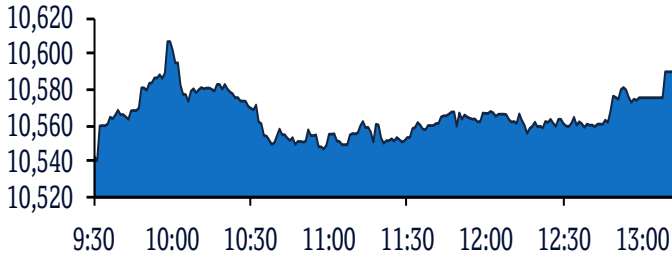


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.1% to close at 10,590.6. Gains were led by the Telecoms and Real Estate indices, gaining 2.2% and 0.6%, respectively. Top gainers were Qatar Cinema & Film Distribution Company and Ooredoo, rising 9.8% and 3.2%, respectively. Among the top losers, Qatari German Company for Medical Devices fell 8.9%, while Doha Insurance Group was down 4.0%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.2% to close at 8,853.5. Gains were led by the Software & Services and Food & Staples indices, rising 1.0% and 0.5% respectively. Gulf General Coop. Insurance rose 7.7%, while Arabia Insurance Coop. was up 7.3%.

Dubai: The DFM Index fell 0.5% to close at 2,666.0. The Real Estate & Construction index declined 1.2%, while the Consumer Staples and Discretionary index fell 0.9%. Gulf Navigation Holding declined 2.3%, while Amlak Finance was down 1.8%.

Abu Dhabi: The ADX General Index gained 0.2% to close at 4,989.4. The Real Estate index rose 0.9%, while the Banks index gained 0.3%. Abu Dhabi National Co. for Building Materials rose 4.9%, while Sharjah Islamic Bank was up 3.7%.

Kuwait: The Kuwait All Share Index gained 0.6% to close at 5,918.3. The Technology index rose 5.6%, while the Consumer Goods index gained 2.5%. Umm Al Qaiwain General Investments rose 9.8%, while Alrai Media Group was up 9.5%.

Oman: The MSM 30 Index fell 0.9% to close at 3,824.9. Losses were led by the Services and Industrial indices, falling 1.9% and 0.3%, respectively. Renaissance Services fell 19.2%, while Gulf Invest Services Holding was down 4.7%.

Bahrain: The BHB Index gained 0.5% to close at 1,498.5. The Commercial Banks index rose 1.2%, while the Services index gained 0.1%. BBK rose 2.1%, while Ahli United Bank was up 1.8%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar Cinema & Film Distribution	1.91	9.8	0.1	0.4
Ooredoo	68.75	3.2	593.8	(8.3)
Qatar Islamic Insurance Company	5.77	2.7	85.9	7.4
Medicare Group	7.10	1.9	391.8	12.5
QNB Group	19.30	0.8	837.2	(1.0)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatari German Co for Med. Devices	0.76	(8.9)	22,521.5	34.6
Ezdan Holding Group	0.73	0.6	8,244.6	(44.0)
Qatar First Bank	0.41	(0.2)	4,002.8	0.2
Mesaieed Petrochem. Holding Co.	2.61	(0.4)	2,777.7	73.7
United Development Company	1.41	0.7	1,882.9	(4.4)

Market Indicators	03 July 19	02 July 19	%Chg.
Value Traded (QR mn)	169.4	174.4	(2.9)
Exch. Market Cap. (QR mn)	582,843.1	581,439.4	0.2
Volume (mn)	53.6	42.5	26.3
Number of Transactions	4,204	5,348	(21.4)
Companies Traded	43	44	(2.3)
Market Breadth	17:19	20:16	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	19,487.61	0.1	1.4	7.4	14.9
All Share Index	3,128.89	0.2	1.2	1.6	14.8
Banks	4,109.43	0.4	1.7	7.3	14.3
Industrials	3,259.59	(0.4)	0.2	1.4	16.4
Transportation	2,512.65	(1.1)	(1.9)	22.0	13.5
Real Estate	1,555.67	0.6	1.8	(28.9)	13.0
Insurance	3,129.73	0.2	1.1	4.0	18.1
Telecoms	934.73	2.2	3.2	(5.4)	19.2
Consumer	8,174.30	0.1	0.9	21.0	15.9
Al Rayan Islamic Index	4,098.56	(0.0)	0.9	5.5	14.0

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Ooredoo	Qatar	68.75	3.2	593.8	(8.3)
Arab National Bank	Saudi Arabia	26.80	2.3	753.7	26.0
BBK	Bahrain	0.48	2.1	86.0	5.3
Co. for Cooperative Ins.	Saudi Arabia	73.40	1.9	153.6	21.7
Ahli United Bank	Bahrain	0.90	1.8	5,449.0	43.7

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Yanbu National Petro. Co.	Saudi Arabia	61.80	(2.7)	437.4	(3.1)
Bupa Arabia for Coop. Ins.	Saudi Arabia	97.00	(1.9)	254.2	19.8
Human Soft Holding Co.	Kuwait	3.08	(1.8)	222.6	(6.3)
Qatar Gas Transport Co.	Qatar	22.60	(1.7)	609.2	26.0
Al Ahli Bank of Kuwait	Kuwait	0.31	(1.6)	394.0	5.1

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%
Qatari German Co for Med. Dev.	0.76	(8.9)	22,521.5	34.6
Doha Insurance Group	1.19	(4.0)	20.9	(9.1)
Qatar Gas Transport Company	22.60	(1.7)	609.2	26.0
Mannai Corporation	3.65	(1.4)	152.5	(33.6)
Qatari Investors Group	2.36	(1.3)	270.7	(15.1)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Ooredoo	68.75	3.2	40,243.0	(8.3)
Qatari German Co for Med. Dev.	0.76	(8.9)	17,736.0	34.6
QNB Group	19.30	0.8	16,088.5	(1.0)
Qatar Gas Transport Company	22.60	(1.7)	13,805.7	26.0
Industries Qatar	11.55	(0.8)	12,697.6	(13.6)

Source: Bloomberg (* in QR)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,590.60	0.1	1.4	1.3	2.8	46.31	160,107.0	14.9	1.6	4.1
Dubai	2,666.04	(0.5)	1.5	0.3	5.4	48.15	96,412.2	11.9	1.0	4.6
Abu Dhabi	4,989.38	0.2	(0.0)	0.2	1.5	48.33	138,784.1	14.8	1.5	5.0
Saudi Arabia	8,853.47	0.2	0.6	0.4	13.1	532.36	556,430.2	19.7	2.0	3.4
Kuwait	5,918.25	0.6	1.8	1.5	16.5	160.83	111,959.6	16.7	1.5	3.3
Oman	3,824.92	(0.9)	(1.7)	(1.5)	(11.5)	5.50	16,776.7	7.6	0.8	7.2
Bahrain	1,498.53	0.5	2.1	1.9	12.1	14.70	23,344.1	11.0	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)

Qatar Market Commentary

- The QE Index rose 0.1% to close at 10,590.6. The Telecoms and Real Estate 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.
- Qatar Cinema & Film Distribution Company and Ooredoo were the top gainers, rising 9.8% and 3.2%, respectively. Among the top losers, Qatari German Company for Medical Devices fell 8.9%, while Doha Insurance Group was down 4.0%.
- Volume of shares traded on Wednesday rose by 26.3% to 53.6mn from 42.5mn on Tuesday. However, as compared to the 30-day moving average of 146.6mn, volume for the day was 63.4% lower. Qatari German Company for Medical Devices and Ezdan Holding Group were the most active stocks, contributing 42.0% and 15.4% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	24.25%	33.66%	(15,927,454.71)
Qatari Institutions	28.69%	25.79%	4,914,154.46
Qatari	52.94%	59.45%	(11,013,300.25)
GCC Individuals	2.65%	7.70%	(8,560,800.66)
GCC Institutions	0.29%	7.28%	(11,849,686.44)
GCC	2.94%	14.98%	(20,410,487.10)
Non-Qatari Individuals	11.82%	12.30%	(806,845.46)
Non-Qatari Institutions	32.31%	13.28%	32,230,632.81
Non-Qatari	44.13%	25.58%	31,423,787.35

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

Ratings, Global Economic Data and Earnings Calendar

Ratings Updates

Company	Agency	Market	Type*	Old Rating	New Rating	Rating Change	Outlook	Outlook Change
Commercial Bank of Kuwait	Capital Intelligence	Kuwait	FST	A2	A1	↑	-	-

Source: News reports, Bloomberg (*FST – Foreign Short Term)

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
07/03	US	Mortgage Bankers Association	MBA Mortgage Applications	28-June	-0.10%	-	1.30%
07/03	US	Department of Labor	Initial Jobless Claims	29-June	229k	223k	227k
07/03	US	Department of Labor	Continuing Claims	22-June	1,694k	1,675k	1,688k
07/03	US	Markit	Markit US Services PMI	June	51.5	50.7	50.7
07/03	US	Markit	Markit US Composite PMI	June	51.5	-	50.6
07/03	US	Institute for Supply Management	ISM Non-Manufacturing Index	June	55.1	56.0	56.9
07/03	UK	Markit	Markit/CIPS UK Services PMI	June	50.2	51.0	51.0
07/03	UK	Markit	Markit/CIPS UK Composite PMI	June	49.7	51.0	50.9
07/03	EU	Markit	Markit Eurozone Services PMI	June	53.6	53.4	53.4
07/03	EU	Markit	Markit Eurozone Composite PMI	June	52.2	52.1	52.1
07/03	Germany	Markit	Markit Germany Services PMI	June	55.8	55.6	55.6
07/03	Germany	Markit	Markit/BME Germany Composite PMI	June	52.6	52.6	52.6
07/03	France	Markit	Markit France Services PMI	June	52.9	53.1	53.1
07/03	France	Markit	Markit France Composite PMI	June	52.7	52.9	52.9
07/03	China	Markit	Caixin China PMI Composite	June	50.6	-	51.5
07/03	China	Markit	Caixin China PMI Services	June	52.0	52.6	52.7
07/03	India	Markit	Markit India PMI Services	June	49.6	-	50.2
07/03	India	Markit	Markit India PMI Composite	June	50.8	-	51.7

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	6	Due
QGTS	Qatar Gas Transport Company Limited (Nakilat)	10-Jul-19	6	Due
WDAM	Widam Food Company	15-Jul-19	11	Due
MARK	Masraf Al Rayan	15-Jul-19	11	Due
QGMD	Qatari German Company for Medical Devices	16-Jul-19	12	Due
IHGS	Islamic Holding Group	16-Jul-19	12	Due
QFLS	Qatar Fuel Company	17-Jul-19	13	Due
QIBK	Qatar Islamic Bank	17-Jul-19	13	Due
QIIK	Qatar International Islamic Bank	17-Jul-19	13	Due
ERES	Ezdan Holding Group	18-Jul-19	14	Due
ABQK	Ahli Bank	18-Jul-19	14	Due
NLCS	Aljarah Holding	18-Jul-19	14	Due
QIGD	Qatari Investors Group	22-Jul-19	18	Due
QGRI	Qatar General Insurance & Reinsurance Company	24-Jul-19	20	Due
DHBK	Doha Bank	24-Jul-19	20	Due
AKHI	Al Khaleej Takaful Insurance Company	25-Jul-19	21	Due
ORDS	Ooredoo	29-Jul-19	25	Due
QIMD	Qatar Industrial Manufacturing Company	31-Jul-19	27	Due
DOHI	Doha Insurance Group	31-Jul-19	27	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	QIIK	NLCS		
Wednesday 12/06/2019	QNBK	ABQK	IHGS	
Thursday 13/06/2019	QIBK	DHBK		
Sunday 16/06/2019	MARK			Consumer Goods & Services
Monday 17/06/2019	MERS	MCCS		
Tuesday 18/06/2019	WDAM	ZHCD	QGMD	
Wednesday 19/06/2019	QFLS	MCGS		
Thursday 20/06/2019	SIIS	QCFS		Industrial
Sunday 23/06/2019	MPHC	IGRD		
Monday 24/06/2019	QIGD	AHCS	QNCD	
Tuesday 25/06/2019	IQCD	QIMD		
Wednesday 26/06/2019	QEWS	GISS		Insurance
Thursday 27/06/2019	QISI	QATI		
Sunday 30/06/2019	DOHI	QGRI	AKHI	
Monday 01/07/2019	BRES	ERES		Real Estate
Tuesday 02/07/2019	UDCD	MRDS		
Wednesday 03/07/2019	VFQS	ORDS		Telecoms
Thursday 04/07/2019	QGTS	GWCS	QNNS	Transport/Logistics
Sunday 07/07/2019	QETF	QATR	QAMC	ETFs and QAMCO

Source: QSE

News

Qatar

- **QSE executes share splits for VFQS** – Qatar Stock Exchange (QSE) announced that the split of shares for Vodafone Qatar (VFQS) has been executed, effective from July 04, 2019. The new number of VFQS' shares after the split is 4,227,000,000 and the adjusted closing price of QR1.42 per share. QSE also sets price limits, (i) Price up limit: QR1.56 and (ii) Price down limit: QR1.28. The par value of VFQS is QR5; therefore, the share has been split into QR1. (QSE)
- **QSE executes share splits for ORDS** – Qatar Stock Exchange (QSE) announced that the split of shares for Ooredoo (ORDS) has been executed, effective from July 04, 2019. The new number of ORDS' shares after the split is 3,203,200,000 and the adjusted closing price of QR6.87 per share. QSE also sets price limits, (i) Price up limit: QR7.55 and (ii) Price down limit: QR6.19. (QSE)
- **GWCS to disclose 2Q2019 financial statements on July 21** – Gulf Warehousing Company (GWCS) announced its intent to disclose 2Q2019 financial statements for the period ending June 30, 2019, on July 21, 2019. (QSE)
- **QGRI to disclose 2Q2019 financial statements on July 24** – Qatar General Insurance & Reinsurance Company (QGRI) announced its intent to disclose 2Q2019 financial statements for the period ending June 30, 2019, on July 24, 2019. (QSE)
- **Qatar Central Bank sells QR600mn of treasury bills** – Qatar Central Bank (QCB) sold QR600mn of treasury bills in an auction, it stated. A total of QR300mn worth of three-month treasury bills were sold at 2.07%, QR200mn worth of six-month treasury bills were sold at 2.22%, and QR100mn worth of nine-month treasury bills were sold at 2.23%. (Zawya)
- **PSA: Qatar industrial producers' earnings fall 6.1% YoY in May** – Qatari industrial producers' earnings registered a 6.1% fall YoY in May 2019, despite increase in prices of some of the manufactured products, according to the official estimates. Qatar's Producer Price Index (PPI) – a measure of the average selling prices received by the domestic producers for their output – reported a 2.9% decline compared to that in April this year, according to the Planning and Statistics Authority (PSA). The PPI for mining, which carries the maximum weight of 72.7%, saw 7.4% YoY shrinkage in May 2019 on the back of 7.4% decrease in the price of crude petroleum and natural gas; even as there was 1% rise in that of stone, sand and clay. The mining PPI tanked 3.3% on a monthly basis, as crude petroleum and natural gas prices shrank 3.3% and stone, sand and clay by a marginal 0.2%. (Gulf-Times.com)
- **Qatar's June Financial Center PMI fall to 47.2** – IHS Markit released Qatar's June Financial Center Purchasing Managers' Index (PMI), which showed the index fell to 47.2 from 48.1 in May 2019 and from 51.8 in June 2019. This is third consecutive month of contraction. Further, employment declined consecutively four months to 47.3 versus 48.1 in May 2019. (Bloomberg)
- **Cabinet gives its nod to decision demarcating areas where non-Qataris can own properties** – The Cabinet, at its weekly meeting chaired by Prime Minister and Minister of Interior HE Sheikh Abdullah bin Nasser bin Khalifa Al Thani, approved a draft decision determining the areas in which non-Qataris can own and use real estate, as well as the conditions, regulations and procedures of their ownership and use. The Cabinet also approved a draft decision of the Minister of Justice to extend the period of reconciliation of the conditions in applying the provisions of Law No 22 of 2017 on the organization of the work of real estate brokerage. The Cabinet approved a draft decision of the Minister of Commerce and Industry to determine the percentage of participation of non-Qataris in investment funds dealing in real estate and another decision of Minister of Municipality and Environment on the classification of real estate units. (Qatar Tribune)
- **Qatar sees significant rise in water project contract awards** – Qatar spent an estimated \$10bn in water projects, the second largest in MENA's water project market, during 2011-2018 period. A series of major water projects to construct storage reservoirs, water pipelines, desalination plants and water treatment plants, led to a boom in water and wastewater projects in Qatar in 2014 and 2015 and contracts worth \$6.6bn were awarded in these two years. The MEED Mena Water & wastewater 2019 market outlook noted Qatar increased water and wastewater project spending every year between 2011 and 2015, driven by a series of major projects including the Kahramaa's water security mega reservoir, the construction of an Independent Water & Power Project (IWPP) in the Qatar Economic Zone (QEZ) and the Ras Abu Fontas (RAF) A3 Desalination Plant. However, spending slowed significantly in 2016, when only \$671mn-worth of contracts were awarded. The year 2017 did not show any improvement whatsoever. The project spending increased marginally in 2018 and as a result, projects worth \$524mn were awarded. (Peninsula Qatar)
- **Qatar Chamber's Obaidli participates in GCC Secretariat meeting in Riyadh** – Qatar Chamber participated in the second meeting of the GCC Secretariat and the Gulf business sector, held at the headquarters of the General Secretariat of the Council, in Riyadh. The meeting discussed the means of enhancing private sector participation in the international economic relations of the GCC, as well as participation of the private sector in activating the agreements and action plans proceeding from GCC strategic dialogue with other countries, thus enhancing economic and investment relations and increasing exchange. Qatar Chamber was represented by Board Member Mohamed Ahmed Al Obaidli. Obaidli said Qatar Chamber presented a proposal during the meeting for Doha to host the GCC-US Summit, which is expected to be held next year. He said the Qatari proposal has been approved by all representatives of the Gulf States, and the preparation for the summit will be coordinated with the US through the General Secretariat of the GCC and Qatar Chamber. (Qatar Tribune)
- **Turkey to explore Qatar's banking sector, says envoy** – Plans are being explored to open Turkish banks in Qatar as part of Turkey's efforts to widen its investments in the Qatari market, Ambassador Fikret Ozer has said. One of Turkey's largest banks, VakifBank, is eyeing plans to open a branch in Qatar, according to Ozer. He did not elaborate on the details, but said that this could be explored in the future. The Ambassador underscored the growing relations between Qatar and Turkey, saying that other companies in the transcontinental country

are also exploring opportunities in Qatar's health sector. "There are also some companies that are exploring the Qatari market for opportunities to establish Turkish hospitals considering the fluctuations in the Turkish economy, this might also push them forward to invest more abroad," Ozer said. (Gulf-Times.com)

- **Qatar's investment plans in Turkey on fast track** – Turkish Ambassador to Qatar Fikret Ozer said that Qatar has already implemented nearly one-third of the proposed QR55bn investment program in the Turkish economy in less than one year's time since it was announced in August last year. This financial support and investment program was announced by the Amir HH Sheikh Tamim bin Hamad Al Thani after meeting with President of Turkey Recep Tayyip Erdogan, during his official visit to Ankara last year. Following that the Amir had issued directives in mid-August 2018 to support a host of economic projects, investments, and deposits worth a total of \$15bn to boost the cash-strapped Turkish economy. "Nearly one-third of that proposed \$15bn financial package has already been implemented and transferred, and the rest of the amount is expected to be implemented in terms of investments in Turkey. Qatar Investment Authority, Qatari Diar, Katara Hospitality and several other big companies are in the process of making further investments in different sectors of the Turkish economy, including real estate, hospitality and other promising sectors," Turkish Ambassador told reporters at a press conference held to mark the third-anniversary of the failed coup attempt in Turkey on July 15, 2016. (Peninsula Qatar)

International

- **Global economy heading for trouble as manufacturing and construction shrink** – Global manufacturing and construction sectors have already entered a downturn; the service sector is all that now stands between the economy and a full-blown recession. Global manufacturers reported new export orders fell for a 10th month running in June, with the most widespread decline for six years, according to the JPMorgan global purchasing managers survey. Even in the US, which has escaped relatively mildly so far from the downturn hitting Europe and Asia, there are now clear signs growth has stalled across the manufacturing and construction industries. US manufacturers reported only a small increase in activity in June, with the net positive balance the lowest for almost three years, according to the Institute for Supply Management. US manufacturers' new orders have been decelerating for more than a year and were flat for the first time since the end of 2015, which suggests activity is likely to slow further in the short term. (Reuters)
- **US trade, services industry data point to slowing economy** – The US trade deficit jumped to a five-month high in May as imports of goods increased, likely as businesses restocked ahead of an increase in tariffs on Chinese merchandise, overshadowing a broad rise in exports. The wider trade deficit reported by the Commerce Department added to weak housing, manufacturing, business investment and moderate consumer spending in suggesting that economic growth slowed in the second quarter. The labor market also appears to be losing momentum, with private employers adding far fewer-than-expected jobs to their payrolls in June. News on the vast services sector was also downbeat. The slowdown in activity as last year's massive stimulus from tax cuts and more government spending fades could prompt the Federal Reserve to cut interest rates this month. The US central bank last month signaled it could ease monetary policy as early as at its July 30-31 meeting, citing rising risks to the economy from the trade war between the US and China, and low inflation. The trade deficit increased 8.4% to \$55.5bn. Data for April was revised higher to show the trade gap widening to \$51.2bn instead of the previously reported \$50.8bn. Economists polled by Reuters had forecasted the trade gap widening to \$54.0bn in May. (Reuters)
- **US factory orders fall for second straight month** – New orders for US-made goods fell for a second straight month May, while shipments barely rose, pointing to continued weakness in manufacturing. Factory goods orders decreased 0.7%, weighed down by weak demand for transportation equipment, the Commerce Department stated. Data for April was revised sharply down to show factory orders falling 1.2% instead of slipping 0.8% as previously reported. Economists polled by Reuters had forecasted factory orders falling 0.5% in May. Factory orders rose 0.9% compared to May 2018. Manufacturing, which accounts for about 12% of the economy, is struggling amid an inventory bloat, trade tensions between the US and China, and a reduction in the production of Boeing's 737 MAX aircraft. The weak factory orders data was flagged by a report last month showing the second straight monthly drop in demand for long-lasting manufactured goods in April, as well as a drop in manufacturing production. (Reuters)
- **ADP: US private sector hiring picks up less than expected in June** – The US companies added more jobs in June, but fewer than what analysts had forecasted, raising concerns the labor market is softening even as the current US economic expansion marked a record run this month, a report by a payrolls processor showed. The private sector payrolls increased by 102,000 jobs in June, falling short of the 140,000 projected by economists polled by Reuters. Private payroll gains in the month earlier were revised up to 41,000 from an originally reported 27,000 increase. The May reading was still the weakest since March 2010. The report is jointly developed with Moody's Analytics. Overall services-providing jobs grew by 117,000 last month, while goods-producing jobs fell by 15,000. Small businesses reduced their payrolls by 23,000 in June, while mid-sized and large companies added 60,000 and 65,000 workers, respectively, ADP stated. Economists polled by Reuters are looking for US private payroll employment to have grown by 153,000 jobs in June, up from 90,000 the month before. Total non-farm employment is expected to have changed by 160,000. The unemployment rate is forecasted to stay steady at the 3.6% recorded a month earlier. (Reuters)
- **PMI: UK's economy shrinks as Brexit, global worries mount** – Britain's economy appears to have shrunk for the first time since late 2012 between April and June as worries about Brexit were compounded by global trade tensions, a closely watched survey showed. A day after Bank of England's Governor, Mark Carney warned of the growing risks from a no-deal Brexit and protectionist trade policies, a gauge of Britain's huge services industry – the IHS Markit/CIPS services Purchasing Managers' Index (PMI) – slipped to 50.2 in June, just above the no-growth

level of 50. Economists polled by Reuters had expected the PMI to remain at May's level of 51.0. Equivalent surveys for manufacturing and construction published earlier this week showed those sectors contracted in June, meaning Britain's economy overall probably shrank by 0.1% in the second quarter, IHS Markit/CIPS stated. British GDP last shrank from one quarter to another in the final three months of 2012, according to official data. (Reuters)

- **Eurozone's June business growth slow as factories still falters** – Eurozone's business activity picked up slightly last month, but remained weak as a modest but broad-based upturn in the services industry offset a continued deep downturn in factory output, a survey showed. Worryingly for policymakers at the European Central Bank (ECB), who are under pressure to support growth, forward-looking indicators did not point to a bounce back and business expectations for the year ahead dropped. By the end of September, the ECB will either cut its deposit rate or ease its forward guidance further by pledging to keep interest rates lower for longer, according to a majority of economists in a Reuters poll. Wednesday's release of IHS Markit's Eurozone Composite Final Purchasing Managers' Index (PMI), considered a good measure of overall economic health, will also do nothing to change those views. It only nudged up to 52.2 in June from May's 51.8. That was a touch higher than a preliminary reading of 52.1 but it remained close to the 50 mark separating growth from contraction. (Reuters)
- **Japan's PM Abe says no need to raise sales tax beyond 10% for decade** – Japanese Prime Minister Shinzo Abe said that he was not considering raising the sales tax beyond 10% under his administration, and that he saw no such need for at least a decade. The premier has repeatedly pledged to raise the sales tax to 10% this October as planned, barring a big economic shock on the scale of the collapse of Lehman Brothers. The Organization for Economic Cooperation and Development (OECD) earlier this year suggested Japan's sales tax needed to rise to as much as 26% to pay for bulging social security costs to support the fast-graying population. Policymakers have steered clear of debating further tax increases despite the industrial world's heaviest public debt burden at twice the size of its \$5tn economy. Abe has twice delayed the planned tax hike since the last increase to 8% from 5% in April 2014 dealt a blow to consumers and triggered a deep economic slump. Growing pressure on the export-reliant economy this year has fuelled speculation he may postpone it again. (Reuters)
- **India's services activity contracts in June for first time in a year** – India's dominant services activity contracted for the first time in more than a year in June, dragged down by slowing new business growth which in turn curtailed hiring, a private survey showed. The Nikkei/IHS Markit Services Purchasing Managers' Index fell to 49.6 last month from 50.2 in May, sliding below the 50-mark threshold that separates contraction from growth after remaining in expansion territory for the previous 12 months. Overall demand in the sector - measured by the new business index - expanded at the weakest pace in nine months while foreign demand grew at the slowest rate since February. (Reuters)

Regional

- **Bond investors are taking their chances in the Gulf region** – Bond investors cannot resist the allure of Gulf debt even as the region teeters on the brink of conflict between the US and Iran. Staring down about \$13tn of negative-yielding global debt, investors are going for the payout on bonds in the GCC region. Their inclusion in JPMorgan Chase & Co.'s emerging-market indexes also means there is a consistent demand for sovereign debt from the region, which boasts an average credit rating of 'A+'. Saudi Arabia sold its first-ever Euro bonds on Tuesday. (Peninsula Qatar)
- **Saudi Arabia's June whole economy PMI at 57.4 vs. 57.3 in May** – In a release by Emirates NBD and IHS Markit for Saudi Arabia's whole economy, the Purchasing Managers' Index (PMI) rose to 57.4 in June 2019 from 57.3 in May 2019 and 55 in June 2018. This is the highest reading since November 2017. The employment fell to 50.3 in June 2019 from 50.5 in May 2019. (Bloomberg)
- **UAE's June whole economy PMI at 57.7 vs. 59.4 in May** – In a release by Emirates NBD and IHS Markit for UAE's whole economy, the Purchasing Managers' Index (PMI) for UAE's whole economy fell to 57.7 in June 2019 from 59.4 in May 2019 and 57.1 in June 2018. New orders fell to 66 in June 2019 as compared to 69.5 in May 2019. (Bloomberg)
- **Al Khaleej Sugar refinery restarts output after temporary shutdown** – Al Khaleej Sugar, the largest port-based sugar refiner, has restarted its Dubai plant after a temporary shutdown amid thin industry margins, sources said. The refinery, which processes raw sugar into the white variety, is currently operating after regional demand improved, sources added. It is still unclear at what production rate the facility is running. Located at the port of Jebel Ali, the Dubai refinery has halted production at least twice since mid-December amid a global surplus that eroded the white-sugar premium. Al Khaleej has faced a refining boom in the Middle East and the loss of key markets including Iraq, where the Etihad refinery opened. (Bloomberg)
- **Actis receives investor approval to manage two Abraaj funds** – Actis has received investor approval to take over two funds managed by the collapsed Abraaj Group, clearing a major hurdle for the emerging-market investor to complete a deal, according to sources. London-based Actis last week got the 75% of investor support required to take over the \$1.6bn Abraaj Private Equity Fund IV and the \$990mn Africa Fund III, sources said. A final deal has not been agreed and may take at least a few more weeks to complete, they said. (Bloomberg)
- **Dubai to allow co-ownership of property** – Dubai will allow co-ownership of property and will initially be available for hotel facilities, Gulf News reported, citing CEO of the Registration and Real Estate Services at the Dubai Land Department, Majid Saqr Al Merri. It will allow equal ownership of up to four investors. It is also considering directly offering real estate investment opportunities; working on supporting law. It will include lease-to-own options and real estate funds. (Bloomberg)
- **Abu Dhabi forms holding company for its stakes in several firms** – Abu Dhabi Executive Council has formed a holding company named Dhabi Developmental Holding Company and transferred ownership of government's stake in several firms.

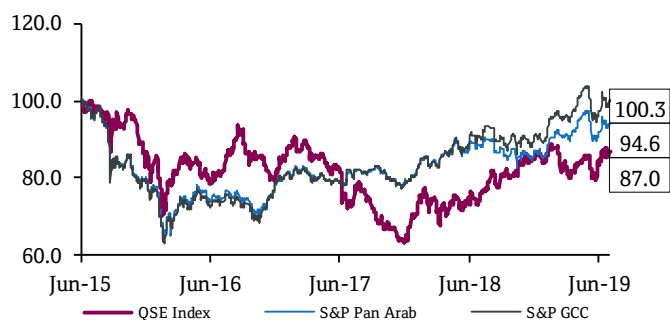
The firms include Abu Dhabi Ports, Abu Dhabi Media, Abu Dhabi Airports, Modon Properties, SEHA, Daman, ADNEC, ADSSC, Musanada, twofour54 group of companies. ZonesCorp will become a wholly owned subsidiary of ADDHC. ADDHC will monitor and guide these companies. (Bloomberg)

- **Abu Dhabi Commercial Bank may cut about 2,000 jobs after merger** – Abu Dhabi Commercial Bank (ADCB), which completed a three-way merger earlier this year, may cut about 2,000 jobs as the lenders integrate operations, sources said. The state-controlled bank started the job cuts once it began combining with Union National Bank and Al Hilal Bank, sources said. It will complete the process in the next few months, sources added. The expected losses are about double the 1,000 cuts. Before the combination, the three banks employed about 8,500 people, according to Bloomberg calculations. The merger, which created the Gulf region's fifth-biggest lender with about \$114bn in assets, is expected to deliver cost savings of about \$167mn annually, ADCB stated in January. (Bloomberg)
- **Abu Dhabi utility shortlists 24 firms for 2000 MW solar plant** – International and local companies are among 24 bidders pre-qualified to build the world's largest single-site solar plant in Abu Dhabi, a spokesman for the firm in-charge of managing the Emirate's water and power said. Abu Dhabi is building a new 2000 megawatt (MW) solar photovoltaic power project. "Twenty four companies have qualified, they have to submit proposals by fourth quarter (2019)," the spokesman of Emirates Water and Electricity Company (EWEC) told Reuters. The successful bidder or consortium will hold a 40% stake in the project with the remaining stake held by local entities. (Reuters)
- **Kuwait's parliament approves amended budget with wider deficit** – Kuwait's parliament has approved amended budget for the current fiscal year with lower expected revenue after accounting for oil production costs. Kuwait now projects budget deficit of KD8.27bn, compared with earlier forecast for KD7.7bn. The projected expenditure for the year that started on April 1 remained unchanged at KD22.50bn, estimated revenue was revised down to KD15.81bn. The deficit is estimated after the transfer of 10% of total revenue to the Future Generations Fund, managed by the Kuwait Investment Authority. Budget shortfall will be covered by state reserves. Oil income is projected at KD13.86bn, non-oil revenue at KD1.25bn. Calculations are based on oil at \$55 a barrel. The Head of parliament's finance committee, Adnan AbdulSamad, told lawmakers before the vote that "expenditures in the oil sector increased by 151% in the last 10 years but production only rose 24%. This is a dysfunction in the government and should be resolved." He said that Kuwait's major challenge is in coping with increase in spending on salaries, which accounts for 54% of total expenditure, combined with more Kuwaitis entering the labor market and the government's inability to find jobs for them. (Bloomberg)
- **Kuwait's Warba Bank plans \$500mn Sukuk issue this year** – Warba Bank, a Kuwaiti Shari'ah-compliant lender, is working to set up a Sukuk program of up to \$2bn, the bank's CEO, Shaheen Al-Ghanem told Reuters, with plans for an initial \$500mn issuance this year. He said that the program is subject to the

Central Bank of Kuwait's (CBK) approval. After the initial issuance this year, the rest will be issued over the next few years as needed and the proceeds used to finance operational matters. The Islamic lender is looking to start a new asset management business this year aimed at overseeing about \$500mn in investments within the next three years, he said. Its launch is awaiting final approval from the Kuwait Capital Markets authority, he added. "The Islamic market for asset management is in need, because the products in the market do not satisfy the ambitions of customers," he said. (Reuters)

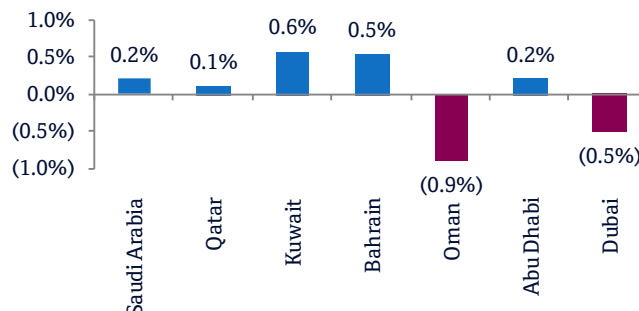
- **Bahrain's NOGA Holding signs MoU with Baker Hughes on oil and gas cooperation** – Bahrain's National Oil and Gas Holding Company (NOGA Holding) signed a memorandum of understanding (MoU) with Baker Hughes Company on cooperation in the oil and gas sector in the Kingdom, it stated. NOGA Holding is the investment and business development arm of the National Oil and Gas Authority (NOGA). The agreement allows the company to explore opportunities, raise efficiency levels, and contribute positive and constructive support for the process of economic growth in the Kingdom of Bahrain, the statement added. (Reuters)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,418.70	0.0	0.7	10.6
Silver/Ounce	15.31	(0.0)	(0.0)	(1.2)
Crude Oil (Brent)/Barrel (FM Future)	63.82	2.3	(4.1)	18.6
Crude Oil (WTI)/Barrel (FM Future)	57.34	1.9	(1.9)	26.3
Natural Gas (Henry Hub)/MMBtu	2.29	(0.4)	(5.4)	(28.2)
LPG Propane (Arab Gulf)/Ton	47.25	6.5	(2.3)	(26.2)
LPG Butane (Arab Gulf)/Ton	46.50	10.7	5.7	(33.1)
Euro	1.13	(0.1)	(0.8)	(1.6)
Yen	107.81	(0.1)	(0.0)	(1.7)
GBP	1.26	(0.2)	(1.0)	(1.4)
CHF	1.01	(0.0)	(1.0)	(0.5)
AUD	0.70	0.5	0.1	(0.3)
USD Index	96.77	0.0	0.7	0.6
RUB	63.32	0.0	0.2	(9.2)
BRL	0.26	0.5	0.6	1.4

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,213.35	0.7	1.6	17.5
DJ Industrial	26,966.00	0.7	1.4	15.6
S&P 500	2,995.82	0.8	1.8	19.5
NASDAQ 100	8,170.23	0.8	2.0	23.1
STOXX 600	392.58	0.6	1.3	14.5
DAX	12,616.24	0.5	1.1	17.8
FTSE 100	7,609.32	0.3	1.5	11.6
CAC 40	5,618.81	0.5	0.7	17.0
Nikkei	21,638.16	(0.5)	1.7	10.7
MSCI EM	1,059.63	(0.4)	0.5	9.7
SHANGHAI SE Composite	3,015.26	(1.1)	1.0	20.9
HANG SENG	28,855.14	(0.0)	1.3	12.1
BSE SENSEX	39,839.25	0.2	1.3	11.9
Bovespa	102,043.10	0.9	0.7	16.9
RTS	1,401.52	0.2	1.5	31.1

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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