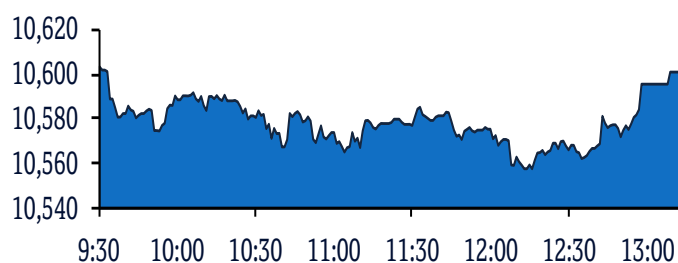


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.1% to close at 10,601.0. Gains were led by the Insurance and Transportation indices, gaining 1.8% and 1.2%, respectively. Top gainers were Vodafone Qatar and Qatar Insurance Company, rising 2.9% and 2.2%, respectively. Among the top losers, Qatar Cinema & Film Distribution Company fell 4.8%, while Widam Food Company was down 3.7%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.3% to close at 9,073.0. Gains were led by the Software & Services and Telecom. Serv. indices, rising 2.6% and 1.8%, respectively. Maharah Human Resources rose 4.9%, while Salama Coop. Ins. was up 3.5%.

Dubai: The DFM Index gained 0.2% to close at 2,722.5. The Consumer Staples and Discretionary index rose 2.5%, while the Insurance index gained 1.2%. Amlak Finance rose 5.2%, while Ithmaar Holding was up 3.1%.

Abu Dhabi: The ADX General Index gained 0.7% to close at 5,077.2. The Consumer Staples and Energy indices rose 2.1% and 1.0% respectively. National Marine Dredging Company rose 9.1%, while Gulf Cement Company was up 8.6%.

Kuwait: The Kuwait All Share Index gained 0.3% to close at 6,121.8. The Industrials index rose 1.2%, while the Telecommunications index gained 0.9%. Hilal Cement Company rose 17.1%, while Real Estate Trade Centers Company was up 8.3%.

Oman: The MSM 30 Index fell 0.7% to close at 3,757.6. Losses were led by the Industrial and Financial indices, falling 2.0% and 0.5%, respectively. Oman and Emirates Inv. Holding fell 8.9%, while Gulf Invest Services Holding was down 8.8%.

Bahrain: The BHB Index gained 0.1% to close at 1,535.5. The Commercial Banks index rose 0.2%, while the Investment index gained 0.1%. BMMI rose 0.6%, while Ahli United Bank was up 0.4%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Vodafone Qatar	1.44	2.9	2,358.8	(7.8)
Qatar Insurance Company	3.70	2.2	1,266.1	3.1
Qatar Gas Transport Company Ltd.	2.38	2.1	1,780.6	32.7
Qatar Industrial Manufacturing Co	3.80	0.5	30.0	(11.0)
Masraf Al Rayan	3.83	0.5	1,351.0	(8.1)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Ezdan Holding Group	0.72	(0.3)	5,328.6	(44.5)
United Development Company	1.42	0.0	3,522.7	(3.7)
Qatar Aluminium Manufacturing	1.00	0.2	3,183.9	(25.3)
Qatar First Bank	0.41	0.2	2,522.7	(0.5)
Mazaya Qatar Real Estate Dev.	0.80	(0.9)	2,488.1	2.9

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,600.98	0.1	(0.1)	1.4	2.9	45.52	159,772.3	15.1	1.7	4.1
Dubai	2,722.47	0.2	1.4	2.4	7.6	60.65	97,232.3	12.1	1.0	4.5
Abu Dhabi	5,077.22	0.7	0.5	2.0	3.3	60.51	140,850.3	15.1	1.5	4.9
Saudi Arabia	9,073.01	0.3	1.2	2.8	15.9	973.45	570,323.8	20.2	2.0	3.2
Kuwait	6,121.81	0.3	(0.1)	5.0	20.5	145.18	114,269.9	15.3	1.5	3.4
Oman	3,757.55	(0.7)	(1.3)	(3.3)	(13.1)	5.01	16,618.3	7.2	0.8	7.3
Bahrain	1,535.48	0.1	(0.1)	4.4	14.8	4.77	24,007.8	11.0	1.0	4.9

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 July 19	15 July 19	%Chg.
Value Traded (QR mn)	166.5	162.5	2.5
Exch. Market Cap. (QR mn)	581,624.7	582,209.1	(0.1)
Volume (mn)	45.9	52.2	(12.1)
Number of Transactions	4,247	5,075	(16.3)
Companies Traded	43	45	(4.4)
Market Breadth	14:25	16:23	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	19,506.69	0.1	(0.1)	7.5	15.1
All Share Index	3,128.68	(0.1)	(0.2)	1.6	15.1
Banks	4,107.43	0.1	0.1	7.2	14.5
Industrials	3,204.78	(0.7)	(1.0)	(0.3)	16.1
Transportation	2,603.84	1.2	2.3	26.4	15.9
Real Estate	1,556.44	(0.4)	(1.0)	(28.8)	13.0
Insurance	3,233.91	1.8	1.1	7.5	18.7
Telecoms	946.44	1.1	0.1	(4.2)	19.4
Consumer	8,121.83	(1.4)	(2.1)	20.3	16.0
Al Rayan Islamic Index	4,078.91	(0.3)	(0.4)	5.0	14.0

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Human Soft Holding Co.	Kuwait	3.35	3.4	634.4	2.1
Rabigh Ref. & Petrochem.	Saudi Arabia	21.18	2.9	2,189.8	11.0
Saudi Telecom Co.	Saudi Arabia	112.00	2.6	1,771.5	24.2
VIVA Kuwait Telecom Co.	Kuwait	0.80	2.6	91.2	0.4
Emaar Economic City	Saudi Arabia	10.74	2.3	3,830.7	35.8

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Comm. Bank of Kuwait	Kuwait	0.55	(3.3)	7.0	21.0
Bank Sohar	Oman	0.11	(1.9)	964.3	(4.2)
Riyadh Bank	Saudi Arabia	28.50	(1.7)	3,203.0	43.8
Oman Telecom. Co.	Oman	0.53	(1.5)	84.2	(32.7)
Qatar Electricity & Water	Qatar	16.50	(1.3)	149.5	(10.8)

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 Cinema & Film Distribution	2.20	(4.8)	5.0	15.7
Widam Food Company	6.26	(3.7)	1,581.1	(10.6)
Medicare Group	7.81	(2.6)	454.1	23.8
Qatari Investors Group	2.39	(1.6)	257.7	(14.1)
Al Khaleej Takaful Insurance Co.	1.82	(1.6)	661.8	111.9

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	19.25	(0.1)	45,480.4	(1.3)
Industries Qatar	11.30	(0.9)	12,831.1	(15.4)
Qatar International Islamic Bank	7.67	0.4	10,298.4	16.0
Qatar Islamic Bank	17.10	0.1	10,142.4	12.5
Widam Food Company	6.26	(3.7)	9,905.7	(10.6)

Source: Bloomberg (* in QR)

Qatar Market Commentary

- The QE Index rose 0.1% to close at 10,601.0. The Insurance and Transportation indices led the gains. The index rose on the back of buying support from Qatari shareholders despite selling pressure from GCC and non-Qatari shareholders.
- Vodafone Qatar and Qatar Insurance Company were the top gainers, rising 2.9% and 2.2%, respectively. Among the top losers, Qatar Cinema & Film Distribution Company fell 4.8%, while Widam Food Company was down 3.7%.
- Volume of shares traded on Tuesday fell by 12.1% to 45.9mn from 52.2mn on Monday. Further, as compared to the 30-day moving average of 87.8mn, volume for the day was 47.7% lower. Ezdan Holding Group and United Development Company were the most active stocks, contributing 11.6% and 7.7% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	30.71%	30.17%	897,593.71
Qatari Institutions	35.80%	23.70%	20,132,960.57
Qatari	66.51%	53.87%	21,030,554.28
GCC Individuals	0.88%	1.65%	(1,292,381.59)
GCC Institutions	3.67%	7.78%	(6,841,461.59)
GCC	4.55%	9.43%	(8,133,843.18)
Non-Qatari Individuals	9.55%	9.76%	(345,475.73)
Non-Qatari Institutions	19.39%	26.93%	(12,551,235.37)
Non-Qatari	28.94%	36.69%	(12,896,711.10)

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

Earnings Releases, Global Economic Data and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 2Q2019	% Change YoY	Operating Profit (mn) 2Q2019	% Change YoY	Net Profit (mn) 2Q2019	% Change YoY
National Co. for Learning & Education	Saudi Arabia	SR	49.4	-4.8%	13.8	-7.0%	13.5	4.7%
Salalah Beach Resort*	Oman	OMR	1.2	45.6%	-	-	-0.1	N/A
Takaful Oman Insurance*	Oman	OMR	13.3	8.1%	-	-	-0.5	N/A
Dhofar Fisheries and Food Ind.*	Oman	OMR	5.0	75.4%	-	-	0.3	N/A
National Life & General Ins.*	Oman	OMR	89.0	9.0%	-	-	5.1	0.5%
United Power**	Oman	OMR	2,234.0	-15.6%	-	-	-60.0	N/A
Oman Oil Marketing*	Oman	OMR	286.1	-4.7%	-	-	3.2	-20.2%
Sohar Power**	Oman	OMR	32,564.0	0.5%	-	-	-31.0	N/A
National Mineral Water*	Oman	OMR	3.6	-8.4%	-	-	0.1	-49.9%
Gulf International Chemicals	Oman	OMR	1.2	-10.4%	-	-	0.1	-54.8%
Mazaya*	Kuwait	KD	8.2	-39.6%	2.6	-11.1%	1.1	-61.3%
Bahrain Car Parks Co.	Bahrain	BHD	-	-	-	-	0.2	N/A

Source: Company data, DFM, ADX, MSM, TASI, BHB. (*Figures for 6M2019, **Values in thousands)

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
07/16	US	Federal Reserve	Industrial Production MoM	June	0.0%	0.1%	0.4%
07/16	US	Federal Reserve	Manufacturing (SIC) Production	June	0.4%	0.3%	0.2%
07/16	UK	UK Office for National Statistics	Jobless Claims Change	June	38.0k	-	24.5k

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

Earnings Calendar

Tickers	Company Name	Date of reporting 2Q2019 results	No. of days remaining	Status
QFLS	Qatar Fuel Company	17-Jul-19	0	Due
QIBK	Qatar Islamic Bank	17-Jul-19	0	Due
QIIK	Qatar International Islamic Bank	17-Jul-19	0	Due
ERES	Ezdan Holding Group	18-Jul-19	1	Due
ABQK	Ahli Bank	18-Jul-19	1	Due
NLCS	Aljjarah Holding	18-Jul-19	1	Due
QEWS	Qatar Electricity & Water Company	21-Jul-19	4	Due
GWCS	Gulf Warehousing Company	21-Jul-19	4	Due
QIGD	Qatari Investors Group	22-Jul-19	5	Due
KCBK	Al Khalij Commercial Bank	23-Jul-19	6	Due
MCGS	Medicare Group	24-Jul-19	7	Due
UDCD	United Development Company	24-Jul-19	7	Due

Tickers	Company Name	Date of reporting 2Q2019 results	No. of days remaining	Status
QGRI	Qatar General Insurance & Reinsurance Company	24-Jul-19	7	Due
DHBK	Doha Bank	24-Jul-19	7	Due
QAMC	Qatar Aluminum Manufacturing Company	25-Jul-19	8	Due
AKHI	Al Khaleej Takaful Insurance Company	25-Jul-19	8	Due
QIMD	Qatar Industrial Manufacturing Company	25-Jul-19	8	Due
QFBQ	Qatar First Bank	28-Jul-19	11	Due
QCFS	Qatar Cinema & Film Distribution Company	29-Jul-19	12	Due
QNNS	Qatar Navigation (Milaha)	29-Jul-19	12	Due
VFQS	Vodafone Qatar	29-Jul-19	12	Due
ORDS	Ooredoo	29-Jul-19	12	Due
QATI	Qatar Insurance Company	30-Jul-19	13	Due
AHCS	Aamal Company	30-Jul-19	13	Due
DBIS	Dlala Brokerage & Investment Holding Company	30-Jul-19	13	Due
MRDS	Mazaya Qatar Real Estate Development	31-Jul-19	14	Due
DOHI	Doha Insurance Group	31-Jul-19	14	Due
IQCD	Industries Qatar	1-Aug-19	15	Due
GISS	Gulf International Services	4-Aug-19	18	Due
QISI	Qatar Islamic Insurance Company	4-Aug-19	18	Due
SIIS	Salam International Investment Limited	5-Aug-19	19	Due
MPHC	Mesaieed Petrochemical Holding Company	5-Aug-19	19	Due
ZHCD	Zad Holding Company	5-Aug-19	19	Due
QOIS	Qatar Oman Investment Company	5-Aug-19	19	Due
MERS	Al Meera Consumer Goods Company	6-Aug-19	20	Due

Source: QSE

News

Qatar

- CBQK's bottom line rises 11.7% YoY and 16.7% QoQ in 2Q2019, beating our estimate** – The Commercial Bank's (CBQK) net profit rose 11.7% YoY (+16.7% QoQ) to QR503.0mn in 2Q2019, beating our estimate of QR452.3mn (variation of +11.2%). Earnings per share amounted to QR0.23 for the period ended June 30, 2019 as compared to QR0.21 for the same period of the previous year. CBQK's CEO, Joseph Abraham said, "Consolidated operating profit was QR1.29bn for the first half of 2019, an increase of 7% compared to the same period last year and consolidated net profit was QR934mn in 1H2019, an increase of 9% compared to the same period in 2018. The strong execution of our five-year strategic plan continues to yield positive results along with the continued focus on productivity enhancements through digitization of operational processes. The increase in consolidated operating profit was driven by careful management of operating expenses and positive contributions from fees and other income. Operating expenses decreased 11% to QR552mn during the first half of 2019 compared with the same period last year, a result of careful cost control and savings from our in-sourcing program. Fees and other income were up 25% during 1H 2019, compared with the same period last year, to QR629mn. The increase was driven by gains in foreign exchange trading income and investment income. Consolidated net profit was also supported by a reduction in net loan provisioning which declined 2% during 1H2019, supported by an improved asset quality and increased recovery of NPLs. Consolidated net interest income was down by 8% to QR1.21bn during the first half of the year, due to weakness in the Turkish Lira and higher cost of funding in the Qatari market during the first quarter of 2019. However, when comparing the second quarter of 2019 with first quarter of 2019,

there was an improvement of 9.7% as a result of systematic efforts to improve net interest margins during the quarter. This was achieved through a reduction in the cost of funding through careful management of our cost of deposits and reprising of our loan book." CBQK's total assets stood at QR141.3bn in 1H2019, up 1% on the same period last year. CBQK's loans and advances to customers increased by 1.3% to QR84.8bn in 1H2019 compared with QR83.7bn in December 2018. The increase was mainly in the government and services sectors. The Group's customer deposits increased by 7.8% to QR76.9bn in 1H2019 compared with QR71.3bn in December 2018 and have resulted in the loan deposit ratio reducing from 117.4% to 110.3%. (QNB FS Research, QSE, Gulf-Times.com)

- QGMD reports net loss of QR2.6mn in 2Q2019** – Qatari German Company for Medical Devices (QGMD) reported net loss of QR2.6mn in 2Q2019 as compared to net loss of QR2.2mn in 2Q2018 and QR3.0mn in 1Q2019. The company's revenue came in at QR1.4mn in 2Q2019, which represents a decrease of 47.6% YoY (-50.8% QoQ). In 1H2019, QGMD reported net loss of QR5.62mn as compared to net loss of QR4.40mn for the same period of the previous year. Loss per share amounted to QR0.049 in 1H2019 as compared to QR0.038 in 1H2018. (Company release, QSE)
- IHGS reports net loss of QR0.08mn in 2Q2019** – Islamic Holding Group (IHGS) reported net loss of QR0.08mn in 2Q2019 as compared to net loss of QR0.30mn in 2Q2018 and QR0.08mn in 1Q2019. In 1H2019, IHGS' net loss came in at QR162,571 as compared to net loss amounting to QR61,388 in 1H2018. Loss per share amounted to QR0.003 in 1H2019 as compared to loss per share of QR0.001 in 1H2018. (QSE)
- UDCD awards Gewan Island marine works contract to UrbaCon, Promar** – United Development Company (UDCD) has tasked

UrbaCon Trading & Contracting Company (UrbaCon) and Promar Marine Contracting Company (Promar) with the execution of marine works at Gewan Island. Urbacon is a Qatari-based international construction services company and grade one licensed builder, and Promar a leading marine works construction firm founded in Lebanon since 1985 and expanded towards gulf market since 2007. The two companies will undertake the design, manufacture, supply, delivery, construction, installation, erection, commissioning and testing of Gewan Island's marine works package. The marine works involve dredging, reclamation fill, and the provision and installation of core, armor, geo-textile materials and concrete elements as well as the supply and installation of selected fill and beach sand material. UDCC's President and CEO, Ibrahim Jassim Al-Othman highlighted that the total investment value in Gewan Island amounts to approximately QR3bn. Al-Othman added, "The agreement with UrbaCon Trading & Contracting Company and Promar Marine Contracting Company demonstrates that Gewan Island's construction and development works are proceeding according to the plans to complete our latest flagship project by the expected 2022 deadline. We have initiated the preparation works for the construction of the Island, where the completion of building the boardwalk wall will be in February 2020." (QSE)

- **Qatargas sets milestone, delivers 3,000th LNG cargo to Japan** – Qatargas has successfully delivered the 3,000th liquefied natural gas (LNG) cargo to Japan since the first ever Qatari shipment was made to Kawagoe LNG Receiving Terminal on January 10, 1997. The 3,000th LNG cargo, which was transported onboard 'Al Jasra', a conventional LNG vessel with a capacity of 135,000 cubic meters, was delivered to JERA, a joint venture between Chubu Electric and Tokyo Electric. The cargo was delivered to the Kawagoe LNG Receiving Terminal, owned and operated by JERA. Qatargas, the world's premier LNG company, has term contracts to supply LNG with many of the key Japanese buyers including JERA, Tohoku Electric, Kansai Electric, Chugoku Electric, Tokyo Gas, Osaka Gas, Toho Gas and Shizuoka Gas. Apart from these term contracts, Qatargas also delivers a significant amount of Japan's spot LNG requirements. (Gulf-Times.com)
- **Vodafone Qatar customers get chance to connect homes to 5G network** – Vodafone Qatar has launched a limited time offer that allows customers to be among the first in the world to connect their homes to 5G network. "Customers can now GigaPower their homes for free with Vodafone GigaHome 5G," the telecom provider stated. Since launching its 5G network a year ago, Vodafone Qatar has been leading the deployment of 5G in the country. Vodafone Qatar's 5G network is live in dozens of residential locations across Qatar including Al Waab, Abu Hamour, Al Azizya, Al Mamoura, Al Rayyan, Umm Salal Muhammed and Khartiyat. By the end of July, Vodafone Qatar's network will be live in several additional locations including Al Hilal, Muntazah, Muraykh and Al Sadd. (Qatar Tribune)
- **Ooredoo unveils Ooredoo ONE all-in-one home service** – Ooredoo announced the launch of Ooredoo ONE, its exciting new service providing everything a family could need in the way of connectivity and entertainment at home. The new Ooredoo ONE combines everything customers need in their

home to keep the entire family connected and entertained in one single plan that includes home Internet, smart Wi-Fi, landline and TV. (Qatar Tribune)

- **KPMG: Qatar's banking sector maintains resilience, amid evolving regulatory landscape, technological changes** – KPMG has launched the inaugural edition of its annual 'Qatar banking perspectives' publication, examining key issues and trends in the global banking industry and how they impact banks in the country. In this first edition, subject matter experts from KPMG's dedicated financial services practice share their views on a range of topics such as: culture and governance, cybersecurity, and banking regulations, the role of artificial intelligence in fraud detection, and the current trends in Islamic finance. The publication complements KPMG's GCC listed banks' results report, which sets out some of the key financial indicators, issues and expected trends in the future for the banking industry in the region. Omar Mahmood, Head (Financial Services for KPMG in the Middle East & South Asia) and partner at KPMG in Qatar, said, "The banking perspectives looks at some of the key trends we are seeing globally, through the lens of the local banking industry here in Qatar and provides insights that we hope readers will find valuable. Qatar's banking sector continues to maintain resilience, amidst an evolving regulatory landscape and continued technological change, while also embracing the digital agenda." In its overview, the report stated local financial institutions will need to increase their focus on international reporting protocols, regulatory compliance, forthcoming VAT implications, digital transformation, mitigating fraud and cybercrime risks and facilitating a highly valued corporate governance culture that will benefit all stakeholders. (Gulf-Times.com)
- **Foreign investments in Qatar rise to QR722.6bn in 1Q2019** – Foreign investments, including foreign direct investment (FDI) and portfolio investment, in Qatar amounted to QR722.6bn by the end of the first quarter of this year, rose 1.1% QoQ. When compared on yearly basis the level of investments in Qatar has increased by 6.6% in 1Q2019, according to the quarterly Foreign Investment survey by the Planning and Statistics Authority and Qatar Central Bank (QCB). Qatar's FDI has increased by QR400mn to QR123.7bn in 1Q2019 from QR123.3bn in the previous quarter. On YoY it has slipped marginally by QR200mn compared to QR123.9bn in 1Q2018. The survey covers major enterprises - private and public - operating in the national economy. It targeted some of the largest enterprises in the private sector which accounted for 84% of the value of inward FDI of non-banks enterprises in 2016, while QCB surveyed all financial institutions under its supervision. Other foreign investments accounted for 67.9%, followed by foreign direct investment at 17.1%, portfolio investments at 14.6%, and financial derivatives at 0.4% of the total liabilities. Qatar's assets with non-residents (outward investment) at the end 1Q2019 increased by QR17.7bn from QR392.2bn at the end of the previous quarter to QR409.9bn. During 1Q2019, stock of outward FDI had increased by QR7bn due to net outflows of FDI and other changes during the quarter, noted the findings of the survey. (Peninsula Qatar)
- **Qatar's real estate sector continues to grow** – The trading volume of registered real estates in last June at the Ministry of

Justice's real estate registration department stood at QR1,306,149,749. The monthly real estate analysis data showed that 241 real estate transactions were recorded during the month, including buildings, multipurpose empty lands and multipurpose buildings. In terms of value, the municipalities of Doha, Umm Salal and Al Rayyan topped the trading, followed by Al Daayen, Al Wakrah, Al Khor and Al Thakhira, Al Shamal and Al Shahaniya. The value of the transactions of Umm Salal municipality amounted to QR393,123,139, while that of Al Rayyan municipality was QR381,949,880. The value of Doha municipality transactions amounted to QR301,501,407, while that of the municipality of Al Daayen was QR134,860,617, and that of Al Wakrah municipality stood at QR64,635,188. The municipality of Al Khor and Al Thakhira recorded trading amounting to QR22,399,370, while that of Al Shamal municipality reached QR5,220,167, and that of the municipality of Al Shahaniya was QR2,459,981. The data showed that the real estate sector continues to grow. (Gulf-Times.com)

- **ValuStrat: Real estate sector to attract more long-term investments** – Qatar's real estate sector will attract more long-term investments, helped by government measures and softening in real estate prices. The real estate market will favor buyers over landlords in the coming quarters, according to second quarter 2019 review report released by real estate consulting firm ValuStrat. The recent law amendment of expanding freehold ownership in residential and commercial sectors will boost the real estate sector, the report stated. Pawel Banach, ValuStrat's General Manager, Qatar said, "The sales transaction volume accumulated to QR9.5bn in value during the first five months of 2019. Residential capital values have reduced, though the quarterly rate of decline has slowed. On the other hand, the rental market showed a relatively noticeable softening, during the first half of 2019. This trend is expected to persist as oversupply will continue to favor tenants over landlords in the coming quarters. Consumers can take advantage of increasingly competitive prices and flexible payment plans available in Qatar. This coupled with government initiatives such as the introduction of freehold ownership law in the previous quarter could lead to more long-term investments by expatriates in Qatar." (Peninsula Qatar)
- **Well managed properties continue to hold rental values in 1H2019** – Well managed properties continued to hold rental values in the first half of 2019, Al Asmakh Valuations and Research Director, Gaurav Borikar has said. According to Borikar, such properties attracted the same rents in the first half of 2019 as it was in the second half of the previous year. While metropolitan areas in Qatar are growing, Borikar said, the current real estate cycle from 2019 is yet to witness significant price movement for residential properties in several districts of the country. According to Borikar, the rental rate movement depends on several factors like the location of the property, condition of the building, property management, and tenant mix. He said, "The location of the property is the primary factor in deciding the rental rates and occupancy that ultimately impact the leasing strategy of the owner. The better-located properties do not mean those in and around downtown, rather it means the property that has better access, capacity to accommodate parking for the residents and visitors, approach to arterial roads, and then access to the markets and schools."

The second factor is the condition of the building that can equally influence the rental rates. (Qatar Tribune)

International

- **US manufacturing output climbs for the second month in June** – The US manufacturing output accelerated in June, climbing for the second straight month, thanks in large part to increased production of motor vehicles and parts. The Federal Reserve said manufacturing production rose 0.4% last month, above the 0.2% expected by analysts in a Reuters poll. The June numbers were stronger than the 0.2% growth seen in May, which had been the first growth of 2019 after several months of manufacturing declines or unchanged conditions. The data could ease lingering concerns about the strength of the US factory sector in the face of a slowing global economy. The June gains were the largest for the sector since December. Despite recent monthly gains, the manufacturing sector is down 2.2% for the second quarter, its biggest quarterly decline since the second quarter of 2016. The Fed said the manufacturing boost was significantly driven by a 2.9% increase in motor vehicle and parts production. Without it, manufacturing output only grew 0.2%. Overall, industrial production was unchanged in June, and was down 1.2% for the second quarter, the second consecutive quarterly decrease. (Reuters)
- **US retail sales ease fears over economy; rate cut still seen** – The US retail sales increased more than expected in June, pointing to strong consumer spending, which could help to blunt some of the drag on the economy from weak business investment. Retail sales increased 0.4% last month as households stepped up purchases of motor vehicles and a variety of other goods, including furniture and building materials. Data for May was revised slightly down to show retail sales gaining 0.4%, instead of rising 0.5% as previously reported. Economists polled by Reuters had forecasted retail sales edging up 0.1% in June. Compared to June last year, retail sales advanced 3.4%. Excluding automobiles, gasoline, building materials and food services, retail sales jumped 0.7% last month after an upwardly revised 0.6% increase in May. These so-called core retail sales, which correspond most closely with the consumer spending component of gross domestic product, were previously reported to have increased 0.4% in May. (Reuters)
- **NAHB: US home builder sentiment inches up in July** – A private gauge of US home builder sentiment increased in July as falling mortgage rates offset rising building costs and worries about global trade tensions. The National Association of Home Builders and Wells Fargo & Co said their index of builder confidence in newly built, single-family homes increased to 65 from 64 in June. Analysts polled by Reuters had forecasted the reading to remain steady at 64. The NAHB index is seen as a proxy on domestic housing starts, which will be released on Wednesday. Analysts polled by Reuters forecast home builders likely broke ground at an annualized pace of 1.261mn units in June, down from a 1.269mn pace in May. The NAHB survey's components rose broadly in July. The gauge on current single-family home sales rose to 72 from 71 while the barometer on prospective buyers increased one point to 48. (Reuters)
- **UK pay growth strongest since 2008, but jobs boom slows** – British wages, excluding bonuses, rose at their fastest pace in nearly 11 years, official data showed, but there were potential

signs of future weakness in jobs growth, the economy's silver lining since the Brexit referendum. Core earnings rose by an annual 3.6% in the three months to May, the biggest increase since mid-2008 and stronger than the median forecast of 3.5% in a Reuters poll of economists. Including bonuses, pay growth beat all forecasts in the poll, rising to 3.4%, the Office for National Statistics said, with a change in the timing of public health workers' pay rises accounting for a small part of the increase. Many economists said the strength of Britain's labor market is at least in part due to employers hiring workers who they can later lay off if needed, rather than making longer-term investment commitments ahead of Brexit. Unemployment held at its joint lowest rate since the three months to January 1975, forcing many employers to offer higher pay to their workers whose spending has helped the economy. (Reuters)

- **German investor morale darkens on trade disputes, Iran tensions** – The mood among German investors deteriorated more sharply than expected in July, a survey showed, with the ZEW institute pointing to the unresolved trade dispute between China and the US as well as political tensions with Iran. ZEW said its monthly survey showed economic sentiment among investors fell to -24.5 from -21.1 in June. Economists had expected a less severe drop to -22.3. A separate gauge measuring investors' assessment of the economy's current conditions plunged to -1.1, the lowest level since June 2010. The weak reading bodes ill for the German economy which is expected to post only meager growth of 0.5% this year. (Reuters)
- **Japan's holdings of US Treasuries surge to near two-year peak** – Japan increased its holdings of US Treasuries to its highest level in nearly two years in May, while China trimmed its ownership of US bonds to a two-year low, data from the US Treasury Department released showed. The two countries remained by far the two largest foreign holders of Treasuries. Overall foreigners sold \$33.84bn in longer-dated Treasuries, which exclude bills, compared with net purchases worth \$16.95bn in April. Japan's holdings of US government debt jumped to \$1.101tn in May, a level not seen since August 2017 and up from \$1.064tn in April. The increase in Japan's holdings was also the biggest since July 2013. China's stake in Treasuries declined for a third consecutive month to \$1.110tn, the lowest since May 2017 and down from \$1.113tn the month before. China's Treasuries holdings have been in focus amid speculation whether Beijing may retaliate against US President, Donald Trump's threat of increasing tariffs on Chinese goods. (Reuters)
- **China boosts local government bond issuance to 717bn Yuan in June to spur economy** – China's local governments sharply accelerated their bond issuance in June as they looked to ramp up infrastructure spending to support economic growth that slowed to a 27-year low. Beijing is counting on a recovery in infrastructure investment to help stabilize the world's second-largest economy as the US-China trade war drags on, weighing on its vast manufacturing sector and business confidence. But the economy has been slow to respond to earlier growth boosting measures, raising questions over whether more support is needed and if that risks a sharper build-up in debt. Net local government bond issuance rose to 717bn Yuan in

June, the highest so far this year and accounting for a third of the first half's total, Hao Lei, a finance ministry official said. (Reuters)

- **Regulator: China's Yuan internationalization should be market-driven, will take time** – China's policy of internationalizing the use of its Yuan currency should be market-driven and cannot be accomplished overnight, the head of its foreign exchange regulator said. China will continue to encourage cross-border use of the Yuan in trade and investment and will make it easier for foreign investors to use Yuan to invest in China's bond and stock markets, Pan Gongsheng said in an article posted on the Wechat account of a central bank publication. China also will further develop financial products in offshore Yuan markets and provide necessary liquidity support, Pan added. (Reuters)

Regional

- **APICORP: Renewable energy gains momentum in the Arab region** – Renewable energy developments in the Arab world are gaining momentum. The main driver behind these developments is the strong support from governments that recognize the urgency of tackling rising demand for energy and are attracted by the declining costs of solar PV, the Arab Petroleum Investments Corporation (APICORP) noted in its MENA annual energy investments outlook 2019. In addition to the government supports, multilateral development banks (MDBs) and development agencies have played a critical role in financing projects. Gas shortages, an increasing reliance on high value liquids and environmental concerns have also added to the urgency of energy diversification. Equally important, renewables continue to rapidly improve their cost competitiveness against other sources of power generation. Renewable energy gains momentum in Arab region. To support their renewable sectors, the Arab countries have introduced several supporting mechanisms including competitive bidding, feed in tariffs (FiTs), tax exemptions, and power-purchase agreements (PPA), in addition to land and financial incentives. APICORP estimates that in the next five years, close to \$350bn could be invested in the MENA's power sector with renewable energy accounting for 34% of power investment, or 12% of total energy investment. (Peninsula Qatar)
- **Masdar to build SR100mn solar panel factory in Saudi Arabia** – UAE-based Masdar has signed an agreement with Saudi Industrial Development Fund to build solar panel factory worth SR100mn in Saudi Arabia. The output will start by the end of the year. The factory is located in Dammam. (Bloomberg)
- **ADNOC plans oil trade overhaul to boost Middle Eastern clout** – The UAE' state-run ADNOC, long seen as one of the most conservative oil firms in the Middle East, plans an overhaul for its trading operations as it seeks to emulate the success of rival oil majors and bolster its regional influence. The company has splurged on hiring former employees of private-sector peers and wants to launch a regional oil benchmark, possibly this year, similar to international markers Brent and WTI, sources said. The plan is not yet finalized and still has to be approved by UAE authorities, such as the Abu Dhabi Supreme Petroleum Council, the sources said. "ADNOC hopes the benchmark will allow it to earn more money and gain bigger prestige in the region. This all fits into a drive by Abu Dhabi Crown Prince, Sheikh Mohammed bin Zayed to turn the UAE into a regional leader," sources

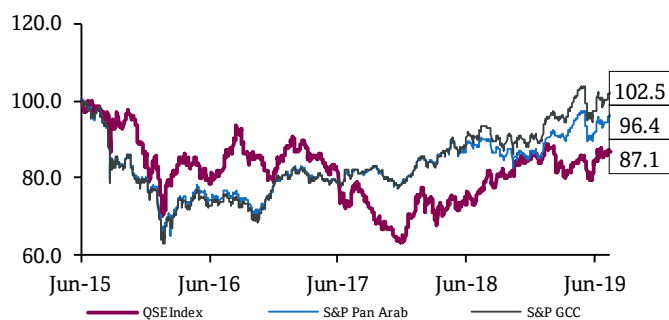
added. The UAE, the third-largest oil producer in the OPEC, behind Saudi Arabia and Iraq, pumps around 3mn barrels per day. It plans to boost output to 4mn bpd by 2020. Most of that oil is produced by ADNOC, based in the country's capital, Abu Dhabi. (Reuters)

- **Oman sells OMR45mn 28-day bills at yield of 2.322%** – Oman sold OMR45mn of 28 day bills due on August 14, 2019 on July 15, 2019. The bills were sold at a price of 99.822, having a yield of 2.322% and will settle on July 17, 2019. (Bloomberg)
- **Oman's OCTAL secures \$625mn in loans** – Omani plastics packaging manufacturer OCTAL has secured \$625mn in banking facilities, it stated, after pulling last year a planned \$300mn debut bond. The company continues to look at the bond market for future funding requirements should market conditions be favorable, its Chief Financial Officer, Scott Ewen said. OCTAL, which makes thermoplastic sheets and resin for use in packaged goods, will use part of the bank financing to refinance some of its existing debt and to fund expansion. The facilities include a \$225mn syndicated term loan and \$400mn in working capital. "This deal allows us to increase our production by almost 100,000 tons of sheet," he said in an interview, from current production of around 250,000 tons. OCTAL last year hired Citi, Credit Suisse, HSBC, and Standard Chartered to arrange a \$300mn bond issue, its debut in the international debt markets. The debt sale however was pulled in October, at a time of choppy conditions across emerging markets. "If the bond market becomes more attractive, it's something we will still look at in terms of the next phase of expansion for OCTAL, if the next capex lends itself to being funded by a bond," he added. "We're still watching that market and seeing what pricing is out there," he said. "At the current sort of risk factors that we would be exposed to, we think it's still too expensive." The new \$225mn loan is split into two tranches with maturities of four and a half years and seven years. The \$400mn working capital facilities, provided by a group of banks, are needed to back the import and export sides of OCTAL's business, he said. OCTAL contributes approximately 6.5% to Oman's non-oil exports. Last year it reported revenue of \$834mn. He said that he expects revenues to near \$1bn this year. Bank Muscat, Bank Dhofar, National Bank of Oman, Standard Chartered, HSBC Bank Oman, National Bank of Bahrain and Bank ABC have provided the term loan, with Bank Muscat working as financial advisor, the company stated. (Reuters)
- **NBB posts 14.6% YoY rise in nFKet profit to BHD19.6mn in 2Q2019** – National Bank of Bahrain (NBB) recorded net profit of BHD19.6mn in 2Q2019, an increase of 14.6% YoY. Net interest income rose 12.6% YoY to BHD24.2mn in 2Q2019. Total operating income rose 10.7% YoY to BHD32.0mn in 2Q2019. Total assets stood at BHD3.2bn at the end of June 30, 2019 as compared to BHD3.0bn at the end of June 30, 2018. Loans and advances stood at BHD1.2bn (-2.6% YoY), while customers' deposits stood at BHD2.1bn (+1.6% YoY) at the end of June 30, 2019. EPS came in at 13 fils in 2Q2019 as compared to 11 fils in 2Q2018. (Bahrain Bourse)
- **Oil minister names Dawood Nassif Chairman of Bahrain Petroleum Co.** – Bahraini Oil Minister, Sheikh Mohammed bin Khalifa bin Ahmed Al Khalifa has appointed Dawood Nassif as the Chairman of the board of directors of Bahrain Petroleum

Company (BAPCO), the Bahrain News Agency (BNA) stated. It stated that the minister had ordered a reconfiguration of the board. (Reuters)

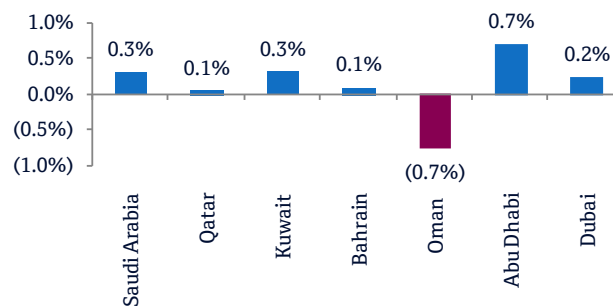
- **JGC gets order for Total's ship-fueling LNG plant in Oman** – JGC stated that it has received front end engineering and design contract for a medium-scale maritime fuel LNG plant planned by Total and Oman Oil Company. The plant is in the Sohar port to have LNG production capacity of 1mn tons/year. Nikkei had reported the contract earlier. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,406.28	(0.6)	(0.7)	9.7
Silver/Ounce	15.56	1.1	2.2	0.4
Crude Oil (Brent)/Barrel (FM Future)	64.35	(3.2)	(3.6)	19.6
Crude Oil (WTI)/Barrel (FM Future)	57.62	(3.3)	(4.3)	26.9
Natural Gas (Henry Hub)/MMBtu	2.42	(4.0)	(4.7)	(24.1)
LPG Propane (Arab Gulf)/Ton*	49.25	0.0	(2.0)	(22.4)
LPG Butane (Arab Gulf)/Ton*	46.00	0.0	(5.4)	(34.3)
Euro	1.12	(0.4)	(0.5)	(2.2)
Yen	108.24	0.3	0.3	(1.3)
GBP	1.24	(0.9)	(1.3)	(2.7)
CHF	1.01	(0.3)	(0.4)	(0.6)
AUD	0.70	(0.4)	(0.1)	(0.5)
USD Index	97.40	0.5	0.6	1.3
RUB	63.03	0.6	0.1	(9.6)
BRL	0.27	(0.3)	(0.8)	3.0

Source: Bloomberg (*Market was closed on July 16, 2019)

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,208.09	(0.3)	(0.2)	17.2
DJ Industrial	27,335.63	(0.1)	0.0	17.2
S&P 500	3,004.04	(0.3)	(0.3)	19.8
NASDAQ 100	8,222.80	(0.4)	(0.3)	23.9
STOXX 600	389.10	(0.1)	0.1	12.8
DAX	12,430.97	(0.1)	0.4	15.4
FTSE 100	7,577.20	(0.2)	(0.2)	9.7
CAC 40	5,614.38	0.2	0.3	16.2
Nikkei	21,535.25	(1.0)	(1.0)	9.7
MSCI EM	1,060.38	0.2	0.9	9.8
SHANGHAI SE Composite	2,937.62	(0.1)	0.3	17.8
HANG SENG	28,619.62	0.3	0.6	10.9
BSE SENSEX	39,131.04	0.3	0.8	10.0
Bovespa	103,775.40	(0.2)	(0.7)	21.6
RTS	1,382.09	(0.3)	(0.4)	29.3

Source: Bloomberg (*\$ adjusted returns)

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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