

Global rally lifts most of Gulf markets

● **Abu Dhabi's Julphar plunges after recalling drug**

● **Arabian Centres gains on first-quarter profit surge**

● **Orascom Development increases on higher Q2 profit**

● **Emaar Misr drops on lawsuit by businessman**

Reuters

Most Middle Eastern stock markets closed higher yesterday, reflecting market optimism that US-China trade tensions could ease and stimulus measures by major economies to counter a possible global economic slowdown.

The United States said it would extend a reprieve that permits China's Huawei Technologies to buy components from US companies, signalling a slight softening of the trade conflict between the world's two largest economies.

China's new lending reference rate was set slightly lower yesterday, while Germany's right-left coalition government has said it would be prepared to ditch its balanced budget rule



Saudi stock market (Courtesy of Emerging Market views)

and take on new debt to counter a possible recession.

In Saudi Arabia, the index extended gains from the previous session to close 0.3 per cent higher in a boost mainly from financial stocks. Samba Financial Group rose 2.8pc while Riyadh Bank added 1.9pc.

Arabian Centres jumped as

much as 4.3pc before closing 0.3pc up. The mall operator reported a 180.4pc increase in its first-quarter profit to 227 million riyals (\$60.53 million), citing lower impairment loss and finance cost.

Saudi Telecom added a further 0.7pc to its gain on Monday after saying it was working to termi-

nate a broadcasting agreement with General Sport Authority and the Saudi Arabian Football Federation, citing a lack of commercial feasibility for the agreement.

In Abu Dhabi, the index increased 0.8pc after two days of losses. First Abu Dhabi Bank gained 0.7pc while Emirates

Telecommunication Group was up 1.2pc.

But Abu Dhabi's only listed pharmaceutical firm, Gulf Pharmaceutical Industries (Julphar), plunged 9.8pc after recalling a single batch of its Laxocodyl suppository over a labelling error.

Egypt's blue-chip index also

Closing Bell

SAUDI	▲ 0.3pc at 8,590 pts
ABU DHABI	▲ 0.8pc to 5,069 pts
DUBAI	▼ 0.1pc to 2,789 pts
QATAR	▲ 0.9pc to 9,895 pts
EGYPT	▲ 0.8pc to 14,428 pts
BAHRAIN	▲ 0.4pc at 1,535 pts
OMAN	▲ 0.5pc to 3,890 pts
KUWAIT	▲ 0.6pc to 6,643 pts

rose 0.8pc as most companies traded higher. Alexandria Mineral Oils surged 8.7pc, while Orascom Development gained 2.7pc after posting a higher second-quarter profit.

But Emaar Misr dropped 1.2pc after an Egyptian businessman filed a lawsuit against the developer claiming part of the land at the Marassi project.

Back in the Gulf, Dubai's index, closed roughly flat as losses in the telecom sector outweighed the gains of real estate stocks. Emirates Integrated Telecommunications dropped 1.6pc.

Qatar's index rose 0.9pc for the third straight day with the Gulf's largest lender, Qatar National Bank increasing 2pc and Industries Qatar adding 1.7pc.

Qatar's index, down 3.6pc in the year-to-date, has steadied since the central bank on Thursday said Qatari economic growth would accelerate over the next two years amid expectations of stable oil prices and continued strong exports.

Stock markets gloomy on Italian crisis

London, United Kingdom

European stock markets turned lower yesterday as political crisis in Italy weighed on sentiment, while a recovery in US stocks was cut short after two days of gains.

European markets had started higher, lifted by hopes for central bank and government stimulus measures, and for easing tensions in the China-US trade war.

Trading floors have been on edge for weeks owing to a number of concerns including the trade war, Brexit, a global economic slowdown and tensions in the Middle East.

Equities still got a positive start to the week, with Germany reportedly planning government support to avert a recession in Europe's biggest economy and central banks elsewhere looking to ease monetary policy.

But yesterday investors worried mostly about Italy, where a political crisis was set to come to a head with speculation that Prime Minister Giuseppe Conte will resign after far-right Interior Minister Matteo Salvini withdrew his support from the dysfunctional coalition government.

'Centre of attention'

Italy is "the centre of attention", said Tangi Le Liboux at Paris-based brokerage Aurel BGC.

Investors mostly fear a revival of a EU-Rome spat over deficits, which could weigh on eurozone cohesion, analyst said.

US stocks reacted mostly to global bond yields coming back



Traders work after the opening bell at the New York Stock Exchange (NYSE)

Key figures around 1330 GMT

London - FTSE 100:	▼ 0.3 pc at 7,170.10 points
Frankfurt - DAX 30:	▼ 0.4 pc at 11,674.08
Paris - CAC 40:	▼ 0.3 pc at 5,355.30
EURO STOXX 50:	▼ 0.3 pc at 3,357.96
New York - Dow:	▼ 0.1 pc to 26,114.49
Tokyo - Nikkei 225:	▲ 0.6 pc at 20,677.22 (close)
Hong Kong - Hang Seng:	▼ 0.2 pc at 26,231.54 (close)
Shanghai - Composite:	▼ 0.1 pc at 2,880.00 (close)
Euro/dollar:	▼ at \$1.1074 from \$1.1078 at 2015 GMT
Pound/dollar:	▼ at \$1.2094 from \$1.2134
Euro/pound:	▲ at 91.57 pence from 91.30 pence
Dollar/yen:	▼ at 106.24 yen from 106.66 yen
Brent North Sea crude:	▲ 1 cent at \$59.75 per barrel
West Texas Intermediate:	▲ at \$56.14 per barrel

under pressure, suggesting markets are again focusing on the

at Charles Schwab.

"US stocks are dipping in early action, coming off yesterday's solid gain that extended Friday's rally," they said.

Among the key events this week is a speech by Federal Reserve boss Jerome Powell at the annual Jackson Hole symposium of central bankers in Wyoming.

'Blissfully'

The Fed policy board "did not unanimously agree to the last 0.25 percent cut," said Jeffrey Halley, senior market analyst for Asia-Pacific at OANDA.

"US economic data continues to perform blissfully, implying the economy is doing just fine," he said.

"Against that backdrop, I struggle to see why... Powell would hit the panic button at

Jackson Hole this week. The financial markets could be setting themselves up for an ugly correction into the week's end."

The White House's decision to delay again by 90 days a ban on US firms doing business with Huawei was taken as a conciliatory move towards China and provided hope.

'Deaf ears'

The announcement followed comments from Donald Trump and key advisers expressing optimism over the talks, with top-level negotiations between the economic titans lined up for next month.

The news was tempered, however, by the Commerce Department adding 46 companies to its list of Huawei subsidiaries and affiliates that would be covered by the ban if it is implemented in full, taking the total on the list to more than 100.

The "details don't necessarily suggest the US is making too many concessions on the China trade negotiations," said Rodrigo Catril, senior forex strategist at National Australia Bank.

In foreign exchange deals, the pound fell after the EU rejected British Prime Minister Boris Johnson's demand to scrap the Irish border backstop plan to achieve a Brexit deal.

"The latest effort from Boris to persuade the EU to move their lines on the Irish border has fallen on deaf ears and given the ardent belief each party has in its respective view it's becoming increasingly hard to envisage a way out of the current impasse," said David Cheetham at XTB.

Facebook launches tool to let users control data flow

Paris, France

Facebook, under pressure to ramp up privacy rules across its platform, said yesterday it was rolling out a tool allowing users to control data that it receives from other apps and websites about their online activity.

The new tool is to give clients access to their so-called "off-Facebook activity" -- fed back to Facebook with the aim of targeting advertisements -- and give them the option of deleting it.

"Off-Facebook Activity lets you see a summary of the apps and websites that send us information about your activity, and clear this information from your account if you want to," it said in a statement.

"This is another way to give people more transparency and control on Facebook," it said.

Currently, commercial websites visited by a customer who also has a Facebook account may send Facebook details of that visit, prompting the social network to show that person ads related to any product they may have searched for.

With the new Facebook tool, users will be able to see a summary of information that other apps and websites have sent Facebook through business tools such as Facebook Pixel or Facebook Login.