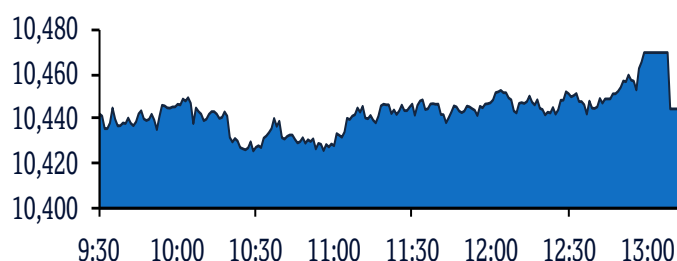


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.3% to close at 10,444.5. Gains were led by the Banks & Financial Services and Industrials indices, gaining 0.5% and 0.4%, respectively. Top gainers were Qatari German Company for Medical Devices and Mannai Corporation, rising 3.6% and 2.2%, respectively. Among the top losers, Ahli Bank fell 2.5%, while Al Khaleej Takaful Insurance Company was down 2.1%.

GCC Commentary

Saudi Arabia: The TASI Index gained 1.3% to close at 8,796.6. Gains were led by the Banks and Insurance indices, rising 2.1% and 1.7%, respectively. Arab National Bank rose 7.0%, while National Company for Learning and Education was up 5.3%.

Dubai: The DFM Index gained 0.1% to close at 2,626.1. The Consumer Staples and Discretionary index rose 2.2%, while the Telecom. index gained 1.0%. Khaleej Commercial Bank rose 12.5%, while Commercial Bank of Dubai was up 5.6%.

Abu Dhabi: The ADX General Index gained 0.7% to close at 4,991.7. The Banks index rose 0.9%, while the Telecommunication index gained 0.8%. Sharjah Cement and Industrial Dev. Co. rose 14.7%, while Ras Al Khaimah Cement Co. was up 7.1%.

Kuwait: The Kuwait Main Market Index gained marginally to close at 4,744.4. The Consumer Goods index rose 3.1%, while the Real Estate index gained 1.1%. Tamdeen Real Estate rose 11.0%, while Warba Capital Holding Co. was up 10.0%.

Oman: The MSM 30 Index gained 0.3% to close at 3,891.1. Gains were led by the Financial and Services indices, rising 0.5% and 0.2%, respectively. Oman Flour Mills rose 3.8%, while Oman Fisheries was up 2.9%.

Bahrain: The BHB Index gained 0.5% to close at 1,468.3. The Hotels & Tourism index rose 1.0%, while the Commercial Banks index gained 0.8%. Ithmaar Holding rose 1.6%, while Gulf Hotel Group was up 1.5%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatari German Co for Med. Devices	0.83	3.6	12,352.6	46.6
Mannai Corporation	3.78	2.2	7.5	(31.2)
Qatari Investors Group	2.41	2.1	551.2	(13.3)
Doha Bank	2.68	1.9	4,753.9	20.7
Islamic Holding Group	2.21	1.4	217.0	1.1

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatari German Co for Med. Devices	0.83	3.6	12,352.6	46.6
Aamal Company	0.79	0.1	9,593.0	(10.5)
Mesaieed Petrochemical Holding	2.61	0.4	5,419.2	73.7
Qatar First Bank	0.41	(0.2)	4,864.8	(0.2)
Doha Bank	2.68	1.9	4,753.9	20.7

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,444.48	0.3	(2.3)	1.7	1.4	78.92	158,284.0	14.7	1.6	4.2
Dubai	2,626.06	0.1	(1.2)	0.2	3.8	38.51	95,447.7	11.7	1.0	4.7
Abu Dhabi	4,991.69	0.7	(1.1)	(0.2)	1.6	46.29	138,779.7	14.8	1.5	5.0
Saudi Arabia	8,796.61	1.3	(0.8)	3.3	12.4	727.63	553,640.4	19.8	1.9	3.3
Kuwait	4,744.35	0.0	0.1	0.2	0.1	115.90	32,642.1	14.4	0.9	3.9
Oman	3,891.06	0.3	(0.9)	(1.1)	(10.0)	17.29	17,008.3	7.7	0.8	7.0
Bahrain	1,468.30	0.5	0.9	2.4	9.8	8.33	22,840.0	10.7	0.9	5.1

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	27 June 19	26 June 19	%Chg.
Value Traded (QR mn)	288.7	302.2	(4.5)
Exch. Market Cap. (QR mn)	576,206.7	574,651.9	0.3
Volume (mn)	58.5	58.0	0.8
Number of Transactions	6,321	4,334	45.8
Companies Traded	44	44	0.0
Market Breadth	24:15	16:22	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	19,218.74	0.3	(2.3)	5.9	14.7
All Share Index	3,091.53	0.3	(2.1)	0.4	14.7
Banks	4,038.77	0.5	(3.0)	5.4	14.1
Industrials	3,252.92	0.4	(2.4)	1.2	16.4
Transportation	2,562.09	0.3	2.4	24.4	13.8
Real Estate	1,528.29	0.2	(0.3)	(30.1)	12.8
Insurance	3,094.99	(0.7)	(3.5)	2.9	17.9
Telecoms	905.66	(0.5)	(1.6)	(8.3)	18.6
Consumer	8,100.77	(0.4)	(1.4)	20.0	15.8
Al Rayan Islamic Index	4,061.69	0.3	(1.5)	4.6	13.9

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Arab National Bank	Saudi Arabia	26.05	7.0	2,460.3	22.5
Bupa Arabia for Coop. Ins.	Saudi Arabia	96.30	4.7	371.7	18.9
Saudi British Bank	Saudi Arabia	41.40	3.5	1,421.6	26.8
Samba Financial Group	Saudi Arabia	35.40	2.9	1,341.8	12.7
Riyad Bank	Saudi Arabia	26.80	2.5	2,685.7	35.2

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Bank Sohar	Oman	0.11	(1.8)	901.1	(3.3)
Boubyan Petrochem. Co.	Kuwait	0.88	(1.7)	507.2	(9.7)
Saudi Arabian Mining Co.	Saudi Arabia	48.60	(1.6)	1,456.2	(1.4)
Dubai Investments	Dubai	1.23	(1.6)	789.1	(2.4)
Qurain Petrochemical Ind.	Kuwait	0.35	(1.4)	281.0	(3.6)

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%
Ahli Bank	3.08	(2.5)	8.9	21.0
Al Khaleej Takaful Insurance Co.	18.46	(2.1)	226.7	114.9
Zad Holding Company	12.85	(0.9)	7.6	23.6
Gulf International Services	1.94	(0.9)	684.4	14.1
Ooredoo	65.41	(0.9)	82.5	(12.8)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	19.03	0.4	65,968.6	(2.4)
Qatar Islamic Bank	16.61	0.1	28,486.5	9.3
Qatar Fuel Company	21.46	(0.9)	21,052.6	29.3
Industries Qatar	11.50	1.0	19,591.7	(13.9)
Qatar Gas Transport Company	23.10	0.4	18,546.5	28.8

Source: Bloomberg (* in QR)

Qatar Market Commentary

- The QE Index rose 0.3% to close at 10,444.5. The Banks & Financial Services and Industrials indices led the gains. The index rose on the back of buying support from non-Qatari shareholders despite selling pressure from Qatari and GCC shareholders.
- Qatari German Company for Medical Devices and Mannai Corporation were the top gainers, rising 3.6% and 2.2%, respectively. Among the top losers, Ahli Bank fell 2.5%, while Al Khaleej Takaful Insurance Company was down 2.1%.
- Volume of shares traded on Thursday rose by 0.8% to 58.5mn from 58.0mn on Wednesday. However, as compared to the 30-day moving average of 98.4mn, volume for the day was 40.5% lower. Qatari German Company for Medical Devices and Aamal Company were the most active stocks, contributing 21.1% and 16.4% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	26.01%	22.08%	11,356,715.54
Qatari Institutions	23.86%	36.57%	(36,698,536.99)
Qatari	49.87%	58.65%	(25,341,821.45)
GCC Individuals	0.65%	1.38%	(2,087,106.89)
GCC Institutions	2.07%	11.92%	(28,429,243.16)
GCC	2.72%	13.30%	(30,516,350.05)
Non-Qatari Individuals	5.66%	6.20%	(1,551,832.22)
Non-Qatari Institutions	41.74%	21.86%	57,410,003.72
Non-Qatari	47.40%	28.06%	55,858,171.50

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

Global Economic Data and Earnings Calendar

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
06/27	US	Bureau of Economic Analysis	GDP Annualized QoQ	1Q2019	3.1%	3.2%	3.1%
06/27	US	Bureau of Economic Analysis	GDP Price Index	1Q2019	0.9%	0.8%	0.8%
06/27	US	Bureau of Economic Analysis	Core PCE QoQ	1Q2019	1.2%	1.0%	1.0%
06/27	US	Department of Labor	Initial Jobless Claims	22-June	227k	220k	217k
06/27	US	Department of Labor	Continuing Claims	15-June	1,688k	1,665k	1,666k
06/28	UK	GfK NOP (UK)	GfK Consumer Confidence	June	-13.0	-11.0	-10.0
06/28	UK	UK Office for National Statist	GDP QoQ	1Q2019	0.5%	0.5%	0.5%
06/28	UK	UK Office for National Statist	GDP YoY	1Q2019	1.8%	1.8%	1.8%
06/27	EU	European Commission	Services Confidence	June	11.0	12.4	12.1
06/27	EU	European Commission	Consumer Confidence	June	-7.2	-7.2	-7.2
06/28	EU	Eurostat	CPI Core YoY	June	1.1%	1.0%	0.8%
06/28	EU	Eurostat	CPI Estimate YoY	June	1.2%	1.2%	1.2%
06/27	Germany	German Federal Statistical Office	CPI MoM	June	0.3%	0.2%	0.2%
06/27	Germany	German Federal Statistical Office	CPI YoY	June	1.6%	1.4%	1.4%
06/27	Germany	German Federal Statistical Office	CPI EU Harmonized MoM	June	0.1%	0.1%	0.3%
06/27	Germany	German Federal Statistical Office	CPI EU Harmonized YoY	June	1.3%	1.3%	1.3%
06/28	France	INSEE National Statistics Office	PPI MoM	May	-0.4%	-	-0.8%
06/28	France	INSEE National Statistics Office	PPI YoY	May	0.8%	-	1.9%
06/28	France	INSEE National Statistics Office	CPI EU Harmonized MoM	June	0.3%	0.0%	0.1%
06/28	France	INSEE National Statistics Office	CPI EU Harmonized YoY	June	1.4%	1.1%	1.1%
06/28	France	INSEE National Statistics Office	CPI MoM	June	0.2%	0.0%	0.1%
06/28	France	INSEE National Statistics Office	CPI YoY	June	1.2%	1.0%	0.9%
06/28	Japan	Ministry of Internal Affairs and Communications	Tokyo CPI YoY	June	1.1%	1.0%	1.1%
06/28	Japan	Ministry of Economy Trade and Industry	Industrial Production MoM	May	2.3%	0.7%	0.6%
06/28	Japan	Ministry of Economy Trade and Industry	Industrial Production YoY	May	-1.8%	-2.9%	-1.1%

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
QNBK	QNB Group	10-Jul-19	10	Due
QGTS	Qatar Gas Transport Company Limited (Nakilat)	10-Jul-19	10	Due
MARK	Masraf Al Rayan	15-Jul-19	15	Due
QIGD	Qatari Investors Group	22-Jul-19	22	Due
DHBK	Doha Bank	24-Jul-19	24	Due

Source: QSE

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	

Source: QSE

News

Qatar

- **QSE executes share splits for QATI** – Qatar Stock Exchange (QSE) announced that the split of shares for Qatar Insurance Company (QATI) has been executed, effective from June 30, 2019. The new number of QATI's shares after the split is 3,266,101,330 and the adjusted closing price of QR3.51 per share. QSE also sets price limits, (i) Price up limit: QR3.86 and (ii) Price down limit: QR3.16. (QSE)
- **QSE executes share splits for QISI** – Qatar Stock Exchange (QSE) announced that the split of shares for Qatar Islamic Insurance Group (QISI) has been executed, effective from June 30, 2019. The new number of QISI's shares after the split is 150,000,000 and the adjusted closing price of QR5.75 per share. QSE also sets price limits, (i) Price up limit: QR6.32 and (ii) Price down limit: QR5.18. (QSE)
- **WDAM to disclose 2Q2019 financial statements on July 15** – Widam Food Company (WDAM) announced its intent to disclose 2Q2019 financial statements for the period ending June 30, 2019, on July 15, 2019. (QSE)
- **ORDS to disclose 2Q2019 financial statements on July 29** – Ooredoo (ORDS) announced its intent to disclose 2Q2019 financial statements for the period ending June 30, 2019, on July 29, 2019. (QSE)
- **Mannai Trading Co. and Fme announce strategic partnership for content migrations in Qatar and Middle East** – Mannai Trading Co. and Fme AG, the market leader for content migrations with its product, migration-center, have announced a partnership agreement to drive complex migration projects in Qatar and Middle East. Migration-center is a content migration platform, which carries out highly automated, large volume migrations without system downtime. It is a 100% out-of-the-

box software, fully documented, easy to deploy and needs no additional programming or scripting effort. With over 150 migration paths for multiple platforms, migration-center with its numerous source connectors is the right choice for successful content migration projects with reduced project durations. The simple migration rule configuration reduces costs dramatically and the product supports application decommissioning to save maintenance costs. The Middle Eastern market is a thriving one and content migration projects are requested more often than ever. Organizations need very specific support for migrating, upgrading or archiving their data accordingly and while Fme can provide the leading content migration software, Mannai Trading Co. has the work force expertise to assist onsite. (QSE)

- **Qatar, World Bank in new agreement to drive private sector growth** – The Ministerial Group, for Stimulating and Cooperating with the Private Sector in the Economic Development Projects, chaired by the Prime Minister and Minister of Interior, HE Sheikh Abdullah bin Nasser bin Khalifa Al Thani, has signed an agreement with the World Bank Group to conduct an Investment Climate Assessment and an Evaluation on the Business Regulation Environment in Qatar, aimed towards promoting and expanding growth driven by the private sector. Head of the Technical Committee for Stimulating and Motivating the Private Sector Khamis Al Mohannadi said, "In the last 20 years, Qatar has made outstanding socio-economic achievements, one of which is having a 10.5% average growth rate. The achievements of the economic growth resulted from the reform policies that Qatar has undertaken in the context of the rapid globalism process. This bilateral agreement aims to keep improving the investment environment in Qatar and attracting FDI." Deputy

Undersecretary for Economic Affairs at the Ministry of Finance, Saud bin Abdullah Al Attiyah said, "The agreement signed today is part of Qatar's on-going initiatives to continuously improve its business environment and support local and international firms alike to grow and expand. We are confident that this agreement will further support our efforts to position Qatar as the regions preferred business and financial hub." (Qatar Tribune)

- **Qatar's 1Q2019 consumer confidence index little changed** – Planning and Statistics Authority, which is under Ministry of Planning Development and Statistics, in Doha has published Qatar's consumer confidence index for the first quarter 2019. Consumer confidence index value for 1Q2019 stood at 184.5 points, up 0.1% from 184.4 points in 4Q2018. Consumer confidence index rose 0.4% from same period year ago. (Bloomberg)
- **Qatari investments in Germany reach €25bn, says Qatar Chamber official** – Qatar's investments in Germany have reached €25bn, according to Qatar Chamber's Chairman, Sheikh Khalifa bin Jassim Al Thani, who recently headed a delegation to Berlin. The forum aims to enhance economic and trade relations between Arab countries and Germany, as well as developing cooperation ties among business owners from both sides, Qatar Chamber stated in a statement. Sheikh Khalifa stressed the importance of the forum in enhancing cooperation relations between the two sides, which would benefit the Arab and German economies. He said the volume of trade exchange between Arab countries and Germany is more than €56bn. There are efforts by both sides to increase this in the coming years, he said. (Gulf-Times.com)
- **Cruise tourism to increase after Doha Port dredging** – Deepening of Doha Port and the addition of extra berthing will help in boosting tourism in the country as it will increase the number of cruise ships and tourists coming to the country. Hotels, restaurants, retail and service sectors will be the main beneficiary of rising tourism, experts said. The Ministry of Transport and Communications stated that it had completed the dredging works at Doha Port as part of its redevelopment project. Up to 3.5mn cubic meters of material in the approach channel has been cleared and extra berthing has been provided to accommodate more than one giant cruise ship, it added. A senior official of a tour and travel agency said, "Doha Port plays a huge role in Qatar's tourism sector because it has become Qatar's gateway to marine tourism. Any expansion work in this port has a positive effect on the country's tourism. Dredging will have a two-way impact on the country's tourism industry. First it will allow supersize ships to come to Qatar and second the number of tourists coming to the country will also increase because more ships will be able to come to Qatar because of extra berthing space." (Peninsula Qatar)
- **Qatar participates in 11th Session of Arab Water Council** – The Arab Ministerial Water Council held its 11th session at the headquarters of the Arab League General Secretariat. Qatar is participating in those meetings with a delegation chaired by HE the Qatar's Permanent Representative to the Arab League ambassador Ibrahim bin Abdulaziz Al-Sahlawi. The session focuses on a number of issues, such as the implementation of the executive strategic plan for water security in the region,

following up on the 2030 sustainable development plans in relation to water, and the Israeli occupation's theft of Arab waters in occupied Syrian Golan, and from the south of Lebanon, among other issues. (Gulf-Times.com)

- **Qatar to send first tranche of \$3bn to Pakistan** – Qatar is stated to have sent the first tranche of \$3bn to Pakistan that will help boost its dwindling foreign-exchange reserves, according to sources. The amount will be with Pakistan in the next few days. The gas-rich nation pledged the amount in deposits and investments to Pakistan after Qatar's Emir Sheikh Tamim bin Hamad Al Thani visited Islamabad this month. (Bloomberg)

International

- **QNB Group: Growth outlook for global economy is weakening** – The outlook for the global economy continues to weaken, QNB Group stated in its weekly economic report. Bloomberg's consensus forecast for global growth in 2019 has changed from 3.6% in 4Q2018 to 3.3%. Similarly, the IMF has revised down its projections for global growth in 2019 twice since October 2018, from 3.7% to 3.3%. QNB Group stated the leading indicators of global demand continue to deteriorate and move away from their 2017-2018 peaks. The IHS Markit global manufacturing Purchasing Managers' Index (PMI) has recently turned into contraction territory (below the 50 mark) for the first time in more than three years. Nevertheless, market sentiment has been improving in 2019. Equity markets and volatility metrics, key benchmarks for investor sentiment, are both pointing to a more benign environment at the time of writing than in late 2018. The MSCI All Country World Index, a free-float weighted equity index of both developed and emerging markets, is up 15% so far this year, washing out last year's losses. Moreover, the Chicago Board Options Exchange Volatility Index (VIX index), which is a traditional fear gauge for markets and moves in opposite direction to sentiment, has eased significantly with a 40% decline year-to-date. (Qatar Tribune)
- **US economic growth rises in first-quarter, but momentum fizzling** – The US economic growth accelerated in the first quarter, the government confirmed on Thursday, but the export and inventory boost to activity masked weakness in domestic demand, some of which appears to have prevailed in the current period. Federal Reserve's Chairman, Jerome Powell last week acknowledged the temporary lift to economic growth from trade and inventories, which he described as components that are not generally reliable indicators of ongoing momentum. The US central bank last Wednesday signaled interest rate cuts as early as July, citing rising risks to the economy, especially from an escalation in the trade conflict between the US and China, and low inflation. GDP increased at a 3.1% annualized rate, also driven by more spending on highways and defense, the Commerce Department stated in its third reading of first-quarter GDP. That was unchanged from its estimate last month and in line with economists' expectations. The economy grew at a 2.2% pace in the October-December period. Despite the unchanged reading, growth in consumer spending was revised lower and business investment in intellectual property products was stronger than previously estimated. There were also upward revisions to spending on nonresidential structures and government expenditure. Revisions to the trade deficit and inventory accumulation were minor. Excluding trade,

inventories and government spending, the economy grew at only a 1.3% rate in the first quarter. That was the slowest rise in this measure of domestic demand since the second quarter of 2013. (Reuters)

- **Moderate US consumer spending, inflation support rate cut** – The US consumer spending increased moderately in May and prices rose slightly, pointing to slowing economic growth and benign inflation pressures, which could give the Federal Reserve ammunition to cut interest rates next month. The report from the Commerce Department on Friday came just a week after the Fed signaled it could ease monetary policy as early as July, citing low inflation as well as growing risks to the economy from an escalation in trade tensions between the US and China. Inflation has undershot the US central bank's 2% target this year. Consumer spending, which accounts for more than two-thirds of US economic activity, rose 0.4% as households boosted purchases of motor vehicles and spent more at restaurants and on hotel accommodation. Data for April was revised up to show consumer spending advancing 0.6% instead of the previously reported 0.3% gain. Last month's increase in spending was in line with economists' expectations. Consumer prices as measured by the personal consumption expenditures (PCE) price index rose 0.2% last month as a 0.3% rebound in food prices was tempered by a 0.6% decline in the cost of gasoline and other energy goods. The PCE price index increased 0.3% in April. In the 12 months through May, the PCE price index increased 1.5%, slowing from April's 1.6% advance. Excluding the volatile food and energy components, the PCE price index climbed 0.2% last month after a similar gain in April. That kept the annual increase in the so-called core PCE price index at 1.6% for a second straight month in May. (Reuters)
- **US weekly jobless claims increase more than expected** – The number of Americans filing applications for unemployment benefits rose more than expected last week, but there is still no sign of a significant pickup in layoffs even as economic growth has shifted into lower gear. Initial claims for state unemployment benefits increased 10,000 to a seasonally adjusted 227,000 for the week ended June 22, the Labor Department stated. Data for the prior week was revised to show 1,000 more applications received than previously reported. Economists polled by Reuters had forecasted claims rising to 220,000 in the latest week. The Labor Department stated claims for California and Mississippi were estimated. Claims could rise further in the coming weeks as auto manufacturers temporarily shut down assembly plants for summer retooling. Companies implement the plant closures at different times, which can throw off the model the government uses to remove seasonal fluctuations from the data. (Reuters)
- **UK discovers £26bn in statistics review** – Britain's economy is around 1.3% larger than previously thought - a gain of £26bn - statisticians stated after a major revision of growth data from the past 20 years. Britain is the world's fifth-largest economy, with annual economic output worth \$2.8tn (£2.2tn) last year according to figures published by the International Monetary Fund in April. New analysis by Britain's Office for National Statistics showed that average annual GDP growth between 1997 and 2016 was about 0.1 percentage points higher than previously estimated at 2.1%. However, the figures do not

change the broader picture of a marked slowdown in growth since the 2008 global financial crisis and they capture only a few months of the period after the Brexit referendum in June 2016 which has weighed on the economy. (Reuters)

- **GfK: UK's consumers turn gloomier as economy, finance worries grow** – British consumers have turned gloomier about the economy and the outlook for their personal finances, according to a survey by market researchers GfK that adds to signs of a lacklustre second quarter for the economy. The GfK consumer sentiment index - which has been negative since shortly before the June 2016 Brexit referendum - fell to -13 in June from May's seven-month high of -10. The reading was below the median forecast in a Reuters poll of economists of -11. A measure of consumers' willingness to make major purchases was its weakest since November. (Reuters)
- **UK's current account gap hits highest since 2016, pushed up by gold** – Britain's current account deficit with the rest of the world ballooned to its highest since late 2016 earlier this year, official figures showed, though much of the increase was driven by volatile gold trades. At first glance, the bigger shortfall in the deficit – which Bank of England's (BoE) Governor, Mark Carney has long warned leaves Britain dependent on the kindness of strangers – suggested greater vulnerability for the world's fifth-largest economy ahead of Brexit. The deficit widened by 6.3bn Pounds in the first three months of 2019 to 30.0bn Pounds, or 5.6% of economic output, its biggest since the third quarter of 2016. (Reuters)
- **CBI: UK firms hit the brakes as Brexit and bad weather weigh** – Britain's private sector has had its worst three months in nearly seven years as the Brexit impasse and poor weather hit economic growth, the Confederation of British Industry (CBI) stated. After an increase earlier this year, caused by companies stockpiling ahead of the original March 29 Brexit deadline, private sector activity in the three months to June contracted at the quickest pace since September 2012. The balance of firms reporting growth sank to -13%, according to the CBI's monthly Growth Indicator. Rain Newton-Smith, the CBI's chief economist, blamed the weakness on the after-effects of the stockpiling rush, Brexit-related shutdowns in Britain's car industry and bad weather. (Reuters)
- **Eurozone economic morale plunges offering ammunition to ECB stimulus** – Eurozone's economic sentiment sank to its lowest point in nearly three years in June, with industry in particular hit by global trade tensions, European Commission data showed. The data is likely to strengthen the hand of those at the European Central Bank (ECB) who favor easing monetary policy again if inflation in the bloc fails to pick up. The Commission stated its main indicator of economic confidence dropped to 103.3 points in June from 105.2 a month earlier. The indicator is now at its lowest since August 2016. June's drop was bigger than expected and caps a half-year stretch in which sentiment has fallen every month except May, in another bleak sign of the health of the 19-country bloc's economy, which is grappling with weak growth and low inflation. (Reuters)
- **Germany-Iran trade collapses under US sanctions** – Trade between Germany and Iran has collapsed under the impact of US sanctions, data published by Funke newspapers showed, supporting Iran's assertion that Europe is failing to help

preserve the nuclear non-proliferation deal it signed. Data from the German Chamber of Commerce showed that trade volumes between Iran and Europe's largest economy were down 49% over the first four months of the year compared to the same period in 2018, with volumes continually declining. The fall - to a total volume of 529mn Euros - shows the impact of sanctions, imposed by the US administration of President Donald Trump, that punish companies doing business with Iran by depriving them of access to the US market. There were some 60 German companies still doing business in Iran, according to Dagmar von Bohnstein, the Chamber's representative in the country, but they were increasingly working only with local staff. (Reuters)

- **German inflation rate remains well below ECB target in June** – German annual inflation remained well below the European Central Bank's (ECB) target level in June, preliminary data showed, lending support to the bank's decision not to raise interest rates in the coming year. German consumer prices, harmonized to make them comparable with inflation data from other European Union countries, rose by 1.3% YoY after increasing by the same amount in the previous month, the Federal Statistics Office stated. Higher food and leisure prices were the main inflation drivers while energy was a drag. The June reading matched a Reuters forecast. German inflation has not been lower since February 2018 and analysts said it should even fall further toward 1% this year, as energy prices fall and growth in Europe's biggest economy slows. The ECB targets inflation of close to but below 2% for the Eurozone as a whole. (Reuters)
- **Japan's household consumption seen up for sixth straight month in May** – Japan's household spending likely grew for a sixth consecutive month in May, a Reuters poll found, offering some hope domestic consumption may offset risks from abroad. Household spending in May was expected to have risen 1.6% from a year earlier, the poll of 16 economists showed, compared with 1.3% in April. The protracted tariff war between Beijing and Washington poses risks to Japan's economy as many of its companies in electronic parts and semiconductors ship goods to China to make final products destined for the US. If the US-China trade dispute escalates further, it could harm Japanese firms' sentiment, and thus affect domestic consumption, analysts said. (Reuters)
- **Japan's May factory output surprisingly strong, but trade risks linger** – Japan's industrial output rose at the fastest pace in more than a year in May on the back of higher car production, suggesting that growth is holding up despite fears manufacturers remain pressured by the US-China trade war. However, economists said the long-term outlook for Japan's factory output was less rosy, as the May increase likely stemmed from a rise in car production before a sales tax hike expected in October. Yoshiaki Shinke, Chief Economist at Dai-ichi Life Research Institute said, "Expected rush-demand for cars before the tax is scheduled to rise to 10% from 8% contributed to the solid May output. Still, recent economic figures such as exports are weak and we cannot be optimistic about the outlook given the slowdown in the global economy and demand for IT-related products." Industrial production jumped 2.3% from April, the fastest MoM pace since February 2018. May's median market forecast was 0.7%, after April saw a

0.6% rise. The May data showed that higher production of car parts and machines used to make flat panel displays helped offset a decline for airplane parts. (Reuters)

- **BoJ board's debate of more easing at June meet signals possible early action** – Bank of Japan (BoJ) policymakers debated the feasibility of ramping up stimulus at their meeting in June, according to a summary of their opinions, which could heighten speculation the central bank will top up monetary support as early as next month. The discussions, released on Friday, also showed one board member urged that "all policy measures" should be on the table, underscoring the strains on Japan's export-reliant economy from slowing global growth and the US-China trade war. The policymaker said the BoJ must show its readiness to act if the economy's recovery is derailed. The BoJ kept policy steady this month, but Governor Haruhiko Kuroda signaled readiness to boost stimulus as global risks cloud the outlook, joining US and European central banks in opening the door to additional easing. (Reuters)
- **Japan PM Abe, China's Xi agree on need for 'free, fair' trade** – Japanese Prime Minister Shinzo Abe and Chinese President Xi Jinping agreed to work together to promote "free and fair trade" in talks on Thursday that included a "complicated" global economic landscape, a Japanese official said. Both countries are locked in a trade dispute with the US as the world's biggest economy threatens its major trading partners with tariffs to reverse what President Donald Trump says are unfair imbalances that hurt the US economy. Meeting ahead of a two-day G20 summit in Osaka starting on Friday, Xi and Abe had a "very frank exchange", including issues between the US and China, Japanese Deputy Chief Cabinet Secretary Yasutoshi Nishimura said. (Reuters)
- **China central bank pledges to support growth as global risks rise** – China's central bank stated it will maintain support for the slowing economy as global risks rise, while vowing not to adopt "flood-like" stimulus that analysts say could exacerbate debt and structural risks. Recent downbeat Chinese data has fanned market expectations that the government may roll out fresh stimulus to prevent a sharper slowdown in the world's second-largest economy amid a bruising trade war with the US. The central bank stated it will use a variety of monetary policy tools to keep liquidity reasonably ample, under a prudent monetary policy that's neither too tight nor too loose. The PBOC has been trying to ease credit conditions by cutting the reserve requirement ratio (RRR) for lenders six times since early 2018, and further reductions are widely expected. (Reuters)
- **PMI: China's service sector activity grows at slower pace in June** – Growth in China's services sector activity held firm in June, an official survey showed on Sunday, despite growing pressure on the broader economy from tougher US trade measures. The official non-manufacturing Purchasing Managers' Index (PMI) fell to 54.2 from 54.3 in May, but stayed well above the 50-point mark that separates growth from contraction. Services account for more than half of China's economy, and rising wages have increased Chinese consumers' spending power. However, the sector softened late last year along with a slowdown in the economy. The official June composite PMI, which covers both manufacturing and services activity, slipped to 53.0 from May's 53.3. (Reuters)

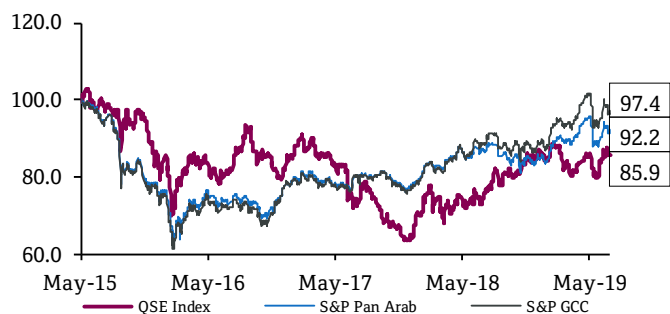
Regional

- **S&P: Fintech, inclusive standardization could accelerate Islamic finance growth** – Inclusive standardization, Fintech, and a greater focus on the social role of Islamic finance could return the industry to the days of double-digit growth, S&P stated in a report. In particular, standard Shari'ah interpretation and legal documentation could simplify Sukuk issuance and increase its appeal for issuers, while leaving some room for innovation, it noted. Fintech could stimulate growth by making transactions quicker, more secure, and easier to implement, it stated. S&P believes the social role of Islamic finance could unlock new growth opportunities as core markets implement the UN Sustainable Development Goals, and issuers and investors become more sensitive to environmental, social and governance (ESG) issues. It, however, expects the Islamic finance industry to show only about 5% growth in 2019-2020, owing to tepid economic conditions in certain core markets. S&P believes the Islamic finance industry will continue to grow slowly in 2019-2020. It expanded by about 2% in 2018 compared with 10% the previous year, according to its estimates with strong support from the Sukuk market. (Gulf-Times.com)
- **Russia agrees with Saudi Arabia to extend OPEC+ oil output deal** – Russia has agreed with Saudi Arabia to extend by six to nine months a deal with OPEC on reducing oil output, Russian President, Vladimir Putin said, as oil prices come under renewed pressure from rising US supplies and a slowing global economy. Saudi Arabian Energy Minister, Khalid Al-Falih said that the deal will most likely be extended by nine months and no deeper reductions were needed. Putin said that the deal - which is due to expire today - will be extended in its current form and with the same volumes. The OPEC, Russia and other producers, an alliance known as OPEC+, meet on July 1-2 to discuss the deal, which involves curbing oil output by 1.2mn barrels per day (bpd). The US, the world's largest oil producer ahead of Russia and Saudi Arabia, is not participating in the pact. "We will support the extension, both Russia and Saudi Arabia. As far as the length of the extension is concerned, we have yet to decide whether it will be six or nine months. Maybe it will be nine months," Putin said. (Reuters)
- **Kuwait backs extending OPEC+ deal on oil cuts until end of 2019** – Kuwait's Oil Minister, Khaled Al-Fadhel said that he supported an extension of a deal between OPEC and non-OPEC countries to cut output until the end of 2019, state news agency KUNA reported. Kuwait is committed to reducing its production according to the agreement, Khaled Al-Fadhel said before an OPEC meeting next month. (Reuters)
- **Saudi Arabia's 1Q2019 current account surplus at \$11,518mn** – Saudi Arabian Monetary Authority published preliminary balance of payments data for first quarter, which showed that the current account surplus came in at \$11,518mn in 1Q2019 as compared to a surplus of \$9,210mn in the same period a year ago. Balance of goods came in at a surplus of \$34,780mn in 1Q2019 as compared to a surplus of \$34,819mn in 1Q2018. Financial account surplus came in at \$10,949mn in 1Q2019 as compared to a surplus of \$9,379mn in the same period a year ago. Net direct investment came in at a surplus of \$3,060mn in 1Q2019 as compared to a surplus of \$2,572mn in 1Q2018. (Bloomberg)
- **Saudi Arabia's May net foreign assets rise to SR1,915.6bn** – Saudi Arabian Monetary Authority (SAMA) published reserves data for May, which showed that Saudi Arabia's May net foreign assets rose to SR1,915.6bn as compared to SR1,868.5bn in April. Total reserve assets rose to SR1,939.08bn in May from SR1,894.1bn in April. Investment in foreign securities fell to SR1,183.7bn in May from SR1,214.3bn in April. FX and deposits abroad rose to SR714.31bn in May from SR637.0bn in April. (Bloomberg)
- **Saudi Arabia's May bank assets rise 1.3% MoM and 5.7% YoY** – Saudi Arabian Monetary Authority published banking data for May, which showed that in May total bank assets rose to SR2,406.6bn from SR2,376.7bn in the previous month, total bank assets stood at SR2,276.1bn in the same month a year ago, representing a rise of 1.3% MoM and 5.7% YoY. Accordingly, M1 money supply rose 3.1% YoY, M2 money supply rose 4.4% YoY and May M3 money supply rose 4.9% YoY. (Bloomberg)
- **Petronas-Saudi Aramco Joint Venture to restart Malaysia crude unit in July** – Petronas-Saudi Aramco joint venture Pengerang Refining and Petrochemical is expected to restart a crude distillation unit at Pengerang Integrated Complex refinery in July, Reuters reported. (Bloomberg)
- **Four Saudi Arabian Insurers hold talks for two separate mergers** – Four Saudi Arabian insurance companies are in talks that may lead to the creation of two firms. Aljazira Takaful Taawuni Co. stated that it has signed a memorandum of understanding (MoU) with Solidarity Saudi Takaful Co. for a potential merger. That follows MetLife AIG ANB Cooperative Insurance Co. stating last week that it is engaged in a similar process with Walaa Cooperative Insurance Co. Saudi Arabia's Central Bank Governor, Ahmed Alkholifey said in April that the regulator will force consolidation in the insurance industry. Most insurance companies in the kingdom have a small market value "and that is why we encourage them really to consolidate," he said. (Bloomberg)
- **Emirates NBD gets key approval for Turkey Denizbank deal** – Emirates NBD has received a key regulatory approval taking Dubai's biggest lender a step closer to completing its purchase of Turkey's Denizbank, sources said. Emirates NBD got approval from the central bank of UAE (CBUAE), however, still needs Turkey's banking regulator to approve before the acquisition from Russia's Sberbank can be completed, sources said. (Bloomberg)
- **Dubai Utility to build five \$600mn substations in three years** – Dubai Electricity & Water Authority plans to build five 400-kilovolt substations in the next three years at a cost of \$600mn. The Emirate's power utility also plans to spend as much as AED8bn to build 68 more substations in the same period, DEWA's CEO, Saeed Mohammed Al Tayer said without providing details on the capacity of the other stations. The utility's total production capacity in 2019 was 11,100 megawatts, he said. (Bloomberg)
- **Dubai Aerospace Enterprise obtains \$440mn credit facility** – Dubai Aerospace Enterprise Ltd., the Middle East's biggest plane-leasing company, got a \$440mn credit facility to support its financing needs. The company signed a long-term unsecured

revolving credit facility with First Abu Dhabi Bank (FAB) and HSBC Bank Middle East Ltd. as bookrunners and mandated lead arrangers, according to a statement. A group of 12 lenders participated in the facility, which was oversubscribed. "DAE has raised \$2.8bn of new, long-term unsecured revolving credit facilities in the last year," CEO, Firoz Tarapore said. "These facilities support the growth of our business, dramatically boost the liquidity cushion and facilitate our migration to a principally unsecured debt issuer. Our unsecured debt-to-total debt ratio is approaching 60%." Earlier today, Dubai Aerospace Enterprise said it repurchased about 4% of its common shares owned by Emaar Properties. The company is now 100% owned by the Investment Corp. of Dubai, the main investment arm of the emirate's government. (Bloomberg)

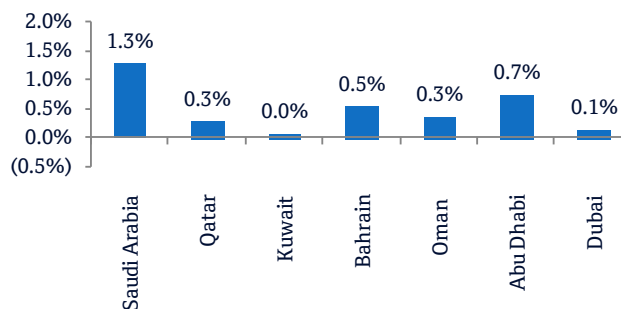
- **First Abu Dhabi Bank raises \$900mn from floating rate notes –** First Abu Dhabi Bank (FAB) has raised \$900mn from floating rate notes. FAB has been rated as 'Aa3' /'AA-' / 'AA-' by (Moody's/S&P and Fitch). The expected issue ratings are 'Aa3' /'AA-' / 'AA-' (M/S/F). The notes are senior unsecured notes in registered form, drawdown off the EMTN Program. The coupon rate is 3m\$+90bps. The tenors of the notes are five years. The pricing date had been issued as June 27, 2019 and the settlement is on July 8, 2019. The maturities of the notes are on July 8, 2024. The listing of the notes will be on the Taipei Exchange (TPEX) and the London Stock Exchange (LSE). The clearing houses for the same are Euroclear/Clearstream. The joint book runners include Credit Agricole Corporate and Investment Bank, Taipei Branch, HSBC Bank (Taiwan) Limited (B&D) and Standard Chartered Bank (Taiwan) Limited. The structuring agent is First Abu Dhabi Bank (FAB). (Bloomberg)
- **ADNOC closes \$4bn pipeline deal with KKR and BlackRock –** Abu Dhabi National Oil Company (ADNOC) stated that it has completed a deal for BlackRock and KKR to buy a 40% stake in ADNOC Oil Pipelines for \$4bn. Under the deal, the pipeline company will lease ADNOC's interest in 18 pipelines transporting crude oil and condensates across ADNOC's upstream concessions for 23 years. KKR and BlackRock's investment, which was first announced in February, was funded through their infrastructure funds and financed by a syndicate of banks, ADNOC stated. (Reuters)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,409.45	(0.0)	0.7	9.9
Silver/Ounce	15.31	0.4	(0.2)	(1.2)
Crude Oil (Brent)/Barrel (FM Future)#	66.55	0.0	2.1	23.7
Crude Oil (WTI)/Barrel (FM Future)	58.47	(1.6)	1.8	28.8
Natural Gas (Henry Hub)/MMBtu	2.42	4.8	6.6	(24.1)
LPG Propane (Arab Gulf)/Ton	48.25	(1.0)	2.1	(24.0)
LPG Butane (Arab Gulf)/Ton	41.75	(6.7)	(7.5)	(40.4)
Euro	1.14	0.0	0.0	(0.8)
Yen	107.85	0.1	0.5	(1.7)
GBP	1.27	0.2	(0.3)	(0.5)
CHF	1.02	0.0	0.0	0.6
AUD	0.70	0.2	1.4	(0.4)
USD Index	96.13	(0.1)	(0.1)	(0.0)
RUB	63.21	0.2	0.3	(9.3)
BRL	0.26	(0.7)	(0.7)	0.9

Source: Bloomberg (*Market was closed on June 28, 2019)

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,178.35	0.5	0.0	15.6
DJ Industrial	26,599.96	0.3	(0.4)	14.0
S&P 500	2,941.76	0.6	(0.3)	17.3
NASDAQ 100	8,006.24	0.5	(0.3)	20.7
STOXX 600	384.87	0.6	0.2	13.1
DAX	12,398.80	1.0	0.6	16.6
FTSE 100	7,425.63	0.4	0.2	9.9
CAC 40	5,538.97	0.8	0.4	16.1
Nikkei	21,275.92	(0.4)	(0.3)	8.8
MSCI EM#	1,054.86	0.0	0.2	9.2
SHANGHAI SE Composite	2,978.88	(0.4)	(0.7)	19.6
HANG SENG	28,542.62	(0.2)	0.2	10.7
BSE SENSEX	39,394.64	(0.3)	1.4	10.4
Bovespa	100,967.20	1.1	(1.2)	16.0
RTS	1,380.52	(0.5)	0.4	29.2

Source: Bloomberg (*\$ adjusted returns, #Market was closed on June 28, 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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