

# Rising oil price boosts Saudi

● Ten of 12 Saudi banks gain

● Arriyadh Development climbs on capital increase

● SABIC gains after announcing merger of two units

● Dubai's Aramex surges in heaviest volume in over 9 years

Reuters

Saudi Arabia's stock market rose yesterday as banks and petrochemical shares gained amid rising oil prices, while Abu Dhabi was pulled down by Emirates Telecommunications.

Saudi Arabia's index was up 1 per cent, with Al Rajhi Bank gaining 0.9pc.

The Middle East's largest petrochemical maker Saudi Basic Industries (SABIC) also rose 1pc in active trade after it said it will merge its units Saudi Petrochemical Co and Arabian Petrochemical Co.

The deal, which will be completed during the second half



Traders on the floor of Saudi Stock exchange

of the year, is part of the firm's plan to increase efficiency in its global operations.

The Saudi index is up 8.9pc this year, outperforming major Gulf markets and led by foreign investors who have been net buyers of Saudi stocks every week this year. Foreign investors have already poured 6.94 billion riyals (\$1.9 billion) into the Saudi market in the first two months of 2019.

Foreign net buying in the Saudi market picked up in the first week of March, coming in at 985 million riyals, the highest since the week ending Jan. 17, Arqaam Capital said.

Developer Arriyadh Development added 1.5pc after the Capital Market Authority approved an increase in capital to 1.78 billion riyals, from 1.33 billion riyals, through a bonus share issue.

The Abu Dhabi index was down 0.9pc, with Emirates Telecommunications Group shedding 4.1pc.

United Arab Bank plunged 9.6pc in light trade while Abu Dhabi Islamic Bank lost 2.4pc.

Banks in the UAE are expected to experience a rise in loan losses over the next 12 to 18 months as a decline in real estate prices and rising interest rates reduce borrowers' cashflows, according

## Closing Bell

SAUDI	▲ 1pc	» 8,527 pts
ABU DHABI	▼ 0.9pc	» 4,820 pts
DUBAI	■	» 2,600 pts
QATAR	■	» 9,762 pts
EGYPT	▼ 0.1pc	» 15,126 pts
KUWAIT	■	» 5,600 pts
OMAN	▼ 0.2pc	» 4,074 pts
BAHRAIN	▲ 0.4pc	» 1,411 pts

to Moody's.

In Dubai, the index was flat, but courier firm Aramex surged 9.1pc in its heaviest trading volume since December 2009 with 42.4 million shares changing hands, after the company said that Australia Post Transaction Services had sold its stake.

Australia Post Transaction Services sold its 10pc stake in the firm for 602.6 million dirhams (\$164 million).

Aramex caps foreign ownership of its shares at 49pc and the stake sale has freed up a 10pc stake for foreigners to potentially buy.

Arqaam Capital said this was "an excellent time" to buy the stock.

Egypt's blue chip index edged down 0.1pc with El Sewedy Electric shedding 1.8pc.

Qatar's index was flat with Mesaieed Petrochemical Holding losing 3.2pc.

## Paris airport operator fined over fatal 2004 terminal collapse

Bobigny, France

A French court yesterday found the Paris airports operator guilty of involuntary manslaughter over the 2004 terminal collapse at Charles de Gaulle airport less than a year after it opened, killing four people.

Aéroports de Paris (ADP) was ordered to pay the maximum fine of 225,000 euros (\$254,000) by the court in Bobigny, just north of the capital.

Three subcontractors -- the construction company which built the vaulted glass-and-concrete roof at Terminal 2E, and engineering and inspection firms -- were ordered to pay fines of 100,000 to 150,000 euros.

The accident occurred early on May 23, 2004, 11 months after the building, designed by award-winning French architect Paul Andreu, was inaugurated to widespread acclaim.

Six concrete arches and walkways stretching over 30 metres (100 feet) crashed down as passengers waited to board flights at the ultra-modern, 650-million-euro terminal that ADP boasted was a "showcase for France."

## \$20 m settlement in Uber driver lawsuit

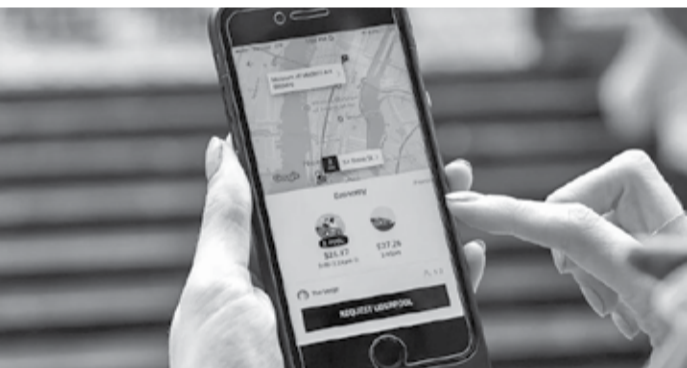
San Francisco, United States

Uber has agreed to pay \$20 million to settle a lawsuit accusing the ride-share service of classifying drivers as contractors to avoid paying them minimum wage and providing benefits.

The settlement filed late Monday noted that parties involved in the six-year-old suit still have a "bona fide" dispute regarding whether any specific amount of wages are due to drivers.

The proposed deal requires the approval of a federal judge presiding over the case.

The case filed in August 2013 covers Uber drivers in California and Massachusetts who provided rides for passengers any time from then to February 28 of this year who were not bound by an arbitration clause.



Representative picture

An estimated 13,600 drivers were affected. Uber faces a slew of arbitration claims by drivers not represented by the class-action suit.

"Uber has changed a lot since 2013," the San Francisco-based company said in a statement, noting it has added a driver rewards program as well as an option to let riders tip drivers. "We're pleased to reach a

settlement on this matter and we'll continue working hard to improve the quality, security and dignity of independent work."

The settlement also called for Uber to make changes including no longer deactivating drivers' accounts for accepting few rides and creating a formal appeals process for drivers dropped from the service.

## Trump ex-campaign chief Manafort indicted for mortgage fraud

New York, United States

President Donald Trump's former campaign chief Paul Manafort was indicted Tuesday for mortgage fraud and other felonies in New York, less than an hour after a Washington judge extended his federal prison sentence to more than seven years.

Manhattan District Attorney Cyrus Vance unveiled 16 state felony charges against Manafort, which could not be pardoned by Trump in the event of convictions as they are state-level rather than federal indictments.



Paul Manafort

"Following an investigation commenced by our office in March 2017, a Manhattan grand

jury has charged Mr. Manafort with state criminal violations which strike at the heart of New York's sovereign interests."

The announcement came almost immediately after Washington District Court Judge Amy Berman Jackson sentenced Manafort in the second of two federal cases brought against him by Special Counsel Robert Mueller in the investigation into Russian meddling in the 2016 election.

Berman dismissed most of Manafort's claims of contrition to boost his previous sentence, in a Virginia court last week, by 43 months to 90 months.

## Pound rallies on Brexit delay hopes before vote

London, United Kingdom

The British pound recovered strongly yesterday as traders were willing to bet that the UK's EU exit will be pushed beyond its March 29 deadline.

Sterling's rebound came hours ahead of a vote in Britain's parliament which is expected to soundly reject a "no deal" Brexit.

If so, a further vote will determine whether London should ask the EU for more time beyond March 29 to sort out its departure from the bloc.

"The potential delay of Brexit is what is helping to hold up the pound, but by the same token, the uncertainty is limiting its upside potential," said Fawad Razaqzada at Forex.com.

"If it feels like the UK government is going around in circles, it is because it is," he added.

### 'Sniffing opportunity'

Sterling, and also London's stock market, had taken a brief knock after MPs on Tuesday rejected for a second time a Brexit withdrawal deal negotiated by Prime Minister Theresa May, despite her obtaining last-minute added reassurances from EU officials.

But both recovered as the European trading day wore on, with the pound up more than onepc against the dollar on the day, and its progression against the euro only marginally less vigorous at 0.9pc.

"The pound has been the main area of volatility when reflecting Brexit developments, with the FTSE 100 remaining somewhat stable despite the

### Key figures around 1640 GMT

Pound/dollar:	▲ at \$1.3220 from \$1.3062 on Tuesday
Euro/pound:	▼ at 85.49 pence from 86.46 pence
Euro/dollar:	▲ at \$1.1305 from \$1.1292
Dollar/yen:	▼ at 111.22 yen from 111.29 yen
London - FTSE 100:	▲ 0.1pc at 7,159.19 points (close)
Frankfurt - DAX 30:	▲ 0.4pc at 11,572.41 (close)
Paris - CAC 40:	▲ 0.7pc at 5,306.38 (close)
New York - DOW:	▲ 0.6 percent at 25,703.54
Tokyo - Nikkei 225:	▼ 1.0pc at 21,290.24 (close)
Hong Kong - Hang Seng:	▼ 0.4pc at 28,807.45 (close)
Shanghai - Composite:	▼ 1.1pc at 3,026.95 (close)
Oil - Brent Crude:	▲ 44 cents at \$67.11
Oil - West Texas Inter:	▲ 94 cents at \$57.81

constant shifts," said Joshua Mahony, senior market analyst at IG trading group.

Sparking the pound's rally, meanwhile, was "markets either sniffing an opportunity for a second referendum or a deal passing," said Viraj Patel, a foreign currency and macroeconomics strategist at Arkeria, in a tweet.

### Not a care

Both the pound and the FTSE held up even as Britain's finance minister Philip Hammond slashed the forecast for economic growth this year due to Brexit uncertainty.

The UK economy is forecast to grow by 1.2pc this year, down on the government's prediction of 1.6pc in October, Hammond said as he gave a budget update.

Elsewhere, Asian indices closed lower.

Eurozone stock markets ended the day higher across the

board, and Wall Street also showed solid gains in the early New York afternoon, prompting Briefing.com analyst Patrick O'Hare to note that the US stock market was acting like it did not have a care in the world. "It could care less that the UK's Brexit effort is a mess. It could care less that Boeing is dealing with a PR nightmare as multiple countries have grounded the 737 MAX," he said, adding investors also appeared unfazed by declining earnings estimates and global growth slowing down.

O'Hare said investors appeared to be happy that Fed interest rates probably will not rise any time soon, a supportive factor for stocks.

Oil was also well-bid, with the US benchmark WTI contract reaching a multi-month high driven by falling American stocks and global supply uncertainty.