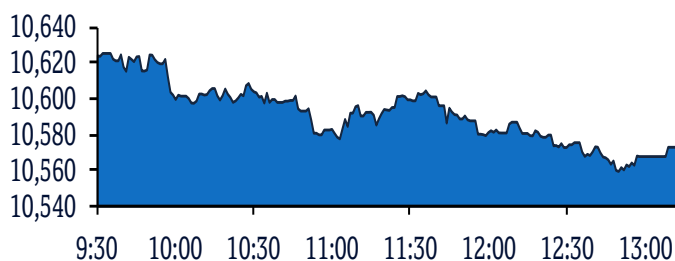


QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.5% to close at 10,573.2. Losses were led by the Transportation and Insurance indices, falling 0.9% each. Top losers were Al Khaleej Takaful Insurance Company and Qatar Aluminium Manufacturing Company, falling 6.0% and 5.2%, respectively. Among the top gainers, Mannai Corporation and Ooredoo were up 1.8% each.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.5% to close at 8,859.3. Gains were led by the Consumer Durables and Food & Bev. indices, rising 1.8% and 1.5%, respectively. Al Sorayai Trading rose 10.0%, while Eastern Province Cement was up 6.5%.

Dubai: The DFM Index declined 0.2% to close at 2,846.1. The Real Estate & Construction index fell 1.1%, while the Investment & Financial Services index declined 0.3%. Emaar Malls fell 1.9%, while Emaar Properties was down 1.3%.

Abu Dhabi: The ADX General Index fell 0.7% to close at 5,348.5. The Energy index declined 2.0%, while the Real Estate index fell 1.6%. Abu Dhabi National Co. for Building Materials and Gulf Cement Company were down 9.9% each.

Kuwait: The Kuwait All Share Index gained 0.7% to close at 6,124.3. The Telecom. index rose 1.1%, while the Banks index gained 1.0%. Ream Real Estate Company rose 16.3%, while Alrai Media Group Company was up 9.9%.

Oman: The MSM 30 Index fell 0.2% to close at 3,745.7. Losses were led by the Financial and Industrial indices, falling 0.3% each. Al Omaniya Financial Ser. fell 8.0%, while Oman and Emirates Inv. Holding was down 5.2%.

Bahrain: The BHB Index gained 0.3% to close at 1,527.7. The Commercial Banks index rose 0.6%, while the Industrial index gained 0.2%. Ithmaar Holding rose 9.2%, while Bahrain Islamic Bank was up 1.7%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Mannai Corporation	3.86	1.8	211.7	(29.8)
Ooredoo	7.25	1.8	1,223.5	(3.3)
Ahli Bank	3.19	1.3	3.7	25.3
Qatar Industrial Manufacturing Co	3.80	1.1	0.1	(11.0)
Qatar Islamic Insurance Company	5.87	1.0	42.6	9.3

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatar First Bank	0.40	(1.5)	15,425.2	(2.0)
Qatar Aluminium Manufacturing	0.94	(5.2)	13,967.7	(29.4)
Ezdan Holding Group	0.72	0.6	5,392.8	(44.7)
Al Khaleej Takaful Insurance Co.	1.89	(6.0)	4,450.7	120.0
Doha Bank	2.67	(1.1)	2,837.6	20.3

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,573.18	(0.5)	(0.5)	1.1	2.7	26.77	159,672.7	15.0	1.7	4.1
Dubai	2,846.07	(0.2)	(0.2)	7.1	12.5	49.45	100,612.6	11.6	1.0	4.3
Abu Dhabi	5,348.50	(0.7)	(0.7)	7.4	8.8	25.27	147,713.0	15.9	1.5	4.6
Saudi Arabia	8,859.32	0.5	0.5	0.4	13.2	531.66	556,692.0	20.7	2.0	3.4
Kuwait	6,124.29	0.7	0.7	5.0	20.6	135.70	114,292.8	15.1	1.5	3.4
Oman	3,745.65	(0.2)	(0.2)	(3.6)	(13.4)	4.02	16,529.0	7.2	0.7	7.3
Bahrain	1,527.68	0.3	0.3	3.9	14.2	8.25	23,877.2	11.5	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	28 July 19	25 July 19	%Chg.
Value Traded (QR mn)	98.0	187.6	(47.8)
Exch. Market Cap. (QR mn)	581,262.2	584,839.8	(0.6)
Volume (mn)	61.6	54.8	12.5
Number of Transactions	3,358	4,855	(30.8)
Companies Traded	45	45	0.0
Market Breadth	11:28	29:9	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	19,455.54	(0.5)	(0.5)	7.2	15.0
All Share Index	3,120.74	(0.5)	(0.5)	1.4	15.2
Banks	4,093.02	(0.7)	(0.7)	6.8	14.2
Industrials	3,199.90	(0.7)	(0.7)	(0.5)	16.6
Transportation	2,583.21	(0.9)	(0.9)	25.4	16.4
Real Estate	1,553.23	0.1	0.1	(29.0)	14.7
Insurance	3,138.82	(0.9)	(0.9)	4.3	18.2
Telecoms	965.41	0.9	0.9	(2.3)	19.8
Consumer	8,161.29	(0.6)	(0.6)	20.9	15.8
Al Rayan Islamic Index	4,063.41	(0.6)	(0.6)	4.6	14.2

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Al Ahli Bank of Kuwait	Kuwait	0.35	7.8	170.5	16.9
Ahli United Bank	Kuwait	0.36	3.5	2,264.6	26.9
Riyad Bank	Saudi Arabia	27.00	3.1	896.6	36.2
Co. for Cooperative Ins.	Saudi Arabia	74.10	2.9	57.5	22.9
Savola Group	Saudi Arabia	31.65	2.3	479.2	18.1

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Saudi Arabian Mining Co.	Saudi Arabia	48.50	(2.6)	656.1	(1.6)
Ominvest	Oman	0.33	(2.4)	95.0	(4.8)
Saudi Electricity Co.	Saudi Arabia	20.02	(2.3)	1,793.0	32.2
Bupa Arabia for Coop. Ins.	Saudi Arabia	100.60	(2.3)	61.6	24.2
Emaar Malls	Dubai	2.06	(1.9)	1,709.1	15.1

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%
Al Khaleej Takaful Insurance Co.	1.89	(6.0)	4,450.7	120.0
Qatar Aluminium Manufacturing	0.94	(5.2)	13,967.7	(29.4)
Widam Food Company	6.20	(2.4)	337.7	(11.4)
Investment Holding Group	0.57	(1.9)	1,379.3	16.8
Gulf International Services	1.79	(1.6)	220.5	5.3

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Qatar Aluminium Manufacturing	0.94	(5.2)	13,500.5	(29.4)
Ooredoo	7.25	1.8	8,874.8	(3.3)
Al Khaleej Takaful Insurance Co.	1.89	(6.0)	8,657.9	120.0
Doha Bank	2.67	(1.1)	7,599.0	20.3
Qatar First Bank	0.40	(1.5)	6,182.8	(2.0)

Source: Bloomberg (* in QR)

Qatar Market Commentary

- The QE Index declined 0.5% to close at 10,573.2. The Transportation and Insurance 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.
- Al Khaleej Takaful Insurance Company and Qatar Aluminium Manufacturing Company were the top losers, falling 6.0% and 5.2%, respectively. Among the top gainers, Mannai Corporation and Ooredoo were up 1.8% each.
- Volume of shares traded on Sunday rose by 12.5% to 61.6mn from 54.8mn on Thursday. However, as compared to the 30-day moving average of 71.9mn, volume for the day was 14.3% lower. Qatar First Bank and Qatar Aluminium Manufacturing Company were the most active stocks, contributing 25.0% and 22.7% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	47.54%	61.98%	(14,151,243.55)
Qatari Institutions	18.54%	10.18%	8,191,568.21
Qatari	66.08%	72.16%	(5,959,675.34)
GCC Individuals	2.22%	1.44%	772,997.85
GCC Institutions	2.11%	7.19%	(4,977,034.58)
GCC	4.33%	8.63%	(4,204,036.73)
Non-Qatari Individuals	12.06%	10.56%	1,467,206.85
Non-Qatari Institutions	17.53%	8.65%	8,696,505.22
Non-Qatari	29.59%	19.21%	10,163,712.08

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

Earnings Releases and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 2Q2019	% Change YoY	Operating Profit (mn) 2Q2019	% Change YoY	Net Profit (mn) 2Q2019	% Change YoY
National Industrialization Co.	Saudi Arabia	SR	731.2	2.1%	6.1	-97.6%	296.7	-25.0%
Wafrah for Industry and Dev. Co.	Saudi Arabia	SR	24.0	-0.2%	0.6	-69.6%	0.3	-82.3%
Saudi Basic Industries Corp.#	Saudi Arabia	SR	35.9	-17.1%	4.8	-55.4%	2.1	-68.4%
The National Agricultural Dev. Co.	Saudi Arabia	SR	604.2	7.9%	52.2	36.4%	7.1	-63.8%
United Electronics Company	Saudi Arabia	SR	1,161.5	14.4%	72.4	40.6%	72.5	59.0%
Al Hammadi Co. for Dev. and Inv.	Saudi Arabia	SR	253.8	18.3%	33.5	8.1%	20.0	0.4%
L'azurde	Saudi Arabia	SR	132.8	43.1%	28.0	61.6%	12.2	150.9%
Saudi Public Transport Co.	Saudi Arabia	SR	428.9	31.8%	-2.0	N/A	-9.9	N/A
Najran Cement Company	Saudi Arabia	SR	76.3	37.9%	5.6	N/A	-2.6	N/A
Dubai Insurance Company	Dubai	AED	227.8	68.7%	-	-	19.0	1.9%
RAK Properties	Abu Dhabi	AED	32.7	76.8%	9.7	136.3%	11.8	172.8%
Inovent	Bahrain	USD	4.1	-57.2%	0.9	-86.4%	1.3	-82.3%
Bahrain & Kuwait Insurance Co.	Bahrain	BHD	16.7	-7.8%	-	-	1.3	97.1%
Zain Bahrain	Bahrain	BHD	14.9	-8.5%	1.3	4.8%	0.8	-33.7%
Aluminium Bahrain	Bahrain	BHD	245.1	0.4%	-	-	-3.3	N/A

Source: Company data, DFM, ADX, MSM, TASI, BHB. (*Figures in billions)

Earnings Calendar

Tickers	Company Name	Date of reporting 2Q2019 results	No. of days remaining	Status
QNNS	Qatar Navigation (Milaha)	29-Jul-19	0	Due
VFQS	Vodafone Qatar	29-Jul-19	0	Due
ORDS	Ooredoo	29-Jul-19	0	Due
QATI	Qatar Insurance Company	30-Jul-19	1	Due
AHCS	Aamal Company	30-Jul-19	1	Due
DBIS	Dlala Brokerage & Investment Holding Company	30-Jul-19	1	Due
MRDS	Mazaya Qatar Real Estate Development	31-Jul-19	2	Due
DOHI	Doha Insurance Group	31-Jul-19	2	Due
QNCD	Qatar National Cement Company	1-Aug-19	3	Due
IQCD	Industries Qatar	1-Aug-19	3	Due
IGRD	Investment Holding Group	4-Aug-19	6	Due
GISS	Gulf International Services	4-Aug-19	6	Due
QISI	Qatar Islamic Insurance Company	4-Aug-19	6	Due
BRES	Barwa Real Estate Company	5-Aug-19	7	Due
SIIS	Salam International Investment Limited	5-Aug-19	7	Due
MPHC	Mesaieed Petrochemical Holding Company	5-Aug-19	7	Due
ZHCD	Zad Holding Company	5-Aug-19	7	Due
QOIS	Qatar Oman Investment Company	5-Aug-19	7	Due

Tickers	Company Name	Date of reporting 2Q2019 results	No. of days remaining	Status
MCCS	Mannai Corporation	6-Aug-19	8	Due
MERS	Al Meera Consumer Goods Company	6-Aug-19	8	Due

Source: QSE

News

Qatar

- QFBQ reports net loss of QR304.5mn in 2Q2019** – Qatar First Bank (QFBQ) reported net loss of QR304.5mn in 2Q2019 as compared to net loss of QR306.7mn in 2Q2018 and net profit of QR3.2mn in 1Q2019. QFBQ reported negative total income of QR18.2mn in 2Q2019 as compared to negative total income of QR251.7mn in 2Q2018. The bank's total assets stood at QR3.1bn at the end of June 30, 2019, down 28.2% YoY (-7.6% QoQ). Financing assets were QR1.3bn, registering a decline of 3.5% YoY (-11.2% QoQ) at the end of June 30, 2019. Financing liabilities declined 64.2% YoY to reach QR0.3bn at the end of June 30, 2019. However, on QoQ basis, financing liabilities rose 38.6%. Loss per share stood flat YoY at QR0.15 in 2Q2019. In 1H2019, QFBQ reported a net loss of QR301.3mn compared with net loss of QR353.9mn for the same period in 2018. The Shari'ah-compliant bank based in Qatar and listed on the QSE posted a total income of QR13.8mn in 1H2019, compared with a negative income of QR243.0mn in the same period of 2018. QFBQ's CEO, Ali Mohamed Al-Obaidly said, "Even though the bank had to announce a loss this quarter, our operations show positive growth momentum. However, it was internally a tough call to make. QFBQ resolved totally to wash away any previously accumulated losses. Though QFBQ still has to achieve its growth goals, I believe it is ready now for a fresh start free from any past bad performance burdens. Senior management in line with QFBQ's newly elected BoD shall exert all best efforts to correct the QFBQ trajectory and get it back into the green. I, therefore, appreciate our shareholders and stakeholders patience and trust." Fee-based income reached QR15.5mn for the first half of 2019, an increase of 54.4% compared to QR10.1mn for the same period 2018 due to QFBQ's newly implemented business strategy of moving away from asset-based income generation to being a fee income based business. Moreover, QFBQ's prudent control measures have positively impacted the overall performance in relation to total income. "Operationally our 2019 financial year started with a positive note, generating a net profit in the first quarter after many continuous quarters of losses. Our income streams are showing positive signs growth momentum which is a manifest that QFBQ is progressively and steadily moving forward in the right direction," Al-Obaidly said. (QSE, Peninsula Qatar, Gulf-Times.com)
- QCFS' net profit declines ~41% YoY and ~62% QoQ in 2Q2019** – Qatar Cinema and Film Distribution Company's (QCFS) net profit declined ~41% YoY (~62% QoQ) to ~QR1mn in 2Q2019. In 1H2019, QCFS reported net profit of QR4.3mn as compared to QR4.7mn in 1H2018. EPS amounted to QR0.069 in 1H2019 as compared to QR0.075 in 1H2018. (QSE)
- Qatargas delivers first Q-Max LNG cargo to Zeebrugge Terminal in Belgium** – Qatargas delivered the first liquefied natural gas (LNG) cargo on a Q-Max vessel to Zeebrugge LNG Terminal in Belgium, marking the first discharge of a Q-Max LNG vessel at

this facility. The cargo, which was loaded at the Ras Laffan terminal in Qatar on June 22, arrived on board the Q-Max vessel, 'Al Dafna' on July 22. The delivery also celebrates yet another multi-terminal delivery for Qatargas bringing the total number of multi-port deliveries undertaken by the company in 2019 to eight deliveries. This operation saw the first LNG parcel discharged in Zeebrugge and a second parcel at the South Hook LNG terminal in the UK. Qatargas' CEO, Sheikh Khalid bin Khalifa Al Thani said, "At Qatargas, we are very much focused on further developing the concept of multi-port deliveries of our LNG cargoes and offer it to our global portfolio of customers. This will provide our customers with flexibility and reliability to help them meet their demand for clean burning natural gas while enhancing flexibility of supply. As the World's Premier LNG Company, we are committed to meeting and exceeding the expectations of our customers." (Gulf-Times.com)

- Qatar's trade surplus at QR14bn in June** – Qatar's foreign merchandise trade balance, which represents the difference between total exports and imports, showed a surplus of QR14bn in June, a decline of about QR4bn or 22.4% compared to the corresponding month previous year. When compared on monthly basis, the trade surplus has increased by nearly QR400mn, or 2.6%, compared to May 2019. The total value of exports of goods, including exports of goods of domestic origin and re-exports, in June 2019 reached at QR22bn, showing a decrease of 18.2%, compared to the same month in 2018. On monthly basis, Qatar's exports in June 2019 decreased by 3.4% compared to May 2019, preliminary data released by the Planning and Statistics Authority (PSA) showed. On the other hand, the imports of goods in June 2019 amounted to around QR8.1bn, showing a decrease of 9.6% over June 2018. However, on a MoM basis, the imports decreased by 12.4%. The YoY decrease in total exports was mainly due to lower exports of Petroleum gases and other gaseous hydrocarbons (LNG, condensates, propane, butane, among others) reaching at about QR12.7bn in June 2019, a decrease of 17.8%, Petroleum oils and oils from bituminous minerals (crude) reaching QR4.1bn, decreased by 19.6%, and decrease in the Petroleum oils and oils from bituminous minerals (not crude) reaching QR1.8bn, decreased by 31.2%. (Peninsula Qatar)
- Domestic insurance firms' aggregate assets grew 11% to QR56.2bn in 2018-end** – The aggregate assets of the domestic insurance firms grew by 11% to QR56.2bn in 2018-end, Qatar Central Bank's (QCB) data showed. In 2017, the aggregate assets of the national insurance companies supervised and regulated by QCB stood at QR50.6bn. During 2018, all the insurers recorded growth in assets led by healthy growth in the largest company, QCB stated in its 10th Financial Stability Review. Reflecting the healthy growth in insurance, gross written premium (GWP) grew by 7.5% during 2018 on top of 14.5% during the previous year. GWP stood at QR15.5bn in December-end 2018. The entire increase came from the

contribution of domestic insurers in Qatar, which was QR15.2bn and GWP of international branches was QR0.3bn. Net Written Premiums (NWP) grew by 10.6% following similar increase in the previous year. Increasing business, lower losses and healthy rise in investment income contributed to rise in income and profits. The growth in gross income in 2018 doubled to 12.8% from 6.4% during 2017. Net profit after declining sharply during the previous two years, recorded a healthy 22% growth in 2018. Consequently, there was a sharp rise in the return on equity. Reflecting the increase in business and the consequent need for funds, there was significant increase in the leverage ratio during the year. Solvency of insurance firms moderated somewhat from very high levels, but remained much above the regulatory requirements. Average solvency ratio stood at 247.7% on solo basis and 231.4 on consolidated basis. Liquidity moderated due to increase in technical provisions but remained comfortable during 2018. GWP and NWP both recorded healthy growth during 2018 and the retention ratio increased from 76.9% to 79.1%. It shows higher retention of premium for direct insurance, QCB stated. (Gulf-Times.com)

- ValuStrat: Qatar's office supply GLA stood at 4.54mn square meters in 2Q2019** – The total estimated gross leasable area (GLA) of Qatar's office supply stood at 4.54mn square meters as of second quarter this year, research and consultancy firm ValuStrat stated in a report. Some seven office buildings were added this quarter, of which three were in Lusail (Energy City and Lusail Marina District) and one each in Fereej Bin Mahmoud, Old Al Ghanim, Abu Hamour and Al Muntazah, comprising 200,000 square meters GLA, ValuStrat stated in its 'Qatar Real Estate Market 2nd Quarter 2019 Review'. Upcoming projects until 2019-end (currently under construction) totaled 600,000 square meters GLA, 52% of which are in Lusail, 45% in Doha Municipality (Msheireb Downtown, Al Dafna, Al Sadd, Al Hitmi and Old Airport) and the remaining located in various areas of Qatar. Median office asking rents fell 14% YoY and 4% QoQ. As per ValuStrat research, countrywide occupancy of office space is estimated at 65%. As of 2Q2019, the total supply of organized retail space reached 1.81mn square meters, owing to new additions of neighborhood retail centers in Lusail. (Gulf-Times.com)
- SMEs in Qatar look to cloud systems to drive growth** – The benefits of cloud technology, such as cost efficiency, among many others, is helping drive business growth and the rapid development of Qatar's small and medium-sized enterprise (SME) ecosystem, an industry expert said. Qatar is relying on state-of-the-art services and solutions by major companies, such as Microsoft and other global vendors; some SMEs in Qatar, meanwhile, depend on cloud business, which is offered by these leading solutions providers, according to Bright Information Systems' (BIS) General Manager, Hisham Mousa. According to Mousa, the cloud is a unique model, which follows the 'pay-as-you-go' and 'pay-as-you-grow' concept. Similar to paying utility bills, SMEs are only charged for the infrastructure that they need, he pointed out. (Gulf-Times.com)

International

- CBI: EU must move faster to prepare for no-deal Brexit risk** – The European Union (EU) is less prepared for a no-deal Brexit than Britain, potentially leaving British firms at a disadvantage

if there is no transition agreement and weakening London's hand in future trade talks, a British employers group stated. The EU, with the exception of Ireland, lags behind Britain in its no-deal preparations by some way, the Confederation of British Industry (CBI) stated. "The combination of the EU and UK's different approaches creates an imbalance, where EU goods and services exports will have easier access to the UK than UK goods and services exports will to the EU. From the business perspective, the UK has taken the more responsible approach, but it has also put the UK in a position of relative weakness for negotiating with the EU in the future," the CBI stated in a report. While Britain also needs to improve its preparedness, the EU has so far taken only a few limited, temporary measures such as allowing British Heavy Goods Vehicle licenses to be valid for nine months after a no-deal Brexit and permitting British aero planes to continue flying for six months, the CBI stated. (Reuters)

- Survey: Slow growth, recession risk in near-term future for Germany** – Germany's economy is no longer experiencing a bump in the road, but rather a prolonged slowdown that risks tipping into recession as export-reliant companies face weakening growth prospects, according to a dpa survey of German economists. "Economic blip sounds a little too optimistic for me. I would instead speak of a marked downward movement," Eckart Tuchtfield, an economist with Germany's Commerzbank, told dpa. Katharina Utermoehl of the German insurer Allianz said, "This is no longer a dent in growth, but rather a sustained weak phase." Utermoehl pointed to a whole range of struggles for Europe's largest economy, ranging from a global trade downturn and weak auto sector to heightened political uncertainty over trade disputes, Italy and Brexit. Those dangers leave many economists seeing little chance of a recovery in the second half of 2019. "The risk of a recession is meanwhile becoming quite high," Utermoehl said. The economists' view is in line with that of the German government and citizens. A survey last week found that half of Germans expect the economy to worsen in the coming years. Only 14% of Germans expect an economic upturn in the next few years, while 34% expect things to stay the same, the survey commissioned by broadcasters RTL and n-tv found. Berlin has also cut its economic growth predictions in recent months. The government's spring forecast predicted growth at just 0.5% for 2019. (Qatar Tribune)
- China will pursue foreign exchange reserves diversification in prudent way** – China will pursue the diversification of its foreign exchange reserves in a steady, prudent way, the country's foreign exchange regulator stated as it for the first time released some broad data on its reserve holdings. China, which has for some years been diversifying its foreign currency investments, gave no details on the exact composition of its forex reserves, still considered a state secret, and the data it did release were some years old. Out of China's forex reserves in 2014, 58% were held in US Dollar-denominated assets, down from 79% in 1995, the State Administration of Foreign Exchange (SAFE) stated in a report. The average annual return rate of China's foreign exchange reserves was 3.68% between 2005 and 2014, the regulator stated, adding China will strengthen its medium- and long-term foreign exchange asset allocation, without elaborating. China's foreign exchange

reserves, the world's largest, rose by \$18.23bn in June to \$3.119tn, data from the People's Bank of China showed. China will also relax currency exchange approval rules for the commodities futures market, the regulator stated. (Reuters)

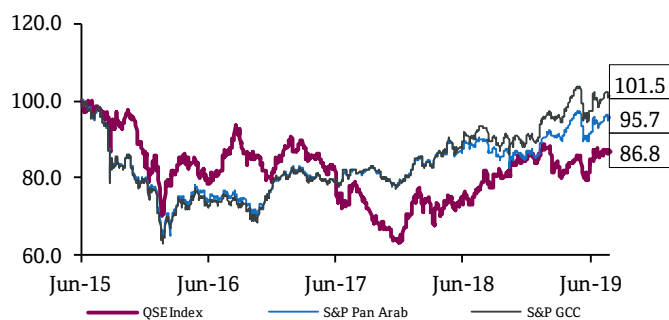
Regional

- **Saudi Arabian Monetary Authority's net foreign assets fell to \$506.5bn in June** – Saudi Arabian Monetary Authority's (SAMA) net foreign assets fell to \$506.5bn in June, SAMA stated in its monthly report. Points of sale transactions rose 7.4% annually. Total value of cash withdrawals fell 12% annually. (Bloomberg)
- **SABIC's profit plunges to lowest in 10 years on chemicals slump** – Saudi Basic Industries Corp.'s (SABIC) second-quarter profit plunged to the lowest level since 2009 as demand for chemicals and plastics declined. Net income dropped to SR2.12bn from SR6.7bn a year ago, the biggest petrochemicals maker in the Middle East stated. The average estimate of five analysts was for a profit of SR3.37bn. A downturn in the global economy, including the car industry, has dented demand for plastics and chemicals, leading to a spate of profit warnings at companies such as BASF. "Though lower petrochemical prices have negatively affected SABIC's second-quarter results, our operational performance remains robust," CEO, Yousef Abdullah Al Benyan said. "SABIC remains optimistic on industry fundamentals over the long term and we continue to invest for growth. The new capacities in key products lines that pressured SABIC's product prices and margins in the first half of 2019 are expected to continue to impact the company's earnings in the second half of 2019," the company stated. SABIC stated that there is no change to its previous outlook. (Bloomberg)
- **SABIC has no plan to take over Clariant, investment is strategic** – Saudi Basic Industries Corp. (SABIC) has no interest in taking over Clariant after the chemicals makers last week halted talks on their high-performance plastics venture, the company's CEO, Yousef Abdullah Al Benyan said. "Our investment in Clariant is a strategic investment, we're going to continue to look at this investment as a growth opportunity," he said. SABIC last year bought a 24.99% stake in the Swiss chemicals specialist. "We have no interest in a full takeover if that's your question, but we have an interest to grow our share and make sure that we can really bring positive growth and return on investment for SABIC and Clariant shareholders," he said when asked about the prospect of raising its stake. (Bloomberg)
- **Saudi Arabia to start next phase of flour mill privatization** – Saudi Arabia's state grain buyer SAGO stated that it will start the next phase of the sale of its flour mills on Wednesday, which will see pre-qualified bidders perform due diligence and present financial offers. The sale is one of the first privatizations the Kingdom is planning as part of a wide-reaching overhaul of its economy. It has attracted interest from some of the world's largest agribusiness firms, including Archer Daniels Midland Co. and Bunge Ltd. Still, Saudi Grains Organization (SAGO) in its statement yesterday did not name successful pre-qualified bidders from the first phase of the process last year. Privatization of the flour milling sector is seen as a litmus test for other large state asset sales to follow. Large grain market players' interest in SAGO's mills comes as Saudi Arabia grows increasingly dependent on grain imports. The Kingdom has become a major importer of wheat and barley since abandoning plans in 2008 to become self-sufficient - as farming in the desert was draining scarce water supplies. However, grain industry sources have said the lengthy privatization process has since discouraged some potential bidders. (Reuters)
- **China buys record volume of crude oil from Saudi Arabia in June** – China's purchases of crude oil from Saudi Arabia rose to a record of 7.72mn tons in June, up from 4.7mn tons in May, according to data released by the General Administration of Customs. Saudi Arabia-China oil flows in June were above previous record of 7.33mn tons set in March. (Bloomberg)
- **Saudi Arabia to resume levying cement and steel exports** – Saudi Arabia is lifting a two-year moratorium on taxing cement and steel exports, the Aliqtisadia newspaper reported, citing Commerce and Investment Ministry spokesman, Abdul Rahman Hussein. In July 2017, levies on cement exports were cut by half, while taxes on steel were suspended, in part due to a downturn in construction activity. (Bloomberg)
- **Dubai financial hub adds companies even as slowing growth weighs** – The number of financial companies operating in the Dubai International Financial Centre rose 11% during the first half, even as a slowing global economy forced some banks to cut jobs. Almost 2,290 companies, including 671 financial firms, are now based in the tax-free business park with the number of jobs increasing by 660 to more than 24,000, according to a statement on the DIFC's website. Malaysia's Maybank Islamic Berhad, Cantor Fitzgerald and Australia's Atlas Wealth Management were among the financial firms that joined. Dubai ranked as the Middle East's leading financial center in a March study by consulting firm Z/Yen. The hub climbed three places to No. 12, ahead of Abu Dhabi by 14 places. Riyadh ranked 61st. Still, Barclays and Deutsche Bank have reduced their presence in the financial district in recent years and the hub has turned to African and Asian institutions to fill office space. (Bloomberg)
- **Abu Dhabi Commercial Bank second quarter profit falls 11% on lower income** – Abu Dhabi Commercial Bank (ADCB), which formally merged with two other banks this year, reported an 11% drop in second quarter profit, as both interest income and non-interest income declined. ADCB's result came after two of the biggest banks in the United Arab Emirates - First Abu Dhabi Bank (FAB) and Emirates NBD (ENBD) - reported higher quarterly earnings showing signs of resilience against the country's sluggish economy. ADCB's core business activities showed signs of weakness. Net interest income fell 7% to AED2.59bn, while non-interest income dropped 9% to AED656mn. ADCB stated that non-interest income in the first half of the year declined by 6%, primarily due to a drop in fees and commission, hit by lower loan processing fees. ADCB made a net profit of AED1.45bn in the three months ending June 30, compared to AED1.62bn in the prior-year period, it stated. EFG Hermes had projected a net profit of AED1.3bn for the second quarter. This is the first combined proforma financials after ADCB merged with two smaller banks – Union National Bank (UNB) and Al Hilal Bank. ADCB, the third largest bank by assets in the UAE, stated that the integration is on track for

completion by end-2020 with cost synergies of AED69mn already realized, representing 11% of the total target of AED615mn scheduled for full year 2021. One-off integration costs at AED87mn to date are in line with planned expenditure of AED800mn to complete integration, the bank stated. (Reuters)

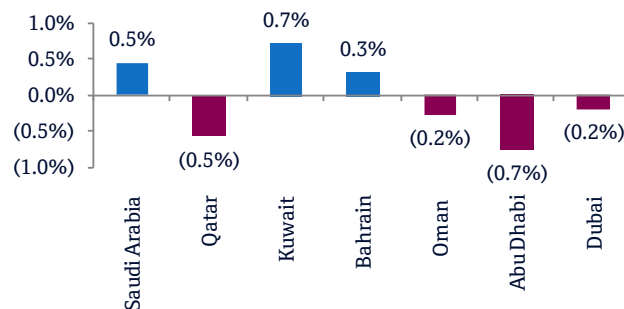
- **Aldar Properties awards AED1bn worth of contracts for Alreeman and Reflection** – Aldar Properties has awarded AED1bn worth of contracts awarded to Tristar and Fibrex. Works commenced on Alreeman project in Alshamkha and Reflection on Reem Island. Work on infrastructure in Alreeman, a master-planned residential and commercial investment zone in the Alshamkha which was launched earlier this year, commenced in July, following the appointment of Tristar Engineering & Construction as the main contractor. With a contract value of AED794mn, the handover of the work on the 2.8mn square meters development is expected by July 2021. As part of the 24- month contract, Tristar’s mandate will include the construction of roads and infrastructure alongside all works related to earth, storm drainage and sewerage. The contractor’s work will also include installing the gas network, water works, irrigation and telecom systems, in addition to general road works, street lighting and landscaping. Steady progress is taking place across all of Aldar Property’s developments on Yas Island. The main contract of AED220mn worth of construction work at Reflection was awarded to Fibrex Construction Group in April will be completed over a period of 24 months. Excavation, piling and shoring works as well as pile load tests have already been completed at the boutique two tower residential development offering 374 homes, while pile head cutting is underway. (ADX)
- **Dana Gas hires advisor to sell Egypt assets** – Dana Gas has hired Tudor, Pickering, Holt & Co. to advise on the sale of its Egyptian assets, Reuters reported, citing sources. The assets are worth over \$500mn, according to the report. Dana Gas stated that it has plugged and abandoned a deepwater well in Egypt after it did not find commercial hydrocarbons. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,418.80	0.3	(0.5)	10.6
Silver/Ounce	16.39	(0.1)	1.2	5.8
Crude Oil (Brent)/Barrel (FM Future)	63.46	0.1	1.6	18.0
Crude Oil (WTI)/Barrel (FM Future)	56.20	0.3	1.0	23.8
Natural Gas (Henry Hub)/MMBtu	2.26	0.0	(0.4)	(29.1)
LPG Propane (Arab Gulf)/Ton	48.00	(1.3)	(5.0)	(24.4)
LPG Butane (Arab Gulf)/Ton	43.25	2.4	(7.5)	(38.2)
Euro	1.11	(0.2)	(0.8)	(3.0)
Yen	108.68	0.0	0.9	(0.9)
GBP	1.24	(0.6)	(0.9)	(2.9)
CHF	1.01	(0.3)	(1.2)	(1.2)
AUD	0.69	(0.6)	(1.9)	(2.0)
USD Index	98.01	0.2	0.9	1.9
RUB	63.35	0.2	0.5	(9.1)
BRL	0.26	0.0	(0.8)	2.8

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,215.71	0.4	1.0	17.6
DJ Industrial	27,192.45	0.2	0.1	16.6
S&P 500	3,025.86	0.7	1.7	20.7
NASDAQ 100	8,330.21	1.1	2.3	25.5
STOXX 600	390.73	0.2	(0.1)	12.4
DAX	12,419.90	0.4	0.3	14.3
FTSE 100	7,549.06	0.3	(0.4)	9.0
CAC 40	5,610.05	0.5	0.1	15.2
Nikkei	21,658.15	(0.5)	(0.0)	9.9
MSCI EM	1,048.66	(0.5)	(0.8)	8.6
SHANGHAI SE Composite	2,944.54	0.1	0.7	18.1
HANG SENG	28,397.74	(0.7)	(1.4)	10.1
BSE SENSEX	37,882.79	0.4	(1.2)	6.3
Bovespa	102,818.90	0.7	(1.3)	20.3
RTS	1,348.30	0.1	(0.2)	26.2

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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