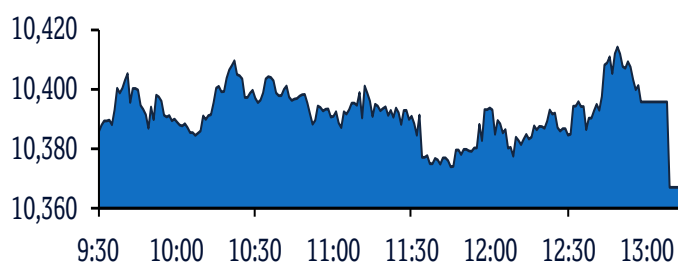


QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.3% to close at 10,367.1. Losses were led by the Telecoms and Real Estate indices, falling 1.6% and 1.2%, respectively. Top losers were Qatari Investors Group and The Commercial Bank, falling 4.6% and 3.4%, respectively. Among the top gainers, Qatar Aluminium Manufacturing Company gained 8.7%, while Al Khaleej Takaful Insurance Company was up 4.2%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.5% to close at 8,091.8. Gains were led by the Food & Staples and Utilities indices, rising 1.9% and 1.7%, respectively. Buruj Cooperative Insurance rose 6.2%, while Walaa Cooperative Insurance was up 4.3%.

Dubai: The DFM Index gained marginally to close at 2,781.1. The Invest. & Fin. Services index rose 1.5%, while the Services index rose 1.2%. International Financial Advisors rose 4.6%, while National Central Cooling Co. was up 4.1%.

Abu Dhabi: The ADX General Index fell 0.3% to close at 5,057.3. The Banks index declined 0.9%, while the Industrial index fell 0.5%. Abu Dhabi Ship Building Company declined 4.3%, while Arkan Building Materials Company was down 2.3%.

Kuwait: The Kuwait All Share Index fell 0.3% to close at 5,678.7. The Banks index declined 0.5%, while the Consumer Goods index fell 0.3%. Amwal International Investment declined 20.0%, while IFA Hotels & Resorts Company was down 12.3%.

Oman: The MSM 30 Index fell 0.4% to close at 4,017.7. Losses were led by the Financial and Services indices, falling 0.4% and 0.1%, respectively. Muscat Gases fell 9.1%, while SMN Power Holding was down 7.9%.

Bahrain: The BHB Index fell 0.1% to close at 1516.5. The Commercial Banks index declined 0.2%, while the other indices ended flat or in green. Ahli United Bank declined 0.6%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar Aluminium Manufacturing	1.00	8.7	37,669.5	(25.4)
Al Khaleej Takaful Insurance Co.	2.00	4.2	6,872.0	132.8
Medicare Group	7.64	3.7	1,661.5	21.1
Investment Holding Group	0.53	1.7	3,000.5	7.8
Al Khalij Commercial Bank	1.20	1.7	700.0	4.0

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Ezdan Holding Group	0.67	(2.5)	41,899.0	(48.1)
Qatar Aluminium Manufacturing	1.00	8.7	37,669.5	(25.4)
Aamal Company	0.70	(1.7)	35,806.6	(20.8)
Al Khaleej Takaful Insurance Co.	2.00	4.2	6,872.0	132.8
Qatar First Bank	0.31	(0.3)	6,495.9	(23.0)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,367.08	(0.3)	(0.5)	1.3	0.7	110.08	157,891.5	15.0	1.6	4.2
Dubai	2,781.07	0.0	(0.6)	0.8	9.9	25.77	99,584.5	11.7	1.0	4.4
Abu Dhabi	5,057.32	(0.3)	(0.2)	(2.1)	2.9	39.84	141,017.0	15.2	1.4	4.9
Saudi Arabia	8,091.76	0.5	0.8	0.9	3.4	944.29	508,792.0	19.9	1.8	3.7
Kuwait	5,678.70	(0.3)	(0.6)	(4.4)	11.8	63.02	106,026.5	14.1	1.4	3.7
Oman	4,017.69	(0.4)	0.0	0.3	(7.1)	6.40	17,479.0	8.2	0.8	6.8
Bahrain	1,516.53	(0.1)	(0.3)	(1.1)	13.4	1.02	23,687.0	11.4	1.0	5.1

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	30 Sep 19	29 Sep 19	%Chg.
Value Traded (QR mn)	402.9	193.0	108.7
Exch. Market Cap. (QR mn)	574,778.1	575,860.0	(0.2)
Volume (mn)	185.7	105.8	75.5
Number of Transactions	10,183	4,767	113.6
Companies Traded	45	46	(2.2)
Market Breadth	19:21	17:20	-

Market Indices	Close	1D%	WTD%	YTD%	TTMP/E
Total Return	19,076.30	(0.3)	(0.5)	5.1	15.0
All Share Index	3,053.53	(0.3)	(0.3)	(0.8)	15.2
Banks	3,988.09	(0.4)	(0.4)	4.1	13.8
Industrials	3,126.65	(0.3)	(1.3)	(2.7)	18.0
Transportation	2,625.46	1.0	1.0	27.5	14.5
Real Estate	1,460.60	(1.2)	1.0	(33.2)	16.0
Insurance	2,973.35	(0.1)	0.0	(1.2)	17.3
Telecoms	925.69	(1.6)	(1.1)	(6.3)	16.9
Consumer	8,667.30	1.0	0.1	28.4	17.1
Al Rayan Islamic Index	3,989.00	(0.2)	(0.5)	2.7	14.7

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Jabal Omar Dev. Co.	Saudi Arabia	26.40	3.7	3,497.8	(23.3)
Arab National Bank	Saudi Arabia	24.00	3.2	1,709.7	12.9
National Shipping Co.	Saudi Arabia	29.30	2.6	1,851.1	(12.3)
Saudi Cement Co.	Saudi Arabia	71.20	2.2	357.2	46.7
Saudi Electricity Co.	Saudi Arabia	21.30	1.8	2,503.3	40.7

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Ominvest	Oman	0.34	(3.4)	206.5	(0.8)
The Commercial Bank	Qatar	4.31	(3.4)	1,656.7	9.4
Ooredoo	Qatar	7.23	(2.7)	3,044.4	(3.6)
Ahli United Bank	Kuwait	0.31	(2.2)	217.7	10.3
Bank Nizwa	Oman	0.09	(2.1)	7,068.0	1.1

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

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatari Investors Group	1.85	(4.6)	3,305.0	(33.5)
The Commercial Bank	4.31	(3.4)	1,656.7	9.4
Islamic Holding Group	1.95	(3.0)	1,600.9	(10.8)
Qatari German Co for Med. Dev.	0.71	(2.9)	1,830.6	25.3
Ahli Bank	3.40	(2.9)	211.9	33.6

QSE Top Value Trades	Close*	1D%	Vol. '000	YTD%
QNB Group	19.29	0.5	68,848.1	(1.1)
Qatar Aluminium Manufacturing	1.00	8.7	36,817.5	(25.4)
Qatar Islamic Bank	15.60	(2.1)	34,800.0	2.6
Ezdan Holding Group	0.67	(2.5)	28,783.8	(48.1)
Aamal Company	0.70	(1.7)	25,232.9	(20.8)

Source: Bloomberg (* in QR)

Qatar Market Commentary

- The QE Index declined 0.3% to close at 10,367.1. The Telecoms and Real Estate indices led the losses. The index fell on the back of selling pressure from GCC and non-Qatari shareholders despite buying support from Qatari shareholders.
- Qatari Investors Group and The Commercial Bank were the top losers, falling 4.6% and 3.4%, respectively. Among the top gainers, Qatar Aluminium Manufacturing Company gained 8.7%, while Al Khaleej Takaful Insurance Company was up 4.2%.
- Volume of shares traded on Monday rose by 75.5% to 185.7mn from 105.8mn on Sunday. Further, as compared to the 30-day moving average of 100.7mn, volume for the day was 84.5% higher. Ezdan Holding Group and Qatar Aluminium Manufacturing Company were the most active stocks, contributing 22.6% and 20.3% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	24.70%	25.73%	(4,162,872.69)
Qatari Institutions	32.96%	29.07%	15,679,944.50
Qatari	57.66%	54.80%	11,517,071.82
GCC Individuals	2.18%	1.06%	4,516,702.08
GCC Institutions	0.67%	2.84%	(8,730,493.75)
GCC	2.85%	3.90%	(4,213,791.67)
Non-Qatari Individuals	7.97%	8.28%	(1,233,476.40)
Non-Qatari Institutions	31.52%	33.02%	(6,069,803.75)
Non-Qatari	39.49%	41.30%	(7,303,280.15)

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

Ratings, Global Economic Data and Earnings Calendar

Ratings Updates

Company	Agency	Market	Type*	Old Rating	New Rating	Rating Change	Outlook	Outlook Change
Walaah Cooperative Insurance	S&P	Saudi Arabia	LT-FSR/GCC-RSFS	BBB+/gcAA+	BBB+/gcAA+	-	Positive	-
National Bank of Kuwait	Fitch	Kuwait	LT-IDR/VR	AA-/a-	AA-/a-	-	Stable	-

Source: News reports, Bloomberg (* LT - Long Term, ST - Short Term, FSR - Financial Strength Rating, GCC RSFS - GCC Regional Scale Financial Strength Rating, IDR - Issuer Default Rating, VR - Viability Rating)

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
09/30	UK	UK Office for National Statistics	GDP QoQ	2Q2019	-0.2%	-0.2%	-0.2%
09/30	UK	UK Office for National Statistics	GDP YoY	2Q2019	1.3%	1.2%	1.2%
09/30	UK	Bank of England	M4 Money Supply YoY	August	3.2%	-	2.7%
09/30	Germany	German Federal Statistical Office	CPI MoM	September	0.0%	0.0%	-0.2%
09/30	Germany	German Federal Statistical Office	CPI YoY	September	1.2%	1.3%	1.4%
09/30	Japan	Ministry of Economy Trade and Industry	Industrial Production MoM	August	-1.2%	-0.5%	1.3%
09/30	Japan	Ministry of Economy Trade and Industry	Industrial Production YoY	August	-4.7%	-3.9%	0.7%
09/30	China	Markit	Composite PMI	September	53.1	-	53.0
09/30	China	China Federation of Logistics	Manufacturing PMI	September	49.8	49.6	49.5
09/30	China	China Federation of Logistics	Non-manufacturing PMI	September	53.7	53.9	53.8
09/30	China	Markit	Caixin China PMI Mfg	September	51.4	50.2	50.4

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 3Q2019 results	No. of days remaining	Status
MCGS	Medicare Group	9-Oct-19	8	Due
QNBK	QNB Group	9-Oct-19	8	Due
GWCS	Gulf Warehousing Company	15-Oct-19	14	Due
KCBK	Al Khalij Commercial Bank	15-Oct-19	14	Due
QIBK	Qatar Islamic Bank	16-Oct-19	15	Due
UDCD	United Development Company	23-Oct-19	22	Due
DHBK	Doha Bank	23-Oct-19	22	Due
SIIS	Salam International Investment Limited	24-Oct-19	23	Due
MARK	Masraf Al Rayan	27-Oct-19	26	Due
QIGD	Qatari Investors Group	27-Oct-19	26	Due
ORDS	Ooredoo	29-Oct-19	28	Due

Source: QSE

Qatar

- **Qatar Central Securities Depository modifies the foreigners' ownership limit of NLCS** – Qatar Central Securities Depository has modified the foreigners' ownership limit of Alijarah Holding (NLCS) to be 49% of the capital, which is equal to 242,452,980 shares. (QSE)
- **Qatar First Bank's CEO resigns** – Qatar First Bank's board of directors announced that the resignation of Ali Mohammed Al Obaidli from the position of CEO. (QSE)
- **QFLS to disclose 3Q2019 financial statements on October 16** – Qatar Fuel Company (QFLS) announced its intent to disclose 3Q2019 financial statements for the period ending September 30, 2019, on October 16, 2019. (QSE)
- **ABQK to disclose 3Q2019 financial statements on October 17** – Ahli Bank (ABQK) announced its intent to disclose 3Q2019 financial statements for the period ending September 30, 2019, on October 17, 2019. (QSE)
- **Ooredoo announces date to pay interest to bondholders** – Ooredoo announced that Ooredoo International Finance Limited (OIFL), its wholly-owned subsidiary, pursuant to the Terms and Conditions of the Notes and the Final Terms, will pay its Global Medium Term Note (GMTN) holders' interest payment on October 21, 2019. (QSE)
- **Qatar Petroleum announces fuel prices for October** – Qatar Petroleum announced the diesel and gasoline prices for October, which will stabilize for gasoline (91) and diesel, while the super gasoline (95) will see a slight increase. Qatar Petroleum has set the price of diesel liter to QR1.85 in October, the same price set for September. The price of super gasoline (95) was set at QR1.85 per liter during October; this was up from QR1.8 in September, an increase of 2.8%. The price of premium gasoline (91) stabilized for the second month in a row, as Qatar Petroleum set its price at QR1.7 per liter in October. (Gulf-Times.com)
- **Qatar Central Bank's August foreign reserves rise to QR197bn** – Qatar Central Bank has published Qatar's foreign reserves and data on monetary aggregates for August on the website. International reserves and foreign currency liquidity rose to QR197bn from QR196.2bn in July 2019. August M1 money supply declined 1.7% from year ago and 1.2% MoM. Further August M2 money supply falls 5.1% YoY and 0.5% MoM. (Bloomberg)
- **Qatar's economy performing better after blockade** – Qatar has performed better on most of the key economic indicators since blockade, CEOs of prime Qatari entities have said. Speaking at a knowledge sharing session titled 'Qatar – Land of Opportunities' organized by Doha Bank, Qatar Financial Centre's (QFC) CEO, Yousuf Mohamed Al Jaida said that Qatar has performed better in five out of the seven key economic indicators in the post-blockade period of almost two and half years. Comparing pre-blockade period (2014-2016) with post-blockade period (2017-2019), he said, Qatar's nominal GDP, non-hydrocarbon growth, hydrocarbon growth, real GDP growth forecast and average annual inflation have fared better in the post-blockade period. Real GDP growth and Qatar Real Estate Price Index are the only two economic indicators where the country witnessed marginal decline, he said. Despite the ongoing blockade imposed on the country, Jaida said, Qatar's real GDP is forecast to grow at a compound annual growth rate of 2.8% in the next five years, the second fastest in the GCC region. Highlighting the factors impacting Real GDP growth in Qatar, he said, "Qatar's planned expansion of LNG production and infrastructure projects related to 2020 FIFA World Cup will drive growth in Qatar in the next five years." (Qatar Tribune)
- **Qatar's emerging new cities attract investors** – Investors are showing growing interests in Qatar's emerging new city centers like Al Rayyan, Al Wakrah, Al Shamal, and Al Daayen. There is a rapid movement of developments in these suburbs, which signal increasing urbanization now taking place in various municipalities across Qatar, an official from the Ministry of Municipality and Environment (MME) has said. In light of the Qatar National Vision 2030, the MME has adopted a national framework in 2014, which will guide urban development in Qatar over the next 20 years. These plans and policies aim to ensure a high standard of living for the residents, manage population growth and build a sustainable community which is designed for the well-being of Qatari people and expatriate residents in the country. "Establishing new cities initiative is part of the Qatar National Master Plan and the Municipal Special Development Plan. There are a number of developments in emerging new city centers, and they are increasingly growing to attract investors as well as residents. We cannot have the same centre of Doha as the only hub of business," Mohamed El Alaily, Senior Specialist for Engineering Program/Projects Management at MME said. He added that aside from the ongoing infrastructure and road developments led by the Public Works Authority (Ashghal), there are also commercial, industrial, and logistics developments planned to be further developed in the new city centers. (Peninsula Qatar)
- **Qatar considering bid for 2030 Asian Games** – Qatar is considering a bid for the 2030 Asian Games but has not formally thrown its hat in the ring, a Qatar Olympic Association (QOC) official said, its latest effort to establish Doha as a major sports capital. Doha hosted the 2006 Asian Games, which were widely considered a success, and used them as stepping stone to pursue bigger sporting prizes, including an unsuccessful bid for the 2016 Summer Olympics. (Reuters)
- **Vodafone Qatar unveils the reach of its 5G network** – Vodafone Qatar unveiled the extensive reach of its 5G network that covers key locations across the country including 70% of Doha, and the roll-out continues to expand. Among the locations where Vodafone Qatar's 5G network is live are Al Rayyan, Al Aziziyah, Al Hilal, Al Gharaffa, Al Sadd, Al Wakrah, Abu Hamour, Nuaija, Education City, Khartiyat, Mamoura, Msheireb, Old Airport, The Pearl, Thumama, Umm Salal and West Bay. Vodafone Qatar's leading role in the rapid roll-out of this advanced technology in Qatar was announced at an exclusive event attended by senior Vodafone Qatar officials in the presence of media representatives. With its new 5G coverage map unveiled at the event by Vodafone Qatar's brand Ambassador, Mohammed Saadon Al-Kuwari, the company also launched the country's

first 'Unlimited 5G Plans' to give mobile users the full 5G experience, and allow them to take advantage of its unprecedented speed. Speaking at the event, Vodafone Qatar's CEO, Sheikh Hamad Abdulla Al Thani said, "Vodafone Qatar has demonstrated an unwavering commitment to building a world-class infrastructure in support of the realization of the Qatar National Vision 2030. Since switching on our 5G network just over a year ago, our coverage map highlights our rapid progress in deploying 5G across Qatar. With expansion continuing, Qatar will undoubtedly be placed among the ranks of the world's most connected countries." He added, "Similar to 4G, it would take around three years to cover the whole of Qatar with 5G. This technology requires more sites, so we expect that by 2022 the majority of the country will have 5G coverage." (QSE, Gulf-Times.com)

- **Ooredoo launches IoT connect single SIM** – Ooredoo launched IoT Connect Single SIM, a new Internet of Things (IoT)-enabled solution for Qatar's organizations to manage their IoT device data usage. Ooredoo IoT Connect enables organizations to track and manage networked devices with an online portal, measure data consumption, and flag international roaming connections. With IoT Connect Single SIM, organizations can automatically set, monitor, and limit data allowances for individual IoT-connected devices, leading to full mobility cost control. Ooredoo expects strong interest from all industries. High-potential use cases include connected vehicle fleets, smart buildings and facilities management, digital payments with banking and finance, connected construction sites, smart defense and security, IT services, connected manufacturing, digital oilfields, smart malls, and connected utilities. Ooredoo Qatar's COO, Yousuf Abdulla Al-Kubaisi said, "Our IoT Connect Single SIM provides our business customers with simple and scalable industry-leading IoT solutions to manage their mobile connectivity. Organizations can start small with a few SIMs then easily scale up as their business grows. Extending our IoT portfolio can enhance Qatar's digital transformation and competitiveness, and enable new digital services." (Gulf-Times.com)

International

- **BoE: UK mortgage approvals hit two-year high in July as market stabilizes** – British lenders approved the greatest number of mortgages in two years during July, adding to signs the housing market has stabilized from its pre-Brexit slowdown, official data showed. The Bank of England (BoE) stated lenders approved 67,306 mortgages, up from 66,506 in June and more than any economist predicted in a Reuters poll that had pointed to 66,167 approvals for July. The BoE stated net mortgage lending rose by 4.611bn Pounds in July, the biggest increase since March 2016, while consumer lending increased by 0.897bn Pounds compared with a forecast rise of 1.0bn Pounds on the month. Lending to businesses fell by 4.218bn Pounds last month, the sharpest fall since August 2017. While the series is volatile, the severity of the fall could be another sign of nerves in British companies as the Brexit crisis escalates. Earlier on Friday Lloyds Bank stated business confidence fell in August to its lowest level since late 2011. (Reuters)

- **ONS: Households helped to limit hit to UK economy as it shrank in second quarter** – Households helped to limit the damage to Britain's economy as it shrank in the second quarter ahead of Brexit, according to new data that also showed their financial health was less fragile than previously thought. The Office for National Statistics (ONS) confirmed the economy contracted at a quarterly rate of 0.2% in the second quarter, a hangover from a stockpiling boom before the original Brexit deadline that was postponed until October 31. While British industry and investment wilted in the escalating Brexit crisis, household spending increased at a quarterly rate of 0.4%, marking the fastest growth in a year. The new ONS data also showed Britain's households have been net lenders to the economy rather than net borrowers ever since the second quarter of 2017. Previous data had shown households were net borrowers non-stop since late 2016. (Reuters)
- **Eurozone's unemployment drops, an encouraging sign for growth** – The unemployment rate in the Eurozone dropped in August to its lowest in more than 11 years, official data showed, as services appeared to offset weakening industry, an encouraging sign for the region's growth. The jobless rate in the 19-country Eurozone fell to 7.4%, the European Union statistics agency stated, it's lowest since May 2008 when the Eurozone's economy began to suffer from the subprime mortgage crisis in the US. The drop from 7.5% in July prolonged a decline begun in August 2014 when unemployment was at 11.5%. Since then, the rate has fallen or has remained stable every month for five years. It also defied market forecasts that the unemployment rate remained unchanged from July. The Eurozone's economic growth has been slowing, mostly because of falling industrial output over global trade tensions. The unemployment reading partly allayed fears the manufacturing slowdown would spill over into the larger services sector. (Reuters)
- **German retail sales rise slightly in August** – German retail sales rose slightly in August, data showed, helping to allay concerns that a recession in the manufacturing sector is starting to take its toll on a consumption-driven growth cycle in Europe's largest economy. Retail sales were up by 0.5% on the month in real terms after an upwardly revised drop of 0.8% the previous month, data from the Federal Statistics Office showed. The reading matched a Reuters forecast. On the year, retail sales rose 3.2% after an upwardly revised increase of 5.2% the previous month, the data showed. Retail sales are a volatile indicator often subject to revision. (Reuters)
- **German labor market shows resilience despite manufacturing slump** – German unemployment fell unexpectedly in September, data showed, suggesting that the labor market in Europe's largest economy so far remains relatively immune to an economic downturn being driven by a manufacturing slump. Data from the Federal Labor Office showed the number of people out of work fell by 10,000 to 2.276mn in seasonally adjusted terms. That compared with the Reuters consensus forecast for a rise of 5,000. The office revised down the joblessness figures for August to a rise of 2,000 from a previously reported increase of 4,000. The jobless rate in September held steady at 5.0% - slightly above the record-low of 4.9% reached earlier this year. (Reuters)

- **Japan's September factory activity shrinks most since February as orders slump** – Japanese manufacturing activity contracted at the fastest pace in seven months in September, in a sign of the broadening stress on the economy as global demand and growth slackens in the face of a bitter Sino-US trade war. The final Jibun Bank Japan Manufacturing Purchasing Managers' Index (PMI) fell to a seasonally adjusted 48.9 from a final 49.3 in the previous month, posting the quickest pace of decline since February. The figure matched last week's preliminary September reading. The index has stayed below the 50.0 threshold that separates contraction for a fifth month, marking the longest run of shrinkage since a six-month stretch from March to August 2016. Separate data showed domestic demand might be stronger than thought, as retail sales climbed 2% in August from a year earlier, the sharpest rise since October last year, according to Refinitiv data. (Reuters)
- **Japan business mood sours to six-year low as trade war bites** – Japanese big manufacturers' business confidence worsened to a six-year low in the July-September quarter, a central bank survey showed, a sign the bitter US-China trade war is taking a heavier toll on the export-reliant economy. Sentiment of non-manufacturers also deteriorated with some retailers voicing concern over the potential impact of a sales tax hike kicking off on October 1, the Bank of Japan's closely watched tankan survey showed. The weak readings will keep the central bank under pressure to extend more monetary support for a fragile economy when its board meets for a rate review on October 30-31. But some analysts said business sentiment did not worsen as much as expected and capital expenditure was holding up, which may give the BoJ some breathing space in tapping its dwindling policy tool-kit. The headline index for big manufacturers' sentiment stood at plus 5 in September, worsening 2 points from three months earlier but beating market forecasts for plus 2. It marked the third straight quarter of decline and hit the lowest reading since June 2013 - two months after BoJ's Governor, Haruhiko Kuroda deployed his bazooka monetary stimulus. The big non-manufacturers' sentiment index stood at plus 21, worsening from plus 23 in June and roughly matching a median market forecast for plus 20. (Reuters)
- **S&P Global affirms China's 'A+/A-1' ratings, 'Stable' outlook** – Rating firm S&P Global affirmed China's 'A+/A-1' credit ratings, saying the country would maintain above-average GDP growth and improved fiscal performance over the next three to four years. The rating agency kept the country's outlook 'Stable' and stated it did not expect US-China relations to normalize in the foreseeable future, which likely means Chinese exports and manufacturing sector investment could see little growth over the next few years. S&P Global Ratings stated, "The economy is also likely to face elevated uncertainties owing to US-China tensions and ongoing efforts to restructure the economy and reduce financial risks. US restrictions on technology transfers to China could hinder productivity improvements and China is more likely to maintain strong economic growth if the reform momentum picks up." The rating agency stated it expected China's real GDP per capita growth to remain above 5% annually in the next three years. It stated it could raise its ratings on China if credit growth slows further, but may downgrade if it sees a higher likelihood that China will ease its efforts to stem rising

financial risk and allow higher credit growth to support economic expansion. (Reuters)

- **India's current account gap narrows in June quarter versus year ago** – India's current account deficit (CAD) narrowed to 2% of gross domestic product in the June quarter of the fiscal year ending March 2020 from 2.3% in the same period a year ago due to higher invisible receipts, the central bank stated. On a quarterly basis, however, the CAD widened sharply from 0.7% of GDP seen in the March quarter. CAD, a key indicator of economic health, measures the difference between the values of a country's imported and exported goods and services. (Reuters)

Regional

- **OPEC oil output sinks to lowest since 2011 after Saudi Aramco's attacks** – OPEC oil output has fallen to an eight-year low in September after attacks on Saudi Aramco's oil plants cut production, deepening the impact of a supply pact and US sanctions on Iran and Venezuela, a Reuters survey found. The 14-member OPEC has pumped 28.9mn bpd this month, the survey showed, down 750,000 bpd from August's revised figure and the lowest monthly total since 2011. The September 14 attacks on two Saudi Aramco's oil plants shut down 5.7mn bpd of production. OPEC, Russia and other oil producer allies, known as OPEC+, agreed in December to reduce supply by 1.2mn bpd from the start of this year. OPEC's share of the cut is 800,000 bpd, to be delivered by 11 members, with exemptions for Iran, Libya and Venezuela. (Reuters)
- **Saudi Arabia's economic growth slows sharply in 2Q2019** – Saudi Arabia's economy slowed sharply in the second quarter amid oil output cuts by the world's largest crude exporter, government data showed, raising fears of an economic contraction this year. The economy grew by 0.5% in the second quarter from a year earlier, down from annual growth of 1.66% in the first quarter of 2019. It last contracted in 2017 before recovering to 2.2% growth last year, helped by strong oil output. Saudi Arabia is seeking investment to diversify away from oil, however, suffered a blow when rating agency Fitch downgraded its credit rating. "The deceleration in real headline GDP growth was expected, with the oil sector contracting as Saudi Arabia restrained oil output to support the price," Chief Economist at Abu Dhabi Commercial Bank, Monica Malik who expects 0.1% contraction this year. The second-quarter data showed oil sector GDP declined 3.02%, while the non-oil sector grew 2.94% in the quarter, government data showed. The latest data came as Fitch cut Saudi Arabia's credit rating to 'A' from 'A+', citing a deterioration of the Kingdom's fiscal position and rising geopolitical and military tensions in the Gulf after an attack on its oil facilities. (Reuters)
- **Fitch cuts Saudi Arabia's credit rating** – Rating agency Fitch downgraded Saudi Arabia's credit rating to 'A' from 'A+', citing rising geopolitical and military tensions in the Gulf following an attack on its oil facilities and a deterioration of the Kingdom's fiscal position. The Saudi Arabia's finance ministry stated that it was disappointed by the swift downgrade and urged Fitch to reconsider it, arguing the move did not reflect the Kingdom's response to the September 14 attack or its capacity to handle adversity. The move – which places Saudi Arabia one notch above the assessment of peer rating agency S&P, is a blow to the economy as it seeks investment to diversify away from oil and

prepares a potential international sale of US Dollar denominated Islamic bonds. It follows an unprecedented attack on Saudi Arabia's oil plants which initially halved the crude output of the world's largest oil exporter. (Reuters)

- **Saudi Aramco restored oil output to pre-attack level** – Saudi Aramco has restored full oil production and capacity to the levels they were at before attacks on its facilities on September 14, the Chief Executive Officer of its trading arm, Ibrahim Al-Buainain, said. Oil production was restored to its pre-attack level of about 9.7mn bpd or even “a little higher” to replenish inventories, he said. Saudi Arabia pumped about 9.78mn bpd in August. “By September 25 we were able to restore all capacity that we had before the attacks,” he added. (Reuters)
- **Saudi Aramco plans to pay base dividend of \$75bn in 2020** – Saudi Arabia's state oil giant Saudi Aramco plans to pay a base dividend of \$75bn in 2020, it stated in a corporate overview posted to its website as it prepares for an Initial Public Offering (IPO). Saudi Aramco has been courting investors for the IPO, for which it seeks to achieve a \$2tn valuation. The document stated that the company would have “a progressive growing dividend on sustainable basis at board discretion”. The listing of Saudi Aramco, the world's largest oil company, is the centre piece of Crown Prince, Mohammed bin Salman's plan to shake up the Saudi Arabian economy and diversify away from oil. The IPO appears to be proceeding despite uncertainty over the timeline following a September 14 attack on Saudi Aramco's facilities. The document also mentioned the company's “progressive royalty scheme”, with a marginal rate set at 15% up to \$70 per barrel, 45% between \$70 and \$100, and 80% if the price rises higher. (Reuters)
- **S&P affirms Walaa Cooperative Insurance at 'BBB+'; with a 'Positive' outlook** – S&P has affirmed Walaa Cooperative Insurance's long-term financial strength ratings at 'BBB+'; with a 'Positive' outlook. Walaa Cooperative Insurance Co. benefits from capital adequacy above the 'AAA' level, as per S&P's risk-based capital model, and exceptional liquidity. The company's ambitious growth and diversification plans, mainly through acquisitions, could bring volatility to its capital and earnings while carrying execution risk. The Positive outlook indicates that we could raise the ratings over the next 12-24 months if Walaa Cooperative Insurance continues its strong operating performance, alongside prudent growth and diversification, while maintaining extremely strong capital adequacy. At the same time, S&P has affirmed Walaa Cooperative Insurance's 'gcAA+' GCC regional scale financial strength rating on the company. The Positive outlook indicates that S&P could raise the ratings over the next 12-24 months if Walaa sustains its positive operating performance, while prudently expanding and diversifying its operations without compromising its extremely strong capital adequacy. (Bloomberg)
- **Dubai Aerospace drops plans for big aircraft order, targets M&A deal** – Dubai Aerospace Enterprise favors expanding its fleet via a takeover of a rival after the group was unable to agree on a major order from Airbus and Boeing, its Chief Executive, Firoz Tarapore said. DAE, which joined the top tier of aircraft lessors with the 2017 acquisition of Dublin-based AWAS, was interested in a near-record purchase of 400 jets from Airbus and Boeing. “It is hard to see how DAE is able to find a way to accept

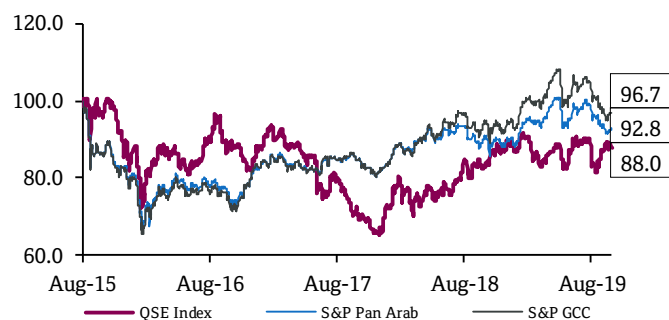
the price and terms and conditions the OEMs (original equipment manufacturer) are offering,” he told Reuters. A pricing disagreement had been an issue when he told Reuters in May 2018 DAE was interested in the order. This has led to DAE pursuing other options to increase its portfolio. The order for 400 single-aisle aircraft would have been worth more than \$40bn at list prices, though discounts of at least 50% are common on large orders. This would have given DAE a pipeline of jets ordered directly from manufacturers on par with its rivals, though the world's biggest plane makers are mostly sold out of their workhorse single-aisle jets until 2024. Also, Dubai Aerospace has received \$300mn loan to repay debt and financing. Abu Dhabi Commercial Bank was the initial lead arranger, bookrunner and underwriter for the 7-year unsecured facility, Dubai Aerospace Enterprise stated. The loan has been signed with 6 banks. It will be used to repay secured debt, support future financing needs. It brings the total liquidity raised in last 18 months to \$3.5bn. (Reuters)

- **Kuwait Capital Markets Authority to launch Boursa Kuwait public offering** – Kuwait's Capital Markets Authority (CMA), the regulatory body for securities and current owner of 50% of Kuwait's only stock exchange, Boursa Kuwait Securities Company (BKSC), will launch today, the public offering of its full stake in Boursa Kuwait. Upon conclusion of the public offering, 94% of Boursa Kuwait will be owned by private investors (corporate and individual investors), making it the only stock exchange in the Gulf that is 94% owned by the private sector. The transaction, led and managed by KAMCO Investment Company, is the second and final phase of the privatization process of Boursa Kuwait following the sale of 44% of the company to strategic investors in February 2019. The public offering highlights are the subscription period will be from October 1, 2019 to December 1, 2019. The eligibility is by law, CMA's 50% stake in Boursa Kuwait is offered only to Kuwaiti citizens. The offering price is 100 fils per share. CMA Chairman of the Board of Commissioners and Managing Director, Ahmad A. Al-Melhem said, “This transaction is a landmark transaction in the history of Kuwait's capital markets, and an important step towards achieving the ambitious national development goals set out in Kuwait Vision 2035 with an aim to strengthen the country's position as a regional financial center and give the private sector a stronger role and a greater opportunity to develop the national economy.” (Bloomberg)
- **Fitch affirms National Bank of Kuwait at 'AA-'; with a 'Stable' outlook** – Fitch Ratings has affirmed National Bank of Kuwait's (NBK) and NBK (International)'s (NBKI) long-term issuer default rating (IDR) at 'AA-' with a 'Stable' Outlook. Fitch has also affirmed NBK's Viability Rating (VR) at 'a-'. NBK's IDRs are support-driven. Its Support Rating (SR) and Support Rating Floor (SRF) reflect Fitch's view of an extremely high probability of support being provided by the Kuwaiti authorities to all domestic banks if needed. This is reflected in NBK's SR of '1' and SRF of 'AA-'. The latter is one notch above Fitch's domestic-systemically important bank (D-SIB) SRF of 'A+' for Kuwait, given the bank's unique status and systemic importance as the flagship bank in Kuwait, and close business and strategic links with the state. Fitch's expectation of support from the authorities is underpinned by Kuwait's strong ability to provide support to domestic banks, as reflected by the sovereign rating

(‘AA’/‘Stable’) and a strong willingness to do so irrespective of the bank's size, franchise, funding structure and level of government ownership. This view is reinforced by the authorities' record of support for the domestic banking system in case of need. (Bloomberg)

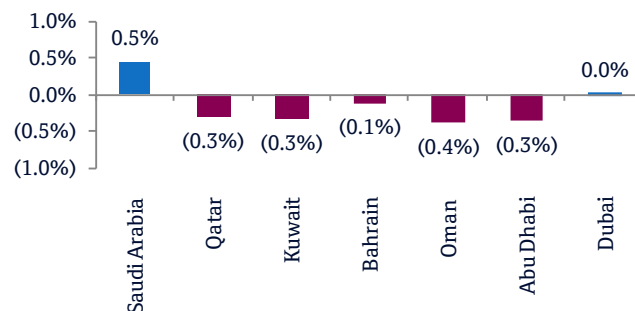
- **Moody's sees problem loans rising in Oman amid construction troubles** – Rating agency Moody's warned that problem loans in Oman are set to rise to as much as 3.7% of gross loans in 2019-20, from 2.8% in June 2019, with the stressed construction sector heightening risk. "The challenging environment for businesses and households will lead to increased problem loans," Assistant Vice President at Moody's, Mik Kabeya said. "Our negative outlook for the sector also takes account of the government's declining capacity to support the country's banks in case of need." Problem loans are set to rise to 3.2%-3.7% of gross loans in 2019-20, he said, adding that the outlook for the Omani banking system remains negative. Constrained government finances due to oil output cuts will limit banks' access to funding and liquidity, while credit growth will remain stable at 6.5% through 2019 and 2020, although well below historic levels, it stated. Despite its access to financial markets - with a well received \$3bn bond issuance in July - Oman's fiscal position remains weak and its debt is rated junk by rating agencies. (Zawya)
- **Investcorp completes sale of Multifamily portfolio Bahrain** – Investcorp, a leading global provider and manager of alternative investment products, announced the sale of a portfolio of multifamily properties located in Raleigh, North Carolina to TruAmerica Multifamily for a combined total of approximately \$109mn. Investcorp purchased the 830-unit portfolio in 2016 and completed a number of value-add upgrades to the properties, consistent with the firm's strategy to target attractive, strong cash-flow generating assets with opportunities for further capital appreciation. "This transaction underscores our ability to successfully execute on our investment thesis as we added significant value to these strategically located properties over a three-year period, completing a number of renovations while also benefitting from the Raleigh market's continued growth," Managing Director in Real Estate Investment at Investcorp, Babak Sultani said. "We look forward to continuing to build upon our track record in the multifamily space." According to Real Capital Analytics, Investcorp ranks as a top 10 international investor in US real estate over the past five years and is one of the top 50 overall investors in US real estate during the same period. (Bahrain Bourse)
- **Bahrain sells BHD70mn 91-day bills; bid-cover at 1.09x** – Bahrain sold BHD70mn of 91 day bills due on January 1, 2020. Investors offered to buy 1.09 times the amount of securities sold. The bills were sold at a price of 99.286, having a yield of 2.84% and will settle on October 2, 2019. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,472.38	(1.6)	(1.6)	14.8
Silver/Ounce	17.00	(3.1)	(3.1)	9.7
Crude Oil (Brent)/Barrel (FM Future)	60.78	(1.8)	(1.8)	13.0
Crude Oil (WTI)/Barrel (FM Future)	54.07	(3.3)	(3.3)	19.1
Natural Gas (Henry Hub)/MMBtu	2.37	(1.7)	(1.7)	(25.6)
LPG Propane (Arab Gulf)/Ton	45.13	(2.2)	(2.2)	(29.5)
LPG Butane (Arab Gulf)/Ton	54.75	(1.4)	(1.4)	(21.2)
Euro	1.09	(0.4)	(0.4)	(5.0)
Yen	108.08	0.1	0.1	(1.5)
GBP	1.23	(0.0)	(0.0)	(3.6)
CHF	1.00	(0.7)	(0.7)	(1.6)
AUD	0.68	(0.2)	(0.2)	(4.2)
USD Index	99.38	0.3	0.3	3.3
RUB	64.86	0.3	0.3	(7.0)
BRL#	0.24	0.0	0.0	(6.6)

Source: Bloomberg (#Market was closed on September 30, 2019)

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,180.02	0.2	0.2	15.7
DJ Industrial	26,916.83	0.4	0.4	15.4
S&P 500	2,976.74	0.5	0.5	18.7
NASDAQ 100	7,999.34	0.8	0.8	20.6
STOXX 600	393.15	(0.0)	(0.0)	10.9
DAX	12,428.08	0.0	0.0	12.2
FTSE 100	7,408.21	(0.4)	(0.4)	6.2
CAC 40	5,677.79	0.3	0.3	14.3
Nikkei	21,755.84	(0.8)	(0.8)	11.0
MSCI EM	1,001.00	(0.0)	(0.0)	3.6
SHANGHAI SE Composite	2,905.19	(1.3)	(1.3)	12.1
HANG SENG	26,092.27	0.5	0.5	0.9
BSE SENSEX	38,667.33	(0.4)	(0.4)	5.7
Bovespa	104,745.30	(0.3)	(0.3)	10.9
RTS	1,333.91	(1.0)	(1.0)	24.8

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

Disclaimer and Copyright Notice: This publication has been prepared by QNB Financial Services Co. W.L.L. ("QNB FS") a wholly-owned subsidiary of Qatar National Bank (Q.P.S.C.). QNB FS is regulated by the Qatar Financial Markets Authority and the Qatar Exchange. Qatar National Bank (Q.P.S.C.) is regulated by the Qatar Central Bank. This publication expresses the views and opinions of QNB FS at a given time only. It is not an offer, promotion or recommendation to buy or sell securities or other investments, nor is it intended to constitute legal, tax, accounting, or financial advice. QNB FS accepts no liability whatsoever for any direct or indirect losses arising from use of this report. Any investment decision should depend on the individual circumstances of the investor and be based on specifically engaged investment advice. We therefore strongly advise potential investors to seek independent professional advice before making any investment decision. Although the information in this report has been obtained from sources that QNB FS believes to be reliable, we have not independently verified such information and it may not be accurate or complete. QNB FS does not make any representations or warranties as to the accuracy and completeness of the information it may contain, and declines any liability in that respect. For reports dealing with Technical Analysis, expressed opinions and/or recommendations may be different or contrary to the opinions/recommendations of QNB FS Fundamental Research as a result of depending solely on the historical technical data (price and volume). QNB FS reserves the right to amend the views and opinions expressed in this publication at any time. It may also express viewpoints or make investment decisions that differ significantly from, or even contradict, the views and opinions included in this report. This report may not be reproduced in whole or in part without permission from QNB FS.

COPYRIGHT: No part of this document may be reproduced without the explicit written permission of QNB FS.