

Dubai extends rally

Tadawul Status Countdown	
Market Open	
Market Indices	
	Value
BANKS & FINANCIAL SERVICES	15,591.79
PETROCHEMICAL INDUSTRIES	5,299.88
CEMENT	4,310.57
UTILITIES	9,946.87
URE & FOOD INDUSTRIES	7,174.47
IA & INFORMATION TECHNOLOGY	8,294.55
MENT	1,603.16
ESTMENT	1,298.90
STRUCTION	2,739.29
VELOPMENT	6,153.02
	1,960.79
	7,169.72
	7,691.42

Representative picture

● Dubai property stocks extend gains

● Saudi's Mobily rises on fourth-quarter profit

● Nine of 11 Saudi banks slide

● Telecom Egypt jumps on dividend, deal with Vodafone Egypt

Reuters

The Dubai stock market extended gains as it rose for a fifth session yesterday, mainly driven by property stocks after strong fourth-quarter earnings.

Saudi Arabia's market fell as investors booked profit after the market gained significantly this year. Banks had led the rally, then were hit hard, with nine of 11 banks falling.

In Dubai, the benchmark index rose 0.6 per cent with the most heavily traded stock, Emaar Properties, gaining 3.1pc and its unit Emaar Malls rising 1.9pc. The stocks have gained in recent sessions after posting robust fourth-quarter earnings, boosting the index.

Property firms, which were partly behind the index's poor performance last year, showed signs of recovery reflected in the fourth-quarter results and increased construction contracts, though remained vulnerable to further falls in property prices.

Rating agency Standard & Poor's said on Tuesday it expects Dubai residential property prices to fall further in 2019 because of a gap between supply and demand, then stabilise in 2020.

Closing Bell

SAUDI	▼ 0.6 pc to 8,517 pts
DUBAI	▲ 0.6 pc to 2,566 pts
ABU DHABI	▼ 0.1 pc at 5,035 pts
Qatar	▼ 0.5 pc to 9,982 pts
EGYPT	▼ 0.5 pc to 15,156 pts
KUWAIT	▲ 0.7 pc to 5,461 pts
BAHRAIN	▲ 1 pc to 1,393 pts
OMAN	▼ 0.4 pc at 4,057 pts

Saudi Arabia's index fell 0.6pc with bank Samba Financial Group dropping 2.2pc and Riyad Bank shedding 2.1pc.

The index is still up nearly ninepc this year, outperforming other major Gulf markets, with foreign investors leading the rally. Saudi exchange weekly data showed foreigners were net buyers every week this year.

Telecommunications firm Etihad Etisalat (Mobily) rose 2.5pc after it posted a fourth-quarter profit which, it said, was its first profit since the second quarter of 2016.

Qatar's index was down 0.5pc. The Abu Dhabi index edged down 0.1pc with heavy-weight First Abu Dhabi Bank slipping 0.3pc.

Outside the Gulf, Egypt's blue-chip index 0.5pc, snapping a seven-day winning streak with 18 of its 29 stocks declining. The index had gained 16.3pc this year as the Egyptian economy strengthened.

Telecom Egypt jumped 3.5pc, however, after it agreed to provide Vodafone Egypt with transmission and infrastructure services for 10 years, in a deal valued at 10.85 billion Egyptian pounds (\$618.15 million). Vodafone Egypt also proposed a dividend payout of 5.5 billion pounds to Telecom Egypt.

AUB profit up 12.7pc

● Board of Directors recommended a distribution comprising of a cash dividend of US cents 5.0 per share

● Fourth quarter net profit was US\$169.3 million

● Net interest income jumped by US\$ 64.1m (+7.3pc) to US\$ 940.5m

TDT | Manama

Ahli United Bank (AUB) reported a net profit attributable to its equity shareholders of US\$ 697.5 million for the year 2018, representing a rise of 12.7 per cent as compared to the net profit of US\$ 618.7m in 2017.

The Board of Directors recommended a distribution comprising of a cash dividend of US cents 5.0 per share (2017: US cents 4.5 per share) together with a bonus ordinary share issue of 10pc (2017: 5pc).

Operating income increased from US\$ 1,119.4m to US\$ 1,210.6m in 2018 (+8.1pc), mainly driven by an increase in net interest income.

Net interest income jumped by US\$ 64.1m (+7.3pc) to US\$ 940.5m (2017: US\$ 876.5m),



AUB continued its solid performance in 2018 against the backdrop of a continuing general difficult operating environment. Achieving a very robust growth of 12.7pc in net profit over 2017 demonstrates its strong underlying fundamentals and the resilience of its diversified business and geographic model

MESHAL AL-OTHMAN
AUB CHAIRMAN

helped by an increase in average interest earning assets and to the repricing and re-positioning of the loan portfolio, complemented by an effective interest rate risk management strategy.

Net operating income increased from US\$ 1,030.4m to US\$ 1,124.3m in 2018 (+9.1pc).

Equity attributable to the owners of the bank increased by 2.4pc to US\$ 3.9 billion in 2018 (2017: US\$ 3.8bn).

Basic earnings per share increased by 12.2pc to US cents 8.3 for the year ended 31 December 2018 (2017: US cents 7.4).

For the fourth quarter, net

profit was US\$169.3m as compared to US\$ 150.0m in the year ago quarter.

Operating income was US\$ 303.5m as compared to US\$ 294.2m in Q4/2017 (+3.1pc). Net operating income was US\$ 279.1m, higher by 6.7pc compared to US\$ 261.6m in Q4/2017.

Solid asset quality levels were sustained with a gross non-performing loans ratio of 1.9pc (31 December 2017: 1.9pc) while the specific provision coverage ratio increased to 85.5pc (31 December 2017: 85.1pc).

The total provision cover-

age ratio, inclusive of credit loss provisioning under IFRS 9 but excluding very substantial non-cash collaterals available, improved to 214.7pc as at 31 December 2018 (31 December 2017: 154.3pc).

The Group's total assets grew by US\$ 2.3bn (+6.8pc) to reach US\$ 35.5bn at 31 December 2018 driven by a growth in the non-trading investments portfolio to US\$ 7.6bn (31 December 2017: US\$ 6.0bn). Asset growth was funded from an increase in customer deposits (+US\$ 1.7bn) and through repo borrowings (+US\$ 0.6bn).



Gulf Petrochemical Industries Company (GPIC) took part in the 25th meeting of the Arab Fertilizer Association (AFU) in the Egyptian capital, Cairo, from February 12 to 14. Company President Dr Abdulrahman Jawahery said GPIC said the share of Arab exports in world markets had reached 71 per cent phosphate rock, 81 per cent superphosphate, 49 per cent ammonia, 25 per cent urea and 41 per cent of other products. More than 133 companies and organisations, as well as representatives from the largest representative bodies of the sector from more than 33 countries, were present at the event, along with over 500 well-known personalities in the fertilizer sector from around the world.



Bahrain Airport Company (BAC) recognised 17 Integrated Management System (IMS) auditors with certificates of appreciation for assisting the Internal Audit Department during the Company's recent ISO recertification. The comprehensive IMS recertification audit, which was conducted in 2018, verified BAC's compliance with ISO standards across the business. In attendance during the award ceremony were senior BAC management, including BAC Chief Executive Officer Mohamed Yousif Al Binfalah, who personally presented the certificates.

Huawei's founder says world can't live without it

Beijing, China

The founder of Chinese telecom giant Huawei has hit back at US efforts to blacklist the company, saying defiantly that the world cannot do without Huawei and its "more advanced" technology.

"There's no way the US can crush us," Ren Zhengfei said in an interview with the BBC.

"The world cannot leave us because we are more advanced."

Ren, 74, also denounced as "politically motivated" the December arrest of his daughter, Huawei Chief Financial Officer Meng Wanzhou, who is accused of violating US sanctions against Iran and faces an

extradition hearing in Canada next month.

"We object to this," he said. "But now that we've gone down this path, we'll let the courts settle it."

Ren Zhengfei

