

## TOP NEWS

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## MARKETS

- Gulf stock markets closed mixed this week as investors digested a mixed bag of earnings results.
- Saudi index had four losing sessions out of five, ending the week down after two straight weekly gains. The main drag came from banking sector that dropped 0.7%. On the other hand, the energy sectors closed up 3.26%.
- U.A.E. markets posted another gaining week. Abu Dhabi index traded near 3-year highs while registering its 5th consecutive weekly gain; Dubai index registered its 4th. Bank and energy shares were the main support.
- Qatari index also had its 5th consecutive weekly gain. The index hit on Thursday, 9625.61, its highest since June 4, 2017 (~ 14-month high)
- Egypt index posted its 4th consecutive weekly loss, hitting its lowest level since February 19 (5-month low)

### EQUITIES

	Price	% 1 W
Saudi Arabia	8367.70	-0.97%
Abu Dhabi	4844.19	1.55%
Dubai	2948.80	0.78%
Qatar	9607.89	1.99%
Oman	4335.91	-2.72%
Egypt	15199.29	-2.44%
Kuwait	5378.62	0.48%
Bahrain	1367.90	0.98%
Jordan	2023.23	-0.03%

more data in PAGE 2

### FX Rates

	vs USD	vs EUR
SAR	3.75	4.37
AED	3.67	4.28
QAR	3.65	4.25
OMR	0.385	0.448
EGP	17.899	20.839
KWD	0.302	0.353
BHD	0.378	0.441
JOD	0.710	0.826

more data in PAGE 3

## LEBANON

### BEIRUT S.E.

	Price*	% 1 W
SOLIDERE A	7.43	2.77%
SOLIDERE B	7.52	3.44%
BANK OF BEIRUT	18.80	-
BoB Priority	21.00	-
BANK AUDI	5.08	-
BLOM BANK	10.16	-0.49%
BYBLOS BANK	1.48	4.96%
BLC BANK	0.93	-
BEMO BANK	1.55	-

\* July 27, 2018

### BONDS

	Mat	YTM*
LEB 5.45	Nov-19	7.53
LEB 6.15	Jun-20	8.18
LEB 6.10	Oct-22	9.52
LEB 6.65	Apr-24	9.64
LEB 6.60	Nov-26	9.59
LEB 6.75	Nov-27	9.61
LEB 6.65	Feb-30	9.47
LEB 7.05	Nov-35	9.39
LEB 7.25	Mar-37	9.41

\*MID Value

more data in PAGE 3

### BANK OF BEIRUT FUNDS

NAME	CY	NAV*	YTD (%)	SINCE INCEPTION
BEIRUT PREFERRED FUND II	USD	928.95	-2.41%	20.81%
OPTIMAL INVESTMENT FUND	LBP	100,365.42	4.43%	63.70%
BOB LBP GROWTH FUND A	LBP	132,449.07	6.02%	32.45%
BOB LBP GROWTH FUND B	LBP	99,996.93	5.78%	27.64%

\* NAV as of July 26, 2018

(click for more details)

## TOP NEWS

**Oman budget deficit nearly halves in Jan-May as oil income balloons**

Oman's state budget deficit nearly halved in the first five months of this year as higher oil prices boosted export revenues sharply and a corporate tax hike took effect, figures released by the official statistics agency showed on Monday. The government's deficit in January-May shrank to 1.10 billion rials (\$2.86 billion) from 2.04 billion rials a year earlier. Oman's financial position is among the weakest of the wealthy Gulf oil exporters, so the data may reassure investors in its debt. The International Monetary Fund has predicted it will run a fiscal deficit of 5.7% of gross domestic product this year, down from 11.4% in 2017. Net oil revenues jumped to 2.38 billion rials in the first five months from 1.77 billion rials a year earlier. Brent crude LCO1 averaged \$70.22 a barrel during the period, up from \$53.75. Meanwhile, revenues from corporate income tax climbed 24% to 352.3 million rials after the government lifted the tax rate to 15% from 12%.

**Saudi Arabia halts oil exports in Red Sea lane**

Saudi Arabia said on Thursday it was suspending oil shipments through a strategic Red Sea lane after Yemen's Iran-aligned rebels attacked two tankers in the waterway, underscoring the risk of an escalation in tensions in the region. Saudi Arabia and arch-foe Iran have been locked in a three-year proxy war in Yemen, which lies on one side of the Bab al-Mandeb strait at the southern mouth of the sea, one of the most important trade routes for oil tankers heading from the Middle East to Europe.

**Egypt hiking gas prices by up to 75% in IMF-backed austerity plan**

Egypt said on Saturday it was raising the price of natural gas for home and commercial use by up to 75%, the latest move in an IMF-backed austerity programme that has left many Egyptians struggling to make ends meet. The increases follow hikes to fuel, electricity and public transport prices that are part of a \$12 billion IMF loan programme signed in 2016 that aims to lure back investors and lift the economy battered by political turmoil since 2011. The government statement published in the Official Gazette said that, effective Aug. 1, the price for consuming up to 30 cubic metres of gas had been set at 1.75 Egyptian pounds (\$0.0979) per cubic metre, up from 1.00 pounds.

**Kuwait sovereign fund's UK unit to buy NSMP for \$1.7billion: source**

(Reuters) The British infrastructure arm of Kuwait's sovereign wealth fund has agreed to buy oil and gas pipeline firm North Sea Midstream Partners (NSMP) for around 1.3 billion pounds (\$1.7 billion) from Arclight Capital, according to two sources. Wren House, the London-based infrastructure investment arm of the Kuwait Investment Authority (KIA), fought off bids from JP Morgan, Blackstone, and private equity fund KKR to buy NSMP, according to one of the sources. "Wren House was bidding against some very big players and they simply offered the best terms," said the source. A spokesman for Wren House could not be reached for immediate comment.

**S&P Dow Jones to upgrade Saudi stocks to emerging market next year**

Global equity index compiler S&P Dow Jones Indices will upgrade Saudi Arabia's bourse to emerging market status from a stand-alone market next year, becoming the latest in a series of index firms to promote Riyadh. S&P Dow Jones will add major Saudi stocks to its global indexes with a 50 percent weighting in March 2019 and raise their weightings to 100 percent in September, the company said in a statement late on Tuesday. The company had been considering a Saudi upgrade for several years but decided against one last year because of limited market access for foreign investors.

**Biggest U.A.E. bank raising guidance as profit tops estimates**

(Bloomberg) First Abu Dhabi Bank PJSC raised its profit and loan growth forecasts for the year after reporting a 19% jump in second-quarter profit. The biggest lender in the United Arab Emirates expects profit to climb as much as 10% this year compared with an earlier guidance of mid-single digit growth, it said in a presentation on Tuesday. Its loan book will expand at a high-single digit rate compared with an earlier guidance of mid-single digit growth. Second-quarter profit at the Abu Dhabi government-controlled bank advanced to 3.1 billion dirhams (\$844 million), topping the mean of two analyst estimates of 2.85 billion dirhams. Operating income advanced 5% to 4.92 billion dirhams. Emirates NBD PJSC and Dubai Islamic Bank PJSC, Dubai's two biggest banks, last week reported second-quarter profit that also beat analyst estimates. Economic growth in the U.A.E. is expected to accelerate to 2.5% this year from 0.5% last year, according to the median of 10 economist estimates, as oil prices rebound and the government boosts spending on infrastructure. "First Abu Dhabi Bank is firmly on track to deliver another record performance for 2018," Group Chief Executive Office Abdulhamid Saeed said in a statement on Tuesday.

**Doha Bank sees marginal reduction' in 2018 profit-growth target**

(Bloomberg) Doha Bank QSC expects a "marginal reduction" in its profit-growth target this year and looking at its dividend policy as the lender takes additional provisions amid a regional standoff, its chief executive officer said. "Our regression in terms of profitability is a conscious decision," CEO Raghavan Seetharaman said in an interview with Bloomberg TV on Thursday. "Maybe one or two quarters we have to beef up the provisions and there will be a moderate reduction in terms of profitability." The bank is also "rethinking" its dividend payout policy as it seeks to adapt after neighboring Gulf states cut diplomatic relations and closed transport routes with the country in June last year. "All options are open," Seetharaman said. "Temporary dislocation in terms of profitability can be realigned. We can get back to sustainability in the coming years."

**Saudi Arabia's Sabic mandates banks for international bond issue: sources**

(Reuters) Saudi Arabian conglomerate Sabic has hired banks for an international bond offering, according to sources. The timing and nature of the trade remain to be seen, given news that state-owned oil company Saudi Aramco is seeking to buy a controlling stake in Sabic. Aramco could possibly take the entire 70% holding owned by Saudi Arabia's sovereign wealth fund, Public Investment Fund, sources told Reuters last week. Sabic, rated A1/A-/A+, has a US\$1bn bond maturing this October, which was sold in 2013 through Sabic Capital. The same unit raised a US\$1bn term loan in 2013, which is due this month.

**Warburg, General Atlantic said to weigh Dubai payments firm IPO**

(Bloomberg) Private equity firms Warburg Pincus and General Atlantic are exploring an initial public offering for their stake in the Middle Eastern payment-processing business Network International, according to people with knowledge of the matter. The co-owners are speaking with advisers about a possible 2019 share sale for their 49% stake in the closely held business, which could be valued as a whole at more than \$2 billion, the people said, asking not to be identified as the deliberations are confidential. A final decision hasn't been made and the buyout firms may opt to retain the stake, they said. Emirates NBD PJSC, Dubai's biggest bank and owner of the remaining 51% stake in Network International, is also considering its options for the business, the people said.

**Egyptian General Petroleum said to hire HSBC to raise \$1 billion**

(Bloomberg) Egypt's national oil company is working with HSBC Holdings Plc to raise a \$1 billion loan, according to people with knowledge of the deal. Egyptian General Petroleum Corp. plans to raise the funds via a special-purpose vehicle linked to the supply of refined products, said the people, asking not to be identified because the talks are private. The loan is currently being offered to other banks and is expected to be signed within weeks, the people said. EGPC and its units have already raised the equivalent of \$1.51 billion in loans this year, according to data compiled by Bloomberg. An EGPC official didn't respond to requests for comment, while HSBC declined to comment.

**Bahrain's Bapco is said to seek loan of about \$3.5 billion**

(Bloomberg) State-run Bahrain Petroleum Co. asked banks to submit bids to participate in a loan of about \$3.5 billion by the end of next week that will be used to extend capacity at its only refinery, according to people with knowledge of the matter. Export-credit agencies will back most of the loan for Bapco, as the company is known, said the people, who asked not to be identified because the talks are private. About \$800 million will be raised from commercial banks, the people said, adding that the size of the deal is indicative and could change depending on responses. Bapco didn't respond to requests for comment. The company is working with HSBC Holdings Plc and BNP Paribas SA to arrange financing for the work, Bapco said in 2016.

**Saudi's Ma'aden Q2 profit rising 45% on higher sales, prices**

Saudi Arabian Mining Co (Ma'aden), the Gulf's largest miner, posted a 45.3% jump in second-quarter net profit on Thursday, in part due to a rise in sales of gold, alumina and ammonium phosphate fertilizer. The firm made a net profit of 517.8 million rials (\$138.1 million) in the three months to June 30, up from 356.5 million rials in the corresponding period of 2017, it said in a bourse statement. Ma'aden, which operates in gold, aluminium and phosphates, is a key pillar in Saudi Arabia's plan to diversify its economy away from hydrocarbons.

**AccorHotels, Qatar's Katara target Africa with new fund**

AccorHotels is joining forces with Qatar's Katara Hospitality to create a \$1 billion fund to invest in sub-Saharan Africa, Europe's biggest hotels operator said on Monday. Rivals Hilton Worldwide Holdings Inc and Hyatt Hotels & Resorts H.N are also taking aim at Africa where the International Monetary Fund (IMF) has forecast economic growth in sub-Saharan Africa of 3.4 percent this year, up from 2.8 percent in 2017. The Accor/Katara fund will include up to \$500 million in equity with Katara, the hospitality arm of the Qatar Investment Authority (QIA) sovereign wealth fund, investing \$350 million and Accor \$150 million over 5-7 years.

## EQUITIES

			Price	As at	Δ 1 W NET	Δ 1 W %	High	Low
	TADAWUL ALL SH INDEX	SA	8367.70	26-Jul	-82.27	-0.97%	8,502.92	8,346.79
	ADX GENERAL INDEX	UA	4844.19	26-Jul	74.10	1.55%	4,861.60	4,738.53
	DFM GENERAL INDEX	UA	2948.80	26-Jul	22.76	0.78%	2,954.98	2,911.81
	QE Index	QA	9607.89	26-Jul	187.22	1.99%	9,625.61	9,301.08
	MSM30 Index	OM	4335.91	26-Jul	-121.21	-2.72%	4,448.28	4,331.60
	EGX 30 INDEX	EG	15199.29	26-Jul	-379.44	-2.44%	15,559.27	15,091.50
	KUWAIT PREMIER Index	KW	5378.62	26-Jul	25.60	0.48%	5,378.62	5,335.10
	BB ALL SHARE INDEX	BH	1367.90	26-Jul	13.24	0.98%	1,370.07	1,348.44
	AMMAN SE GENERAL INDEX	JO	2023.23	26-Jul	-0.64	-0.03%	2,026.73	2,012.78

## TOP MOVERS

GAINERS			
1	EGYPT KUWAIT HOLDING CO SAE	EG	86.67%
2	KUWAIT HOTELS SAK	KU	41.27%
3	ALUMINIUM BAHRAIN BSC	BJ	39.25%
4	HEAVY ENGINEERING AND SHIP B	KU	19.66%
5	AQAR REAL ESTATE INVESTMENTS	KU	16.95%
6	UMM AL QAIWAIN GENERAL INVES	KU	16.39%
7	NATIONAL CONSUMER HOLDING CO	KU	15.56%
8	TAKAFUL EMARAT INSURANCE	UA	15.20%
9	AMWAL INTERNATIONAL INVESTME	KU	12.50%
10	ARAB POLVARA SPINNING & WEAV	EG	9.80%

LOSERS			
1	AUTOMATED SYSTEMS CO KSCC	KU	-41.10%
2	KUWAIT CABLE VISION SAK	KU	-38.46%
3	METAL & RECYCLING CO	KU	-31.96%
4	SAUDI CO FOR HARDWARE LLC	SR	-26.44%
5	LIVESTOCK TRANSPORT & TRADNG	KU	-20.76%
6	RAYSUT CEMENT CO	OM	-18.46%
7	CITADEL CAPITAL SAE	EG	-17.55%
8	SUEZ CANAL BANK EJSC	EG	-15.94%
9	MIDDLE EAST SPECIALIZED CABL	SR	-15.25%
10	AXA COOPERATIVE INSURANCE	SR	-13.40%

## TOP MARKET CAPS

1	SAUDI BASIC INDUSTRIES CORP	SR	0.15%
2	SAUDI TELECOM CO	SR	-0.91%
3	QATAR NATIONAL BANK	QA	3.65%
4	EMIRATES TELECOM GROUP CO	UA	0.00%
5	AL RAJHI BANK	SR	1.02%
6	NATIONAL COMMERCIAL BANK	SR	-2.39%
7	SAUDI ELECTRICITY CO	SR	-2.95%
8	INDUSTRIES QATAR	QA	2.07%
9	DP WORLD LTD	UA	-2.13%
10	SAUDI ARABIAN MINING CO	SR	-1.03%

## TOP TRADING VOLUMES (WEEKLY AVG)

(in MILLIONS)			
1	CITADEL CAPITAL SAE	EG	47.26
2	DRAKE & SCULL INTERNATIONAL	UA	24.66
3	ALINMA BANK	SR	21.65
4	PORTO HOLDING SAE	EG	20.84
5	SAUDI KAYAN PETROCHEMICAL CO	SR	20.44
6	ORASCOM TELECOM MEDIA AND TE	EG	19.64
7	AMER GROUP HOLDING	EG	11.52
8	DANA GAS	UA	9.20
9	EGYPTIAN RESORTS CO	EG	8.66
10	AHLI UNITED BANK B.S.C	BJ	8.63

## TOP SECTORS MOVERS (where index is officially priced)

SAUDI ARABIA		ABU DHABI	
Tadawul Energy (L2)	3.26%	ADX Banks	2.49%
Tadawul Phar, Bio & LS	1.70%	ADX Fin Svs & Investment	2.32%
Tadawul Materials (L2)	-0.42%	ADX Energy	2.26%
Tadawul Comm & Prof Svc	-5.84%	ADX Real Estate	-0.94%
Tadawul Insurance	-4.66%	ADX Consumer Staples	0.00%
Tadawul Capital Goods	-4.63%	ADX Services	0.57%

## CURRENCIES

## Cross Rates



USD



EUR



GBP



AUD



JPY\*



CHF

	Saudi Riyal	SAR	3.75	4.37	4.92	2.77	29.66	3.77
	UAE Dirham	AED	3.67	4.28	4.82	2.71	30.28	3.69
	Qatari Riyal	QAR	3.65	4.25	4.79	2.69	30.46	3.67
	Omani Riyal	OMR	0.385	0.448	0.505	0.284	288.99	0.387
	Egyptian Pound	EGP	17.899	20.839	23.468	13.205	6.21	18.008
	Kuwaiti Dinar	KWD	0.302	0.353	0.397	0.223	367.29	0.305
	Bahraini Dinar	BHD	0.378	0.441	0.496	0.279	293.88	0.380
	Jordanian Dinar	JOD	0.710	0.826	0.930	0.523	156.75	0.714

- Thursday's closing prices are used to calculate the cross rates
- USD/EUR/GBP/AUD/CHF are base currencies

## BONDS

## Sovereign Eurobonds (USD)

## LEBANON

Maturity Range (yrs)	Maturity	YTM
0 - 1	Nov-18	5.31
	May-19	6.98
1 - 2	Nov-19	7.53
	Mar-20	8.06
	Apr-20	8.09
2 - 4	Jun-20	8.18
	Apr-21	9.07
4 - 7	Oct-22	9.52
	May-23	9.63
	Apr-24	9.64
	Nov-24	9.67
	Dec-24	9.71
	Feb-25	9.66
	Jun-25	9.65
	Nov-26	9.59
7 - 10	Mar-27	9.60
	Nov-27	9.61
	May-29	9.66
10 - 30	Feb-30	9.47
	Apr-31	9.61
	Mar-32	9.53
	Nov-35	9.39
	Mar-37	9.41

## GULF

Maturity Range (yrs)	Country	Maturity	YTM
0 - 1	DUBAI	Dec-18	2.82
	DUBAI	Feb-19	2.88
	ABU DHABI	Apr-19	2.54
	QATAR	Apr-19	2.60
1 - 2	QATAR	Jan-20	3.14
	2 - 4	DUBAI	Oct-20
2 - 4		ABU DHABI	May-21
	QATAR	Jun-21	3.45
	DUBAI	Jun-21	3.75
	QATAR	Jan-22	3.57
4 - 7	ABU DHABI	Oct-22	3.48
	QATAR	Jan-23	3.55
	DUBAI	Mar-25	4.44
7 - 10	ABU DHABI	May-26	3.78
	QATAR	Jun-26	3.89
10 - 30	ABU DHABI	Oct-27	3.82
	QATAR	Jun-30	4.45
	QATAR	Jan-40	4.79
	QATAR	Jan-42	4.79
	DUBAI	Jan-43	5.43
10 - 30	QATAR	Jun-46	4.68
	ABU DHABI	Oct-47	4.43

Yields are MID values and shown strictly for information purpose and subject to change at any time

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