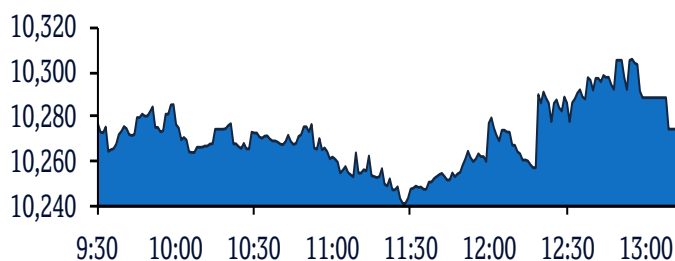


## QSE Intra-Day Movement



## Qatar Commentary

The QE Index declined 0.1% to close at 10,274.6. Losses were led by the Industrials and Telecoms indices, falling 0.3% and 0.2%, respectively. Top losers were Qatar General Insurance & Reinsurance Company and Industries Qatar, falling 2.5% and 1.3%, respectively. Among the top gainers, Qatar Cinema & Film Distribution Company gained 9.1%, while Aamal Company was up 4.1%.

## GCC Commentary

**Saudi Arabia:** The TASI Index gained 0.6% to close at 7,798.3. Gains were led by the Food & Bev. and Com. & Prof. Svc indices, rising 1.4% and 1.1%, respectively. Al Kathiri Holding Co. rose 9.9%, while Middle East Healthcare Co. was up 6.1%.

**Dubai:** The DFM Index gained 0.4% to close at 2,698.8. The Services index rose 1.7%, while the Transportation index gained 1.2%. Dar Al Takaful rose 5.6%, while Almadina for Finance and Investment Company was up 2.6%.

**Abu Dhabi:** The ADX General Index fell 0.2% to close at 5,131.4. The Industrial index declined 0.7%, while the Energy index fell 0.5%. Al Buhaira National Insurance Co. declined 9.6%, while National Takaful Company was down 6.0%.

**Kuwait:** The Kuwait All Share Index gained 0.3% to close at 5,694.0. The Consumer Goods index rose 1.9%, while the Consumer Services index gained 1.3%. Sanam Real Estate Co. rose 10.0%, while Specialities Group Holding Co. was up 7.3%.

**Oman:** The MSM 30 Index gained 0.3% to close at 4,040.6. Gains were led by the Industrial and Financial indices, rising 0.9% and 0.3%, respectively. Al Anwar Ceramic Tiles and Al Omaniya Financial Services were up 5.9% each.

**Bahrain:** The BHB Index gained 0.1% to close at 1,518.3. The Commercial Banks index rose 0.2%, while the other indices ended flat or in the red. Al Salam Bank - Bahrain rose 1.0%, while Seef Properties was up 0.5%.

Market Indicators	07 Nov 19	06 Nov 19	%Chg.
Value Traded (QR mn)	211.3	160.9	31.4
Exch. Market Cap. (QR mn)	568,535.0	569,202.1	(0.1)
Volume (mn)	62.5	88.8	(29.7)
Number of Transactions	5,782	4,359	32.6
Companies Traded	45	44	2.3
Market Breadth	29:12	16:22	-

Market Indices	Close	1D%	WTD%	YTD%	TTMP/E
Total Return	18,906.05	(0.1)	0.8	4.2	14.9
All Share Index	3,032.12	(0.1)	0.8	(1.5)	14.9
Banks	4,057.68	(0.1)	1.4	5.9	13.6
Industrials	2,964.96	(0.3)	0.7	(7.8)	20.3
Transportation	2,620.46	(0.0)	(1.0)	27.2	14.0
Real Estate	1,479.55	0.4	(0.9)	(32.3)	11.1
Insurance	2,686.03	0.3	(0.5)	(10.7)	15.4
Telecoms	923.78	(0.2)	(0.6)	(6.5)	15.7
Consumer	8,511.84	0.2	0.7	26.0	18.9
Al Rayan Islamic Index	3,926.52	0.2	0.4	1.1	16.3

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Samba Financial Group	Saudi Arabia	28.50	3.1	1,708.8	(9.2)
Savola Group	Saudi Arabia	31.15	2.6	1,310.6	16.2
Yanbu National Petro. Co.	Saudi Arabia	51.20	2.4	841.5	(19.7)
Saudi Kayan Petrochem.	Saudi Arabia	10.40	2.2	9,957.1	(21.2)
Bank Al Bilad	Saudi Arabia	25.30	2.1	683.7	16.1

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Co. for Cooperative Ins.	Saudi Arabia	68.00	(2.2)	247.1	12.8
Emaar Economic City	Saudi Arabia	9.30	(1.8)	1,336.5	17.6
National Shipping Co.	Saudi Arabia	30.70	(1.6)	938.2	(8.1)
Mouwasat Medical Serv.	Saudi Arabia	84.90	(1.4)	48.4	5.5
Industries Qatar	Qatar	10.36	(1.3)	1,070.0	(22.5)

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%
Qatar General Ins. & Reins. Co.	2.38	(2.5)	114.7	(47.0)
Industries Qatar	10.36	(1.3)	1,070.0	(22.5)
Qatari German Co for Med. Dev.	0.59	(1.3)	3,833.8	4.9
Qatar Navigation	6.30	(0.9)	123.9	(4.6)
Mesaieed Petrochemical Holding	2.57	(0.8)	1,986.5	71.0

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	19.48	(0.5)	45,677.0	(0.1)
Qatar International Islamic Bank	9.48	0.2	25,827.6	43.4
Masraf Al Rayan	3.87	1.0	20,079.3	(7.1)
Qatar Fuel Company	22.38	0.1	15,990.2	34.8
Industries Qatar	10.36	(1.3)	11,136.8	(22.5)

Source: Bloomberg (\* in QR)

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar Cinema & Film Distribution	2.40	9.1	0.1	26.2
Aamal Company	0.73	4.1	11,775.5	(17.2)
Qatar Industrial Manufacturing Co	3.47	3.9	48.4	(18.7)
Gulf International Services	1.78	2.9	3,085.7	4.7
Ahli Bank	3.69	2.5	0.0	45.0

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Aamal Company	0.73	4.1	11,775.5	(17.2)
Masraf Al Rayan	3.87	1.0	5,209.4	(7.1)
Ezdan Holding Group	0.64	1.1	4,751.8	(50.9)
Al Khaleej Takaful Insurance Co.	2.20	0.0	4,098.4	156.1
Qatari German Co for Med. Devices	0.59	(1.3)	3,833.8	4.9

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,274.56	(0.1)	0.8	0.8	(0.2)	57.72	156,176.6	14.9	1.5	4.1
Dubai	2,698.78	0.4	(1.8)	(1.8)	6.7	65.52	100,593.5	10.7	1.0	4.3
Abu Dhabi	5,131.37	(0.2)	0.5	0.5	4.4	27.36	142,329.7	15.4	1.4	4.9
Saudi Arabia	7,798.25	0.6	0.7	0.7	(0.4)	739.13	489,348.8	20.1	1.7	3.9
Kuwait	5,693.95	0.3	(0.4)	(0.4)	12.1	44.90	106,521.6	14.0	1.3	3.7
Oman	4,040.59	0.3	1.0	1.0	(6.5)	2.59	17,489.6	7.5	0.7	7.4
Bahrain	1,518.33	0.1	(0.3)	(0.3)	13.5	4.57	23,694.1	11.4	0.9	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 declined 0.1% to close at 10,274.6. The Industrials and Telecoms 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.
- Qatar General Insurance & Reinsurance Company and Industries Qatar were the top losers, falling 2.5% and 1.3%, respectively. Among the top gainers, Qatar Cinema & Film Distribution Company gained 9.1%, while Aamal Company was up 4.1%.
- Volume of shares traded on Thursday fell by 29.7% to 62.5mn from 88.8mn on Wednesday. Further, as compared to the 30-day moving average of 78.0mn, volume for the day was 19.9% lower. Aamal Company and Masraf Al Rayan were the most active stocks, contributing 18.8% and 8.3% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	26.18%	26.36%	(397,726.49)
Qatari Institutions	16.22%	35.11%	(39,914,238.29)
<b>Qatari</b>	<b>42.40%</b>	<b>61.47%</b>	<b>(40,311,964.78)</b>
GCC Individuals	0.87%	3.31%	(5,157,064.84)
GCC Institutions	2.51%	4.83%	(4,892,453.79)
<b>GCC</b>	<b>3.38%</b>	<b>8.14%</b>	<b>(10,049,518.63)</b>
Non-Qatari Individuals	5.74%	7.53%	(3,785,152.20)
Non-Qatari Institutions	48.48%	22.86%	54,146,635.61
<b>Non-Qatari</b>	<b>54.22%</b>	<b>30.39%</b>	<b>50,361,483.41</b>

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

## Ratings, Earnings Releases and Global Economic Data

### Ratings Updates

Company	Agency	Market	Type*	Old Rating	New Rating	Rating Change	Outlook	Outlook Change
Arabian Centres Co. Ltd	Moody's	Saudi Arabia	LT-CFR	-	Ba1	-	Stable	-

Source: News reports, Bloomberg (\* LT – Long Term, CFR – Corp Family Rating)

### Earnings Releases

Company	Market	Currency	Revenue (mn) 3Q2019	% Change YoY	Operating Profit (mn) 3Q2019	% Change YoY	Net Profit (mn) 3Q2019	% Change YoY
Al Alamiya for Cooperative Insurance Co.	Saudi Arabia	SR	-	-	-	-	2.6	31.8%
Emaar The Economic City	Saudi Arabia	SR	163.0	45.5%	(131.0)	N/A	(202.0)	N/A
Aseer Trading, Tourism & Manufacturing Co.	Saudi Arabia	SR	484.4	0.1%	(4.2)	N/A	(32.1)	N/A
Takween Advanced Industries Co.	Saudi Arabia	SR	314.7	-15.1%	(15.2)	N/A	(28.8)	N/A
Al Jouf Cement Co.	Saudi Arabia	SR	27.0	4.7%	2.5	N/A	1.1	N/A
Jazan Energy And Development Co.	Saudi Arabia	SR	19.1	2.9%	(0.5)	N/A	(1.3)	N/A
Tourism Enterprise Co.	Saudi Arabia	SR	4.0	7.4%	(0.2)	N/A	(0.3)	N/A
National Medical Care Co.	Saudi Arabia	SR	173.5	-1.6%	23.0	30.8%	16.6	45.4%
Wafrah For Industry And Development Co.	Saudi Arabia	SR	21.3	58.5%	(1.8)	N/A	(1.8)	N/A
Alandalus Property Co.	Saudi Arabia	SR	42.7	5.5%	26.1	9.7%	14.6	15.6%
Middle East Healthcare Co.	Saudi Arabia	SR	386.8	14.2%	33.3	56.5%	33.2	64.8%
Ithmaar Holding	Dubai	AED	135.6	23.2%	74.0	17.9%	3.7	N/A

Source: Company data, DFM, ADX, MSM, TASI, BHB.

### Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
11/07	US	Department of Labor	Initial Jobless Claims	2-Nov	211k	215k	219k
11/07	US	Department of Labor	Continuing Claims	26-Oct	1,689k	1,682k	1,692k
11/07	US	Federal Reserve	Consumer Credit	Sep	\$9.513bn	\$15.000bn	\$17.842bn
11/07	UK	Bank of England	Bank of England Bank Rate	7-Nov	0.75%	0.75%	0.75%
11/07	Germany	Deutsche Bundesbank	Industrial Production SA MoM	Sep	-0.60%	-0.40%	0.40%
11/07	Germany	Bundesministerium fur Wirtscha	Industrial Production WDA YoY	Sep	-4.30%	-4.40%	-3.90%
11/07	Germany	Markit	Markit Germany Construction PMI	Oct	51.5	-	50.1
11/08	Germany	German Federal Statistical Office	Trade Balance	Sep	21.1bn	19.5bn	16.2bn
11/08	Germany	German Federal Statistical Office	Current Account Balance	Sep	25.5bn	19.1bn	17.3bn
11/08	Germany	Deutsche Bundesbank	Exports SA MoM	Sep	1.50%	0.30%	-0.90%
11/08	Germany	Deutsche Bundesbank	Imports SA MoM	Sep	1.30%	0.0%	0.10%

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
11/08	France	Ministry of the Economy, Franc	Trade Balance	Sep	-5,551mn	-4,964mn	-5,436mn
11/08	France	Banque De France	Current Account Balance	Sep	-2.7bn	-	-3.0bn
11/08	France	French Labor Office	Wages QoQ	3Q P	0.30%	0.40%	0.50%
11/08	France	INSEE National Statistics Office	Industrial Production MoM	Sep	0.30%	0.40%	-0.90%
11/08	France	INSEE National Statistics Office	Industrial Production YoY	Sep	0.10%	0.30%	-1.30%
11/08	France	INSEE National Statistics Office	Manufacturing Production MoM	Sep	0.60%	0.20%	-0.80%
11/08	France	INSEE National Statistics Office	Manufacturing Production YoY	Sep	0.40%	0.10%	-1.50%
11/07	China	National Bureau of Statistics	Foreign Reserves	Oct	\$3,105.16bn	\$3,100.00bn	\$3,092.43bn
11/08	China	National Bureau of Statistics	Imports YoY	Oct	-6.40%	-7.80%	-8.50%
11/08	China	National Bureau of Statistics	Exports YoY	Oct	-0.90%	-3.90%	-3.20%
11/08	China	National Bureau of Statistics	Trade Balance	Oct	\$42.81bn	\$40.10bn	\$39.65bn
11/09	China	National Bureau of Statistics	CPI YoY	Oct	3.80%	3.40%	3.00%
11/09	China	National Bureau of Statistics	PPI YoY	Oct	-1.60%	-1.50%	-1.20%
11/09	China	The People's Bank of China	Money Supply M0 YoY	Oct	-	4.00%	4.00%
11/09	China	The People's Bank of China	Money Supply M1 YoY	Oct	-	3.80%	3.40%
11/09	China	The People's Bank of China	Money Supply M2 YoY	Oct	-	8.40%	8.40%

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

## News

### Qatar

- The semi-annual index review** – MSCI announced on November 07, 2019, the result of the semi-annual index review. For the QSE listed companies, Qatar International Islamic Bank (QIIB) added to MSCI Qatar Index and none were deleted from MSCI indices. The changes to the MSCI indices will become effective on close of November 26, 2019. (QSE)
- US Secretary of Commerce Wilbur Ross visits Baladna** – The US Secretary of Commerce Wilbur Ross arrived in Qatar to discuss key initiatives between Qatar and the US. Secretary Wilbur Ross, along with the Minister of Commerce and Industry HE Ali bin Ahmed Al Kuwari, also visited Baladna, the leading and largest dairy producer in Qatar. Baladna, a Qatari public shareholding company under incorporation, recently announced that its subsidiary Baladna Food Industries (BFI), Qatar's best-loved and market-leading dairy and beverage brand, has made significant investment in new, state-of-the-art facilities at its Umm AlHawaya dairy farm. The investment comes as Baladna has announced an IPO to enable Qatari citizens and corporates to share in the company's rapid growth and expansion. Following the blockade in June 2017, BFI embarked on an extensive program of significant investment in infrastructure development, plant and machinery to increase production capacity and achieve self-sufficiency in its dairy and juice production. BFI's facilities at Umm AlHawaya now consist of two separate dairy farms, six milking areas, forty barns, three dairy and juice factories, a plastics factory, an animal feed processing facility, a water treatment facility, and a compost processing facility. The US Secretary of Commerce, who is here after a whirlwind Asia-Pacific tour, is expected to hold high-level discussions in Qatar. The past week witnessed a series of Qatar-US discussions, at several levels, that reinforced the relations between the two countries. US Secretary of Treasury Steven Mnuchin concluded a two-day visit to Qatar on November 5. (Peninsula Qatar)
- Al Rayyan Municipality tops in building permit issuance in October** – Al Rayyan Municipality has topped the country in terms of the number of building permits issued in October. According to the monthly statistics, 221 permits were issued by Al Rayyan Municipality, constituting a 23% share in total permits issued in the country. Planning and Statistics Authority released the monthly statistics of building permits issued by all municipalities. Al Wakrah Municipality came second with the issuance of 203 permits, having a share of 21%, followed by Al Da'ayen Municipality that saw issuance of 193 permits with 20% share and Doha Municipality witnessed issuance of 170 permits having a share of 18%. Umm Slal issued 67 permits, Al Khor 40 permits, Al Sheehaniya 38 permits while Al Shammal issued 22 permits. In terms of type of permits issued, data showed that the new building permits (residential and non-residential) constituted 57% (545 permits) of the total building permits issued in October, while the percentage of additions permits constituted 40% (381 permits), and fencing permits with 3% (28 permits). (Peninsula Qatar)
- Opportunities galore for foreign firms in Qatar** – Many international companies are looking for business opportunities in Qatar especially in the food and tourism sectors, chairperson of the Italian Chamber of Commerce in Qatar has said. Talking to Qatar Tribune on the sidelines of the Back 2 Business networking event in Doha, Italian Chamber of Commerce in Qatar Palma Libotte said that representatives of many food companies from Italy and other countries took part in the Back 2 Business networking event to discuss business opportunities in Qatar. With 2022 FIFA World Cup approaching fast, Libotte said, the number of people visiting Qatar has increased and resulted in many business opportunities in the country. "Italian Chamber of Commerce in Qatar has started a guide service for high-profile delegations and individuals visiting the country in five international languages like Spanish, Italian, English, French and German. It has emerged as a very good business opportunity

in Qatar.” “It’s a tailor-made service to assist business delegation looking for business opportunities in Qatar. We are getting a very good response from foreign delegations as a number of such delegations and individuals have approached us to avail of this service,” she said. Despite the ongoing the blockade, Libotte said that business sentiment in Qatar is quite upbeat and it can be gauged from the fact that the 16th edition of Back to Business attracted more than 400 international and local participants. (Qatar Tribune)

- **Qatar 2020 census to start Sunday** – The Planning and Statistics Authority’s first phase of the general census of population, housing and establishments (Qatar 2020 Census), will start Sunday. The process will last one month. The Authority will hold a press conference Sunday to announce the details of the first phase of the census process, the first field work of researchers, the following stages of the process and its nature, and the objectives of the census. The press conference will be addressed by HE the President of Planning and Statistics Authority Dr Saleh bin Mohamed Al-Nabit, and members of the Census Executive Committee. Last week, the Planning and Statistics Authority organized the main training program for field researchers as part of preparations for the first phase of the Qatar Population, Housing and Establishments Census 2020 (data completion phase). The census is one of the most important statistical projects to collect comprehensive and up-to-date data of individuals, families, buildings and establishments in order to achieve developmental and service objectives. (Gulf-Times.com)

#### **International**

- **QNB Group economic commentary: US Fed cuts rates again and signals a pause for breath** – The US Federal Reserve (Fed) has decided to cut rates for the third time this year at its latest monetary policy meeting in October 29-30th. The target range for the benchmark fed funds rate was adjusted down by another 25 basis points (bps) to 1.5-1.75%. Stated reasons for the cut included “the implication of global developments for the economic outlook as well as muted inflation pressures.” This decision was widely anticipated. Forward guidance from the official statement and the post meeting press conference were moderately hawkish. The previous line about acting “as appropriate to sustain the expansion” was substituted by more ambiguous language about assessing “the appropriate path of the target range for the federal funds rate.” The characterizations of growth, inflation and risks to the outlook remained essentially the same. Moreover, regional Fed presidents Esther George (Kansas City) and Eric Rosengren (Boston) reaffirmed their hawkish dissent against the decision to cut rates further. Three main factors help explain the Fed’s moderately hawkish statement and the space for a pause before incoming data points to a more clear direction for the US and global economies. First, investor sentiment has improved significantly in recent weeks, which eased financial conditions and created a more supportive climate for risk taking. Despite ebbs and flows, developments in key risk factors such as global trade conflicts seem to have taken a positive turn. As a response, the Chicago Board Options Exchange (CBOE) Volatility Index (VIX), often referred to as “fear gauge,” has plummeted. Similarly, CNN’s Fear and Greed Index, which collects several

indicators to estimate the emotions driving investor behavior, moved from “fear” a month ago to “extreme greed” at the time of writing. Second, leading indicators of global demand started to show more persistent signs of stabilization. The Global Manufacturing Purchasing Managers’ Indices (PMI), for example, have bottomed in May 2019 after falling for several consecutive months. Currently at 51.2, the PMI is still above the 50 threshold that separates contraction from expansion. More importantly, exports from Asian early reporters, a key gauge of global activity, are finally stabilizing after almost two years of slowdown and even some decline. This is a key input for US policymakers as battered global conditions are often presented as one of the main reasons behind the need for further monetary accommodation. Third, market based early warning indicators have also eased, moderating the implied probabilities of a recession over the short-term. As investors rotate from safe-haven bonds to riskier assets, several of the US government yield curves have returned to positive territory after inverting. This includes the benchmark spread between the 10-year Treasury notes versus the 3-month bills. Inverted yield curves historically signaled a coming recession a year or two in advance. In addition, equity market internals or market breadth indicators have also improved. The S&P 500’s recent all-time highs seems to have a stronger base as market internals are more synchronized and trading volume data also supports overall stronger market breath. (Peninsula Qatar)

- **Fed sees climate change shaping economy, policy** – The US central bank signaled on Friday it may be getting ready to join international peers in incorporating climate change risk into its assessments of financial stability, and may even take it into account when setting monetary policy. “To fulfill our core responsibilities, it will be important for the Federal Reserve to study the implications of climate change for the economy and the financial system and to adapt our work accordingly,” Fed Governor Lael Brainard said in remarks released at the start of the Fed’s first-ever conference on climate change and economics. The Fed, she said, will need to look at how to keep banks and the financial system resilient amid risks from extreme weather, higher temperatures, rising sea levels and other effects of the accumulation of greenhouse gases in the atmosphere. And increasingly, she said, “it will be important for the Federal Reserve to take into account the effects of climate change and associated policies in setting monetary policy to achieve our objectives of maximum employment and price stability.” Brainard’s comments mark a shift for the Fed, which lags other major central banks that have made climate change an explicit part of their financial stability remit. Her talk, the first she’s given in her five-year tenure at the Fed that even mentions the subject, suggests she and her colleagues are taking the risks and costs of global warming seriously. (Reuters)
- **US wholesale inventories revised lower, sales flat** – US wholesale inventories fell more than initially estimated in September to post their biggest decline in nearly two years, suggesting inventory investment could continue to weigh on economic growth. The Commerce Department stated on Friday wholesale inventories fell 0.4% in September, instead of the previously reported 0.3% decline, after having risen 0.1% in August. Inventories were up 4.8% on a year-on-year basis in September. The decline in September was the largest since

October 2017. The component of wholesale inventories that goes into the calculation of gross domestic product fell 0.3% in September. The pace of inventory accumulation has been slowing after stocks increased strongly from the third quarter of 2018 through the first quarter of this year. The inventory overhang has led businesses to place fewer orders at factories, contributing to a downturn in the manufacturing sector, which also has been hurt by uncertainty over the ongoing US-China trade negotiations. Sales at wholesalers were unchanged in September after falling 0.1% in August. Motor vehicle sales slumped 3.1% in September after edging up 0.1% in the previous month. At September's sales pace it would take wholesalers 1.36 months to clear shelves, unchanged from August. (Reuters)

- **US weekly jobless claims fall more than expected** – The number of Americans filing applications for unemployment benefits fell more than expected last week, consistent with strong labor market conditions and continued job growth. Initial claims for state unemployment benefits decreased 8,000 to a seasonally adjusted 211,000 for the week ended November 2, the Labor Department stated on Thursday. Data for the prior week was revised to show 1,000 more applications received than previously reported. Economists polled by Reuters had forecast claims would fall to 215,000 in the latest week. The Labor Department stated claims for one state, Kentucky, were estimated last week. The four-week moving average of initial claims, considered a better measure of labor market trends as it irons out week-to-week volatility, increased 250 to 215,250 last week. The level of claims suggests solid labor market conditions. (Reuters)
- **Moody's: UK spending plans, Brexit paralysis put rating at risk** – Moody's warned on Friday it might cut its rating on Britain's sovereign debt again, saying that neither of the main political parties in next month's election was likely to tackle high borrowing levels which Brexit had made even harder to fix. In a toughly worded statement, Moody's stated the fissures in Britain's society and politics exposed by its still-unresolved decision to leave the European Union would be long-lasting. Moody's said Britain's 1.8tn Pounds (\$2.30tn) of public debt - more than 80% of annual economic output - risked rising again and the economy could be "more susceptible to shocks than previously assumed." Both of the main political parties have promised big spending increases ahead of next month's election. "In the current political climate, Moody's sees no meaningful pressure for debt-reducing fiscal policies," the ratings agency stated. (Reuters)
- **EU Commission cuts Eurozone growth forecast, sees muted inflation** – The Eurozone economy is likely to grow slower than earlier expected this year and next, the European Commission forecast on Thursday, because of global trade conflicts, geopolitical tensions and Brexit. The Commission cut its growth forecast for the 19 countries that share the euro to 1.1% this year from 1.2% it expected in July, and to 1.2% in 2020 and 2021 from 1.4%. The Commission forecast the Eurozone's aggregate budget deficit would rise from an historic low of 0.5% of GDP in 2018 to 0.8% this year, 0.9% in 2020 and 1.0% in 2021, unless policies change. But pressure for higher fiscal stimulus is mainly on Germany and the Netherlands, referred to as countries that have fiscal space, because both have been running large budget

surpluses for years and both of which have low public debt. Germany is to have a budget surplus of 1.2% of GDP this year and 0.6% in 2020, while the Netherlands is to have a surplus of 1.5% this year and 0.5% next year. Despite the slower GDP growth, the Eurozone's aggregate public debt-to-GDP ratio is to continue declining for the fifth year in a row to 86.4% this year, 85.1% in 2020 and 84.1% in 2021. The Commission sees Eurozone inflation, which the European Central Bank wants to keep below, but close to 2% over the medium term, at 1.2% this year and next, rising to 1.3% in 2021 — still well below the ECB's target. (Reuters)

- **Scholz: German economic situation stable, growth to pick up once trade tensions gone** – Germany's economic situation is stable with employment at all time highs and economic growth is likely to pick up in the coming years once global trade tensions are resolved, German Finance Minister Olaf Scholz said on Thursday. "Germany is in a stable economic situation, it is a very competitive economy that is successful all over the globe," Scholz told reporters on entering a meeting of Eurozone finance ministers in Brussels. "But there is slow growth in the world economy today, it is mostly the result of trade tensions and uncertainty. But if we get over this situation and if there is an agreement between China and the United States on trade we will have more growth worldwide. This will help the European and also the German economy," he said. "We still have a very strong economic situation, an all time high of employment, there are a lot of industries looking for more labor ... so this is a stable situation, we will have more growth in the next years and if the trade tensions worldwide are reduced this will have a real impact on better growth," he said. (Reuters)
- **Japan's Abe tells cabinet to compile stimulus package to support economy** – Japanese Prime Minister Shinzo Abe asked his cabinet on Friday to compile a package of stimulus measures to support the economy and build infrastructure to cope with large natural disasters, the government's top spokesman said. Chief Cabinet Secretary Yoshihide Suga told reporters that the package will include steps to promote investment for growth through aggressive use of fiscal investment and loan programs. The government will compile the package as soon as possible, although the size of spending will depend on proposals to be made by various ministries, Economy Minister Yasutoshi Nishimura told a news conference after a regular cabinet meeting. Japanese policymakers have been under pressure to fend off heightening overseas risks with a diminishing tool-kit, as the US-China trade war and soft global demand have hurt the export-reliant economy. Finance Minister Taro Aso said the planned economic package should help enhance productivity and achieve strong growth to overcome the pressure caused by a declining population, which he said was the "biggest problem" Japan faces in the long run. (Reuters)
- **Japan firms say October tax hike impact milder than 2014 increase** – More than two-thirds of Japanese companies are feeling less pain from a tax increase last month than from the previous increase five years ago, which precipitated a recession, a Reuters poll found. The results of the Reuters Corporate Survey support the view of the government and Bank of Japan that the economy looks likely to avoid a swoon in private consumption, thanks to steps taken to offset how the tax increase would affect

the public. Still, the overwhelming majority of Japanese companies remain cautious about boosting spending, with many planning to keep wages and hiring flat or even reduce them. The survey offers the first corporate gauge of the impact of increasing the national sales tax to 10% from 8%, a step Prime Minister Shinzo Abe said was critical to curbing Japan's enormous public debt. He delayed it twice for fear it would squeeze consumer spending. More than 70% of companies in the Reuters poll said both the rush to buy ahead of the Oct. 1 increase and the subsequent pullback have been milder than when sales tax increased from 5% in April 2014. That tax hike dealt a blow to private consumption, which makes up about 60% of the economy. (Reuters)

- **Japan September real wages rise for first time in nine months** – Japan's inflation-adjusted real wages rose in September for the first time in nine months, government data showed, offering a glimmer of hope for a recovery in consumer spending - although an October 1 sales tax hike and global slowdown cloud the outlook. The data could support the view of the government and the central bank that a tight labor market should push up wages, stoking a virtuous cycle of household income gains and pick-up in private consumption, which will in turn accelerate inflation. More than six years of massive monetary stimulus by the Bank of Japan has failed to accelerate inflation to its elusive 2% target, as tepid wage growth and tame consumer spending have kept a lid on prices despite the tightest job market in decades. Labor ministry data out on Friday showed real wages, a key gauge of households' purchasing power, rose 0.6% in the year to September, up for the first time since the end of last year, as nominal wage growth outpaced consumer prices. Nominal total cash earnings rose 0.8% in the year to September, up for the first time in three months, it showed. (Reuters)
- **China's Oct PPI falls 1.6% YoY, CPI rises to near eight-year high** – China's factory gate prices fell 1.6% in October from a year earlier, the steepest fall since July 2016, data from the National Bureau of Statistics showed on Saturday, as manufacturing continues to struggle with weak demand. Analysts had expected factory gate prices to fall 1.5% YoY. The Producer Price Index (PPI), seen as a key barometer of corporate profitability, fell 1.2% YoY in September. The Consumer Price Index rose 3.8% in October from a year earlier, the fastest pace seen since January 2012, beating analysts' expectations of 3.3%. It rose 3% in September. (Reuters)
- **China's October exports fall, but less than expected as trade war grinds on** – China's exports and imports contracted less than expected in October, providing some relief for the economy as Beijing tries to reach a partial trade deal with Washington. But even if a US-China trade deal is signed soon, economists say it is unlikely to help boost exports and manufacturing for some time yet and could still mean more stimulus is needed from Beijing to avert a sharper downturn. China's October exports fell for the third straight month, down 0.9% from a year earlier, customs data showed on Friday, less than a 3.9% fall forecast in a Reuters poll and September's 3.2% contraction. (Reuters)

#### Regional

- **PwC: GCC capital markets to pick up in 4Q2019 after quiet 3Q2019** – GCC's capital markets activity will pick up in 4Q2019, following a subdued 3Q2019, according to a PwC study.

However, the debt market was active during the third quarter. Steve Drake, PwC Middle East Capital Markets Partner, said, "We anticipate the coming quarter to be significantly more active with the recent announcement of Saudi Aramco's record-breaking flotation on Tadwaul, along with many other companies, which have expressed their intention to list in 2019. Meanwhile Tadawul's recent announcement that it will soon allow listing of foreign companies on its exchange offers further optimism and will further promote equity activity in the region." The study announced that even though all IPO activities in the region have been limited to Saudi Arabia in 2019, it expects the UAE market to pick up pace after multiple companies have announced their intent to go public and initiated the groundwork for a successful IPO. (Zawya)

- **Middle Eastern airlines post 1.8% traffic increase in September, says IATA** – Middle Eastern airlines posted a 1.8% traffic increase in September, which was a slowdown from a 2.9% rise in August, according to IATA's latest passenger traffic figures. Capacity was up just 0.2%, with load factor climbing 1.2 percentage points to 75.2%. International traffic growth continues to be affected by a mix of structural challenges in some of the region's large airlines, geopolitical risks and weaker business confidence in some countries. Global passenger traffic results for September showed that demand climbed 3.8% compared to the same month last year, broadly unchanged from August's performance. Capacity increased by 3.3%, and load factor climbed 0.4% percentage point to 81.9%, which was a record for any September. (Gulf-Times.com)
- **Saudi Aramco prospectus flags risks, gives few details on IPO size** – Saudi Aramco will sell 0.5% of its shares to individual retail investors and the government will have a lockup period of a year on further share sales after the initial public offering, its prospectus stated on Saturday. The more than 600-page prospectus did not include details of how much of the company would be floated in total or of any commitments from anchor investors. Sources have said the company could sell 1%-2% on the Saudi stock market in what could be the world's largest listing. Offering for the shares will begin on November 17, the prospectus stated. Among the risks highlighted in the prospectus were the potential for terrorist attacks and the potential for encountering antitrust legislation, as well as the right of the Saudi government to decide maximum crude output and direct Saudi Aramco to undertake projects outside its core business. The prospectus stated the government will have a statutory lockup period for disposing of any shares after the listing for six months, and a contractual lockup period for 12 months. Saudi Aramco cannot list additional shares for a period of six months after trading starts, and will also be restricted from issuing additional shares for 12 months. (Reuters)
- **Moody's maintains 'Stable' outlook for UAE banking system on resilient credit profiles** – Moody's Investors Service (Moody's) maintained a 'Stable' outlook for the UAE's banking system, citing banks' strong capital, stable funding and healthy liquidity that balance weakening asset quality and softening profitability. The ratings agency stated it expects the country's economic growth to remain stable at subdued levels and forecasts overall real GDP growth at 1.7% in 2019 and 1.4% in 2020, compared with 1.7% in 2018. It forecast credit growth in

2019 and 2020 at 4% compared to 4.3% in 2018. Moody's stated, "It expects solid profitability to support sector-wide tangible common equity (TCE) at 14%-16% of risk weighted assets over the next 12 to 18 months, from 14.4% at June 2019. Even under our low probability, high stress scenario, the sector-wide TCE ratio would remain adequate at 11.6%." The ratings agency noted that moderate oil prices will be sufficient to support the revenues of government-related entities and corporates, which will contribute to stable funding and liquidity conditions. It stated profitability is expected to decline modestly, while loan performance will weaken as subdued economic growth means corporates will face lower business volumes and margin compression, while personal borrowers see limited wage growth. Moody's also stated that the UAE's government's willingness and capacity to support local banks if needed will remain high over the next 12 to 18 months. (Zawya)

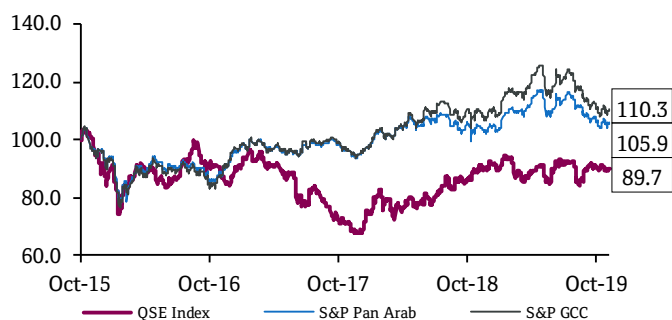
- Dubai airport passenger traffic falls 2.4% in third quarter** – Dubai International reported a 2.4% fall in third-quarter passenger traffic. The airport stated it handled 23.2mn passengers in the three months to September 30. That compares with roughly 22.6mn in the same period a year ago. In the first nine months of this year, 64.5mn passengers traveled through the airport, 4.5% fewer than the same period last year. Operator Dubai Airports blamed the year-to-date decline on a 45-day closure of a runway between May and April, and the global grounding of the Boeing 737 MAX jet since March. The amount of cargo handled fell 5.9% in the third quarter to 636,575 tons, while the year-to-date figure dropped 4.1% to 1.9mn tons. (Reuters)
- Dubai Islamic Bank hires banks for dollar sukuk** – Dubai Islamic Bank (DIB) has hired lenders to arrange meetings with investors ahead of a potential issue of five-year Sukuk, or Islamic bonds, denominated in US dollars, a document showed. The bank - the United Arab Emirates' largest Shari'ah-compliant lender - has picked Bank ABC, Dubai Islamic Bank, Emirates NBD Capital, First Abu Dhabi Bank, HSBC, Islamic Corporation for the Development of the Private Sector, Maybank, Sharjah Islamic Bank, Standard Chartered Bank and Warba Bank. Investor meetings will take place in Hong Kong and London starting on November 11. (Reuters)
- EIBANK's net profit narrows to AED0.3mn in 3Q2019** – Emirates Investment Bank (EIBANK) recorded net profit of AED0.3mn in 3Q2019 as compared to AED5.1mn in 3Q2018. Net Interest and Investment Income came in at AED15.1mn as compared to AED21.3mn in 3Q2018. Operating profit came in at AED23.2mn as compared to AED30.5mn in 3Q2018. EPS came in at AED0.40 in 3Q2019 as compared to AED7.22 in 3Q2018. Total assets stood at AED3.2bn at the end of September 30, 2019 as compared to AED4.0bn at the end of December 31, 2018. Net investments stood at AED1.5bn (+2.6% YTD), while customers' deposits stood at AED1.7bn (-40.4% YTD) at the end of September 30, 2019. (DFM)
- ADIB posts 5.2% YoY rise in net profit to AED619.8mn in 3Q2019** – Abu Dhabi Islamic Bank (ADIB) recorded net profit of AED619.8mn in 3Q2019, an increase of 5.2% YoY. Profit from operations, before distribution to depositors rose 4.8% YoY to AED817.6mn in 3Q2019. Total assets stood at AED124.3bn at the end of September 30, 2019 as compared to AED125.2bn at the end of December 31, 2018. Ijara Financing stood at AED45.5bn (+0.9% YTD), while depositor's accounts stood at AED100.4bn (almost remained flat YTD) at the end of September 30, 2019. EPS came in at AED0.144 in 3Q2019 as compared to AED0.176 in 3Q2018. (ADX)
- Dana Gas' collections increase 16.7% to \$230mn in first nine months of 2019** – Dana Gas announced that in the first nine months of 2019 collections in Egypt, the UAE and from its share of Pearl Petroleum Company Limited's sales in the Kurdistan Region of Iraq (KRI), increased 16.7% YoY to \$230mn. Dana Gas, which owns a 35% stake in Pearl Petroleum, saw its share of sales of condensate, LPG and gas in the KRI jump 52% to \$118mn in the nine-month period from \$77mn in the same period the previous year. Dana Gas received cash dividends of \$68.3mn from Pearl Petroleum over this period. Meanwhile, the collections from Dana Gas Egypt were \$105mn during the period, in line with the \$111mn received in the same period of 2018 whilst collections from the company's Zora gas field in the UAE stood at \$7.3mn. (ADX)
- ADX lists Aldar Investments \$500mn Sukuk after issue draws strong investor demand** – The latest \$500mn Sukuk issued by Aldar Investment Properties (Aldar Investments), a 100% owned subsidiary of Aldar Properties, was listed on the Abu Dhabi Securities Exchange (ADX) on November 07, 2019. The fixed-rate, US dollar-denominated Sukuk, with a tenor of 10 years, carries a coupon rate of 3.875%. The issue was six times oversubscribed, with global investors accounting for 71% of the total transaction allocation. Aldar Investments owns and manages an AED20bn diversified portfolio of high-quality income-generating residential, retail, commercial and hospitality assets. (ADX)
- CFO: TAQA forecasts AED1.9bn capex for 2019** – Abu Dhabi National Energy Company (TAQA) has forecast a capital expenditure (capex) of AED1.9bn for full-year 2019, its Chief Financial Officer (CFO), Mohammed Al Ahbabi said. The state-owned oil explorer and power producer's capex for the first nine months of this year was AED1.2bn. TAQA reported a third quarter net loss attributable to shareholders of AED16mn compared to a net profit of AED153mn a year-ago. (Zawya)
- KHCB post net loss of BHD5.4mn in 3Q2019** – Khaleeji Commercial Bank (KHCB) recorded net loss of BHD5.4mn in 3Q2019 as compared to net profit of BHD0.3mn in 3Q2018. Total income fell 15.5% YoY to BHD3.8mn in 3Q2018. Total assets stood at BHD923.8mn at the end of September 30, 2019 as compared to BHD850.9mn at the end of December 31, 2018. Financing assets stood at BHD325.7mn (-0.6% YTD), while placements from financial institutions stood at BHD163.8mn (+3.4% YTD) at the end of September 30, 2019. Loss per share came in at 5.753 fills in 3Q2019 as compared to earnings per share 0.355 fills in 3Q2018. (Bahrain Bourse)
- CBK: Kuwait's balance of payments records deficit in 2Q2019** – Preliminary data of the State of Kuwait's Balance of Payments (BoP) for the second quarter of 2019 showed turning to deficit, after recording surplus in the corresponding period in 2018, according to the Central Bank of Kuwait (CBK). CBK data showed that BoP deficit in 2Q2019 reached KD9.5mn, against a surplus of KD961mn for the same period last year. It is worth noting that in 1Q2019, the BoP recorded a KD234.6mn surplus. The balance on goods showed a decline in surplus to KD3.02bn, down from

KD3.79bn in the same period last year. Meanwhile, the secondary income account rose by 15.7% to KD1.4bn, compared with KD1.21bn in 2Q2019. Current account surplus has increased by 11.8% to KD3.22bn, up from KD2.88bn in the same period a year ago. (Zawya)

- **Kuwait plans to increase oil exports to China** – Kuwait plans to increase crude oil exports to China to more than 600,000 barrels per day (bpd) in 2020, state news agency KUNA reported on Saturday, citing Kuwait Petroleum Corp’s Deputy Managing Director for Global Marketing, Sheikh Khalid Al-Sabah. The agency did not specify the current level of oil exports to China. Kuwait’s crude production was 2.65mn bpd in October, according to a Reuters survey. (Reuters)
- **CEO: IPO of Kuwait stock exchange will be oversubscribed** – The Kuwait stock exchange’s IPO is progressing well and will close next month oversubscribed, the bourse’s CEO said. “I am 100% sure it will be covered many times,” Mohammad Al-Osaimi, the CEO of Bursa Kuwait, said in an interview with Bloomberg Television. The sale of half the exchange to local citizens began last month and will end on December 1, with the offering price set at 100 fils per share, or one-tenth of a dinar. The IPO follows a 44% sale earlier this year to a consortium of domestic and international investors. Al-Osaimi said local legislation does not state the bourse must be Shari’ah-compliant, and that the exchange operates with normal practices seen in other markets. He expects the stock to start trading around June. The exchange has made all the changes necessary for index compiler MSCI Inc to upgrade it to emerging-market status in June, as required by the New York-based company earlier this year, he said. That should lead to as much as \$3bn in passive inflows to the country, he estimated. (Gulf-Times.com)

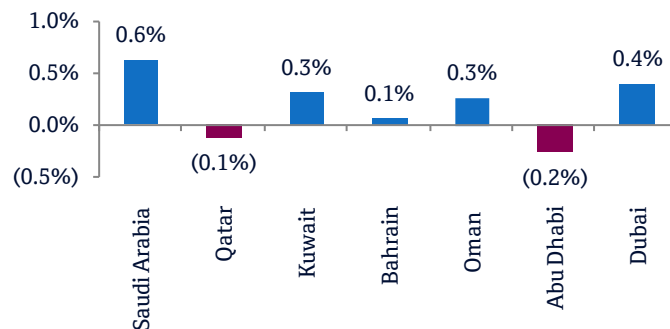


## Rebased Performance



Source: Bloomberg

## Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,458.92	(0.7)	(3.7)	13.8
Silver/Ounce	16.79	(1.8)	(7.3)	8.4
Crude Oil (Brent)/Barrel (FM Future)	62.51	0.4	1.3	16.2
Crude Oil (WTI)/Barrel (FM Future)	57.24	0.2	1.9	26.1
Natural Gas (Henry Hub)/MMBtu	2.87	0.3	13.0	(10.0)
LPG Propane (Arab Gulf)/Ton	51.88	1.0	0.2	(18.3)
LPG Butane (Arab Gulf)/Ton	68.50	3.4	1.7	(2.1)
Euro	1.10	(0.3)	(1.3)	(3.9)
Yen	109.26	(0.0)	1.0	(0.4)
GBP	1.28	(0.3)	(1.3)	0.2
CHF	1.00	(0.2)	(1.2)	(1.6)
AUD	0.69	(0.5)	(0.6)	(2.6)
USD Index	98.35	0.2	1.1	2.3
RUB	63.81	0.5	0.4	(8.5)
BRL	0.24	(1.5)	(4.1)	(6.8)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,268.83	0.1	0.7	20.4
DJ Industrial	27,681.24	0.0	1.2	18.7
S&P 500	3,093.08	0.3	0.9	23.4
NASDAQ 100	8,475.31	0.5	1.1	27.7
STOXX 600	405.42	(0.5)	0.2	15.5
DAX	13,228.56	(0.6)	0.8	20.7
FTSE 100	7,359.38	(1.0)	(0.5)	9.6
CAC 40	5,889.70	(0.2)	0.9	19.8
Nikkei	23,391.87	0.5	1.5	18.2
MSCI EM	1,064.85	(0.8)	1.5	10.3
SHANGHAI SE Composite	2,964.19	(0.7)	0.8	16.9
HANG SENG	27,651.14	(0.7)	2.2	7.1
BSE SENSEX	40,323.61	(1.3)	(0.7)	9.3
Bovespa	107,629.00	(3.2)	(4.6)	14.3
RTS	1,468.17	(1.3)	0.9	37.4

Source: Bloomberg (\*\$ adjusted returns)

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