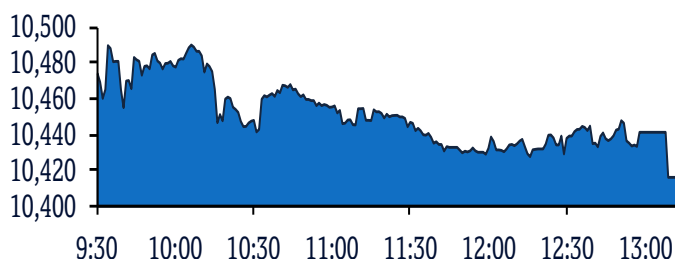


QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.3% to close at 10,416.3. Losses were led by the Banks & Financial Services and Industrials indices, falling 0.5% and 0.4%, respectively. Top losers were The Commercial Bank and Salam International Investment Limited, falling 2.4% and 2.0%, respectively. Among the top gainers, Doha Insurance Group gained 4.0%, while Gulf Warehousing Company was up 2.0%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.4% to close at 8,687.1. Gains were led by the Utilities and Media & Entertainment indices, rising 2.3% and 2.2%, respectively. Saudi British Bank and Advanced Petrochemicals Company were up 3.5% each.

Dubai: The DFM Index fell marginally to close at 2,622.6. The Transportation index declined 1.0%, while the Consumer Staples and Discretionary index fell 0.9%. International Fin. Advisors declined 9.2%, while Ithmaar Holding was down 3.4%.

Abu Dhabi: The ADX General Index fell 0.7% to close at 4,955.9. The Consumer Staples index declined 1.8%, while the Banks index fell 0.8%. Nat. Bank of Umm Al Qaiwain declined 9.8%, while Ras Al Khaima Poultry & Feeding was down 9.5%.

Kuwait: The Kuwait Main Market Index fell 0.2% to close at 4,742.1. The Real Estate index declined 1.5%, while the Telecom. index fell 1.2%. Tamdeen Real Estate Co. declined 9.9%, while Amwal International Investment was down 8.9%.

Oman: The MSM 30 Index fell 0.3% to close at 3,877.5. Losses were led by the Services and Financial indices, falling 0.6% and 0.2%, respectively. Arabia Falcon Insurance fell 8.9%, while National Gas was down 3.1%.

Bahrain: The BHB Index fell 0.1% to close at 1,460.6. The Commercial Banks index declined 0.3%, while the Hotels & Tourism index fell 0.2%. Al-Salam Bank –Bahrain declined 2.3%, while Seef Properties was down 1.0%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Doha Insurance Group	12.18	4.0	1.6	(7.0)
Gulf Warehousing Company	52.00	2.0	26.1	35.2
Qatar Navigation	65.00	1.6	150.6	(1.5)
Gulf International Services	19.58	1.5	103.4	15.2
Zad Holding Company	12.97	1.4	3.5	24.7

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatari German Co for Med. Devices	0.80	(1.6)	18,084.6	41.5
Industries Qatar	11.39	(0.6)	6,489.2	(14.8)
Qatar First Bank	0.41	(0.5)	4,378.7	0.0
Mesaieed Petrochemical Holding	2.60	(0.8)	4,142.3	73.0
Qatar International Islamic Bank	7.42	1.1	4,138.9	12.2

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,416.32	(0.3)	(2.5)	1.4	1.1	82.58	157,856.9	14.6	1.6	4.2
Dubai	2,622.64	(0.0)	(1.4)	0.1	3.7	60.34	95,256.8	11.7	1.0	4.7
Abu Dhabi	4,955.95	(0.7)	(1.8)	(1.0)	0.8	69.75	137,857.0	14.7	1.5	5.0
Saudi Arabia	8,687.08	0.4	(2.1)	2.0	11.0	1,298.10	547,183.6	19.6	1.9	3.4
Kuwait	4,742.05	(0.2)	0.0	0.1	0.1	161.39	32,644.3	14.4	0.9	3.9
Oman	3,877.50	(0.3)	(1.3)	(1.4)	(10.3)	24.70	16,840.4	7.7	0.8	7.1
Bahrain	1,460.62	(0.1)	0.4	1.9	9.2	11.07	22,710.4	10.7	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)

Market Indicators	26 June 19	25 June 19	%Chg.
Value Traded (QR mn)	302.2	244.7	23.5
Exch. Market Cap. (QR mn)	574,651.9	576,394.5	(0.3)
Volume (mn)	58.0	68.0	(14.6)
Number of Transactions	4,334	5,590	(22.5)
Companies Traded	44	46	(4.3)
Market Breadth	16:22	16:28	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	19,166.91	(0.3)	(2.5)	5.6	14.6
All Share Index	3,082.95	(0.3)	(2.4)	0.1	14.6
Banks	4,019.52	(0.5)	(3.5)	4.9	14.0
Industrials	3,238.95	(0.4)	(2.8)	0.7	16.3
Transportation	2,555.65	0.7	2.1	24.1	13.7
Real Estate	1,525.34	(0.0)	(0.5)	(30.3)	12.7
Insurance	3,116.25	(0.4)	(2.9)	3.6	18.0
Telecoms	910.32	0.4	(1.0)	(7.8)	18.7
Consumer	8,133.76	(0.0)	(1.0)	20.4	15.8
Al Rayan Islamic Index	4,049.81	(0.2)	(1.8)	4.2	13.9

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Saudi British Bank	Saudi Arabia	40.00	3.5	1,914.1	22.5
Advanced Petrochem. Co.	Saudi Arabia	59.60	3.5	3,557.5	18.0
DAMAC Properties	Dubai	0.92	2.8	26,002.5	(39.4)
Saudi Electricity Co.	Saudi Arabia	18.88	2.7	4,631.6	24.7
Makkah Const. & Dev. Co.	Saudi Arabia	79.00	2.6	117.1	0.0

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Human Soft Holding Co.	Kuwait	3.12	(2.7)	120.3	(4.9)
The Commercial Bank	Qatar	4.54	(2.4)	850.5	15.3
Saudi Telecom Co.	Saudi Arabia	102.00	(2.1)	2,243.9	13.1
Mabane Co.	Kuwait	0.71	(2.1)	2,175.2	23.8
HSBC Bank Oman	Oman	0.11	(1.7)	7.8	(5.0)

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	4.54	(2.4)	850.5	15.3
Salam International Inv. Ltd.	0.43	(2.0)	943.9	(0.2)
Islamic Holding Group	2.18	(1.8)	188.9	(0.2)
Qatari German Co for Med. Dev.	0.80	(1.6)	18,084.6	41.5
Qatar Islamic Bank	16.60	(1.5)	512.1	9.2

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Industries Qatar	11.39	(0.6)	75,557.9	(14.8)
QNB Group	18.95	(0.3)	50,164.6	(2.8)
Qatar International Islamic Bank	7.42	1.1	30,440.1	12.2
Qatari German Co for Med. Dev.	0.80	(1.6)	14,474.7	41.5
Barwa Real Estate Company	34.00	(0.4)	14,244.7	(14.8)

Source: Bloomberg (* in QR)

Qatar Market Commentary

- The QE Index declined 0.3% to close at 10,416.3. The Banks & Financial Services and Industrials indices led the losses. The index fell on the back of selling pressure from Qatari and GCC shareholders despite buying support from non-Qatari shareholders.
- The Commercial Bank and Salam International Investment Limited were the top losers, falling 2.4% and 2.0%, respectively. Among the top gainers, Doha Insurance Group gained 4.0%, while Gulf Warehousing Company was up 2.0%.
- Volume of shares traded on Wednesday fell by 14.6% to 58.0mn from 68.0mn on Tuesday. Further, as compared to the 30-day moving average of 96.7mn, volume for the day was 40.0% lower. Qatari German Company for Medical Devices and Industries Qatar were the most active stocks, contributing 31.2% and 11.2% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	24.65%	20.43%	12,763,394.45
Qatari Institutions	47.07%	55.67%	(25,986,121.21)
Qatari	71.72%	76.10%	(13,222,726.77)
GCC Individuals	0.72%	0.37%	1,032,176.62
GCC Institutions	0.16%	2.65%	(7,520,237.09)
GCC	0.88%	3.02%	(6,488,060.47)
Non-Qatari Individuals	6.95%	6.20%	2,269,408.65
Non-Qatari Institutions	20.45%	14.68%	17,441,378.59
Non-Qatari	27.40%	20.88%	19,710,787.24

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

Global Economic Data and Earnings Calendar

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
06/26	US	Mortgage Bankers Association	MBA Mortgage Applications	21-June	1.3%	-	-3.4%
06/26	Germany	GfK AG	GfK Consumer Confidence	July	9.8	10.0	10.1
06/26	France	INSEE National Statistics Office	Consumer Confidence	June	101	100	99

Source: Bloomberg (s.a. = seasonally adjusted; n.s.a. = non-seasonally adjusted; w.d.a. = working day adjusted)

Earnings Calendar

Tickers	Company Name	Date of reporting 2Q2019 results	No. of days remaining	Status
QNBK	QNB Group	10-Jul-19	13	Due
QGTS	Qatar Gas Transport Company Limited (Nakilat)	10-Jul-19	13	Due
QIGD	Qatari Investors Group	22-Jul-19	25	Due
DHBK	Doha Bank	24-Jul-19	27	Due

Source: QSE

Stock Split Dates for Listed Qatari Companies

Day / Date	Company Symbols			Sector
	1	2	3	
Sunday 09/06/2019	CBQK	QFBQ		Banking and Financial Services
Monday 10/06/2019	KCBK	DBIS	QOIS	
Tuesday 11/06/2019	QIIK	NLCS		
Wednesday 12/06/2019	QNBK	ABQK	IHGS	
Thursday 13/06/2019	QIBK	DHBK		
Sunday 16/06/2019	MARK			
Monday 17/06/2019	MERS	MCCS		Consumer Goods & Services
Tuesday 18/06/2019	WDAM	ZHCD	QGMD	
Wednesday 19/06/2019	QFLS	MCGS		
Thursday 20/06/2019	SIIS	QCFS		
Sunday 23/06/2019	MPHC	IGRD		Industrial
Monday 24/06/2019	QIGD	AHCS	QNCD	
Tuesday 25/06/2019	IQCD	QIMD		
Wednesday 26/06/2019	QEWS	GISS		Insurance
Thursday 27/06/2019	QISI	QATI		
Sunday 30/06/2019	DOHI	QGRI	AKHI	Real Estate
Monday 01/07/2019	BRES	ERES		
Tuesday 02/07/2019	UDCD	MRDS		Telecoms
Wednesday 03/07/2019	VFQS	ORDS		
Thursday 04/07/2019	QGTS	GWCS	QNNS	Transport/Logistics
Sunday 07/07/2019	QETF	QATR	QAMC	ETFs and QAMCO

Source: QSE

News

Qatar

- **QSE executes share splits for GISS** – Qatar Stock Exchange (QSE) announced that the split of shares for Gulf International Services (GISS) has been executed, effective from June 27, 2019. The new number of GISS' shares after the split is 1,858,408,690 and the adjusted closing price of QR1.96 per share. QSE also sets price limits, (i) Price up limit: QR2.15 and (ii) Price down limit: QR1.77. (QSE)
- **QSE executes share splits for QEWS** – Qatar Stock Exchange (QSE) announced that the split of shares for Qatar Electricity & Water Company (QEWS) has been executed, effective from June 27, 2019. The new number of QEWS' shares after the split is 1,100,000,000 and the adjusted closing price of QR16.8 per share. QSE also sets price limits, (i) Price up limit: QR18.48 and (ii) Price down limit: QR15.12. (QSE)
- **MARK to disclose 2Q2019 financial statements on July 15** – Masraf Al Rayan (MARK) announced its intent to disclose 2Q2019 financial statements for the period ending June 30, 2019, on July 15, 2019. (QSE)
- **Milaha deploys new Warehouse Management System in Qatar** – Infor, a global leader in business cloud software specialized by industry, announced that Qatari-based heavyweight, Qatar Navigation (Milaha) has successfully deployed Infor WMS (Warehouse Management System) to help digitize its supply chain and warehouse management operations. Milaha Martime will pillar on Infor's WMS application across Milaha Logistics City to accommodate its service offerings, which include warehousing and distribution, freight forwarding in all modes, transportation, and stevedoring services. The Infor solution was implemented by SNS, an Infor global partner and a leading supply chain consulting and software implementation firm, and will help structure and organize Milaha's widely diversified warehouse management operations in fashion, FMCG and retail. (Peninsula Qatar)
- **Real estate transactions in the week of June 16-20 stood at QR278,565,712** – The trading volume of registered real estate in between June 16 to June 20 at the Ministry of Justice's real estate registration department stood at QR278,565,712. The department's weekly report stated that the trading included empty lands, residential units, residential buildings, residential complexes, multipurpose buildings and multipurpose empty lands. (Gulf-Times.com)
- **Qatar records trade surplus of QR13.6bn in May** – Qatar's foreign merchandise trade balance showed a surplus of QR13.6bn in May 2019, a decrease of 8.9% compared to May 2018, and an increase of 3.5% compared to April 2019, according to data released by the Planning and Statistics Authority. The total exports of goods (including exports of goods of domestic origin and re-exports) amounted to around QR22.8bn, a decrease of 8.4% compared to May 2018, and increased by 2.9% compared to April 2019. The YoY decrease in total exports was mainly due to lower exports of petroleum gases and other gaseous hydrocarbons by 6.2% to QR13.6bn. Meanwhile, petroleum oils and oils from bituminous minerals (crude), increased by 1.1% to QR4.1bn, and petroleum oils and oils from bituminous minerals (not crude) decreased by 29.5% to QR1.7bn. In May 2019, Japan was at the top of the countries

of destination of Qatar's exports at QR4bn or 17.7% of total exports, followed by South Korea at QR3.7bn (16.1%), and India at QR2.2bn (9.7%). In May 2019, the US was the leading country of origin of Qatar's imports at QR1.3bn, a share of 14.2% of the imports, followed by China at QR1bn (11.3%), and the UK at QR0.9bn (9.7%). (Qatar Tribune)

- **Yara to explore Qatar expansion in counter to OCI-ADNOC Merger** – Yara International ASA (Yara) is looking to expand its business in Qatar to counter a plan by Abu Dhabi National Oil Co. (ADNOC) and OCI NV to merge their Middle East fertilizer operations and create a \$7bn regional champion. The Norwegian nitrogen maker will work with partners Qatar Fertiliser Company (QAFCO) on boosting production to meet growing demand, CEO Svein Holsether said. Yara has a 25% stake in QAFCO, set up by the Qatari government to make use of the nation's vast gas reserves. ADNOC's tie up with Dutch rival OCI could be a game changer in the Middle East fertilizer market, creating the region's largest producer with interests spanning from Morocco to Saudi Arabia. In keeping with the wider chemical industry, there's an uptick in merger and acquisition interest in the fertilizer space. (Bloomberg)
- **Cabinet approves draft law on setting up court for investment** – The Cabinet meeting, presided over by HE the Prime Minister, Sheikh Abdullah bin Nasser bin Khalifa Al Thani, approved a draft law on establishing a court for investment and trade and the requirements for the establishment of the court. The Cabinet reviewed the letter of HE the Chairman of the Supreme Judiciary Council and President of the Court of Cassation on the results of the work of the task team mandated to study the mechanisms and requirements for the establishment of a specialized court for investment and trade within the framework of the initiative to develop justice systems and create an attractive environment for investment. (Gulf-Times.com)

International

- **Boeing looms large over struggling US manufacturing sector** – New orders for long-lasting US-made goods fell for a second straight month in May as troubles at Boeing weighed on demand for aircraft, suggesting manufacturing could remain weak even as business spending on equipment appears to stabilize. The report from the Commerce Department added to a raft of weak data on trade, consumer confidence, housing and employment growth that have indicated a sharp loss of momentum in economic activity in the second quarter. The economy, which will celebrate a record 10 years of expansion next month, is losing speed amid an ebb in both business and consumer confidence in the wake of an escalation in trade tensions between the US and China. Momentum is also fizzling as the stimulus from last year's \$1.5tn tax cut package and more government spending fades. The growing risks to the economy coupled with low inflation prompted the Federal Reserve to last week signal interest rate cuts starting as early as July. Orders for durable goods, items ranging from toasters to aircraft that are meant to last three years or more, dropped 1.3% last month after declining 2.8% in April. Economists polled by Reuters had forecasted durable goods orders would slip 0.1% in May. (Reuters)

- **UK's mortgage approvals edge off April high** – British banks approved slightly fewer mortgages for house purchase in May than in April, but overall lending remained robust, seasonally adjusted figures from trade association UK Finance showed. The number of mortgages approved for house purchase dropped to 42,384 in May from April's more than two-year high of 42,898, while net mortgage lending rose by 1.364bn Pounds after a 1.780bn Pound increase in April. On a non-seasonally adjusted basis, mortgage approvals were the highest since June 2016, the month Britain voted to leave the European Union in a referendum. Consumer lending growth picked up slightly to an annual growth rate of 4.1% in May from April's 3.8%. (Reuters)
- **BoE Governor: No-deal Brexit unlikely to go into Bank of England forecasts** – Bank of England's (BoE) Governor, Mark Carney said that the BoE would only cut its economic forecasts to reflect the risk of a no-deal Brexit if Britain's next Prime Minister makes leaving the European Union (EU) without a transition agreement his preferred policy. "In the event that the policy of the government was to switch, the forecast of the Bank of England would switch accordingly," Carney said. Last week, the BoE acknowledged disconnect between the smooth Brexit scenario that underpins its forecasts and a more chaotic exit from the EU that many investors are increasingly thinking might happen and that could lead to interest rate cuts. (Reuters)
- **German GfK consumer morale edges down heading into July** – German consumer morale fell heading into July as the slowdown weighing on Europe's largest economy darkened income expectations among shoppers, a survey showed. The GfK consumer sentiment indicator, based on a survey of about 2,000 Germans, fell for the second time in a row to 9.8 from 10.1 a month earlier. Economists polled by Reuters had expected a reading of 10.0. Household spending has become a key source of growth in Europe's biggest economy as record-high employment, above-inflation pay hikes and low borrowing costs boost domestic demand. The economy has been facing headwinds from trade conflicts, Brexit uncertainties and a cooling world economy, which are hurting Germany's export-oriented manufacturers. (Reuters)
- **Bank of Japan's Deputy Chief warns of heightening economic risks as trade war bites** – Bank of Japan's Deputy Governor, Masazumi Wakatabe warned of growing economic risks from the simmering US-China trade war, reinforcing market expectations the central bank's next move could be to ramp up stimulus. Wakatabe also said unconventional monetary tools used to fight the 2008 global financial crisis, such as quantitative easing and negative interest rates, will remain in the central banks' arsenal to combat the next economic downturn. "We need to pay increased attention to heightening risks to the Bank of Japan's scenario that Japan's economy will expand moderately as a trend, he told business leaders in Aomori, northern Japan. The Bank of Japan will guide policy to ensure Japan never falls into deflation again," Wakatabe said. (Reuters)
- **China's industrial profits up 1.1% in May as sales quicken** – Bolstered by improving sales, profits for China's industrial companies rose in May after shrinking the previous month, bucking a months-long downtrend, official data showed.

Industrial profits rose 1.1% in May from a year earlier to 565.6bn Yuan, according to data released by the National Bureau of Statistics (NBS), following a 3.7% fall in April. In the first five months, industrial firms earned profits of 2.38tn Yuan, down 2.3% from a year earlier, compared with a 3.4% drop in January-April. The uptick in May was driven by quicker sales and slower increases in corporate costs, Zhu Hong of the statistics bureau said in a statement accompanying the data, adding that better margins in equipment manufacturing and the coal sector attributed to the bulk of the increase. Moreover, profits in high-tech manufacturing and emerging industries both turned positive after declining the month before. (Reuters)

- **Survey: More than half Chinese consumers shun US goods due to trade war** – More than half Chinese consumers have avoided buying anything made in the US in support of their country in an escalating trade war, a survey suggests, posing a significant risk to US companies. The poll, conducted by London-based advisory firm Brunswick, which surveyed 1,000 Chinese consumers, stated 56% of respondents had said they had avoided US products, while 68% said their opinion of American firms had become more negative. "This poses a significant bottom line risk to US companies as three in four Chinese consumers say they often buy products from American businesses," Brunswick stated. The world's two largest economies have been caught up in a bruising trade war which has seen both sides slap tit-for-tat tariffs on each other's exports, hurting businesses and stoking concerns among firms that they could be caught up in the cross-fire. (Reuters)

Regional

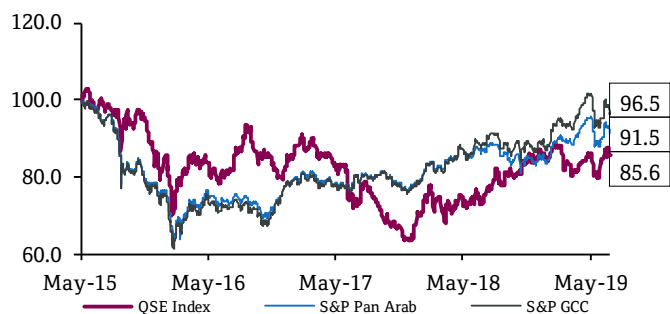
- **PwC sees positive trends in Middle East deal market** – Despite macro-economic challenges and a slowdown in the 2018 Middle East deal market, international interest in the region is seeing positive signs with some iconic deals already taking place in 2019. International interest in the region continues to remain strong, despite the decline in the number of inbound deals from 74 in 2017 to 53 in 2018. Governments have continued to make efforts with greater diplomacy to attract international inflows and also acquire interest in international strategic assets, PwC noted in its TransAct Middle East report. The total volume of deals in the region fell from 267 in 2017 to 214 in 2018, led by a slowdown in the region's largest markets. Overall M&A activity continues to remain slow in the current year, with 44 deals reported in 1Q2019 (vs. 56 deals in 1Q2018) and only 1 IPO reported in 1Q2019 (vs. 4 IPOs in 1Q2018). (Peninsula Qatar)
- **OPEC+ wrestles with oil risks from trade war to Middle East conflict** – OPEC and its allies look set to stick with their current strategy when they meet next week, renewing a deal to restrain oil supplies to prop up prices. However, in a market clouded by uncertainties, they will probably also hint at how the policy may change. As oil demand falters amid a global economic slowdown and supplies swell due to the US shale boom, the coalition spearheaded by Saudi Arabia and Russia is expected to formally prolong output curbs for another six months. However, with the market being increasingly pulled in different directions by the drawn out US-China trade dispute and a potential military flare-up in the Persian Gulf, the group that pumps about half the world's oil is likely to keep its options open. (Bloomberg)

- **Saudi Arabia raises SR2.744bn from Sukuk offering** – Saudi Arabia has raised SR2.744bn in local Sukuk offering in the month of June, Saudi Finance Ministry stated. The first tranche of SR1.100bn will become SR3.248bn at the final size and will mature in 2028. The second tranche of SR345mn will become SR9.827bn at the final size and will mature in 2031. The third tranche of SR1.299bn will become SR5.665bn at the final size and will mature in 2034. (Bloomberg)
- **Saudi Arabian regulator scraps ownership cap for strategic investors** – Saudi Arabia has removed a cap on ownership of publicly traded companies for foreign strategic investors, paving the way for international investors to take controlling stakes in sectors from banking to petrochemicals. The Riyadh-based Capital Market Authority (CMA) stated that there are no maximum or minimum limits on the ownership of listed companies for foreign strategic investors, according to a statement on Wednesday after trading hours. The limit was previously 49%. The instructions do not apply to qualified foreign investors, according to another document on the CMA website. The decision is a milestone for the kingdom, which started opening its market about four years ago, when it first allowed foreigners to trade stocks directly. The nation has been pursuing plans to diversify its oil-dependent economy since energy prices plummeted, and has identified its equity market as a means to attract foreign cash. MSCI Inc. last month started to include the Kingdom's stocks in its emerging-market index. (Bloomberg)
- **Blackstone raises more than \$12bn for infrastructure fund** – Blackstone Group is set to close on more than \$12bn for its debut infrastructure fund, anchored by money from the Kingdom of Saudi Arabia, according to sources. That figure is expected to be finalized in the coming weeks, sources said. After the close, the fund will be unavailable to new investors until a certain amount of money is deployed, at which time it will be reopened, sources added. (Bloomberg)
- **Saudi Arabia's NEOM says AECOM hired as project management consultant** – Saudi Arabia's NEOM, which is building a mega economic zone, stated that it has appointed AECOM as a project management consultant for part of NEOM Bay, the first urban area to be developed in the zone. The company told Reuters that it will start this year the construction of NEOM Bay, which will be built in more than one phase. The \$500bn NEOM zone is part of Crown Prince, Mohammed bin Salman's Vision 2030 plan that aims to attract foreign investments and create jobs in a bid to reduce the Kingdom's reliance on oil. (Reuters)
- **Saudi Aramco signs 12 deals with South Korean firms** – Saudi Aramco has signed 12 pacts with South Korean partners worth billions of Dollars, the company stated, as part of a long-term strategy for downstream growth and diversification. The agreements, signed with companies including Hyundai Heavy Industries, cover ship building, engine manufacturing, refining, petrochemicals, and crude supply, sales, and storage, it stated. (Reuters)
- **South Korea's S-Oil says Saudi Aramco to give advice on \$6bn petrochemical project** – S-Oil, South Korea's no.3 oil refiner by capacity, stated it had signed a memorandum of understanding (MoU) with its top shareholder, Saudi Aramco, for technical advice on a multi-billion Dollar petrochemical plant it is looking to build. S-Oil stated that the cost of the proposed project in the southeast of South Korea was estimated at \$6bn, up from the \$4.3bn it had previously expected. The MoU coincides with Saudi Arabian Crown Prince, Mohammed bin Salman's visit to South Korea this week as the two countries seek to bolster economic ties. While the Saudi Arabian prince was in Seoul, the South Korean government announced investment packages worth a total of \$8.3bn by Saudi Arabian firms in the Asian country, including S-Oil's MoU with Saudi Aramco. Hyundai Motor has also inked a pact with Saudi Aramco to cooperate on hydrogen-fuelled cars. (Reuters)
- **Saudi Arabia's Nayifat reschedules IPO roadshow** – Saudi Arabia's Nayifat Finance Company has rescheduled a road show and book building process for its Initial Public Offering (IPO) that was originally planned for June 24, it stated. "The rescheduling is in the interest of selecting the next suitable window for the IPO," it stated, without giving further details. In March, Saudi Arabian stock market regulator (CMA) approved Nayifat's application for floating 30% of its capital. (Reuters)
- **National Petroleum Construction Company plans to expand into wind power** – National Petroleum Construction Company (NPCC) an Abu Dhabi-based company that builds drilling platforms for oil giant Saudi Aramco plans to diversify into renewable energy by supplying gear for offshore wind farms. National Petroleum Construction Co. is bidding for wind projects in the North Sea and monitoring wind-equipment tenders coming out of India and Southeast Asia, CEO, Ahmed Al Dhaheri said. NPCC, owned by the government of Abu Dhabi, currently manufactures rigs, storage tanks and other heavy equipment for oil companies in the Middle East and India, including Saudi Aramco, the world's biggest exporter. "We are looking at developing a new sector, which is renewable energy, and focusing on offshore wind," Al Dhaheri said in Abu Dhabi, capital of the UAE. "We are looking to fabricate and install electrical distribution structures for offshore wind farms. We have the required resources and engineering capabilities." NPCC expects to complete an acquisition of a medium-size engineering company in Europe to help it expand into renewables and other new lines of business, he said, without giving more details. (Bloomberg)
- **Ma'aden announces the transfer of debt held by the PIF from MRC to Ma'aden** – Saudi Arabian Mining Company has announced that Ma'aden Rolling Company's (MRC) remaining debt to the Public Investment Fund (PIF) in the amount of SR2,986,387,500 is being transferred to the company and the company will assume the amount of the debt obligation to the Fund. PIF has representatives on the company's board. Also, the company's Board member, Abdullah Al-Issa chairs the board of Riyadh Bank which is a lender to MRC. (Tadawul)
- **Saudi Arabia will support whatever economic plan will bring prosperity to the Palestinians** – Saudi Arabia's Finance Minister, Mohammed Al-Jadaan said that it will support whatever economic plan will bring prosperity to the Palestinians. He was speaking at an international meeting in Bahrain opened by US President, Donald Trump's Senior Advisor and son-in-law Jared Kushner. UAE's Minister of State

for Financial Affairs, Obaid Humaid Al-Tayer said “we should give this initiative a chance.” (Reuters)

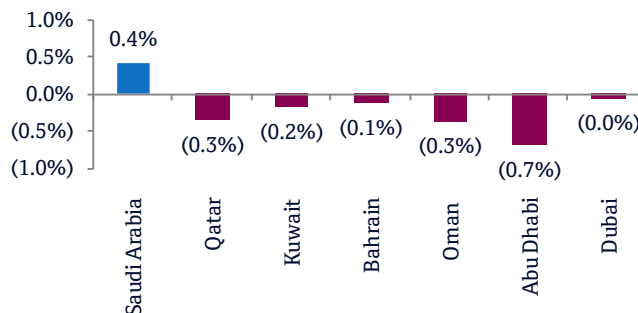
- **UAE's May bank deposits fall to AED1,758.9bn** – The Central Bank of the UAE (CBUAE) published preliminary banking data for May, which showed that bank deposits fell by AED14.3bn to AED1,758.9bn in May from AED1,773.2bn in April. Total bank assets fell to AED2,912.9bn from AED2,925.4bn in April. (Bloomberg)
- **UAE banks' bad loan ratio to drop with new calculation method** – The ratio of bad loans at banks in the UAE will decline after the country's central bank stated that it will change the way it calculates the metric. The current ratio has been overstated compared with other countries due to the inclusion of so-called interest in suspense, the bank stated. Without it, the industry's non-performing loan ratio last year would have been 5.6%, instead of 7.1%, it stated. Interest in suspense means that a bank has money due because of a loan, however, that the borrower has not paid on the loan under an agreement. Current UAE regulation requires banks to suspend interest on loans that have been due for 90 days or have been provided for, according to the statement. That interest cannot be credited to a bank's profit and loss accounts and are not considered to be part of non-performing loans. (Bloomberg)
- **Dubai's main state holding firm posts 20% drop in 2018 profit** – Investment Corp. of Dubai, the main state-controlled holding firm of the Emirate, reported a 20% drop in full-year profit as expenses and finance costs rose. Net income attributable to the equity holder fell to AED16.3bn from AED20.2bn a year earlier, the company stated. Revenue came in at AED232.4bn in FY2018 as compared to AED200.9bn in FY2017. General, administrative and other expenses came in at AED19.9bn in FY2018 as compared to AED17.8bn in FY2017. Other finance costs came in at AED5.97bn in FY2018 as compared to AED4.65bn in FY2017. (Bloomberg)
- **Dubai's foreign visitors at 7.16mn in year through May** – The total number of international guests who visited Dubai during first five months of 2019 remained unchanged compared to same period of 2018, according to data published by Dubai Department of Tourism and Commerce Marketing. From January-May 2019, 7.16mn foreign tourists visited Dubai in, with the number having not changed from same period of 2018. This compares with 7.26mn and 6.59mn in the same period of 2017 and 2016, respectively. Average occupancy rate for hotel establishments in January to May 2019 stood at 77% as compared to 82%, 85% and 83% in the same period of 2018, 2017 and 2016, respectively. Revenue per available room stood at AED362 in January-May 2019 as compared to AED 429, AED462 and AED466 in the same period of 2018, 2017 and 2016, respectively. (Bloomberg)
- **CVC said to near \$1bn deal for stake in GEMS Education** – CVC Capital Partners is close to a deal for a 25% stake in Dubai's GEMS Education, a private school operator backed by Blackstone Group LP, that values the firm at more than \$4bn, sources said. CVC may pay \$1bn or more for the holding and a deal could be announced in the coming days, sources added. No final decisions have been made and the London-based private equity firm may still decide against a deal. (Bloomberg)
- **Abu Dhabi Financial Group and SHUAA Capital agree on merger** – Abu Dhabi Financial Group (ADFG) and SHUAA Capital have agreed on the terms of their merger, which will create an entity with \$12.8bn in assets under management. Under the agreement, SHUAA will issue 1.47bn new shares to ADFG's parent company, Abu Dhabi Capital Management, in return for the entire issued shares of ADFG, the companies stated. ADFG's shareholders will own 58% of the enlarged entity while SHUAA's existing shareholders will own 42%. ADFG already owned 48.36% of Dubai-listed SHUAA, according to Refinitiv data. The valuation implies a 60% premium to SHUAA's share price. The combined entity will remain listed on the Dubai stock exchange and will be rebranded as 'ADFG'. The deal is expected to be completed in the third quarter of this year. “This combination will enable us to leverage ADFG's pioneering products and services across a far broader distribution platform, bringing significant synergies to the enlarged entity,” Chief Executive of ADFG, Jassim Alseddiqi said. Total assets of the merged entity were AED4.5bn, with revenues totaling AED568mn and net income of AED135mn ending December 2018, the companies stated. (Reuters)
- **ADNOC: UAE's Umm Lulu oilfield production capacity to reach more than 100,000 bpd in 2020** – Abu Dhabi National Oil Company (ADNOC) stated that the Umm Lulu oilfield's production capacity is expected to reach more than 100,000 barrels per day (bpd) in 2020. ADNOC stated that the company celebrated the completion of manufacturing of the Umm Lulu gas processing platform. (Reuters)
- **CMA: Kuwaiti stocks could receive \$5bn of inflows after upgrades** – Kuwaiti stocks could attract inflows of around \$5bn after global index-providers such as MSCI decided to upgrade the market to emerging market status, Vice Chairman of Kuwait's Capital Market Authority's Board, Othman Al-Essa said. MSCI stated that it will upgrade Kuwaiti equities to its main emerging markets index in 2020, a move that could trigger billions of Dollars of inflows from passive funds. Kuwait's stock market joined the FTSE Russell emerging market index last year and this year will be added to S&P Dow Jones Indices' Global Benchmark Indices with an emerging market classification. (Reuters)
- **Bahrain sells BHD35mn 182-day bills; bid-cover at 2.95x** – Bahrain sold BHD35mn 182 day of bills due on December 29, 2019. Investors offered to buy 2.95 times the amount of securities sold. The bills were sold at a price of 98.451, having a yield of 3.11% and will settle on June 30, 2019. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,409.06	(1.0)	0.7	9.9
Silver/Ounce	15.27	(0.6)	(0.5)	(1.5)
Crude Oil (Brent)/Barrel (FM Future)	66.49	2.2	2.0	23.6
Crude Oil (WTI)/Barrel (FM Future)	59.38	2.7	3.4	30.8
Natural Gas (Henry Hub)/MMBtu	2.34	1.3	3.1	(26.6)
LPG Propane (Arab Gulf)/Ton	49.50	5.3	4.2	(22.7)
LPG Butane (Arab Gulf)/Ton	48.25	4.6	5.5	(30.6)
Euro	1.14	0.0	0.0	(0.9)
Yen	107.79	0.6	0.4	(1.7)
GBP	1.27	0.0	(0.4)	(0.5)
CHF	1.02	(0.2)	(0.2)	0.4
AUD	0.70	0.3	0.9	(0.9)
USD Index	96.21	0.1	(0.0)	0.0
RUB	63.05	0.3	0.0	(9.6)
BRL	0.26	0.1	(0.6)	1.0

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,158.41	(0.2)	(0.9)	14.6
DJ Industrial	26,536.82	(0.0)	(0.7)	13.8
S&P 500	2,913.78	(0.1)	(1.2)	16.2
NASDAQ 100	7,909.97	0.3	(1.5)	19.2
STOXX 600	382.20	(0.1)	(0.3)	12.5
DAX	12,245.32	0.3	(0.4)	15.4
FTSE 100	7,416.39	(0.0)	0.1	9.8
CAC 40	5,500.72	(0.1)	(0.1)	15.6
Nikkei	21,086.59	(0.9)	(1.0)	8.0
MSCI EM	1,047.91	0.2	(0.5)	8.5
SHANGHAI SE Composite	2,976.28	(0.2)	(1.0)	19.3
HANG SENG	28,221.98	0.2	(0.8)	9.5
BSE SENSEX	39,592.08	0.5	1.6	10.6
Bovespa	100,688.63	0.6	(1.8)	15.4
RTS	1,386.63	0.4	0.8	29.7

Source: Bloomberg (*\$ adjusted returns)

Contacts

Saugata Sarkar, CFA, CAIA

Head of Research

Tel: (+974) 4476 6534

saugata.sarkar@qnbfs.com.qa

Mehmet Aksoy, PhD

Senior Research Analyst

Tel: (+974) 4476 6589

mehmet.aksoy@qnbfs.com.qa

Shahan Keushgerian

Senior Research Analyst

Tel: (+974) 4476 6509

shahan.keushgerian@qnbfs.com.qa

QNB Financial Services Co. W.L.L.

Contact Center: (+974) 4476 6666

PO Box 24025

Doha, Qatar

Zaid al-Nafoosi, CMT, CFTe

Senior Research Analyst

Tel: (+974) 4476 6535

zaid.alnafoosi@qnbfs.com.qa

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