	41.80	-0.2%	10.7%	895	10,275	45.40	33.32	15	2.5	4.8%
28	Kingdom Holding Co	SA	8,509	8.61	0.0%	-3.3%	118	271	12.05	7.90	50	1.0	5.8%
29	Ooredoo QSC	QA	8,404	95.50	0.1%	5.2%	32	845	116.10	78.00	16	1.3	3.7%
30	Emaar Malls PJSC	AE	7,796	2.20	0.9%	3.3%	2,450	1,468	2.70	2.00	15	1.8	4.5%
Total M-Cap; W. Avg Yield			573,970										3.7%

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.