

# 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

- The World Bank plans to double its investments in Lebanon by 2020, as it planned to invest an annual 300 MM USD in the next four years, bringing the total amount of dispatched funds close to 2.3 BN USD.
- Arab Contractors (AC); Egypt's leading construction company is ready to hand over in August 2015 the first phase of the country's new national road project of 700 km. The investment cost of AC works is exceeding 2 BN EGP. On the other hand, Egypt is working on a national project to establish 1300 km new roads that will cost more than 17 BN EGP.
- Suez Canal revenues increased from 383 MM USD in February 2015 to reach 420.1 MM USD in March 2015.



**THE WORLD BANK**

- Jordan and Pakistan signed a number of memoranda of understanding (MoU) to strengthen the economic ties between the two countries and enhance cooperation in areas of trade, investments, maritime shipping and standards and meteorology.
- Jordan authorities intend to reduce the tax rates imposed on hybrid cars imported for the domestic market to further boost demand for the environment-friendly vehicles. Buyers of hybrids with engines smaller than 2,500 cc will now pay 12.5% instead of 25% of the value of vehicle as a special tax, while buyers of cars with larger engines will pay 25% instead of 55%.
- Wärtsilä; is a global leader in complete lifecycle power solutions for the marine and energy markets has received orders to supply two Smart Power Generation power plants for Rural Areas Electricity Company (RAECO) in Oman. The power stations will operate in extreme conditions of up to 52 Celsius degrees. The two power plants will be located on the island of Masirah on Oman's Eastern coast.
- Qatar's foreign merchandise trade surplus (the difference between total exports and imports) has declined 53.7% in March 2015 compared to the same period last year. The decline was due to lower exports of petroleum gases and other gaseous hydrocarbons, as the total exports of goods declined by 40.7% compared to March 2014; however the total exports of goods decreased by 3.3% compared to February 2015. On the other hand, the imports of goods in March 2015 reached 10.1 BN QAR with an increase of 9.9% compared to March 2014.
- Tourism and Hotels sector profits increased by 3% to reach 389 MM SAR in Q1 2015 compared to 378 MM SAR in the same period last year. On the other hand, net foreign assets at Saudi Arabia's central bank decreased by 4.7% to reach 690.6 BN USD, their lowest level since July 2013 and that is due to the reserves that have been dropped due to the strong U.S. dollar which has cut the value of the portion denominated in non-dollar currencies. Net foreign assets decreased by 16 BN USD in March 2015 compared to the previous month which decreased by 20.2 BN USD.
- Dubai hotels average room rates decreased by 5.5% to reach 380 USD in March, while Abu Dhabi averages increased by 6.5% to reach 167 USD. On the other hand, Sharjah plans to attract 10 million tourists by 2021 and expand emirates' economy. Sharjah plans to double the number of tourists in the next six years from 5,605,000 in 2014 as in this year 2 million guests stayed in the emirates' 50 hotels and 56 hotels apartments.
- Warba Bank announced the re-launching of Qard Hasan (free profit loan) in Kuwait after increasing the amount to 5000 KWD with flexible repayment period to 18 months to all Kuwaiti Nationals. Warba was the first bank in Kuwait to launch Qard Hasan initiative in order to support national customers working in the government sector. The Qard Hasan is offered by Warba Bank to Kuwaiti nationals of 21 years old in accordance with credit terms and conditions and the current retail financing

policy.

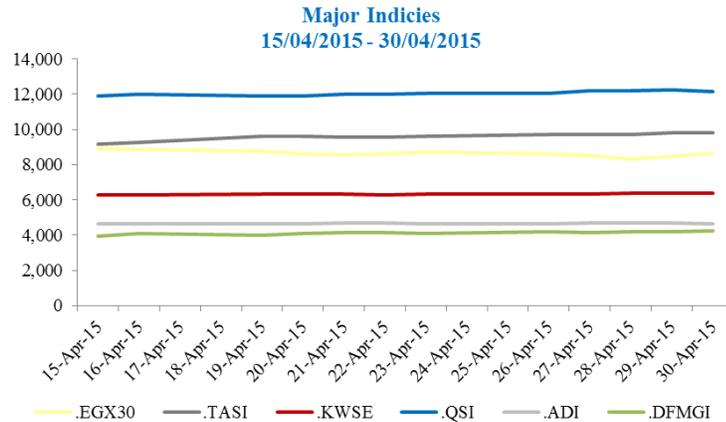
## Political Events

- The Egyptian parliamentary elections will be held before the end of this year, according to the President.
- Jordan and Italy signed a deal to boost the military cooperation between the two countries in areas of training, manufacturing and exchange of expertise among others.
- Qatar bought 25 Dassault Aviation-built Rafale fighter jets in a deal worth 7.05 BN USD as the Gulf Arab state looks to boost its military firepower amid regional instability.
- Jets from a Saudi-led alliance destroyed the runway of Yemen's Sanaa airport to prevent an Iranian plane from landing there, as a fighting across the country killed at least 30 people. On the other hand, Saudi King Salman bin Abdulaziz sacked his young half-brother as crown prince and appointed his nephew, Deputy Crown Prince Mohamed bin Nayef.



## Stock Markets

- The zero coverage for “ASCOM” capital raise IPO clearly demonstrates that Egypt’s stock market has been affected by



the 10% tax on stock market capital gains imposed by the Egyptian government, and highlights the difficulty of converting foreign currency in addition to the low purchasing power appetite.

- EGX30 banking sector decline was led by the Commercial International Bank (CIB).
- The real estate sector in .QSI witnessed a significant increase led by Barwa and Ezdan holding group due to the high net profits of 3.2 BN QAR and 522.5 MM QAR in Q1 2015, respectively. On the other hand, the telecommunication sector decline was led by Ooredoo, Qatari telecom operator, as net profits decreased by 43% in Q1 2015.
- .ADI real estate sector increase was led by Eshraq and Aldar properties, and the telecommunication sector increase was led by Etisalat. On the other hand, the banking sector decline was led by National Bank of Abu Dhabi and Union National Bank.
- .DFMGI real estate sector gain was led by Arabtec holding, and the banking sector gain was led by National Bank of Dubai.

Index Watchlist		15 Days% Change	YTD% Change
Egypt	.EGX30	▼ -2.5%	▲ 27.9%
	Construction & Materials	▼ -0.5%	▲ 7.7%
	Telecommunication	▼ -8.1%	▼ -23.6%
	Banking	▼ -1.5%	▲ 63.9%
KSA	.TASI	▲ 7.3%	▲ 15.2%
	Petrochemicals	▲ 17.5%	▼ -6.9%
	Banks & Financial Services	▲ 6.1%	▲ 22.1%
	Telecommunication & Information	▲ 6.0%	▼ -30.5%
Kuwait	.KWSE	▲ 1.8%	▼ -15.5%
	Banking	▲ 0.0%	▲ 0.8%
	Telecommunication	▼ -0.7%	▼ -19.3%
	Financial Services	▲ 4.6%	▼ -10.4%
	Real Estate	▲ 2.7%	▼ -6.6%
	Industrials	▲ 2.3%	▲ 0.7%
Qatar	.QSI	▲ 2.3%	▲ 17.2%
	Banking & Financial Services	▲ 2.2%	▲ 32.6%
	Industrials	▲ 3.5%	▲ 15.4%
	Real Estate	▲ 4.1%	▲ 30.9%
	Telecommunication	▼ -2.9%	▼ -10.0%
UAE, Abu Dhabi	.ADI	▲ 0.5%	▲ 8.3%
	Banking	▼ -0.1%	▲ 14.8%
	Telecommunication	▲ 0.9%	▲ 6.3%
	Real Estate	▲ 2.2%	▼ -3.9%
UAE, Dubai	.DFMGI	▲ 7.3%	▲ 25.5%
	Banking	▲ 3.0%	▲ 39.0%
	Real Estate & Construction	▲ 11.4%	▲ 33.0%
	Investments & Financial Services	▲ 9.2%	▲ 21.1%
	Telecommunication	▲ 2.0%	▼ -23.4%

## Major Companies Transactions

- **Egypt's Mobinil sells unit stake to Eaton Towers subsidiary**

Mobinil sold 99% of its stake in an Egyptian mobile tower services firm to a subsidiary of telecommunications tower firm Eaton Towers in a deal worth 1 BN EGP. Mobinil



losses had declined by 80.2% in Q1 2015.

- **Pact signed for new Rotana hotel project in Muscat**

Sundus Investments projects LLC; specialists in mixed-use developments in the Middle East have signed an agreement with Shaksy Engineering Services (SES) to begin work on the first phase of the Sundus Airposr Heights development in Muscat that will be operated by Rotana hotels when completed in February 2017.

- **Gulf Organization for Industrial Consulting (GOIC), Manateq signed MoU to attract “added value companies” to Qatar**

Manateq; the special economic zone developer and operator will access GOIC’s database which will help identify industrial investment opportunities in “key promising industries” in Qatar and the Gulf Cooperation Council (GCC) region.

- **Carnegie Mellon University in Qatar (CMUQ) signed MoU with Maersk Oil**

CMUQ and Maersk Oil Qatar has signed MoU to establish an alliance between the two institutions for the mutual transfer of knowledge and complement the human development pillar of Qatar National Vision 2030.

- **ZAMIL Steel Construction Company (ZSCC) bags 90.8 MM SAR Dammam shopping mall turnkey project contract**

ZSCC; a subsidiary of Zamil Industrial Investment Co. has been awarded a turnkey project contract worth 90.8 MM SAR by the Gulf Real Estate Company for its new shopping mall project in Dammam. The duration of the contract is 12 months to begin supplying the building materials in Q3 2015 and the project will be completed in Q2 2016.

- **UAE’s NMC Health acquires two healthcare firms for 100 MM USD**

NMC health; the London-listed and United Arab Emirates-based healthcare provider has bought two healthcare service providers in the Gulf Arab state worth 100 MM USD. On the other hand, NMC signed 825 MM USD loan in February which could be used to pay down existing debt and fund acquisitions.

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