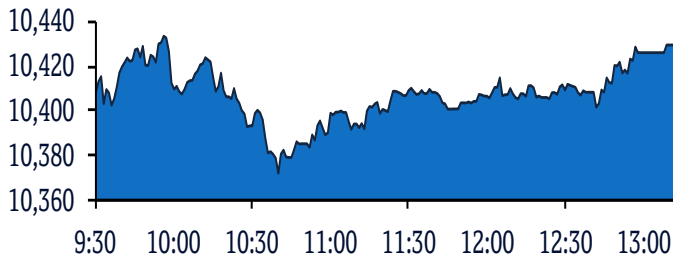


## QSE Intra-Day Movement



## Qatar Commentary

The QE Index rose 0.3% to close at 10,430.4. Gains were led by the Transportation and Telecoms indices, gaining 1.9% and 1.2%, respectively. Top gainers were Al Khalij Commercial Bank and Qatar Navigation, rising 4.2% and 3.0%, respectively. Among the top losers, Ahli Bank fell 7.9%, while Mesaieed Petrochemical Holding Company was down 2.5%.

## GCC Commentary

**Saudi Arabia:** The TASI Index fell 1.5% to close at 7,481.5. Losses were led by the Utilities and Pharma, Biotech indices, falling 2.9% and 2.3%, respectively. Saudi Public Transport Co. declined 5.3%, while National Gas & Ind. Co. was down 4.6%.

**Dubai:** The DFM Index declined 0.5% to close at 2,823.9. The Consumer Staples and Discretionary index declined 5.3%, while the Services index fell 2.3%. Union Properties declined 7.2%, while Takaful Emarat was down 6.3%.

**Abu Dhabi:** The ADX General Index fell 0.1% to close at 5,081.5. The Consumer Staples index declined 4.0%, while the Services index fell 3.4%. Abu Dhabi National Hotels Company declined 9.1%, while Abu Dhabi Ship Building Co. was down 7.1%.

**Kuwait:** The Kuwait All Share Index gained 0.2% to close at 5,730.0. The Consumer Goods index rose 1.4%, while the Industrials index gained 0.4%. Al Arabi Group Holding Company rose 14.7%, while Tijara and Real Estate Inv. Co. was up 11.4%.

**Oman:** The MSM 30 Index gained 0.1% to close at 4,016.7. However, all indices ended in the red. Renaissance Services rose 2.9%, while Dhofar Cattle Feed was up 2.7%.

**Bahrain:** The BHB Index fell 0.1% to close at 1,519.4. The Commercial Banks index declined 0.4%, while the other indices ended flat or in the green. Bahrain Islamic Bank declined 0.8%, while Ahli United Bank was down 0.6%.

Market Indicators	15 Oct 19	14 Oct 19	%Chg.
Value Traded (QR mn)	276.2	329.5	(16.2)
Exch. Market Cap. (QR mn)	576,041.3	575,434.0	0.1
Volume (mn)	64.4	101.2	(36.4)
Number of Transactions	4,454	6,249	(28.7)
Companies Traded	44	43	2.3
Market Breadth	19:18	23:16	-

Market Indices	Close	1D%	WTD%	YTD%	TTMP/E
Total Return	19,192.86	0.3	2.0	5.8	15.0
All Share Index	3,073.22	0.3	1.7	(0.2)	15.0
Banks	4,068.14	0.5	2.3	6.2	14.0
Industrials	3,076.79	(0.2)	0.4	(4.3)	18.2
Transportation	2,641.83	1.9	4.6	28.3	14.4
Real Estate	1,482.74	(1.0)	1.2	(32.2)	10.5
Insurance	2,862.43	(0.4)	0.1	(4.9)	16.2
Telecoms	945.23	1.2	2.3	(4.3)	16.2
Consumer	8,572.41	(0.2)	0.2	26.9	19.0
Al Rayan Islamic Index	3,997.13	0.2	1.5	2.9	15.7

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Masraf Al Rayan	Qatar	3.81	2.4	10,207.4	(8.6)
Ominvest	Oman	0.34	1.8	24.0	(1.3)
Aldar Properties	Abu Dhabi	2.18	1.4	5,331.4	36.3
Mouwasat Med. Services	Saudi Arabia	85.40	1.3	40.5	6.1
Qatar Electricity & Water	Qatar	15.70	1.3	644.0	(15.1)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Jabal Omar Dev. Co.	Saudi Arabia	26.05	(4.1)	866.4	(24.3)
Riyad Bank	Saudi Arabia	20.98	(4.0)	2,639.2	5.9
Saudi Arabian Mining Co.	Saudi Arabia	40.05	(3.5)	361.1	(18.8)
Savola Group	Saudi Arabia	26.25	(3.5)	1,024.5	(2.1)
Arab National Bank	Saudi Arabia	22.44	(3.1)	1,329.6	5.5

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

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Al Khalij Commercial Bank	1.24	4.2	1,935.8	7.5
Qatar Navigation	6.60	3.0	329.9	(0.0)
Masraf Al Rayan	3.81	2.4	10,207.4	(8.6)
Al Meera Consumer Goods Co.	15.80	2.0	147.4	6.8
Vodafone Qatar	1.24	1.6	1,992.9	(20.6)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Masraf Al Rayan	3.81	2.4	10,207.4	(8.6)
Qatar First Bank	0.31	(0.7)	6,081.2	(25.2)
Aamal Company	0.71	0.1	5,967.0	(19.3)
QNB Group	19.40	0.5	4,968.5	(0.5)
Ezdan Holding Group	0.64	(0.8)	4,232.2	(50.7)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Ahli Bank	3.40	(7.9)	423.5	33.6
Mesaieed Petrochemical Holding	2.77	(2.5)	2,449.3	84.3
Medicare Group	7.80	(1.6)	813.4	23.6
Barwa Real Estate Company	3.39	(1.2)	883.0	(15.1)
Qatar Oman Investment Co.	0.52	(1.1)	129.2	(2.6)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	19.40	0.5	95,924.2	(0.5)
Masraf Al Rayan	3.81	2.4	38,624.4	(8.6)
Qatar International Islamic Bank	9.62	0.7	37,168.4	45.5
Qatar Islamic Bank	15.52	(0.5)	12,369.9	2.1
Qatar Electricity & Water Co.	15.70	1.3	9,998.9	(15.1)

Source: Bloomberg (\* in QR)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,430.42	0.3	2.0	0.6	1.3	75.84	158,238.6	15.0	1.6	4.1
Dubai	2,823.86	(0.5)	0.5	1.5	11.6	83.45	101,471.3	11.8	1.0	4.4
Abu Dhabi	5,081.53	(0.1)	0.2	0.5	3.4	31.94	140,899.4	15.2	1.4	4.9
Saudi Arabia	7,481.53	(1.5)	(2.8)	(7.5)	(4.4)	584.20	472,048.6	18.4	1.7	4.0
Kuwait	5,729.96	0.2	0.4	0.9	12.8	55.78	107,164.1	14.2	1.4	3.7
Oman	4,016.67	0.1	0.1	(0.0)	(7.1)	3.32	17,450.7	8.0	0.8	6.8
Bahrain	1,519.37	(0.1)	(0.2)	0.2	13.6	10.40	23,723.7	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)

## Qatar Market Commentary

- The QE Index rose 0.3% to close at 10,430.4. The Transportation and Telecoms indices led the gains. The index rose on the back of buying support from non-Qatari shareholders despite selling pressure from Qatari and GCC shareholders.
- Al Khalij Commercial Bank and Qatar Navigation were the top gainers, rising 4.2% and 3.0%, respectively. Among the top losers, Ahli Bank fell 7.9%, while Mesaieed Petrochemical Holding Company was down 2.5%.
- Volume of shares traded on Tuesday fell by 36.4% to 64.4mn from 101.2mn on Monday. Further, as compared to the 30-day moving average of 99.2mn, volume for the day was 35.1% lower. Masraf Al Rayan and Qatar First Bank were the most active stocks, contributing 15.9% and 9.4% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	20.51%	45.56%	(69,200,703.25)
Qatari Institutions	26.75%	18.97%	21,470,553.17
<b>Qatari</b>	<b>47.26%</b>	<b>64.53%</b>	<b>(47,730,150.08)</b>
GCC Individuals	0.62%	0.92%	(832,419.71)
GCC Institutions	3.65%	3.47%	491,164.75
<b>GCC</b>	<b>4.27%</b>	<b>4.39%</b>	<b>(341,254.96)</b>
Non-Qatari Individuals	7.73%	8.82%	(3,013,565.31)
Non-Qatari Institutions	40.74%	22.25%	51,084,970.35
<b>Non-Qatari</b>	<b>48.47%</b>	<b>31.07%</b>	<b>48,071,405.04</b>

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

## Earnings Releases, Global Economic Data and Earnings Calendar

### Earnings Releases

Company	Market	Currency	Revenue (mn) 3Q2019	% Change YoY	Operating Profit (mn) 3Q2019	% Change YoY	Net Profit (mn) 3Q2019	% Change YoY
Yamama Cement Co.	Saudi Arabia	SR	186.5	73.1%	60.8	N/A	54.7	N/A
Al Sharqiya Investment Hold. Co.*	Oman	OMR	1.0	-6.8%	-	-	0.5	-10.9%
Construction Mat. Ind. & Contract.	Oman	OMR	2.8	3.4%	-	-	0.2	53.0%
Muscat Thread Mills*	Oman	OMR	2.7	23.6%	-	-	0.1	N/A
Oman Investment & Finance#*	Oman	OMR	15.9	4.5%	-	-	2.3	207.3%
Oman Flour Mills Co.*	Oman	OMR	71.7	9.5%	-	-	4.5	-40.9%
Galfar Eng. & Contracting	Oman	OMR	189.5	-10.1%	-	-	2.2	-61.5%
Vision Insurance	Oman	OMR	18.9	-7.4%	-	-	1.2	-15.7%
Oman National Eng. & Investment	Oman	OMR	41.5	31.0%	-	-	0.5	-39.7%
National Gas Co.*	Oman	OMR	54.1	-15.3%	-	-	1.6	2.2%
Oman United Insurance Co.*	Oman	OMR	25.4	-13.4%	-	-	1.7	-45.6%
Taageer Finance Co.*	Oman	OMR	14.8	25.5%	-	-	2.7	60.2%
Global Financial Investments Hold.	Oman	OMR	9.8	-20.2%	-	-	(0.5)	N/A
Oman & Emirates Inv. Hold. Co.	Oman	OMR	2.6	-45.2%	-	-	(0.3)	N/A
Al Maha Petro. Products Market#*	Oman	OMR	360.6	-1.0%	-	-	3.0	-34.8%
Ooredoo	Oman	OMR	72.1	-1.1%	-	-	9.2	-1.1%
United Power Co.#*	Oman	OMR	3,719.0	-12.5%	-	-	(4.0)	N/A
Dhofar Fisheries & Food Ind. Co.*	Oman	OMR	6.8	36.0%	-	-	(0.6)	N/A
National Life General Insurance*	Oman	OMR	118.2	8.0%	-	-	7.3	0.2%
Oman Oil Marketing Co.*	Oman	OMR	437.9	-6.2%	-	-	5.2	-34.4%
Takaful Oman Insurance*	Oman	OMR	-	-	-	-	2.0	19.7%
Gulf International Chemicals*	Oman	OMR	1.7	-7.9%	-	-	0.1	-36.9%
Oman Chlorine*	Oman	OMR	12.2	34.3%	1.4	-28.7%	(0.7)	N/A
Al Fajar Al Alamia Co.	Oman	OMR	4.2	-21.6%	-	-	0.1	-80.8%
Al Madina Takaful Insurance	Oman	OMR	-	-	-	-	3.3	46.1%
Bahrain Car Parks Company*	Bahrain	BHD	-	-	-	-	0.6	5.4%

Source: Company data, DFM, ADX, MSM, TASI, BHB. (# - Values in Thousands, \*Financial for 9M2019)

### Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
10/15	UK	UK Office for National Statistics	Jobless Claims Change	September	21.1k	-	16.3k
10/15	France	INSEE National Statistics Office	CPI MoM	September	-0.3%	-0.3%	-0.3%
10/15	France	INSEE National Statistics Office	CPI YoY	September	0.9%	0.9%	0.9%
10/15	Japan	Ministry of Economy Trade and Industry	Industrial Production MoM	August	-1.2%	-	-1.2%
10/15	Japan	Ministry of Economy Trade and Industry	Industrial Production YoY	August	-4.7%	-	-4.7%
10/15	China	National Bureau of Statistics	CPI YoY	September	3.0%	2.9%	2.8%

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
10/15	China	National Bureau of Statistics	PPI YoY	September	-1.2%	-1.2%	-0.8%
10/15	China	The People's Bank of China	Money Supply M0 YoY	September	4.0%	-	4.8%
10/15	China	The People's Bank of China	Money Supply M1 YoY	September	3.4%	3.4%	3.4%
10/15	China	The People's Bank of China	Money Supply M2 YoY	September	8.4%	8.2%	8.2%

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
QFLS	Qatar Fuel Company	16-Oct-19	0	Due
QIBK	Qatar Islamic Bank	16-Oct-19	0	Due
ERES	Ezdan Holding Group	17-Oct-19	1	Due
ABQK	Ahli Bank	17-Oct-19	1	Due
QGTS	Qatar Gas Transport Company Limited (Nakilat)	20-Oct-19	4	Due
QNCD	Qatar National Cement Company	21-Oct-19	5	Due
CBQK	The Commercial Bank	22-Oct-19	6	Due
QEWS	Qatar Electricity & Water Company	23-Oct-19	7	Due
MRDS	Mazaya Qatar Real Estate Development	23-Oct-19	7	Due
QAMC	Qatar Aluminum Manufacturing Company	23-Oct-19	7	Due
UDCD	United Development Company	23-Oct-19	7	Due
DHBK	Doha Bank	23-Oct-19	7	Due
IHGS	Islamic Holding Group	24-Oct-19	8	Due
IQCD	Industries Qatar	24-Oct-19	8	Due
NLCS	Aljarah Holding	24-Oct-19	8	Due
QGRI	Qatar General Insurance & Reinsurance Company	24-Oct-19	8	Due
QIIK	Qatar International Islamic Bank	24-Oct-19	8	Due
SIIS	Salam International Investment Limited	24-Oct-19	8	Due
QGMD	Qatari German Company for Medical Devices	27-Oct-19	11	Due
DBIS	Dlala Brokerage & Investment Holding Company	27-Oct-19	11	Due
QCFS	Qatar Cinema & Film Distribution Company	27-Oct-19	11	Due
MERS	Al Meera Consumer Goods Company	27-Oct-19	11	Due
AKHI	Al Khaleej Takaful Insurance Company	27-Oct-19	11	Due
MARK	Masraf Al Rayan	27-Oct-19	11	Due
QIGD	Qatari Investors Group	27-Oct-19	11	Due
BRES	Barwa Real Estate Company	28-Oct-19	12	Due
IGRD	Investment Holding Group	28-Oct-19	12	Due
VFQS	Vodafone Qatar	28-Oct-19	12	Due
QNNS	Qatar Navigation (Milaha)	28-Oct-19	12	Due
MPHC	Mesaieed Petrochemical Holding Company	28-Oct-19	12	Due
MCCS	Mannai Corporation	28-Oct-19	12	Due
ZHCD	Zad Holding Company	29-Oct-19	13	Due
GISS	Gulf International Services	29-Oct-19	13	Due
QISI	Qatar Islamic Insurance Group	29-Oct-19	13	Due
DOHI	Doha Insurance Group	29-Oct-19	13	Due
ORDS	Ooredoo	29-Oct-19	13	Due
AHCS	Aamal Company	30-Oct-19	14	Due
QOIS	Qatar Oman Investment Company	30-Oct-19	14	Due
QIMD	Qatar Industrial Manufacturing Company	30-Oct-19	14	Due

Source: QSE

## Qatar

- KCBK posts 8.3% YoY increase but 17.4% QoQ decline in net profit in 3Q2019, misses our estimate** – Al Khalij Commercial Bank's (KCBK) net profit rose 8.3% YoY (but declined 17.4% on QoQ basis) to QR145.2mn in 3Q2019, missing our estimate of QR163.1mn (variation of -11.0%). Net interest income increased 19.4% YoY and 6.5% QoQ in 3Q2019 to QR261.6mn. The company's net operating income came in at QR304.0mn in 3Q2019, which represents an increase of 12.8% YoY (+0.3% QoQ). The bank's total assets stood at QR51.1bn at the end of September 30, 2019, down 4.6% YoY. However, on QoQ basis, the bank's total assets increased 3.4%. Loans and advances to customers were QR30.0bn, registering a decline of 8.9% YoY at the end of September 30, 2019. However, on QoQ basis, loans and advances to customers increased 3.2%. Customer deposits declined 14.0% YoY to reach QR27.3bn at the end of September 30, 2019. However, on QoQ basis, customer deposits rose 6.5%. EPS remained flat YoY at QR0.04 in 3Q2019. KCBK announced its financial results for the third quarter (3Q) ended September 30, 2019, reporting a year to date net profit of QR497mn registering a YoY growth of 6%. These results reflect an increase in operating income by growing assets, effectively managing margins, and a reduction in impairments. Sheikh Hamad bin Faisal bin Thani Al Thani, Chairman and Managing Director of the bank, said, "Al khaliji closed its third quarter delivering improved profitability year on year. We are particularly proud to announce these results at a time when we have moved our Head Office to our purpose built Al Khaliji Tower, located in the state of the art Lusail City. This marks a new phase in our journey and reinvigorates us to tailoring our business to meet requirements of our clients, and add value for our shareholders. We are proud of Qatar's progress during this year, and are well positioned to capitalize on its growth during the future." (QNB FS Research, Company press releases, QSE, Peninsula Qatar)
- GWCS posts 8.0% YoY increase but 5.7% QoQ decline in net profit in 3Q2019, in-line with our estimate** – Gulf Warehousing Company's (GWCS) net profit rose 8.0% YoY (but declined 5.7% on QoQ basis) to QR59.4mn in 3Q2019, in line with our estimate of QR60.5mn (variation of -1.8%). The company's revenue came in at QR315.6mn in 3Q2019, which represents an increase of 4.8% YoY (+6.7% QoQ). EPS amounted to QR0.10 in 3Q2019 as compared to QR0.09 in 3Q2018. In 9M2019, GWCS reported a net profit of QR181.9mn for the third quarter of 2019, reflecting a 9.3% growth compared to QR166.5mn by the end of the same period in 2018. Gross revenue was QR915.2mn at the end of the third quarter of 2019. This corresponded with growth in earning per share for the company's shareholders, which increased to QR0.31 (31 Dirhams) at the end of 3Q2019, a 10.7% rise from QR0.28 during the same period in 2018. "Our results are continuing the success story we've established over the last fifteen years, in pursuit of our long-term plans, and driven by the abilities and expertise we have gained. We are committed to offering solutions and infrastructure that make us the logistics provider of choice in the region, and ensuring our shareholders the best possible returns," said GWCS' Chairman, Sheikh Abdulla bin Fahad bin Jassem bin Jabor Al Thani. The company's various divisions have all banded together to achieve these results, by diversifying revenue streams and seeking new business opportunities, cross-selling and creating end-to-end service packages, as well as by developing solutions and processes that increase both efficiency and sustainability in our company's different practices. (QNB FS Research, QSE, Peninsula Qatar, Gulf-Times.com)
- IHGS to hold Investors Relation Conference Call on October 27** – Islamic Holding Group (IHGS) announced that Investors Relation Conference Call will be held on October 27, 2019 to discuss financial results for 3Q2019. (QSE)
- NLCS to hold Investors Relation Conference Call on October 27** – Alijarah Holding (NLCS) announced that Investors Relation Conference Call will be held on October 27, 2019 to discuss financial results for 3Q2019. (QSE)
- QNNS to hold Investors Relation Conference Call on October 30** – Qatar Navigation (QNNS) announced that Investors Relation Conference Call will be held on October 30, 2019 to discuss financial results for 3Q2019. (QSE)
- QFLS to hold Investors Relation Conference Call on October 17** – Qatar Fuel Company (QFLS) announced that Investors Relation Conference Call will be held on October 17, 2019 to discuss financial results for 3Q2019. (QSE)
- Fitch affirms QIIK's ratings at 'A' with a 'Stable' outlook** – Qatar International Islamic Bank (QIIK) announced that Fitch Ratings (Fitch) has affirmed the bank's rating at 'A' with a 'Stable' outlook, which once again highlights the strength of the bank's various indicators, its financial position and conformity to Qatar's economic potential. In affirming the QIIK's rating, Fitch identified several features, most important being the strength of the bank's position among Islamic banks, its assets' quality, strong profitability, quality of financing portfolio, growth in operational profits, improvement in operational efficiency and strong presence in the local retail sector. Fitch pointed out that the strength of the Qatari economy and its classification, besides the Qatari Government support to the banking sector including the QIIK whenever required, were the important factors in affirming the QIIK rating at 'A'. (QSE)
- ValuStrat: Qatar welcomes 1.35mn visitors in first eight months of 2019** – Qatar's hotel inventory stood at 27,288 keys at the end of September 2019, spread across a total of 132 establishments, consultancy firm ValuStrat stated. Qatar welcomed 1.35mn visitors during the first eight months of 2019, posting an annual increase of 11%. Hotel operators continue to reduce room rates to attract more guests. Average Daily Rate (ADR) across all star categories on average declined 5% YoY till August 2019, a result of which led to hotel occupancy increasing to 63% from 58% last year. Qatar's organized retail stock reached 1.89mn square meters GLA as of 3Q2019, owing to new additions of Al Waddan Mall (26,000 square meters GLA) in Mesaieed, The Galleria (44,000 square meters GLA) and Department Store (15,000 square meters GLA) in Musheireb Downtown. Countrywide

monthly rents for medium line shops (less than 500 square meters) ranged from QR200 to QR380 per square meters. With the introduction of the first phase of single window services, the government of Qatar continues to implement policies which facilitate easy and quick set up of companies and factories, ValuStrat noted. Moreover, government waived ground rents for production factories in SME Zone and Mesaieed Industrial Zone of Manateq for 2019. Average asking rents for dry storage remained unchanged quarterly and reduced 7% annually, indicating the rate of decline has notably slowed down. (Gulf-Times.com)

- **Sheikh Abdulla: QCB strategy to promote fintech in banking sector** – Qatar Central Bank (QCB) has put in place a transformation strategy to promote the growth of financial technology (fintech) in the local banking sector. “Financial technology is driving rapid changes in the needs and expectations of key market players. In this changing environment, innovation and technology are the key success factors for banks going forward,” QCB’s Governor, HE Sheikh Abdulla bin Saoud Al Thani told a recent meeting at the Carnegie Mellon University. Highlighting that the QCB has a transformation strategy to meet changes in the coming decade, he said “to shape these changes, banks need the support of other stakeholders.” The Governor, early in April, had stressed the importance of fintech as a key tool to achieve long-term development prospects for the financial sector in the country. (Gulf-Times.com)

### International

- **IMF: US-China tariffs drag global growth to lowest in a decade** – The US-China trade war will cut 2019 global growth to its slowest pace since the 2008-2009 financial crisis, the International Monetary Fund (IMF) warned on Tuesday, but stated output would rebound if their dueling tariffs were removed. The IMF stated its latest World Economic Outlook projections here show 2019 GDP growth at 3.0%, down from 3.2% in a July forecast, largely due to increasing fallout from global trade friction. Without a nearly simultaneous easing of monetary policy by major central banks, IMF’s Chief Economist, Gita Gopinath said global growth would be half a percentage point lower in 2019 – at 2.5%, teetering on the edge of widespread recession. The global crisis lender stated that by 2020, announced tariffs would reduce global economic output by 0.8%. That translates to a loss of about \$700bn – the equivalent of making Switzerland’s economy disappear. The growth downgrade assumes that all announced US tariffs on Chinese goods are put in place, along with Chinese retaliation. These include a 5 percentage point US duty increase on Chinese goods originally scheduled for Tuesday and 10% tariffs on \$156bn in Chinese goods scheduled for December 15. If these incremental moves are scrapped completely by a US-China trade deal, the global GDP loss would shrink to 0.6%, Gopinath said. She added that all output would rebound by 0.8% if all US and Chinese tariffs were removed. Services were still strong across much of the world, but there were some signs of softening in that sector in the US and Europe, the IMF stated. (Reuters)
- **IMF: UK higher spending will mitigate Brexit, debt must fall** – Higher spending planned by British Prime Minister Boris

Johnson will help offset the drag on the economy from Brexit but his government must keep on bringing down public debt levels, the International Monetary Fund (IMF) stated. “The extra public spending envisaged by the government should mitigate the cost of Brexit for the economy. But continued efforts to bring down the debt ratio remain important to build buffers against future shocks,” the IMF stated in its World Economic Outlook report. Finance Minister Sajid Javid announced in September the biggest increase in day-to-expenditure in 15 years in a one-year spending plan that was widely seen as paving the way for Johnson’s push for an early election. Under Britain’s existing budget rules, the government aims to bring down public debt as a share of the economy - which has more than doubled since the global financial crisis to stand at around 80% - each year. The IMF stated the economic policy choices facing Britain would depend on the terms of Brexit. (Reuters)

- **UK hiring falls by most in over four years as Brexit nears** – Britain’s jobs boom has weakened in the approach to Brexit with the number of people in work unexpectedly falling by the most in over four years and unemployment rising, official data showed. Employment fell by 56,000 to 32.69mn in the three months to August, the Office for National Statistics stated. Economists polled by Reuters had expected growth of 23,000. The number of people out of work rose by 22,000 to just over 1.31mn, the ONS stated. Britain’s strong labor market has been the silver lining for the economy since the Brexit referendum in 2016, something many analysts attribute, in part, to firms hiring workers that they can later lay off rather than making longer-term commitments to investment. But there were signs in Tuesday’s figures that employers were turning more cautious. The unemployment rate unexpectedly rose to 3.9% from a 3.8%, which had been its joint lowest since the mid-1970s, while vacancies fell to their lowest level since the three months to November 2017. (Reuters)
- **German investor sentiment falls less than expected in October** – The mood among German investors worsened less in October than analysts had expected, a survey showed, amid concern that Europe’s biggest economy might be headed for a recession. In its monthly survey, ZEW stated that an index showing economic sentiment among investors fell to -22.8 points in October from -22.5 points in the previous month. A second index, measuring investors’ assessment of the economy’s current shape, fell to -25.3 from -19.9 points. (Reuters)
- **China’s September new bank loans rise to 1.69tn Yuan, above forecast** – China’s banks extended more new Yuan loans than expected in September as policymaker ramp up efforts to stabilize the cooling economy as US trade pressures build. Chinese banks extended 1.69tn Yuan in new loans in September, up from August and exceeding analyst expectations, People’s Bank of China data showed. Analysts polled by Reuters had predicted new Yuan loans would rise to 1.4tn Yuan in September, up from 1.21tn Yuan the previous month but largely in line with the tally in September last year. Household loans, mostly mortgages, rose to 755bn Yuan in September from 653.8bn Yuan in August, while corporate loans climbed to 1.01tn Yuan from 651.3bn Yuan. Broad M2 money supply in September grew 8.4% from a year earlier, above estimates of 8.2% forecast in the Reuters poll, which was unchanged from pace in August.

Outstanding Yuan loans grew 12.5% from a year earlier, quicker than August's 12.4%. Analysts had expected a 12.3% growth. (Reuters)

- **China's outstanding total social financing rises 10.8% YoY at end-September** – China's outstanding total social financing (TSF) was 219.04tn Yuan at the end of September, up 10.8% from a year earlier, the central bank stated. TSF includes off-balance-sheet forms of financing that exist outside the conventional bank lending system, such as initial public offerings, loans from trust companies and bond sales. In September, TSF rose to 2.27tn Yuan from 1.98tn Yuan in August. Analysts polled by Reuters had expected a drop to 1.8tn Yuan. (Reuters)
- **Reuters poll: Trade pressure seen denting China's 2019 growth to 29-year low at 6.2%, 5.9% in 2020** – China's economic growth is expected to slow to a near 30-year low of 6.2% this year and cool further to 5.9% in 2020, a Reuters poll showed, underlining the stiff challenge faced by Beijing even as it steps up stimulus amid a bruising Sino-US trade war. The median forecast for 2019 growth is near the lower end of the government's target range of 6-6.5%, and would be the weakest expansion for the world's second-biggest economy since 1990. The poll of 83 analysts also forecast third-quarter growth at 6.1% YoY, lower from 6.2% in the last survey done in July and a touch below the 6.2% pace in the second quarter. On the whole, it would mark a further slowdown from growth of 6.6% in 2018 and 6.8% in 2017, highlighting the intensifying global and domestic pressures on the Asian powerhouse. Growth in 2020 will likely cool further to 5.9%, the poll showed, below the 6.0% forecast in the previous survey. Analysts in the latest Reuters poll expect the People's Bank of China (PBOC) would ease policy further by cutting banks' reserve retirement ratios (RRR) and the one-year loan prime rate (LPR), its new benchmark lending rate. The PBOC has already cut RRR seven times since early 2018, in addition to two modest reductions in the one-year LPR since August. Analysts expect the PBOC to deliver another 50 basis-point RRR cut in the fourth quarter, and two more RRR reductions in the first half of 2020, according to the poll. The central bank is also forecast to slash the one-year LPR to 4.00% by the end of 2019, down by 20 basis point from its current level. (Reuters)
- **India's September trade deficit narrows to \$10.86bn** – India's trade deficit in September narrowed to \$10.86bn from \$14.95bn a year ago, the trade ministry stated in a statement, helped by lower oil imports. Oil imports fell 18.33% to \$8.98bn in September from \$10.99bn in the year-ago period. Merchandise exports fell 6.57% to \$26.03bn in September compared with a year earlier, while imports were down 13.85% at \$36.89bn, the data showed. (Reuters)

## Regional

- **OPEC cautious in projecting demand for 2019 and 2020** – Saudi Arabia moved swiftly to ensure stable supply for world oil markets after attacks, OPEC Secretary-General, Mohammad Barkindo said. The physical market of oil is relatively tight. The demand side is driving the market and not the supply side. The producers are committed to maintain stability beyond 2020. Saudi Arabia, Russia have ratified new OPEC+ charter on October 14. The market balancing measures by OPEC continue to provide support to the global economy. Oil industry will continue

to need supportive investment commitments. Market volatility, geopolitical tensions affect the oil market. (Bloomberg)

- **IMF slashes 2019 growth forecast for Saudi Arabia to 0.2% from 1.9%** – The IMF expects Saudi Arabia's economy to grow 0.2% this year, down from an earlier estimate of 1.9%, due largely to oil output cuts. The impact to growth of last month's attack on Saudi Aramco's oil facilities - which initially halved production of the world's biggest crude exporter - was difficult to assess however, it "adds uncertainty to the near-term outlook," the IMF stated in its World Economic Outlook report. Saudi Arabia has restrained crude production by more than called for by an OPEC-led supply deal aimed at supporting oil markets, however, slowing oil demand and a weakening global economy have kept prices under pressure. This is weighing on the Kingdom's economic growth, with some economists forecasting a contraction this year. The IMF stated that the Saudi Arabian economy is expected to pick up again next year, forecasting 2.2% growth "as oil GDP stabilizes and solid momentum in the non-oil sector continues." Growth in the non-oil sector is expected to be 2.9% this year, the IMF has stated previously. The Saudi Arabian Finance Minister, Mohammed Al-Jadaan told Reuters in an interview last month that economic growth was expected to be "significantly" below previous Saudi expectations, however, did not provide a figure. (Reuters)
- **Saudi Aramco set to pay up to \$450mn in fees to IPO advisors** – The advisors working on Saudi Aramco's mammoth share sale may split a fee pool of as much as \$450mn, according to sources, making it one of the biggest IPO pay outs globally. The oil giant is set to pay between \$350mn and \$450mn to a group of more than 20 banks working on its initial public offering, the sources said. The payment would represent a fee of about 1% on the \$40bn Saudi Aramco is seeking to raise, relatively low in comparison to other markets. JPMorgan Chase & Co. and Morgan Stanley are expected to be paid the most, the sources added. The final amount paid to banks will depend on how much Saudi Aramco raises, they said. (Bloomberg)
- **SABIC mulls building methanol plant in Russia with RDIF and ESN Group** – SABIC has signed an initial non-binding MoU with Russian Direct Investment Fund (RDIF) and ESN Group to evaluate building, operating methanol plant in Amur Region of Russia, SABIC stated. The capacity is of up to 2mn tons per year. (Bloomberg)
- **RDIF and Mubadala consider joint projects in Russia** – Russia's RDIF and UAE's Mubadala will jointly consider an investment into a new pulp mill construction project with Russia's Sveza, RDIF stated. The total project size is expected to be up to \$2.8bn, RDIF stated. RDIF and Mubadala are also considering a joint investment into Russia's Nefte Trans Service (NTS). Their agreement forms part of a consortium that is looking to invest \$300mn, RDIF stated. (Reuters)
- **Lukoil to acquire 5% stake in Ghasha natural gas and oil project in the UAE** – Lukoil has agreed to buy a 5% stake in the Ghasha natural gas and oil project in the UAE, the company stated. Lukoil was expanding on details of a concession agreement, signed earlier, with Abu Dhabi National Oil Co. (ADNOC). Alongside ADNOC, other partners in the concession include Eni with a 25% stake, Wintershall Dea with a 10% stake and OMV with a 5% stake. The Ghasha project is expected to produce over

40mn cubic meters of gas per day and 120,000 bpd of crude oil and gas condensate. (Bloomberg)

- **Dubai Islamic Bank reports a profit of AED1.25bn for 3Q2019 with a rise in impairments** – Dubai Islamic Bank reported profit of AED1.25bn in 3Q2019 as compared to AED1.23bn in 3Q2018. The total income came in at AED3.27bn in 3Q2019 as compared to AED2.96bn in 3Q2018. The impairments rose to AED331.5mn in 3Q2019 as compared to AED177.9mn in 3Q2018. The financing to deposit ratio stood at 93%. The non-performing financing (NPF) ratio stood at 3.6% with cash coverage ratio at 104%. The overall coverage, including collateral at discounted value stood at 136%. (Bloomberg)
- **Investment Corporation of Dubai signs a pact with RDIF** – Investment Corporation of Dubai (ICD) has signed a cooperation and collaboration agreement with the Russian Direct Investment Fund (RDIF). ICD and RDIF will explore mutually beneficial investment opportunities in both Russia and the UAE. The agreement was signed as part of Russian President, Vladimir Putin's visit to the UAE. (Bloomberg)
- **Mubadala sells Medgaz pipeline stake to Naturgy and Sonatrach** – Spain's Naturgy Energy Group and Algeria's Sonatrach have agreed to buy Abu Dhabi state fund Mubadala's 42.09% stake in the Medgaz pipeline, which carries natural gas from Algeria to Spain, Naturgy stated. The deal values the infrastructure at EUR1.9bn including debt. Following the close of the transaction, Sonatrach will be the main shareholder with a 51% stake, while Naturgy will hold the remaining 49%. Naturgy will pay EUR445mn to Mubadala for a 34% stake and structure the deal through a special purpose vehicle. It stated that it might sell a stake in this vehicle, which will be funded with a EUR260mn loan, to a financial partner. Naturgy stated that it expected the deal to close by the end of March 2020 and the stake should pay annual dividends of more than EUR130mn. (Reuters)
- **Abu Dhabi's Aldar Properties markets \$500mn Sukuk** – Aldar Investment Properties, a fully owned subsidiary of Abu Dhabi's largest developer Aldar Properties, on Tuesday began marketing a 10-year Sukuk, or Islamic bonds, worth \$500mn, a document issued by one of the banks leading the deal showed. The bonds offer an initial price guidance of around 260 basis points over mid-swaps, the document showed. Dubai Islamic Bank, First Abu Dhabi Bank, HSBC and Standard Chartered have been hired to coordinate the debt sale. (Reuters)
- **ADNOC wants Italy's ENI, Austria's OMV to partner with it on refinery expansion** – Abu Dhabi National Oil Company (ADNOC) wants to partner with Italy's Eni and Austria's OMV to expand its refining capacity to 1.5mn bpd, a company executive said. ADNOC has a total refining capacity of 922,000 bpd including a 85,000 bpd refinery near the Abu Dhabi city. The state energy company plans to double its refining capacity and triple petrochemicals output potential by 2025, as it focuses more on downstream expansion to capture new growth markets. ENI and OMV in January agreed to pay a combined \$5.8bn to take a stake in ADNOC's refining business and establish a new trading operation owned by the three partners. The partnership with ENI and OMV is limited to the current refinery business. "We are partners with OMV and ENI, obviously our desire would be to expand together for the new refinery, at the same time we are so committed to this expansion that if we are not able to align with

them then we may chose to progress on our own," Senior Vice President, Downstream Strategy and Business Development, Rizwan Khalil Sheikh told Reuters. He said as part of refining expansion ADNOC plans to 'mothball' its refinery near Abu Dhabi city. "All of our refineries are at Ruwais, we do have one refinery which is in Abu Dhabi city itself. Because of its proximity to urban areas we are looking to mothball that. That's why despite the expansion we will get 1.5mn bpd," he said. (Reuters)

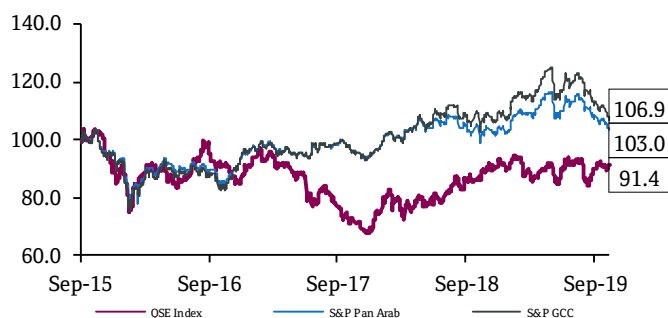
- **Sharjah hires banks for US Dollar Regulation S Sukuk meetings** – The government of the Emirate of Sharjah, acting through Sharjah Finance Department, has mandated HSBC, Dubai Islamic Bank, Emirates NBD Capital, Sharjah Islamic Bank and Standard Chartered Bank to arrange a global investor call. A benchmark fixed rate US Dollar Regulation S senior unsecured Sukuk offering with a tenor of 10 years, issued by Sharjah Sukuk Programme Ltd. under its trust certificate issuance program, will follow, subject to market conditions. Sharjah is rated 'A3' ('Negative') by Moody's and 'BBB+' ('Stable') by S&P. (Bloomberg)
- **Kuwait to start commissioning new refinery next June** – The Al-Zour refinery is set to be commissioned in June 2020 and come online the following December, Kuwait Integrated Petroleum Industries Company's (KIPIC) Acting CEO, Hatem Al-Awadhi said. The plant will produce 225k bpd of low-sulfur fuel mainly for the Ministry of Electricity and Water. Since MEW only needs 100k-150k bpd, KIPIC is conducting a feasibility study to convert the balance into a valuable product, either refinery or petrochemical products. The study will be completed by February. Once approval is obtained and budget approved, the company is targeting 2026 to complete the refinery upgrade. The site for the 615k bpd Al-Zour refinery will include a petrochemical plant and LNG import terminal. The financing is fully secured for the LNG terminal. KIPIC is in advanced stage of planning for Zour's ~\$7bn petrochemical complex, expects to complete FEED phase by April. KIPIC is seeking a loan for at least 70% of the complex's financing. NBK Capital selected as advisor for local loan; a second advisor will be appointed within days for international loan. (Bloomberg)
- **Kuwait Oil Tanker Company to build 8 oil and gas tankers by 2021** – Kuwait Oil Tanker Company will build 3 very large LNG carriers, 4 medium oil product carriers, 1 very large crude carrier as part of fleet renovation, state-run Kuwait News Agency reported. The gas carriers will be built by Hyundai Heavy Industries. Medium oil product carriers will be built by Hyundai Mipo Dockyard. Very large crude carrier will be built by Bohai Shipyard. It will be compliant with new IMO regulations. The company's fleet will total 32 carriers. (Bloomberg)
- **NBOB posts 0.6% YoY rise in net profit to OMR38.3mn in 9M2019** – National Bank of Oman (NBOB) recorded net profit of OMR38.3mn in 9M2019, an increase of 0.6% YoY. Operating profit rose 2.7% YoY to OMR51.2mn in 9M2019. Net interest income and income from Islamic Financing rose 2.6% YoY to OMR72.0mn in 9M2019. Total assets stood at OMR3.6bn at the end of September 30, 2019 as compared to OMR3.5bn at the end of September 30, 2018. Loans, advances and financing activities for customers (net) stood at OMR2.8bn (+5.3% YoY), while customers' deposits and unrestricted investment accounts stood

at OMR2.5bn (+0.8% YoY) at the end of September 30, 2019. (MSM)

- **BKIZ reports net loss of OMR1.5mn in 9M2019** – Alizz Islamic Bank (BKIZ) recorded net loss of OMR1.5mn in 9M2019, registering decrease of 212.2% YoY. Net operating income rose 3.1% YoY to OMR14.5mn in 9M2019. Total assets stood at OMR725.9mn at the end of September 30, 2019 as compared to OMR662.7mn at the end of September 30, 2018. Financing receivables stood at OMR579.7mn (+4.2% YoY), while total deposits stood at OMR621.7mn (+10.9% YoY) at the end of September 30, 2019. (MSM)
- **ABOB posts 5.2% YoY rise in net profit to OMR22.8mn in 9M2019** – Ahli Bank (ABOB) recorded net profit of OMR22.8mn in 9M2019, an increase of 5.2% YoY. Operating income rose 14.9% YoY to OMR51.6mn in 9M2019. Total assets stood at OMR2.5bn at the end of September 30, 2019 as compared to OMR2.3bn at the end of September 30, 2018. Net loans & advances and financing stood at OMR2.1bn (+10.2% YoY), while customer deposits stood at OMR1.6bn (+3.5% YoY) at the end of September 30, 2019. (MSM)
- **BKDB's net profit falls 29.0% YoY to OMR25.9mn in 9M2019** – Bank Dhofar (BKDB) recorded net profit of OMR25.9mn in 9M2019, registering decrease of 29.0% YoY. Profit from operations fell 7.8% YoY to OMR46.8mn in 9M2019. Total assets stood at OMR4.0bn at the end of September 30, 2019 as compared to OMR4.3bn at the end of September 30, 2018. Net loans and advances to customers stood at OMR3.0bn (-4.4% YoY), while deposits from customers stood at OMR2.7bn (-10.4% YoY) at the end of September 30, 2019. (MSM)
- **Oman's OCTAL seeks advisor ahead of possible capital raising** – Omani plastics packaging manufacturer OCTAL has asked banks to pitch for an advisory role ahead of a potential capital raising through an equity sale, sources said. OCTAL, founded in 2006 in the southern port city of Salalah, sent a request for proposal to banks and pitches will take place in London next week, sources said. OCTAL, which makes thermoplastic sheet and resin used in packaged goods, in response to queries by Reuters stated that it “seeks to raise up to \$150mn to bring in a strategic partner for further development of its highly profitable virgin and recycled PET packaging business. The company is in discussion with a number of potential advisors to assist it in these endeavors.” OCTAL is seeking a strategic partner such as a private equity firm that, in a few years’ time, could help the company go public, sources added. Bank Muscat, which has a 5% share in the company, may exit as part of the deal, if the valuation of the firm is favorable, the source added. A second source said the company is hoping to be valued at up to \$700mn. Sources said that OCTAL is looking to hire a sell side advisor and is willing to consider a minority or even a majority share sale. (Reuters)

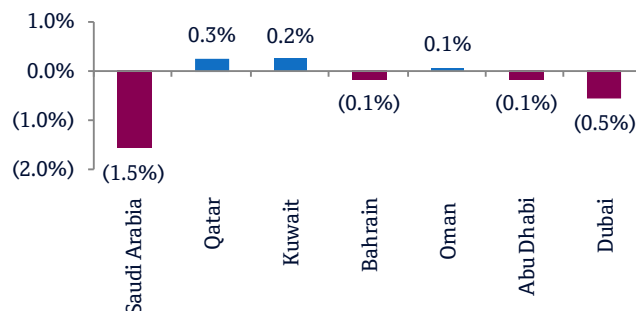


## Rebased Performance



Source: Bloomberg

## Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,481.07	(0.8)	(0.5)	15.5
Silver/Ounce	17.41	(1.4)	(0.8)	12.3
Crude Oil (Brent)/Barrel (FM Future)	58.74	(1.0)	(2.9)	9.2
Crude Oil (WTI)/Barrel (FM Future)	52.81	(1.5)	(3.5)	16.3
Natural Gas (Henry Hub)/MMBtu	2.26	1.3	6.6	(29.1)
LPG Propane (Arab Gulf)/Ton	46.00	(1.1)	(3.4)	(28.1)
LPG Butane (Arab Gulf)/Ton	61.75	1.2	(0.4)	(11.2)
Euro	1.10	0.1	(0.1)	(3.8)
Yen	108.86	0.4	0.5	(0.8)
GBP	1.28	1.4	0.9	0.3
CHF	1.00	(0.2)	(0.1)	(1.7)
AUD	0.68	(0.3)	(0.6)	(4.2)
USD Index	98.29	(0.2)	(0.0)	2.2
RUB	64.28	(0.0)	0.1	(7.8)
BRL	0.24	(1.2)	(1.6)	(7.1)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,196.61	1.0	0.8	16.6
DJ Industrial	27,024.80	0.9	0.8	15.8
S&P 500	2,995.68	1.0	0.9	19.5
NASDAQ 100	8,148.71	1.2	1.1	22.8
STOXX 600	394.02	1.0	0.4	12.3
DAX	12,629.79	1.1	0.7	15.2
FTSE 100	7,211.64	1.5	0.2	7.3
CAC 40	5,702.05	1.0	0.4	16.0
Nikkei	22,207.21	1.4	1.4	12.5
MSCI EM	1,019.25	0.2	0.8	5.5
SHANGHAI SE Composite	2,991.05	(0.8)	0.7	16.5
HANG SENG	26,503.93	(0.1)	0.7	2.4
BSE SENSEX	38,506.09	0.3	0.1	4.1
Bovespa	104,489.60	(0.3)	(0.7)	11.0
RTS	1,331.03	0.7	0.1	24.5

Source: Bloomberg (\*\$ adjusted returns)

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