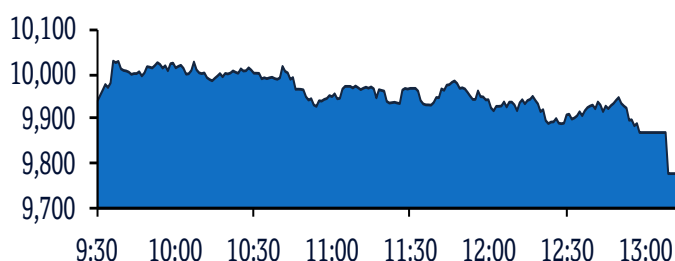


QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 1.5% to close at 9,777.5. Losses were led by the Insurance and Transportation indices, falling 5.8% and 3.4%, respectively. Top losers were Qatari German Company for Medical Devices and Qatar Insurance Company, falling 7.2% and 7.1%, respectively. Among the top gainers, Doha Insurance Group gained 8.0%, while Doha Bank was up 5.6%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.8% to close at 8,394.1. Losses were led by the Software & Serv. and Comm. & Prof. indices, falling 1.7% and 1.6%, respectively. Buruj Coop. Ins. declined 5.6%, while Alkhaleej Training was down 5.2%.

Dubai: The DFM Index declined 0.1% to close at 2,797.0. The Investment & Financial Services index fell 1.4%, while the Banks index declined 0.6%. Al Salam Sudan fell 8.2%, while Emaar Development was down 3.1%.

Abu Dhabi: The ADX General Index fell marginally to close at 5,081.0. The Telecommunication index declined 0.6%, while the Inv. & Financial Serv. index fell 0.3%. Bank of Sharjah declined 9.9%, while Sharjah Islamic Bank was down 2.6%.

Kuwait: The Kuwait All Share Index fell 0.3% to close at 6,086.5. The Consumer Services index declined 0.9%, while the Telecommunications index fell 0.7%. Real Estate Trade Centers Co. and IFA Hotels & Resorts Co. were down 10.0% each.

Oman: The MSM 30 Index gained 0.4% to close at 3,803.3. Gains were led by the Services and Industrial indices, rising 0.4% each. Muscat City Desalination rose 5.9%, while Al Sharqia Investment Holding was up 2.7%.

Bahrain: The BHB Index gained marginally to close at 1,545.2. The Investment and Services indices rose 0.1% each. Al Salam Bank - Bahrain rose 2.3%, while APM Terminals Bahrain was up 1.8%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Doha Insurance Group	1.08	8.0	4.6	(17.5)
Doha Bank	2.64	5.6	2,836.2	18.9
United Development Company	1.41	2.9	2,431.0	(4.4)
Salam International Inv. Ltd.	0.42	2.5	1,447.9	(3.7)
Al Khalij Commercial Bank	1.17	1.7	18.0	1.4

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Ezdan Holding Group	0.63	(2.8)	12,907.6	(51.7)
Masraf Al Rayan	3.50	(1.4)	9,971.7	(16.0)
Mesaieed Petrochemical Holding	2.47	(5.0)	6,991.5	64.3
Qatar Aluminium Manufacturing	0.80	(6.5)	5,451.6	(39.9)
Qatar First Bank	0.35	(1.7)	4,717.6	(14.2)

Market Indicators	06 Aug 19	05 Aug 19	%Chg.
Value Traded (QR mn)	294.9	321.9	(8.4)
Exch. Market Cap. (QR mn)	540,444.4	545,869.4	(1.0)
Volume (mn)	85.0	94.0	(9.6)
Number of Transactions	8,860	8,047	10.1
Companies Traded	45	45	0.0
Market Breadth	7:35	8:34	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	17,991.37	(1.5)	(6.0)	(0.9)	14.5
All Share Index	2,894.17	(1.2)	(5.7)	(6.0)	14.7
Banks	3,819.76	0.2	(5.7)	(0.3)	13.2
Industrials	2,935.69	(2.0)	(6.1)	(8.7)	16.9
Transportation	2,426.85	(3.4)	(4.8)	17.8	15.8
Real Estate	1,416.21	(2.5)	(5.6)	(35.2)	15.8
Insurance	2,684.18	(5.8)	(10.6)	(10.8)	16.0
Telecoms	865.12	(3.0)	(9.0)	(12.4)	20.1
Consumer	8,018.95	(1.1)	(1.0)	18.7	15.5
Al Rayan Islamic Index	3,806.94	(1.6)	(4.6)	(2.0)	14.2

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Aldar Properties	Abu Dhabi	2.28	4.1	13,928.7	42.5
Oman Telecom. Co.	Oman	0.57	2.5	267.1	(27.9)
Emaar Properties	Dubai	5.18	2.4	13,299.3	25.4
Ethihad Etisalat Co.	Saudi Arabia	24.80	2.1	2,212.3	49.6
Bank Dhofar	Oman	0.14	1.5	553.3	(11.7)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Qatar Insurance Co.	Qatar	3.00	(7.1)	1,939.7	(16.4)
Qatar Gas Transport Co.	Qatar	2.19	(4.8)	2,428.6	22.1
Saudi Cement Co.	Saudi Arabia	66.80	(4.4)	158.7	37.6
Barwa Real Estate Co.	Qatar	3.30	(4.3)	2,794.1	(17.3)
The Commercial Bank	Qatar	4.39	(3.5)	1,871.3	11.4

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

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatari German Co for Med. Dev.	0.66	(7.2)	575.7	15.9
Qatar Insurance Company	3.00	(7.1)	1,939.7	(16.4)
Qatar Aluminium Manufacturing	0.80	(6.5)	5,451.6	(39.9)
Zad Holding Company	13.00	(5.8)	66.3	25.0
Dlala Brokerage & Inv. Hold. Co.	0.72	(5.3)	577.8	(28.1)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	18.25	1.3	80,477.6	(6.4)
Masraf Al Rayan	3.50	(1.4)	35,537.5	(16.0)
Industries Qatar	10.43	(0.7)	21,396.2	(21.9)
Qatar Islamic Bank	15.01	(0.9)	19,366.8	(1.2)
Mesaieed Petrochemical Holding	2.47	(5.0)	17,375.8	64.3

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*	9,777.47	(1.5)	(6.0)	(6.9)	(5.1)	80.68	148,460.1	14.5	1.9	4.5
Dubai	2,796.98	(0.1)	(3.6)	(4.2)	10.6	62.57	99,673.7	11.6	1.0	4.4
Abu Dhabi	5,080.97	(0.0)	(2.9)	(4.5)	3.4	51.62	140,144.6	15.2	1.4	4.9
Saudi Arabia	8,394.07	(0.8)	(3.1)	(3.9)	7.2	785.29	528,180.4	20.2	1.9	3.6
Kuwait	6,086.51	(0.3)	(0.7)	(0.5)	19.8	71.78	113,726.7	15.0	1.5	3.4
Oman	3,803.25	0.4	0.7	1.1	(12.0)	4.42	16,731.1	7.5	0.7	7.2
Bahrain	1,545.20	0.0	(0.3)	(0.2)	15.5	4.52	24,192.4	11.6	1.0	5.0

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 1.5% to close at 9,777.5. The Insurance and Transportation indices led the losses. The index fell on the back of selling pressure from GCC and non-Qatari shareholders despite buying support from Qatari shareholders.
- Qatari German Company for Medical Devices and Qatar Insurance Company were the top losers, falling 7.2% and 7.1%, respectively. Among the top gainers, Doha Insurance Group gained 8.0%, while Doha Bank was up 5.6%.
- Volume of shares traded on Tuesday fell by 9.6% to 85.0mn from 94.0mn on Monday. However, as compared to the 30-day moving average of 61.8mn, volume for the day was 37.5% higher. Ezzan Holding Group and Masraf Al Rayan were the most active stocks, contributing 15.2% and 11.7% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	34.64%	23.93%	31,589,088.05
Qatari Institutions	15.19%	6.51%	25,588,440.30
Qatari	49.83%	30.44%	57,177,528.35
GCC Individuals	1.71%	1.04%	1,963,022.93
GCC Institutions	0.39%	2.13%	(5,130,739.89)
GCC	2.10%	3.17%	(3,167,716.95)
Non-Qatari Individuals	9.48%	7.35%	6,288,059.77
Non-Qatari Institutions	38.60%	59.04%	(60,297,871.17)
Non-Qatari	48.08%	66.39%	(54,009,811.40)

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

Earnings Releases, Global Economic Data and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 2Q2019	% Change YoY	Operating Profit (mn) 2Q2019	% Change YoY	Net Profit (mn) 2Q2019	% Change YoY
Wataniya Insurance Co.	Saudi Arabia	SR	207.9	26.4%	-	-	1.1	20.1%
Aljazira Takaful Taawuni Co.	Saudi Arabia	SR	21.6	33.7%	-	-	2.5	4.5%
Bupa Arabia for Coop. Insurance	Saudi Arabia	SR	2,438.8	20.8%	-	-	28.0	20.8%
Buruj Cooperative Insurance Co.	Saudi Arabia	SR	84.6	0.4%	-	-	2.4	79.4%
Arabian Pipes Co.	Saudi Arabia	SR	191.5	15.6%	18.2	N/A	8.1	N/A
Al-Rajhi Company for Coop. Ins.	Saudi Arabia	SR	544.7	-14.7%	-	-	7.1	65.4%
Alkhaleej Training and Education	Saudi Arabia	SR	201.2	14.6%	3.6	N/A	-3.6	N/A
Al-Ahlia Insurance Co.	Saudi Arabia	SR	47.8	10.6%	-	-	2.8	32.1%
Ethiad Atheeb Telecom. Co.	Saudi Arabia	SR	104.7	-23.0%	-17.7	0.0%	-21.9	N/A
Yanbu Cement Co.	Saudi Arabia	SR	209.6	6.2%	40.4	437.4%	40.2	760.2%
Solidarity Saudi Takaful Co.	Saudi Arabia	SR	76.0	100.3%	-	-	2.3	-81.2%
SABB Takaful Co.	Saudi Arabia	SR	33.9	3.2%	-	-	2.4	16.8%
Arabia Insurance Cooperative Co.	Saudi Arabia	SR	73.7	-4.6%	-	-	-0.3	N/A
Al-Ethiad Cooperative Ins. Co.	Saudi Arabia	SR	188.0	-14.9%	-	-	5.7	184.8%
Jarir Marketing Co.	Saudi Arabia	SR	1,892.6	11.8%	190.6	15.9%	169.1	4.0%
Al Gassim Investment Holding Co.	Saudi Arabia	SR	2.9	-1.6%	1.5	2.3%	1.5	49.6%
Al Sagr Cooperative Insurance Co.	Saudi Arabia	SR	94.0	21.1%	-	-	4.6	56.0%
Malath Cooperative Insurance Co.	Saudi Arabia	SR	101.8	-21.8%	-	-	2.7	N/A
Wataniya Insurance Co.	Saudi Arabia	SR	207.9	26.4%	-	-	1.1	20.1%
Aljazira Takaful Taawuni Co.	Saudi Arabia	SR	21.6	33.7%	-	-	2.5	4.5%
Saudi Airlines Catering Co.	Saudi Arabia	SR	544.5	6.8%	134.0	2.2%	117.1	-2.7%
Al Hassan Ghazi Ibrahim Shaker Co.	Saudi Arabia	SR	253.5	19.4%	-5.8	N/A	-9.9	N/A
Saudi Arabia Refineries Co.	Saudi Arabia	SR	10.9	11900.3%	10.2	N/A	10.2	N/A
Anaam International Holding Group	Saudi Arabia	SR	1.8	-88.0%	-1.9	N/A	-3.9	N/A
Aseer Trading, Tourism	Saudi Arabia	SR	414.6	-2.4%	-1.0	N/A	18.6	N/A
Ras Al Khaimah Cement Company [#]	Abu Dhabi	AED	82.2	-16.0%	-	-	1.4	-79.7%
Umm Al Qaiwain General Inv. Co	Abu Dhabi	AED	-	-	-	-	21.4	29.9%
National Industries Group Holding	Kuwait	KD	35.0	16.9%	-	-	16.2	153.6%
Bahrain National Holding Company	Bahrain	BHD	8.5	-0.5%	-	-	1.4	9.4%

Source: Company data, DFM, ADX, MSM, TASI, BHB. (*Financials for 6M2019)

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
08/06	Germany	Markit	Markit Germany Construction PMI	July	49.5	-	50.0

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 2Q2019 results	No. of days remaining	Status
MRDS	Mazaya Qatar Real Estate Development	7-Aug-19	0	Due

Source: QSE

News

Qatar

- MCCS' net profit declines 50.3% YoY and 23.5% QoQ in 2Q2019** – Mannai Corporation's (MCCS) net profit declined 50.3% YoY (-23.5% QoQ) to QR37.9mn in 2Q2019. The company's revenue came in at QR2,846.6mn in 2Q2019, which represents an increase of 6.6% YoY. However, on QoQ basis, revenue fell 0.2%. EPS amounted to QR0.19 in 1H2019 as compared to QR0.37 in 1H2018. MCCS' half yearly revenue increased by 10.2% to QR5,700.3mn compared to QR5,171.1mn in the same period last year. The gross profit of the MCCS stood at QR1.2bn. Earnings before interest, tax, depreciation and amortization (EBITDA) in the first half rose by 21% to QR536mn compared to QR444mn in the same period last year. While profit before interest and tax expenses increased to QR341mn. During the period, interest expenses increased by 58% to QR205.1mn compared to QR129.8mn last year as a result of the increased investments in the Information Technology segment. The Information Technology segment delivered increased revenues of 17%, 80% of the group's first half revenues and EBITDA growth of 45% compared to first half of 2018, the company stated. (Company financials, Gulf-Times.com)
- MERS' bottom line rises ~2% YoY and ~14% QoQ in 2Q2019** – Al Meera Consumer Goods Company's (MERS) net profit rose ~2% YoY (~+14% QoQ) to ~QR51mn in 2Q2019. The company's sales came in at ~QR822mn in 2Q2019, which represents a decrease of ~1% YoY. However, on QoQ basis, sales rose ~8%. In 1H2019, MERS reported a net profit of QR95.0mn as compared to QR93.3mn in 1H2018. Consolidated sales for six months ended June 30, 2019 was QR1,581.0mn, an increase of 1.1% compared to the same period last year. EPS amounted to QR0.475 in 1H2019 as compared to QR0.466 in 1H2018. (Gulf-Times.com)
- QETF discloses its financial statements for the first half of 2019** – QE Index ETF (QETF) disclosed its financial statements for the period from January 01, 2019 to June 30, 2019. The statements showed that the net asset value as of June 30, 2019 amounted to QR369,196,606 representing QR103.31 per unit. The units of QETF was split on July 7, 2019, after trading hours (after the date of these financials), and the unit price was divided by 10. (QSE)
- Qatar Central Securities Depository modifies the foreigners' ownership limit of MERS** – Qatar Central Securities Depository has modified the foreigners' ownership limit of Al Meera Consumer Goods Company (MERS) to be 49% of the capital, which is equal to 98,000,000 shares. (QSE)
- QFBQ to hold its EGM on August 28** – Qatar First Bank's (QFBQ) board of directors invited its shareholder to attend Extraordinary General Meeting (EGM) to be held on August 28, 2019. (Peninsula Qatar)
- Real estate transactions in between July 28 and August 01 stood at QR350,154,277** – Real estate transactions between July 28 and August 01 at the Ministry of Justice's real estate

registration department stood at QR350,154,277. The department's weekly report stated that the trading included open plots of land, residential units, residential buildings, multipurpose building, multipurpose land and residential compound. The list of properties that were traded by sale is located in the municipalities of Doha, Al Rayyan, Al Daayen, Umm Salal, Al Shamal, Al Khor, Al Thakhira and Al Wakrah. The trading volume of registered real estates between July 21 to July 25 was QR230,819,645. (Gulf-Times.com)

- QICCA conciliation, arbitration rules provide 'modern, efficient framework', says official** – The Qatar International Centre for Conciliation and Arbitration (QICCA) has recorded a steady YoY increase in caseload of arbitration cases, mainly construction-related and service agreement disputes being handled by QICCA. QICCA's General Counsel, Minas Khatchadourian said that the centre's conciliation and arbitration rules provide a modern and efficient framework, and are particularly appealing to lawyers and in-house counsel. Since 2012, he said QICCA has prepared a 'multi-tier dispute resolution clause', where the parties shall resort to mediation after the rise of a dispute, and shall exert their best efforts in good faith to resolve their disagreement assisted by an experienced mediator. Arbitration should only be used in case of the parties' failure to reach a settlement agreement, Khatchadourian pointed out. Citing the centre's achievements in the past years, QICCA's board member for International Relations, Sheikh Thani bin Ali Al Thani said the center was able to settle 10 commercial disputes worth QR466bn in 2018. According to Sheikh Thani, the center received more than 22 arbitration requests last year, of which, 10 were settled. These included disputes related to contracts of construction, commercial agencies, insurance, communication, engineering, real estate, purchases, import and finances. Khatchadourian noted that in the next few months QICCA is expected to participate in a number of international conferences abroad, and shall talk about the recent trends of arbitration in Qatar. (Gulf-Times.com)

International

- US labor market slowing as job openings, hiring fall** – The US job openings and hiring fell in June, suggesting that demand for labor was cooling in tandem with a slowing economy, which could provide another reason for the Federal Reserve to cut interest rates again next month. The report from the Labor Department came against the backdrop of an escalation in the trade war between the US and China. Job openings, a measure of labor demand, slipped by 36,000 to a seasonally adjusted 7.3mn in June, the government stated in its monthly Job Openings and Labor Turnover Survey (JOLTS). Since hitting an all-time high of 7.6mn in late 2018, job openings have been flat this year, suggesting some easing in labor market conditions. The job openings rate dipped to 4.6% from 4.7% in May. There were declines in vacancies in the leisure and hospitality sector, and construction. However job openings increased in the real

estate and rental and leasing industry, and state and local government education. Hiring decreased by 58,000 jobs to 5.7mn in June. The hiring rate was unchanged at 3.8%. Hiring fell in the manufacturing and professional and business services industries. It increased by 76,000 jobs in the accommodation and food services industry. (Reuters)

- **Trump dismisses fears of long-lasting trade war** – The US President Donald Trump dismissed fears of a protracted trade war with China on Tuesday despite a warning from Beijing that labeling it a currency manipulator would have severe consequences for the global financial order. Trump, who announced last week he would slap a 10% tariff on a further \$300bn in Chinese imports starting on September 1, tweeted that “massive amounts of money from China and other parts of the world” were pouring into the US economy. (Reuters)
- **Trump vows to help farmers as China halts US agricultural purchases** – The US President, Donald Trump vowed to protect American farmers against China by signaling to provide further aid if needed, a day after Chinese firms stopped agricultural purchases and Beijing threatened more tariffs on US farm products. US farmers, a key political constituency for Trump, have been among the hardest hit in the trade war between the world’s two largest economies. Shipments of soybeans, the most valuable US farm export, to top buyer China sank to a 16-year low in 2018. To compensate for the losses, the Trump administration has rolled out up to \$28bn in federal aid since the trade war began last year, and the Agriculture Department to date has made \$8.6bn of direct aid payments to farmers. The latest federal aid package of up to \$16bn was rolled out in July and the first tranche for the payments are expected to begin in mid-to-late August. On Monday, China’s Commerce Ministry stated Chinese companies have stopped buying US farm products and added that Beijing may also impose additional tariffs on American agricultural goods; a move that could further hurt US farm states that are key for Trump’s 2020 re-election bid. (Reuters)
- **BRC: UK retailers suffer weakest July sales growth on record** – Major British retailers reported the weakest July sales growth since records began more than 20 years ago on Tuesday, and overall consumer spending was lackluster too. The industry figures add to signs of slowing demand from households, the one sector of the economy which has held up relatively well since June 2016’s vote to leave the European Union, helped by rising employment and wages. The British Retail Consortium, which represents major high-street chains and supermarkets, said annual total sales growth picked up to 0.3% in July after contracting by 1.3% in June and 2.7% in May. The BRC stated July spending growth was the lowest for that month since 1995, and especially modest given record temperatures had followed a rainy June, which would normally spur extra purchases on summer clothes and barbecue food. Barclaycard reported a similar trend in its monthly consumer spending data, which showed 1.7% growth, the fastest since April but still relatively subdued. (Reuters)
- **German industrial orders beat expectations in June** – German industrial orders rose far more than expected in June, data showed and the Economy Ministry stated the downward trend for this sector of Europe’s biggest economy had slowed

noticeably in the second quarter. Contracts for ‘Made in Germany’ goods were up 2.5% from the previous month, the biggest jump since August 2017, boosted by a big rise in bookings for big-ticket items from non-euro zone countries, the ministry stated. That exceeded the Reuters consensus forecast for a 0.5% increase. The reading for May was revised up to -2.0 from a previously reported -2.2%. (Reuters)

- **German Finance Minister: US-China trade conflict escalation would hurt economy more** – An escalation in a trade conflict between the US and China will further damage the global economy, German Finance Minister, Olaf Scholz warned, urging all sides to negotiate. “A further escalation will only do damage, trade conflicts are already hurting the global economy,” Scholz said in a statement, adding everyone should keep a level head, tone down the rhetoric and return to the negotiating table. “If that succeeds, we will get back to more growth,” he said. (Reuters)
- **Japanese bank lobby head warns BoJ against deepening negative rates** – A Japanese banking lobby head warned of the dangers to the industry if the central bank topped up its already extreme monetary stimulus or deepened negative interest rates, amid signs authorities may have to do just that to support growth. The escalating US-China trade war has jolted financial markets and triggered an unwelcome Yen rise, adding pressure for the bank of Japan (BoJ) to ramp up massive stimulus to head off risks to the export-reliant economic recovery. With investors’ risk aversion pushing down US Treasury yields and narrowing the interest-rate gap between the US and Japan, a cut to the BoJ’s -0.1% short-term rate target is considered among the options to counter excessive Yen gains. However Ichiro Fujiwara, who heads an association of Japan’s second-tier regional banks, said deepening negative rates would add to the cumulative pain on the banking sector from years of ultra-loose policy. (Reuters)

Regional

- **MENA IPO deals raise \$2.82bn in 2Q2019 this year** – MENA IPO deal value increased by 222.6% to \$2.82bn in 2Q2019, up from \$874.9m in 2Q2018. Six deals were recorded in 2Q2019, including one REIT listing, a decrease of 33.3% from the nine deals listed in 2Q2018. The second quarter of the year witnessed a sizeable improvement in IPO activity, both in volume and value, when compared to a single IPO that raised \$57.6mn in 1Q2019. EY MENA IPO Eye Report noted that Global IPO exchange activity continued to pick up in 2Q2019, with 302 IPOs raising \$56.8bn, marking an increase of 47.3% in IPO volumes compared with 1Q2019, despite the US-China trade tensions and uncertainties related to BREXIT. Health care, technology, and the industrial sector remained the top three sectors by the number of IPOs issued during 2Q2019. (Peninsula Qatar)
- **Islamic finance industry shows healthy, but slightly slower growth** – The global Islamic finance services industry grew further to a combined asset value of \$2.19tn across all three sectors as of the first half of 2018 over the same period in 2017, including Islamic banking, Islamic capital markets and Takaful, the newly released Islamic Financial Services Industry Stability Report 2019, authored by Kuala Lumpur-based Islamic Financial Services Board, notes. In the period, the industry

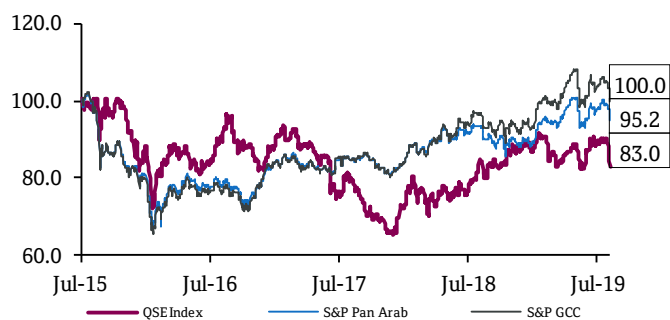
recorded a continuous improvement for a third straight year in terms of its total asset volume. Notwithstanding, the growth rate of 6.9% over the first half of 2017 was slower compared to the 8.5% growth rate recorded between 2016 and 2017, which saw the total worth of the industry grow from \$1.89tn to more than \$2tn for the first time. The decline in the growth rate is explained by, among other geopolitical and economic factors, increasing inflation and the prolonged depreciation of local currencies versus the US Dollar in some jurisdictions with a strong presence of Islamic finance, especially in the period from the end of 2017 into the third quarter of 2018, the report states. (Gulf-Times.com)

- SAMA: Potential rise in Saudi bank rates to have limited impact on growth** – Saudi Arabian Monetary Authority (SAMA) stated that any potential rise in Saudi interbank rates in 2019 would have a limited impact on growth. “Any additional increase in SAIBOR (Saudi interbank offered rates) in 2019 will have limited impact on local growth, due to limited debt levels at most listed firms,” it stated in a report. Saudi Arabia is well positioned to face uncertainty in the global economy, SAMA stated, due to an increase in foreign reserves and low public debt level. (Reuters)
- India raises cost of refinery project with Saudi Aramco by 36%** – India has increased the cost estimate of a giant refinery and petrochemical project to be jointly built with Saudi Aramco and Abu Dhabi National Oil Co. by more than 36%, after protests by farmers forced the relocation of the plant, four sources said. The 1.2mn barrels-per-day (bpd) coastal refinery in the western state of Maharashtra is now expected to be built at Roha in the Raigad district, about 100 km (62 miles) south of Mumbai. The new cost estimate of \$60bn for the refinery was given to Saudi Arabia’s Energy Minister, Khalid Al-Falih at a meeting with Indian Oil Minister, Dharmendra Pradhan last month in New Delhi, sources said. “The \$60bn is a preliminary estimate that was told to Saudi Arabia. The final number will be decided on the basis of a detailed feasibility study,” sources said. The project cost at the signing of a deal with Saudi Aramco in 2018 was pegged at \$44bn. (Reuters)
- SABB recorded net loss of SR254mn in 2Q2019** – The Saudi British Bank (SABB) recorded net loss of SR254mn in 2Q2019, as compared to profit of SR833mn in 2Q2018. Total operating profit rose 6.1% YoY to SR1,983mn in 2Q2019. Total revenue for special commissions/investments rose 19.7% YoY to SR1,953mn in 2Q2019. Total assets stood at SR270.3bn at the end of June 30, 2019 as compared to SR183.1bn at the end of June 30, 2018. Loans and advances stood at SR158.3bn (+39.6% YoY), while customer deposits stood at SR196.1bn (+47.6% YoY) at the end of June 30, 2019. (Tadawul)
- Moody’s: UAE banks’ full year profitability to decline slightly** – Moody’s expects full year profitability of UAE banks to decline to 1.7% from 1.8% a year ago, according to a new report from the ratings agency. The banks are First Abu Dhabi Bank (FAB), Emirates NBD, Abu Dhabi Commercial Bank (ADCB) and Dubai Islamic Bank (DIB). It expects operating expenses to increase due to technology investments and expansion-related spending. It sees provisioning charges increasing due to pressure in property, hospitality and retail sectors amid soft non-oil economy. (Bloomberg)
- Emirates Investment Bank reported net income of AED11.92mn for 2Q2019** – Emirates Investment Bank reported net profit of AED11.92mn for 2Q2019, up by 0.9% compared to same period last year (2Q 2018: AED11.81mn). The operating income increased 5.3% to AED37.9mn for 2Q2019 (2Q2018: AED36.00mn). Total assets under EIBank’s management decreased 15.5% to AED8.19bn for 2Q2019 (FY2018: AED9.69bn) Acting CEO of Emirates Investment Bank, Imad Bou Khouzam said, “The uncertain and challenging market conditions have continued to impact investors’ sentiment, and in turn, their investment decisions. Despite these unfavorable circumstances, we have been able to maintain a stable performance due to our diversified business model. Over the next period, we will remain prudent and vigilant, while we continue to focus on deepening and further enhancing our bespoke offering to clients.” (DFM)
- Mubadala could invest up to \$25bn in SoftBank’s Vision Fund 2** – Mubadala Investment could invest as much as \$25bn, an increase from the \$15bn commitment it made to first Vision Fund, Dow Jones reported, citing an unidentified source. To reach the \$108bn in fundraising for its Vision Fund 2 announced in July, SoftBank is counting on contributions from investors not listed in its public statements; figure could include debt or debt-like securities. (Bloomberg)
- CBI’s net profit falls 48.2% YoY to AED21.3mn in 2Q2019** – Commercial Bank International (CBI) recorded net profit of AED21.3mn in 2Q2019, registering decrease of 48.2% YoY. Total interest income and income from Islamic financing & investing assets rose 8.1% YoY to AED233.3mn in 2Q2019. Net operating income fell 9.9% YoY to AED172.6mn in 2Q2019. Total assets stood at AED20.9bn at the end of June 30, 2019 as compared to AED22.8bn at the end of December 31, 2018. Loans and advances to customers stood at AED11.9bn (-5.9% YTD), while customers’ deposits stood at AED12.8bn (-12.2% YTD) at the end of June 30, 2019. EPS from continuing operation came in at AED0.012 in 2Q2019 as compared to AED0.031 in 2Q2018. (ADX)
- Kuwait’s Petrochemical Industries Company to buy SKC’s chemical unit stake for Won700bn** – South Korea’s SKC will spin off its chemical business and Kuwait’s Petrochemical Industries Company will buy 49% stake in the unit, Korea Economic Daily reported, citing unidentified sources. SKC will hold board meeting to approve the plan. (Bloomberg)
- Oman sells OMR2mn 182-day bills at yield 2.128%; bid-cover 16x** – Oman sold OMR2mn of 182 day bills due on February 5, 2020 on August 5, 2019. Investors offered to buy 16 times the amount of securities sold. The bills were sold at a price of 98.95, having a yield of 2.128% and will settle on August 7, 2019. (Bloomberg)
- Bahrain first-half budget deficit narrows 38% as revenue rises** – Bahrain, whose neighbors pledged a \$10bn support package to the Kingdom last year, narrowed its budget deficit 38% in the first half as it implements a fiscal program to shore up its finances. The actual budget deficit dropped to BHD404mn from BHD650mn a year ago, Bahrain News Agency reported, citing the finance ministry. “The Kingdom is well ahead of its projected deficit reduction schedule,” according to the report. “The results demonstrate Bahrain’s commitment to balancing

fiscal responsibility with economic growth and are a direct consequence of initiatives launched under the fiscal balance program,” Minister of Finance and National Economy, Shaikh Salman bin Khalifa Al Khalifa said. (Bloomberg)

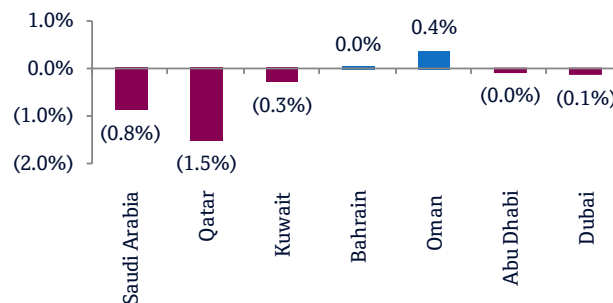
- **BARKA's net profit falls 18.1% YoY to \$32.2mn in 2Q2019** – Al Baraka Banking Group (BARKA) recorded net profit of \$32.2mn in 2Q2019, registering decrease of 18.1% YoY. Total operating income fell 11.5% YoY to \$226.0mn in 2Q2019. Net income from jointly financed contracts and investments rose 3.2% YoY to \$342.4mn in 2Q2019. Total assets stood at \$24.2bn at the end of June 30, 2019 as compared to \$23.8bn at the end of December 31, 2018. Receivables stood at \$10.5bn (+1.4% YTD), while customer current and other accounts stood at \$5.6bn (+5.9% YTD) at the end of June 30, 2019. EPS came in at \$0.0133 in 2Q2019 as compared to \$0.0191 in 2Q2018. (Bahrain Bourse)
- **Bank ABC reported net income of \$9.3mn in 2Q2019** – Bank ABC reported net income of \$9.3mn for 2Q2019. The operating income came in at \$11.1mn for 2Q2019 and the operating expenses were \$1.9mn for 2Q2019 as compared to \$1.7mn in 2Q2018. From a half yearly perspective, the net income came in at \$18.9mn. (Bloomberg)
- **Bahrain sells BHD26mn of 2.95% 182-day Sukuk; bid-cover at 3.35x** – Bahrain sold BHD26mn of 182 day Sukuk with a yield of 2.95% due on February 6, 2020. Investors offered to buy 3.35 times the amount of securities sold. The Sukuk will settle on August 8, 2019. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,474.40	0.7	2.3	15.0
Silver/Ounce	16.45	0.3	1.5	6.1
Crude Oil (Brent)/Barrel (FM Future)	58.94	(1.5)	(4.8)	9.6
Crude Oil (WTI)/Barrel (FM Future)	53.63	(1.9)	(3.6)	18.1
Natural Gas (Henry Hub)/MMBtu	2.15	6.4	1.4	(32.5)
LPG Propane (Arab Gulf)/Ton	40.63	(1.2)	(9.0)	(36.5)
LPG Butane (Arab Gulf)/Ton	42.50	(1.7)	(9.6)	(38.8)
Euro	1.12	(0.0)	0.8	(2.3)
Yen	106.47	0.5	(0.1)	(2.9)
GBP	1.22	0.2	0.1	(4.6)
CHF	1.02	(0.3)	0.6	0.6
AUD	0.68	0.1	(0.6)	(4.1)
USD Index	97.63	0.1	(0.5)	1.5
RUB	65.28	(0.4)	0.0	(6.4)
BRL	0.25	0.3	(1.8)	(2.0)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,109.20	0.6	(1.9)	12.0
DJ Industrial	26,029.52	1.2	(1.7)	11.6
S&P 500	2,881.77	1.3	(1.7)	15.0
NASDAQ 100	7,833.27	1.4	(2.1)	18.1
STOXX 600	367.71	(0.6)	(2.0)	6.5
DAX	11,567.96	(0.9)	(1.8)	7.2
FTSE 100	7,171.69	(0.8)	(3.1)	1.6
CAC 40	5,234.65	(0.2)	(1.6)	8.2
Nikkei	20,585.31	(1.1)	(2.2)	6.7
MSCI EM	972.67	(0.0)	(3.1)	0.7
SHANGHAI SE Composite	2,777.56	(1.2)	(4.3)	9.0
HANG SENG	25,976.24	(0.6)	(3.6)	0.4
BSE SENSEX	36,976.85	0.6	(2.4)	0.6
Bovespa	102,163.70	1.5	(3.1)	13.1
RTS	1,294.50	1.0	0.1	21.1

Source: Bloomberg (*\$ adjusted returns)

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