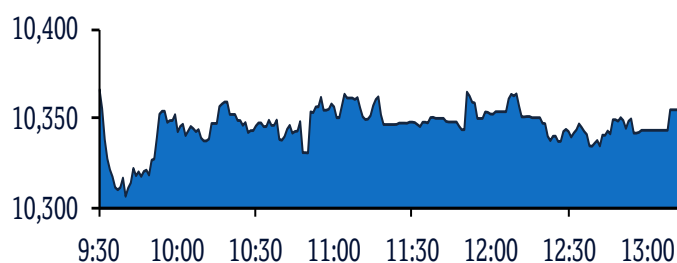


QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.4% to close at 10,356.1. Losses were led by the Transportation and Real Estate indices, falling 0.8% and 0.7%, respectively. Top losers were Doha Insurance Group and Qatar Navigation, falling 4.5% and 3.8%, respectively. Among the top gainers, Qatar Islamic Insurance Company gained 2.4%, while Qatar Oman Investment Company was up 2.2%.

GCC Commentary

Saudi Arabia: The TASI Index fell 1.3% to close at 8,557.1. Losses were led by the Food & Staples Retailing and Banks indices, falling 4.4% and 1.7%, respectively. Middle East Paper declined 7.0%, while Saudi Arabian Amiantit Co. was down 5.4%.

Dubai: The DFM Index declined 1.5% to close at 2,857.9. The Real Estate & Const. index fell 3.2%, while the Consumer Staples and Disc. index declined 1.9%. Emaar Properties fell 4.0%, while Dubai Islamic Insurance and Reins. Co. was down 3.9%.

Abu Dhabi: The ADX General Index fell 1.0% to close at 5,179.9. The Real Estate index declined 3.7%, while the Banks index fell 1.1%. Arkan Building Materials Company declined 5.8%, while Aldar Properties was down 3.9%.

Kuwait: The Kuwait All Share Index fell 0.3% to close at 6,106.4. The Basic Materials index declined 1.6%, while the Industrials index fell 1.5%. Credit Rating & Collection declined 10.0%, while Al-Massaleh Real Estate Co. was down 9.5%.

Oman: The MSM 30 Index gained 0.1% to close at 3,780.3. The Financial index gained marginally, while the other indices ended in red. Bank Dhofar rose 3.1%, while Gulf Invest Services Holding was up 1.4%.

Bahrain: The BHB Index fell 0.1% to close at 1,548.7. The Investment index declined 0.4%, while the Commercial Banks index fell marginally. GFH Financial Group declined 2.8%, while Al Salam Bank - Bahrain was down 1.1%.

| QSE Top Gainers | Close* | 1D% | Vol. '000 | YTD% |
|----------------------------------|--------|-----|-----------|-------|
| Qatar Islamic Insurance Company | 5.89 | 2.4 | 14.8 | 9.7 |
| Qatar Oman Investment Company | 0.55 | 2.2 | 78.0 | 3.0 |
| Al Khalij Commercial Bank | 1.17 | 1.7 | 3.1 | 1.4 |
| Qatar Gas Transport Company Ltd. | 2.30 | 0.9 | 1,691.7 | 28.3 |
| United Development Company | 1.40 | 0.7 | 406.4 | (5.1) |

| QSE Top Volume Trades | Close* | 1D% | Vol. '000 | YTD% |
|----------------------------------|--------|-------|-----------|--------|
| Ezdan Holding Group | 0.66 | (1.5) | 6,370.5 | (48.9) |
| Qatar First Bank | 0.37 | (1.6) | 5,786.3 | (9.3) |
| Qatar Aluminium Manufacturing | 0.87 | (1.0) | 2,600.5 | (34.8) |
| Vodafone Qatar | 1.39 | 0.0 | 1,853.6 | (11.0) |
| Qatar Gas Transport Company Ltd. | 2.30 | 0.9 | 1,691.7 | 28.3 |

| Regional Indices | Close | 1D% | WTD% | MTD% | YTD% | Exch. Val. Traded (\$ mn) | Exchange Mkt. Cap. (\$ mn) | P/E** | P/B** | Dividend Yield |
|------------------|-----------|-------|-------|-------|--------|---------------------------|----------------------------|-------|-------|----------------|
| Qatar* | 10,356.07 | (0.4) | (0.4) | (1.4) | 0.6 | 20.23 | 156,654.9 | 15.0 | 2.0 | 4.2 |
| Dubai | 2,857.91 | (1.5) | (1.5) | (2.1) | 13.0 | 29.40 | 101,462.8 | 11.7 | 1.0 | 4.3 |
| Abu Dhabi | 5,179.93 | (1.0) | (1.0) | (2.6) | 5.4 | 21.94 | 142,957.6 | 15.4 | 1.5 | 4.8 |
| Saudi Arabia | 8,557.09 | (1.3) | (1.3) | (2.0) | 9.3 | 677.69 | 537,834.6 | 20.2 | 1.9 | 3.5 |
| Kuwait | 6,106.40 | (0.3) | (0.3) | (0.2) | 20.2 | 86.36 | 114,124.7 | 15.1 | 1.5 | 3.4 |
| Oman | 3,780.31 | 0.1 | 0.1 | 0.5 | (12.6) | 3.10 | 16,672.5 | 7.5 | 0.7 | 7.3 |
| Bahrain | 1,548.66 | (0.1) | (0.1) | 0.1 | 15.8 | 4.43 | 24,245.8 | 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 | 04 Aug 19 | 01 Aug 19 | %Chg. |
|---------------------------|-----------|-----------|--------|
| Value Traded (QR mn) | 74.0 | 146.8 | (49.6) |
| Exch. Market Cap. (QR mn) | 570,276.5 | 573,150.8 | (0.5) |
| Volume (mn) | 30.2 | 47.2 | (36.0) |
| Number of Transactions | 2,946 | 5,042 | (41.6) |
| Companies Traded | 44 | 43 | 2.3 |
| Market Breadth | 15:26 | 8:29 | - |

| Market Indices | Close | 1D% | WTD% | YTD% | TTM P/E |
|------------------------|-----------|-------|-------|--------|---------|
| Total Return | 19,056.05 | (0.4) | (0.4) | 5.0 | 15.0 |
| All Share Index | 3,053.97 | (0.5) | (0.5) | (0.8) | 15.2 |
| Banks | 4,026.60 | (0.6) | (0.6) | 5.1 | 13.9 |
| Industrials | 3,122.42 | (0.1) | (0.1) | (2.9) | 17.7 |
| Transportation | 2,529.10 | (0.8) | (0.8) | 22.8 | 16.4 |
| Real Estate | 1,488.79 | (0.7) | (0.7) | (31.9) | 14.1 |
| Insurance | 3,014.35 | 0.4 | 0.4 | 0.2 | 17.9 |
| Telecoms | 943.27 | (0.7) | (0.7) | (4.5) | 21.9 |
| Consumer | 8,075.54 | (0.3) | (0.3) | 19.6 | 15.6 |
| Al Rayan Islamic Index | 3,980.14 | (0.3) | (0.3) | 2.5 | 14.4 |

| GCC Top Gainers** | Exchange | Close* | 1D% | Vol. '000 | YTD% |
|------------------------|--------------|--------|-----|-----------|--------|
| Bank Dhofar | Oman | 0.13 | 3.1 | 295.0 | (14.3) |
| Al Ahli Bank of Kuwait | Kuwait | 0.34 | 2.4 | 60.4 | 13.6 |
| Mouwasat Medical Serv. | Saudi Arabia | 88.00 | 2.3 | 148.2 | 9.3 |
| Bank Al Bilad | Saudi Arabia | 29.50 | 1.7 | 407.7 | 35.3 |
| Bank Muscat | Oman | 0.42 | 1.0 | 128.7 | 8.6 |

| GCC Top Losers** | Exchange | Close* | 1D% | Vol. '000 | YTD% |
|-----------------------|--------------|--------|-------|-----------|-------|
| Emaar Properties | Dubai | 5.23 | (4.0) | 5,394.1 | 26.6 |
| Aldar Properties | Abu Dhabi | 2.22 | (3.9) | 2,862.1 | 38.8 |
| Banque Saudi Fransi | Saudi Arabia | 38.85 | (3.7) | 595.8 | 23.7 |
| Samba Financial Group | Saudi Arabia | 30.15 | (3.7) | 1,420.2 | (4.0) |
| Saudi British Bank | Saudi Arabia | 38.30 | (3.2) | 297.8 | 17.3 |

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% |
|----------------------------------|--------|-------|-----------|--------|
| Doha Insurance Group | 1.05 | (4.5) | 166.9 | (19.8) |
| Qatar Navigation | 6.38 | (3.8) | 1,269.8 | (3.3) |
| Medicare Group | 7.20 | (3.2) | 213.0 | 14.1 |
| Zad Holding Company | 13.75 | (1.7) | 1.9 | 32.2 |
| Al Khaleej Takaful Insurance Co. | 1.75 | (1.7) | 327.6 | 103.7 |

| QSE Top Value Trades | Close* | 1D% | Val. '000 | YTD% |
|--------------------------------|--------|-------|-----------|--------|
| QNB Group | 19.16 | (0.8) | 12,101.2 | (1.7) |
| Industries Qatar | 11.15 | 0.2 | 8,761.5 | (16.5) |
| Qatar Navigation | 6.38 | (3.8) | 8,022.2 | (3.3) |
| Ezdan Holding Group | 0.66 | (1.5) | 4,265.9 | (48.9) |
| Mesaieed Petrochemical Holding | 2.60 | (0.4) | 4,029.3 | 73.0 |

Source: Bloomberg (* in QR)

Qatar Market Commentary

- The QE Index declined 0.4% to close at 10,356.1. The Transportation 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.
- Doha Insurance Group and Qatar Navigation were the top losers, falling 4.5% and 3.8%, respectively. Among the top gainers, Qatar Islamic Insurance Company gained 2.4%, while Qatar Oman Investment Company was up 2.2%.
- Volume of shares traded on Sunday fell by 36.0% to 30.2mn from 47.2mn on Thursday. Further, as compared to the 30-day moving average of 62.0mn, volume for the day was 51.3% lower. Ezdan Holding Group and Qatar First Bank were the most active stocks, contributing 21.1% and 19.2% to the total volume, respectively.

| Overall Activity | Buy %* | Sell %* | Net (QR) |
|-------------------------|---------------|---------------|-----------------------|
| Qatari Individuals | 48.78% | 51.28% | (1,851,197.57) |
| Qatari Institutions | 26.12% | 10.82% | 11,321,640.40 |
| Qatari | 74.90% | 62.10% | 9,470,442.83 |
| GCC Individuals | 0.15% | 0.44% | (212,526.20) |
| GCC Institutions | 1.01% | 4.26% | (2,405,558.16) |
| GCC | 1.16% | 4.70% | (2,618,084.36) |
| Non-Qatari Individuals | 11.27% | 8.77% | 1,852,033.93 |
| Non-Qatari Institutions | 12.66% | 24.43% | (8,704,392.40) |
| Non-Qatari | 23.93% | 33.20% | (6,852,358.47) |

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

Earnings Releases 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 |
|--|--------------|----------|------------------------|-----------------|---------------------------------|-----------------|---------------------------|-----------------|
| Abdullah Al Othaim Markets Co. | Saudi Arabia | SR | 2,171.6 | 7.4% | 69.7 | 3.7% | 58.7 | -20.8% |
| Alinma Tokio Marine Co. | Saudi Arabia | SR | 74.5 | -26.1% | - | - | 2.1 | -5.2% |
| Alahli Takaful Co. | Saudi Arabia | SR | 54.5 | 11.4% | - | - | 2.2 | 15.6% |
| Leejam Sports Co. | Saudi Arabia | SR | 219.0 | 17.1% | 65.5 | 43.2% | 49.6 | 24.7% |
| Qassim Cement Company | Saudi Arabia | SR | 154.5 | 75.5% | 68.4 | 338.2% | 70.5 | 283.4% |
| Arabian Cement Co. | Saudi Arabia | SR | 164.6 | 52.7% | 49.6 | N/A | 37.3 | N/A |
| Saudi Arabian Cooperative Insurance Co. | Saudi Arabia | SR | 194.9 | -8.4% | - | - | 2.0 | 21.1% |
| AXA Cooperative Insurance Co. | Saudi Arabia | SR | 250.3 | 36.0% | - | - | - | - |
| Saudi Ceramic Co. | Saudi Arabia | SR | 273.8 | 13.2% | -3.1 | N/A | -16.1 | N/A |
| Al-Ahsa Development Co. | Saudi Arabia | SR | 58.6 | 9.2% | -723.4 | N/A | 3.0 | 101.0% |
| National Metal Manufacturing and Casting Co. | Saudi Arabia | SR | 65.8 | -41.0% | -1.7 | N/A | -4.1 | N/A |
| Arab Sea Information System Co. | Saudi Arabia | SR | 8.6 | -12.9% | 2.8 | 187.1% | 3.0 | 200.4% |
| Hail Cement Co. | Saudi Arabia | SR | 53.4 | 29.5% | 0.3 | N/A | -1.9 | N/A |
| United Foods Company | Dubai | AED | 112.6 | -13.0% | - | - | 12.0 | 142.0% |
| Oman Insurance Company | Dubai | AED | 970.7 | -6.0% | - | - | 48.5 | 83.2% |
| Emaar Properties# | Dubai | AED | 11,569.0 | -3.9% | - | - | 3,110.0 | -3.7% |
| National General Insurance Company | Dubai | AED | 167.5 | 6.9% | - | - | 12.0 | 36.3% |
| United Foods Company | Dubai | AED | 112.6 | -13.0% | - | - | 12.0 | 142.0% |
| Abu Dhabi National Oil Company For Distribution Management | Abu Dhabi | AED | 5,504.0 | 15.4% | 622.0 | 2.9% | 595.0 | 2.9% |
| Sharjah Cement and Industrial Development Co.# | Abu Dhabi | AED | 291.0 | -8.5% | - | - | 2.5 | -84.6% |
| Fujairah Cement Industries | Abu Dhabi | AED | 294.3 | -7.4% | - | - | 7.7 | -34.9% |
| Fujairah Building Industries# | Abu Dhabi | AED | 111.1 | -12.8% | - | - | 23.8 | -1.2% |
| National International Holding Company | Kuwait | KD | 0.7 | -14.0% | - | - | 733.4 | -13.2% |

Source: Company data, DFM, ADX, MSM, TASI, BHB. (*Financials for 1H2019)

Earnings Calendar

| Tickers | Company Name | Date of reporting 2Q2019 results | No. of days remaining | Status |
|---------|--|----------------------------------|-----------------------|--------|
| BRES | Barwa Real Estate Company | 5-Aug-19 | 0 | Due |
| SIIS | Salam International Investment Limited | 5-Aug-19 | 0 | Due |
| MPHC | Mesaieed Petrochemical Holding Company | 5-Aug-19 | 0 | Due |
| ZHCD | Zad Holding Company | 5-Aug-19 | 0 | Due |
| QOIS | Qatar Oman Investment Company | 5-Aug-19 | 0 | Due |
| MCCS | Mannai Corporation | 6-Aug-19 | 1 | Due |
| MERS | Al Meera Consumer Goods Company | 6-Aug-19 | 1 | Due |
| MRDS | Mazaya Qatar Real Estate Development | 7-Aug-19 | 2 | Due |

Source: QSE

News

Qatar

- GISS' net profit declines 83.7% YoY and 84.1% QoQ in 2Q2019, misses our estimate** – Gulf International Services' (GISS) net profit declined 83.7% YoY (-84.1% QoQ) to QR4.0mn in 2Q2019. The company's revenue came in at QR751.9mn in 2Q2019, which represents an increase of 15.9% YoY (+4.6% QoQ). In 1H2019, GISS' revenue for the period ended 30 June 2019 was QR1.5bn compared to revenue of QR1.3bn in the previous year, up by 17%. The insurance segment was the largest source of revenue to GISS during this period. The group's net profit amounted to QR29.3mn, with earnings per share of QR0.016, compared to net profit of QR34.2mn and earnings per share of QR0.018 in the previous year. The earnings per share of the prior period have been reported taking into effect the stock split transaction mandated by Qatar Financial Markets Authority. In the six-month period GISS' earnings before interest, taxes, depreciation, and amortization (EBITDA) stood at QR366mn. The overall reduction in the group's net profit was primarily affected by the insurance segment. Revenue in the insurance segment has improved significantly versus last year as a result of securing a number of new major clients in both the medical and energy lines of business and regaining some of the previously lost businesses. On the other hand, due to the nature of the insurance business, the segment's operating cost has increased with the improved revenue, which has resulted in the segment reporting lower operating margins compared to last year. The impact of this decline was partially reduced by better performance of the segment's investment portfolio. The drilling segment has reported a marginal growth in revenue, mainly due to the deployment of the new offshore drilling rig "West Tucana" contracted to Qatar Gas via a strategic partnership with Seadrill. In addition, the company will continue bidding for future contracts whenever an opportunity arises. The segment's net loss witnessed a year-on-year reduction of 15% despite an increase in financing cost, primarily due to increased revenue together with reduction in G&A expenses. The aviation segment has reported a moderate growth in revenue compared to last year, mainly as a result of the growth of activities in the segment's international operations supported by short-term contracts in Pakistan, Turkey and South Africa, while maintaining its commercial aviation position locally. The growth in the international operations along with savings in G&A expenses contributed to the growth in net profit. The catering segment, on the other hand, has reported a reduction in revenue due to the demobilization of major contracts and reduction in camps occupancy. However, the segment

continues to actively seek opportunities from both industrial and non-oil and gas sectors. Net profit in the segment witnessed a year-on-year reduction of 24%, mainly due to reduced revenue from the catering and accommodation services. The group's closing cash (including short-term investments) stood at QR892mn as at 30 June 2019 with total debt of 4.8bn. The drilling segment represents 92% of the group's debt. The group is continuing the execution of some of the previously identified initiatives, which are in various stages of completion and are progressing well. These initiatives include the recently announced award of contracts by Qatar Petroleum to provide six-premium jack up rigs for the North Field Expansion project in the drilling segment, the acquisition of a 49% stake in Air Ocean Maroc in the aviation segment, and winning three major insurance contracts in the medical insurance segment. In addition, the insurance segment has decided to share the medical insurance risk via reinsurance. Additionally, the group was able to reduce its G&A expenses during the period by QR15mn, or 14%, compared to the same period of 2018. GISS will continue the assessment of the group's operation to capture additional potential revenue enhancement and cost improvement opportunities. (QNB FS Research, Company financials)

- IGRD posts 36.8% YoY increase but 22.5% QoQ decline in net profit in 2Q2019, beating our estimate** – Investment Holding Group's (IGRD) net profit rose 36.8% YoY (but declined 22.5% on QoQ basis) to QR12.2mn in 2Q2019, beating our estimate of QR8.0mn. The company's revenue came in at QR115.4mn in 2Q2019, which represents an increase of 5.8% YoY (+19.9% QoQ). In 1H2019, IGRD reported a net profit of QR27.8mn as compared to QR23.3mn in 1H2018. EPS amounted to QR0.034 in 1H2019 as compared to QR0.028 in 1H2018. (QSE)
- QISI posts 30.5% YoY increase but 5.5% QoQ decline in net profit in 2Q2019** – Qatar Islamic Insurance Group's (QISI) net profit rose 30.5% YoY (but declined 5.5% on QoQ basis) to QR23.5mn in 2Q2019. The company's total revenues came in at QR32.8mn in 2Q2019, which represents an increase of 12.6% YoY. However, on QoQ basis, total revenues fell 4.3%. In 1H2019, QISI reported a net profit of QR48.3mn as compared to QR41.1mn in 1H2018. EPS amounted to QR0.156 in 2Q2019 as compared to QR0.120 in 2Q2018. (QSE)
- Ooredoo announces the appointment of new Ooredoo Algeria CEO** – Ooredoo announced the appointment of Nikolai Beckers as CEO of Ooredoo Algeria, as of August 03, 2019. Sheikh Saud Bin Nasser Al Thani, Ooredoo Group's CEO, said, "We welcome

Mr. Nikolai Beckers to Ooredoo, and are confident that he will deliver sustained success during this period of change and transformation in the telecom sector." Nikolai Beckers has over 20 years of experience across the telecommunications and ICTO industries. He has strong leadership skills and a track record of success, having led a number of prestigious multinational entities across Europe and Asia including Deutsche Telekom and T-Online France. Nikolai holds a degree in Business Administration from the University of Köln, Germany. (QSE)

- **Over 18% increase in arrival of vessels at Qatar ports** – The ports in Qatar have registered a significant growth in July 2019 regarding number of vessels calling at Hamad Port, Doha Port and Ruwais Port when compared to June this year. The three ports also handled more cargo in July this year when compared to June 2019 on MoM basis. A total of 377 vessels called at Hamad Port, Doha Port and Ruwais Port in July this year, compared to 318 vessels in June 2019, which is an over 18% increase in vessels movement on MoM basis. According to statistics released by Mwan Qatar, ports in Qatar handled 121, 404 Twenty-Foot Equivalent Unit (TEU) containers in July 2019, while they had handled 105, 686 TEU containers in June 2019. In July 2019, the ports handled 90, 752 tons of general cargo, while the quantity of general cargo handled in June 2019 was 46, 764 tons. (Peninsula Qatar)
- **Expert urges need for greater cyber security awareness against phishing** – There is a need for greater cyber security awareness to help employees spot online scams especially phishing, which is still the number one cause of data breaches, according to an expert. "With the massive amounts of data and massive effect of social media and mobiles, cyber security becomes a threat by any means. But by taking appropriate measures with the right training and properly managed IT environment; even though there's no such thing as 100% secure but at least you will be secure and able to respond to any cyber threat," said Microsoft Qatar's Country Manager Lana Khalaf while talking to SME and startup owners at a seminar in Doha recently. According to the 2019 Data Breach Investigations Report (DBIR) conducted by Verizon, about 43% of the incidents in the study were breaches involving small business victims, followed by breaches of public sector entities at 16%, breaches involving healthcare organizations at 15%, and breaches of the financial industry at 10%. Khalaf added, "If you look at the security breaches that happen, most incidents are from phishing wherein end users are clicking the bait on their devices. This means there should be a lot of awareness on cyber security. So what we usually do and actually advice our customers and partners is to conduct a massive anti-phishing campaign. So we attack ourselves and check the click rates from the statistics. From there we conduct awareness and training sessions. And year over year, we have seen a tremendous decline in phishing susceptibility in the companies." (Peninsula Qatar)

International

- **Johnson ready to fast-track health funding to meet Brexit pledge** – Prime Minister Boris Johnson will fast-track funding for Britain's public health service, announcing 1.8bn Pounds to upgrade 20 hospitals, part of the new leader's push to meet his Brexit pledges. Johnson, a figurehead for the "Leave" campaign in the 2016 referendum, promoted the idea emblazoned on a bus

that Britain could spend 350mn Pounds a week on the National Health Service if it left the European Union. Britain's new prime minister is moving quickly to meet that and other Brexit pledges, a bid to restore some of the trust in politicians that has been eroded in the three years since the referendum that deeply divided the country. (Reuters)

- **PMI: Japan service sector growth eases on tempered optimism, job creation** – Activity in Japan's services sector expanded again in July, albeit at a fractionally slower pace than the previous month, a revised survey showed on Monday, indicating resilient domestic demand despite signs of a loss of momentum. The final Jibun Bank Japan Services Purchasing Managers' Index (PMI) edged down to 51.8 from 51.9 in June on a seasonally adjusted basis, staying above the 50 threshold that separates contraction from expansion for the 34th month. Japan is scheduled to raise its sales tax to 10% from 8% in October. Policymakers are hoping domestic demand will help offset external pressures that have increased on the back of slowing global growth and the prolonged and intensifying trade war between China and the US. Latest survey data showed employment increased for a 33rd month, but the pace of increase was the slowest since October. Business expectations slipped to a 23-month low of 52.9, while new business at Japanese service providers was at a one-year low amid reports of subdued sales at some companies. The composite PMI, which includes both manufacturing and services, edged up to 51.2 from 50.8 in the previous month. (Reuters)
- **South Korea Urges Japan to correct 'reckless, risky' export curb** – South Korean Prime Minister Lee Nak-yeon on Sunday urged Japan to correct its "reckless and risky" decision to curb exports to the country, saying that the international community is concerned about security in Northeast Asia after the latest developments. Japan is carrying out an "economic attack" against South Korea after deliberately dismissing diplomatic discussions with the country as well as arbitration by the US, Lee said. He was speaking at a high-level meeting with South Korea's presidential office, government officials and ruling party lawmakers to discuss countermeasures to Japan's export restrictions. Tensions between the two nations worsened this week as Japan removed South Korea from a list of trusted export destinations, in a move that will hit the chip and display industries that are the backbones of the South Korean economy. South Korea has responded by saying it will take Japan off its preferred-trade list. (Bloomberg)
- **PMI: China July services sector grows at slowest pace in five months** – China's services sector expanded at the slowest pace in five months in July despite a sharp upturn of new export orders, a private survey showed on Monday. The Caixin/Markit services Purchasing Managers' Index (PMI) slipped to 51.6, the lowest reading since February, from June's 52.0. The 50-point mark divides growth from contraction, and the overall service index has shown expansion every month since it was started in 2005. In July, a sub-index for new export orders placed with Chinese services firms swung back to expansion at a three-month high of 54.0, compared with 49.5 in the previous month. Caixin/Markit said survey respondents commented that strong demand across international markets supported the latest upturn in new work from abroad. Overall new business

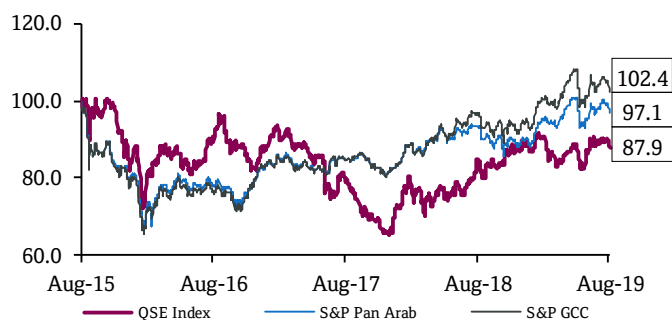
remained largely stable, though the sub-index dipped slightly to 53.2 from 53.4 in June, suggesting a string of government support measures for the economy over the last year were propping up domestic demand. The survey showed business confidence for the year ahead remained unchanged from June's level, though some companies expect that relatively weak market conditions in the coming months could weigh on demand. Employment in the sector increased at a slightly faster pace than in June. The employment index has shown expansion every month since September. Chinese service providers also registered a solid rise in cost burdens last month, due to higher prices for materials, staff and fuel, outpacing the prices charged, as a number of firms indicated competitive market conditions had dampened overall pricing power. Separately, an official gauge last week showed non-manufacturing activity grew at its slowest pace in eight months in July. (Reuters)

Regional

- ALINMA posts 11.6% YoY rise in net profit to SR676mn in 2Q2019** – Alinma Bank (ALINMA) recorded net profit of SR676mn in 2Q2019, an increase of 11.6% YoY. Total operating profit rose 10.8% YoY to SR1,364mn in 2Q2019. Total revenue for special commissions/investments rose 16.2% YoY to SR1,378mn in 2Q2019. Total assets stood at SR123.5bn at the end of June 30, 2019 as compared to SR116.8bn at the end of June 30, 2018. Loans and advances stood at SR87.7bn (+6.7% YoY), while customer deposits stood at SR92.8bn (+4.4% YoY) at the end of June 30, 2019. EPS came in at SR0.88 in 1H2019 as compared to SR0.79 in 1H2018. (Tadawul)
- Amiantit board recommends capital cut** – Saudi Arabian Amiantit Company's (Amiantit) board of directors has issued a recommendation to cut the company's capital. The company will reduce its capital by 70.2%, Amiantit noted. Number of shares after the capital reduction amounted to 34,451,700 from 115,500,000 shares before the capital reduction. (Tadawul)
- Jarir Marketing Company announces opening of a new showroom in Riyadh** – Jarir Marketing Company announced opening of its showroom in the eastern ring road in Riyadh. That considered the 49th showroom in the Saudi Arabia, and the 59th of its total showrooms inside and outside Saudi Arabia. Showroom area is 3,639 square meters, and contains all the products known by Jarir bookstore. The Saudis proportion of total staff in this showroom reached 64%. The financial impact of this showroom will be noticed in the third quarter of the year 2019. The showroom is located within a building owned by Jarir bookstore, includes additional leasing areas of 3,238 square meters. Leasing area divided into shops and offices, the total investments in this building is SR105mn. This is the fifth showroom which opened in 2019. (Tadawul)
- Saudi Aramco cuts all September oil pricing to Asia, raises to Europe** – Saudi Aramco lowered September pricing for all crude grades to buyers in Asia, increased all pricing to NW Europe and Med region. State-run company decreased pricing for flagship Arab Light to Asia by 75 cents to a premium of \$1.70 per barrel over Oman/Dubai benchmark; September differential was forecast at \$1.80 per barrel premium to Oman-Dubai benchmark, according to estimate of traders, refiners in Bloomberg survey. Saudi Aramco raised September Light to NW Europe to \$2.65 per barrel above ICE Brent; increased Light grade to Med to \$2.70 per barrel premium over Brent. The company left pricing for all grades to the US buyers unchanged. (Bloomberg)
- Saudi Arabia's Sulaiman Al Habib Medical Group weighs options for IPO** – Saudi Arabia's Sulaiman Al Habib Medical Group (Al Habib) is considering reviving plans for a potential initial public offering (IPO). The firm is pursuing strategic options in connection with the IPO, the company stated. After some reports, the group would like to highlight that the information regarding the percentage of the offering and its value are incorrect. Last week, Reuters reported that Al Habib could sell as much as a 30% stake in the offering that could value the company at \$2.5bn. Al Habib had planned to sell shares in 2016 after hiring Jadwa Investment, according to sources. In 2013, it appointed Saudi Fransi Capital to advice on the offering. The company operates at least 14 medical facilities across Saudi Arabia, the UAE and Bahrain, according to its website. (Bloomberg)
- Bank of Sharjah's net profit falls 13.7% YoY to AED100.4mn in 2Q2019** – Bank of Sharjah recorded net profit of AED100.4mn in 2Q2019, registering decrease of 13.7% YoY. Net interest income fell 15.9% YoY to AED104.6mn in 2Q2018. Net operating income fell 4.8% YoY to AED181.0mn in 2Q2018. Total assets stood at AED30.3bn at the end of June 30, 2019 as compared to AED29bn at the end of June 30, 2018. Loans and advances (net) stood at AED18.0bn (+10.8% YoY), while customers' deposits stood at AED20.8bn (+3.3% YoY) at the end of June 30, 2019. EPS came in at AED0.048 in 2Q2019 as compared to AED0.055 in 2Q2018. (ADX)
- Abu Dhabi Financial Group and Shuaa Capital complete merger with capital increase** – Abu Dhabi Financial Group (ADFG) stated it has completed its merger with Shuaa Capital and increased its authorized capital to AED2.54bn. The deal is the latest in the ongoing financial sector consolidation in the UAE, which has also seen the completion of two large bank mergers since 2017. The capital increase follows admission of 1.47bn new shares on the Dubai Financial Market in favor of ADFG's parent company, Abu Dhabi Capital Management LLC, a joint statement from the companies stated. The new Shuaa Capital shares will be subject to a 12-month lock-up period from the date of admission, the statement stated. In June, ADFG and Shuaa Capital agreed on terms of their merger that will create an entity with \$12.8bn in assets under management. ADFG's shareholders will own 58% of the enlarged entity while Shuaa Capital's existing shareholders will own 42%. ADFG already owned 48.36% of Dubai-listed Shuaa Capital, according to Refinitiv data. (Reuters)
- ADNOC Distribution to keep expanding, open to acquisitions** – Fuel-retailing unit of Abu Dhabi government-run energy producer to keep up expansion and is open to acquisitions or organic growth, according to ADNOC Distribution's COO, Mohamed Al Hashimi. The company opened 6 filling stations in 1H2019, plans to open 19-24 more in 2H2019, Al Hashimi said. He added, "Plans eventually to offer recharging facilities for electric vehicles at stations. ADNOC Distribution sees attractive opportunities in non-fuel retail, especially convenience stores. ADNOC Distribution sees exciting prospect for lubricants business in India." (Bloomberg)

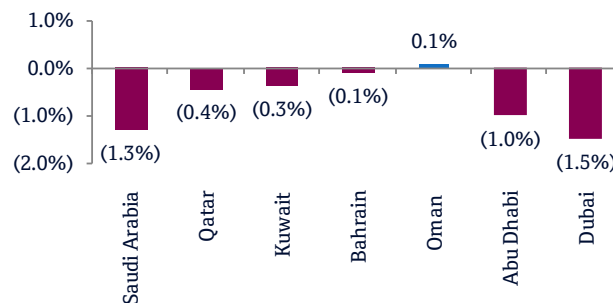
- **Ooredoo Kuwait achieves 48% rise in income** – Ooredoo Kuwait announced a 48% increase in income during the first half of this year and revenues of KD114.1mn. The company stated that after seeing its earnings before interest tax depreciation and amortization (EBITDA), Ooredoo Kuwait's first half EBITDA rose to KD36mn, compared to KD24.3mn for the same period of 2018, as its customer base grew 2.5mn customers, an increase of 6%. Chief Executive Officer Sheikh Mohamed bin Abdullah Al Thani said that the strong financial and operational performance for the first half of this year is a continuation of the company's strong financial performance in 2018 and an affirmation of the strategy's success adopted to develop the company. He added, "Ooredoo Kuwait's results are the product of our focus on improving cost efficiency as part of our broader digital transformation strategy." (Gulf-Times.com)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

| Asset/Currency Performance | Close (\$) | 1D% | WTD% | YTD% |
|--------------------------------------|------------|--------|-------|--------|
| Gold/Ounce | 1,440.60 | (0.3) | 1.5 | 12.3 |
| Silver/Ounce | 16.20 | (0.8) | (1.2) | 4.6 |
| Crude Oil (Brent)/Barrel (FM Future) | 61.89 | 2.3 | (2.5) | 15.0 |
| Crude Oil (WTI)/Barrel (FM Future) | 55.66 | 3.2 | (1.0) | 22.6 |
| Natural Gas (Henry Hub)/MMBtu | 2.12 | (10.2) | (6.2) | (33.5) |
| LPG Propane (Arab Gulf)/Ton | 44.63 | 0.3 | (8.2) | (30.3) |
| LPG Butane (Arab Gulf)/Ton | 44.50 | 0.0 | 2.9 | (36.4) |
| Euro | 1.11 | 0.2 | (0.2) | (3.1) |
| Yen | 106.59 | (0.7) | (1.9) | (2.8) |
| GBP | 1.22 | 0.3 | (1.8) | (4.6) |
| CHF | 1.02 | 0.8 | 1.2 | (0.1) |
| AUD | 0.68 | 0.0 | (1.6) | (3.5) |
| USD Index | 98.07 | (0.3) | 0.1 | 2.0 |
| RUB | 65.26 | 1.4 | 3.0 | (6.4) |
| BRL | 0.26 | (1.3) | (2.9) | (0.2) |

Source: Bloomberg

| Global Indices Performance | Close | 1D%* | WTD%* | YTD%* |
|----------------------------|------------|-------|-------|-------|
| MSCI World Index | 2,149.99 | (1.1) | (3.0) | 14.1 |
| DJ Industrial | 26,485.01 | (0.4) | (2.6) | 13.5 |
| S&P 500 | 2,932.05 | (0.7) | (3.1) | 17.0 |
| NASDAQ 100 | 8,004.07 | (1.3) | (3.9) | 20.6 |
| STOXX 600 | 378.15 | (2.1) | (3.3) | 8.7 |
| DAX | 11,872.44 | (2.7) | (4.5) | 9.2 |
| FTSE 100 | 7,407.06 | (2.3) | (3.8) | 4.9 |
| CAC 40 | 5,359.00 | (3.2) | (4.5) | 9.9 |
| Nikkei | 21,087.16 | (0.7) | (0.7) | 9.1 |
| MSCI EM | 1,003.76 | (2.0) | (4.3) | 3.9 |
| SHANGHAI SE Composite | 2,867.84 | (2.0) | (3.5) | 14.0 |
| HANG SENG | 26,918.58 | (2.3) | (5.3) | 4.2 |
| BSE SENSEX | 37,118.22 | (0.8) | (3.1) | 3.0 |
| Bovespa | 102,673.70 | (0.8) | (2.9) | 16.7 |
| RTS | 1,293.19 | (4.0) | (4.1) | 21.0 |

Source: Bloomberg (*\$ adjusted returns)

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