

Gulf markets end mixed

Reuters | Dubai

Saudi stocks dipped slightly yesterday, a day ahead of the market's inclusion in the FTSE Russell's emerging market index, while other Gulf markets were mixed.

Investors booked profits in recent gainers on the Tadawul, weakening the benchmark, which was down 0.2pc. The Saudi index has gained 9.5 per cent so far this year, outperforming major Gulf markets.

Foreign investors have been net buyers of Saudi stocks every week this year, positioning for passive fund inflows after its inclusion in the FTSE Russell index on March 18 and in MSCI from late May.

"There is some profit-taking on select leading stocks but the overall trend is still upward," said a Saudi trader, asking not to be named.

Foreign net buying has hit \$2.1 billion year-to-date.

"We can reasonably expect between 90 billion to 100 billion riyals (\$24-\$27 billion) inflows," said Muhammad Faisal Potrik, head of research at Riyadh Capital.

He said traded value is also expected to rise 14pc to \$100 million a day in the wake of Saudi's inclusion in key benchmark indices.

Yesterday, the Saudi market was steady, with weakness among some non-financial stocks, notably Saudi Basic Industries, which fell 0.3pc, and



Saudi stock market (Courtesy of Emerging Market views)

Saudi Telecom, which dropped 0.8pc.

However, Al Rajhi Bank was up 0.1pc, while Saudi British Bank gained 0.9pc.

Potrik said the Saudi market had risen only by a modest 14pc in the last 12 months, as opposed to more significant rallies in Dubai and Qatar before index inclusion.

Foreign funds had sold Saudi assets in late 2018 following the murder of Saudi journalist Jamal Khashoggi in early October in the Saudi consulate in Istanbul. Among other Gulf

markets, the Abu Dhabi index fell 0.4pc, hit by weakness in market heavyweights, First Abu Dhabi, which was down one pc.

News that Qatar will no longer permit First Abu Dhabi Bank to provide services for new customers in Doha, its regulator said, amid a probe over alleged currency manipulation after the Gulf rift did not have much impact on the stock.

An FAB spokeswoman said the bank had no immediate comment on the matter.

Abu Dhabi-listed Dana Gas, however, gained 2.7pc after the

company approved plans for a sukuk buyback and also said it plans to seek shareholder approval to buy back 690 million of the company's shares. The company said share buyback is aimed at enhancing shareholder value.

Dubai stocks were up 0.1pc, buoyed by Emaar Properties which was up 0.4pc, however Aramex was down 2.1pc after Australia Post sold its 10pc stake in the company.

The United Arab Emirates "markets continue to trade on weakness in traded values and

Closing Bell

SAUDI	▼ 0.2 pc	8,563 pts
ABU DHABI	▼ 0.4 pc	4,977 pts
DUBAI	▲ 0.1 pc	2,578 pts
QATAR	▼ 1.1 pc	9,863 pts
EGYPT	▲ 0.3 pc	15,033 pts
KUWAIT	▲ 0.1 pc	5,674 pts
OMAN	▲ 0.3 pc	4,086 pts
BAHRAIN	■	1,410 pts

index movement within a tight horizontal range due to general assembly meetings season, where dividends are being approved, and shares prices correcting downwards because of that as they trade ex-dividend," said

Mohammed Ali Yasin, chief strategy officer at Al Dhabi Capital.

"We are also in a company vacuum currently and until the first quarter results for this year become available, incentives to invest are not strong," Yasin said.

Qatar index dropped 1.1pc, hurt by selling in insurance and real estate stocks. Qatar Insurance was down 4.1pc, while Barwa Real Estate dropped 1.9pc.

Elsewhere in the region, Egypt's main benchmark rose 0.3pc, led by banks, investment firms and real estate companies.

Commercial International Bank rose 0.7pc.

Egypt Kuwait Holding rose 3.4pc, while Heliopolis Co for Housing and Development rose 2.7pc.

Philippines out of ICC amid drug war inquiry



Exterior view of International Criminal Court in Hague

Manila, Philippines

The Philippines was officially out of the International Criminal Court on Sunday, though the beleaguered tribunal has pledged to pursue its examination of alleged illegal killings in the government's drug war.

Under court rules, Manila's withdrawal took force a year after it told the United Nations that it was quitting the world's only permanent war crimes tribunal, the second nation to do so.

"The Secretary-General... informed all concerned states that the withdrawal will take effect for the Philippines on 17 March," UN spokesperson Eri Kaneko told AFP on Friday.

The departure of the Philippines follows the court being hit in recent years by high-profile acquittals and moves by several nations to drop out. Manila moved to quit after the body launched a preliminary examination in 2018 into President Rodrigo Duterte's drug crackdown that has killed thousands and drawn international censure.

Traders say 80 businesses hit in 'yellow vest' rampage

Paris, France

Some 80 shops and businesses on the Champs-Elysees avenue in Paris were vandalised this weekend when "yellow vest" protesters went on the rampage, with about 20 looted or torched, retailers said yesterday.

Saturday's demonstrations were characterised by a sharp increase in violence after weeks of dwindling turnout, with hooded protesters looting and torching shops along the famed avenue.

It was the 18th consecutive weekend of demonstrations which began in mid-November as a protest against fuel price hikes but have since morphed into a potent anti-government movement.

"There was a wave of violence, we're dealing with the aftermath of the chaos. We're trying to reassure all the employees and then there are those who live here, too," said Jean-Noel Reinhardt, head of the Committee Champs-Elysees, a local association with 180 members, most of them businesses.

He said residents and business owners were pushing for talks with Prime Minister Edouard Philippe "to share our exasperation and explain our complaints.



A Yellow Vest protester throws a flag of Europe towards a barricade burning in front of a shop on the Champs-Elysees avenue in Paris

"The authorities must put an end to this situation," he insisted.

Since the beginning, the prestigious avenue, which is known for its shops, cafes and luxury boutiques, has been the focal point for the demonstrations which have often turned violent, sparking running battles between police and protesters.

On Saturday, the police ap-

peared overrun as protesters swarmed the area, vandalising and later setting fire to Fouquet's brasserie, a favourite hangout of the rich and famous for the past century -- as well as luxury handbag store Longchamp.

Clothing outlets Hugo Boss, Lacoste and Celio were also damaged, as well as a bank, a chocolatier and several news-

stands.

"Enough is enough. And this Saturday went too far!" raged Bernard Stalter, president of CMA France, a national network of chambers of trades and crafts.

He also demanded a meeting with top ministers "this week in order to find solutions which will put an end to a situation which has become as volatile as it is unacceptable."

US taxpayers must return millions after mistaken refunds

Washington, United States

Taxpayers in the US state of Louisiana got an unexpected windfall when a computer error issued their tax refunds a second time, local media reported yesterday.

The state's Department of Revenue cautioned recipients of the wrongly-paid windfall: "Do not spend it." If they have, they must pay the money back in 30 days.

"An error in an electronic payment system caused 66,780

state individual income tax refunds issued on Tuesday, March 12 to be issued a second time on Wednesday, March 13," the department said on its website.

The duplicate refunds totaled more than \$26 million, it said, adding that the state is working with financial institutions to recover the overpayments directly from recipients' bank accounts.

New procedures were put in place to prevent the error from happening again, the department said.

Deutsche Bank and Commerzbank go public on merger talks

Reuters | Frankfurt

Deutsche Bank and Commerzbank confirmed yesterday they were in talks about a merger, prompting labour union concerns about possible job losses and questions from analysts about the merits of a combination.

Germany's two largest banks issued short statements following separate meetings of their management boards, a person with knowledge of the matter said, indicating a quickening of pace in the merger process, although both also warned that a deal was far from certain.

"In light of arising opportunities, the management board of Deutsche Bank has decided to review strategic options,"



Deutsche said in its statement. Christian Sewing, Deutsche Bank's chief executive, told employees that Deutsche still aimed "to remain a global bank with a strong capital markets business... with a global network".

Sewing said many factors could still prevent a merger and a Deutsche spokesman said the talks were expected to last some time.