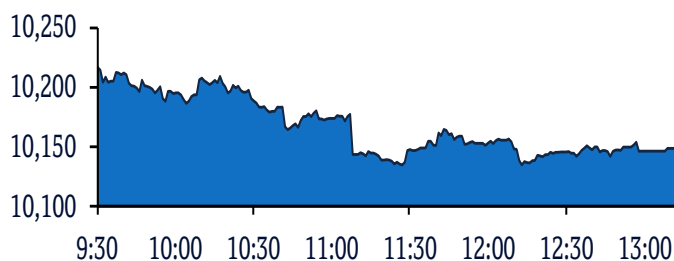


QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.5% to close at 10,149.0. Losses were led by the Real Estate and Transportation indices, falling 2.9% and 1.1%, respectively. Top losers were United Development Company and Medicare Group, falling 7.4% and 3.1%, respectively. Among the top gainers, Qatari German Company for Medical Devices gained 2.1%, while Qatar First Bank was up 1.9%.

GCC Commentary

Saudi Arabia: The TASI Index fell 1.2% to close at 7,952.5. Losses were led by the Materials and Banks indices, falling 2.0% and 1.7%, respectively. Hail Cement Company declined 5.6%, while The Medit. & Gulf Ins. and Reins. was down 5.5%.

Dubai: The DFM Index fell 0.6% to close at 2,752.4. The Telecommunication index declined 1.6%, while the Real Estate & Construction index fell 1.0%. Arabtec Holding Company declined 9.2%, while Takaful Emarat Insurance was down 7.3%.

Abu Dhabi: The ADX General Index gained 0.1% to close at 5,090.2. The Real Estate and Telecommunication indices rose 0.3%, each. United Arab Bank rose 10.3%, while Invest Bank was up 4.7%.

Kuwait: The Kuwait All Share Index fell 0.4% to close at 6,253.3. The Consumer Goods index declined 2.0%, while the Telecommunications index fell 1.7%. Al-Massaleh Real Estate Co. declined 10.0%, while Al-Eid Food was down 8.4%.

Oman: The MSM 30 Index fell 0.1% to close at 4,126.1. The Industrial index fell 0.3%, while the Services fell marginally. Al Maha Petroleum Products declined 2.8%, while Al Anwar Ceramic Tiles was down 1.8%.

Bahrain: The BHB Index gained 0.2% to close at 1,658.6. The Investment index rose 0.4%, while the Commercial Banks index gained 0.1%. GFH Financial Group rose 2.1%, while Al Baraka Banking Group was up 1.0%.

Market Indicators	09 Jan 20	06 Jan 20	%Chg.
Value Traded (QR mn)	159.6	275.9	(42.2)
Exch. Market Cap. (QR mn)	566,740.8	568,346.8	(0.3)
Volume (mn)	92.8	79.9	16.2
Number of Transactions	4,147	7,067	(41.3)
Companies Traded	44	44	0.0
Market Breadth	13:26	5:37	-

Market Indices	Close	1D%	WTD%	YTD%	TTMP/E
Total Return	18,675.08	(0.5)	(0.5)	(2.7)	14.7
All Share Index	3,023.23	(0.4)	(0.4)	(2.5)	15.2
Banks	4,239.19	(0.1)	(0.1)	0.4	14.7
Industrials	2,733.80	(0.6)	(0.6)	(6.8)	19.2
Transportation	2,375.48	(1.1)	(1.1)	(7.0)	12.4
Real Estate	1,438.43	(2.9)	(2.9)	(8.1)	10.8
Insurance	2,647.17	(0.2)	(0.2)	(3.2)	15.8
Telecoms	861.86	(0.2)	(0.2)	(3.7)	14.8
Consumer	8,165.13	0.0	0.0	(5.6)	18.1
Al Rayan Islamic Index	3,771.05	(1.0)	(1.0)	(4.6)	15.8

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Saudi Arabian Oil Co.	Saudi Arabia	34.05	1.9	17,707.9	(3.4)
HSBC Bank Oman	Oman	0.12	1.7	231.0	0.8
Ooredoo Oman	Oman	0.52	1.2	88.8	0.0
National Bank of Oman	Oman	0.20	1.0	201.2	10.9
Ahli United Bank	Kuwait	0.34	0.6	397.5	(0.3)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Arabian Centres Co. Ltd	Saudi Arabia	29.60	(3.0)	171.6	1.5
National Petrochemical	Saudi Arabia	24.40	(2.8)	425.4	2.8
Emaar Economic City	Saudi Arabia	9.72	(2.7)	1,406.3	1.8
Saudi Arabian Mining Co.	Saudi Arabia	39.90	(2.7)	758.5	(10.1)
Rabigh Refining & Petro.	Saudi Arabia	18.34	(2.7)	1,911.0	(15.3)

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%
United Development Company	1.25	(7.4)	44,721.1	(17.8)
Medicare Group	7.55	(3.1)	95.5	(10.7)
Al Khaleej Takaful Insurance Co.	1.84	(2.1)	48.9	(8.0)
Aljjarah Holding	0.80	(1.8)	4,863.8	13.5
Qatar Gas Transport Co. Ltd.	2.18	(1.8)	3,684.3	(8.8)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
United Development Company	1.25	(7.4)	55,436.4	(17.8)
Masraf Al Rayan	4.08	(1.0)	10,775.7	3.0
Qatar International Islamic Bank	8.95	(0.7)	10,466.5	(7.5)
QNB Group	20.38	0.3	9,103.2	(1.0)
Qatar Gas Transport Co. Ltd.	2.18	(1.8)	8,043.8	(8.8)

Source: Bloomberg (* in QR)

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatari German Co for Med. Devices	0.62	2.1	9,135.3	6.2
Qatar First Bank	1.08	1.9	3,041.7	32.0
Aamal Company	0.79	1.8	556.6	(2.5)
Qatar Oman Investment Company	0.55	1.3	131.6	(18.2)
Dlala Brokerage & Inv. Holding Co.	0.57	1.1	248.2	(7.4)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
United Development Company	1.25	(7.4)	44,721.1	(17.8)
Qatari German Co for Med. Devices	0.62	2.1	9,135.3	6.2
Aljjarah Holding	0.80	(1.8)	4,863.8	13.5
Qatar Gas Transport Company Ltd.	2.18	(1.8)	3,684.3	(8.8)
Qatar First Bank	1.08	1.9	3,041.7	32.0

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,149.03	(0.5)	(0.5)	(2.8)	(2.7)	43.59	154,663.6	14.7	1.5	4.2
Dubai	2,752.41	(0.6)	(0.6)	(1.4)	(0.5)	30.15	103,365.9	12.0	1.0	4.2
Abu Dhabi	5,090.21	0.1	0.1	(1.3)	0.3	15.30	144,696.8	15.6	1.4	4.9
Saudi Arabia	7,952.52	(1.2)	(1.2)	(3.6)	(5.2)	1,047.20	2,307,079.5	21.4	1.8	3.4
Kuwait	6,253.29	(0.4)	(0.4)	(1.1)	(0.5)	58.18	117,072.0	15.6	1.4	3.4
Oman	4,126.05	(0.1)	(0.1)	1.1	3.6	5.64	17,558.4	7.8	0.8	7.2
Bahrain	1,658.58	0.2	0.2	0.1	3.0	13.91	26,014.8	13.2	1.0	4.7

Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (** TTM; * Value traded (\$ mn) do not include special trades, if any)

Qatar Market Commentary

- The QE Index declined 0.5% to close at 10,149.0. The Real Estate and Transportation 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.
- United Development Company and Medicare Group were the top losers, falling 7.4% and 3.1%, respectively. Among the top gainers, Qatari German Company for Medical Devices gained 2.1%, while Qatar First Bank was up 1.9%.
- Volume of shares traded on Sunday rose by 16.2% to 92.8mn from 79.9mn on Thursday. Further, as compared to the 30-day moving average of 81.1mn, volume for the day was 14.4% higher. United Development Company and Qatari German Company for Medical Devices were the most active stocks, contributing 48.2% and 9.8% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	37.96%	33.18%	7,636,876.78
Qatari Institutions	23.11%	28.15%	(8,050,193.73)
Qatari	61.07%	61.33%	(413,316.95)
GCC Individuals	1.58%	1.29%	472,959.36
GCC Institutions	1.36%	7.70%	(10,126,203.37)
GCC	2.94%	8.99%	(9,653,244.01)
Non-Qatari Individuals	12.68%	10.15%	4,036,215.02
Non-Qatari Institutions	23.31%	19.54%	6,030,345.94
Non-Qatari	35.99%	29.69%	10,066,560.96

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

Earnings Releases and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 4Q2019	% Change YoY	Operating Profit (mn) 4Q2019	% Change YoY	Net Profit (mn) 4Q2019	% Change YoY
Al Kathiri Holding Co.*	Saudi Arabia	SR	89.5	77.2%	16.8	73.1%	16.0	72.1%
United Int. Transportation Co.*	Saudi Arabia	SR	1,043.5	0.2%	189.2	3.6%	178.6	5.1%
United Foods Company*	Dubai	AED	383.0	-12.5%	-	-	28.7	50.0%
Dxb Entertainments*	Dubai	AED	491.0	-9.2%	-	-	(855.0)	N/A
Aramex*	Dubai	AED	5,246.0	3.1%	-	-	497.4	1.0%
Emaar Malls*	Dubai	AED	4,673.0	5.1%	-	-	2,286.0	2.5%
Emirates Insurance Co.*	Abu Dhabi	AED	1,136.5	8.9%	-	-	140.1	22.8%
National Marine Dredging Co*	Abu Dhabi	AED	2,810.7	83.5%	273.9	19.7%	180.8	49.5%
Aghthia Group*	Abu Dhabi	AED	2,039.3	1.9%	133.3	-36.3%	137.0	-34.9%

Source: Company data, DFM, ADX, MSM, TASI, BHB. (*Financial for FY2019)

Earnings Calendar

Tickers	Company Name	Date of reporting 4Q2019 results	No. of days remaining	Status
IQCD	Industries Qatar	10-Feb-20	0	Due
QAMC	Qatar Aluminum Manufacturing Company	12-Feb-20	2	Due
QCFS	Qatar Cinema & Film Distribution Company	12-Feb-20	2	Due
DOHI	Doha Insurance Group	12-Feb-20	2	Due
SIIS	Salam International Investment Limited	13-Feb-20	3	Due
ORDS	Ooredoo	13-Feb-20	3	Due
QEWS	Qatar Electricity & Water Company	16-Feb-20	6	Due
DHBK	Doha Bank	17-Feb-20	7	Due
QGTS	Qatar Gas Transport Company Limited (Nakilat)	17-Feb-20	7	Due
QGRI	Qatar General Insurance & Reinsurance Company	17-Feb-20	7	Due
AHCS	Aamal Company	18-Feb-20	8	Due
MERS	Al Meera Consumer Goods Company	19-Feb-20	9	Due
GISS	Gulf International Services	19-Feb-20	9	Due
MPHC	Mesaieed Petrochemical Holding Company	20-Feb-20	10	Due
QNNS	Qatar Navigation (Milaha)	25-Feb-20	15	Due
QISI	Qatar Islamic Insurance Group	26-Feb-20	16	Due

Source: QSE

Qatar

- QNB Group endorses items on its agenda and approves the distribution of 60% cash dividend** – QNB Group announced the results of the Ordinary and Extraordinary General Assembly Meetings were held on February, 09 2020 and has approved the following resolutions: (1) Heard the statement of His Excellency the Chairman and the report of the board of directors on the Bank's activities, financial position for the year ended December 31, 2019 and the business plan for 2020, (2) Heard and approved the report of the External Auditors on the bank's balance sheet and on the accounts submitted by the board of directors, (3) Discussed and approved the balance sheet and profit and loss for the year ended December 31, 2019, (4) Approved the proposal of the board of directors to distribute to the shareholders cash dividends at the rate of 60% of the nominal share value, i.e. QR0.60 for each share, (5) Released from liability the members of the board of directors and approved their fees for the financial year ended December 31, 2019, (6) Discussed and approved the bank's Corporate Governance Report for 2019, (7) Appointed KPMG as External Auditor for the Bank for the financial year 2020 and approved the fees. (QSE)
- Ahli Bank to hold its AGM & EGM on February 26** – Ahli Bank's board of directors invited its shareholders to attend the Annual General Meeting (AGM) to be held on February 26, 2020, to be immediately followed by an Extraordinary General Meeting (EGM), to discuss the following Agenda. In case the quorum of either of the AGM or the EGM is not met, the second adjourned meeting shall be held at the same venue on April 03, 2020. (QSE)
- QEWS investor relation conference call to be held on February 17** – Qatar Electricity & Water Company (QEWS) announced that the investor relation conference call will be held on February 17, 2020, to discuss the financial statements ended December 31, 2019. (QSE)
- Qatargas enters agreement to deliver 1mn tons of LNG per year to Kuwait** – Qatargas entered a new, long-term liquefied natural gas (LNG) sale and purchase agreement (SPA) with Shell to deliver 1mn tons of LNG per annum to Kuwait, commencing this year. This new long term agreement between Qatargas and Shell for the supply of LNG to Kuwait follows the recent pact signed between Qatar Petroleum (QP) and Kuwait Petroleum Corporation. (Gulf-Times.com)
- Ooredoo announces new Industrial Metering solution** – Ooredoo has announced the new Industrial Metering solution, which enables organizations to capture the energy and water usage in their organization and to optimize the consumption, costs, and safety. Previously, organizations faced numerous challenges with their energy and water usage – they wanted to reduce their spending, but did not know which departments or sections were consuming the most water and energy hence they could not pinpoint how to start saving on their consumption costs. With Ooredoo Industrial Metering, organizations can automatically capture energy and water usage data, accessible from their central office. As a result, organizations can gain granular usage reports with breakdown by departments or building sections, and can understand consumption patterns. Organizations with rented space can automatically get updated readings from their sub-meters within facilities and easily generate cost reports to their tenants. They can even free up resources in avoiding manual readings, and can have more accurate and reliable data. The captured real-time data can also be used to detect and alert critical events, such as water leakage, critical high consumption, or even power outages in sections. (Gulf-Times.com)
- Qatar witnesses 7% expansion in building permits issuance in January** – Qatar witnessed a robust 7% MoM expansion in the building permits issued this January, indicating strong growth prospects for the country's construction sector and its allied segments, according to the official estimates. Al Daayen, Wakrah and Doha outpaced the national growth in the building permits issued in January 2020, revealed the data released by the Planning and Statistics Authority (PSA). Qatar saw as many as 696 building permits issued in January this year. On geographical basis, Al Rayyan saw 196 building permits issued or 28% of the total, Doha 151 (22%), Wakrah 133 (19%), Al Daayen 122 (18%), Umm Slal 30 (4%), Al Khor 28 (4%), Al Shahaniya 20 (3%), and Al Shamal 16 (2%). On a monthly basis, Al Daayen witnessed 28% surge, Al Wakrah (10%), and Doha and Al Rayyan (9% each); whereas Umm Slal reported 41% plunge and Al Shahaniya (9%). Al Shamal treaded a flat path. The building permits data is of particular importance as it is considered an indicator for the performance of the construction sector which in turn occupies a significant position in the national economy. The PSA data indicates that the new building permits (residential and non-residential) constituted 52% (363 permits) of the total building permits issued in January 2020, while additions constituted 45% (316 permits), and fencing 2% (17 permits). Of the new residential buildings permits, PSA found that villas' topped the list, accounting for 73% (209 permits) of all new residential buildings permits, dwellings of housing loans 19% (53 permits) and apartments 7% (20 permits). Among non-residential buildings, commercial structures accounted for 52% or 40 permits, industrial buildings (workshops and factories) 18% (14 permits) and public buildings 18% (15 permits). Qatar saw a total of 3337 building completion certificates issued in January this year, of which 194 was for the residential buildings, 41 for non-residential and 102 for additions. Al Rayyan municipality topped with 96 certificates (28% of the total), Doha 80 (24%), Al Daayen 52 (15%), Wakrah 46 (14%), Umm Slal 23 (7%), Al Khor 17 (5%), Al Shamal 12 (4%) and Al Shahaniya 11 (3%). (Gulf-Times.com)
- ValuStrat: Total office stock reached 4.8mn square meters by the end of 2019** – With about 70% of the anticipated 1mn square meters of Gross Leasable Area (GLA) of office space completed during 2019, the total office stock reached 4.8mn square meters by the end of 2019, witnessing an increase of nearly 16% compared to an estimated 4.14mn square meters of office GLA at end of 2018, findings of a latest real estate report showed. According to the fourth quarter review report (4Q2019) released by real estate consulting firm ValuStrat, five office projects were added during 4Q2019 in Lusail, Al Mirqab, C-Ring Road (Al

Mansoura) and Al Sadd comprising 160,000 square meters GLA. The supply of office space is expected to continue increasing in 2020 as more projects are to be completed this year. Upcoming projects in 2020, currently under development totaled 1mn square meters GLA, and 80% of which are located in Lusail area which include Fox Hills, Energy District and Marina District, Al Dafna and Musheireb Downtown whereas the remaining mixed amongst Duhail, Nuaija, Al Hitmi, Al Sadd, Umm Ghuwailina and Al Muntazah. The new supply to the existing stock of office space is likely to put additional downward pressure in the asking prices, which is expected to vary from area to area. (Peninsula Qatar)

- **UK's trade ties with Qatar to strengthen post Brexit** – The UK's plan to develop stronger trading ties, including negotiating free trade agreements (FTAs) after leaving the European Union, will create a lot of new opportunities for Qatar in various areas of cooperation, British Ambassador Ajay Sharma has said. "The UK's priority post-Brexit will be to improve trade relations across the world, including through FTAs – with the US for example. We also want to improve our trade relationship with Qatar. Exactly what this looks like will be shaped and determined in the coming months," the envoy said. According to the UK embassy in Doha, the total Qatari investment into the UK (mostly London) is more than £35bn. Qatari gas exports to the UK are the source of around 15-20% of the UK's gas needs and the UK currently has more than 600 companies registered in Qatar. Total trade in goods and services between the two countries was £6.7bn in the year ending the third quarter (3Q2019) and total UK exports to Qatar amounted to £4.3bn whilst total UK imports from Qatar were £2.4bn during the same period. Of all UK exports to Qatar in the year ending 2Q2019, £2.6bn (63.8%) were goods and £1.5bn (36.2%) were services, whilst imports from Qatar were £2.1bn (91.3%) goods and £199m (8.7%) services. In the year ending 3Q2019, the UK had a total trade surplus of £1.9bn with Qatar. (Gulf-Times.com)
- **Qatar Sport Day holiday tomorrow** – The Amiri Diwan yesterday announced that on the occasion of Qatar Sport Day, which is marked annually on the second Tuesday of February, tomorrow, 17 Jumada Al-Akhirah 1441 AH, corresponding to February 11, 2020, will be an official holiday. (Gulf-Times.com)

International

- **MBA: Commercial and multifamily mortgage maturity volumes in US to increase 48% in 2020** – The \$163.2bn of the \$2.2tn (7%) of outstanding commercial and multifamily mortgages in the US held by non-bank lenders and investors will mature in 2020, a 48% increase from the \$110.5bn that matured in 2019, according to the Mortgage Bankers Association's (MBA) Commercial Real Estate/Multifamily Survey of Loan Maturity Volumes. The loan maturities vary significantly by investor group. Only \$11.9bn (2%) of the outstanding balance of multifamily and health care mortgages held or guaranteed by Fannie Mae, Freddie Mac, FHA and Ginnie Mae will mature in 2020. Life insurance companies will see \$24.8bn (4%) of their outstanding mortgage balances mature, and among loans held in CMBS, \$67.2bn (11%) will come due. Among commercial mortgages held by credit companies and other investors, \$59.3bn (24%) will mature this year. The dollar figures reported are the unpaid principle balances as of December 31, 2019. Because most loans pay down principle, the balances at

the time of maturity will generally be lower than those reported here. MBA's survey covers \$2.19tn of commercial and multifamily mortgages held or insured by life companies, Fannie Mae, Freddie Mac, FHA, CMBS trusts and other non-bank lenders and investors. Banks and thrifts hold an additional \$1.4tn in mortgages backed by income-producing properties, which are not covered by this survey. (MBA)

- **Commercial and multifamily borrowing in US climbed to a new high to close out 2019** – A 7% increase in commercial and multifamily mortgage originations in the fourth quarter of 2019 capped off what was a strong 2019 for the market, according to preliminary estimates from the Mortgage Bankers Association's (MBA) Quarterly Survey of Commercial/Multifamily Mortgage Bankers Originations, released at the 2020 Commercial Real Estate Finance/Multifamily Housing Convention & Expo. A rise in originations for industrial, office and health care properties led the overall increase in commercial/multifamily lending volumes when compared to the fourth quarter of 2018. There was a 67% YoY increase in the dollar volume of loans for industrial properties, a 33% increase for health care properties, a 29% increase for office properties, and a 13% increase for retail properties. Multifamily property loan originations decreased 4%, and hotel property lending fell 25%. Among investor types, the dollar volume of loans originated for Commercial Mortgage Backed Securities (CMBS) increased YoY by 81%, 13% for commercial bank portfolio loans, and 9% for life insurance companies. The dollar volume of Government Sponsored Enterprises (GSEs - Fannie Mae and Freddie Mac) loans decreased 30% compared to the fourth quarter of 2018. A preliminary measure of commercial and multifamily mortgage originations volumes shows activity in 2019 was 13% higher than in 2018. By property type, originations for health care properties increased 92% from 2018, 50% for industrial properties, 23% for office properties, and 8% for multifamily properties. Retail property originations decreased 6%, and hotel properties saw a decline of 19%. (MBA)
- **Trump slashes foreign aid, cuts safety net programs in new budget proposal** – The US President, Donald Trump will propose today a 21% cut in foreign aid and slashes to social safety-net programs in his \$4.8tn budget proposal for fiscal 2021, according to senior administration officials. The budget would spend money to fund infrastructure projects and defense, but would also raise funds by targeting \$2tn in savings from mandatory spending programs in the United States. It assumes revenues around \$3.7tn. Trump, a Republican, sought in his budget proposal last year to slash foreign aid but faced steep resistance from Congress and did not prevail. The budget seeks money to fund a US infrastructure overhaul that both Democrats and Republicans have said is a priority. The budget would raise military spending by 0.3% to \$740.5bn for fiscal-year 2021, starting on October 1 and propose higher outlays for defense and veterans, administration officials confirmed. (Reuters)
- **China's producer prices break deflation spell but corona-virus heightens risks** – China's factory-gate prices snapped six months of YoY declines in January, although prolonged business closures from the corona-virus outbreak mean positive momentum is unlikely to persist. The virus has killed more than 900 in China and has also added to price pressures, with consumer inflation

hitting a more than eight-year high as government restrictions on movement drove residents to stock up on essentials. China's producer price index rose 0.1% from a year earlier, according to data released by the National Bureau of Statistics, in line with expectations tipped by a Reuters poll of analysts and reversing a 0.5% drop in December. China's consumer price index rose 5.4% from a year earlier in January, surpassing a 4.9% rise tipped by a Reuters poll of analysts and a 4.5% rise in December. The NBS in a commentary on the data attributed the acceleration in consumer prices to the Lunar New Year holiday, the corona-virus outbreak and lower base from last year. Food prices surged 20.6% in January from a year earlier while pork prices rose 116%. (Reuters)

Regional

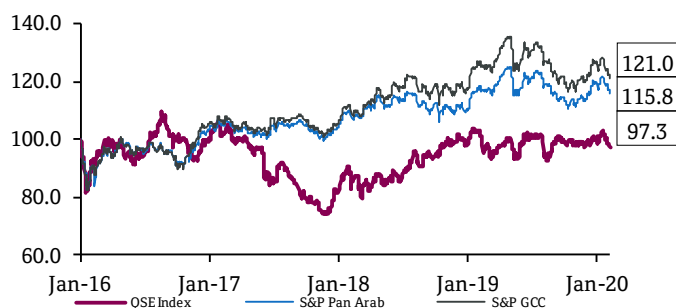
- **Dubai Crown Prince approves decision to waive Dubai government services fees** – Crown Prince of Dubai and Chairman of Dubai executive council, Sheikh Hamdan bin Mohammed Bin Rashid Al Maktoum approved a decision to waive fees on various government services offered in Dubai. The decision to waive fees aimed at lowering the cost of living, facilitating the ease of doing business, and supporting investors. The waived fees include those for medical training activities, schools awareness campaigns and entry fees to public libraries, among others. Some 2,356 administrative fees of 22 government entities were reviewed and new legislation was introduced to regulate and limit the introduction of new administrative fees. (Reuters)
- **Dubai airport sees rare annual drop in passenger traffic in 2019** – Dubai International Airport, the world's busiest airport for international travelers, handled 86.4mn passengers in 2019, dropping 3.1% from the previous year to post a rare annual fall in traffic. Chief Executive, Paul Griffiths said factors behind the drop included a temporary runway closure, the collapse of India's Jet Airways, and the worldwide grounding of the Boeing 737 MAX. The airport lost estimated potential 3.2mn passengers as a consequence, he said. Dubai is a popular destination for Indian airlines such as Jet, while flydubai, based at the airport, is a major MAX customer. A spokesman initially said it was the first time ever annual passenger traffic had fallen but later clarified it had also fallen in 1986 and 1991. Passenger traffic had also disappointed in 2018, when a return to double digit growth had been expected, however, instead it grew just 1%, its slowest pace in 15 years. Aircraft landings and takeoffs fell 8.6% to 373,261 during 2019, while the average number of passengers per flight increased 5.8% to 239. Passenger traffic increased by 1.3% in the fourth quarter to 21.9 million, with the airport handling on average 7.2mn passengers each month throughout the year. First quarter passenger traffic is likely to be impacted by the coronavirus outbreak in China, which has led to travel curbs and suspension of flights to and from the world's biggest economy. (Reuters)
- **Dubai sugar giant gets boost from worst Thai drought in decades** – The worst Thai drought in decades has given a boost to Dubai's giant Al Khaleej Sugar Co. The world's largest port-based sugar refinery has been running at full capacity since after Christmas, Managing Director, Jamal Al Ghurair said. A poor crop in Thailand, the No. 2 exporter, has helped push up the premium white sugar commands over the raw variety, he said. That is a stark turnaround for the refinery, based at the port of Jebel Ali,

after running at low rates or even shutting down for parts of last year due to a global surplus. However, now Thai sugar production could fall as much as 30% after what could be the worst drought in 40 years, the Thai Sugar Millers Corp. forecasts. "They had a bad crop, the weather there is very bad," Al Ghurair told reporters before the start of the Dubai Sugar Conference, an annual gathering that attracts some 600 traders and analysts. Production dropped a lot, in raws, so there is less available to be converted to whites." The premium white sugar commands over the raw variety has surged to the highest level since September 2018. That's helping refineries like Al Khaleej, which buy the raw sugar mostly from Brazil, to convert into the white variety. (Bloomberg)

- **Abu Dhabi in talks with banks for new debt issues** – Abu Dhabi has been in talks with banks for potential debt sales in the international markets this year as the oil-rich Emirate plans to engage global fixed income investors on a more regular basis amid low oil prices, sources said. Abu Dhabi, which has one of the best credit ratings in the region, issued its latest international bonds in September last year, raising \$10bn for budgetary purposes and garnering almost \$20bn in demand. After a reshuffling at its finance department last year, the government has been in talks with banks on several fundraising options, taking a more proactive approach to debt financing, said the sources. "They want to issue more regularly and in smaller sizes, rather than huge \$10 billion deals like last year," one of them said. "As part of its mandate, the Abu Dhabi Department of Finance constantly evaluates options under the existing bond issuance program," it told Reuters. "However, as a matter of policy, the Department does not respond to market rumors," it added. Rated 'AA' by S&P and Fitch and 'Aa2' by Moody's, Abu Dhabi's finances are backed by one of the world's largest sovereign net foreign asset positions and low levels of debt. However, its ratings are also constrained "by dependence on volatile oil and gas revenue, an underdeveloped economic policy framework and weak governance indicators relative to 'AA' peers," Associate Director at Fitch Ratings, Cedric Berry said. In its talks with banks, Abu Dhabi has said it plans to modernize its approach to raising financing and to improve transparency when it engages with fixed income investors, sources said. "They want to pay less for their borrowing. They're rated double A but they pay some 10-15 basis points more than their peers and they want to fix that." Abu Dhabi's fiscal balance depends almost entirely on revenue from hydrocarbon royalties and taxes and dividends received from ADNOC, its national oil company. (Reuters)
- **NBF's net profit falls 10.3% YoY to AED552.2mn in FY2019** – National Bank of Fujairah (NBF) recorded net profit of AED552.2mn in FY2019, registering decrease of 10.3% YoY. Operating income rose 8.5% YoY to AED1,708.1mn in FY2019. Operating profit before impairment losses rose 8.8% YoY to AED1,145.2mn in FY2019. Total assets stood at AED42.8bn at the end of December 31, 2019 as compared to AED39.8bn at the end of December 31, 2018. Loans and advances and Islamic financing receivables stood at AED27.1bn (+3.4% YoY), while customers' deposits and Islamic customer deposits stood at AED31.9bn (+4.8% YoY) at the end of December 31, 2019. EPS came in at AED0.27 in FY2019 as compared to AED0.29 in FY2018. (ADX)

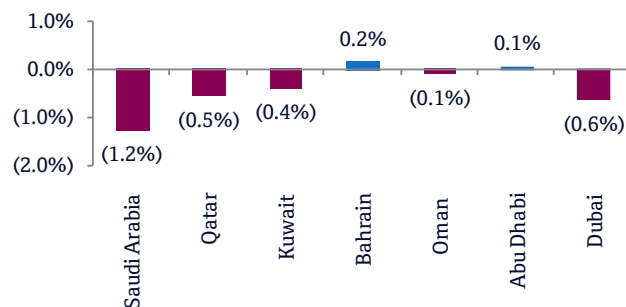
- **CMA lists first REIT Fund on Boursa Kuwait** – Kuwait's Capital Markets Authority (CMA) approved a request to list KFH Capital REIT Fund on the Boursa Kuwait as the first real estate yield generating fund, according to the Kuwait News Agency. This approval gives rise to a new investment product that allows investment in real estate assets and generates a periodic income on the fund's assets to benefit from the income of these properties by up to 90% of operating income, CMA said. The new fund is a part of KFH Capital's endeavors to diversify investment opportunities for its customers and strengthen the company's position as the best investment destination in the region. Moreover, KFH Capital REIT Fund vests mainly in income-generating real estate assets in various sectors in Kuwait, among them the investment, commercial, and industrial sectors. CMA lists first REIT Fund on Boursa Kuwait. (Zawya)
- **Gulf Bank reported net income of KD63.6mn for FY2019** – Gulf Bank reported net income of KD63.6mn for FY2019, representing a rise of 12% YoY, missing an estimate of KD104.0mn (range KD64.0mn to KD183.0mn) as per the Bloomberg consensus for the full year that missed the lowest analyst estimate. The company reported an operating revenue of KD207.6mn for FY2019, representing a rise of 6.8% YoY. The operating profit came in at KD129.7mn for FY2019. The bank will be paying 11% cash dividend for 2019. (Bloomberg)
- **Oman's sovereign ratings affirmed; outlook revised to 'Negative'** – Capital Intelligence Ratings (CI Ratings), the international credit rating agency, announced that it has revised the outlook on Oman's long-term foreign currency rating (LT-FCR) and long-term local currency rating (LT-LCR) to 'Negative' from 'Stable'. At the same time the sovereign's LT-FCR and LT-LCR have been affirmed at 'BBB-' while its short-term (ST) FCR and ST-LCR have been affirmed at 'A3'. (Capital Intelligence)
- **AUB posts 4.7% YoY rise in net profit to \$730.5mn in FY2019** – Ahli United Bank (AUB) recorded net profit of \$730.5mn in FY2019, an increase of 4.7% YoY. Net interest income rose 1.2% YoY to \$951.5mn in FY2019. Operating income rose 2.1% YoY to \$1,235.5mn in FY2019. Total assets stood at \$40.3bn at the end of December 31, 2019 as compared to \$35.5bn at the end of December 31, 2018. Loans and advances stood at \$20.7bn (+6.3% YoY), while customers' deposits stood at \$25.5bn (+7.9% YoY) at the end of December 31, 2019. EPS came in at \$0.079 in FY2019 as compared to \$0.076 in FY2018. (Bahrain Bourse)
- **Bank ABC reported net income of \$194mn for FY2019** – Bank ABC reported full-year net income of \$194mn for FY2019 as compared to \$202mn a year earlier, according to a statement. Total assets stood at \$30.1bn at the end of year 2019 as compared to \$29.5bn a year earlier. It said that the year is marked with "persistent trade tensions between the US and China, declining interest rates and global growth concerns, which together with an uncertain political situation in some of ABC's key markets, dampened economic growth and demand for credit." (Bloomberg)
- **Bahrain's GFH acquires US hospitality portfolio for \$250mn** – GFH Capital, a subsidiary of Bahrain's GFH Financial Group has acquired a hospitality portfolio (The Portfolio) in the US for approximately \$250mn. The Portfolio, which was bought in partnership with Arbor Lodging Partners, consists of twelve select service hotels located in California, Connecticut and New Jersey, GFH said. These premium branded hotels are either part of a Hilton Brand hotel (Hilton Garden Inn, Hampton Inn, and Homewood Suites) or a Marriott Brand hotel (Courtyard, Residence Inn, and Springhill Suites). As part of the JV with Arbor, the hospitality asset manager, will hold a close to 9% stake in the portfolio and act as the asset manager, the statement said. Arbor Lodging Management, an affiliate of Arbor, will be managing the Portfolio. "The Portfolio is well diversified with assets located in key submarkets of the country that are showing growth and overall positive dynamics," CEO of GFH, Hisham Alrayes said. "The Portfolio also benefits from best in class branding with the Hilton and Marriott franchise affiliations making them well known to target audiences and a part of industry-leading guest loyalty programs driving traffic. The hotels are also well managed and have strong reputations," Alrayes added. (Zawya)
- **KHCB post net loss of BHD14.9mn in FY2019** – Khaleeji Commercial Bank (KHCB) recorded net loss of BHD14.9mn in FY2019 as compared to net profit of BHD0.7mn in FY2018. Total income before return to investment account holders rose 24.7% YoY to BHD47.6mn in FY2019. Total income rose 1.2% YoY to BHD19.6mn in FY2019. Total assets stood at BHD939.8mn at the end of December 31, 2019 as compared to BHD850.9mn at the end of December 31, 2018. Financing assets stood at BHD324.4mn (-1% YoY), while placements from non-financial institutions and individuals stood at BHD134.7mn (+11.8% YoY) at the end of December 31, 2019. The bank reported a loss per share of 15.86 fils in FY2019 as compared to earnings per share of 0.69 fils in FY2018. (Bahrain Bourse)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,570.44	0.2	(1.2)	3.5
Silver/Ounce	17.70	(0.7)	(1.9)	(0.8)
Crude Oil (Brent)/Barrel (FM Future)	54.47	(0.8)	(6.3)	(17.5)
Crude Oil (WTI)/Barrel (FM Future)	50.32	(1.2)	(2.4)	(17.6)
Natural Gas (Henry Hub)/MMBtu	1.88	(1.1)	(1.6)	(10.0)
LPG Propane (Arab Gulf)/Ton	38.50	0.7	(8.3)	(6.7)
LPG Butane (Arab Gulf)/Ton	50.50	(9.0)	(32.4)	(23.9)
Euro	1.09	(0.3)	(1.3)	(2.4)
Yen	109.75	(0.2)	1.3	1.0
GBP	1.29	(0.3)	(2.4)	(2.8)
CHF	1.02	(0.3)	(1.5)	(1.0)
AUD	0.67	(0.8)	(0.3)	(5.0)
USD Index	98.68	0.2	1.3	2.4
RUB	64.12	1.2	0.3	3.4
BRL	0.23	(0.9)	(0.9)	(7.0)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,404.75	(0.5)	2.7	2.0
DJ Industrial	29,102.51	(0.9)	3.0	2.0
S&P 500	3,327.71	(0.5)	3.2	3.0
NASDAQ 100	9,520.51	(0.5)	4.0	6.1
STOXX 600	424.36	(0.6)	2.0	(0.6)
DAX	13,513.81	(0.7)	2.8	(0.4)
FTSE 100	7,466.70	(0.8)	0.2	(3.7)
CAC 40	6,029.75	(0.4)	2.5	(1.7)
Nikkei	23,827.98	(0.0)	1.4	(0.1)
MSCI EM	1,091.64	(1.0)	2.8	(2.1)
SHANGHAI SE Composite	2,875.96	(0.1)	(4.7)	(6.2)
HANG SENG	27,404.27	(0.4)	4.2	(2.5)
BSE SENSEX	41,141.85	(0.8)	1.1	(0.7)
Bovespa	113,770.30	(2.4)	(0.7)	(8.4)
RTS	1,518.23	(1.4)	0.1	(2.0)

Source: Bloomberg (*\$ adjusted returns)

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