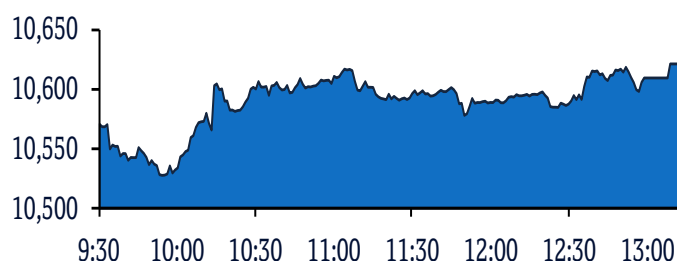


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.4% to close at 10,621.8. Gains were led by the Consumer Goods & Services and Industrials indices, gaining 1.0% and 0.8%, respectively. Top gainers were Ahli Bank and Qatari German Company for Medical Devices, rising 9.9% and 3.7%, respectively. Among the top losers, Qatar General Insurance & Reinsurance Company fell 10.0%, while Mannai Corporation was down 4.6%.

GCC Commentary

Saudi Arabia: The TASI Index gained 1.1% to close at 9,084.8. Gains were led by the Retailing and Diversified Financials indices, rising 2.3% and 1.5%, respectively. Al-Baha Inv. & Dev. rose 7.5%, while Tihama Advt. & Public Relations was up 6.3%.

Dubai: The DFM Index fell 0.4% to close at 2,663.6. The Consumer Staples and Discretionary index declined 4.1%, while the Insurance index fell 1.5%. Int. Financial Advisors declined 9.8%, while Al Salam Sudan was down 5.3%.

Abu Dhabi: The ADX General Index gained 0.5% to close at 4,990.9. The Insurance index rose 1.6%, while the Telecommunication index gained 1.1%. Emirates Insurance Company rose 10.7%, while Abu Dhabi National Energy Co. was up 7.3%.

Kuwait: The Kuwait Main Market Index gained 0.1% to close at 4,788.1. The Oil & Gas index rose 0.9%, while the Industrials index gained 0.3%. United Projects for Aviation Services rose 16.0%, while The Energy House Holding Co. was up 9.8%.

Oman: The MSM 30 Index fell 0.5% to close at 3,962.2. Losses were led by the Services and Financial indices, falling 0.9% and 0.4%, respectively. Al Batinah Power fell 5.0%, while Al Suwadi Power was down 3.7%.

Bahrain: The BHB Index gained 0.1% to close at 1,451.0. The Industrial and Services indices rose 0.2% each. Esterad Investment Company rose 10.0%, while Zain Bahrain was up 9.5%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Ahli Bank	31.00	9.9	8.4	21.8
Qatari German Co for Med. Devices	7.00	3.7	860.6	23.7
Salam International Inv. Ltd.	4.35	2.4	270.4	0.5
The Commercial Bank	4.80	2.3	1,332.7	21.9
Al Meera Consumer Goods Co.	145.95	2.1	28.8	(1.4)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatar First Bank	0.42	(0.7)	8,108.0	2.9
Ezdan Holding Group	7.37	(0.8)	2,478.0	(43.2)
Qatar Oman Investment Company	0.56	0.0	1,780.0	4.9
Qatar International Islamic Bank	7.41	(1.9)	1,536.6	12.1
Mesaieed Petrochemical Holding	27.00	1.1	1,475.1	79.6

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,621.76	0.4	2.9	3.4	3.1	91.61	161,214.9	14.9	1.6	4.1
Dubai	2,663.55	(0.4)	1.6	1.6	5.3	63.06	96,257.7	11.8	1.0	4.6
Abu Dhabi	4,990.86	0.5	(0.3)	(0.3)	1.5	49.33	138,415.9	14.8	1.5	5.0
Saudi Arabia	9,084.75	1.1	6.7	6.7	16.1	1,250.70	573,596.0	20.8	2.0	3.2
Kuwait	4,788.06	0.1	0.4	1.1	1.0	115.75	33,074.4	14.5	0.9	3.8
Oman	3,962.20	(0.5)	0.5	0.7	(8.4)	3.36	17,168.2	7.8	0.8	6.9
Bahrain	1,451.00	0.1	1.1	1.2	8.5	9.26	22,527.8	10.6	0.9	5.2

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	12 June 19	11 June 19	%Chg.
Value Traded (QR mn)	335.1	358.4	(6.5)
Exch. Market Cap. (QR mn)	586,876.3	584,877.3	0.3
Volume (mn)	26.1	30.7	(15.0)
Number of Transactions	6,475	9,850	(34.3)
Companies Traded	45	44	2.3
Market Breadth	20:21	25:15	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	19,544.94	0.4	2.9	7.7	14.9
All Share Index	3,140.85	0.2	2.9	2.0	14.9
Banks	4,120.03	0.1	3.3	7.5	14.4
Industrials	3,316.76	0.8	3.2	3.2	16.7
Transportation	2,444.88	(0.4)	0.6	18.7	13.1
Real Estate	1,570.96	(0.5)	0.4	(28.2)	13.1
Insurance	3,170.09	(0.5)	3.2	5.4	18.3
Telecoms	918.68	0.5	3.0	(7.0)	18.9
Consumer	8,174.81	1.0	5.1	21.1	16.0
Al Rayan Islamic Index	4,120.20	0.4	2.5	6.1	14.1

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Saudi Arabian Mining Co.	Saudi Arabia	52.00	4.0	1,570.3	5.5
Mouwasat Med. Services	Saudi Arabia	89.00	4.0	223.6	10.6
Dar Al Arkan Real Estate	Saudi Arabia	10.90	3.2	24,219.9	20.8
Jarir Marketing Co.	Saudi Arabia	175.00	2.9	384.6	15.1
Nat. Commercial Bank	Saudi Arabia	61.50	2.7	3,329.7	28.5

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
GFH Financial Group	Dubai	0.89	(3.7)	19,601.6	(1.4)
Boubyan Petrochem. Co.	Kuwait	0.90	(3.6)	626.9	(7.7)
National Bank of Oman	Oman	0.17	(2.9)	250.6	(9.3)
DAMAC Properties	Dubai	0.92	(1.9)	32,155.0	(38.9)
DP World	Dubai	17.69	(1.7)	242.3	3.5

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%
Qatar General Ins. & Reins. Co.	40.50	(10.0)	23.1	(9.8)
Mannai Corporation	39.00	(4.6)	13.2	(29.0)
Qatar Islamic Insurance Company	57.00	(3.4)	4.1	6.1
Doha Insurance Group	11.61	(3.3)	0.1	(11.3)
Gulf International Services	19.21	(2.1)	29.6	13.0

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	195.10	0.1	62,224.7	0.1
Mesaieed Petrochemical Holding	27.00	1.1	39,837.5	79.6
Qatar Fuel Company	220.00	1.9	37,623.9	32.5
Industries Qatar	117.25	1.3	26,078.1	(12.2)
Masraf Al Rayan	37.40	(0.7)	22,792.0	(10.3)

Source: Bloomberg (* in QR)

Qatar Market Commentary

- The QE Index rose 0.4% to close at 10,621.8. The Consumer Goods & Services and Industrials indices led the gains. The index rose on the back of buying support from GCC and non-Qatari shareholders despite selling pressure from Qatari shareholders.
- Ahli Bank and Qatari German Company for Medical Devices were the top gainers, rising 9.9% and 3.7%, respectively. Among the top losers, Qatar General Insurance & Reinsurance Company fell 10.0%, while Mannai Corporation was down 4.6%.
- Volume of shares traded on Wednesday fell by 15.0% to 26.1mn from 30.7mn on Tuesday. Further, as compared to the 30-day moving average of 37.9mn, volume for the day was 31.1% lower. Qatar First Bank and Ezdan Holding Group were the most active stocks, contributing 31.1% and 9.5% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	24.51%	42.12%	(58,999,425.23)
Qatari Institutions	7.52%	18.46%	(36,669,330.51)
Qatari	32.03%	60.58%	(95,668,755.74)
GCC Individuals	0.76%	0.94%	(594,904.12)
GCC Institutions	0.95%	0.54%	1,378,891.28
GCC	1.71%	1.48%	783,987.16
Non-Qatari Individuals	7.84%	9.44%	(5,359,241.40)
Non-Qatari Institutions	58.42%	28.50%	100,244,009.98
Non-Qatari	66.26%	37.94%	94,884,768.58

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

Ratings and Global Economic Data

Ratings Updates

Company	Agency	Market	Type*	Old Rating	New Rating	Rating Change	Outlook	Outlook Change
Dubai Islamic Bank	Moody's	Dubai	LT-FCR/ST-FCR/ LT-LCR/SR-LCR/ BCA/ABCA	A3/P-2/A3/P-2/ ba2/ba2	A3/P-2/A3/P-2/ ba2/ba2	–	Stable	–
Al Ahli Bank of Kuwait	Capital Intelligence	Kuwait	FST	A2	A1	↑	Stable	–

Source: News reports (* LT – Long Term, ST – Short Term, FCR – Foreign Currency Issuer Ratings, LCR – Local Currency Issuer Ratings, BCA – Baseline Credit Assessments, ABCA – Adjusted Baseline Credit Assessments, FST – Foreign Short Term Rating)

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
06/12	US	Mortgage Bankers Association	MBA Mortgage Applications	7-June	26.8%	–	1.5%
06/12	US	Bureau of Labor Statistics	CPI MoM	May	0.1%	0.1%	0.3%
06/12	US	Bureau of Labor Statistics	CPI YoY	May	1.8%	1.9%	2.0%
06/12	Japan	Bank of Japan	PPI MoM	May	-0.1%	0.0%	0.4%
06/12	Japan	Bank of Japan	PPI YoY	May	0.7%	0.7%	1.3%
06/12	China	National Bureau of Statistics	CPI YoY	May	2.7%	2.7%	2.5%
06/12	China	National Bureau of Statistics	PPI YoY	May	0.6%	0.6%	0.9%
06/12	India	India Central Statistical Organization	CPI YoY	May	3.1%	3.1%	3.0%
06/12	India	India Central Statistical Organization	Industrial Production YoY	April	3.4%	0.6%	0.4%

Source: Bloomberg (s.a. = seasonally adjusted; n.s.a. = non-seasonally adjusted; w.d.a. = working day adjusted)

Stock Split Dates for Listed Qatari Companies

Day / Date	Company Symbols			Sector
	1	2	3	
Sunday 09/06/2019	CBQK	QFBQ		Banking and Financial Services
Monday 10/06/2019	KCBK	DBIS	QOIS	
Tuesday 11/06/2019	QIHK	NLCS		
Wednesday 12/06/2019	QNBK	ABQK	IHGS	
Thursday 13/06/2019	QIBK	DHBK		
Sunday 16/06/2019	MARK			
Monday 17/06/2019	MERS	MCCS		Consumer Goods & Services
Tuesday 18/06/2019	WDAM	ZHCD	QGMD	
Wednesday 19/06/2019	QFLS	MCGS		
Thursday 20/06/2019	SIIS	QCFS		
Sunday 23/06/2019	MPHC	IGRD		Industrial
Monday 24/06/2019	QIGD	AHCS	QNCD	
Tuesday 25/06/2019	IQCD	QIMD		
Wednesday 26/06/2019	QEWS	GISS		
Thursday 27/06/2019	QISI	QATI		Insurance
Sunday 30/06/2019	DOHI	QGRI	AKHI	
Monday 01/07/2019	BRES	ERES		Real Estate
Tuesday 02/07/2019	UDCD	MRDS		
Wednesday 03/07/2019	VFQS	ORDS		Telecoms
Thursday 04/07/2019	QGTS	GWCS	QNNS	Transport/Logistics
Sunday 07/07/2019	QETF	QATR	QAMC	ETFs and QAMCO

Source: QSE

News

Qatar

- **QSE executes splits of share for QNB Group** – Qatar Stock Exchange (QSE) announced that the split of shares for QNB Group has been executed, effective from June 13, 2019. The new number of QNB Group's shares after the split is 9,236,428,570 and the adjusted closing price of QR19.51 per share. QSE also sets price limits, (i) Price up limit: QR21.46 and (ii) Price down limit: QR17.56. (QSE)
- **QSE executes splits of share for ABQK** – Qatar Stock Exchange (QSE) announced that the split of shares for Ahli Bank (ABQK) has been executed, effective from June 13, 2019. The new number of ABQK's shares after the split is 2,313,964,780 and the adjusted closing price of QR3.1 per share. QSE also sets price limits, (i) Price up limit: QR3.41 and (ii) Price down limit: QR2.79. (QSE)
- **QSE executes splits of share for IHGS** – Qatar Stock Exchange (QSE) announced that the split of shares for Islamic Holding Group (IHGS) has been executed, effective from June 13, 2019. The new number of IHGS' shares after the split is 56,635,810 and the adjusted closing price of QR2.16 per share. QSE also sets price limits, (i) Price up limit: QR2.37 and (ii) Price down limit: QR1.95. (QSE)
- **QIBK announces to implement stock split at the end of today's trading session** – Qatar Islamic Bank (QIBK) announced that it will execute its stock split at the end of the trading session today. Thus starting from Sunday onwards, QIBK shares will be traded based on the decision of Qatar Financial Market Authority (QFMA) to split the stock of companies and legal

entities listed on QSE so that the nominal value of all listed companies' shares with whose nominal value is QR10 per share will become QR1 per share instead of QR10 per share, and the number of shares will be increased to 10 times the existing number of shares. The split will have no effect on investor's equity or QIBK's market capitalization. (Peninsula Qatar)

- **World Bank: Qatar's economy to expand 3% over medium term** – Qatar's economy is expected to expand by 3% over the medium term helped by continued investments related to FIFA World Cup and as a large natural gas facility comes on-stream, World Bank (WB) stated in its latest report. Qatar's economic growth is estimated to have recovered to 2.1% in 2018, as activity has gradually recovered from the effects of a diplomatic rift with some GCC neighbors. The outlook remains positive with growth expected to rise to 3.4% by 2021 driven by higher service sector growth as the FIFA World Cup draws nearer. In addition, WB stated, the higher infrastructure spending on Qatar National Vision 2030 projects aimed at diversifying the economy should help offset falling investment spending on FIFA projects. Finally, hydro-carbon sector growth is also expected to pick up as the Barzan natural gas facility comes online in 2020, and as the expansion of the North Field gas projects is completed by 2024, it stated. Monetary policy is expected to gradually tighten as Qatar's central bank resumes raising interest rates to restore the spread versus US policy rates, and to attract foreign exchange inflows into the banking system. Public finances are expected to remain in small surplus, supported by recent tax reforms and the introduction of VAT

over the medium term. A recovery in imports, driven by capital goods related to infrastructure spending, should keep the current account surplus in single-digits in contrast to surpluses of over 30% prior to 2014. (Qatar Tribune)

- **KPMG: Qatari banks to keep primary focus on local market** – Qatari banks will keep primary focus on the local market, as opposed to looking overseas for growth in view of the 2022 FIFA World Cup and in line with the Qatar National Vision 2030. Qatari banks will also most likely continue with a measured and cautious approach to lending, particularly to the small and medium enterprises, real estate and contracting sectors, given the credit challenges experienced in 2018, KPMG stated in its report entitled 'Embracing Digital'. In KPMG's view, Qatari banks will continue to look to access the capital markets for funding (through EMTN and Sukuk issuances) and local capital issuances given that the State of Qatar's outlook had been upgraded to stable in late 2018 by rating agencies. Liquidity is expected to improve with further issuances in the capital markets and support from the state is to continue. The regulator, KPMG stated, will continue to implement the Basel III capital requirements, with additional domestic systemically important banks (DSIB) and counter cyclical buffer (CCB) requirements to be gradually phased in, resulting in higher capital adequacy requirements for banks to meet. (Gulf-Times.com)
- **Real estate transactions between May 26 and May 30 stood at QR291,223,068** – The trading volume of registered real estate between May 26 and May 30 at the Ministry of Justice's real estate registration department stood at QR291,223,068. (Gulf-Times.com)
- **Qatar's cost of living declines in May as prices of many items slashed during Ramadan** – Qatar's cost of living, based on consumer price index (CPI), was on the decline in May 2019, both YoY and MoM, as prices for as many as 500 items were reduced in view of Ramadan. The country witnessed a 0.66% and 0.56% decline in inflation on yearly and monthly basis respectively, according to the Planning and Statistics Authority (PSA). Highlighting that headline inflation remained subdued in 2018; the International Monetary Fund, in its latest Article IV consultation with Qatar, stated inflation is projected to peak at 3.7% in 2020 with the introduction of a value added tax, but converge to 2% in the medium term. Food and beverages, which has a weightage of 12.58% in the CPI basket, witnessed a 2.13% plunge MoM and 1.29% YoY in May this year. The index of Housing, water, electricity and other fuels - with a weightage of 21.89% in the CPI basket - saw a 0.56% and 2.18% decline MoM and YoY respectively in May 2019. (Gulf-Times.com)
- **KPMG: Embracing digital agenda, Qatar's banking sector continues to grow** – Banks in Qatar had seen positive results in 2018, with an average 9.5% growth in net profit, and 3.2% growth in total assets, which, according to global auditing firm KPMG, demonstrates both strength and opportunities in the country's banking sector. Furthermore, cost-to-income ratios for all (except two) banks in Qatar have fallen YoY, reflecting the continued focus on efficiencies to improve net profits, KPMG stated in a report entitled 'Embracing Digital'. Credit quality does remain a challenge, it stated, as loan impairment and non-performing loan (NPL) ratios increased compared to

the prior year, while the expected credit loss (ECL) impact, as a result of the adoption of IFRS 9 on January 1, 2018, was \$3bn (50% of existing provisions as on December 31, 2017). However, Qatar's listed banks did not experience a significant adverse impact on their total Capital Adequacy Ratios (CARs) as a result of the adoption of IFRS 9, KPMG noted. On Qatar's efforts to embrace the digital agenda, Omar Mahmood, a partner at KPMG in Qatar and Head of financial services said, "Financial institutions and regulators are showing greater support for the fintech sector, through various recent and upcoming initiatives, such as the launch of a local innovation hub and the expected opening of the first digital branch of an international bank in Qatar." (Gulf-Times.com)

- **QFC to continue creating platforms for fintech sector, official tells Netherlands conference** – Qatar Financial Centre (QFC) will continue to create platforms for the financial services sector as part of its efforts to create a vibrant ecosystem for the fintechs, according to its top official. "The QFC will continue to create platform for the financial services community where strategies that lead to a sustainable business growth are initiated," Henk Jan Hoogendoorn, Managing Director, Financial Sector Office, QFC, told a global conference 'Money 20/20 Europe' in the Netherlands. He added, "These developments pose both benefits and challenges, which we discussed during our networking dinner with leaders in the industry." (Gulf-Times.com)
- **Qatar Chamber invited to join tourism conference in Venezuela** – Qatar Chamber has been invited to participate in the 'International Investment Conference in Tourism' slated from June 26 to 28 in Caracas, Venezuela. This was announced by Qatar Chamber's Second Vice Chairman, Rashid bin Hamad Al-Athba, who held a meeting with Venezuelan Ambassador, Giuseppe Angelo Yoffreda Yorio. The Ambassador encouraged Qatari businessmen to explore investment opportunities available in Venezuela. The Ambassador also affirmed his country's interest to promote relations with Qatar in all economic and commercial aspects. (Gulf-Times.com)
- **Qatar, Roscongress Foundation sign MoU for stronger partnership** – Qatar Chamber and the Roscongress Foundation have signed a cooperation agreement to outline partnership plans to build effective links between the business communities of Qatar and Russia. Under the agreement, the State of Qatar will be an official partner in the next St Petersburg International Economic Forum in June 2020. These include organizing bilateral and multilateral events in the energy, economic, and social sectors, particularly forums, conferences, roundtables, business meetings, expos, and presentations. He said that the next edition of the forum will see a significant Qatari participation from business sectors. Qatar Chamber's board member, Ali Abdul Latif Al-Misnad said Qatar Chamber's participation in the event highlights its keenness to strengthen cooperation relations between the Qatari private sector and its Russian counterpart, as well as to promote Qatar's investment climate and projects. (Gulf-Times.com)
- **Greece's Avax to buy stakes in three companies active in Qatar** – Greece-based Avax selected as buyer of 100% of Conspel Construction Specialist (Isle of Man) Limited, 49% of J&P Qatar WLL and 49% of Abu Dhabi J&P LLC. The estimated turnover of

cost being acquired is \$200mn. At same time, Avax will become a majority partner in the Qatar Foundation Stadium Construction Joint Venture, in which it currently holds a 24% stake. (Bloomberg)

International

- **UN: Global FDI down in 2018 due to government interventions, Trump, Brexit** – Global foreign direct investment (FDI) fell by 13% last year because of government intervention, Brexit uncertainty and US President, Donald Trump's tax and trade policies, the United Nations trade and development agency UNCTAD stated. UNCTAD forecasts a modest recovery of 10% this year, though with high uncertainty, since several of the policies that have dampened investment enthusiasm are still in place, and there is no sign of an end to technological rivalry between major powers. FDI, comprising cross-border mergers and acquisitions (M&A), intra-company loans and investment in start-up projects abroad, is a bellwether of globalization and a potential sign of growth of corporate supply chains and future trade ties. In 2018, FDI into developed countries totaled \$557bn, the lowest since 2004, while a record 54% of the total went to developing countries. (Reuters)
- **US government posts \$208bn deficit in May** – Washington posted a \$208bn budget deficit in May as a modest increase in revenues failed to make up for higher spending on the military and social welfare programs like Medicare, according to the Treasury Department. The deficit was the highest ever for the month of May and wider than the average forecast of \$185.5bn in a Reuters poll of analysts. Government spending rose to \$440bn, up 21% from May of 2018. Receipts increased to \$232bn, up 7% from the same month last year. Tariffs provided a modest boost to government coffers, with customs duties taking in \$5bn during the month, up from \$3bn in May 2018. The Trump administration has raised tariffs on several major trading partners - notably China. (Reuters)
- **Imports to busiest US seaport complex fall 6.3% in May** – The Los Angeles and Long Beach port complex - the number one hub for US ocean trade with China - processed 6.3% fewer inbound cargo containers in May, signaling that the escalating US-China trade war is roiling business activity. Exports from the California seaport complex, the nation's busiest, fell 7.4% YoY, the two ports stated. US companies ranging from retailers to manufacturers stockpiled goods before Washington and Beijing began slapping tariffs on imports last year. The May decline comes at a time when importers are typically ramping up for the peak shipping season that brings in goods for the winter holidays. (Reuters)
- **Reuters Poll: Trade war risks forcing Fed rate cut this year, say economists** – The chances of a Federal Reserve interest rate cut this year have dramatically increased in the past month, according to a Reuters poll of economists who warned trade tensions will intensify and the risk of a US recession has crept up. Fed Chair Jerome Powell said last week the central bank would act as appropriate to address risks from the US-China trade war, leaving the door open for a possible rate cut. That is the second sudden shift in the Fed's tone after it changed its policy bias away from steady tightening in January. While many economists now argue the Fed is likely to cut rates this year, some said they were reluctant to change their base case

forecasts for the federal funds rate immediately, citing rapidly changing developments on trade talks. The consensus in the June 7-12 poll of over 100 economists showed the Fed will hold interest rates steady at 2.25-2.50% this year and not cut rates until the third quarter next year - taking the fed funds rate to 2.00-2.25%. (Reuters)

- **RICS: Brexit delay gives some relief to UK housing market** – Britain's Brexit-battered housing market steadied in May and a measure of prices improved as the delay in the country's European Union exit gave some encouragement to buyers, a survey showed. The Royal Institution of Chartered Surveyors (RICS) house price measure - the difference between members reporting price rises and falls - improved to -10 from -22 in April. That was its highest reading since October and was stronger than the median forecast of -21 in a Reuters poll of economists. There were also signs of improvement in agreed sales and new instructions, but there was little sign of a pickup in transactions any time soon, RICS stated. (Reuters)
- **China's May new bank loans rise to 1.18tn Yuan, below forecasts** – Chinese banks extended 1.18tn Yuan in net new Yuan loans in May, up from April but falling short of analyst expectations. Analysts polled by Reuters had predicted new Yuan loans of 1.225tn Yuan in May, up from 1.02tn Yuan in the previous month. Broad M2 money supply in May grew 8.5% from a year earlier, central bank data showed, below estimates of 8.6% by analysts polled by Reuters, and unchanged from April's pace. Outstanding Yuan loans grew 13.4% from a year earlier. Analysts had expected 13.5%, unchanged from April's pace. (Reuters)
- **India's April industrial output grows 3.4%** – India's industrial output in April grew 3.4% from a year earlier, government data showed. Analysts polled by Reuters had forecast April industrial output growth at 0.8%. Industrial output for 2018-19 grew at 3.6%. (Reuters)

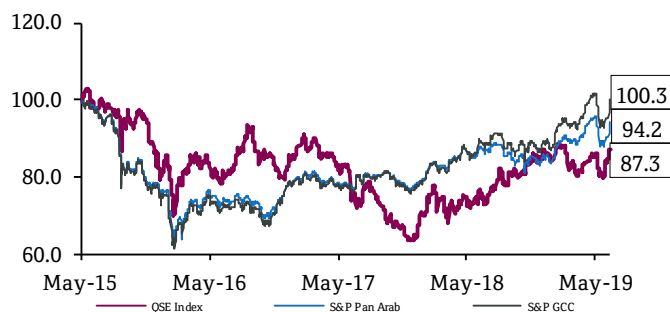
Regional

- **OPEC still gridlocked on meeting date amid Iran-Saudi Arabia row** – With just two weeks remaining before OPEC members are supposed to gather in Vienna, OPEC and its allies are still struggling to settle on a meeting date. It is the latest example of how bitter geopolitical rivalry between Saudi Arabia and Iran can cause gridlock in the group. The OPEC and its partners, an alliance that spans 24 oil-producing nations, must choose whether to extend production cuts into the second half of the year or end a pact that has put a floor under prices. It is a decision of growing urgency as a deteriorating global economy and entrenched trade war batter crude prices. (Gulf-Times.com)
- **Algeria floats idea of larger OPEC+ oil cut, rollover still likely** – Algeria has floated an idea of increasing an oil supply cut by OPEC and its allies in the second half of 2019 as demand falters, OPEC sources said, although rolling over current output curbs is still the most likely scenario. The OPEC plus Russia and other producers, an alliance known as OPEC+, have implemented a deal since January 1 to cut output by 1.2mn barrels per day (bpd). The pact ends this month and the group meets in coming weeks to decide their next move, which sources said would most likely involve rolling over the existing cuts. But four OPEC sources familiar with the matter stated that Algeria has put forward the idea of increasing the cut to 1.8mn bpd. Two of the

sources, both OPEC delegates, stated that the idea is not a concrete proposal and was not being discussed formally. "It is just thinking aloud about what to do in case trade tensions are exacerbated with potentially huge adverse impacts on the world economy, and thus oil demand," sources said. (Reuters)

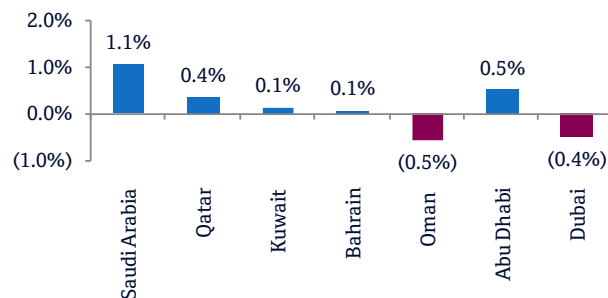
- **Saudi Aramco reports 2018 net income of \$111.1bn** – Saudi Aramco has reported a net income attributable to shareholders of \$111.1bn in 2018, up from \$75.9bn the year before, according to a statement from the company. Saudi Aramco has stated that the total revenues were at \$355.9bn in 2018, up from \$264.2bn, as oil prices improved. Total assets jumped to \$358.9bn in the same period, from \$294bn in 2017. (Reuters)
- **Saudi Arabia to start levying sugary drinks tax from December** – Saudi Arabia will begin implementing a new excise tax on sweetened drinks from December 1, according to the official gazette, as the Kingdom seeks to boost non-oil revenue. The General Authority of Zakat and Tax is expanding a levy charged on tobacco and soda to include electronic cigarettes and all drinks with added sugar. Authorities have said that the latter will be taxed at 50%. (Bloomberg)
- **Saudi Kayan to pay SR3.125bn of loans ahead of maturity** – Saudi Kayan will pay SR3.13bn of loans ahead of its maturity. The repayment is part of the plan to reduce debt and cost of financing, Saudi Kayan stated. It has repaid SR1.125bn loan from Samba on June 12. Further, it will repay SR2bn loan, which was taken from Saudi Fransi, on June 24 and it also plans to restructure some other loans. (Bloomberg)
- **UAE signs deal to build \$100mn power plant in Yemen** – The UAE has signed an agreement with Yemen's ministry of electricity to build a \$100mn power plant in the southern Yemeni city of Aden, the UAE's state-run news agency WAM reported. (Reuters)
- **Moody's affirms issuer ratings of Dubai Islamic Bank, assigns first time rating to its \$750mn additional Tier 1 Sukuk** – Moody's has affirmed the long- and short- term foreign and local currency issuer ratings of Dubai Islamic Bank (DIB) at 'A3'/P-2'. At the same time, Moody's has affirmed DIB's baseline credit assessments (BCA) and adjusted BCA at 'ba2'. The outlook on DIB's long-term issuer ratings remains 'Stable', in line with the outlook of the Government of the UAE, Issuer rating 'Aa2', 'Stable' outlook). Moody's has also assigned a first time rating of 'B2'(hyb) to DIB's \$750mn additional tier 1 capital certificates issued by DIB Tier 1 Sukuk (3) Ltd., a funding vehicle incorporated in Cayman Islands. The rating action follows the official public announcement on June 10, 2019, that DIB will be acquiring Noor bank subject to regulatory and shareholder approvals. Upon completion, DIB will remain as the operating entity and all of the assets and liabilities of Noor bank will be transferred to DIB. The affirmation of the ratings reflects Moody's view that the recent strengthening solvency of DIB in the quarters leading up to the merger will balance the risks associated with acquiring a weaker (and much smaller) entity. On a pro-forma basis as of March 2019, the TCE ratio of the combined entity is around 12.85% compared to DIB's 13.2%. DIB's fast growth also adds pressure to capitalization although the impact is partially offset by the strong profitability. Maintaining adequate capitalization is a key for DIB's 'ba2' rating. (Bloomberg)
- **Dubai developer The First Group will issue \$135mn Sukuk** – The First Group, a Dubai-based developer and real estate investor, plans to issue \$135mn in Sukuk, a company spokeswoman said. The developer has appointed investment bank SHUAA Capital to arrange the planned transaction, she said, without disclosing details on the planned use of proceeds. It is one of few debt issues in the pipeline in the Gulf region after business slowed sharply during the holy month of Ramadan, which ended last week. The First Group specializes in hotel investments, according to its website. It has completed 11 projects in the UAE to date and has seven hospitality developments under construction, the spokeswoman said. (Reuters)
- **Investcorp raising up to \$300mn for maiden India fund** – Bahrain's Investcorp has started raising its maiden fund of \$300mn for India's market, Mint reported, citing sources. It started raising \$250mn-\$300mn for a new real estate fund, raising additional \$100mn in follow-up round for existing PE fund, according to sources. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,333.63	0.5	(0.5)	4.0
Silver/Ounce	14.78	0.2	(1.6)	(4.6)
Crude Oil (Brent)/Barrel (FM Future)	59.97	(3.7)	(5.2)	11.5
Crude Oil (WTI)/Barrel (FM Future)	51.14	(4.0)	(5.3)	12.6
Natural Gas (Henry Hub)/MMBtu	2.43	0.8	0.0	(23.8)
LPG Propane (Arab Gulf)/Ton	40.50	(4.7)	(3.3)	(36.7)
LPG Butane (Arab Gulf)/Ton	36.50	(5.8)	4.3	(47.5)
Euro	1.13	(0.3)	(0.4)	(1.6)
Yen	108.50	(0.0)	0.3	(1.1)
GBP	1.27	(0.3)	(0.4)	(0.5)
CHF	1.00	(0.3)	(0.8)	(1.4)
AUD	0.69	(0.5)	(1.0)	(1.7)
USD Index	97.00	0.3	0.5	0.9
RUB [#]	64.56	0.0	(0.4)	(7.4)
BRL	0.26	(0.3)	0.3	0.3

Source: Bloomberg (*Market was closed on June 12, 2019)

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,134.42	(0.2)	0.4	13.3
DJ Industrial	26,004.83	(0.2)	0.1	11.5
S&P 500	2,879.84	(0.2)	0.2	14.9
NASDAQ 100	7,792.72	(0.4)	0.7	17.4
STOXX 600	379.74	(0.6)	0.2	10.9
DAX	12,115.68	(0.6)	0.2	13.3
FTSE 100	7,367.62	(0.7)	0.0	9.0
CAC 40	5,374.92	(0.9)	(0.2)	12.1
Nikkei	21,129.72	(0.4)	0.8	7.4
MSCI EM	1,026.24	(0.5)	1.9	6.3
SHANGHAI SE Composite	2,909.38	(0.7)	2.8	16.0
HANG SENG	27,308.46	(1.6)	1.5	5.8
BSE SENSEX	39,756.81	(0.4)	0.3	10.7
Bovespa	98,320.88	(0.2)	1.0	12.8
RTS [#]	1,343.33	0.0	1.3	25.7

Source: Bloomberg (*\$ adjusted returns, [#]Market was closed on June 12, 2019)

Contacts

Saugata Sarkar, CFA, CAIA

Head of Research

Tel: (+974) 4476 6534

saugata.sarkar@qnbfs.com.qa

Mehmet Aksoy, PhD

Senior Research Analyst

Tel: (+974) 4476 6589

mehmet.aksoy@qnbfs.com.qa

Shahan Keushgerian

Senior Research Analyst

Tel: (+974) 4476 6509

shahan.keushgerian@qnbfs.com.qa

QNB Financial Services Co. W.L.L.

Contact Center: (+974) 4476 6666

PO Box 24025

Doha, Qatar

Zaid al-Nafoosi, CMT, CFTe

Senior Research Analyst

Tel: (+974) 4476 6535

zaid.alnafoosi@qnbfs.com.qa

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