

# Banks lead Egypt, Saudi

● Egypt's blue-chip index at highest in 5 months

● GFH's Dubai shares plunges on Q4 profit fall

● Abu Dhabi Aviation slides on lower FY earnings

Reuters

Saudi Arabia's stock market rose yesterday as major banks rose on recovering oil prices, while Egypt's blue-chip index hit a five-month high, helped by its top lender Commercial International Bank.

Saudi Arabia's index was up 0.7 per cent, with Al Rajhi Bank rising 1.8pc and Banque Saudi Fransi gaining 2.9pc.

The Saudi index has got off to a strong start this year, taking many by surprise, SICO Research said in a note, with a 10pc gain year-to-date after returning 8.3pc in 2018.

The recent rally has been led mainly by foreigners buying close to 4.4 billion riyals (\$1.2 billion) through a qualified foreign investors' scheme and swaps last month in anticipation of inflows after FTSE Russel and MSCI announced Saudi will join their emerging market indexes in 2019, SICO added.

Saudi Arabia will join FTSE Russell's emerging market index in March and MSCI's emerging



Visitors look at stock price information displayed on a digital screen inside the Saudi Stock Exchange (file)

## Closing Bell

<b>SAUDI</b>	▲0.7 pc » 8,600 pts
<b>DUBAI</b>	▼0.5 pc » 2,485 pts
<b>ABU DHABI</b>	▼0.4 pc » 5,024 pts
<b>EGYPT</b>	▲1 pc » 14,928 pts
<b>KUWAIT</b>	▲0.9 pc » 5,504 pts
<b>OMAN</b>	▼1.0 pc » 4,125 pts
<b>BAHRAIN</b>	▼0.7 pc » 1,389 pts

market benchmark following a two-step inclusion process in May and August.

Saudi real estate stocks gained, with developer Emaar The Economic City adding 2.7pc. Al Andalus Property was up 0.8pc after announcing the Aljawharah Alkubra project which, it estimated, will cost around 873 million riyals.

Property shares have risen

following a royal decree to reimburse rising expatriate fees that will help labour-intensive sectors.

Egypt's blue-chip index rose 1pc to touch its highest since September 2018, with Commercial International Bank gaining 1.3pc. The bank has surged 22.2pc this year on the back of a 37pc jump in its fourth-quarter net profit and the approval of an increase in its authorised capital to EGP 50 billion (\$2.9 billion) from EGP 20 billion.

The Abu Dhabi index fell 0.4pc with Aldar Properties shedding 3.4pc and Union National Bank slipping 0.8pc. Union National reported a 28pc drop in its full-year net profit after the market close.

Abu Dhabi Aviation plunged 6.8pc. The firm had reported a

full-year net profit attributable to shareholders of 231.4 million dirhams (\$63 million), down from 243.6 million dirhams a year earlier.

In Dubai, the benchmark index was down 0.5pc as most of its property stocks dropped. Major developer Emaar Properties slipped 1pc and builder Arabtec retreated 3.8pc ahead of a board meeting later on Tuesday to discuss full-year results.

GFH Financial Group, which is primarily listed on the Bahrain stock exchange, slumped 9.8pc in active trade.

The firm reported fourth-quarter net profit attributable to shareholders of \$10.6 million, down from \$17 million a year earlier. The Qatar stock exchange was closed for a public holiday.

## Trump orders government to prioritise artificial intelligence



Washington, United States

President Donald Trump on Monday ordered the US administration to give greater priority to artificial intelligence, a move seen as firing up a battle for leadership with China.

The American AI Initiative executive order calls for the administration to "devote the full resources of the federal government" to help fuel AI

innovation.

"Americans have profited tremendously from being the early developers and international leaders in AI," a White House statement said.

"However, as the pace of AI innovation increases around the world, we cannot sit idly by and presume that our leadership is guaranteed."

The order however stops short of specific funding or a detailed strategy for deployment of artificial intelligence.

The move comes amid growing concerns that China will overtake the United States in key areas of artificial intelligence, helped by a broad national strategy and accelerating investment.

## US household debt in 2018 jumps \$400 bn

Washington, United States

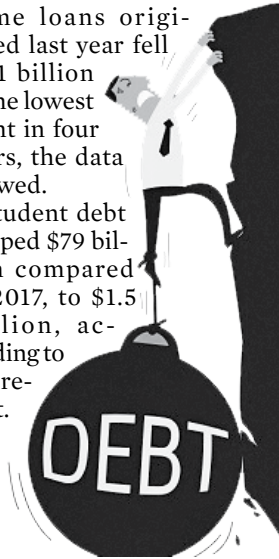
Total debt held by US households surged by nearly \$400 billion in 2018 to more than \$13.5 trillion, marking the sixth straight annual increase, even as home mortgages declined, according to data released yesterday.

That puts total debt \$869 billion higher than the previous peak, just before the start of the global financial crisis in late 2008, the New York Federal Reserve Bank said in its quarterly report.

A decade after the crisis, mortgage debt increased \$242 billion to \$9.1 trillion, but new

home loans originated last year fell \$131 billion to the lowest point in four years, the data showed.

Student debt jumped \$79 billion compared to 2017, to \$1.5 trillion, according to the report.



## Samsung reaches settlement over 'exploding' washing machines



Picture courtesy of ABC News

Seoul, South Korea

Samsung Electronics has reached a settlement in a class-action lawsuit over 2.8 million "exploding" washing machines recalled in the US, the South Korean company said yesterday.

The faulty appliances were recalled in 2016 after reports that the top "can unexpectedly detach from the washing machine chassis during use, posing a risk of injury from impact", according to The US Consumer Product Safety Commission.

The lawsuit claimed some of the washers were "exploding".

"Samsung has chosen to settle class-action lawsuits involving top-load washing machines that were subject to a voluntary recall," Samsung

said in a statement, adding the decision was reached to "avoid distraction and expense of litigation".

The washing machines in question have long been off the market, Samsung said.

Those covered by the settlement may receive benefits ranging from a "rebate, refund or reimbursement of certain expenses, costs, and repairs", according to the statement.

Samsung said at the time that the recall applied to models built between 2011 and 2016 for "reports highlighting the risk that the drums in these washers may lose balance, triggering excessive vibrations, resulting in the top separating from the washer".

The South Korean consumer goods titan has suffered several blows to its reputation in recent years.

## India antitrust watchdog probes accusations that Google abused Android

Reuters | New Delhi

India's antitrust commission is looking into accusations that Alphabet Inc's unit Google abuses its popular Android mobile operating system to block its rivals, four sources with direct knowledge of the matter said.

The Competition Commission of India (CCI) has for the past six months been reviewing a case similar to one Google faced in Europe that led to a fine of 4.34 billion euro (\$5 billion) by antitrust regulators last year, three of the sources said. Google has challenged that order.

The European Commission found Google had abused its market dominance since 2011 with practices such as forcing manufacturers to pre-install Google Search and its Chrome browser, together with its Google Play app store on Android devices.



Android Logo (file)

"It is on the lines of the EU case, but at a preliminary stage," said one of the sources, who is aware of the CCI investigation.

Google declined to comment. The CCI did not respond to Reuters' queries.

The watchdog's enquiry into allegations against Google over its Android platform has not previously been reported.

## Turkey opens govt vegetable stalls in battle with inflation

Reuters | Istanbul

Battling a sharp rise in food costs, Turkish authorities opened their own markets on Monday to sell cheap vegetables directly to shoppers, cutting out retailers who the government has accused of jacking up prices.

Crowds queued outside municipality tents to buy tomatoes, onions and peppers in Istanbul's Bayrampasa district, waiting for an hour for items selling at half the regular shop prices.

The move to set up state markets follows a 31 per cent year-on-year surge in food prices



People wait in line to buy vegetables sold in a tent set up by the municipality in the Bayrampasa district of Istanbul

in January and precedes local elections next month in which President Tayyip Erdogan's AK Party faces a tough challenge to maintain support.

Traders blamed storms in southern Turkey's farming region for food price inflation, as well as rising costs of labour and transport. Authorities called it "food terror" and said they would punish anyone trying to keep prices artificially high.

"This was a game. They started manipulating prices, they tried to make prices skyrocket,"



The project is currently taking place only in Istanbul, where around 50 sites are selling the cut-price goods, and in the capital Ankara

et," President Tayyip Erdogan said in a campaign speech on Monday. "This was an attempt to terrorise (society)," Erdogan said.

Under the government initiative, municipalities are selling vegetables at around 50 per cent of prices recorded by the Turkish Statistical Institute in January. A maximum of three kilos of goods per person is allowed.

The move will be extended to rice and pulses such as lentils, as well as cleaning products, Erdogan said.