

Gulf shares rise as focus shifts to earnings

● Nine of eleven Saudi Arabian banks rise

● Saudi Aramco closes at 34.8 riyals

● Pioneers Holding sees biggest fall since Sept

Reuters

Gulf stocks traded higher yesterday, extending their rally to a third day, supported by easing US-Iran tensions and ahead of corporate earnings.

The stock markets across the Gulf had fallen sharply on Jan. 8 after Iran retaliated against the U.S. drone strike that killed an Iranian commander.

Saudi Arabia's index rose 0.8 per cent as Arab National Bank jumped 4.9pc and Banque Saudi Fransi advanced 2.7pc.

However, oil giant Saudi Ara-



Traders on the floor of Saudi Stock market (Courtesy of Amazons)

mco slipped 0.1pc to 34.8 riyals (\$9.28). Aramco shares have been volatile amid US-Iran tensions and fell to 34 riyals on Jan. 8, its lowest since trading began on Dec. 11.

Closing Bell

SAUDI	▲ 0.8pc to 8,441 pts
ABU DHABI	▲ 0.6 pc to 5,114 pts
DUBAI	▲ 0.8 pc to 2,776 pts
QATAR	▲ 0.6pc to 10,568 pts
EGYPT	▼ 0.8pc to 13,698 pts
BAHRAIN	▲ 0.1 pc to 1,602 pts

"GCC corporate profits are expected to increase by around 6.5pc this year with profits in Saudi Arabia forecast to be up 7.1pc," said Tarek Fadlallah of Nomura Asset Management Middle East, citing a Marmore Research note.

In Qatar, the main index ended 0.6pc higher as the Gulf's largest lender, Qatar National Bank, increased 1.4pc ahead of its earnings announcement on Tuesday.

Qatar Insurance added 1.7pc following the appointment of Salem Khalaf Al Mannai as its chief executive officer.

Dubai's index gained 0.8pc as Emirates NBD and Dubai Islamic

Bank increased 1.9pc and 1.1pc respectively.

Abu Dhabi's index was up 0.6pc, with First Abu Dhabi Bank gaining 0.7pc and Abu Dhabi Commercial Bank rising 1.3pc.

But, Egypt's blue-chip index slipped 0.8pc after three straight days of gains, with market heavyweight Commercial International Bank Egypt shedding 1.2pc.

Pioneers Holding dropped 7.3pc, its biggest intraday fall since Sept. 22. The financial services provider said its board had approved a share-swap ratio set by a financial adviser for increasing stake in five subsidiaries to 90pc.

Egyptian exchange data showed that foreign investors were net sellers.

Stock markets in Kuwait and Oman are closed following the death of Oman's Sultan Qaboos bin Said and will resume trading on Tuesday and Wednesday, respectively.

We want sustainable oil prices: Saudi

Reuters | Saudi Arabia, Dhahran

Saudi Arabia will work for oil market stability at a time of heightened US-Iranian tension and wants to see sustainable prices and demand growth, the kingdom's energy minister said yesterday.

Prince Abdulaziz bin Salman said it was too early to talk about whether the Organisation of the Petroleum Exporting Countries (OPEC) and its allies, a group known as OPEC+, would continue with production curbs set to expire in March.

"As tension remains high in our region, Saudi Arabia will continue to do all it can do to ensure stable oil markets," the minister told an energy conference.

"We would like to have a stable oil market, sustainable growth in terms of demand, sustainable growth in terms of supply," he said, adding that both high and low prices were undesirable. "The worst thing is to have low oil prices that permanently damage the industry."

Oil prices held steady yesterday as the United States and Iran appeared to retreat from the brink of full blown confrontation after a US drone strike



Saudi Arabia's Minister of Energy Prince Abdulaziz bin Salman Al-Saud and Russia's Energy Minister Alexander Novak are seen at the beginning of an OPEC and NON-OPEC meeting in Vienna, Austria

killed an Iranian commander in Baghdad on Jan. 3 and Iran retaliated with missiles launched against US bases in Iraq.

Prince Abdulaziz said the United States was a strategic partner with a big role in international security. "We're leaving it to our friends in the US to conduct themselves in the manner they see fit," he said.

The world's top oil exporter,

Saudi Arabia suffered missile and drone attacks on its oil facilities on Sept. 14 that temporarily halved output.

Washington and Riyadh blamed Iran for the attacks, a charge Tehran denied.

"We have taken every precaution that can be taken," the minister told reporters when asked whether Saudi Arabia had raised security after the recent US and

Iran strikes in Iraq.

He said the kingdom's oil production stands at 9.744 million barrels per day (bpd) in January and would stay at the same level in February.

Iraq's compliance with OPEC cuts improved in December and is looking for full compliance in January, he added.

The OPEC+ group of oil-producing countries last month

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PRINCE ABDULAZIZ BIN SALMAN
SAUDI ENERGY MINISTER

China starts 2020 with forecast of a 2pc sales decline



Workers work on an assembly line manufacturing Audi Q3 cars

Reuters | Beijing/Shanghai

The country's top auto body said yesterday that sales will likely shrink for the third consecutive year in 2020.

The China Association of Automobile Manufacturers (CAAM) expects a 2 per cent fall in vehicle sales. That would compare with an 8.2pc drop last year, when sales were pressured by new emission standards in a shrinking economy also contending with tit-for-tat import tariffs with the United States.

CAAM, affirming its forecast announced last month, also said auto sales declined for the 18th consecutive month in December. Annual sales started falling in 2018, by 2.8pc, halting a growth march that had started in the 1990s.

French strikes rumble on as PM vows to 'go to end'

AFP | Paris

Paris commuters battled to reach work again on Monday as a 40-day-old strike dragged on and France's premier vowed "to go to the end" with the pension reforms that sparked the action.

There was still major disruption on the Paris metro and the national railway system, even after Prime Minister Edouard Philippe announced a major concession to unions at the weekend.

But the situation was somewhat improved from previous weeks, with all Paris metro lines now open in peak hours and the trains running slightly more reg-

French strikes

Longest transport strikes (since 1985)

Dec 2019 - Jan 2020	40 days as of Jan 13
Dec 1986 - Jan 1987	28
Nov - Dec 1995	22
Oct 2010	17
April 2010	15

ularly.

National rail operator SNCF said eight out of ten high-speed TGV trains were operating, although slower regional trains were more affected.

"We are going to go to the end" in implementing the pension reforms, Philippe said on France



2 television late Sunday.

"Those who incite (workers) to continue the strike are leading them perhaps into a dead end... I think that they need to assume their responsibilities," he said.

"I think you know the phrase -- 'you need to know how to end a strike'. We are not far now,"

he added.

'Not end of the story'

Philippe announced Saturday that he would drop plans to increase the official age for a full pension to 64 from 62, a move welcomed by more moderate trade unions like the CFDT.

President Emmanuel Macron, who has sought to stay above the fray throughout the crisis by relying on Philippe to deal with the unions, called the change "a constructive and responsible compromise."

But the more hardline CGT, FO and Solidaires unions were standing firm, calling for the strike and protests to continue,

including another major demonstration on Thursday.

Demonstrators in the capital on Saturday, some masked and hooded, broke shop windows and set fires along their protest route, and threw projectiles at police in riot gear who responded with tear gas.

The government however is not budging on its overall plan for a universal scheme to rationalise 42 existing pension schemes into a single, points-based system it says will be fairer and more transparent.

"The end of the pivot age does not mean the end of the strike," commented the Le Parisien daily.

Laurent Berger, the head of the moderate CFDT, France's largest union, also struck a cautious note while reaffirming his welcome for the withdrawal of the so-called "pivot age" of 64 as "extremely important."

"We are far from being at the end of this story on the universal system for pensions and we will need to keep up the pressure," he told RTL Radio.

The strike has also been observed by other public-service workers affected by the reforms, including staff at the Paris Opera, which on Saturday cancelled its performance of "The Barber of Seville," its first show of 2020.