

Equity watch

Indicators	M. Cap (USD Bn)	Last Close	Chg (%)	MTD %	YTD %	2011 %	P/E TTM	Div. Yield
MENA Markets								
Saudi (TASI)	353	6,759	0.37	2.00	5.32	-3	13	3.4
Turkey ISE National 100	196	60,148	0.00	5.21	17.32	-22	10	2.5
Kuwait SE WT.INDEX	108	406	0.36	0.21	0.08	-16	14	4.7
Qatar(QE Index)	96	8,724	1.02	1.82	-0.63	1	10	4.4
Abu Dhabi (ADI)	73	2,478	0.04	0.97	3.14	-12	7	5.0
Morocco (CAI)	63	11,361	0.00	1.33	3.02	-13	12	3.5
Dubai (DFMGI)	49	1,467	2.15	2.17	8.38	-17	10	4.5
Egypt (Hermes)	55	460	0.00	-1.38	20.55	-42	9	4.7
Jordan (Amman)	23	4,410	-0.09	-0.09	-5.13	-13	13	3.5
Bahrain (BAX)	17	1,137	0.00	-0.28	-0.62	-20	8	5.1
Oman(Muscat SM)	14	5,564	0.00	0.05	-2.30	-16	12	4.9
Lebanon (BSE)	12	1,167	0.00	0.02	-0.83	-20	10	0.5
Emerging Markets								
MSCI EM Index	4,186	1,035	0.00	2.95	14.46	-21	12	2.8
MSCI BRIC Index	1,877	1,037	0.00	3.38	17.87	-26	10	2.8
Shanghai A Share Index	2,459	2,441	0.00	1.65	5.96	-22	12	2.2
SENSEX Index (India)	595	17,605	0.00	2.39	13.91	-25	15	1.5
S&P GCC Composite	239	95	0.52	1.72	3.37	-8	12*	3.5*
Developed Markets								
MSCI WORLD Index	32,312	825	0.00	2.81	8.98	-10	14	2.7
US (S&P 500)	12,613	1,345	0.00	2.48	6.94	0	15	2.5
UK (FTSE)	2,628	5,901	0.00	3.86	5.90	-6	11	3.9
Japan (Nikkei 225)	2,263	8,832	0.00	0.33	4.45	-17	16	2.2
France (CAC)	1,168	3,428	0.00	3.92	8.49	-17	10	4.6
Germany (DAX)	924	6,767	0.00	4.76	14.72	-15	11	3.5

* P/E & Div. Yield for GCC as per Zawya

Fixed Income Watch

	Last	Chg (%)	MTD %	YTD %	2011	2011%
Barclays US treas. 10 Yr	231	-0.85	-1.01	-0.11	231.43	15
JP Morgan Em Bond Idx	582	0.00	0.81	2.59	567.00	8
HSBC/Nasd. Dub GCC \$ T.Ret	134	0.00	0.43	0.94	133.00	8

Commodity/Currency/Volatility Watch

	Close	Chg (%)	MTD %	YTD %	2011	2011%
Precious Metals						
Gold \$/oz	1,725.80	0.05	-0.76	10.34	1564.11	10
Silver \$/oz	33.59	0.03	1.42	20.91	27.78	-10
IPE Brent \$/bbl	114.58	0.00	3.24	6.71	107.38	14
CRB Commodity Index	500.97	-0.31	0.39	3.93	482.01	-7
Volatility & Currency						
CBOE VIX index	17.1	0.00	-12.04	-26.92	23.4	32
USD (1 EUR =)	1.31	0.27	-0.23	-1.20	1.2955	-3
Yen (1 USD =)	76.61	-0.08	-0.50	0.40	76.92	-5
KWD (1 USD =)	0.2774	-0.06	0.01	0.30	0.27825	-1
KWD (1 EUR =)	0.3638	0.19	-0.25	-0.91	0.3605	-4

Blue chip watch

Companies	M. Cap (USD Bn)	Last	Pct Chg	% M T D	% Y T D	P / E (ttm)	Div yield	PAT (Mn) 3Q11	% Gr YoY
Saudi Arabia (SAR)									
SABIC	76	95.5	0.8	1.1	-1	-8	10	4.2	5,237* -9
Al-Rajhi Bank	30	74.5	0.7	3.1	7	-16	16	3.7	1,899* 14
Saudi Telecom	19	35.4	1.4	3.2	5	-21	9	6.4	2,278* -0
Saudi Electricity Co.	16	14.1	0.7	2.5	1	-1	26	5.0	-514* NM
Samba Fin. Group	12	48.1	0.2	6.4	3	-24	10	3.2	944* 5
Kuwait (KWD)									
ZAIN	14	0.9	3.5	4.8	-2	-41	12	23.5	70 -13
NBK	17	1.2	0.0	0.0	5	-14	15	3.4	77* -0
KFH	8	0.9	-1.2	-1.2	-6	-16	28	2.3	25 -5
Gulf Bank	4	0.5	0.0	-1.0	-5	-11	33	0.0	9 9
Comm. Bk. Kuwait	3	0.8	1.4	0.0	-5	-14	34	2.0	7 -65
Qatar (QAR)									
Industries Qatar	20	135.7	0.8	3.9	2	-4	10	4.1	2,074 46
QNB	26	135.5	1.9	1.8	-2	14	11	3.0	2,092* 35
Ezdan Real Est. Co.	14	19.1	0.1	-0.2	-14	-27	336	0.0	202 17
Q-TEL	7	149.5	1.0	2.4	6	-5	11	3.3	567 -13
Comr'cial Bk of Qatar	6	82.4	0.9	-0.5	-2	-9	11	8.5	379* 23

Note: 1 Weekend Details – Saudi Arabia – Thursday & Friday; Turkey, Morocco & Lebanon – Saturday & Sunday; MENA Ex-Saudi Arabia, Turkey, Morocco & Lebanon – Friday & Saturday; US, European & Emerging Markets – Saturday & Sunday. Markaz Research can now be accessed on Bloomberg. Type "MRKZ" <Go>.

This report has been prepared and issued by Kuwait Financial Centre S.A.K (Markaz), which is regulated by the Central Bank of Kuwait. The report is owned by Markaz and is privileged and proprietary and is subject to copyrights. Sale of any copies of this report is strictly prohibited. This report cannot be quoted without the prior written consent of Markaz. Any user after obtaining Markaz permission to use this report must clearly mention the source as "Markaz". This report is intended to be circulated for general information only and should not be construed as an offer to buy or sell or a solicitation of an offer to buy or sell any financial instruments or to participate in any particular trading strategy in any jurisdiction. The information and statistical data herein have been obtained from sources we believe to be reliable but in no way are warranted by us as to its accuracy or completeness. Markaz has no obligation to update, modify or amend this report. For further information, please contact 'Markaz' at P.O. Box 23444, Safat 13095, Kuwait. Tel: 00965 1804800 Fax: 00965 22450647. Email: research@markaz.com

5 – year CDS (USD) watch (bps)

Country	Current	2011	52-week	
			High	Low
Saudi Arabia	132.42	123.32	137.30	75.40
Abu-Dhabi	129.99	124.89	148.50	75.40
Dubai	423.04	445.00	509.90	319.53
Qatar	133.93	125.39	146.93	90.16
Oman	196.00	246.00	290.50	137.50
Bahrain	385.55	376.66	387.62	215.00

Source: Bloomberg, Reuters Eikon

Interest rate watch

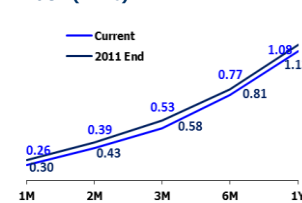
Inter-bank Deposit rate	3M Int rates %	US 3M Rate %	Diff	FY10 Diff
Kuwait	0.87	0.53	0.34	0.04
Saudi	0.60	0.53	0.07	-0.08
UAE	0.31	0.53	-0.22	0.03
Qatar	0.40	0.53	-0.13	0.05
Oman	0.31	0.53	-0.22	0.03
Bahrain	0.36	0.53	-0.17	-0.17

Last FOMC Meeting Date: Jan 24-25

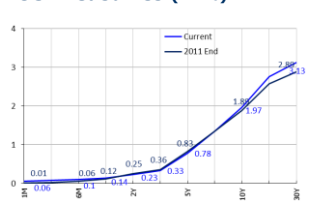
Next FOMC Meet Date: Mar 13

Yield curve watch

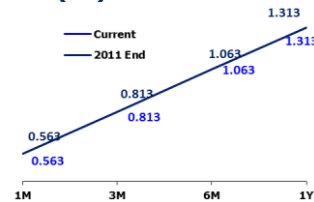
Libor (In %)



US Treasuries (In %)



KIBOR yield curve (%)



Corporate earnings watch

Company Name	Type	Country	Currency	Earnings		
				LFY	PFY	% Ch
CBK	12M	Kuwait	KWD(Mn)	1	49	-98
Deeyar DvIpt	12M	UAE	AED (Mn)	38	-2,870	N.M
Ras Al Kh Cem	12M	UAE	AED (Mn)	-20	-4	N.M

News & Views

- Saudi Aramco has cut its official selling price for March term supply of Arab Light crude oil to Asia setting it at a premium of \$1.55 to Oman-Dubai quotes, compared with a premium of \$2.05 in the previous month.
- Saudi Aramco will invest \$90bn in the next 5yrs to increase refining capacity by 50% to 6mn bpd. Most of the capacity addition will be at refineries in Asia, with the bulk of that in China, the CEO said.
- Growth in business activity in the UAE's non-oil private sector rose slightly in January after slipping to a four-month low in December. The HSBC UAE PMI increased to 52.4 points in January from 51.7 in December.
- Dubai FDI, the foreign investment office of the Department of Economic Development, said it brought AED 3.44bn in capital and 77 companies to Dubai in 2011 whose collective turnover was AED 16.57bn.
- Qatar expects between 1.7mn to 3.7mn tourists annually by 2022, up from 900,000 currently, head of the body delivering the 2022 World Cup said.
- Unemployment in Qatar is lower than in any other country in the Middle East at 0.6%, QNB Capital said, citing an International Labour Organisation report.
- Qatari developer, Msheireb Properties is considering seeking financing next year for part of the \$5.5bn Msheireb Downtown development.