



IDENTIFYING EXCELLENCE



MIDDLE EAST

INVESTOR RELATIONS STUDY



middle east  
investor relations  
society

SEPTEMBER 2016





## CONTENTS

EXECUTIVE SUMMARY	3
METHODOLOGY AND PROCESS	5
KEY RESULTS	7
WECONVENE EXTEL	11
CONTACTS	12

# EXECUTIVE SUMMARY

This report provides overviews and results from the eighth annual Middle East Investor Relations Survey, undertaken by WeConvene Extel, in partnership with the Middle East Investor Relations Society (ME-IRS).

Investor relations continues to grow – in importance, in its centrality to the investment community, and in the professionalism with which it is undertaken. This is a global fact, and in our view irreversible trend. The high water mark in participation from the buy-side and sell-side, to evaluate IR excellence in the Middle East is a real signal of this. In 2016, we have received 366 qualifying responses from 161 buy-side and sell-side organizations, naturally including those based in the Middle East itself, but with a strong level of interest and votes internationally – with the United States, the UK and continental Europe leading the way.

There are three key drivers that underpin the ever greater focus on investor relations. In no especial order, these drivers are –

**Buy-side Selectivity** For active equity fund managers, the pressure to perform is intense. In part, they need to justify the costs associated with active strategies, as opposed to passive and ETF-based investing. But it is more than that. Faced with the ‘new normal’ of uncertain markets, the perpetual surfacing of macro issues that can derail stock stories, and a framework of enhanced global and multi-asset funds, the buy-side needs to dig deeper, search further, and analyse more

rigorously, to unearth investment potential. That is leading them to do more in-house, but to choose external advice and support more carefully. A key part in this is the appetite to hear more from corporates directly, and about wider sector and industry issues, to help context your stock story.

**Sell-side Decline** Worldwide, the returns from research and advice in the secondary cash equities market, largely via commissions, are not what they were. As well, existing and future regulations are restricting the role of sell-side analysis, dampening its profile and importance. As a result, although at the sharp end of excellence, we see sell-side research as superior to any time in history, there is less of it. Brokerage firms and banks are reducing coverage, cutting back on teams, and serving fewer buy-side clients. The insights and information deficit this creates has to be filled by IR teams.

**Executive Management Interaction** Both sell-side and particularly the buy-side, are looking for evermore direct contact and meetings with CEO & CFO (of course); but also with other executive and divisional directors. A study of the Extel rankings and ratings makes it clear that corporates who are the most responsive and proactive to delivering intelligent access, are those best regarded in the market.

All rankings for the Middle East IR come from the overall Extel Pan-European 2016 survey, which collected sentiment and views from some 19,000 investment professionals across 80 countries worldwide. Whilst the main aggregate and headline results for Extel 2016 were announced on June 8<sup>th</sup>, the specially prepared Middle East IR results were announced at the ME-IRS IR awards in Dubai.

Extel has been conducting professional studies within the institutional investment community for over 40 years, and has run specific surveys measuring investor relations capabilities - on both firms and individuals – since 2001. We now run such studies across Europe (incl. Middle East) and Asia, and additionally for individual markets such as UK and Russia.

This unique global spread gives us extensive information on what companies are doing in investor relations around the world; and just as important, what asset managers and brokerage analysts are looking for in their interaction with companies.

In undertaking Extel Europe, we adopted the same fundamental approach for treating the votes received, and methodology applied, as for all our professional surveys. In terms of investor relations performance, votes were requested separately for firms and company representatives, with participation primarily online at **[www.extelsurveys.com](http://www.extelsurveys.com)**.

Votes were only verified and accepted from legitimate investment professionals investing in or covering pan-European equity market. Looking specifically at the

voting for Middle East IR, a total of 366 qualifying responses from 161 organizations were included in the results. The 'Methodology and Process' section of this report provides more detailed information.

We would like to formally thank all participants for their contributions to the Survey, and of course ME-IRS for their advice, guidance and input throughout the Survey. We look forward to working with ME-IRS and the investment community to continue to measure the impact and development of investor relations in the region.

# METHODOLOGY AND PROCESS

Extel carried out a comprehensive survey of IR excellence in the Middle East & North Africa, gathering views from fund managers, buy-side analysts and sell-side analysts worldwide, who invest in or cover the MENA equity market.

In total 366 qualifying responses from 161 separate organizations (buy-side and sell-side) were received. Responses were only accepted from legitimate individuals at brokerage firms/asset managers. The composition and breakout of responses is as follows:

	%
Buy-side	56.16
Sell-side	43.84

Geographic Breakout	%
UK	23.61
UAE	19.44
USA	16.67
Egypt	8.33
Qatar & Bahrain	8.33
Continental Europe	8.33
Saudi Arabia & Kuwait	5.56
Rest of MENA	5.56
Rest of the World	4.17

Extel undertook this study between March 21 and April 29, 2016, with some additional contributions sought and received in July and August 2016. The great extent of the qualifying data came entirely as part of the overall Extel Pan-European survey, ensuring the maximum participation and interest internationally. From the overall sector contributions, we derived distinct rankings for the Middle East overall and for number of countries and sub regions. The study was undertaken almost exclusively through direct online votes received at [www.extelsurveys.com](http://www.extelsurveys.com), with approximately only 5% of legitimate votes being received by soft copy forms sent to Extel directly, outside the web-based voting pages.

When voting, participants were asked to rank up to ten companies for overall quality and direction of their IR, and separately rank up to six individuals best for investor relations including CEO, CFO and IR professionals. No votes for the same firm or individual were allowed to be cast more than once, either in the single ballot or multiple versions.

All responses were then treated as follows in order to calculate results for each country/market:

- Votes from multiple individuals at the same company were consolidated to form a single submission
- All votes once consolidated were weighted
  - Brokerage votes weighted on the brokerage firms' position in the 2015 Extel survey (Middle East and North Africa category)
  - Buy-side votes weighted on assets under management (overall equity assets)

The weighting tables are as follows:

European Equity AUM	Weighting
US\$ 0-1 Billion	1
US\$ 1-3 Billion	2
US\$ 3-5 Billion	3
US\$ 5-10 Billion	5
US\$ 10-20 Billion	7
US\$ 20-40 Billion	10
US\$ 40-60 Billion	14
US\$ 60-80 Billion	18
US\$ 80-100 Billion	24
US\$ 100 Billion+	30

Firm Rankings - MENA	Weighting
1st to 3rd	20
4th to 6th	12
7th to 10th	6
11th to 15th	2
16th Plus	1

Clearly, one major impact of this weighting, given the results are based on the combined views of both buy-side and sell-side, is to accord a greater importance to the votes received from fund managers. This is the approach we adopt in all our studies and assessments, reflecting as it does the market reality that corporates care more about buy-side opinion.

# KEY RESULTS

## OVERALL GRAND PRIX

Pos.	Leading Corporates for Investor Relations	% of Weighted Vote
1	DP World	8.44%
2	Ooredoo (Qatar)	4.86%
3	First Gulf Bank PJSC (FGB)	4.49%
4	Emirates Telecommunications Corp (Etisalat)	4.38%
5	Oman Telecommunications Co (Omantel)	3.65%

Pos.	Best Investor Relations by CEO	% of Weighted Vote
1	Sultan Ahmed Bin Sulayem, DP World	11.92%
2	Hussein Abaza, Commercial International Bank (CIB) - Egypt	5.74%
3	Nabil Mohsen, Eastern Co SAE	5.71%
4	Hassan Kabbani, Mobile Telecommunications Company Saudi Arabia (Zain KSA)	4.92%
5	Nasser Marafih, Ooredoo (Qatar)	4.72%
5	Scott Gegenheimer, Zain	4.72%

Pos.	Best Investor Relations by CFO	% of Weighted Vote
1	Yuvraj Narayan, DP World	8.97%
2	Serkan Okandan, Emirates Telecommunications Corp (Etisalat)	7.93%
3	Karim Karoui, First Gulf Bank PJSC (FGB)	6.07%
4	Ajay Bahri, Ooredoo (Qatar)	5.37%
5	Wissam Farhat, Mobile Telecommunications Company Saudi Arabia (Zain KSA)	3.84%

## MOST IMPROVED IR

Pos.	Bluechip Company
1	Emaar Properties PJSC
2	Almarai Co
3	Saudi Arabian Mining Company (Ma'aden)
4	Emirates Telecommunications Corp (Etisalat)
5	Saudi Telecom

Pos.	Large Cap Company
1	Saudi International Petrochemical Co (Sipchem)
2	Air Arabia
3	Savola Group
4	Agthia Group PJSC
5	Mobile Telecommunications Company Saudi Arabia (Zain KSA)

## BAHRAIN

Pos.	Leading Corporates for Investor Relations	% of Weighted Vote
1	Aluminium Bahrain (Alba)	92.40%
2	Ahli United Bank	6.52%
3	Bahrain Telecommunications Co (BATELCO)	1.08%

Pos.	Best Investor Relations Professionals	% of Weighted Vote
1	Eline Hilal, Aluminium Bahrain (Alba)	100.00%

## EGYPT

Pos.	Leading Corporates for Investor Relations	% of Weighted Vote
1	Commercial International Bank (CIB) - Egypt	25.37%
2	Telecom Egypt	20.37%
3	Eastern Co SAE	12.69%
4	GB Auto	10.15%
5	El Sewedy Electric Company	7.05%

Pos.	Best Investor Relations Professionals	% of Weighted Vote
1	Sherif Khalil, Commercial International Bank (CIB) - Egypt	15.84%
2	Nelly El Zeneiny, Commercial International Bank (CIB) - Egypt	15.01%
3	Abdul Rahman Abdul Rahman, Eastern Co SAE	11.15%
4	Yasmine Hemeda, Commercial International Bank (CIB) - Egypt	11.04%
5	Mohamed Kamal, Telecom Egypt	9.05%

## KUWAIT

Pos.	Leading Corporates for Investor Relations	% of Weighted Vote
1	Kuwait Telecommunications Co. (VIVA)	23.07%
2	Zain	17.85%
3	National Bank of Kuwait (NBK)	14.61%
4	Burgan Bank	11.52%
5	Mezzan Holding	8.12%

Pos.	Best Investor Relations Professionals	% of Weighted Vote
1	Wassim El Hayek, Kuwait Telecommunications Co. (VIVA)	17.55%
2	Abdulaziz Jawad, Zain	13.82%
3	Aram Dehyan, Zain	13.59%
3	Bashir Jaber, Burgan Bank	13.59%
5	Amir Hanna, National Bank of Kuwait (NBK)	11.33%



## OMAN

Pos.	Leading Corporates for Investor Relations	% of Weighted Vote
1	Oman Telecommunications Co (Omantel)	58.85%
2	Omani Qatari Telecommunications (Ooredoo)	32.10%
3	Bank Muscat	2.68%

Pos.	Best Investor Relations Professionals	% of Weighted Vote
1	Menon Gopinath, Oman Telecommunications Co (Omantel)	42.34%
2	Srikanth Acharya, Oman Telecommunications Co (Omantel)	22.74%
3	Ahmed Mohamad Al Khuzairi, Omani Qatari Telecommunications (Ooredoo)	19.57%

## QATAR

Pos.	Leading Corporates for Investor Relations	% of Weighted Vote
1	Ooredoo (Qatar)	54.16%
2	Qatar National Bank (QNB)	15.15%
3	Vodafone Qatar	10.92%
4	Commercial Bank of Qatar	5.55%
5	Qatar Electricity & Water Co	5.28%

Pos.	Best Investor Relations Professionals	% of Weighted Vote
1	Andreas Goldau, Ooredoo (Qatar)	50.32%
2	Sara Al Sayed, Ooredoo (Qatar)	32.75%
3	Riaz Khan, Qatar National Bank (QNB)	7.06%

## SAUDI ARABIA

Pos.	Leading Corporates for Investor Relations	% of Weighted Vote
1	Almarai Co	11.83%
2	Mobile Telecommunications Company Saudi Arabia (Zain KSA)	11.70%
3	Jarir Marketing Co	7.88%
4	Bupa Arabia	7.71%
5	Saudi Telecom	6.03%

Pos.	Best Investor Relations Professionals	% of Weighted Vote
1	Rayan Al-Karawi, Mobile Telecommunications Company Saudi Arabia (Zain KSA)	36.82%
2	Waleed Al-Hakeem, Saudi Arabian Mining Company (Ma'aden)	14.46%
3	Vishal Srivastava, The Company for Cooperative Insurance (Tawuniya)	12.05%
4	Tareq Alangari, Etihad Etisalat (Mobily)	7.53%
5	Khalid Al-Nasser, Almarai Co	4.90%

## THE LEVANT

Pos.	Leading Corporates for Investor Relations	% of Weighted Vote
1	BLOM Bank	43.82%
2	Bank Audi	25.28%
3	Solidere	16.85%

Pos.	Best Investor Relations Professionals	% of Weighted Vote
1	Alexandre Mouradian, BLOM Bank	43.37%
2	Sana Sabra, Bank Audi	26.51%
3	Fadi Osseiran, BLOM Bank	14.46%
3	Samer Soukkarieh, Solidere	14.46%

## UNITED ARAB EMIRATES

Pos.	Leading Corporates for Investor Relations	% of Weighted Vote
1	DP World	24.25%
2	First Gulf Bank PJSC (FGB)	12.89%
3	Emirates Telecommunications Corp (Etisalat)	12.57%
4	DAMAC Properties	6.90%
5	Emaar Properties PJSC	5.58%

Pos.	Best Investor Relations Professionals	% of Weighted Vote
1	Redwan Ahmed, DP World	19.26%
2	Sofia ElBoury, First Gulf Bank PJSC (FGB)	10.08%
3	Analyn Apin, DP World	9.61%
4	Amin Fikree, DP World	8.24%
5	Nazih Hassanieh, Emirates Telecommunications Corp (Etisalat)	6.44%

# WECONVENE EXTEL

## Extel WeConvene

In July 2014, Extel became part of WeConvene. The combined new business offers a global corporate access platform, Extel market surveys, bespoke studies and an integrated broker voting service. WeConvene is a global corporate access platform for the sell and buy side community. It offers clients a complete web-based solution that makes organising, managing, tracking and valuing corporate access more efficient and effective. The platform supports analyst marketing, roadshows, corporate days, conferences, fieldtrips and other investor interactions.

[www.weconvene.com](http://www.weconvene.com)

Extel conducts market studies across all three sides of the investment community throughout Europe, delivering a comprehensive range of rankings, market trends and sentiment insights. With over forty years pedigree, Extel Europe has 19,000 participants from 80 countries casting more than 1,000,000 individual votes. All rankings in Extel are based purely on weighted votes from the investment community. The scope, branding and professional integrity of Extel is widely recognized by brokerage firms, asset managers and corporates alike.

[www.extelsurveys.com](http://www.extelsurveys.com)

# CONTACTS

WeConvene Extel Limited

WeWork

1 Fore Street

London EC2Y 9DT

E: [extel@weconvene.com](mailto:extel@weconvene.com)

T: +44 20 3567 0980

[www.extelsurveys.com](http://www.extelsurveys.com)

[www.weconvene.com](http://www.weconvene.com)