

Multiples Insights

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Multiples Insights on MENA region

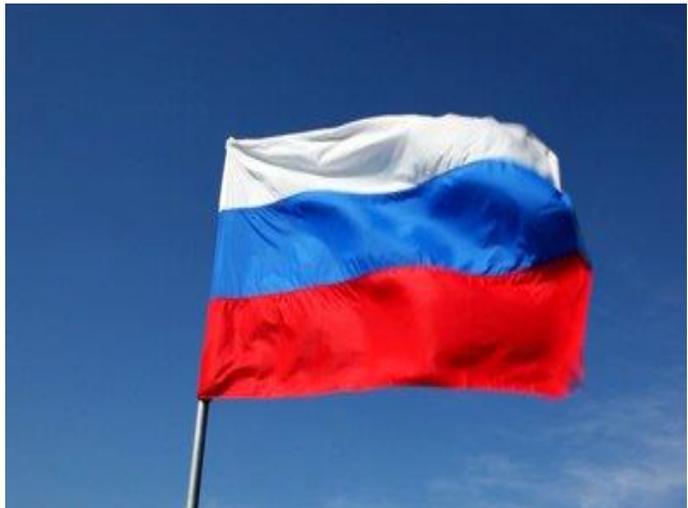
This report is designed to give you a snapshot about the MENA region tackling multiple issues:

- **Economic Outlook**
- **Political Events**
- **Stock Market**
- **Major Companies Transactions**



Economic Outlook

- Egypt's economy will witness a greater investment contribution by the Russian firms in the coming period. The Russian firms working in the Egyptian petroleum sector are providing one-sixth of Egypt's oil strategic reserves. Petrochemicals and mining projects will be active in the Egyptian economy by March 2015. On the other hand the Russian investments in Egypt would increase after the two parties had



agreed to use their national currencies in the bilateral trade instead of US dollar. Gazprom - the global energy company - would obtain a new concession areas and investment opportunities to explore oil and natural gas with the coming period. Moreover, Egypt will cooperate with Gazprom in the field of importing LNG.

- The Jordanian Ministry of Planning and International Corporation and the Kuwait-based fund - Arab for Economic and Social Development (AFESID) identified a draft agreement for a 100 MM USD soft loan to support emerging business projects. The draft will fund micro, small and medium sized projects with the Central Bank of Jordan re-lending the amount to commercial banks and micro-financing institutions.
- Kuwaiti businessmen are encouraging the Kuwaiti youth to engage in free business, especially in small and medium enterprises. The Kuwaiti governments gave lands for small and medium enterprises and facilitate marketing of their products in exchange of a nominal fee.
- The Ministry of Tourism of Oman will start new projects in different governorates to enhance tourism and generate investment opportunities for small and medium enterprises (SMEs). The Ministry will exploit old heritage houses to accommodate tourists as this will attract the attention to old buildings and thereby encouraging small and medium enterprises to enter this field. The total volume of investment as part of Oman tourism strategy (2015-2040) is estimated at 35 BN USD including the cost of infrastructure development.
- Lebanon has been one of the key foreign investors in the Egyptian economy. Lebanon is ranked 15th among 152 countries that invested in Egypt over a 10-year period. The Lebanese banks BLOM and Audi are leading banks in Egypt. Lebanese investments in Egypt are around 3.7 BN USD and the total Lebanese companies Lebanese in Egypt are 1,239 with a total capital of 1.1 BN USD. On the other hand, the balance of trade between Egypt and Lebanon reached 718 MM USD in 2013 compared to 2014 that fell to 613 MM USD.
- 125 hotel establishments are currently under construction in Qatar; these establishments are expected to contribute 35,000 extra rooms to accommodate for meet Qatar's FIFA 2022 guests. The Qatar National Tourism Sector Strategy plan 2030 outlined public and private investment of 45 BN USD on tourism projects and is expected to increase the number of tourists from 1.1 million in 2013 to 7 million by 2030. The plan aims to increase the number of visitors from outside the GCC by 64% in 2030.
- The Ministry of Labor in Saudi Arabia announced the issuance of new unified regulated working hours for all workers in the private sector to be 8 working hours a day weekends off. As a result of this law, more than 40,000 Saudis will be willing to work in the private sector by the end of the year and this will have a positive impact in decreasing the country's unemployment rate.
- The UAE's food and beverage (F&B) market is expected to expand in the next 4 years of

by the entry of new retail and hospitality projects. On the other hand, the Mall of Emirates is planning to add 12 F&B outlets as a part of the second phase of its 1 BN AED redevelopment project. moreover, the packaged food market is expected to grow from 4.2 MM USD in 2015 to 5.29 MM USD in 2019, while the soft drinks market is expected to grow from 1.69 MM USD in 2015 to 2.2 MM USD in the next 4 years.

- Iran will invest in a gas export pipeline to Iraq. 14 Iranian companies will invest in this project. The project will need 500 MM USD to start operation, as its planned to build pipelines and facilities worth 1.5 BN USD.

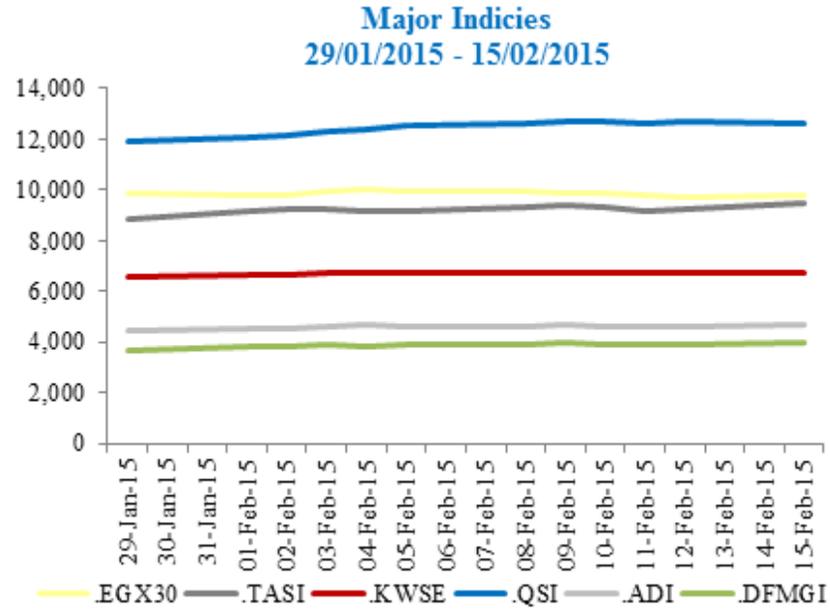
Political Events

- Egypt will sign a contract with France to order 24 Rafale fighter jets, a naval frigate and related military equipment worth 5.70 BN USD. Egypt aims to upgrade its military hardware amid fears that the crisis in neighboring Libya could spill over.
- Bahrain sends air force planes to Jordan to fight against the Islamist militants in Syria and Iraq. On the other hand, UAE sent a troop of F-16 jet fighters to Jordan to conduct air strikes against the Islamic State.
- Saudi Arabia has announced several humanitarian projects that will be implemented by the Saudi National Campaign for 2015 to help the Syrian refugees in neighboring countries who suffer from hard conditions due to the war in Syria. The kingdom will sponsor 3,000 students for education programs and will establish a training center that will provide courses in computer technology, mechanics and sewing for 300 students. Moreover, the Kingdom will pay the bill for 1,000 birth assistance packages and distribute 2,000 food packages daily to Syrian refugees in Lebanon. Saudi Arabia will establish a medical center in Bekaa to provide free medicines to Syrian refugees.
- UAE closed its embassy in Yemeni capital Sanaa following Saudi Arabia, U.S., Germany, Britain and Italy due to the fears of the power takeover by the Shi'ite Muslim militia group.



Stock Markets

- Emar Misr has requested to list its shares on .EGX30 which are expected to be worth 2 BN EGP.



- Qatar's real estate sector displayed a significant

positive increase led by Ezdan followed by the banking sector that also witnessed an increase due to new foreign investments of commercial banks.

- Real estate sector showed a positive increase in .DFMGI and .ADI. DAMAC properties, Emmar, and Arabtec led the sector's increase in .DFMGI. On the other hand, Aldar led the increase for .ADI.

Index Watchlist		15 Days % Change	YTD % Change
Egypt	.EGX30	▼ -0.5%	▲ 44.3%
	Construction & Materials	▲ 3.9%	▲ 29.4%
	Telecommunication	▼ -4.1%	▼ -1.3%
	Banking	▲ 1.5%	▲ 67.4%
KSA	.TASI	▲ 6.6%	▲ 10.9%
	Petrochemicals	▲ 8.8%	▼ -10.9%
	Banks & Financial Services	▲ 7.0%	▲ 18.3%
	Telecommunication & Information	▲ 1.1%	▼ -31.0%
Kuwait	.KWSE	▲ 1.8%	▼ -11.4%
	Banking	▲ 0.7%	▲ 3.1%
	Telecommunication	▲ 7.1%	▼ -12.1%
	Financial Services	▲ 2.0%	▼ -5.1%
	Real Estate	▲ 4.0%	▼ -3.5%
	Industrials	▲ 1.8%	▲ 3.5%
Qatar	.QSI	▲ 5.9%	▲ 21.4%
	Banking & Financial Services	▲ 6.0%	▲ 35.2%
	Industrials	▲ 5.9%	▲ 15.2%
	Real Estate	▲ 14.8%	▲ 29.0%
	Telecommunication	▲ 5.6%	▼ -0.2%
UAE, Abu Dhabi	.ADI	▲ 5.4%	▲ 9.4%
	Banking	▲ 5.4%	▲ 18.1%
	Telecommunication	▲ 4.1%	▼ -1.7%
	Real Estate	▲ 15.0%	▼ -6.1%
UAE, Dubai	.DFMGI	▲ 7.9%	▲ 17.6%
	Banking	▲ 5.2%	▲ 37.1%
	Real Estate & Construction	▲ 10.6%	▲ 23.5%
	Investments & Financial Services	▲ 15.1%	▲ 0.4%
	Telecommunication	▲ 2.0%	▼ -23.0%

Major Companies Transactions

- Nasr for Civil Works wins 62.4 MM EGP Contract in Suez Gulf**
 Egypt's Nasr for civil works company has signed a contract to



carry out the afforestation project in the north of Suez Gulf with total cost 62.427 MM EGP. The Nasr had announced winning another contract for the eight phase of Kafr Soliman potable water station, with a total cost 57.391 MM EGP. Moreover, Nasr will carry out asphalt road works with a total cost 45.83 MM EGP for Tag Sultan's Tigan project in Cairo.

- **Rocket Internet buys Kuwait food delivery service Talabat**

German e-commerce group Rocket internet agreed to buy Kuwait-based food delivery service Talabat with about 169.6 MM USD to create the biggest delivery network outside China. Talabat operates its services in Middle Eastern countries including Kuwait, Saudi Arabia and UAE, cooperating with restaurants such as Burger King, KFC and Pizza Hut.

- **Hassad Food's unit buys 33% stake in A'Saffa for 38 MM OMR**

The Omani based company Hassad Food which is a wholly owned subsidiary of the Qatar Investment Authority has bought a 33.25% stake in A'Saffa Foods from the Arab Authority for Agricultural Investment and Development (AAAID).

- **Saudi builder Khodari gets 170 MM USD contract from Ma'aden unit**

Saudi Arabian builder Abdullah Abdul Moshin Al-Khodari signed a contract with unit of Saudi Arabian Mining Co. (Ma'aden) with 170 MM USD for a "Well Field Package". Ma'aden's Waad Al Shamal project is regarded as a key example of the kingdom's attempts to diversify its economy away from oil and gas. Located in the far north of Saudi Arabia, the project will involve total investment of around 9 BN USD for a phosphate mine, several major processing facilities, smaller downstream factories and a residential area.

- **Dubai's National Petroleum Services signs 200 MM USD financing deal**

Dubai-based oilfield services firm National Petroleum Services (NPS) has secured a 200 MM USD refinancing deal from a group of banks and financial institutions. Emirates NBD and Abu Dhabi's Al Hilal bank are among the participants in the deal including 150 MM USD fixed rate Islamic facility and 50 MM USD to be used by the company for working capital.

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