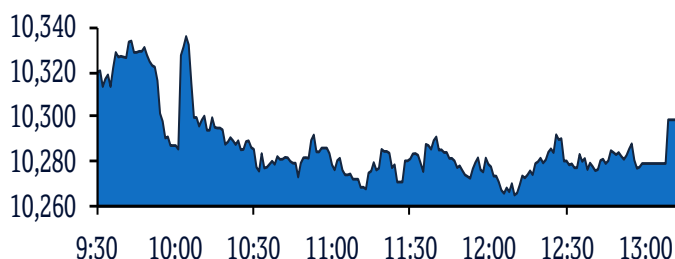


QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.1% to close at 10,299.0. Losses were led by the Insurance and Transportation indices, falling 1.9% and 0.9%, respectively. Top losers were Islamic Holding Group and Qatari German Company for Medical Devices, falling 3.3% and 2.3%, respectively. Among the top gainers, Qatar Aluminium Manufacturing Company gained 3.8%, while Qatar Industrial Manufacturing Company was up 2.8%.

GCC Commentary

Saudi Arabia: The TASI Index fell 1.1% to close at 7,878.2. Losses were led by the Media & Ent. and Telecom. Serv. indices, falling 3.7% and 2.0%, respectively. Saudi Adv. Ind. declined 7.8%, while Saudi Research and Marketing was down 4.0%.

Dubai: The DFM Index gained 0.8% to close at 2,803.1. The Investment & Financial Services index rose 1.8%, while the Banks index rose 1.4%. Mashreqbank rose 13.6%, while Almadina for Finance and Investment Company was up 5.9%.

Abu Dhabi: The ADX General Index gained 0.8% to close at 5,075.5. The Real Estate index rose 3.3%, while the Services index gained 2.5%. Abu Dhabi Aviation Company rose 12.8%, while Arkan Building Materials Company was up 9.9%.

Kuwait: The Kuwait All Share Index gained 0.9% to close at 5,720.6. The Telecommunications index rose 2.0%, while the Banks index gained 1.1%. Bayan Investment Company rose 17.0%, while Energy House Holding Co. was up 9.8%.

Oman: The MSM 30 Index fell marginally to close at 4,026.3. The Industrial index fell 0.2%, while the Financial index fell marginally. Renaissance Services fell 3.0%, while Al Anwar Ceramic Tiles was down 2.8%.

Bahrain: The BHB Index gained 0.5% to close at 1,519.0. The Commercial Banks index rose 0.9%, while the other indices ended flat or in the red. Ahli United Bank rose 1.7%, while Bahrain Duty Free Shop Complex was up 0.5%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar Aluminium Manufacturing	0.93	3.8	6,166.8	(30.0)
Qatar Industrial Manufacturing Co	3.70	2.8	727.7	(13.3)
Ooredoo	7.35	1.5	1,599.6	(2.0)
Mesaieed Petrochemical Holding	2.88	1.1	5,256.3	91.6
Ezdan Holding Group	0.67	0.9	6,178.9	(48.1)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Ezdan Holding Group	0.67	0.9	6,178.9	(48.1)
Qatar Aluminium Manufacturing	0.93	3.8	6,166.8	(30.0)
Qatar First Bank	0.31	0.6	5,992.5	(23.5)
Qatari German Co for Med. Devices	0.81	(2.3)	5,790.5	43.8
Mesaieed Petrochemical Holding	2.88	1.1	5,256.3	91.6

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,299.03	(0.1)	(0.1)	(0.7)	0.0	41.07	157,179.5	14.8	1.6	4.1
Dubai	2,803.08	0.8	1.5	0.8	10.8	34.57	100,943.4	11.8	1.0	4.4
Abu Dhabi	5,075.49	0.8	0.9	0.4	3.3	32.91	141,263.5	15.2	1.4	4.9
Saudi Arabia	7,878.23	(1.1)	(0.5)	(2.6)	0.7	762.35	494,525.5	19.4	1.7	3.9
Kuwait	5,720.59	0.9	1.5	0.7	12.6	96.29	106,859.7	14.2	1.4	3.7
Oman	4,026.25	(0.0)	0.0	0.2	(6.9)	7.11	17,482.6	8.2	0.8	6.8
Bahrain	1,519.04	0.5	0.4	0.2	13.6	4.48	23,711.1	11.4	1.0	5.1

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

Market Indicators	07 Oct 19	06 Oct 19	%Chg.
Value Traded (QR mn)	150.4	123.1	22.2
Exch. Market Cap. (QR mn)	572,186.1	572,512.8	(0.1)
Volume (mn)	56.6	57.4	(1.4)
Number of Transactions	5,392	3,397	58.7
Companies Traded	45	44	2.3
Market Breadth	12:26	20:14	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	18,951.09	(0.1)	(0.1)	4.4	14.8
All Share Index	3,039.65	(0.2)	(0.1)	(1.3)	14.8
Banks	3,984.90	(0.2)	(0.2)	4.0	13.7
Industrials	3,096.78	0.3	0.6	(3.7)	18.3
Transportation	2,588.31	(0.9)	(1.1)	25.7	14.1
Real Estate	1,471.75	(0.5)	(0.6)	(32.7)	10.4
Insurance	2,906.50	(1.9)	(1.4)	(3.4)	16.4
Telecoms	935.53	1.2	2.6	(5.3)	16.1
Consumer	8,562.15	(0.4)	(0.4)	26.8	19.0
Al Rayan Islamic Index	3,961.51	0.0	0.2	2.0	15.6

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Aldar Properties	Abu Dhabi	2.09	3.5	11,422.5	30.6
Mobile Telecom. Co.	Kuwait	0.55	2.4	6,252.9	21.8
Dubai Islamic Bank	Dubai	5.34	1.9	2,816.7	6.8
Kuwait Finance House	Kuwait	0.69	1.8	8,112.6	23.5
Ahli United Bank	Bahrain	0.89	1.7	1,235.2	42.9

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Saudi Ind. Inv. Group	Saudi Arabia	22.04	(3.2)	617.0	(3.7)
Riyad Bank	Saudi Arabia	22.64	(2.7)	2,082.5	14.2
Saudi Telecom Co.	Saudi Arabia	102.60	(2.3)	2,823.2	13.7
Qatar Insurance Co.	Qatar	3.20	(2.1)	1,336.0	(10.9)
Banque Saudi Fransi	Saudi Arabia	30.30	(2.1)	992.0	(3.5)

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%
Islamic Holding Group	2.03	(3.3)	1,219.6	(7.1)
Qatari German Co for Med. Dev.	0.81	(2.3)	5,790.5	43.8
Qatar Insurance Company	3.20	(2.1)	1,336.0	(10.9)
Qatar Navigation	6.50	(2.1)	168.9	(1.5)
Aamal Company	0.72	(2.0)	4,951.1	(18.6)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	19.23	(0.3)	41,071.5	(1.4)
Mesaieed Petrochemical Holding	2.88	1.1	15,235.8	91.6
Ooredoo	7.35	1.5	11,745.2	(2.0)
Qatar International Islamic Bank	8.98	0.4	10,485.9	35.8
Qatar Aluminium Manufacturing	0.93	3.8	5,757.7	(30.0)

Source: Bloomberg (* in QR)

Qatar Market Commentary

- The QE Index declined 0.1% to close at 10,299.0. The Insurance and Transportation indices led the losses. The index fell on the back of selling pressure from GCC shareholders despite buying support from Qatari and non-Qatari shareholders.
- Islamic Holding Group and Qatari German Company for Medical Devices were the top losers, falling 3.3% and 2.3%, respectively. Among the top gainers, Qatar Aluminium Manufacturing Company gained 3.8%, while Qatar Industrial Manufacturing Company was up 2.8%.
- Volume of shares traded on Monday fell by 1.4% to 56.6mn from 57.4mn on Sunday. Further, as compared to the 30-day moving average of 102.2mn, volume for the day was 44.7% lower. Ezdan Holding Group and Qatar Aluminium Manufacturing Company were the most active stocks, contributing 10.9% each to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	29.09%	25.02%	6,123,694.43
Qatari Institutions	23.68%	25.67%	(2,985,412.92)
Qatari	52.77%	50.69%	3,138,281.50
GCC Individuals	2.94%	2.37%	863,733.49
GCC Institutions	0.75%	7.92%	(10,788,038.01)
GCC	3.69%	10.29%	(9,924,304.51)
Non-Qatari Individuals	12.09%	10.49%	2,403,413.96
Non-Qatari Institutions	31.45%	28.53%	4,382,609.05
Non-Qatari	43.54%	39.02%	6,786,023.01

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

Ratings, Global Economic Data and Earnings Calendar

Ratings Updates

Company	Agency	Market	Type*	Old Rating	New Rating	Rating Change	Outlook	Outlook Change
Banque Saudi Fransi	Fitch	Saudi Arabia	LT-IDR	A-	BBB+	↓	Stable	-
National Commercial Bank	Fitch	Saudi Arabia	SR	1	2	↓	-	-
Riyad Bank	Fitch	Saudi Arabia	LT-IDR/SR	A-/1	BBB+/2	↓	Stable	-
Samba Financial Group	Fitch	Saudi Arabia	SR	1	2	↓	-	-
Saudi British Bank	Fitch	Saudi Arabia	SR	1	2	↓	-	-
Saudi Arabian Oil Co.	Fitch	Saudi Arabia	LT-IDR/STR	A+/-	A/ F1+	↓	Stable	-
Saudi Basic Industries Corp	Fitch	Saudi Arabia	LT-IDR/ST-IDR	A+/F1	A/F1+	-	Stable	-

Source: News reports, Bloomberg (* LT – Long Term, STR – Short Term Rating, IDR – Issuer Default Rating, SR – Support Rating)

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
10/07	EU	Sentix Behavioral Indices	Sentix Investor Confidence	October	-16.8	-13.0	-11.1

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

Earnings Calendar

Tickers	Company Name	Date of reporting 3Q2019 results	No. of days remaining	Status
MCGS	Medicare Group	9-Oct-19	1	Due
QNBK	QNB Group	9-Oct-19	1	Due
GWCS	Gulf Warehousing Company	15-Oct-19	7	Due
KCBK	Al Khalij Commercial Bank	15-Oct-19	7	Due
QFLS	Qatar Fuel Company	16-Oct-19	8	Due
QIBK	Qatar Islamic Bank	16-Oct-19	8	Due
ERES	Ezdan Holding Group	17-Oct-19	9	Due
ABQK	Ahli Bank	17-Oct-19	9	Due
QGTS	Qatar Gas Transport Company Limited (Nakilat)	20-Oct-19	12	Due
QNCD	Qatar National Cement Company	21-Oct-19	13	Due
CBQK	The Commercial Bank	22-Oct-19	14	Due
UDCD	United Development Company	23-Oct-19	15	Due
DHBK	Doha Bank	23-Oct-19	15	Due
QIIK	Qatar International Islamic Bank	24-Oct-19	16	Due
SIIS	Salam International Investment Limited	24-Oct-19	16	Due
QCFS	Qatar Cinema & Film Distribution Company	27-Oct-19	19	Due

Tickers	Company Name	Date of reporting 3Q2019 results	No. of days remaining	Status
MERS	Al Meera Consumer Goods Company	27-Oct-19	19	Due
AKHI	Al Khaleej Takaful Insurance Company	27-Oct-19	19	Due
MARK	Masraf Al Rayan	27-Oct-19	19	Due
QIGD	Qatari Investors Group	27-Oct-19	19	Due
DOHI	Doha Insurance Group	29-Oct-19	21	Due
ORDS	Ooredoo	29-Oct-19	21	Due
QIMD	Qatar Industrial Manufacturing Company	30-Oct-19	22	Due

Source: QSE

News

Qatar

- **Nakilat takes full ownership of four Q-Flex LNG carriers** – Qatar Gas Transport Company Limited (Nakilat) stated it acquired full ownership of four Q-Flex liquefied natural gas (LNG) carriers from its joint-venture partner, International Seaways Inc. (INSW). This follows the execution of a sale and purchase agreement for the acquisition of the remaining 49.9% ownership interest in these vessels from INSW, according to a Nakilat statement. This brings the total number of vessels wholly-owned by Nakilat from 25 to 29 out of its overall fleet of 74 vessels, it added. Each of the four LNG carriers has a cargo carrying capacity of 217 000 cubic meters. They have all been operated and managed in-house by Nakilat's ship management arm, Nakilat Shipping Qatar Ltd (NSQL), since 2014. (Qatar Tribune)
- **QAMC to disclose 3Q2019 financial statements on October 23** – Qatar Aluminium Manufacturing Company (QAMC) announced its intent to disclose 3Q2019 financial statements for the period ending September 30, 2019, on October 23, 2019. (QSE)
- **QISI to disclose 3Q2019 financial statements on October 29** – Qatar Islamic Insurance Group (QISI) announced its intent to disclose 3Q2019 financial statements for the period ending September 30, 2019, on October 29, 2019. (QSE)
- **Qatar Central Securities Depository modifies the foreigners' ownership limit of QGMD** – Qatar Central Securities Depository has modified the foreigners' ownership limit of Qatari German Company for Medical Devices (QGMD) to be 49% of the capital, which is equal to 56,595,000 shares. (QSE)
- **QGRI announces final closure of Barwa branch** – Pursuant to the company's board of directors' resolution and Qatar Central Bank's approval to that respect, Qatar General Insurance & Reinsurance Company (QGRI) announced its intention to close Barwa branch located at Commercial Street – Abu Hamour as of November 7, 2019. In addition, QGRI affirmed its commitment towards all operations of this closed branch and any other liabilities resulting there from and informs its valued clients that their respective files shall be transferred to the branch located at Salwa Road – Al Morra East, without any charges or impact on the services being provided to them. (Peninsula Qatar)
- **Qatar Petroleum takes over Idd El-Shargi North Dome, South Dome offshore oil fields** – Qatar Petroleum (QP), the integrated national oil corporation responsible for the sustainable development of the oil and gas industry in Qatar and beyond, has taken over the management and operatorship of the Idd El-Shargi North Dome (ISND) and Idd El-Shargi South Dome (ISSD) offshore oil fields. This comes after the expiry of the

development and production sharing agreements (PSA) with Occidental Petroleum of Qatar (OXY) for both ISND and ISSD on October 6, 2019. The integration of ISND and ISSD oil fields illustrates the development of QP's distinctive technical capabilities in operating and managing oil and gas fields, QP stated, whose activities encompass the entire spectrum of the oil and gas value chain locally, regionally, and globally, and include the exploration, production, processing, marketing and sales of oil and gas, liquefied natural gas, natural gas liquids, gas to liquids products, refined products, petrochemicals, fertilizers, steel and aluminum. (Gulf-Times.com)

- **Milaha showcasing integrated transport, logistics and supply chain solutions at Oman expo** – Qatar Navigation (Milaha) is showcasing its integrated transport, logistics and supply chain solutions at the Infra Oman Exhibition 2019, one of the leading construction and infrastructure expos in the Middle East. The three-day event kicked off on Monday at the Oman Convention and Exhibition Centre and also hosts the Gulf Supply Chain Logistics and Conference. Milaha's President and CEO, Abdulrahman Essa Al-Mannai said, "This large event offers an excellent platform for Milaha to demonstrate its position as a leading provider of integrated supply chain solutions and contributor to the development of port infrastructure and transport logistics in Qatar and the region." (Gulf-Times.com)
- **PMI rises sharply in September, pointing to fresh momentum in non-energy private sector** – The September PMI survey of Qatar's non-energy private sector economy signaled returning momentum at the end of the third quarter, coupled with near-record sentiment regarding the year-ahead outlook. All primary indicators for output, new business and jobs improved in unison for the second month running, with each posting bigger monthly gains than in August. Meanwhile, the Future Activity Index was the second-highest on record, below only the level achieved in December 2018. The Qatar PMI rose sharply to 49.0 in September from 46.4 in August. The index has risen by 3.8 points since July - the largest sustained improvement since that recorded in September-October 2017 when the initial effects of the blockade had subsided. Output has the second-highest weight in the PMI calculation and provided the biggest boost, increasing the headline figure by 0.9 index points. Positive contributions also came from new business (+0.7), employment (+0.7) and stocks of purchases (+0.4), while suppliers' delivery times again limited the overall gain in the PMI (-0.1). New business was heavily linked by firms to new customers and projects, with the forthcoming FIFA World Cup in 2022 often mentioned as a source of demand. Moreover, this trend is expected to continue, with new projects and World Cup-related

work underpinning a stronger outlook for activity over the next 12 months. (Markit)

- **QCB's international reserves rise for 20th consecutive month** – Qatar's Central Bank's (QCB) foreign currency reserves continued grow for the 20th consecutive month and reached QR197.1bn in September 2019, according to QCB data. In addition to the official reserves, there are other liquid foreign currency assets, which together constitute the total international reserves. QCB's official reserves rose by the end of September compared to the previous month by about QR0.73bn, to reach QR142.15bn. Thus, the total international reserves, with liquidity in foreign currency increased at the end of September, by about QR65mn to reach about QR197.07bn, an increase by about QR50.77bn, or 34.7% from its level in the starting month of the blockade in June 2017, and increased by 16.5% since September 2018. QCB stated, "In more details, we found that International Reserves rose during September 2019 compared to last August, and that was the result of an increase of the QCB balances of deposits with foreign banks by about QR1,652mn, to reach the level of QR54.1bn, while the other items declined. The balances of bonds and foreign bills declined by about QR800mn to QR78.8bn, and the value of Gold fell by about QR115mn to QR7.4bn, and the balances of SDR Deposits remained stable, slightly down at the level of QR1,870mn." According to the annual comparison with September 2018, the QCB's International reserves and liquidity witnessed an increase of QR27.9bn or 16.5% to QR197.07bn. (Peninsula Qatar)
- **Dorsch Qatar: Hamad Port food plant to be operational next year** – Work is going on in full swing to make Qatar's ambitious QR1.6bn Hamad Port food security project operational within a year, a senior official of German firm Dorsch Qatar has said. Dorsch Qatar is assisting Doha-based Al Jaber Engineering as a Project Manager for developing the facilities. "The project is going on as per schedule. More than 70% work on the project is already complete. Now we are working on the final stages of the construction. It will be operational next year," Dorsch Qatar's Operations Director, Peter Neuschaefer said. Being developed on an area of 53 hectares, the project consists of specialized units for processing, manufacturing, and refining of rice, raw sugar and edible oils. A first-of-its-kind in the country, the food-processing plant will have the minimum daily capacity to produce 300 tons of sugar, 500 tons of rice and 200 tons of cooking oils. (Qatar Tribune)
- **Al-Emadi leads Qatar delegation at GCC financial committee meeting** – A Qatari delegation led by HE the Minister of Finance, Ali Shareef Al-Emadi participated in the 110th meeting of the Financial and Economic Cooperation Committee of the GCC in Muscat. During the meeting, the committee discussed ways to further enhance economic and financial cooperation among the GCC members and increase returns. The committee also discussed the report of the General Secretariat of the GCC States on the resolutions implemented at its previous meeting. (Gulf-Times.com)
- **Qatar Chamber takes part in FGCCI meeting** – Qatar Chamber of Commerce and Industry (QCCI) has participated in the 45th executive committee meeting of the Federation of Gulf Chambers of Commerce and Industry (FGCCI) held in Muscat.

The meeting's agenda included discussing the FGCCI interim objectives and the general strategy, considering proposed amendments to the Federation's statute, rules, procedures, financial policies and accounting regulations as well as the restructuring of the FGCCI General Secretariat. During the meeting, Qatar Chamber expressed its views on the issues set on the agenda and its readiness to cooperate with the General Secretariat of the Federation and all member states' chambers in providing all forms of support and cooperation to serve the private sector and achieve the Gulf sustainable economic development. (Qatar Tribune)

International

- **BRC: UK retailers suffer worst September on record** – British retailers endured their worst September since at least the mid-1990s as people spent money on entertainment instead, according to surveys that painted a muted picture of household demand ahead of Brexit. In a potential warning sign for consumer spending, which has helped the economy in the run-up to Brexit, the British Retail Consortium (BRC) stated total retail sales values declined 1.3% in September compared with the same month last year. Average growth over the last 12 months slowed to 0.2%, the weakest rate since the BRC began its records in 1995. A separate survey published on Monday by payment card company Barclaycard showed broader consumer spending - which includes retail sales - rose by a modest 1.6% in annual terms in September. (Reuters)
- **Halifax: UK house prices rise at slowest pace since 2013** – British house prices rose at the slowest pace in more than six years in September, mortgage lender Halifax stated in a latest sign of how Brexit is weighing on the housing market. House prices rose 1.1% year-on-year after a 1.8% rise in August, Halifax stated. On the month, house prices fell 0.4%, after a 0.2% rise in August. British house price growth has slowed since the Brexit referendum in 2016 - the Halifax index was showing growth of about 8% a year at the time - and prices have recently been falling in London and some neighboring areas. A survey last week from another mortgage lender, Nationwide, showed house price growth fell to an eight-month low in September. (Reuters)
- **Sentix: Eurozone's investor morale hits lowest level in 6.5 years** – Morale among investors in the Eurozone dropped in October to its lowest level in more than six years as stimulus measures taken by central banks failed to allay recession fears, a survey showed. The Sentix research group stated its investor sentiment index for the Eurozone dropped to -16.8 in October from -11.1 in September. That was its lowest level since April 2013 and undershot the Reuters consensus forecast for a reading of -13.0. An index tracking Germany showed investor morale in Europe's largest economy hitting its lowest level since July 2009. (Reuters)
- **German industrial orders drop on weak domestic demand** – German industrial orders fell slightly more than expected in August on weaker domestic demand, data showed, adding to evidence that manufacturers in Europe's largest economy are experiencing a tough third quarter. Contracts for 'Made in Germany' goods fell 0.6% from the previous month, with demand for capital goods down 1.6%, the Economy Ministry stated. The overall monthly fall compared with a Reuters

consensus forecast for a drop of 0.3%. The reading for July was revised up to a fall of 2.1% from a previously reported 2.7% decrease. (Reuters)

- **German lenders pass pain of negative rates to their retail clients** – A growing number of German banks are passing on negative interest rates to their retail customers as the costs become too high to bear on their own. Berliner Volksbank, the country's second-largest cooperative lender, started to apply a minus 0.5% rate on deposits exceeding €100,000 in its first charge for retail clients. The move may encourage other lenders to follow suit, with both Deutsche Bank AG and Commerzbank AG signalling that they are warming to the idea. Germany's banks have long resisted passing on the burden of negative rates to retail clients, concerned that they will face reputational damage and mass withdrawals. But after five years of negative rates from the European Central Bank, the country's banks - already struggling with sub-par profitability - are running out of ways to offset the hit to earnings. (Gulf-Times.com)
- **Japan's August household spending rises for ninth month, but wages fall** – Japan's household spending rose for a ninth straight month in August, data showed, offering some relief for the export-dependent economy as it confronts softer global demand and a protracted US-China trade war. But separate data showed wages fell for an eighth consecutive month in August, adding to consumer pain as the government kicked off a sales tax hike this month. The mixed batch of data will keep policymakers under pressure to deploy more fiscal and monetary stimulus measures to shield the economy from a recession, analysts say. Household spending in August rose 1.0% from a year earlier, accelerating from a 0.8% increase in July but falling slightly short of a median market forecast for a 1.2% increase, government data showed. From the previous month, household spending gained 2.4% in August against a median market forecast for 2.8% growth. (Reuters)
- **Japan's real wages drop for eighth straight month in August** – Real wages in Japan adjusted for inflation fell for an eighth straight month in August, raising worries about the resilience in consumer spending after an increase in sales tax and weakening global demand. Real wages dipped 0.6% in August from a year earlier, labor ministry data showed, following a revised 1.7% annual drop in July. Monthly wage data showed nominal total cash earnings fell 0.2% in August, down for a second straight month. Regular pay, which accounts for the bulk of monthly wages, was up 0.3%, rising for a second month in a row. One-off special payments declined 11.4% in August from a year earlier, after a revised 3.3% decline in July. Overtime pay was up 0.9% in August from a year earlier, up for a second straight month. (Reuters)
- **Key Japan economic index falls, government changes view to worsening** – A key Japanese economic index fell in August and the government downgraded its view to worsening, indicating the export-reliant economy might face slipping into recession. The index of coincident economic indicators, which consists of a range of data including factory output, employment and retail sales data, slipped a preliminary 0.4 point in August from the previous month, the Cabinet Office stated. The separate index for leading economic indicators, a gauge of the economy a few months ahead that's compiled using data such as job offers and

consumer sentiment, dropped 2.0 points from July, the Cabinet Office stated. The last time the government gave a worsening assessment was for April data. (Reuters)

- **China services sector growth falls to seven-month low** – China's services sector grew at its slowest pace in seven months in September despite a strong increase in new orders, as operating expenses continued to rise at the end of the third quarter, a private survey showed. Services account for more than half of China's economy, providing a key buffer as persistent trade tensions with the US weigh heavily on the country's manufacturing sector. The Caixin/Markit services purchasing managers' index (PMI) fell to 51.3 last month, the weakest since February, versus August's 52.1. It has stayed above the 50-point that separates growth from contraction on a monthly basis since late 2005. The fall was in line with the marginal drop in the official non-manufacturing PMI published by the National Bureau of Statistics. It was also in step with signs of general cooling this year as the world's second-largest economy continues to lose momentum. New orders for services in September grew at the fastest pace since January 2018, buoyed by product launches and stronger customer demand. But operating costs hit a one-year high because of an increase in labor, fuel and raw material expenses. A continued push among firms to stay competitive also limited the increase in prices that they charged, pressuring profit margins. (Reuters)

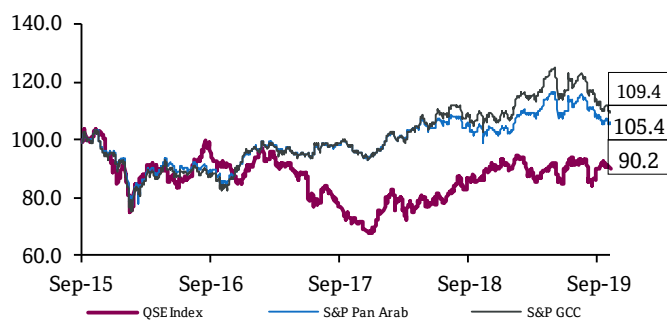
Regional

- **OPEC's Barkindo says too early to discuss deeper output cuts** – It is too early for the OPEC to discuss deeper oil output cuts despite the decline in oil prices, OPEC Secretary-General, Mohammed Barkindo was quoted as saying by Russian news agency TASS. OPEC is counting on Russia to help soothe tensions between Iran and Saudi Arabia in order to help the global oil market stabilize, he said. (Reuters)
- **Fitch downgrades Saudi Aramco after attacks on oil facilities** – Rating agency Fitch has downgraded Saudi Aramco's credit rating by one notch to 'A', days after it cut its sovereign rating on the country. Fitch has kept its outlook at 'Stable'. The rating cut follows attacks last month on two production facilities of the state-owned oil giant. The planned Initial Public Offering (IPO) seen as unlikely to have any major effect on company's financial position, with Fitch seeing Saudi Aramco having capacity to maintain commitment to increase dividend payments to at least \$75bn per year in 2020 and beyond. Saudi Aramco's long-term issuer default rating was downgraded by Fitch to 'A' from 'A+'. The senior unsecured debt rating was downgraded by Fitch to 'A' from 'A+'. The total amount of public bonds and loans outstanding is SR145.7bn, according to data compiled by Bloomberg. (Reuters, Bloomberg)
- **SABIC downgraded to 'A' by Fitch** – Saudi Arabian Basic Industries (SABIC) long-term issuer default rating was downgraded by Fitch to 'A' from 'A+'. The outlook remains 'Stable'. The total amount of public bonds and loans outstanding is SR11.2bn, according to data compiled by Bloomberg. (Bloomberg)
- **Saudi Arabia's oil inventories recover to near pre-attack levels** – Satellite data for October 6 points to significant builds in oil inventories in east of Saudi Arabia, according to data intelligence firm Kpler. Ju'aymah added 4.56mn bbl since last

update on September 28, while Ras Tanura added 750k bbl. Abqaiq indicated a draw of 450k bbl. That puts the total stocks back at 64.5mn bbl, just below January-August average of 66mn bbl. Using the data from before attack on Saudi Aramco's oil facilities, inventories are now down by just 2.595mn bbl. (Bloomberg)

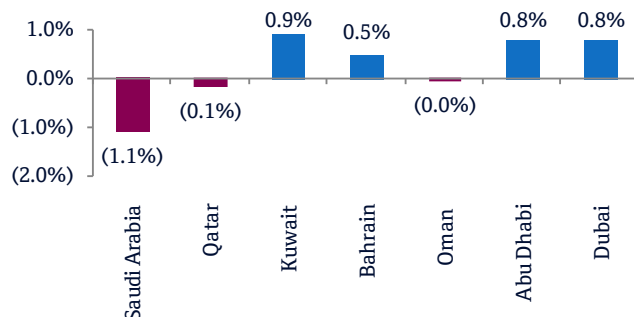
- **New Saudi Arabia's gas plant to cut oil used for power generation** – Saudi Aramco is on track to start the Fadhili gas plant by the end of 2019, which will displace more than 300,000 bpd of oil used to generate power. Equivalent to almost 40% of the total oil used in power generation. Fadhili, located close to Saudi Arabia east coast, can process 2.5bn cubic feet per day (bcfd) of gas. Saudi Aramco expects initial gas sales from the plant to be around 1.5 bcfd. This gas will displace crude and fuel oil in the central and western regions. Both the western and southern regions primarily use crude and fuel oil for power generation due to a lack of gas infrastructure. During the summer months, Saudi Arabia becomes a net importer of fuel oil in order to meet peak power demand caused by cooling systems. The country's Vision 2030 plan aims to reduce its reliance on crude oil to generate power. (Bloomberg)
- **Saudi Arabia's Gulf International Bank plans \$500mn bond** – Gulf International Bank plans to raise about \$500mn from the sale of Dollar-denominated bonds, according to sources. The Riyadh-based lender that is owned by Saudi Arabia's sovereign wealth fund, Public Investment Fund (PIF) is seeking to sell five-year securities, sources said. A sale could happen as early as this month, they said. Gulf International Bank stated that it had planned to sell bonds in September 2018, however, did not proceed with the sale. The lender is rated the third-lowest investment grade by both Moody's Investors Service and Fitch Ratings. (Bloomberg)
- **UAE's economy minister says Lebanon's investment climate more settled** – The UAE's government believes Lebanon's investment climate is becoming more settled, the UAE's Economy Minister, Sultan bin Saeed Al Mansouri said. When asked whether the UAE was readying a financing for Lebanon - which has one of the world's highest debt burdens – he said “that has to be discussed with the government and they'll make the right decision.” He was speaking to reporters on the sidelines of a Lebanon investment conference in Abu Dhabi. (Reuters)
- **Brookfield's Dubai JV to borrow \$653mn against future rent** – Brookfield Asset Management Inc.'s Dubai joint venture (JV) is seeking to raise \$653mn in loans secured by rental income, according to sources. Rents over the next few years from The Beach, City Walk and La Mer developments in Dubai will be used as collateral, sources said. Brookfield last month entered a JV with Meraas Holding. The seven-year financing will be raised through Islamic and conventional facilities in Dirhams and Dollars, sources said. HSBC Holdings and First Abu Dhabi Bank are arrangers. Meraas referred Bloomberg to a September statement announcing the strategic partnership. Most of the proceeds from the loan will be paid to Meraas for the joint venture deal, sources added. Meraas will use the funds to repay part of the debt, they said. The company has \$2bn outstanding, most of which matures in 2027, according to data compiled by Bloomberg. (Bloomberg)
- **Bahrain real GDP up 0.8% in 2Q2019 YoY despite oil sector contraction** – Bahrain's real GDP grew 0.8% in 2Q2019 YoY, according to preliminary government data, as growth in the non-oil sector offset a decline in oil output. The small Gulf Arab oil producer saw a 0.8% drop in the oil sector in the second quarter, mainly because of a 5.8% decline in the production of oil from the offshore Abu Safah field, which it shares with Saudi Arabia. Annual growth in the non-oil sector was 1.2%, the ministry of finance stated. Bahrain's total GDP in 2Q2019 stood at \$8.49bn, it stated. The Bahraini government received pledges of \$10bn last year from Saudi Arabia, Kuwait and the UAE after low oil prices pushed its public debt to almost 93% of GDP. As part of the financial aid from its wealthier Gulf allies, Bahrain has embarked on a series of economic reforms aimed at balancing its budget by 2022. Bahrain expects a fiscal deficit of 4.7% of GDP this year and 3.9% next year, the ministry stated, confirming previous estimates. It forecasts real GDP to grow 2.1% this year and 2.7% next year, it stated. (Reuters)
- **Bahrain sells BHD70mn 91-day bills; bid-cover at 1.43x** – Bahrain sold BHD70mn of 91 day bills due on January 8, 2020. Investors offered to buy 1.43 times the amount of securities sold. The bills were sold at a price of 99.289, having a yield of 2.83% and will settle on October 9, 2019. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,493.54	(0.7)	(0.7)	16.5
Silver/Ounce	17.44	(0.7)	(0.7)	12.5
Crude Oil (Brent)/Barrel (FM Future)	58.35	(0.0)	(0.0)	8.5
Crude Oil (WTI)/Barrel (FM Future)	52.75	(0.1)	(0.1)	16.2
Natural Gas (Henry Hub)/MMBtu	2.36	4.9	4.9	(26.0)
LPG Propane (Arab Gulf)/Ton	46.88	3.0	3.0	(26.8)
LPG Butane (Arab Gulf)/Ton	58.50	2.9	2.9	(15.8)
Euro	1.10	(0.1)	(0.1)	(4.3)
Yen	107.26	0.3	0.3	(2.2)
GBP	1.23	(0.3)	(0.3)	(3.6)
CHF	1.01	0.1	0.1	(1.3)
AUD	0.67	(0.6)	(0.6)	(4.5)
USD Index	98.97	0.2	0.2	2.9
RUB	64.96	0.5	0.5	(6.8)
BRL	0.24	(1.2)	(1.2)	(5.5)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,151.82	(0.1)	(0.1)	14.2
DJ Industrial	26,478.02	(0.4)	(0.4)	13.5
S&P 500	2,938.79	(0.4)	(0.4)	17.2
NASDAQ 100	7,956.29	(0.3)	(0.3)	19.9
STOXX 600	382.91	0.7	0.7	8.8
DAX	12,097.43	0.7	0.7	10.0
FTSE 100	7,197.88	0.5	0.5	3.4
CAC 40	5,521.61	0.6	0.6	11.9
Nikkei	21,375.25	(0.4)	(0.4)	10.1
MSCI EM	994.16	(0.2)	(0.2)	2.9
SHANGHAI SE Composite#	2,905.19	0.0	0.0	12.1
HANG SENG#	25,821.03	0.0	0.0	(0.2)
BSE SENSEX	37,531.98	(0.7)	(0.7)	2.1
Bovespa	100,572.80	(2.6)	(2.6)	8.2
RTS	1,320.25	0.7	0.7	23.5

Source: Bloomberg (*\$ adjusted returns, #Market was closed on October 07, 2019)

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