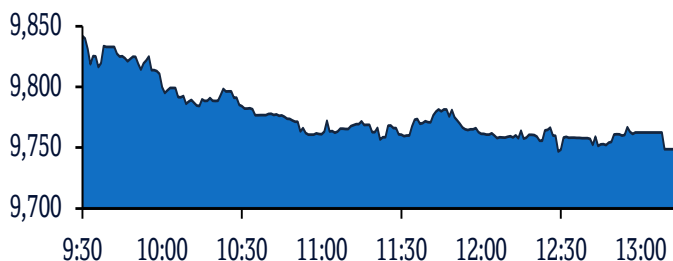


QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 1.0% to close at 9,748.7. Losses were led by the Industrials and Transportation indices, falling 2.3% and 1.7%, respectively. Top losers were Salam International Investment Limited and Medicare Group, falling 10.0% and 6.6%, respectively. Among the top gainers, Qatar Industrial Manufacturing Company gained 2.2%, while Qatari German Company for Medical Devices was up 1.4%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.5% to close at 7,837.0. Losses were led by the Utilities and Capital Goods indices, falling 2.2% and 1.2%, respectively. Saudi British Bank declined 4.7%, while Zamil Industrial Investment was down 4.4%.

Dubai: The DFM Index gained marginally to close at 2,734.7. The Services index rose 0.7%, while the Telecommunication index gained 0.6%. Union Properties rose 4.2%, while Aan Digital Services Holding Co. was up 4.0%.

Abu Dhabi: The ADX General Index gained 0.5% to close at 5,062.8. The Investment & Financial Services index rose 2.9%, while the Real Estate index gained 0.7%. Abu Dhabi Nat. Co. for Build. rose 12.1%, while Methaq Takaful Insurance was up 4.7%.

Kuwait: The Kuwait All Share Index fell 0.6% to close at 6,173.5. The Technology index declined 10.0%, while the Health Care index fell 1.8%. Metal & Recycling Co. and Automated Systems Co. were down 10.0% each.

Oman: The MSM 30 Index gained 0.8% to close at 4,159.9. Gains were led by the Industrial and Financial indices, rising 1.2% and 0.8%, respectively. Al Madina Investment Company rose 17.4%, while Al Jazeera Steel Products Co. was up 5.7%.

Bahrain: The BHB Index fell marginally to close at 1,661.9. The Hotels & Tourism index declined 4.7%, while the Industrial index fell 0.7%. National Hotels Company declined 24.9%, while Arab Insurance Group was down 5.8%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar Industrial Manufacturing Co	3.19	2.2	26.2	(10.6)
Qatari German Co for Med. Devices	0.63	1.4	3,201.2	8.4
Qatar Islamic Bank	16.07	0.4	343.2	4.8
Baladna	1.00	0.1	2,227.2	0.0
Qatar Fuel Company	20.02	0.0	281.3	(12.6)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
United Development Company	1.21	(1.9)	7,223.4	(20.6)
Masraf Al Rayan	4.03	(0.2)	5,538.4	1.8
Ezdan Holding Group	0.59	(1.5)	5,166.7	(4.6)
Doha Bank	2.54	0.0	4,611.8	0.4
Qatari German Co for Med. Devices	0.63	1.4	3,201.2	8.4

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	9,748.74	(1.0)	(1.0)	(6.6)	(6.5)	40.76	147,692.6	14.4	1.4	4.4
Dubai	2,734.74	0.0	0.0	(2.0)	(1.1)	19.37	102,871.4	9.9	1.0	4.3
Abu Dhabi	5,062.82	0.5	0.5	(1.8)	(0.3)	15.66	143,681.8	14.9	1.4	4.9
Saudi Arabia	7,836.96	(0.5)	(0.5)	(5.0)	(6.6)	696.98	2,232,267.5	21.5	1.7	3.4
Kuwait	6,173.51	(0.6)	(0.6)	(2.4)	(1.7)	91.55	115,331.2	15.2	1.4	3.5
Oman	4,159.93	0.8	0.8	2.0	4.5	7.36	17,662.2	8.3	0.8	7.2
Bahrain	1,661.87	(0.0)	(0.0)	0.3	3.2	3.68	26,049.3	12.5	1.0	4.7

Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (** TTM; * Value traded (\$ mn) do not include special trades, if any)

Market Indicators	16 Feb 20	13 Feb 20	%Chg.
Value Traded (QR mn)	148.6	233.3	(36.3)
Exch. Market Cap. (QR mn)	541,196.8	547,469.4	(1.1)
Volume (mn)	57.3	78.3	(26.8)
Number of Transactions	3,830	5,958	(35.7)
Companies Traded	44	46	(4.3)
Market Breadth	5:34	11:33	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	18,025.19	(1.0)	(1.0)	(6.0)	14.4
All Share Index	2,922.55	(1.0)	(1.0)	(5.7)	15.0
Banks	4,149.92	(0.7)	(0.7)	(1.7)	14.4
Industrials	2,549.15	(2.3)	(2.3)	(13.1)	20.1
Transportation	2,263.80	(1.7)	(1.7)	(11.4)	11.8
Real Estate	1,397.26	(0.8)	(0.8)	(10.7)	10.5
Insurance	2,627.87	(0.3)	(0.3)	(3.9)	15.6
Telecoms	838.73	(0.3)	(0.3)	(6.3)	14.5
Consumer	7,726.16	(0.9)	(0.9)	(10.6)	17.1
Al Rayan Islamic Index	3,607.42	(1.3)	(1.3)	(8.7)	15.5

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Dar Al Arkan Real Estate	Saudi Arabia	9.69	4.1	22,959.7	(11.9)
Bank Dhofar	Oman	0.12	2.6	1,989.9	(4.1)
Saudi Telecom Co.	Saudi Arabia	87.00	1.6	650.3	(14.5)
National Bank of Bahrain	Bahrain	0.76	1.3	41.6	7.5
Oman Telecom Co.	Oman	0.65	1.2	213.6	8.7

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Saudi British Bank	Saudi Arabia	28.20	(4.7)	1,120.3	(18.7)
Mesaieed Petro. Holding	Qatar	1.86	(4.0)	1,508.5	(25.8)
Co. for Cooperative Ins.	Saudi Arabia	74.80	(3.5)	357.3	(2.5)
Rabigh Refining & Petro.	Saudi Arabia	15.54	(3.2)	4,076.8	(28.3)
Saudi Kayan Petrochem.	Saudi Arabia	8.85	(3.0)	5,606.2	(20.3)

Source: Bloomberg (# in Local Currency) (** GCC Top gainers/losers derived from the S&P GCC Composite Large Mid Cap Index)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Salam International Inv. Ltd.	0.45	(10.0)	398.0	(13.0)
Medicare Group	6.72	(6.6)	278.9	(20.5)
Qatar Aluminium Manufact. Co.	0.68	(4.6)	2,888.5	(12.9)
Mesaieed Petrochemical Holding	1.86	(4.0)	1,508.5	(25.8)
Islamic Holding Group	1.76	(3.7)	159.7	(7.2)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Masraf Al Rayan	4.03	(0.2)	22,243.0	1.8
Ooredoo	6.50	(0.5)	13,750.4	(8.2)
Doha Bank	2.54	0.0	11,751.3	0.4
Industries Qatar	9.05	(2.7)	9,495.3	(12.0)
United Development Company	1.21	(1.9)	8,757.3	(20.6)

Source: Bloomberg (* in QR)

Qatar Market Commentary

- The QE Index declined 1.0% to close at 9,748.7. The Industrials and Transportation indices led the losses. The index fell on the back of selling pressure from GCC shareholders despite buying support from Qatari and non-Qatari shareholders.
- Salam International Investment Limited and Medicare Group were the top losers, falling 10.0% and 6.6%, respectively. Among the top gainers, Qatar Industrial Manufacturing Company gained 2.2%, while Qatari German Company for Medical Devices was up 1.4%.
- Volume of shares traded on Sunday fell by 26.8% to 57.3mn from 78.3mn on Thursday. Further, as compared to the 30-day moving average of 80.6mn, volume for the day was 28.9% lower. United Development Company and Masraf Al Rayan were the most active stocks, contributing 12.6% and 9.7% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	25.99%	43.35%	(25,797,920.67)
Qatari Institutions	52.21%	28.13%	35,779,092.00
Qatari	78.20%	71.48%	9,981,171.33
GCC Individuals	0.73%	0.71%	42,595.66
GCC Institutions	2.22%	12.16%	(14,775,971.37)
GCC	2.95%	12.87%	(14,733,375.72)
Non-Qatari Individuals	10.07%	9.91%	250,834.10
Non-Qatari Institutions	8.78%	5.75%	4,501,370.29
Non-Qatari	18.85%	15.66%	4,752,204.39

Source: Qatar Stock Exchange (* as a % of traded value)

Earnings Releases and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 4Q2019	% Change YoY	Operating Profit (mn) 4Q2019	% Change YoY	Net Profit (mn) 4Q2019	% Change YoY
SHUAA Capital*	Dubai	AED	266.4	118.2%	42.2	40.3%	45.1	-15.3%
BH Mubasher*	Dubai	AED	24.4	19.3%	0.3	N/A	0.3	N/A
Alliance Insurance*	Dubai	AED	284.5	-2.3%	45.9	-7.9%	49.1	-4.1%
National General Insurance Company*	Dubai	AED	535.9	-2.8%	-	-	17.5	-44.3%
Arabtec Holding*	Dubai	AED	7,785.0	-21.0%	-	-	(774.0)	N/A
Wahat Al Zaweya Holding*	Abu Dhabi	AED	468.4	-59.3%	212.8	-49.8%	(43.1)	N/A
Umm Al Qaiwain General Inv. Co.*	Abu Dhabi	AED	27.0	41.4%	-	-	22.6	43.4%
National Corp. for Tourism & Hotels*	Abu Dhabi	AED	767.5	8.2%	-	-	110.6	10.1%
International Financial Advisors#**	Kuwait	AED	(60.6)	N/A	(3,569.8)	N/A	(3,594.3)	N/A
Ithmaar Holding*	Bahrain	USD	525.5	19.8%	296.2	14.0%	0.7	N/A
Arab Insurance Group*	Bahrain	USD	194.6	-25.9%	-	-	17.5	N/A
National Hotels Company*	Bahrain	BHD	7.1	8.6%	-	-	1.6	40.3%
Aluminium Bahrain*	Bahrain	BHD	1,029.4	13.0%	-	-	5.4	-91.0%
Banader Hotels Company*	Bahrain	BHD	3.2	6.1%	1.8	13.7%	(3.4)	N/A
GFH Financial Group*	Bahrain	USD	335.7	17.3%	-	-	80.1	-29.8%
Bahrain Family Leisure*	Bahrain	BHD	1.5	2.8%	-	-	(1.6)	N/A

Source: Company data, DFM, ADX, MSM, TASI, BHB. (# - Values in Thousands, *Financial for FY2019)

Earnings Calendar

Tickers	Company Name	Date of reporting 4Q2019 results	No. of days remaining	Status
DHBK	Doha Bank	17-Feb-20	0	Due
QGTS	Qatar Gas Transport Company Limited (Nakilat)	17-Feb-20	0	Due
AHCS	Aamal Company	18-Feb-20	1	Due
MERS	Al Meera Consumer Goods Company	19-Feb-20	2	Due
GISS	Gulf International Services	19-Feb-20	2	Due
MPHC	Mesaieed Petrochemical Holding Company	20-Feb-20	3	Due
QNNS	Qatar Navigation (Milaha)	25-Feb-20	8	Due
QGRI	Qatar General Insurance & Reinsurance Company	26-Feb-20	9	Due
QISI	Qatar Islamic Insurance Group	26-Feb-20	9	Due
MCCS	Mannai Corporation	27-Feb-20	10	Due
WDAM	Widam Food Company	1-Mar-20	13	Due
AKHI	Al Khaleej Takaful Insurance Company	3-Mar-20	15	Due
QOIS	Qatar Oman Investment Company	8-Mar-20	20	Due

Source: QSE

News

Qatar

- **QEWS' bottom-line rises 22.0% YoY and 40.2% QoQ in 4Q2019, but comes 12.8% below our estimate excluding one-offs** – Qatar Electricity & Water Company's (QEWS) net profit rose 22.0% YoY (+40.2% QoQ) to QR463.7mn in 4Q2019. However, 4Q2019 reported earnings of QR463.7mn included QR192mn in reversal of provisions at Umm Al Houl. This reversal pertains to a settlement regarding the k-factor issue at the JV; once we exclude this one-off, 4Q2019 net income would have come in at QR271.7mn vs. our estimate of QR311.6mn. The company's revenue came in at QR603.6mn in 4Q2019, which represents an increase of 3.0% YoY. However, on QoQ basis, revenue fell 5.9%. In FY2019, QEWS reported a net profit of QR1,413.9mn compared to net profit amounting to QR1,536.6mn for the previous year. EPS amounted to QR1.29 in FY2019 as compared to QR1.40 in FY2018. Proposed cash dividend of QR0.775 was in-line with our estimate and flat with DPS declared in 207 and 2018. We do not envision significant changes to our future forecasts and will update our estimates in a forthcoming report. We continue to like the company as a long-term play with a relatively defensive business model. QEWS still enjoys decent EBITDA margins and dividend/FCF yields. LT catalysts (which are not in our model) abound, including additional domestic expansions (like Facility E starting by 2022-2023; Siraj solar project starting in 2021, etc.). Beyond Paiton (Indonesia), we do not have color on other major Nebras projects, which could lead to growth relative to our model. We maintain our Market Perform rating on the shares with a price target of QR17.00. (QNBFS Research, Company financials)
- **AKHI board to hold its meeting on March 3 to discuss the financial statements** – Al Khaleej Takaful Insurance Company (AKHI) announced that its board of directors will hold its meeting on March 3, 2020 to discuss financial statements for the period ended December 31, 2019. (QSE)
- **QGRI to hold its conference call on March 4** – Qatar General Insurance & Reinsurance Company (QGRI) will hold the Investors Relation conference call on March 4, 2020, to discuss the company's financial and operational performance. (QSE)
- **DOHI to hold its AGM on March 24** – Doha Insurance Group (DOHI) has invited its shareholders to the company's Ordinary General Assembly Meeting (AGM) to be held on March 24, 2020. The agenda includes board's proposal to distribute the shareholders a cash dividend of 8% from the share par value i.e. QR0.08 per share, among others. (QSE)
- **MRDS' AGM endorses items on its agenda** – Mazaya Qatar Real Estate Development (MRDS) announced the results of the Ordinary General Assembly Meetings (AMG) were held on February 16, 2020 and the company's AGM endorsed all items on its agenda. (QSE)
- **Projects worth QR3bn for free zones approved** – The Minister of State and Chairman of Qatar Free Zones Authority (QFZA), HE Ahmad bin Mohammed Al Sayed, said that the Supreme Council for Economic Affairs and Investment (SCEAI) has approved projects worth more than QR3bn, which is a significant rise compared to QR1bn last August. The QFZA is set to establish more partnerships with local and international companies and investors to accelerate the process of economic and industrial

diversification, HE Minister Al Sayed said. The QFZA and Qatari Businessmen Association (QBA) signed a memorandum of understanding (MoU) that includes means of joint cooperation and benefiting from the services provided by these two economic institutions to the local and external investor in order to enhance investments and support the economic development of the country. The Minister said, "We at Qatar Free Zones Authority, as part of the government, are highly focused in supporting the private sector. This is the MoU with QBA a very important initiative to enable the private sector to give them the full support to attract international partners and to work together with the aim to boost investments in the Free Zones." The majority of these projects are focused on the new economy, internet of things, sustainability, IT, big data, communications, transport, logistics, medical services, aviation, cyberspace, and agritech. (Peninsula Qatar)

- **MoCI, QDB launch 'Land and Industrial Loan' initiative** – Under the initiative, investors will be able to apply through the 'Single Window' platform of the Ministry of Commerce and Industry to secure industrial licenses and land plots in the Small and Medium Industrial Area and complete financing procedures through the same application. The Ministry of Commerce and Industry (MoCI) in cooperation with Qatar Development Bank (QDB) has launched the 'Land and Industrial Loan' initiative under the guidance of HE the Prime Minister and Minister of Interior Sheikh Khalid bin Khalifa bin Abdulaziz Al Thani. "The initiative is in the context of the State's ongoing efforts to improve the ease of doing business in Qatar and bolster the investment environment for owners of small and medium enterprises and entrepreneurs," the Ministry of Commerce and Industry said. (Gulf-Times.com)
- **Qatar Chamber, UK embassy to kick-off third SMEs conference in March** – As part of its commitment to support the development of the small and medium-sized enterprise (SME) sector, Qatar Chamber and the British Embassy are jointly hosting the 'third SMEs Conference' from March 2 and 3. The objective of the event is to further increase trade between Qatar and the UK by working together through SMEs. It will offer a unique platform for UK SMEs to understand the opportunities available in Qatar and to meet buyers and investors, whilst serving as a forum for both Qatar and the UK to share good practice and lessons learned. (Gulf Times.com)

International

- **Japan economy shrinks 6.3% annualized in 4Q2019, biggest fall since 2014** – Japan's economy contracted at an annualized pace of 6.3% in October-December, shrinking at the fastest pace since the second quarter of 2014, government data showed on Monday. The preliminary reading for fourth-quarter gross domestic product was much worse than economists' median estimate of a 3.7% contraction in a Reuters poll. It followed a revised 0.5% expansion in July-September. On a QoQ basis, GDP shrank 1.6%, more than the median forecast for a 0.9% fall, the Cabinet Office data showed. Private consumption, which makes up more than half of the economy, fell 2.9% and capital spending fell 3.7%, while exports dropped 0.1%. (Reuters)
- **Reuters poll: Japan manufacturers remain pessimistic as corona-virus fears grow** – Worries about the spread of the

corona-virus and its hit to the global economy kept Japanese manufacturers' mood gloomy in February, a Reuters poll found, even as firms shook off previous worries about the impact of the Sino-US trade war. The monthly poll, which tracks the Bank of Japan's key tankan quarterly survey, found business confidence across the sectors remained weak over the next three months, as the corona-virus added to uncertainty over the global outlook and the October national sales tax hike. It has also highlighted the vulnerability of the Japanese economy to external shocks just as worries have somewhat eased over the Sino-US trade war and Britain's exit from the European Union. On top of external woes, a sales tax hike in October dealt a blow to the consumer sector, which makes up the bulk of Japan's economic activity, dashing hopes that solid domestic demand would offset weak exports. (Reuters)

- **China's Finance Minister says expects fiscal revenues to fall, expenditure to rise** – China's Finance Minister, Liu Kun said on Sunday he expects the country's fiscal revenues to fall and expenditure to rise in the future. The comments were made in the leading Communist Party theoretical journal Qiushi. (Reuters)
- **China's January home prices up 6.3%, slowest since July 2018 as virus takes toll** – New home prices in China rose 0.2% in January from a month earlier, easing from a 0.3% increase in December, Reuters calculated from official data on Monday, as a corona-virus outbreak brought the country's property market to a halt. On an annual basis, average new home prices in China's 70 major cities rose 6.3% in January, below the 6.6% growth seen in December and marked the slowest YoY pace since July 2018, Reuters calculations based on National Bureau of Statistics (NBS) data showed. Home sales have plummeted as the virus outbreak keeps property showrooms shut and potential buyers are afraid or unable to venture outside for long. Speculation is growing that more local governments may relax restrictions on buyers to reduce pressure on the economy. China has clamped down on property speculation since 2016 to stop prices from overheating, but they had still risen for nearly 6 straight years. (Reuters)
- **Global economic policy direction now hinges on China's next move** – The broad policy direction for many of the world's central banks and governments now hinges on one question: How will the Chinese government respond to the economic shock caused by the corona-virus? The Communist Party's elite Politburo has urged the nation to meet its economic targets this year, an imperative that could shake the government's recent reluctance to fire up large-scale stimulus. If it translates into an all-out loosening of monetary policy and a ramp up in government spending, key trading partners that have been slammed by the hit to exports, supply chains, commodities and tourism may see short-term pain followed by a rapid snap back. The economic shock is expected to dominate discussions at this week's meeting of finance ministers and central bankers at a Group of 20 summit. International Monetary Fund's Managing Director, Kristalina Georgieva suggested there may be a need for synchronized or, even better, coordinated measures to protect the world economy. Much depends on which levers China pulls. Near-term options include further cuts to central bank funding rates and more tax relief to hard-hit sectors as

well as flush liquidity for the financial system. The emphasis for now remains on not over-doing it, though there are signs the resolves is softening. (Gulf-Times.com)

Regional

- **OPEC+ close to dropping early meeting idea as Russia balks** – OPEC and its allies were close to abandoning any plans for an emergency meeting this month to consider fresh production cutbacks because of the coronavirus outbreak. While Saudi Arabia hasn't wholly given up on its push for the gathering, the OPEC+ alliance will more likely stick to a scheduled meeting in March as the idea has not so far won over Russia, several delegates from the group said. Saudi Arabia had been pushing for the emergency meeting as the toll on oil demand from the global epidemic already appears to be severe. World oil consumption will decline this quarter for the first time in more than a decade as the virus reduces travel and economic activity in China, according to the International Energy Agency (IEA). Though an OPEC+ committee recently recommended additional collective cutbacks of 600,000 bpd - on top of the 2.1mn already being made - Russia has yet to fully endorse the plan. (Gulf-Times.com)
- **Dubai's SHUAA Capital's CEO sees another wave of M&A for banks and developers** – Banks and real estate firms in the Gulf region may go through another wave of consolidation as a "challenging environment" force entities to merge, according to the head of Dubai-based SHUAA Capital. "The financial services sector still has a lot of room for consolidation," SHUAA Chief Executive Officer, Jassim Alseddiqi said. The real estate sector may witness similar activity, he said. SHUAA was created from a reverse merger with Abu Dhabi Financial Group. More than a dozen regional financial institutions with assets exceeding \$1tn have held talks to combine. In the UAE, real estate has also suffered after home prices dropped more than 27% since 2014 and property firms posted the slowest annual growth in years. Abu Dhabi's Aldar Properties acquired Sorouh Real Estate Co. in 2013. Still, Alseddiqi believes the "worst is over" for the property sector and expects prices to rebound in the medium-to-long term. "Smart money" is beginning to trickle into the market, but it will "take time as it bottoms out," he said. (Bloomberg)
- **Dubai's Amanat in talks with banks to fund possible VPS Deal** – Amanat Holdings is in talks with banks to raise funds as the Dubai-based investment firm considers acquiring a stake in Middle Eastern hospital operator VPS Healthcare Group. Amanat is looking to partly finance the deal with debt, cash or by increasing the company's paid-up capital, Chief Executive Officer, Tristan De Boysson said. "We can take some leverage as we are completely unleveraged currently," he said. "The investment in North London Collegiate School and the investment in Middlesex can be leveraged." (Bloomberg)
- **S&P downgrades Sharjah to 'BBB', with stable outlook** – The ratings agency lowered the Emirate of Sharjah long-term foreign and local currency sovereign credit ratings to 'BBB' from 'BBB+' and kept the outlook 'Stable'. Weak economic conditions in Sharjah since 2019 have led to lower revenues from government-related entities and land sales. These, combined with increased government grants and land compensation payments, as well as accelerated payments to contractors, have

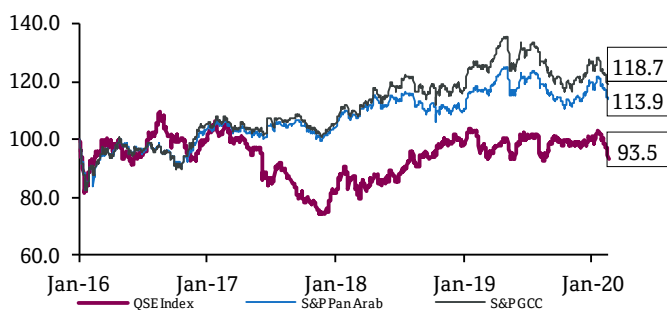
resulted in a wider-than-anticipated deficit, the ratings agency noted. “Accelerated contractor payments related to infrastructure projects in the Emirate, as well as increased land compensation payments and grants to universities have resulted in higher-than-expected expenditure,” it said. The ratings agency expects the emirate’s debt will increase further in 2020, leading to a general government deficit of 5.7% of GDP, as revenue from government related entities (GREs) and land sales both remain below the level seen in 2017-2018. “We forecast Sharjah’s fiscal deficits will average about 3.9% of GDP over 2020-2023,” S&P said while net general government debt is expected to increase to about 38% of GDP by 2023. S&P anticipates 2019 real growth at about 1.8% of GDP, up from the 0.7% real growth in 2018 but below historical average. S&P also expects the government to fully expend its budgeted contractor payments for the year and possibly make a capital injection of AED785mn for the second part of the Invest Bank acquisition this year, adding to the debt burden. In April 2019, Sharjah’s government acquired a 50.07% stake in the struggling Invest Bank for AED1.12bn. “In our view, there is a rising risk of contingent liabilities from Sharjah’s GREs, with GRE debt estimated at about 13% of GDP in 2019. We expect total net public sector debt (general government plus GRE debt) will increase to about 54% of GDP by 2023. We expect debt at Sharjah’s largest GRE, Sharjah Electricity and Water Authority (SEWA), will increase as it continues its modernization program,” S&P said. S&P noted a few factors supporting the rating such as the emirate’s relatively diverse economy compared with the rest of the sovereigns in the region as well as the benefits of being part of the UAE, including low external financing risks and the potential for extraordinary financial support from the UAE. (Zawya)

- **BOS posts 74% YoY rise in net profit to AED226mn in FY2019** – Bank of Sharjah (BOS) recorded net profit of AED226mn in FY2019, an increase of 74% YoY. Net interest income fell 18% YoY to AED420mn in FY2019. Operating income rose 15% YoY to AED831mn in FY2019. Total assets stood at AED32.4bn at the end of December 31, 2019 as compared to AED29.0bn at the end of December 31, 2018. Loans and advances stood at AED17.5bn (+2% YoY), while customer deposits stood at AED21.3bn (+6% YoY) at the end of December 31, 2019. EPS came in at 9.21 fils in FY2019 as compared to 6.07 fils in FY2018. (ADX)
- **Kuwait names Barak Al Sheetan new Finance Minister** – Kuwait named Barak Ali Barak Al Sheetan as new Finance Minister, replacing Mariam Al-Aqeel, the Gulf’s first female finance minister appointed two months ago, state-run KUNA stated in a text message, citing an Emiri decree. Kuwait also appointed Mohammed Boushehri as Electricity and Water minister, taking the portfolio from Khaled Al-Fadhel who retained the oil ministry post, KUNA said. Al-Aqeel, the former Finance Minister was named as minister of social affairs and a state minister of economic affairs. (Bloomberg)
- **Kuwait and Saudi Arabia start trial oil pumping from divided zone** – Kuwait and Saudi Arabia will start trial oil production from the jointly-operated Wafra and Khafji oilfields on Sunday, Kuwait’s Oil Minister, Khaled Al-Fadhel said. He said that trial production from the two fields in the Neutral Zone will increase

gradually till it reaches its normal levels, Kuwait state news agency KUNA cited him as saying. He added that he expects oil production from the Neutral Zone to reach 550,000 bpd before the end of the year. The production from the zone is divided between both Kuwait and Saudi Arabia. The minister also said Kuwait now aims to boost its oil production capacity to 4mn bpd by 2040, after revising the country’s oil strategy. Kuwait and Saudi Arabia, both members of the OPEC, agreed last year to end a five-year dispute over the border area known as the Neutral Zone, allowing production to resume at two jointly run fields that can pump up to 0.5% of the world’s oil supply. (Reuters)

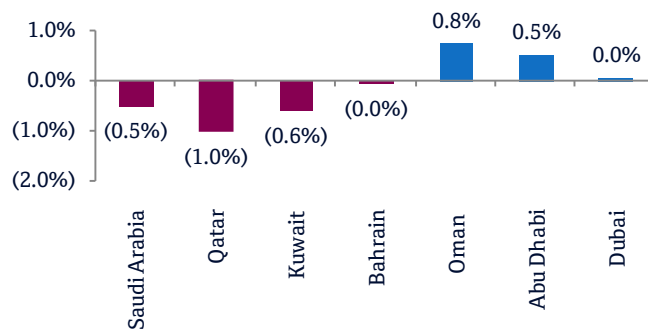
- **Kuwait's Kamco Invest acquires California property at \$286mn** – Kuwait's Kamco Invest acquires California property at \$286mn. Kamco Invest, an active asset management and investment banking firm, is ranked as the fifth-largest asset manager in the GCC region, with a portfolio of assets under management (AUM) of around \$13.7bn, with various asset classes and jurisdictions. ServiceNow is a leader in cloud computing and IT service management business solutions and is listed on New York Stock Exchange with a market capitalization exceeding \$50bn. Executive Director of Real Estate Investments at Kamco Invest, Mohammad Al-Othman said, "We are committed towards scaling our real estate portfolio through diversified assets and further growing the size of the international real estate portfolio we manage, which now surpasses \$1bn, as committed by our CEO in a press conference earlier this year." The office campus is fully leased to ServiceNow and is expected to generate an average annual cash yield of 7.8%. Kamco Invest is also exploring options of another purchase. Al-Othman concluded: "We are currently exploring a new acquisition of a Class A property with strong cash flows from credit tenants, as well as two exits of existing properties with good returns. It is worth noting that the international real estate portfolio, valued at \$1.18bn, includes 13 Grade "A" properties in US, UK and Europe and leased to companies with strong financial positions and high cash flow. The properties generate an average annual cash yield of 7.8%." (Zawya)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,584.06	0.5	0.9	4.4
Silver/Ounce	17.74	0.5	0.2	(0.6)
Crude Oil (Brent)/Barrel (FM Future)	57.32	1.7	5.2	(13.2)
Crude Oil (WTI)/Barrel (FM Future)	52.05	1.2	3.4	(14.8)
Natural Gas (Henry Hub)/MMBtu	1.93	(1.0)	2.7	(7.7)
LPG Propane (Arab Gulf)/Ton	39.50	0.3	2.6	(4.2)
LPG Butane (Arab Gulf)/Ton	54.88	3.5	8.7	(17.3)
Euro	1.08	(0.1)	(1.1)	(3.4)
Yen	109.78	(0.0)	0.0	1.1
GBP	1.30	0.0	1.2	(1.6)
CHF	1.02	(0.3)	(0.5)	(1.5)
AUD	0.67	(0.1)	0.6	(4.4)
USD Index	99.12	0.1	0.4	2.8
RUB	63.55	(0.1)	(0.9)	2.5
BRL	0.23	1.2	0.6	(6.5)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,431.36	0.1	1.1	3.1
DJ Industrial	29,398.08	(0.1)	1.0	3.0
S&P 500	3,380.16	0.2	1.6	4.6
NASDAQ 100	9,731.18	0.2	2.2	8.5
STOXX 600	430.52	(0.1)	0.5	(0.0)
DAX	13,744.21	0.0	0.8	0.3
FTSE 100	7,409.13	(0.7)	0.3	(3.4)
CAC 40	6,069.35	(0.4)	(0.3)	(2.0)
Nikkei	23,687.59	(0.6)	(0.5)	(0.6)
MSCI EM	1,106.30	0.0	1.3	(0.8)
SHANGHAI SE Composite	2,917.01	0.2	1.7	(4.7)
HANG SENG	27,815.60	0.3	1.5	(1.1)
BSE SENSEX	41,257.74	(0.8)	0.2	(0.4)
Bovespa	114,380.70	(0.2)	0.6	(7.8)
RTS	1,534.89	(0.6)	1.1	(0.9)

Source: Bloomberg (*\$ adjusted returns)

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