

UAE's Tabarak given more time to close UAB stake buy

United Arab Emirates-based Tabarak Investment has been granted more time to secure the financing it needs to buy Qatar's Commercial Bank's 40 percent stake in Abu Dhabi-listed United Arab Bank, sources said on Monday.

An exclusivity agreement granted to the private equity firm to finalise the purchase expired on Monday, the sources told Reuters.

Based on UAB's current market capitalisation, the 40 percent stake held by

Commercial Bank - Qatar's third largest bank by assets - is worth around 1 billion dirham (\$270 million).

One source said the delay was due to a cross-border bank guarantee Tabarak needed from an international lender to secure some of the financing for the deal.

Qatar has been embroiled in a diplomatic and commercial row with UAE, Saudi Arabia, Bahrain and Egypt since June 2017.

Since it began talks in September with

Commercial Bank about the purchase, Tabarak has required several extensions of the exclusivity period.

A second source said no further formal extension had yet been agreed.

UAB did not respond to a request for comment.

Commercial Bank and Tabarak declined to comment.

Tabarak has a stake in Dubai's Drake & Scull International and investments in education, industry, logistics and healthcare. (RTRS)

Sharjah Islamic Bank hires HSBC, StanChart

Sharjah Islamic Bank has mandated HSBC and Standard Chartered to coordinate the potential sale of dollar-denominated sukuk, sources familiar with the matter said.

The Islamic bonds will be of benchmark size, which normally means upwards of \$500 million, and are expected to have a five-year tenor.

The notes will be issued over the next few weeks, and the sale could be announced as soon as this week, depending on market conditions.

The bank did not immediately respond to a request for comment.

HSBC and Standard Chartered are global coordinators for the planned deal, but other banks will join as arrangers, said one of the sources.

Sharjah Islamic Bank has \$500 million in outstanding sukuk, issued in 2013, that matures this month. It has sold two additional international sukuk of \$500 million each in 2015 and 2016, both with five-year maturities. (RTRS)

Market Movements

02-04-2018

| | | Change | Closing pts | | | Change | Closing pts |
|-------------|--------------------------|---------|-------------|-----------|------------------|--------|-------------|
| INDIA | - Sensex | +286.68 | 33,255.36 | AUSTRALIA | - All Ordinaries | -30.30 | 5,868.90 |
| PHILIPPINES | - All Shares | +28.99 | 4,869.55 | JAPAN | - Nikkei | -65.72 | 21,388.58 |
| HONG KONG | - Hang Seng | +70.85 | 30,093.38 | S. KOREA | - KRX 100 | -4.64 | 5,064.49 |
| GERMANY | - DAX (Mar 30) | +156.02 | 12,096.73 | | | | |
| FRANCE | - CAC 40 (Mar 30) | +36.86 | 5,167.30 | | | | |
| EUROPE | - Euro Stoxx 50 (Mar 30) | +30.25 | 3,361.50 | | | | |

Business

Upgrading infrastructure of bourse priority for solid market: Al-Khaled

'New system seeks to boost transparency and disclosure'

By Mohammad Kamal

KUWAIT CITY, April 2, (KUNA): Modernizing the infrastructure of Boursa Kuwait (the Kuwaiti stock exchange) in line with the international criteria is a priority for building a strong, transparent, and fair capital market serving all investment assets related to securities.

Boursa Kuwait Company CEO Khaled Al-Khaled made the statement in an interview with KUNA Monday, a day after the stock exchange applied the second phase of revamping the bourse with a new system dividing the market into three sub-ones, Premier, Main, and Auctions.

The company is working on a host of world-class products and services; short selling, marginal lending, market maker, trading in investment funds and derivatives, Al-Khaled added.

To avoid risks, these products will be launched to increase liquidity on the market once the necessary infrastructure is in place. Al-Khaled noted that the bourse is hard at work to lure international, family and gov-



Khaled Al-Khaled, Boursa Kuwait CEO

ernment companies to the market, as well as public-private partnerships firms.

He said that the launch of the second phase of developing the bourse on Sunday offered more flexible listing rules.

According to the CEO, each sub-market has a particular listing requirements, except for auctions.

They focus on the free-floating value and not a ratio from the capital, besides removing the profitability requirement, a matter that will help diversify the listed companies in terms of operation, in away that mirrors the local economy, Al-Khaled said.

The new listing rules have seen

OPEC deal to cut output cited

Kuwaiti official predicts oil prices near \$70 per barrel

KUWAIT CITY, April 2, (KUNA): The acting undersecretary of Kuwait's Ministry of Oil Sheikh Talal Al-Sabah has foreboded that the price of a barrel of oil in the global market could hit \$70, citing a "historic" OPEC deal to limit output.

Speaking to the press as the ministry unveiled its new website on Monday, the Kuwaiti official expected the price of oil to remain within the range of \$50 to 60 per barrel (pb), allaying concerns over a further dip in prices.

He described OPEC's deal to slash oil production as a significant achievement, saying that the current oil price of \$62 to 63 pb was acceptable.

Sheikh Talal pointed out that the prices of oil are stabilizing thanks

in part to an agreement between OPEC and non-OPEC producers to extend output cuts beyond the year 2018, as they seek to clear a global glut of crude.

Meanwhile, he revealed that Kuwait is on the verge of sealing a deal to import gas from neighboring Iraq, saying the plan "has reached its final stages."

The Kuwaiti official noted that the website promises visitors a better user experience with many new features, including a new design, which makes it easier to navigate.

The website also provides a wealth of information on the oil industry, he added, which makes it a comprehensive source for all the statistics and facts that readers yearn for.

the shareholder condition changed from 200 to 450, with a minimum KD 10,000 (\$33,000) for each stockholder, which will raise liquidity.

In the meantime, Al-Khaled noted that the changes in the market after the second phase seek to boost trans-

parency and disclosure, to enhance investors' confidence in the market.

On the abolition of the "Price Index" of the old system, Al-Khaled said it was not "suitable for the market, as it did not represent the value of the local economy.

Deal to process natural gas

Baker Hughes, GE sign contract with Iraq govt

BAGHDAD, April 2, (RTRS): Baker Hughes and General Electric signed a contract with Iraq's government on Monday to process natural gas extracted alongside crude oil at two fields in southern Iraq, the oil ministry said.

The plan was first announced by GE last July and is part of Iraq's efforts to stop flaring gas associated with oil by 2021. Iraq continues to flare some of this gas because it lacks the facilities to process it into fuel for local consumption or exports.

Gas flaring costs nearly \$2.5 billion in lost revenue for the government and would be sufficient to meet most of needs for gas-based power generation, according to the World Bank.

The contract with Baker Hughes and GE provides for processing the gas at the Nassiriya, Al Gharraf oilfields.

It is the second contract signed by Iraq to process gas associated with oil, after one with US energy firm Orion in January.

Iraq's production of associated gas is expected to grow as the country increases its oil output capacity.

The Iraqi cabinet on Sunday approved a plan to raise the nation's crude oil output capacity to 6.5 million barrels per day by 2022, from about 5 million bpd now.

The country is currently produc-

ing about 4.4 million bpd, below its capacity, in line with an agreement between the 14-member Organization of Petroleum Exporting Countries and other exporters including Russia to cut supply to boost oil prices.

OPEC's second-largest producer, after Saudi Arabia, Iraq plans to award oil and gas exploration and development contracts in 11 new blocks on April 15.

The Iraqi government depends on oil and gas sales for about 95 percent of its income.

Meanwhile, the Iraqi cabinet on Sunday approved a plan to raise the nation's crude oil output capacity to 6.5 million barrels per day by 2022, according to a government statement.

Iraqi Oil Minister Jabar al-Luaibi said in January capacity was currently close to 5 million bpd.

The country is producing more than 4.4 million bpd in line with an agreement between the 14-member Organization of Petroleum Exporting Countries and other exporters including Russia to cut supply to boost oil prices.

OPEC's second-largest producer, after Saudi Arabia, Iraq plans to award oil and gas exploration and development contracts in 11 new blocks on April 15.

The Iraqi government depends on the sector for more than 90 percent of its income.