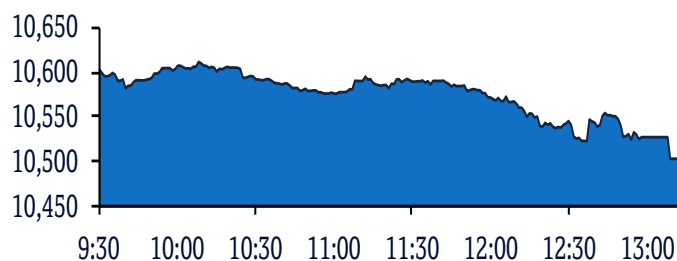


QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 1.0% to close at 10,503.1. Losses were led by the Insurance and Industrials indices, falling 1.8% and 1.3%, respectively. Top losers were The Commercial Bank and Medicare Group, falling 4.5% and 3.0%, respectively. Among the top gainers, Qatar General Insurance & Reinsurance Company gained 5.0%, while Al Khaleej Takaful Insurance Company was up 2.7%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.5% to close at 9,033.8. Losses were led by the Telecom. Serv. and Media & Ent. indices, falling 1.7% and 1.0%, respectively. Jadwa Reit Alharamain Fund declined 3.4%, while Etihad Etisalat Co. was down 3.0%.

Dubai: The DFM Index gained 1.7% to close at 2,763.0. The Investment & Financial Services index rose 2.7%, while the Real Estate & Construction index gained 2.0%. Dubai Financial Market rose 5.3%, while Ektitab Holding Company was up 5.0%.

Abu Dhabi: The ADX General Index gained 2.7% to close at 5,218.1. The Banks index rose 3.1%, while the Telecommunication index gained 3.0%. Abu Dhabi Ship Building Company rose 14.8%, while Gulf Cement Company was up 12.5%.

Kuwait: The Kuwait All Share Index fell 0.2% to close at 6,124.6. The Financial Services index declined 2.0%, while the Consumer Goods index fell 0.8%. Bayan Investment Company and KAMCO Investment Company were down 10.0% each.

Oman: The MSM 30 Index fell marginally to close at 3,747.7. The Services index declined 0.3%, while the other indices ended flat or in green. Dhofar Cattle Feed fell 9.4%, while Muscat City Desalination was down 5.6%.

Bahrain: The BHB Index fell 0.1% to close at 1,537.8. The Insurance index declined 0.3%, while the Commercial Bank index fell 0.2%. Bahrain Cinema Company declined 2.8%, while Bahrain Islamic Bank was down 1.6%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar General Ins. & Reins. Co.	3.80	5.0	11.2	(15.3)
Al Khaleej Takaful Insurance Co.	1.87	2.7	1,211.2	117.7
Widam Food Company	6.40	1.9	1,155.9	(8.6)
Qatar Cinema & Film Distribution	2.15	1.4	2.3	13.0
Qatar Gas Transport Company Ltd.	2.41	1.3	1,883.7	34.4

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Ezdan Holding Group	0.72	(0.1)	5,232.7	(44.7)
Al Khalij Commercial Bank	1.17	(0.8)	4,711.8	1.4
Qatar First Bank	0.40	(0.5)	2,817.9	(1.2)
Mazaya Qatar Real Estate Dev.	0.81	0.7	2,255.1	4.1
Qatar Aluminium Manufacturing	1.00	(0.1)	2,105.9	(25.5)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,503.10	(1.0)	(1.0)	0.5	2.0	41.32	158,659.9	14.9	1.6	4.2
Dubai	2,762.98	1.7	2.9	3.9	9.2	95.77	98,550.3	11.3	1.0	4.5
Abu Dhabi	5,218.13	2.7	3.3	4.8	6.2	113.34	144,588.5	15.4	1.5	4.8
Saudi Arabia	9,033.83	(0.5)	0.7	2.4	15.4	948.73	569,113.0	20.2	2.0	3.3
Kuwait	6,124.63	(0.2)	(0.0)	5.0	20.6	91.36	114,408.8	15.3	1.5	3.4
Oman	3,747.69	(0.0)	(1.6)	(3.5)	(13.3)	5.37	16,560.3	7.2	0.8	7.3
Bahrain	1,537.78	(0.1)	0.0	4.5	15.0	2.54	24,049.0	11.0	1.0	4.9

Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (** TTM; * Value traded (\$ mn) do not include special trades, if any)

Market Indicators	18 July 19	17 July 19	%Chg.
Value Traded (QR mn)	151.2	172.9	(12.5)
Exch. Market Cap. (QR mn)	577,575.3	582,326.4	(0.8)
Volume (mn)	39.8	42.2	(5.8)
Number of Transactions	3,651	3,952	(7.6)
Companies Traded	45	43	4.7
Market Breadth	10:33	16:20	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	19,326.59	(1.0)	(1.0)	6.5	14.9
All Share Index	3,105.57	(0.9)	(0.9)	0.9	14.9
Banks	4,092.96	(0.8)	(0.2)	6.8	14.3
Industrials	3,159.84	(1.3)	(2.4)	(1.7)	15.9
Transportation	2,598.99	0.4	2.1	26.2	15.9
Real Estate	1,539.30	(1.1)	(2.1)	(29.6)	12.9
Insurance	3,124.19	(1.8)	(2.4)	3.8	18.0
Telecoms	938.45	(1.1)	(0.7)	(5.0)	19.3
Consumer	8,110.53	(0.7)	(2.2)	20.1	15.6
Al Rayan Islamic Index	4,040.77	(0.9)	(1.3)	4.0	13.8

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
First Abu Dhabi Bank	Abu Dhabi	15.60	4.0	9,099.7	10.6
DP World	Dubai	16.16	3.6	319.1	(5.5)
Emirates Telecom. Group	Abu Dhabi	17.34	3.0	4,746.3	2.1
Comm. Bank of Kuwait	Kuwait	0.57	2.7	0.0	24.3
Emaar Malls	Dubai	1.96	2.6	4,966.4	9.5

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
The Commercial Bank	Qatar	4.70	(4.5)	526.9	19.3
Etihad Etisalat Co.	Saudi Arabia	25.85	(3.0)	3,128.9	55.9
Barwa Real Estate Co.	Qatar	3.46	(2.8)	1,428.7	(13.3)
Bank Dhofar	Oman	0.13	(2.3)	20.0	(16.2)
Qatar Insurance Co.	Qatar	3.55	(2.2)	206.1	(1.1)

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%
The Commercial Bank	4.70	(4.5)	526.9	19.3
Medicare Group	8.09	(3.0)	656.4	28.2
Barwa Real Estate Company	3.46	(2.8)	1,428.7	(13.3)
Qatar Insurance Company	3.55	(2.2)	206.1	(1.1)
Aljarah Holding	0.79	(1.8)	80.3	(10.7)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	19.25	(0.4)	39,193.4	(1.3)
Industries Qatar	11.03	(1.5)	19,754.7	(17.4)
Qatar Fuel Company	21.00	(0.5)	9,155.4	26.5
Qatar Islamic Bank	17.00	(0.2)	7,916.7	11.8
Widam Food Company	6.40	1.9	7,410.8	(8.6)

Source: Bloomberg (* in QR)

Qatar Market Commentary

- The QE Index declined 1.0% to close at 10,503.1. The Insurance and Industrials 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.
- The Commercial Bank and Medicare Group were the top losers, falling 4.5% and 3.0%, respectively. Among the top gainers, Qatar General Insurance & Reinsurance Company gained 5.0%, while Al Khaleej Takaful Insurance Company was up 2.7%.
- Volume of shares traded on Thursday fell by 5.8% to 39.8mn from 42.2mn on Wednesday. Further, as compared to the 30-day moving average of 83.4mn, volume for the day was 52.3% lower. Ezdan Holding Group and Al Khalij Commercial Bank were the most active stocks, contributing 13.2% and 11.8% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	31.66%	32.64%	(1,475,831.04)
Qatari Institutions	31.13%	16.27%	22,473,956.83
Qatari	62.79%	48.91%	20,998,125.79
GCC Individuals	1.93%	2.71%	(1,183,927.63)
GCC Institutions	3.37%	8.77%	(8,162,784.55)
GCC	5.30%	11.48%	(9,346,712.18)
Non-Qatari Individuals	9.61%	8.71%	1,350,234.39
Non-Qatari Institutions	22.30%	30.90%	(13,001,648.00)
Non-Qatari	31.91%	39.61%	(11,651,413.61)

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

Ratings, Earnings Releases, Global Economic Data and Earnings Calendar

Ratings Updates

Company	Agency	Market	Type*	Old Rating	New Rating	Rating Change	Outlook	Outlook Change
Saudi British Bank	Fitch	Saudi Arabia	ST-IDR	F1	F2	↓	-	-
Islamic Arab Insurance Co.	S&P	Dubai	LT-LIC/FSR	BBB-/BBB-	BBB/BBB	↑	Stable	-

Source: News reports, Bloomberg (* LT – Long Term, ST – Short Term, LIC – Local Issuer Credit, FSR – Financial Strength Rating, IDR – Issuer Default Rating)

Earnings Releases

Company	Market	Currency	Revenue (mn) 2Q2019	% Change YoY	Operating Profit (mn) 2Q2019	% Change YoY	Net Profit (mn) 2Q2019	% Change YoY
Al Kathiri Holding Co.	Saudi Arabia	SR	17.9	40.4%	3.1	42.6%	3.0	32.8%
Yanbu National Petrochemical Co.	Saudi Arabia	SR	1,638.0	-22.4%	329.5	-59.6%	316.1	-61.5%
United Wire Factories Co.	Saudi Arabia	SR	144.1	-1.0%	7.5	-23.5%	6.0	-17.8%
Zahrat Al Waha for Trading Co.	Saudi Arabia	SR	133.4	-5.2%	14.0	14.5%	10.1	29.2%
Gulf Hotels Group	Bahrain	BHD	8.7	10.8%	2.7	-1.5%	0.5	-71.7%

Source: Company data, DFM, ADX, MSM, TASI, BHB.

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
07/18	US	Department of Labor	Initial Jobless Claims	13-July	216k	216k	208k
07/18	US	Department of Labor	Continuing Claims	6-July	1,686k	1,700k	1,728k
07/19	Germany	German Federal Statistical Office	PPI MoM	June	-0.4%	-0.1%	-0.1%
07/19	Germany	German Federal Statistical Office	PPI YoY	June	1.2%	1.5%	1.9%
07/19	Japan	Ministry of Internal Affairs and Communications	Natl CPI YoY	June	0.7%	0.7%	0.7%

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
QEWS	Qatar Electricity & Water Company	21-Jul-19	0	Due
GWCS	Gulf Warehousing Company	21-Jul-19	0	Due
QIGD	Qatari Investors Group	22-Jul-19	1	Due
KCBK	Al Khalij Commercial Bank	23-Jul-19	2	Due
MCGS	Medicare Group	24-Jul-19	3	Due
UDCD	United Development Company	24-Jul-19	3	Due
QGRI	Qatar General Insurance & Reinsurance Company	24-Jul-19	3	Due
DHBK	Doha Bank	24-Jul-19	3	Due
QAMC	Qatar Aluminum Manufacturing Company	25-Jul-19	4	Due
AKHI	Al Khaleej Takaful Insurance Company	25-Jul-19	4	Due

Tickers	Company Name	Date of reporting 2Q2019 results	No. of days remaining	Status
QIMD	Qatar Industrial Manufacturing Company	25-Jul-19	4	Due
QFBQ	Qatar First Bank	28-Jul-19	7	Due
QCFS	Qatar Cinema & Film Distribution Company	29-Jul-19	8	Due
QNNS	Qatar Navigation (Milaha)	29-Jul-19	8	Due
VFQS	Vodafone Qatar	29-Jul-19	8	Due
ORDS	Ooredoo	29-Jul-19	8	Due
QATI	Qatar Insurance Company	30-Jul-19	9	Due
AHCS	Aamal Company	30-Jul-19	9	Due
DBIS	Dlala Brokerage & Investment Holding Company	30-Jul-19	9	Due
MRDS	Mazaya Qatar Real Estate Development	31-Jul-19	10	Due
DOHI	Doha Insurance Group	31-Jul-19	10	Due
QNCD	Qatar National Cement Company	1-Aug-19	11	Due
IQCD	Industries Qatar	1-Aug-19	11	Due
IGRD	Investment Holding Group	4-Aug-19	14	Due
GISS	Gulf International Services	4-Aug-19	14	Due
QISI	Qatar Islamic Insurance Company	4-Aug-19	14	Due
BRES	Barwa Real Estate Company	5-Aug-19	15	Due
SIIS	Salam International Investment Limited	5-Aug-19	15	Due
MPHC	Mesaieed Petrochemical Holding Company	5-Aug-19	15	Due
ZHCD	Zad Holding Company	5-Aug-19	15	Due
QOIS	Qatar Oman Investment Company	5-Aug-19	15	Due
MERS	Al Meera Consumer Goods Company	6-Aug-19	16	Due

Source: QSE

News

Qatar

- ERES' net profit declines 53.5% YoY and 45.6% QoQ in 2Q2019** – Ezdan Holding Group's (ERES) net profit declined 53.5% YoY (-45.6% QoQ) to QR148.3mn in 2Q2019. In 1H2019, ERES recorded net profit of QR420.7mn as compared to QR422.3mn in 1H2018. The group achieved revenues of QR959mn as compared to QR1.147bn in the first half of 2018. EPS remained stable YoY at QR0.016 in 1H2019. (QSE, Gulf-Times.com)
- NLCS reports net loss of QR0.9mn in 2Q2019** – Alijarah Holding (NLCS) reported net loss of QR0.9mn in 2Q2019 as compared to net profit of QR9.5mn in 2Q2018 and net profit of QR5.0mn in 1Q2019. The company's total revenues and income came in at QR34.3mn in 2Q2019, which represents a decrease of 35.1% YoY (-1.4% QoQ). Loss per share amounted to QR0.002 in 2Q2019 as compared to earnings per share of QR0.019 in 2Q2018. (QSE)
- Al Rayan Qatar ETF discloses its condensed financial statements for the six month period ended June 30, 2019** – Al Rayan Qatar ETF disclosed its condensed financial statement for the six-month period ended June 30, 2019. The statements showed that the net asset value as of June 30, 2019 amounted to QR537,006,520, representing QR23.867 per unit. The stock of Al Rayan Qatar ETF was split on July 7, 2019 after trading hours (after the date of these financials), and the unit price was divided by 10. (QSE)
- CBQK proposes to sell its treasury shares** – The Commercial Bank (CBQK) announced that in compliance with the Qatar Financial Markets Authority Rules (QFMA) on 'Companies Buying Their Own Shares', CBQK is proposing to sell its treasury shares held by the bank in accordance with the procedures stated in the above mentioned rules including obtaining the appropriate approvals from the relevant regulatory authorities. (QSE)
- BRES to disclose 2Q2019 financial statements on August 05** – Barwa Real Estate Company (BRES) announced its intent to disclose 2Q2019 financial statements for the period ending June 30, 2019, on August 05, 2019. (QSE)
- UDCD signs QR1.2bn deals for Pearl projects** – United Development Company (UDCD) has signed three agreements pertaining to major projects at The Pearl-Qatar. The first agreement has been signed with Orbital Education, a leading British educational group, to operate 'United School International', whilst the second agreement has been signed to award 'Al Darwish Engineering Company' the contract of the construction works for 'United School International'. The third agreement has been signed to award 'Ramaco Trading & Contracting Company' to undertake the design and construction works for three gated compounds in the Floresta Gardens Precinct. In this context, UDCD's President and CEO, Ibrahim Jassim Al-Othman and member of the board, highlighted that the total investment value in these projects amounts to approximately QR1.2bn. (QSE)
- New senior-level appointments continue to bolster Doha Bank's executive management strength** – To reassert its commitment to provide customers with state-of-the-art services and as part of the ongoing transformation journey, Doha Bank has announced the appointment of three members of its executive management team. The appointment of Braik Al-Marri as chief retail banking officer falls in line with Doha Bank's Qatarization strategy and a culture to grow and promote talent from within. Al-Marri, who held previously the role of acting chief retail banking officer, will undertake the role of spearheading the bank's retail business to further accelerate retail transformation

strategy and inspire sustainable growth with added-value for customers. Al-Marri brings over three decades of banking experience leadership focused on clients, business growth, operational excellence, and commitment to building strong communities. To help the bank in its quest of taking the Wholesale Banking Department to the next level of excellence, Doha Bank appointed Ala Abumughli as chief wholesale banking officer. The hiring of Peter John Clark as chief operating officer corresponds with Doha Bank's strategy to bring people with extensive global experience and first-class expertise in the banking industry. Clark will be responsible for shaping and building the global growth and development of Doha Bank's leading operational practices and lead the digital transformation in bringing innovative technology based solutions to deliver best in class value propositions to the market (Gulf-Times.com)

- **American Airlines-Qantas joint venture wins final US approval** – The US Department of Transportation (DOT) granted American Airlines Group Inc and Qantas Airways Ltd final approval to operate a joint venture after a prior effort was rejected in 2016. The department last month had issued an order tentatively approving the agreement and granting antitrust immunity to the airlines covering international service. US Transportation Secretary Elaine Chao announced the approval, noting it was the first completed review of an airline joint venture proposal during the Trump administration. An application for a joint venture covering the US, Australia and New Zealand was rejected in November 2016 by former President Barack Obama's DOT. It tentatively concluded after a 17-month review that the venture would reduce competition and consumer choice. The deal will allow the airlines to coordinate planning, pricing, sales and frequent flyer programs, with new options and customer service improvements. The two world alliance carriers are planning up to three new routes within the first two years as well as increased capacity on existing routes, the department has stated. (Peninsula Qatar)
- **KPMG: Qatar can adopt Basel IV guidelines quickly** – Qatar has already adopted and implemented the Basel III framework ahead of some of its GCC peers and can adopt the revised guidelines quickly, KPMG has stated in a report. The country is committed to adopting Basel IV (Revised Basel III) guidelines and QCB has already initiated an impact study/consultative guidelines issuance on the subject, KPMG stated in its 'Qatar banking perspectives'. Qatari banks are well capitalized and can leverage the existing system implementation to adopt the revised Basel III reforms quickly, it stated. The revised norms will result in banks facing a shift in the relative attractiveness of different types of exposures, which will also impact the attractiveness of adopting an internal model based approach to credit or market risk. In December 2017, the Basel Committee on Banking Supervision published a revised set of minimum standards for the capital treatment of credit risk, operational risk and credit valuation adjustment risk and for a new output floor to limit the extent to which banks will be able to use internal models for credit and market risk to drive down capital requirements. The revised capital standards are due to be implemented in January 2022, and the output floor to be phased in from 2022 to 2027. The implementation of the revised framework for market risk (mostly finalized by the Basel

Committee in January 2016) has been pushed back to January 2022. (Gulf-Times.com)

- **QIIK's CEO: Local banking industry benefits from Qatar's economic growth** – Qatar's banking sector continues to benefit from the country's economic expansion, solid fundamentals and relatively stable oil price, Qatar International Islamic Bank's (QIIK) CEO, Abdulbasit Ahmad Al-Shaibei said in an interview. Al-Shaibei said, "Local hospitality industry in particular is gaining, spurred by a growth in consumer spending. The Qatari market remains promising; local banks in general are benefitting from big projects that are related to the infrastructure. As a key player in the Qatari banking system, QIIK is also benefitting from this. QIIK is very well set on the growth trajectory based on the strength of the Qatari economy." Asked about the challenges being faced by the local banking industry, the veteran Qatari banker said, "Maintaining proper capital adequacy and non-performing loans (to total loans ratio) are some of the challenges. Then we will have to maintain good rating with leading international rating agencies. Challenges are there all the time, but by God's grace, we are successfully meeting those." (Gulf-Times.com)
- **World-class infrastructure key to transforming Qatar into trade hub** – Topnotch infrastructure in Qatar's maritime sector has played a significant role in positioning the country among the world's leading hubs for local and foreign trade flows, according to Milaha's President and CEO, Abdulrahman Essa Al-Mannai. Speaking to The Oil & Gas Year (TOGY) in its 'The Oil & Gas Year Qatar 2019' report, Al-Mannai said, "Qatar's maritime has grown significantly over the past decade, not just the last couple of years. We now have a truly world-class infrastructure in place that not only enables smooth import and export trade for Qatar, but also increasingly enables Qatar to become a hub for regional and international trade flows." Al-Mannai reported that the state-of-the-art Hamad Port seamlessly handled more than 1.3mn teus in 2018, which was an increase of over 200% from pre-blockade levels. "QTerminals, which operates Hamad Port and is jointly owned by Mwani Qatar and Milaha, now handles trans-shipment cargo for other parts of the region, particularly the Upper Gulf," he noted. According to Al-Mannai, the development of free zones around Hamad Port and Hamad International Airport will further enhance Qatar's infrastructure and increase its attractiveness for new investors across a number of manufacturing and service sectors. "The infrastructure is definitely in place to create a more robust and sustainable trade and industrial ecosystem for Qatar," Al-Mannai emphasized. (Gulf-Times.com)
- **SC completes 200mn work hours, 75% of preparations for World Cup** – The Supreme Committee for Delivery & Legacy (SC) has announced the completion of 200mn work hours since preparations began on the FIFA World Cup Qatar 2022 projects. To mark this milestone, SC has organized a ceremony to recognize the efforts of the FIFA World Cup workers who made this achievement possible. With the 200mn-work hour mark, SC completed around 75% of its preparations for the tournament. The years leading up to this moment have included a number of significant accomplishments and milestones. SC announced its readiness to launch Al Rayyan Stadium and Al Bayt Stadium,

located in Al Khor City, in the second half of 2019. (Gulf-Times.com)

International

- **US labor market strong; mid-Atlantic manufacturing rebounds** – The number of Americans filing applications for unemployment benefits increased moderately last week, pointing to still strong labor market conditions despite signs that economic activity was slowing. Other data showed factory activity in the mid-Atlantic region rebounded sharply in July, reaching its highest level in a year. That added to recent surveys on manufacturing that have suggested the struggling sector was stabilizing. The improvement in the regional factory surveys likely reflects a decision by President Donald Trump not to impose tariffs on Mexican goods after the two countries struck a deal on immigration. But manufacturing, which makes up about 12% of the economy, remains hamstrung by weaker business spending on equipment, an inventory glut, a bitter trade war between the US and China, and softening global growth. Initial claims for state unemployment benefits rose 8,000 to a seasonally adjusted 216,000 for the week ended July 13, the Labor Department said, remaining in the middle of their 193,000-230,000 range for this year. Last week's increase in claims was in line with economists' expectations. (Reuters)
- **UK's borrowing grows as new PM prepares to take over** – Britain's budget deficit swelled in the first three months of the tax year, official data showed, putting the public finances on a shakier footing even before a new prime minister moves into Downing Street next week clutching costly spending pledges. The government's budget forecasters on Thursday put the cost of a no-deal Brexit to the public finances at about 30bn Pounds a year. On Friday, the Office for National Statistics said public borrowing in June was the highest in four years for that month at 7.2bn Pounds - above all forecasts in a Reuters poll of economists and up from 3.3bn Pounds a year earlier. In the three months to June, borrowing was a third higher than in the same period in 2018 at 17.9bn Pounds. June's extra borrowing was driven by increased interest costs for inflation-linked government debt and higher spending on public services, compounded by stagnating tax revenues. (Reuters)
- **Japan's core inflation hits two-year low, might push BoJ to ease again soon** – Japan's core inflation slowed to its weakest in about two years in June, underlining policymakers' long battle to boost consumer prices and adding to speculation the Bank of Japan could deliver more stimulus later this month. With the global economy slowing and factory production faltering in the face of the Sino-US trade war, Bank of Japan (BoJ) officials have said they remain ready to expand stimulus, joining the US Federal Reserve in signaling an easing may be coming soon. Indeed, BoJ's Governor, Haruhiko Kuroda said the central bank will scrutinize economic developments until the last minute in deciding policy this month, suggesting that whether to stand pat or increase stimulus will be a close call. Japan's core consumer price index, which includes oil products but excludes fresh food prices, rose 0.6% in June from a year earlier matching economists' median estimate. The June reading was the weakest since July 2017 when the index climbed 0.5% and compared with a 0.8% gain in May. The so-called core-core CPI, which strips away the effects of volatile food and energy costs

was up 0.5% in June from a year earlier. It is closely watched by the BoJ to gauge how much the economy's strength has translated into price gains. (Reuters)

- **China opens up financial sector to more foreign investment** – China opened up its financial sector to more foreign investment as the government said it will take targeted measures to cope with rising risks and challenges facing the industry. Foreign investors can take a stake or control entities including wealth management units of commercial lenders, pension fund managers and currency brokers, the central bank said in a statement on Saturday. The measures were unveiled after a high-level meeting on Friday chaired by Vice Premier Liu He, where policy makers discussed targeted steps to counter rising risks and challenges facing the \$44tn industry. China, often criticized by US President, Donald Trump as a one-sided beneficiary of global commerce, is pressing on with its pledge to welcome more overseas competition in the financial sector. The sheer size of the industry makes it attractive as winning even single-digit market shares would offer sizable profits, but global firms need to navigate an often opaque regulatory environment and take on state-controlled rivals that drive much of China's economic activity. (Bloomberg)
- **IIF: China's debt tops 300% of GDP** – A key gauge of China's debt has topped 300% of gross domestic product, according to the Institute of International Finance (IIF), as Beijing steps up support for the cooling economy while trying to contain financial risks. China's total corporate, household and government debt rose to 303% of GDP in the first quarter of 2019, from 297% in the same period a year earlier, the IIF said in a report this week which highlighted rising debt levels worldwide. The IIF is a private global financial industry association, based in Washington. China's economic growth slowed to 6.2% in the second quarter, its weakest pace in at least 27 years, as demand at home and abroad faltered in the face of mounting US trade pressure. (Reuters)
- **India's consumer goods growth slows as rural demand cools** – India's consumer goods industry is losing steam as spending in the country's rural heartland cools and small manufacturers lose competitive advantages in a slowing economy, market research firm Nielsen said. Volume growth in India's fast-moving consumer goods (FMCG) sector slowed to 6.2% in the three months to June from 9.9% in the previous quarter, Nielsen said, citing internal data from retail research. In Jan-March, India's economy grew at its slowest pace in more than four years, while retail inflation hit an eight-month high in June on higher food prices. Growth in the consumer goods sector in rural India, where over two-thirds of Indians live, was slowing at twice the rate of urban areas in the previous few quarters, Nielsen said. Higher raw material costs and slowing demand in the foods sector have hurt small manufacturers, the report added. Nielsen also cut its forecast for FMCG growth for the first half of 2019 to 12% against their earlier prediction of 13-14%. (Reuters)

Regional

- **IEA does not expect 'huge rise' in crude prices** – The International Energy Agency (IEA) does not expect oil prices to rise significantly because demand is slowing and there is a glut in global crude markets, its Executive Director, Fatih Birol said.

“Prices are determined by the markets... If we see the market today we see that the demand is slowing down considerably,” he said. The IEA is revising its 2019 global oil demand growth forecast down to 1.1mn barrels per day (bpd) and may cut it again if the global economy and especially China shows further weakness, he told Reuters. Last year, the IEA predicted that 2019 oil demand would grow by 1.5mn bpd. But in June this year it cut the growth forecast to 1.2mn bpd. “Substantial amount of oil is coming from the United States, about 1.8mn barrels per day, plus oil from Iraq, Brazil and Libya,” he added. Under normal circumstances, he said, he doesn’t expect a “huge increase” in crude oil prices. He warned serious political tensions could yet impact market dynamics. (Gulf-Times.com)

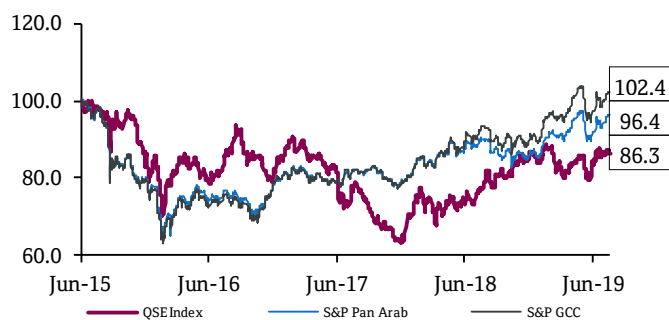
- **OPEC+ sets September 12 for Abu Dhabi JMMC meeting** – OPEC+ will hold its next meeting of the Joint Ministerial Monitoring Committee (JMMC) in Abu Dhabi on September 12, delegates said. The JMMC oversees the group’s production-cuts deal, which runs until the end of the 1Q2020. (Bloomberg)
- **IMF lowers Saudi Arabia’s fiscal deficit forecast to 6.5% of GDP this year** – The International Monetary Fund (IMF) estimates Saudi Arabia will have a fiscal deficit of 6.5% of GDP this year, below a previous 7% estimate, but still well above the government’s own projection of 4.2%. Fiscal consolidation remains key and a “more measured increase in capital spending” would help the Kingdom to generate fiscal savings, the fund stated. The Saudi Arabian economy, the largest in the Middle East, has suffered in recent years because of low oil prices and austerity measures aimed at reducing a huge budget deficit. In 2017, it shrank for the first time since the global financial crisis almost a decade earlier, but last year it grew 2.2%, boosted by strong oil sector growth. While exposing fiscal vulnerabilities, a boost in government spending this year has helped Saudi Arabia’s non-oil sector. The government stated last month the sector grew 2.1% in the first quarter. The IMF expects it to strengthen by 2.9% in 2019. Overall growth is expected to slow to 1.9%, the IMF said, confirming previous estimates, as the Saudi economy will be affected by OPEC-led oil production cuts. (Reuters)
- **Maaal: Saudi Arabian government studying law to license other stock exchange operators** – Saudi Arabia is studying regulations to license new stock market operators, a potential first step to privatizing its state-run bourse as it moves to wean the economy off oil, Maaal financial website reported. The Kingdom has introduced a raft of reforms in recent years to make its stock market attractive to foreign investors and issuers. Local shares were incorporated into the FTSE emerging-market index in March and the MSCI emerging market benchmark in May this year. Saudi Stock Exchange (Tadawul) is currently the market’s sole operator and is owned by the Saudi Arabian government. The Shura Council, a top advisory body to the government, recently approved the new regulations and submitted them to the royal court for approval by the cabinet over the coming period, Maaal stated, citing unnamed sources. Having multiple stock market operators is common in the region. The UAE has the Abu Dhabi, Dubai and Nasdaq bourses, while Egypt has two exchanges in Cairo and Alexandria and another for small and medium enterprises. Tadawul, capitalized at \$320mn plans to float part of its shares, but the Initial Public Offering (IPO)

process has progressed slowly as the company focuses on initiatives to improve profitability and efficiency. (Reuters)

- **Saudi Steel Pipe Company announces the award of a contract for the supply of Oil & Gas Steel Pipes** – Saudi Steel Pipe Company has announced that the award of a contract for the supply of Oil & Gas Steel Pipes, for an amount exceeding 5% of Saudi Steel Pipe’s 2018 revenues, was finalized on July 18, 2019. Production and financial impact for this contract will be during the second quarter of 2020. (Tadawul)
- **Petromatrix: Saudi Arabia may boost 4Q2019 oil output to feed Jazan plant** – Saudi Arabia could boost oil production in 4Q2019 while still complying with OPEC+ curbs in order to feed its new Jazan refinery. “Saudi Arabia has room to increase production to feed the Jazan refinery while staying within quota and keeping current export volumes stable,” Petromatrix stated. Petromatrix also stated that crude burn for power generation should peak this month. (Bloomberg)
- **Evercore Partners to lose top advisory role in Saudi Aramco IPO** – Evercore Partners is set to lose its top advisory role in Saudi Aramco’s IPO as preparation restarts, Reuters reported, citing sources. Saudi Aramco is expected to formally approach banks for book runner roles over the next few weeks. (Bloomberg)
- **Moody’s changes Sharjah’s rating outlook to ‘Negative’, affirms ‘A3’ rating** – Moody’s has changed the outlook on the Government of Sharjah’s long-term issuer ratings to ‘Negative’ from ‘Stable’ and affirmed the long-term issuer ratings at ‘A3’. The ‘Negative’ outlook reflects the government’s deteriorating fiscal position which, in the absence of significant fiscal consolidation measures, would point to credit metrics consistent with a lower rating. The ‘A3’ rating continues to be supported by a reasonably well diversified economy, relatively high income levels, low non-financial public sector debt, and its membership within the federal structure of the UAE (‘Aa2’ ‘Stable’). The affirmation of the ‘A3’ rating also applies to the senior unsecured debt ratings of Sharjah Sukuk Limited, Sharjah Sukuk (2) Limited and Sharjah Sukuk Programme Limited. The (P)A3 senior unsecured MTN programme of Sharjah Sukuk Programme Limited was also affirmed. In Moody’s opinion, the payment obligations of the notes issued by these entities are direct obligations of the government and ranked pari passu with other senior, unsecured debt issuances of the government. Debt-to-GDP increased to 25.4% in 2018 from 19.5% in 2017, now more than twice the level when the sovereign rating was first assigned in 2014. Meanwhile, debt-to-revenues rose to 246% in 2018 from 209% in 2017, which is significantly higher than the A-rated median. While the revenue from the newly-introduced VAT will lower this ratio in 2019, Moody’s expects the debt burden to rise again from next year. New revenue raising measures introduced in 2018 had mixed outcomes. (Bloomberg)
- **Investcorp announces majority stake investment into Contentserv** – Investcorp Technology Partners, a leading European lower middle market technology investor, announced that it has acquired a majority stake in Contentserv, a leading provider of Product Information Management (PIM) software, for an undisclosed consideration. The acquisition is the sixth deal from its \$400mn Fourth Technology Fund and the second acquisition of a software company in the DACH region within a

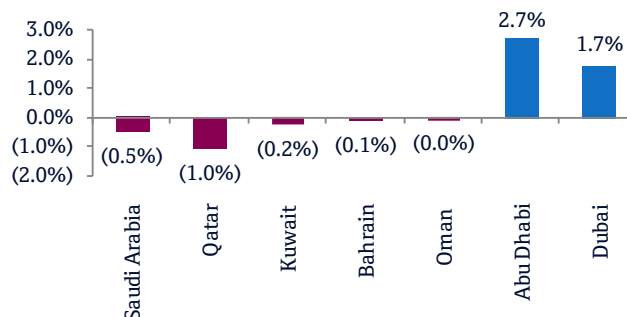
year. Swiss headquartered Contentserv was founded in 2012 and has grown to become a global market leader in PIM software, as recognized by its top-tier vendor rankings from both Gartner and Forrester. Contentserv's PIM software suite allows customers to centrally store and manage detailed product-related information for distribution across multiple online and offline channels - thereby enabling companies to improve data quality and consistency and delivering a more compelling product experience (resulting in higher revenue conversion) to its end-customers in an increasingly complex ecommerce driven world. (Peninsula Qatar)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,425.37	(1.4)	0.7	11.1
Silver/Ounce	16.21	(0.9)	6.4	4.6
Crude Oil (Brent)/Barrel (FM Future)	62.47	0.9	(6.4)	16.1
Crude Oil (WTI)/Barrel (FM Future)	55.63	0.6	(7.6)	22.5
Natural Gas (Henry Hub)/MMBtu#	2.38	0.0	(6.3)	(25.3)
LPG Propane (Arab Gulf)/Ton	50.50	(1.0)	0.5	(20.5)
LPG Butane (Arab Gulf)/Ton	46.75	(3.1)	(3.9)	(33.2)
Euro	1.12	(0.5)	(0.4)	(2.1)
Yen	107.71	0.4	(0.2)	(1.8)
GBP	1.25	(0.4)	(0.6)	(2.0)
CHF	1.02	(0.0)	0.2	(0.0)
AUD	0.70	(0.5)	0.3	(0.1)
USD Index	97.15	0.4	0.4	1.0
RUB	63.04	0.4	0.1	(9.6)
BRL	0.27	(0.7)	(0.2)	3.6

Source: Bloomberg (*Market was closed on July 19, 2019)

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,194.61	(0.2)	(0.8)	16.5
DJ Industrial	27,154.20	(0.3)	(0.7)	16.4
S&P 500	2,976.61	(0.6)	(1.2)	18.7
NASDAQ 100	8,146.49	(0.7)	(1.2)	22.8
STOXX 600	387.25	0.2	(0.2)	12.5
DAX	12,260.07	0.3	(0.9)	14.0
FTSE 100	7,508.70	0.4	(0.5)	9.5
CAC 40	5,552.34	0.1	(0.7)	15.1
Nikkei	21,466.99	2.1	(0.8)	9.9
MSCI EM	1,057.49	0.5	0.6	9.5
SHANGHAI SE Composite	2,924.20	0.8	(0.2)	17.2
HANG SENG	28,765.40	1.2	1.3	11.7
BSE SENSEX	38,337.01	(1.5)	(1.5)	7.5
Bovespa	103,451.90	(1.1)	(0.5)	21.9
RTS	1,350.69	0.1	(2.7)	26.4

Source: Bloomberg (*\$ adjusted returns)

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