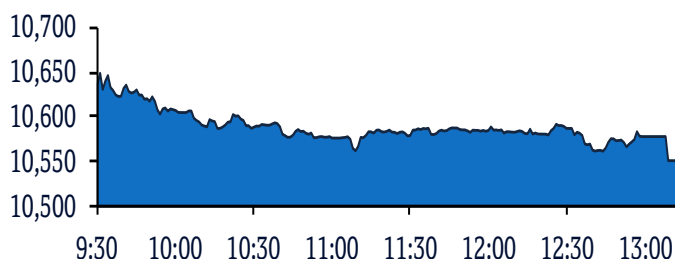


## QSE Intra-Day Movement



## Qatar Commentary

The QE Index declined 1.3% to close at 10,551.4. Losses were led by the Insurance and Banks & Financial Services indices, falling 2.3% and 1.5%, respectively. Top losers were Qatar Cinema & Film Distribution Company and Al Khaleej Takaful Insurance Company, falling 6.2% and 5.9%, respectively. Among the top gainers, Zad Holding Company gained 2.9%, while Gulf Warehousing Company was up 2.6%.

## GCC Commentary

**Saudi Arabia:** The TASI Index fell 1.5% to close at 8,739.2. Losses were led by the Telecom. Serv. and Pharma, Biotech indices, falling 2.3% and 2.1%, respectively. The Nat. Agriculture declined 5.0%, while Saudi Arabian Mining was down 4.5%.

**Dubai:** The DFM Index fell 0.7% to close at 2,639.8. The Consumer Staples and Discretionary index declined 2.1%, while the Services index fell 2.0%. Al Safwa Mubasher Financial Serv. declined 9.9%, while Union Properties was down 3.8%.

**Abu Dhabi:** The ADX General Index fell 1.1% to close at 4,988.8. The Banks and Industrial indices declined 1.5% each. Foodco Holding Company declined 10.0%, while National Takaful Company was down 8.3%.

**Kuwait:** The Kuwait Main Market Index fell 0.1% to close at 4,734.7. The Basic Materials index declined 2.5%, while the Financial Services index fell 0.8%. National Int. Co. declined 18.4%, while IFA Hotels & Resorts Co. was down 17.7%.

**Oman:** The MSM 30 Index fell 0.1% to close at 3,924.3. Losses were led by the Industrial and Financial indices, falling 1.5% and 0.4%, respectively. Al Jazeera Steel Products fell 15.2%, while Alizz Islamic Bank was down 4.8%.

**Bahrain:** The BHB Index gained 0.1% to close at 1,455.9. The Industrial index rose 0.5%, while the Services index gained 0.1%. APM Terminals Bahrain rose 2.3%, while Aluminium Bahrain was up 0.5%.

| QSE Top Gainers                 | Close* | 1D% | Vol. '000 | YTD%   |
|---------------------------------|--------|-----|-----------|--------|
| Zad Holding Company             | 12.95  | 2.9 | 101.5     | 24.5   |
| Gulf Warehousing Company        | 50.00  | 2.6 | 11.2      | 30.0   |
| Qatar General Ins. & Reins. Co. | 42.00  | 2.4 | 0.0       | (6.4)  |
| Gulf International Services     | 19.63  | 1.7 | 344.8     | 15.5   |
| Barwa Real Estate Company       | 34.85  | 0.7 | 45.1      | (12.7) |

| QSE Top Volume Trades            | Close* | 1D%   | Vol. '000 | YTD%  |
|----------------------------------|--------|-------|-----------|-------|
| Doha Bank                        | 2.55   | (1.5) | 6,561.0   | 14.9  |
| Qatar First Bank                 | 0.41   | (0.7) | 4,703.5   | 0.0   |
| Qatar Gas Transport Company      | 22.60  | (0.4) | 1,982.9   | 26.0  |
| Qatar International Islamic Bank | 7.36   | (2.5) | 1,597.1   | 11.3  |
| QNB Group                        | 19.34  | (1.9) | 1,564.1   | (0.8) |

| Market Indicators         | 23 June 19 | 20 June 19 | %Chg.  |
|---------------------------|------------|------------|--------|
| Value Traded (QR mn)      | 198.2      | 650.5      | (69.5) |
| Exch. Market Cap. (QR mn) | 582,363.7  | 590,069.0  | (1.3)  |
| Volume (mn)               | 26.5       | 75.2       | (64.8) |
| Number of Transactions    | 4,356      | 7,735      | (43.7) |
| Companies Traded          | 44         | 42         | 4.8    |
| Market Breadth            | 10:30      | 24:16      | -      |

| Market Indices         | Close     | 1D%   | WTD%  | YTD%   | TTM P/E |
|------------------------|-----------|-------|-------|--------|---------|
| Total Return           | 19,415.53 | (1.3) | (1.3) | 7.0    | 14.8    |
| All Share Index        | 3,121.65  | (1.2) | (1.2) | 1.4    | 14.8    |
| Banks                  | 4,100.84  | (1.5) | (1.5) | 7.0    | 14.3    |
| Industrials            | 3,288.63  | (1.3) | (1.3) | 2.3    | 16.6    |
| Transportation         | 2,495.89  | (0.3) | (0.3) | 21.2   | 13.4    |
| Real Estate            | 1,537.22  | 0.3   | 0.3   | (29.7) | 12.8    |
| Insurance              | 3,136.24  | (2.3) | (2.3) | 4.2    | 18.1    |
| Telecoms               | 918.75    | (0.1) | (0.1) | (7.0)  | 18.9    |
| Consumer               | 8,092.15  | (1.5) | (1.5) | 19.8   | 15.7    |
| Al Rayan Islamic Index | 4,087.49  | (0.9) | (0.9) | 5.2    | 14.0    |

| GCC Top Gainers**      | Exchange | Close* | 1D% | Vol. '000 | YTD%   |
|------------------------|----------|--------|-----|-----------|--------|
| Al Ahli Bank of Kuwait | Kuwait   | 0.32   | 1.6 | 44.0      | 8.5    |
| Bank Dhofar            | Oman     | 0.14   | 1.5 | 570.0     | (11.7) |
| Burgan Bank            | Kuwait   | 0.34   | 0.9 | 2,768.3   | 29.6   |
| Barwa Real Estate Co.  | Qatar    | 34.85  | 0.7 | 45.1      | (12.7) |
| Ominvest               | Oman     | 0.33   | 0.6 | 12.6      | (3.7)  |

| GCC Top Losers**          | Exchange     | Close* | 1D%   | Vol. '000 | YTD%  |
|---------------------------|--------------|--------|-------|-----------|-------|
| Qurain Petrochemical Ind. | Kuwait       | 0.35   | (4.6) | 133.9     | (2.2) |
| Saudi Arabian Mining Co.  | Saudi Arabia | 49.65  | (4.5) | 1,235.1   | 0.7   |
| Samba Financial Group     | Saudi Arabia | 34.70  | (3.6) | 1,028.2   | 10.5  |
| Saudi Telecom Co.         | Saudi Arabia | 106.80 | (2.9) | 933.5     | 18.4  |
| National Petrochemical    | Saudi Arabia | 24.96  | (2.9) | 139.4     | 2.7   |

Source: Bloomberg (# in Local Currency) (\*\* GCC Top gainers/losers derived from the S&P GCC Composite Large Mid Cap Index)

| QSE Top Losers                   | Close* | 1D%   | Vol. '000 | YTD%   |
|----------------------------------|--------|-------|-----------|--------|
| Qatar Cinema & Film Distribution | 1.86   | (6.2) | 8.2       | (2.2)  |
| Al Khaleej Takaful Insurance Co. | 19.25  | (5.9) | 256.8     | 124.1  |
| Islamic Holding Group            | 2.22   | (3.5) | 353.2     | 1.6    |
| Medicare Group                   | 6.67   | (2.9) | 152.9     | 5.7    |
| Aljjarah Holding                 | 0.78   | (2.8) | 509.5     | (11.8) |

| QSE Top Value Trades             | Close* | 1D%   | Val. '000 | YTD%   |
|----------------------------------|--------|-------|-----------|--------|
| Qatar Gas Transport Company      | 22.60  | (0.4) | 44,696.0  | 26.0   |
| QNB Group                        | 19.34  | (1.9) | 30,430.5  | (0.8)  |
| Doha Bank                        | 2.55   | (1.5) | 16,573.0  | 14.9   |
| Industries Qatar                 | 116.35 | (1.4) | 16,342.4  | (12.9) |
| Qatar International Islamic Bank | 7.36   | (2.5) | 11,886.7  | 11.3   |

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*           | 10,551.43 | (1.3) | (1.3) | 2.7   | 2.5   | 54.16                     | 159,975.3                  | 14.8  | 1.6   | 4.1            |
| Dubai            | 2,639.75  | (0.7) | (0.7) | 0.7   | 4.3   | 28.98                     | 95,679.2                   | 11.7  | 1.0   | 4.7            |
| Abu Dhabi        | 4,988.78  | (1.1) | (1.1) | (0.3) | 1.5   | 22.89                     | 138,997.6                  | 14.8  | 1.5   | 5.0            |
| Saudi Arabia     | 8,739.16  | (1.5) | (1.5) | 2.6   | 11.7  | 732.81                    | 551,804.2                  | 19.8  | 1.9   | 3.4            |
| Kuwait           | 4,734.68  | (0.1) | (0.1) | (0.0) | (0.1) | 95.58                     | 32,632.3                   | 14.4  | 0.9   | 3.9            |
| Oman             | 3,924.34  | (0.1) | (0.1) | (0.2) | (9.2) | 2.08                      | 17,025.8                   | 7.7   | 0.8   | 7.0            |
| Bahrain          | 1,455.86  | 0.1   | 0.1   | 1.6   | 8.9   | 11.49                     | 22,625.5                   | 10.6  | 0.9   | 5.2            |

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 declined 1.3% to close at 10,551.4. The Insurance and Banks & Financial Services indices led the losses. The index fell on the back of selling pressure from Qatari shareholders despite buying support from GCC and non-Qatari shareholders.
- Qatar Cinema & Film Distribution Company and Al Khaleej Takaful Insurance Company were the top losers, falling 6.2% and 5.9%, respectively. Among the top gainers, Zad Holding Company gained 2.9%, while Gulf Warehousing Company was up 2.6%.
- Volume of shares traded on Sunday fell by 64.8% to 26.5mn from 75.2mn on Thursday. Further, as compared to the 30-day moving average of 86.8mn, volume for the day was 69.5% lower. Doha Bank and Qatar First Bank were the most active stocks, contributing 24.8% and 17.8% to the total volume, respectively.

| Overall Activity        | Buy %*        | Sell %*       | Net (QR)               |
|-------------------------|---------------|---------------|------------------------|
| Qatari Individuals      | 28.05%        | 34.54%        | (12,852,744.67)        |
| Qatari Institutions     | 29.77%        | 39.96%        | (20,196,818.06)        |
| <b>Qatari</b>           | <b>57.82%</b> | <b>74.50%</b> | <b>(33,049,562.73)</b> |
| GCC Individuals         | 2.12%         | 1.00%         | 2,212,402.22           |
| GCC Institutions        | 1.26%         | 1.06%         | 399,719.79             |
| <b>GCC</b>              | <b>3.38%</b>  | <b>2.06%</b>  | <b>2,612,122.01</b>    |
| Non-Qatari Individuals  | 10.31%        | 10.66%        | (697,610.39)           |
| Non-Qatari Institutions | 28.49%        | 12.78%        | 31,135,051.11          |
| <b>Non-Qatari</b>       | <b>38.80%</b> | <b>23.44%</b> | <b>30,437,440.72</b>   |

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

## Earnings Calendar

| Tickers | Company Name                                  | Date of reporting 2Q2019 results | No. of days remaining | Status |
|---------|---|----------------------------------|-----------------------|--------|
| QGTS    | Qatar Gas Transport Company Limited (Nakilat) | 10-Jul-19                        | 16                    | Due    |
| DHBK    | Doha Bank                                     | 24-Jul-19                        | 30                    | 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 |      | Insurance                      |
| Wednesday 26/06/2019 | QEWS            | GISS |      |                                |
| Thursday 27/06/2019  | QISI            | QATI |      | Real Estate                    |
| Sunday 30/06/2019    | DOHI            | QGRI | AKHI |                                |
| Monday 01/07/2019    | BRES            | ERES |      | Telecoms                       |
| Tuesday 02/07/2019   | UDCD            | MRDS |      |                                |
| Wednesday 03/07/2019 | VFQS            | ORDS |      | Transport/Logistics            |
| Thursday 04/07/2019  | QGTS            | GWCS | QNNS |                                |
| Sunday 07/07/2019    | QETF            | QATR | QAMC | ETFs and QAMCO                 |

Source: QSE

## News

### Qatar

- **QSE executes share splits for IGRD** – Qatar Stock Exchange (QSE) announced that the split of shares for Investment Holding Group (IGRD) has been executed, effective from June 24, 2019. The new number of IGRD's shares after the split is 830,000,000 and the adjusted closing price of QR0.558 per share. QSE also sets price limits, (i) Price up limit: QR0.613 and (ii) Price down limit: QR0.503. (QSE)
- **QSE executes share splits for MPHC** – Qatar Stock Exchange (QSE) announced that the split of shares for Mesaieed Petrochemical Holding Company (MPHC) has been executed, effective from June 24, 2019. The new number of MPHC's shares after the split is 12,563,175,000 and the adjusted closing price of QR2.65 per share. QSE also sets price limits, (i) Price up limit: QR2.91 and (ii) Price down limit: QR2.39. (QSE)
- **QGTS to disclose 2Q2019 financial statements on July 10** – Qatar Gas Transport Company Limited (QGTS) announced its intent to disclose 2Q2019 financial statements for the period ended June 30, 2019, on July 10, 2019. (QSE)
- **QFC new strategy is focusing on markets with growth potentials** – Qatar Financial Centre (QFC) has put in place a new strategy for 2019 and beyond which focuses on specific markets and sectors that have great potential for future growth. "By focusing on the media, digital, sports and financial services sectors, the latter including an emphasis on Islamic finance and fintech, and new markets such as Kuwait, Oman, Turkey, Pakistan and India, we can ensure the development of our platform, as well as Qatar well into the future," QFC stated in its annual report for 2018. The QFC's New Emerging Belt Initiative (NEBI) – a new economic corridor focusing Kuwait, Oman, India, Pakistan and Turkey with a combined economy of more than \$2.1tn – is the latest step from Qatar in attracting more foreign direct investments and it aims to position Qatar as the most promising hub for firms to set up to operate in and out of Qatar via key strategic alliances. The year 2019 saw QFC ecosystem having a total of 612 licensed firms, which comprised 92 regulated and 520 non-regulated entities. Highlighting that 2018 was a year of remarkable success; it stated the QFC leveraged many significant partnerships with local and international stakeholders to further drive Qatar's economic development in key industries targeted by its new strategy. (Gulf-Times.com)
- **QFC emerges as major gateway to Qatari market** – The year 2018 was another successful year for Qatar Financial Centre (QFC) as it continued to expand and support Qatar's diversification efforts. The platform grew considerably, attracting new firms, forging partnerships and providing valuable services for its members, according to QFC's Chairman and Minister of Finance, HE Ali Shareef Al Emadi. On the occasion of the release of QFC's 2018 Growth Report, the QFC's Chairman said the level of interest in QFC's offering is at a record high and leading firms from around the world are considering it as both their entry point to Qatar's market and as a hub for regional business. He said Qatar's economy is proving its resilience and attractiveness to investors, with the World Economic Forum's 2018 Global Competitiveness Report once again ranking it as the second-most competitive place to do

business in the Middle East region. Business environment reforms enacted in recent years are starting to show a positive impact and this is a context in which QFC registered firms are well placed to thrive. QFC Regulatory Authority signed 21 MoUs with securities regulators in the European Union. A MoU was signed with a leading global provider of legal & business analytics, to support QFC firms. Another MoU was signed with Qatar Foundation to empower entrepreneurs and support education. (Peninsula Qatar)

- **SUN360 to set up plant in Qatar's free zones** – SUN360, one of India's leading solar energy solution providers, is looking at setting up assembly lines in Qatar's free zone areas. The company, which offers innovative and customized solutions for water heating, lighting and an array of solar energy products, is looking forward to manufacture the products in Qatar to supply local markets as well as exports to other countries in the Middle East and Africa region, according to SUN360's CEO, Anish Sousa. The Goa-based company provides energy efficient solutions to commercial entities and residential homes offering huge benefits, including huge savings on electricity bills and environment protection. (Peninsula Qatar)
- **Ashghal developing one of the world's smartest ITS solutions** – Qatar is currently developing an Intelligent Transportation System (ITS) solution which is arguably one of the world's smartest ITS platforms. This will be used in managing the country's roads networks, particularly for the upcoming 2022 FIFA World Cup, David Cronin, who manages the traffic control room at the Public Works Authority (Ashghal), has said. Cronin said, "We have built a massive ITS network and recently started to develop a software solution for autonomous and connected vehicles. We're developing really smart software at the moment and it's a number of companies working together on this system. This will control all the technology on the roads and provide a Qatar app for customers to use in navigating traffic. We're taking the best of the international platforms that are available to us, and we are fusing them together to make a solution for Qatar." (Peninsula Qatar)

### International

- **GECF Secretary-General: Natural gas demand to grow 46% globally by 2040** – Natural gas demand was expected to increase at an annual average pace of 1.7%, corresponding to overall growth of 46% by 2040, GECF's Secretary-General, Yuri Sentyurin said at the recent 'G20 Ministerial Meeting on Energy Transitions and Global Environment for Sustainable Growth' in Karuizawa, Japan. Most of this demand growth, he said, will come from the Asia-Pacific region, with Europe continuing to be an attractive market for many gas producers. Sentyurin urged the G20 countries to consider the GECF Members as the most reliable energy suppliers to the esteemed consumers and reaffirmed the Forum's intent to participate proactively in the G20 activities. (Gulf-Time.com)
- **UK's consumer spending growth in 2019 to be slowest in six years** – Britain will see the slowest growth in consumer spending in 2019 in six years, piling even more pressure on retailers, EY ITEM Club forecasted. It stated it expects spending to rise by 1.6% over last year, although that would be faster than an estimated 1.3% growth in the broader UK economy in

2019. Consumer spending benefited from robust employment growth and a strong pick-up in real earnings growth in the second half of 2018 and early 2019 but the outlook was now weaker, the economic forecasting group stated. "The improvement in purchasing power has meant that consumers have been significantly less affected in their spending decisions than businesses by uncertainties over the economy and Brexit," Howard Archer, Chief economic advisor to the EY ITEM Club said. (Reuters)

- **Reuters poll: ECB to pacify doves with a cut or easing guidance by end-September** – By the end of September, the European Central Bank (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. ECB's President, Mario Draghi in a speech called for additional stimulus in the absence of any improvement in weak growth and tepid inflation, which has languished below the central bank's target of close to 2% since 2013. That brings the ECB in line with many of its major central bank peers who are already easing, or close to doing so. But despite conviction among economists in the June 18-21 poll lining up with the ECB's plan for easing this year, the outlook for growth was lowered and inflation is still not expected to rise to the ECB's target. (Reuters)
- **China says US, China should make compromises in trade talks** – China and the US should be willing to make compromises in trade talks and not insist only on what each side wants, Chinese Vice-Commerce, Minister Wang Shouwen said. Discussions between the Chinese and US trade teams are underway, Wang told a media briefing, without disclosing how or where the talks were taking place. China and the US last week stated they were reviving talks ahead of this week's meeting between presidents Donald Trump and Xi Jinping, cheering financial markets hoping for de-escalation in a trade war that is damaging the global economy. (Reuters)
- **China's May gasoline exports fall 42.4% YoY** – China's gasoline exports fell 42.4% in May from a year earlier and diesel shipments fell 37.8%, customs data showed. Gasoline exports fell to 850,000 tons in May, down from 1.17mn tons in April, data from the General Administration of Customs showed. Diesel exports were at 1.24mn tons, down from 2.6mn tons in April, the data showed. The export declines came even as a fuel glut in China worsened in the second quarter of the year as massive new refining facilities came on line, while demand for fuel, especially gasoline, slowed alongside declining sales of new cars. (Reuters)

### Regional

- **Saudi Arabia and UAE bank's revenues seen pressured by US rate cuts** – Saudi Arabia and the UAE banks may have their annual revenue estimates cut by one or two percentage points for every 25 basis point decline in the US interest rates, according to Bloomberg Intelligence. A 25 basis point cut in US rates will pull down the net interest margin at banks by about 6 basis points, Analyst, Edmond Christou said in a report. The margin is the difference between what a bank earns on assets such as loans and what it pays out on liabilities such as deposits. Currencies in Saudi Arabia and the UAE are pegged to the Dollar, and the two countries usually follow interest-rate

changes made by the US Federal Reserve. The market is pricing in about a 75 basis point reduction in the US rates by year-end, data compiled by Bloomberg showed. (Bloomberg)

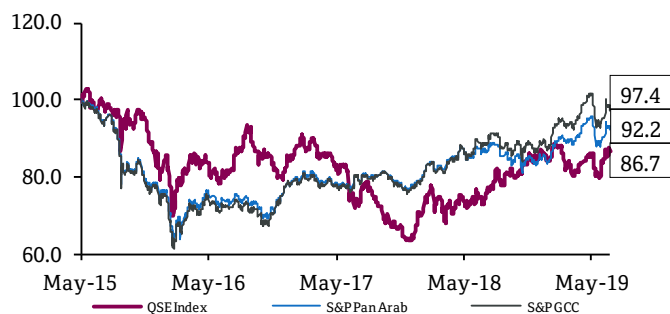
- **Oil revives as deflation concerns weigh on Gulf economies** – Amid concerns of deflation weighing on Gulf economies, oil prices have revived this quarter. The rebound in oil prices was due to the OPEC's strong compliance with production cuts, PwC's Middle East Economy Watch noted. Senior Economist at PwC Middle East, Richard Boxshall said that "our analysis shows that oil prices rebounded during the few months of 2019 as a result of strong compliance with production cuts by OPEC. Meanwhile, GDP data for the end of 2018 and lead indicators such as PMIs in early 2019 indicate a broadly positive economic trajectory, albeit not universally. One area of concern is the onset of deflation in the GCC. The region's three largest economies were all experiencing deep deflation as of February, with some fears over whether it may be sustained. (Peninsula Qatar)
- **Energy on the agenda when Saudi Arabian Crown Prince visits South Korea this week** – Saudi Arabian Crown Prince, Mohammed bin Salman plans to visit South Korea this week as the two countries seek to bolster economic ties, officials in Seoul said. The two-day visit will be the first by an heir to the throne of the world's largest oil exporter since 1998. The Crown Prince, Saudi Arabia's de facto ruler and defense minister, will meet South Korean President, Moon Jae-in, Moon's office said. "The two sides will sign a series of agreements to promote cooperation on areas including energy and public service," a South Korean official told Reuters. (Reuters)
- **Zain Saudi abandons plan to sell towers to IHS Holding** – Zain Saudi, also known as Mobile Telecommunications Co. Saudi Arabia, has abandoned a plan to sell its towers to IHS Holding, according to a statement. IHS Holding did not meet the regulatory requirements. (Bloomberg)
- **Nadec abandons plans to buy Danone's local unit** – National Agricultural Development Co. (Nadec) part owned by Saudi Arabia's sovereign wealth fund, abandoned plans to acquire Danone local venture, a deal that would have created one of the Kingdom's largest dairy producers. Nadec terminated an agreement to buy privately-held Al Safi Danone Co. from Al Safi Holding Co. as changes to market dynamics meant the deal as previously contemplated is no longer in their best interests, it stated. The company stated in March 2018 that it will fund the acquisition through a \$143mn capital increase. (Bloomberg)
- **CBUAE says GDP growth in first quarter of 2019 was 2.2% YoY** – The Central Bank of the UAE (CBUAE) stated that the country's GDP grew 2.2% in the first quarter of 2019 from a year earlier, state news agency WAM reported. The UAE's non-oil economy grew 1.6% in the first quarter of the year compared to the same period in 2018, CBUAE stated. The UAE has revised downwards its expectations for economic growth in 2019, to 2% this year from 3.5% earlier, CBUAE had stated in May. (Reuters)
- **CBUAE focuses on real estate in anti-money laundering efforts** – The Central Bank of the UAE (CBUAE) is focusing on the real estate sector as part of its work to combat money laundering in the country, an official said. The UAE has been tightening its financial regulations to fight the perception among some

foreign investors that it is a hot spot for illicit funds due to its free trade zones and geographic proximity to Iran. CBUAE stated that it will use a new anti-money laundering reporting platform starting from the end of June to identify illicit transactions more effectively. "Real estate is one of the areas we're focusing on," Acting Head of the bank's Financial Intelligence Unit, Ali Faisal Ba'Alawi told Reuters. A global money laundering watchdog, the Financial Action Task Force (FATF), is expected to start an evaluation of the UAE's efforts in fighting illicit money flows in July, he said. "The UAE has gone through a lot of changes, a lot of laws have been issued to be in line with international best practices," he said. "The outcome of the (FATF) assessment depends on what areas they will look at, but the country has the opportunity to showcase what efforts have been put in place." (Reuters)

- **Sharjah Islamic Bank eyes double-digit loan growth, up to \$500mn** – Sharjah Islamic Bank (SIB), which will conclude in London today, a series of investor meetings ahead of an Islamic Dollar bond sale, is targeting double-digit loan growth this year, a bank's executive told Reuters. The lender is looking to raise up to \$500mn with its planned debt sale, which will boost its Tier 1 core capital and total capital ratios, said Ahmed Saad, deputy chief executive. "At present, the SIB's core capital is not only strong but is way above the Central Bank of the UAE's (CBUAE) requirements. We are looking to strengthen our capital for future growth opportunities." SIB had total assets of \$12.2bn as of the end of last year. Its financing facilities rose to over AED24.1bn compared to AED21.7bn in 2017, an increase of 11%. (Reuters)
- **Kuwait Bourse Chief sees \$2.8bn of inflows on MSCI upgrade** – MSCI Inc. will probably upgrade Kuwaiti equities to its main emerging-market index this week, which could trigger \$2.8bn of inflows from passive funds, according to the Head of the nation's stock exchange. "We have ticked all the boxes that are required by MSCI," the acting CEO of Bursa Kuwait, Mohammad Al-Osaimi, said. "We have also offered international investors additional services and products they were looking for and some changes in bylaws they requested. We have touched base with them on our road shows. We saw a comfortable response." The New York-based index compiler, whose emerging-market group of indexes has about \$1.8tn of assets tied to it, will announce on June 25 whether it's lifting the country from its current frontier classification. This is significant for the small Gulf nation and its \$98bn stock market, which is similar in size to those of Ireland and New Zealand. Local authorities have been trying to modernize trading infrastructure and attract foreign investors in the past few years. The exchange was upgraded by FTSE Russell less than one year ago. Kuwait's reforms include segregating stocks based on size and liquidity and separating shares that hardly trade in comparison to the biggest, most liquid names, which are primarily banks. Aiming to lure active fund managers that would look beyond the benchmarks, Al-Osaimi said that the bourse is working with the markets regulator to ensure companies trading in the premier market have investor-relations departments. It may be made obligatory by next year, he said. (Bloomberg)

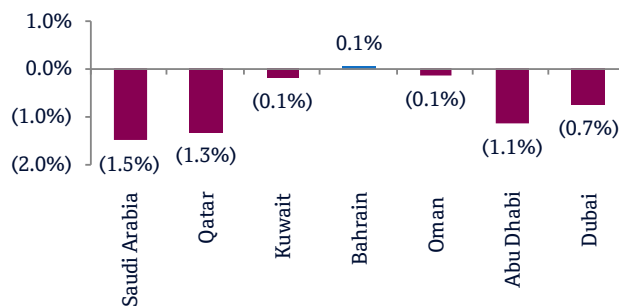
- **Oman's May consumer prices rises 0.22% YoY and 0.17% MoM** – National Centre for Statistics & Information in Muscat published Oman's consumer price indices for May which showed that consumer prices rose 0.22% YoY and 0.17% MoM. Prices for food and non-alcoholic beverages fell 0.22%. Price index for transportation grew 1.21%. (Bloomberg)
- **Oman's oil exports rise to 0.803mn bpd in May** – Oman's Oil exports rose 0.6% to 0.803mn bpd in May from 0.798mn bpd in April, according to data published by National Center for Statistics & Information. From January through May oil exports to Japan grew by 75% to 9.039mn barrels as compared to 5.161mn in the same period a year ago. (Bloomberg)

## Rebased Performance



Source: Bloomberg

## Daily Index Performance



Source: Bloomberg

| Asset/Currency Performance           | Close (\$) | 1D%   | WTD%  | YTD%   |
|--------------------------------------|------------|-------|-------|--------|
| Gold/Ounce                           | 1,399.60   | 0.8   | 4.3   | 9.1    |
| Silver/Ounce                         | 15.34      | (0.6) | 3.2   | (1.0)  |
| Crude Oil (Brent)/Barrel (FM Future) | 65.20      | 1.2   | 5.1   | 21.2   |
| Crude Oil (WTI)/Barrel (FM Future)   | 57.43      | 1.4   | 9.4   | 26.5   |
| Natural Gas (Henry Hub)/MMBtu        | 2.27       | (4.6) | (4.2) | (28.8) |
| LPG Propane (Arab Gulf)/Ton          | 47.25      | 3.6   | 8.9   | (25.6) |
| LPG Butane (Arab Gulf)/Ton           | 45.13      | 5.6   | 15.3  | (35.5) |
| Euro                                 | 1.14       | 0.7   | 1.4   | (0.9)  |
| Yen                                  | 107.32     | 0.0   | (1.1) | (2.2)  |
| GBP                                  | 1.27       | 0.3   | 1.2   | (0.1)  |
| CHF                                  | 1.02       | 0.5   | 2.3   | 0.5    |
| AUD                                  | 0.69       | 0.0   | 0.8   | (1.7)  |
| USD Index                            | 96.22      | (0.4) | (1.4) | 0.0    |
| RUB                                  | 63.02      | 0.2   | (2.1) | (9.6)  |
| BRL                                  | 0.26       | 0.4   | 1.9   | 1.6    |

Source: Bloomberg

| Global Indices Performance | Close      | 1D%*  | WTD%* | YTD%* |
|----------------------------|------------|-------|-------|-------|
| MSCI World Index           | 2,178.16   | (0.2) | 2.2   | 15.6  |
| DJ Industrial              | 26,719.13  | (0.1) | 2.4   | 14.5  |
| S&P 500                    | 2,950.46   | (0.1) | 2.2   | 17.7  |
| NASDAQ 100                 | 8,031.71   | (0.2) | 3.0   | 21.0  |
| STOXX 600                  | 384.76     | 0.1   | 2.8   | 12.8  |
| DAX                        | 12,339.92  | 0.3   | 3.2   | 15.8  |
| FTSE 100                   | 7,407.50   | (0.2) | 1.7   | 9.8   |
| CAC 40                     | 5,528.33   | 0.3   | 4.2   | 15.7  |
| Nikkei                     | 21,258.64  | (1.1) | 1.7   | 9.1   |
| MSCI EM                    | 1,053.22   | (0.1) | 3.8   | 9.1   |
| SHANGHAI SE Composite      | 3,001.98   | 0.2   | 5.0   | 20.5  |
| HANG SENG                  | 28,473.71  | (0.3) | 5.2   | 10.5  |
| BSE SENSEX                 | 39,194.49  | (1.1) | (0.3) | 8.9   |
| Bovespa                    | 102,012.60 | 3.0   | 6.1   | 17.5  |
| RTS                        | 1,375.02   | (1.2) | 2.5   | 28.7  |

Source: Bloomberg (\*\$ adjusted returns)

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