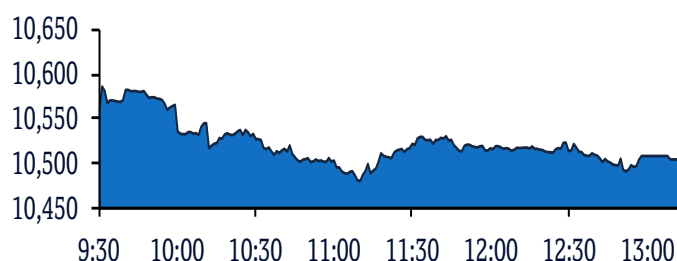


QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.8% to close at 10,505.0. Losses were led by the Insurance and Real Estate indices, falling 3.3% and 1.9%, respectively. Top losers were Gulf International Services and Ezzan Holding Group, falling 5.6% and 3.9%, respectively. Among the top gainers, Zad Holding Company gained 3.3%, while Qatar First Bank was up 3.1%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.1% to close at 8,732.6. Losses were led by the Software & Serv. and Health Care indices, falling 0.8% and 0.7%, respectively. National Co. for Learning declined 2.9%, while Mouwasat Medical was down 2.8%.

Dubai: The DFM Index gained 0.2% to close at 2,918.4. The Real Estate & Construction index rose 0.6%, while the Telecommunication index gained 0.4%. Ekttitab Holding Company rose 5.3%, while Al Salam Group Holding was up 2.3%.

Abu Dhabi: The ADX General Index fell 0.2% to close at 5,317.9. The Investment & Financial Services index declined 2.2%, while the Telecommunication index fell 1.6%. Gulf Cement Company declined 10.0%, while Waha Capital was down 3.8%.

Kuwait: The Kuwait All Share Index gained 0.1% to close at 6,116.7. The Insurance index rose 0.9%, while the Financial Services index gained 0.5%. Al-Eid Food rose 27.0%, while United Projects for Aviation was up 13.7%.

Oman: The MSM 30 Index gained 0.1% to close at 3,760.6. The Financial index gained 0.1%, while the other indices ended in red. Al Omaniya Financial Services rose 4.9%, while National Bank of Oman was up 3.8%.

Bahrain: The BHB Index gained 0.1% to close at 1,547.7. The Insurance index rose 0.5%, while the Industrial index gained 0.2%. Bahrain National Holding rose 2.3%, while Zain Bahrain was up 2.1%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Zad Holding Company	14.20	3.3	110.0	36.5
Qatar First Bank	0.37	3.1	11,112.3	(9.1)
Medicare Group	7.44	1.1	411.2	17.9
Al Meera Consumer Goods Co.	14.73	0.9	437.9	(0.5)
United Development Company	1.39	0.7	1,047.3	(5.8)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatar First Bank	0.37	3.1	11,112.3	(9.1)
Ezzan Holding Group	0.67	(3.9)	9,420.9	(48.2)
Mazaya Qatar Real Estate Dev.	0.79	(1.5)	8,156.1	0.8
Doha Bank	2.73	(0.4)	6,465.7	23.0
Qatar Aluminium Manufacturing	0.87	(0.7)	4,201.6	(35.1)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,505.00	(0.8)	(1.2)	0.5	2.0	67.41	158,799.3	15.0	2.0	4.2
Dubai	2,918.38	0.2	2.4	9.8	15.4	87.51	102,763.2	11.9	1.1	4.2
Abu Dhabi	5,317.90	(0.2)	(1.3)	6.8	8.2	71.79	146,567.4	15.8	1.5	4.7
Saudi Arabia	8,732.62	(0.1)	(1.0)	(1.0)	11.6	694.68	548,453.4	20.6	1.9	3.4
Kuwait	6,116.66	0.1	0.6	4.9	20.4	132.80	114,221.9	15.0	1.5	3.4
Oman	3,760.63	0.1	0.2	(3.2)	(13.0)	5.64	16,580.1	7.2	0.7	7.3
Bahrain	1,547.68	0.1	1.6	5.2	15.7	4.35	24,214.1	11.6	1.0	5.0

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	31 July 19	30 July 19	%Chg.
Value Traded (QR mn)	246.7	192.3	28.3
Exch. Market Cap. (QR mn)	578,082.6	583,135.0	(0.9)
Volume (mn)	77.1	82.9	(7.0)
Number of Transactions	6,123	5,155	18.8
Companies Traded	44	45	(2.2)
Market Breadth	10:30	13:25	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	19,330.10	(0.8)	(1.2)	6.5	15.0
All Share Index	3,099.59	(0.9)	(1.2)	0.7	15.2
Banks	4,098.76	(0.5)	(0.5)	7.0	14.2
Industrials	3,143.08	(1.5)	(2.4)	(2.2)	16.6
Transportation	2,605.08	0.2	(0.1)	26.5	16.9
Real Estate	1,504.56	(1.9)	(3.0)	(31.2)	14.3
Insurance	3,067.41	(3.3)	(3.1)	2.0	18.4
Telecoms	956.72	(1.6)	0.0	(3.1)	22.3
Consumer	8,149.70	0.1	(0.8)	20.7	15.7
Al Rayan Islamic Index	4,029.66	(0.6)	(1.4)	3.7	14.2

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
National Bank of Oman	Oman	0.16	3.8	6.0	(9.9)
Dar Al Arkan Real Estate	Saudi Arabia	11.46	2.3	4,999.3	27.1
Rabigh Ref. & Petrochem.	Saudi Arabia	19.40	2.1	1,304.4	1.7
Ooredoo Oman	Oman	0.47	1.7	80.8	(16.5)
Emaar Properties	Dubai	5.53	1.7	19,949.3	33.9

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Qatar Insurance Co.	Qatar	3.49	(3.6)	2,589.1	(2.8)
Qatar Electricity & Water	Qatar	15.61	(3.1)	753.6	(15.6)
Dubai Investments	Dubai	1.37	(2.8)	10,171.4	8.7
Mouwasat Med. Services	Saudi Arabia	87.50	(2.8)	169.2	8.7
Ooredoo	Qatar	7.15	(2.5)	1,439.3	(4.7)

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%
Gulf International Services	1.70	(5.6)	2,504.1	0.0
Ezzan Holding Group	0.67	(3.9)	9,420.9	(48.2)
Qatar Insurance Company	3.49	(3.6)	2,589.1	(2.8)
Qatar Electricity & Water Co.	15.61	(3.1)	753.6	(15.6)
Doha Insurance Group	1.12	(2.6)	100.0	(14.4)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	19.51	(0.6)	61,971.6	0.1
Industries Qatar	11.23	(1.1)	23,635.8	(15.9)
Qatar Islamic Bank	16.45	(0.4)	18,484.9	8.2
Doha Bank	2.73	(0.4)	17,712.8	23.0
Qatar Electricity & Water Co.	15.61	(3.1)	11,937.9	(15.6)

Source: Bloomberg (* in QR)

Qatar Market Commentary

- The QE Index declined 0.8% to close at 10,505.0. The Insurance and Real Estate indices led the losses. The index fell on the back of selling pressure from GCC and non-Qatari shareholders despite buying support from Qatari shareholders.
- Gulf International Services and Ezdan Holding Group were the top losers, falling 5.6% and 3.9%, respectively. Among the top gainers, Zad Holding Company gained 3.3%, while Qatar First Bank was up 3.1%.
- Volume of shares traded on Wednesday fell by 7.0% to 77.1mn from 82.9mn on Tuesday. However, as compared to the 30-day moving average of 67.4mn, volume for the day was 14.4% higher. Qatar First Bank and Ezdan Holding Group were the most active stocks, contributing 14.4% and 12.2% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	27.39%	26.11%	3,145,993.48
Qatari Institutions	24.47%	7.69%	41,397,020.80
Qatari	51.86%	33.80%	44,543,014.28
GCC Individuals	0.72%	0.58%	349,134.80
GCC Institutions	1.64%	3.48%	(4,550,975.32)
GCC	2.36%	4.06%	(4,201,840.53)
Non-Qatari Individuals	7.95%	5.93%	4,979,475.87
Non-Qatari Institutions	37.83%	56.20%	(45,320,649.63)
Non-Qatari	45.78%	62.13%	(40,341,173.76)

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
Saudi Advanced Industries Co.	Saudi Arabia	SR	20.1	27.8%	16.7	16.8%	16.4	16.1%
Electrical Industries Co.	Saudi Arabia	SR	154.5	-1.3%	3.0	-55.3%	-1.7	N/A
Maharah Human Resources Co.	Saudi Arabia	SR	367.2	8.8%	72.5	17.8%	72.0	25.0%
Al Abdullatif Industrial Inv. Co.	Saudi Arabia	SR	172.9	11.1%	8.8	87.5%	4.1	45.1%
Saudi Industrial Services Co.	Saudi Arabia	SR	180.7	19.7%	43.3	76.0%	21.3	77.5%
The National Co. for Glass Ind.	Saudi Arabia	SR	20.4	-30.1%	-1.3	N/A	-1.4	N/A
Aramex	Dubai	AED	1,278.6	3.8%	160.4	-0.8%	123.2	0.8%
Amlak Finance	Dubai	AED	93.5	-11.4%	-	-	1.8	-60.7%
Emaar Malls**	Dubai	AED	2.2	5.9%	-	-	1.1	2.5%
Finance House	Abu Dhabi	AED	62.2	-6.8%	6.0	N/A	5.0	N/A
Emirates Driving Company	Abu Dhabi	AED	46.0	8.4%	-	-	23.3	19.8%
National International Holding Co.	Kuwait	KD	1.9	-7.4%	0.7	-22.4%	0.8	-8.4%
Bahrain Commercial Facilities Co.	Bahrain	BHD	10.1	10.9%	-	-	5.3	-2.1%
Seef Properties**	Bahrain	BHD	4,280.0	-0.7%	3,899.1	9.5%	2,529.0	4.7%
Zain Bahrain	Bahrain	BHD	14.9	-8.5%	1.3	4.8%	0.8	-33.7%
Bahrain Cinema Company	Bahrain	BHD	-	-	-	-	1.3	58.6%

Source: Company data, DFM, ADX, MSM, TASI, BHB. (*Figures for 6M2019, #Figures in billions, **Figures in '000)

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
07/31	US	Mortgage Bankers Association	MBA Mortgage Applications	26-July	-1.4%	-	-1.9%
07/31	UK	GfK NOP (UK)	GfK Consumer Confidence	July	-11.0	-13.0	-13.0
07/31	EU	Eurostat	GDP SA QoQ	2Q2019	0.2%	0.2%	0.4%
07/31	EU	Eurostat	GDP SA YoY	2Q2019	1.1%	1.0%	1.2%
07/31	EU	Eurostat	CPI Core YoY	July	0.9%	1.0%	1.1%
07/31	France	INSEE	CPI MoM	July	-0.2%	-0.3%	0.2%
07/31	France	INSEE	CPI YoY	July	1.1%	1.1%	1.2%
07/31	Japan	Economic and Social Research Institute	Consumer Confidence Index	July	37.8	38.4	38.7
07/31	China	China Federation of Logistics and Purchasing	Composite PMI	July	53.1	-	53.0
07/31	China	China Federation of Logistics and Purchasing	Manufacturing PMI	July	49.7	49.6	49.4
07/31	China	China Federation of Logistics and Purchasing	Non-manufacturing PMI	July	53.7	54.0	54.2

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
QNCD	Qatar National Cement Company	1-Aug-19	0	Due
IQCD	Industries Qatar	1-Aug-19	0	Due
IGRD	Investment Holding Group	4-Aug-19	3	Due
GISS	Gulf International Services	4-Aug-19	3	Due
QISI	Qatar Islamic Insurance Company	4-Aug-19	3	Due
BRES	Barwa Real Estate Company	5-Aug-19	4	Due
SIIS	Salam International Investment Limited	5-Aug-19	4	Due
MPHC	Mesaieed Petrochemical Holding Company	5-Aug-19	4	Due
ZHCD	Zad Holding Company	5-Aug-19	4	Due
QOIS	Qatar Oman Investment Company	5-Aug-19	4	Due
MCCS	Mannai Corporation	6-Aug-19	5	Due
MERS	Al Meera Consumer Goods Company	6-Aug-19	5	Due
MRDS	Mazaya Qatar Real Estate Development	7-Aug-19	6	Due

Source: QSE

News

Qatar

- DOHI posts net profit of ~QR18mn in 2Q2019** – Doha Insurance Group (DOHI) reported net profit of ~QR18mn in 2Q2019 as compared to ~QR7mn in 2Q2018 and net profit of QR17.7mn in 1Q2019. In 1H2019, DOHI reported a net profit of QR 35.4mn as compared to QR34.9mn in 1H2018. EPS remained flat YoY at QR0.07 in 1H2019. (QSE)
- Qatar's industrial sector PPI falls 11.8% YoY in June** – Qatar's industrial sector Producer Price Index (PPI) for June 2019 decreased by 2.4% on a monthly basis, and 11.8% on an annual basis, data released by Planning and Statistics Authority (PSA) showed. The PPI covers goods relating to mining, manufacturing, and electricity & water with weights of 72.7%, 26.8%, and 0.5%, respectively. The mining PPI in June 2019 decreased by 2.9% compared to May 2019, primarily due to the decrease of crude petroleum and natural gas prices by 2.9%. The mining PPI dropped by 13.2% compared to June 2018. Manufacturing saw a decrease of 0.9% in June 2019, compared to May 2019. On annual basis, manufacturing PPI in June 2019 decreased by 8.7%. PPI of electricity and water group showed a decrease of 4.6% compared to May 2019, resulting from the decreasing price in electricity by 6.3% and water by 2.5%. Compared to PPI of June 2018, the group showed a decrease of 1.4%, affected by a drop in water prices by 7.2%, and a rise in electricity prices by 3.9%. (Qatar Tribune)
- QCB's June foreign reserves rise to QR194.6bn** – Qatar Central Bank (QCB) has published Qatar's foreign reserves for June. International reserves and foreign currency liquidity rose to QR194.6bn in June 2019 from QR191.9bn in May 2019. (Bloomberg)
- FocusEconomics: Qatar's fiscal balance as a percentage of GDP set to rise to 4.6% in 2023** – Qatar's fiscal balance as a percentage of GDP is set to rise to 4.6% in 2023 from an estimated 1.3% this year, FocusEconomics stated. The current account balance (as a percentage of the country's GDP) will be 6.6% in 2023 compared with 6.7% in 2019. Qatar's merchandise trade balance, FocusEconomics stated in its latest economic update, will be \$55.1bn in 2023. This year, it will account for \$46.7bn. Qatar's GDP is expected to reach \$239bn by 2023, it stated. By the year-end, Qatar's GDP may total \$196bn. Qatar's

economic growth in terms of nominal GDP will reach 5.2% in 2023 from 2.3% by the year-end. The researcher stated Qatar's public debt will fall gradually until 2023, and is estimated to be 51.7% this year, 48.4% in 2020, 45.3% in 2021, 42.7% in 2022 and 40% in 2023. International reserves may exceed \$43bn in 2023, from the current \$37.7bn; FocusEconomics estimated and noted it will cover 12.1 months of country's imports. The country's inflation, the report noted, will be 2.1% in 2023 and 0.1% this year. Qatar's unemployment rate (as a percentage of active population) will remain a meager 0.2% in 2023, unchanged from this year. FocusEconomics panelists expect inflation to average 0.1% in 2019, which is down 0.5 percentage points from last month's forecast, and 2.3% in 2020. (Gulf-Times.com)

- Fuel prices increase in August** – Qatar Petroleum announced fuel prices in Qatar for the month of August. Premium gasoline, Super gasoline and diesel prices are up 5.88%, 8.57%, and 2.7%, respectively. Qatar Petroleum stated the price of diesel will be QR1.9 a liter in August, compared to QR1.85 a liter in July. Super Gasoline will have the same price, up 8.57% from July's price of QR1.75. Meanwhile, the price of Premium gasoline has risen from QR1.7 a liter in July to QR1.8 in August. (Gulf-Times.com)
- Real estate transactions in the week of June 21-25 stood at QR230,819,645** – Real estate transactions between June 21 and July 25 at the Ministry of Justice's real estate registration department stood at QR230,819,645, the department's weekly report stated. (Gulf-Times.com)
- QCB: QDB's total assets rise to QR11bn in 2018 on credit growth** – Driven by a growth in credit facilities, State-owned Qatar Development Bank's (QDB) total assets exceeded QR11bn last year compared to QR10.2bn in 2017. With renewed thrust on diversification of the economy and growth of SMEs, the balance sheet of QDB has been recording rapid expansion in the past few years, according to Qatar Central Bank's 10th Financial Stability Review. Reflecting the recovery in the growth of the economy and the greater thrust on development of SMEs, growth in loans provided by QDB recovered from 13.5% in 2017 to 16.9% in 2018, FSR stated. The bank also facilitates real estate development and provides housing loans to citizens. "Capitalization of QDB remained strong. The capital and

reserves of QDB continued to increase during 2018, albeit at a slower rate,” QCB stated. Relatively faster growth in assets led to marginal moderation of the ratio of capital to assets but it remained high at 87%. As indicated in the previous FSRs, the capital of QDB is of high quality and has been improving over the years. The share of paid up capital in the total capital and reserves maintained its upward trend and increased further from 93% 2017 to 98% at end-2018. (Gulf-Times.com)

- **Vodafone Qatar adds Lebanon to its Passport Pack** – Vodafone Qatar has become the first telecom operator in the country to include Lebanon in its Passport Pack, just in time to benefit thousands of travelers heading home or visiting this popular destination during Eid Al-Adha. “With the inclusion of Lebanon, Vodafone Passport Pack now covers 120 destinations, the country’s widest-reaching roaming pack. It is also the only roaming pack enabled on all operators across each of these countries. In Lebanon specifically, this includes the country’s both telecommunications operators – Alfa and Touch,” the statement stated. (Qatar Tribune)
- **QIC Insured self-service kiosk at MoTC for boat insurance** – QIC Insured, the personal division arm of Qatar Insurance Company, has installed a self-service kiosk for buying and renewing Third Party Liability (TPL) boat or yacht insurance for private and commercial use. This is the first-of-its-kind in the field of boat and yacht insurance in Qatar. The roll-out of the new interactive self-service kiosk forms part of QIC Insured’s strategy of complete digitalization, offering an immersive digital experience for customers. Besides emanating a modern and receptive look, the self-service kiosk is equipped to handle purchase or renewals of boat or yacht insurances with great convenience and ease. (Gulf-Times.com)
- **Qatar implements IMF’s e-GDDS to support data transparency** – Qatar has launched a National Summary Data Page (NSDP) in implementing the recommendations of the IMF’s Enhanced General Data Dissemination System (e-GDDS). The e GDDS was established by the IMF’s Executive Board in May 2015 to support improved data transparency, encourage statistical development, and help create synergies between data dissemination and surveillance. The NSDP is hosted by the Planning and Statistics Authority on its website, utilizing the Statistical Data and Metadata Exchange, and is accessible on the IMF’s Dissemination Standards Bulletin Board. The NSDP page contains links to statistics published by official data producers, namely the Planning and Statistics Authority, the Qatar Central Bank, and the Ministry of Finance. The page aims to serve as a one-stop publication vehicle for essential macroeconomic data on the national accounts, government operations and debt, monetary and financial sector and the balance of payments. The publication of essential macroeconomic data through the NSDP will provide national policy makers and domestic and international stakeholders, including investors and rating agencies, with easy access to information critical for monitoring economic conditions and policies. Making this information easily accessible in both human and machine-readable formats will allow users to have simultaneous access to timely data and bring greater data transparency. (Peninsula Qatar)

- **Qatar expresses support for ‘Singapore Convention’ on mediation** – Qatar has expressed its support for the new ‘Singapore Convention’ on mediation, which encourages the use of mediation to settle international trade disputes. Qatar International Centre for Conciliation and Arbitration’s (QICCA) general counsel, Minas Khatchadourian explained the new ‘Singapore Convention’ on mediation and why it is important for Qatar. Khatchadourian said the UN Commission on International Trade Law’s (Uncitral) Convention on the Enforcement of International Settlement Agreements was adopted by the UN General Assembly on December 20, 2018. Also known as the ‘Singapore Convention’ on mediation, Khatchadourian said, “It will come into force when it is signed by at least three states.” The signing ceremony for the convention is slated on August 7, he continued. (Gulf-Times.com)

International

- **Fed cuts interest rates, signals it may not need to do more** – The Federal Reserve cut interest rates, but the head of the US central bank said the move might not be the start of a lengthy campaign to shore up the economy against risks including global weakness. Fed Chairman, Jerome Powell cited signs of a global slowdown, simmering US trade tensions and a desire to boost too-low inflation in explaining the central bank’s decision to lower borrowing costs for the first time since 2008 and move up plans to stop winnowing its massive bond holdings. Financial markets had widely expected the Fed to reduce its key overnight lending rate by a quarter of a percentage point to a target range of 2.00% to 2.25%, but many traders expected clearer confirmation of forthcoming rate cuts. (Reuters)
- **US wage inflation moderate, Midwest manufacturing slumps** – The US labor costs rose at their slowest pace in one-and-a-half years in the second quarter, the latest sign of benign inflation that enabled the Federal Reserve to cut interest rates on Wednesday for the first time since 2008. Other data suggested a further slowdown in economic growth at the start of the third quarter. Manufacturing activity in the Midwest contracted for a second straight month in July, declining to its lowest level in more than three-and-a-half years. While private payrolls rebounded this month, the pace of growth remained moderate. The Fed cited the implications of global developments for the economic outlook as well as muted inflation pressures for its largely expected decision to lower its benchmark overnight lending rate by 25 basis points for the first time since the Great Recession. The Employment Cost Index, the broadest measure of labor costs, increased 0.6% in the second quarter, the smallest gain since the fourth quarter of 2017, the Labor Department stated. The ECI had increased 0.7% for two straight quarters. In the 12 months through June, the ECI rose 2.7%, slowing from a 2.8% increase in the year through March. Economists polled by Reuters had forecasted the ECI rising 0.7% in the April-June period. (Reuters)
- **MBA: US mortgage applications drop in latest week** – The US mortgage applications declined last week as potential home buyers scaled back on demand for home loans due to tight housing supply, the Mortgage Bankers Association (MBA) stated. The Washington-based group’s seasonally adjusted index on loan requests, both to buy a home and refinance one,

fell 1.4% to 484.0 from 490.8 in the week ended July 26. “While purchase activity was still up 6% from a year ago, the index has now decreased for three straight weeks and reached its lowest point since March,” Joel Kan, MBA’s Associate Vice President of economic and industry forecasting, said. The group’s barometer on loan applications for home purchases, which is seen as a proxy on future housing activity, fell 3.0% to 253.0. MBA’s seasonally adjusted gauge on refinancing, increased 0.1% to 1,7971.2 from prior week’s 1,789.8. (Reuters)

- **US, China to keep talking on trade after little progress in Shanghai** – The US and Chinese negotiators ended a brief round of trade talks on Wednesday with little sign of progress and agreed to meet again in September, prolonging an uneasy truce in a year-long trade war between the world’s two largest economies. The talks were the first face-to-face meetings since US President, Donald Trump and Chinese President, Xi Jinping met in June and agreed to get negotiators back together to try to find a way out of the dispute. The White House and China’s Commerce Ministry each described the meetings in Shanghai as constructive, but neither announced any agreements or goodwill gestures that might have cleared the path to more substantive future talks. The two governments have levied billions of Dollars of tariffs on each other’s goods, disrupting global supply chains and roiling financial markets. The International Monetary Fund has warned that the trade dispute will shave 0.2% off global output. (Reuters)
- **Nationwide: UK house prices stay sluggish as Brexit drags on market** – British house prices remained stuck in low gear in July and uncertainty about Brexit and its impact on the economy are likely to carry on dragging on the market, mortgage lender Nationwide stated. House prices increased by 0.3% compared with a year earlier after rising by 0.5% in June, a level of growth that has only been weaker once since early 2013. A Reuters poll of economists had pointed to a 0.1% rise in July. In monthly terms, house prices also rose by 0.3%, a touch stronger than the median forecast in the poll for a rise of 0.2% and up from 0.1% in June. Nationwide’s Chief Economist, Robert Gardner said uncertainty was weighing on the housing market which has slowed since the 2016 decision by voters to leave the European Union. (Reuters)
- **Eurozone’s growth halves, inflation slows despite jobless at 11-year low in 2Q2018** – Eurozone’s economic growth halved in the April-June period and inflation slowed sharply in July even though the unemployment rate fell to its lowest in 11 years, data from the European Union’s statistics office showed. Eurostat’s preliminary flash estimate of gross domestic product growth in the 19 countries sharing the Euro showed the economy expanding 0.2% QoQ, down from 0.4% in the previous three months, as expected by economists. Growth in the Euro area therefore returned to the anemic rates seen in the third and fourth quarters of last year. YoY, Eurozone’s GDP growth was 1.1%, slowing from 1.2% in the January-March period. The slower growth was reflected in decelerating consumer price growth — Eurostat’s flash estimate showed YoY inflation in July was 1.1%, down from 1.3% in June, as expected by economists. The headline inflation rate was the lowest reading in 17 months. The slowing inflation rate is likely to further strengthen market expectations that the European Central

Bank, which wants to keep inflation below, but close to 2%, will further loosen monetary policy in September. The slowing price growth comes despite unemployment in the Eurozone hitting an 11-year low of 7.5% of the workforce in June, Eurostat data showed. (Reuters)

- **German retail sales jump, labor market shows resilience** – German retail sales rose in June the most in more than 12 years and unemployment edged up less than expected in July, data showed, offering a rare ray of hope that household spending will prop up Europe’s largest economy. Germany’s labor market has become the foundation of a consumption-driven growth cycle, now in its 10th year. The job market has so far remained largely immune to an economic slowdown that’s being driven by a slump in manufacturing. Retail sales jumped by 3.5% on the month in June after a revised 1.7% drop in May, measured in real terms, data from the Federal Statistics Office showed. It was the largest monthly increase since December 2006 and easily beat a Reuters forecast of 0.5%. In the first half of the year, retail sales rose by 2.2% on the year in real terms, the data showed, driven by sharp gains in online retailing. (Reuters)
- **German unemployment rises less than expected in July** – German unemployment increased less than expected in July, data showed, suggesting that the labor market in Europe’s largest economy so far remains relatively immune to an economic downturn which is driven by a manufacturing crisis. Data from the Federal Labor Office showed the number of people out of work rose by 1,000 to 2.283mn in seasonally adjusted terms. That compared with the Reuters consensus forecast for a rise of 2,000. The jobless rate held steady at 5.0% - slightly above the record-low of 4.9% reached earlier this year. (Reuters)

Regional

- **Global Sukuk issuances stood at \$123.2bn in 2018** – Global Sukuk issuances during the year 2018 stood at \$123.2bn, a modest increase of 5.5% over 2017 primary market. Sukuk issuances of \$116.7bn, the International Islamic Financial Market (IIFM) revealed. According to IIFM, currently 90.44% of the \$443.78bn Sukuk outstanding globally are issued from few well established markets. Countries like Qatar, Turkey, Pakistan, Qatar, Oman and regions such as Africa in particular are likely to gradually increase their market share in the coming years. The study identifies global Sukuk, with issue size of \$100mn or above and with tenor of more than a year, set to mature during 2019 and 2020 will be around \$73.34bn. Considering investors’ appetite and Sukuk issuances in the pipeline, these maturing Sukuk will likely be refinanced with new Sukuk issuances as has been the case in recent years. (Peninsula Qatar)
- **OPEC oil output hits lowest since 2011 on Saudi Arabia cut, sanctions** – OPEC oil output hit an eight-year low in July since 2011 as a further voluntary cut by top exporter Saudi Arabia deepened losses caused by US sanctions on Iran and outages elsewhere in the group, a Reuters survey found. The 14-member OPEC pumped 29.42mn barrels per day (bpd) this month, the survey showed, down 280,000 bpd from June’s revised figure and the lowest OPEC total since 2011. The survey suggests Saudi Arabia is sticking to its plan of voluntarily restraining output by more than called for by an OPEC-led supply deal to

support the market. OPEC renewed the supply pact this month, shrugging off pressure from US President, Donald Trump to pump more. (Reuters)

- **IATA: Middle East airlines carry 224.2mn passengers in 2018** – Airlines in the Middle East carried 224.2mn passengers last year, up 4% on 2017, International Air Transport Association (IATA) said in its latest industry statistics released. This accounts for 5.1% of global market share. Airlines in the Asia-Pacific region once again carried the largest number of passengers system-wide. According to IATA, nearly 4.4bn passengers flew in 2018 on scheduled services, up 6.9% on 2017, representing an additional 284mn trips by air. Record efficiency was achieved with 81.9% of available seats filled last year and fuel efficiency improved by more than 12% last year compared to 2010. Nearly 22,000 city pairs are now connected by direct flights, up 1,300 over 2017 and double the 10,250 city pairs connected in 1998. The real cost of air transport has more than halved over the last 20 years (to around \$0.78 per revenue ton-kilometer, or RTK). The development of the low-cost carrier (LCC) segment continues to outpace that of network carriers, IATA stated. (Gulf-Times.com)
- **SAMA cuts repo rates by 25bps** – The Saudi Arabian Monetary Authority (SAMA) reduced its repo rate by 25bps to 2.75% and its reverse repo rate to 2.25% following a similar decision by the Fed. “Policy rate adjustments are in line with SAMA’s objective of preserving monetary stability,” it stated. (Bloomberg)
- **NCB posts 24.0% YoY rise in net profit to SR2,685.6mn in 2Q2019** – The National Commercial Bank (NCB) recorded net profit of SR2,685.6mn in 2Q2019, an increase of 24.0% YoY. Total operating profit rose 8.5% YoY to SR5,055.0mn in 2Q2019. Total revenue for special commissions/investments rose 7.7% YoY to SR4,782.9mn in 2Q2019. Total assets stood at SR478.6bn at the end of June 30, 2019 as compared to SR455.7bn at the end of June 30, 2018. Loans and advances stood at SR276.3bn (+3.8% YoY), while customer deposits stood at SR327.4bn (+3.1% YoY) at the end of June 30, 2019. EPS came in at SR1.76 in 2Q2019 as compared to SR1.53 in 2Q2018. (Tadawul)
- **BJAZ posts 3.1% YoY rise in net profit to SR251.8mn in 2Q2019** – Bank AlJazira (BJAZ) recorded net profit of SR251.8mn in 2Q2019, an increase of 3.1% YoY. Total operating profit rose 6.2% YoY to SR714.4mn in 2Q2019. Total revenue for special commissions/investments rose 17.2% YoY to SR769.4mn in 2Q2019. Total assets stood at SR77.0bn at the end of June 30, 2019 as compared to SR69.8bn at the end of June 30, 2018. Loans and advances stood at SR43.6bn (+9.4% YoY), while customer deposits stood at SR55.7bn (+16.6% YoY) at the end of June 30, 2019. EPS came in at SR0.59 in 2Q2019 as compared to SR0.7 in 2Q2018. (Tadawul)
- **SAMBA's net profit falls 24.7% YoY to SR935mn in 2Q2019** – Samba Financial Group (SAMBA) recorded net profit of SR935mn in 2Q2019, registering a decline of 24.7% YoY. Total operating profit rose 4.4% YoY to SR2,171mn in 2Q2019. Total revenue for special commissions/investments rose 13.2% YoY to SR2,088mn in 2Q2019. Total assets stood at SR235.6bn at the end of June 30, 2019 as compared to SR231.7bn at the end of June 30, 2018. Loans and advances stood at SR115.1bn (-1.3% YoY), while customer deposits stood at SR168.3bn (-0.2% YoY)

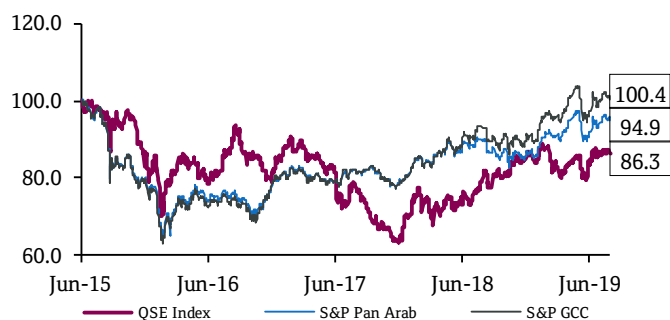
at the end of June 30, 2019. EPS came in at SR1.02 in 2Q2019 as compared to SR1.22 in 2Q2018. (Tadawul)

- **Saudi Binladin group seeks advisor for jumbo debt restructuring** – The Saudi Binladin Group is seeking a financial advisor for a restructuring of the group’s debt, which could range between \$20bn and \$30bn, sources said. The move is the latest in state efforts to restructure the construction giant, in which the Saudi Arabian government took a roughly one-third stake from Bin Laden family members that were swept up in an anti-graft campaign that Saudi Arabia launched in late 2017. The company, which has dominated the construction sector for years, is crucial to the Kingdom’s plans for tourism and infrastructure projects aimed at diversifying the economy away from oil revenues by 2030. The Binladin Group has sent a request for proposals to a select group of international advisors over the past few weeks to reorganize the debt of the whole group, sources said. Sources said that the debt amounted to between \$20bn and \$30bn. The debt restructuring request is likely to be met with concern by Saudi Arabian banks bruised by several multi-billion-dollar corporate debt restructurings in recent years in the Kingdom, sources said. (Reuters)
- **Saudi Arabia keeps July oil output below 10mn bpd** – Saudi Arabia’s oil production fell to 9.6mn barrels per day in July and will stay below 10mn bpd in the coming months, a Saudi Arabian oil source told Reuters. Saudi Arabia’s July crude output is lower than its June production by around 200,000 bpd, the source said. “We believe now after talking with customers and consumers that the market is getting tighter, as we see that the US commercial stocks are going down,” the sources said. Saudi Arabia’s production target under an output-cutting deal among the OPEC is 10.3mn bpd. The Kingdom will continue to produce below that level in coming months, the sources said, as it seeks to reduce oil inventories. “Saudi Arabia has a strong commitment to the OPEC+ group decisions and is determined to see lower global oil stocks,” the source added. (Reuters)
- **UAE and Bahrain cut rates by 25bps after Fed; Kuwait holds** – Central bank of the UAE (CBUAE) and Central Bank of Bahrain (CBB) lowered their key rates by 25bps following a similar decision by the Fed on Wednesday. (Bloomberg)
- **Danone acquires Abraaj’s 49% stake in Fan Milk International** – Danone increased its stake in Fan Milk International to 100% by acquiring Abraaj’s 49% stake in Fan Milk International after transaction on July 30, the dairy product manufacturer’s Accra-based unit stated. Zahi El Khatib resigns as non-executive director of Fan Milk Ghana. (Bloomberg)
- **Emirates NBD ready to inject fresh capital into Denizbank** – Dubai’s biggest lender Emirates NBD is ready to provide fresh capital for its new Turkish unit, Denizbank if needed, its CEO, Shayne Nelson said. “When Denizbank needs additional capital, we will be there,” he told reporters as the bank completed its purchase of Moscow-based Sberbank wholly-owned Turkish business. “We are very ambitious for Denizbank’s growth.” Several Turkish lenders have already raised their capital levels as they struggle to deal with rising problematic loans and a wave of restructurings. The Lira fell to a record low against the Dollar in August, which has eaten into their capital buffers. Emirates NBD signed a revised deal for Denizbank in April that could save the Dubai-based lender as much as \$700mn. The

\$2.8bn acquisition is both Turkey's largest merger and acquisition since 2012 and the Dubai bank's biggest. (Bloomberg)

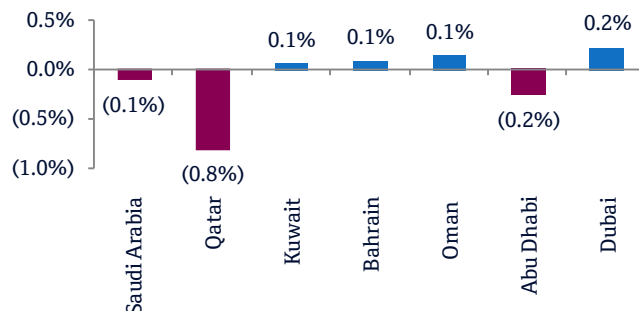
- **Central Bank of Kuwait decides to keep discount rate unchanged** – Central Bank of Kuwait (CBK) stated that it has decided to maintain its discount rate unchanged at its current level of 3% to “promote the growth-enhancing environment and keep the local currency attractive” for savings, according to a statement. Earlier, the US Federal Reserve cut rates by 25 basis points. (Reuters)
- **Oman signs gas exploration agreement with Italy's Eni and BP Oman** – Oman's ministry of oil and gas has signed a gas exploration agreement with Italy's Eni and BP Oman for concession block 77, the ministry stated. The agreement involves seismic studies and the drilling of exploration wells and it is hoped this could also lead to the discovery of new oil fields, it stated. (Reuters)
- **KHCB's net profit falls 96.0% YoY to BHD23,190 in 2Q2019** – Khaleeji Commercial Bank (KHCB) recorded net profit of BHD23,190 in 2Q2019, registering decrease of 96.0% YoY. EPS came in at 0.025 fils in 2Q2019 as compared to 0.604 fils in 2Q2018. (Bahrain Bourse)
- **Bahrain sells BHD35mn 182-day bills; bid-cover at 2.76x** – Bahrain sold BHD35mn of 182 day bills due on February 2, 2020. Investors offered to buy 2.76 times the amount of securities sold. The bills were sold at a price of 98.54, having a yield of 2.93% and will settle on August 4, 2019. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,413.90	(1.2)	(0.3)	10.2
Silver/Ounce	16.26	(1.9)	(0.8)	4.9
Crude Oil (Brent)/Barrel (FM Future)	65.17	0.7	2.7	21.1
Crude Oil (WTI)/Barrel (FM Future)	58.58	0.9	4.2	29.0
Natural Gas (Henry Hub)/MMBtu	2.28	2.7	0.9	(28.5)
LPG Propane (Arab Gulf)/Ton	41.50	(15.9)	(14.7)	(35.2)
LPG Butane (Arab Gulf)/Ton	52.50	3.4	7.7	(24.5)
Euro	1.11	(0.7)	(0.5)	(3.4)
Yen	108.78	0.2	0.1	(0.8)
GBP	1.22	0.1	(1.8)	(4.7)
CHF	1.01	(0.4)	(0.0)	(1.2)
AUD	0.68	(0.4)	(1.0)	(2.9)
USD Index	98.52	0.5	0.5	2.4
RUB	63.64	0.2	0.5	(8.7)
BRL	0.26	(0.5)	(0.9)	1.9

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,187.56	(0.7)	(1.3)	16.1
DJ Industrial	26,864.27	(1.2)	(1.2)	15.2
S&P 500	2,980.38	(1.1)	(1.5)	18.9
NASDAQ 100	8,175.42	(1.2)	(1.9)	23.2
STOXX 600	385.77	(0.0)	(1.2)	11.0
DAX	12,189.04	0.1	(1.8)	12.3
FTSE 100	7,586.78	(0.4)	(0.9)	8.1
CAC 40	5,518.90	(0.1)	(1.6)	13.4
Nikkei	21,521.53	(0.8)	(0.5)	9.3
MSCI EM	1,037.01	(0.6)	(1.1)	7.4
SHANGHAI SE Composite	2,932.51	(0.7)	(0.5)	17.5
HANG SENG	27,777.75	(1.4)	(2.3)	7.5
BSE SENSEX	37,481.12	0.3	(1.1)	5.1
Bovespa	101,812.10	(0.3)	(0.7)	19.4
RTS	1,360.04	0.5	0.9	27.3

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

Disclaimer and Copyright Notice: This publication has been prepared by QNB Financial Services Co. W.L.L. ("QNB FS") a wholly-owned subsidiary of Qatar National Bank (Q.P.S.C.). QNB FS is regulated by the Qatar Financial Markets Authority and the Qatar Exchange. Qatar National Bank (Q.P.S.C.) is regulated by the Qatar Central Bank. This publication expresses the views and opinions of QNB FS at a given time only. It is not an offer, promotion or recommendation to buy or sell securities or other investments, nor is it intended to constitute legal, tax, accounting, or financial advice. QNB FS accepts no liability whatsoever for any direct or indirect losses arising from use of this report. Any investment decision should depend on the individual circumstances of the investor and be based on specifically engaged investment advice. We therefore strongly advise potential investors to seek independent professional advice before making any investment decision. Although the information in this report has been obtained from sources that QNB FS believes to be reliable, we have not independently verified such information and it may not be accurate or complete. QNB FS does not make any representations or warranties as to the accuracy and completeness of the information it may contain, and declines any liability in that respect. For reports dealing with Technical Analysis, expressed opinions and/or recommendations may be different or contrary to the opinions/recommendations of QNB FS Fundamental Research as a result of depending solely on the historical technical data (price and volume). QNB FS reserves the right to amend the views and opinions expressed in this publication at any time. It may also express viewpoints or make investment decisions that differ significantly from, or even contradict, the views and opinions included in this report. This report may not be reproduced in whole or in part without permission from QNB FS.

COPYRIGHT: No part of this document may be reproduced without the explicit written permission of QNB FS.