



[Thursday, 31 December 2009]

Saudi market has best 2009 performance: experts
Most Gulf markets end year up after huge losses



- Global financial crisis
- Volatility

Most Gulf stock markets have ended 2009 higher following massive losses in the previous year

DUBAI (Reuters)

Most Gulf Arab markets ended the year higher on Thursday, with local and international factors weighing on investor sentiment and appetite.

Analysts say that Saudi Arabia and Qatar markets could be the key regional performers in 2010.

"This year's performance was affected by three main factors: volatility in the price of the U.S. currency against major currencies, the absence of local market makers who turned focus to their core business, and the Dubai debt crisis," said Marwan Shurrah, at Gulfmena Alternative Investments.

"There is no doubt all these issues are still weighing on the performance."



Global financial crisis

Dubai's index ended slightly lower on Thursday, but gained 10 percent on the year, after slumping 70 percent in 2008 as a consequence of the global financial crisis.

" The Tadawul (Saudi market) should do well in the coming weeks "

Daniel Broby, Silk Invest, London

"We anticipate that the Dubai market will remain under pressure," said a report from Beltone Financial, predicting the index will underperform its peers next year.

"Its economic model has lost one of its legs -- real estate -- despite reports of interest in specific projects, and we see little likelihood of a notable recovery in demand in the foreseeable future."

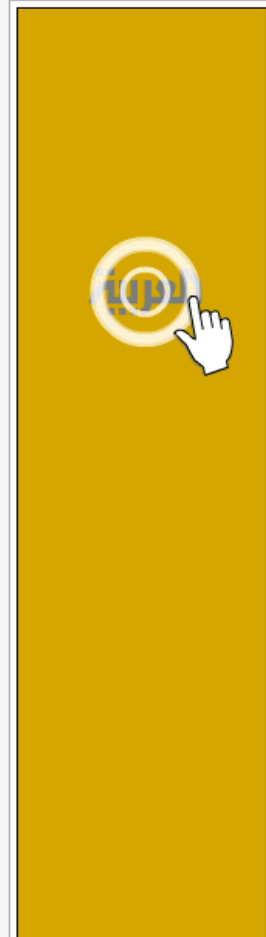
The debt troubles afflicting troubled state-owned holding company Dubai World and its property units will continue to weigh on investor sentiment.

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"Our only concern is more clarity with respect to the restructuring of debt - this will give the market good sentiment going forward," Shurrab said.

Bellwether Emaar Properties ended the year 71 percent higher, while plans for a possible merger of the developer -- which is to inaugurate Burj Dubai, the world's tallest tower on Jan. 4 -- with three other real estate firms, have been shelved.

The region's best performing bourse in 2009 was also its largest, Saudi Arabia's market whose ended 27.5 percent higher, after declining nearly 60 percent in 2008 at the height of the global crisis.

"The Tadawul (Saudi market) should do well in the coming weeks," said Daniel Broby, chief investment officer at London-based Silk Invest, an asset management company.

"Not only is crude oil 75 percent higher than it was a year ago but the kingdom continues to show that it is independent of Dubai's fixed income woes."



Volatility

Abu Dhabi's benchmark also ended the year higher, at 2,744 points, gaining 15 percent in the year, while smaller Muscat exchange ended 17 percent higher in 1010.

"Oman's performance was within our expectations, and will be much better next year," said Adel Nasr, at United Securities in Muscat.

" We expect banks not taking as many provisions as this year, but it also depends on the global situation. If oil prices stabilize at around \$80, then it will be an excellent year "

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"We expect banks not taking as many provisions as this year, but it also depends on the global situation. If oil prices stabilize at around \$80, then it will be an excellent year."

Two Gulf markets finished the year lower. Kuwait's index ended 10 percent lower, while Bahrain's index also declined.

Uncertainty about an acquisition of mobile telecommunications provider Zain and a lack of clarity regarding logistics firm Agility's U.S. fraud court case affected investor sentiment.

"There is not much at the moment to build a positive sentiment for next year," said one Kuwait-based trader who asked not to be identified.

"The expectations on earnings in the next quarter are negative. The fundamental issue in Kuwait is the business model of its market."

Despite ending just one percent higher on the previous year's performance, Qatar's bourse is expected to elicit strong interest next year.

But volatility remains rife on the Gulf markets, and performance is difficult to predict.

"The beginning of the year will be easier to predict than the second part of the year; at least in the first and second quarters, there are some good leads to forecast on numbers in Saudi and Qatar," the Kuwait-based trader said.



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Ardent Zionist [Friday, January 01, 2010]

Israeli scientists at Weizman Institute invent non-fossil fuel-operated engine that would eliminate world's dependence on oil. Middle East oligarchs will move their assets to Europe and US. Millions of suddenly unemployed Arabs will start trekking to Europe and Americas, seeking employment. The Arab situation is a catastrophe. Western nations will not help.

employment. The Arab cities begin a century of decay as western engineers, managers and other expatriates abandon their homes and return to their countries of origin. The tribal customs and traditions will become re-invigorated as tens of thousands of Arabs leave cities and rejoin their tribal villages and camps. Israel shall continue to prosper as a cultural, commercial and industrial oasis in the Middle East desert.

2 - {HOLY QURAN}

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"O YOU WHO BELIEVE! BE AFRAID OF ALLAH AND GIVE UP WHAT REMAINS (DUE TO YOU) FROM RIBA (USURY) (FROM NOW ONWARD),IF YOU ARE (REALLY) BELIEVERS * AND IF YOU DO NOT DO IT,THEN TAKE A NOTICE OF WAR FROM ALLAH AND HIS MESSENGER BUT IF YOU REPENT,YOU SHALL HAVE YOUR CAPITAL SUMS. DEAL NOT UNJUSTLY (BY ASKING MORE THAN YOUR CAPITAL SUM,AND YOU SHALL NOT BE DEALT WITH UNJUSTLY (BY RECEIVING LESS THAN YOUR CAPITAL SUM)" [AL-BAQARA 2:278-279]

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