

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

- Egypt plans to boost its storage capacity in the strategic wheat sector at two terminals in the Suez area to reduce reliance on imports and cut its 32 BN EGP (4.5 BN USD) overall food imports bill. As Egypt wants to be a "global logistics hub" for grain storage. It is also making progress in increasing local storage capacity with the help of one of its major Gulf Arab backers, the United Arab Emirates. The UAE has committed to funding the construction of 25 grain storages to boost storage capacity by a further 1.5 MM tons.
- A well-known Chinese car maker is studying the possibility of establishing a car assembly plant in the Kingdom of Saudi Arabia through a Saudi-Chinese partnership. The car plant is intended to supply the local market with Chinese cars as it will not only enter the Saudi market but will also spread into all world

countries for a number of reasons, mostly for its advanced technology and competitive prices where their prices in the Saudi market will range from 30,000 SR and 75,000 SR for the best performance cars of this type.

- The UAE has recorded a current-account surplus of \$65 billion (239.07 BN Dhs) in 2013, thanks to escalating global oil prices. Country's current-account surplus held strong at 16% of GDP in 2013, following an upwardly revised surplus of 69 BN USD (18% of GDP) in 2012. The foreign trade surplus reached a new high record year, as elevated oil prices, higher output, and strengthening external demand helped drive 8.3% growth in exports. Also it has projected that the current account will record a surplus of \$50.8 billion (12% of GDP) in 2014.
- Qatar ranked first in the exporting countries for foreign direct investments to Kuwait by the end of 2012, with about 1.94 BN KD, and representing 65.6% of total foreign investment flow to Kuwait. Ten countries jointly contribute for about 98.8% of the total FDI in Kuwait with a value of 2.93 BN KD in 2012. Bahrain is the second largest contributor to the Kuwait's FDI pool in 2012, as it comes with a value amounting to 210 MM KD, representing 7.1% of total FDI inflow.

Political Events

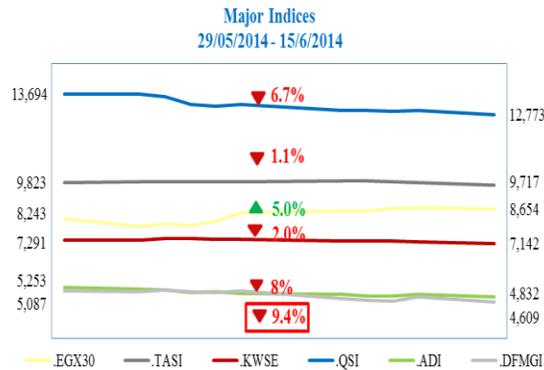
- Saudi Arabia is hosting the meeting of the foreign ministers of 56 of the 57 members of the Organization of Islamic Cooperation (OIC) member states, Syria has been suspended from the organization, to discuss the deteriorating security situation in Iraq. However, some political analysts says that (OIC) meeting will be of no use as the situation in Iraq demands a robust response, not just statements.
- Egypt's public prosecutor ordered the release of Al Jazeera journalist Abdullah Al-Shamy on medical grounds, as he had been on hunger strike for more than 130 days in protest over his detention. Al-Shamy was one of 13 persons who were freed on



medical grounds, they were all arrested on August 14 last year.

Stock Markets

- El Sisi's victory helps Egypt's capital market gain over 6 BN EGP.
- A property bubble due to rise in rentals has created an imbalance in UAE's local economy in addition to affecting the capital market negatively.
- UAE banking sector to face stringent capital and liquidity rules.



Country	Index Watchlist	15 Days % Change	YTD % Change
Egypt	.EGX30	5.0%	27.6%
	Construction & Materials	1.7%	28.5%
	Telecommunication	-0.1%	19.4%
	Banking	2.6%	13.4%
KSA	.TASI	-1.1%	13.8%
	Petrochemicals	-0.4%	4.0%
	Banks & Financial Services	-0.9%	10.8%
	Telecommunication & Information	-23.6%	-18.6%
Kuwait	.KWSE	-2.0%	-5.4%
	Banking	-3.0%	9.7%
	Telecommunication	-3.2%	2.2%
	Financial Services	-2.6%	3.9%
	Real Estate	-3.0%	-3.3%
	Industrials	-0.5%	6.4%
Qatar	.QSI	-6.7%	23.1%
	Banking & Financial Services	-5.6%	27.1%
	Industrials	-4.8%	21.6%
	Real Estate	-0.4%	34.0%
UAE, Abu Dhabi	.ADI	-8.0%	12.6%
	Banking	-9.6%	15.0%
	Telecommunication	0.9%	-1.3%
	Real Estate	-11.8%	32.2%
UAE, Dubai	.DFMGI	-9.4%	36.8%
	Banking	-7.7%	31.6%
	Real Estate & Construction	-13.0%	62.5%
	Investments & Financial Services	-8.7%	42.9%
	Telecommunication	-4.1%	-15.9%

Major Companies Transactions

- **UAE: Emirates steel received financial facilities worth 5 BN Dhs from 19 different global financial institutions.**

Emirates steel has received financial facilities worth 5 BN AED which is equivalent to 1.3 BN USD from 19 global financial institutions without any government collateral; this reflects the good reputation and credibility in the local and global banking markets. The CEO of Emirates steel claimed that those facilities are going to be employed for repaying financial loans from nine financial institutions worth 4 BN AED which is equivalent to 1.1 BN USD that were received in 2010 for Expansion Plans.

- **KSA: Atheeb Telecom implemented marketing Deal with Saudi Telecom Company**

Etihad Atheeb Telecom (GO) has entered into a marketing agreement at a total value of SAR 117 MM with Saudi Telecom Co. (STC), according to a bourse statement. Under this agreement, GO will market STC's business sector services for some current and new customers especially in the small and medium enterprise sector within 18 months.

- **Qatar Petroleum showcases operations at the 21st World Petroleum Congress in Moscow**

At 21st world petroleum congress (WPC) which took place in Moscow, Russia, Qatar petroleum (QP) had strong presence together with several of its joint ventures and subsidiaries.

- **DOHA: Small and Medium Enterprises (SMEs) Development Company 'Enterprise Qatar' is now offering a new SME Rating & Accreditation Program**

Through the implementation of the new program, Enterprise Qatar aims to help SMEs gain access to government, semi-government and private business opportunities. To assist entrepreneurs and SMEs to capitalize on contracting opportunities and in improving their business processes. The SME Rating and Accreditation will be an independent certification issued by Enterprise Qatar in collaboration with Dun & Bradstreet.

- **Egypt: Egypt's regulator approves Beltone-Sawiris bid for EFG Hermes stake**

A joint bid worth 257 BN USD by Beltone and billionaire Nagiub sawiris, for 20%

stake in EFG Hermes has been approved by Egypt's financial regulator, the Egyptian Financial Supervisory Authority has claimed that the an offer for a stake in one of the largest investment banks in the middle east would stimulate the deal making in Egyptian investment equities after the stagnation period of more than three years since the overthrow of Mubarak in 2011. This approval would give room for further discussion and negotiations between the company's board and the bidders about the presented bid.

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