

# Multiples Insights

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## Multiples Insights on MENA region

This report is designed to give you a snapshot about the MENA region tackling multiple issues:

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### Economic Outlook

- Dubai is ranked the first in the world rapidly rising real estate prices according to "Global House" index for residential real estate prices issued by "Knight Frank" property consultants, recorded an increase in prices of 27.7% over the year, which extends from the end of the first quarter of 2013 till the end of March 2014 for the fourth consecutive quarter.
- The use of gas to liquid (GTL) technology in the local aviation industry places Qatar Airways in the league of airlines that put premium supports to reduce air pollution and protection of the environment. The airlines has been using GTL fuel for all of its flights coming from Doha. Aside from being an environment-friendly jet fuel, the use of GTL gives a huge burn fuel benefit to Qatar Airways and additional range



for the same quantity of fuel that is utilized in the airplanes.

- Egypt will start carrying out the first phase of Cairo's underground fourth line project within the fiscal year of 2015-16, The Japanese International Cooperation Agency (JICA) will contribute \$1.2 billion to the project; whereas the Egyptian government is due to cover a sum of \$2.4 billion. Throughout 2 phases, Cairo Metro Line 4 is planned to run from Haram District reaching the New Cairo district connecting Greater Cairo from West to East.
- Saudi Arabia's government and one of the country's biggest banks plan to start a venture capital fund of 270 MM USD to invest in new technology companies. The venture will target the advanced materials, sustainable energy, and information, communication and technology industries.

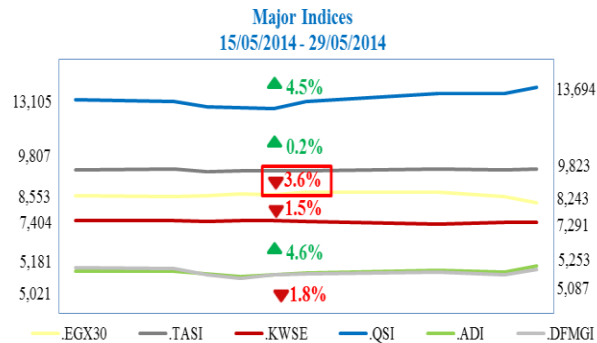
## Political Events

- Former army chief Abdel Fattah al-Sisi won in the Egyptian presidential elections with 96.91% and he was officially announced as Egypt's new president after president Mohamed Morsi who was overthrown in 3 July 2013. However the turnout was only about 47% of the country's 54 million voters. The lower-than-expected turnout raises doubts about Sisi's ability to maintain popularity while attempting to fix an exhausted economy, eliminate poverty and prevent further political crises from hindering Egypt.
- Foreign ministers of the six-nation Gulf Cooperation Council (GCC) have met earlier this week to discuss key regional issues including Iran's nuclear program, the Syrian crisis and the ongoing settlement initiatives between Qatar and other member states.
- Saudi Arabia's King Abdullah has invited countries to attend a donor conference for Egypt following its election of President Abdel Fattah al-Sisi. Saudi Arabia, Kuwait and the United Arab Emirates were the main supporters for Egypt after the overthrow of president Morsi and has pledged \$12 billion in aid since then, although they haven't announced any new commitments.



## Stock Markets

- Egyptian government has softened the capital gains tax on stock market profits it announced last week, after the country's bourse recorded its biggest daily drop in almost a year. The ministry of finance had initially set a tax-free limit of 10,000 Egyptian pounds on annual cash dividend payments for individuals resident in Egypt but now the tax threshold would be raised to 15,000 pounds.
- Tabreed will supply army facilities with district cooling services for 20 more coming years after the renewal of its district cooling master services agreement (MSA) with the UAE Armed Forces (UAEAF) estimated to be worth 6 BN Dh. Consequently Tabreed shares has jumped nearly 9% on the Dubai bourse.



Country	Index Watchlist		15 Days% Change		YTD% Change
Egypt	.EGX30	▼	-3.6%	▲	21.5%
	Construction & Materials	▼	-8.8%	▲	26.3%
	Telecommunication	▲	2.9%	▲	19.5%
	Banking	▼	-3.0%	▲	10.6%
KSA	.TASI	▲	0.2%	▲	15.1%
	Petrochemicals	▲	0.2%	▲	4.4%
	Banks & Financial Services	▲	1.5%	▲	11.8%
	Telecommunication & Information	▼	-6.7%	▲	6.5%
Kuwait	.KWSE	▼	-1.5%	▼	-3.4%
	Banking	▲	0.7%	▲	13.1%
	Telecommunication	▲	1.0%	▲	5.6%
	Financial Services	▼	-1.4%	▲	6.6%
	Real Estate	▼	-1.1%	▼	-0.3%
Qatar	.QSI	▲	4.5%	▲	31.9%
	Banking & Financial Services	▲	3.4%	▲	34.6%
	Industrials	▼	-0.7%	▲	27.8%
	Real Estate	▲	1.5%	▲	34.6%
UAE, Abu Dhabi	Telecommunication	▲	4.9%	▲	25.0%
	.ADI	▲	4.6%	▲	22.5%
	Banking	▲	6.6%	▲	27.2%
UAE, Dubai	Telecommunication	▼	-0.4%	▼	-2.1%
	Real Estate	▲	15.3%	▲	49.9%
	.DFMGI	▼	-1.8%	▲	51.0%
	Banking	▼	-0.4%	▲	42.6%
UAE, Dubai	Real Estate & Construction	▼	-3.9%	▲	86.7%
	Investments & Financial Services	▲	1.8%	▲	56.6%
	Telecommunication	▼	-1.3%	▼	-12.3%

## Major Companies Transactions

- **KSA: SABIC signs agreement worth U.S. 595 MM USD in a joint venture with Korean chemicals co.**

A signed agreement between SABIC for Industrial Investments which is fully owned to SABIC and the entire Korean chemical global limited company in a joint venture worth 595 MM USD owned equally between both parties and based in Singapore.

- **Egypt: Citadel Capital assets have grown five times to reach 30 BN EGP in 2013**

Citadel capital revealed in its consolidated financial statements 2013 the growth in assets five times to reach 30 BN EGP. This has resulted from the strategic transition in the company structure into an investment Holding company with owning majority of shares in the subsidiaries in Five major sectors which are Energy, food & beverage, transportation, mining and Cement.

- **UAE: Etisalat successfully completes the first Phase of its Channel Partner Rewards Program**

In Abu Dhabi in the 1<sup>st</sup> of June 2014, Etisalat, the leading telecom operator in UAE celebrated recently in a special event the successful completion of the first phase of its Channel Partner Rewards Program. The program is a part of Etisalat 's initiatives to stimulate innovation and spread business enhancement in the SME sector. The vice president for small and medium businesses (SMB) at Etisalat claimed that it is a very essential tool that helps SMEs in UAE to increase their telecom and ICT spends while benefiting from UAE's fastest 4G, LTE network.

- **UAE: "Arabtec" CEO raises his stake in the company to 21.5%**

Hassan Esmek the CEO and the Managing director for "Arabtec Holding" raised his shares from 8.03% to 21.46% due to the company's positive performance and its growth prospects in the future.

- **Qatar: Barwa signs deal for phase two of Al Baraha project**

Barwa real estate signed a contract with Construction & Reconstruction Engineering company "CRC" to build package 2 for the second phase of the Barwa Al Baraha project which is the company's largest development project being constructed for the benefit of workers in Qatar.

- **Qatar: Doha Bank named 'Best Regional Commercial Bank'**

Doha Bank has been named the 'Best Regional Commercial Bank' at The Banker Middle East Industry Awards, which was recently held in Dubai for the second consecutive year, Doha Bank had earlier received the license to launch banking operations in India and in April 2014 agreed to purchase HSBC Bank Oman's business in India subject to regulatory approvals.

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