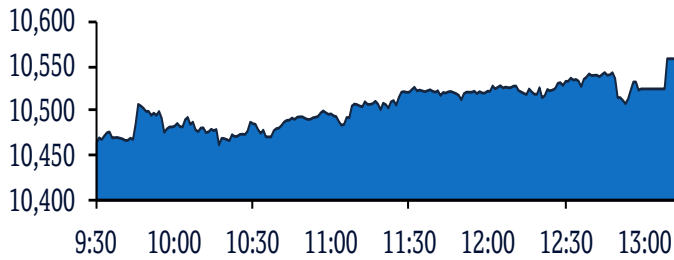


## QSE Intra-Day Movement



## Qatar Commentary

The QE Index rose 1.0% to close at 10,560.1. Gains were led by the Insurance and Real Estate indices, gaining 2.4% and 1.5%, respectively. Top gainers were Medicare Group and Qatar Insurance Company, rising 4.3% and 2.8%, respectively. Among the top losers, Qatar Cinema & Film Distribution Company fell 8.4%, while Qatar General Insurance & Reinsurance Company was down 4.2%.

## GCC Commentary

**Saudi Arabia:** The TASI Index gained 0.4% to close at 8,852.7. Gains were led by the Consumer Services and Real Estate Mgmt indices, rising 2.1% and 1.1%, respectively. Saudi Re for Coop. Reins. rose 5.2%, while Alujain Corp. was up 4.6%.

**Dubai:** The DFM Index gained 0.6% to close at 2,673.7. The Insurance index rose 3.1%, while the Services index gained 1.1%. Ektitab Holding Company rose 14.7%, while Oman Insurance Company was up 13.6%.

**Abu Dhabi:** The ADX General Index fell marginally to close at 4,978.6. The Consumer Staples index declined 1.7%, while the Real Estate index fell 0.6%. Gulf Cement Co. declined 9.7%, while Abu Dhabi Nat. Co. for Build. Mat. was down 4.4%.

**Kuwait:** The Kuwait All Share Index gained 0.2% to close at 5,842.7. The Oil & Gas index rose 1.1%, while the Insurance index gained 1.0%. Ream Real Estate Company and Aqar Real Estate Investments Company were up 9.9% each.

**Oman:** The MSM 30 Index fell 0.2% to close at 3,876.0. Losses were led by the Industrial and Financial indices, falling 0.7% and 0.4%, respectively. Oman Cables Industry fell 9.8%, while Bank Dhofar was down 2.8%.

**Bahrain:** The BHB Index gained 0.3% to close at 1,475.6. The Services index rose 0.7%, while the Commercial Banks index gained 0.4%. Bahrain Telecommunications Co. rose 1.7%, while National Bank of Bahrain was up 0.9%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Medicare Group	7.09	4.3	3,086.1	12.4
Qatar Insurance Company	3.62	2.8	613.5	0.8
Widam Food Company	6.26	2.8	723.6	(10.6)
The Commercial Bank	4.80	2.8	594.3	21.9
Barwa Real Estate Company	34.85	2.5	152.2	(12.7)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Investment Holding Group	0.59	(1.8)	14,708.0	20.4
Qatari German Co. for Med. Dev.	0.86	2.1	5,449.1	51.8
Qatar First Bank	0.41	0.2	5,194.9	0.2
Masraf Al Rayan	3.85	0.8	3,582.4	(7.6)
Mesaieed Petrochem. Holding Co.	2.62	0.4	3,518.0	74.3

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,560.13	1.0	1.1	1.0	2.5	51.89	159,673.1	14.8	1.6	4.1
Dubai	2,673.68	0.6	1.8	0.6	5.7	37.13	96,644.6	11.9	1.0	4.6
Abu Dhabi	4,978.56	(0.0)	(0.3)	(0.0)	1.3	31.35	138,582.8	14.8	1.5	5.0
Saudi Arabia	8,852.69	0.4	0.6	0.4	13.1	660.52	555,550.4	19.7	2.0	3.4
Kuwait	5,842.70	0.2	0.5	0.2	15.0	118.20	110,528.1	16.5	1.5	3.4
Oman	3,876.04	(0.2)	(0.4)	(0.2)	(10.4)	9.15	16,948.5	7.6	0.8	7.1
Bahrain	1,475.62	0.3	0.5	0.3	10.3	6.94	22,956.8	10.8	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)

Market Indicators	01 July 19	30 June 19	%Chg.
Value Traded (QR mn)	189.8	188.7	0.6
Exch. Market Cap. (QR mn)	581,263.7	577,561.9	0.6
Volume (mn)	54.8	51.2	7.0
Number of Transactions	6,897	5,357	28.7
Companies Traded	46	46	0.0
Market Breadth	23:21	24:17	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	19,431.53	1.0	1.1	7.1	14.8
All Share Index	3,120.64	0.7	0.9	1.3	14.8
Banks	4,085.34	0.6	1.2	6.6	14.3
Industrials	3,280.09	0.7	0.8	2.0	16.5
Transportation	2,545.09	(0.3)	(0.7)	23.6	13.7
Real Estate	1,541.69	1.5	0.9	(29.5)	12.9
Insurance	3,177.77	2.4	2.7	5.6	18.3
Telecoms	905.37	0.2	(0.0)	(8.3)	18.6
Consumer	8,180.35	1.2	1.0	21.1	15.9
Al Rayan Islamic Index	4,097.24	0.8	0.9	5.5	14.0

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Human Soft Holding Co.	Kuwait	3.18	4.1	254.0	(3.2)
Arab National Bank	Saudi Arabia	26.65	2.9	847.6	25.3
Qatar Insurance Co.	Qatar	3.62	2.8	613.5	0.8
The Commercial Bank	Qatar	4.80	2.8	594.3	21.9
Barwa Real Estate Co.	Qatar	34.85	2.5	152.2	(12.7)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Bank Dhofar	Oman	0.14	(2.8)	33.5	(11.0)
Saudi Ind. Inv. Group	Saudi Arabia	24.42	(2.2)	461.0	6.7
Bank Sohar	Oman	0.10	(1.9)	6,909.7	(6.0)
Saudi British Bank	Saudi Arabia	40.15	(1.4)	1,011.4	23.0
Rabigh Ref. & Petrochem.	Saudi Arabia	20.54	(1.3)	766.4	7.7

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 Cinema & Film Distribution	1.74	(8.4)	0.1	(8.5)
Qatar General Ins. & Reins. Co.	3.90	(4.2)	1.0	(13.1)
Doha Bank	2.55	(3.4)	1,597.5	14.9
Gulf Warehousing Company	50.42	(3.0)	80.0	31.1
Investment Holding Group	0.59	(1.8)	14,708.0	20.4

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Medicare Group	7.09	4.3	21,542.7	12.4
QNB Group	19.21	0.0	19,711.2	(1.5)
Masraf Al Rayan	3.85	0.8	13,766.2	(7.6)
Ooredoo	65.65	0.4	12,952.6	(12.5)
Industries Qatar	11.69	1.7	11,933.0	(12.5)

Source: Bloomberg (\* in QR)

## Qatar Market Commentary

- The QE Index rose 1.0% to close at 10,560.1. The Insurance and Real Estate indices led the gains. The index rose on the back of buying support from non-Qatari shareholders despite selling pressure from Qatari and GCC shareholders.
- Medicare Group and Qatar Insurance Company were the top gainers, rising 4.3% and 2.8%, respectively. Among the top losers, Qatar Cinema & Film Distribution Company fell 8.4%, while Qatar General Insurance & Reinsurance Company was down 4.2%.
- Volume of shares traded on Monday rose by 7.0% to 54.8mn from 51.2mn on Sunday. However, as compared to the 30-day moving average of 142.2mn, volume for the day was 61.5% lower. Investment Holding Group and Qatari German Company for Medical Devices were the most active stocks, contributing 26.9% and 9.9% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	32.41%	41.85%	(17,923,793.59)
Qatari Institutions	18.66%	17.32%	2,538,952.27
<b>Qatari</b>	<b>51.07%</b>	<b>59.17%</b>	<b>(15,384,841.32)</b>
GCC Individuals	1.61%	3.89%	(4,324,264.35)
GCC Institutions	0.78%	3.92%	(5,963,294.29)
<b>GCC</b>	<b>2.39%</b>	<b>7.81%</b>	<b>(10,287,558.64)</b>
Non-Qatari Individuals	12.89%	16.59%	(7,014,674.17)
Non-Qatari Institutions	33.66%	16.43%	32,687,074.13
<b>Non-Qatari</b>	<b>46.55%</b>	<b>33.02%</b>	<b>25,672,399.96</b>

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
Abu Dhabi National Energy Company	Moody's	Abu Dhabi	LTR/BCA	-/b2	A3/b1	↑	-	-

Source: News reports, Bloomberg (\* LTR – Long Term Rating, BCA – Baseline Credit Assessment)

### Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
07/01	US	Markit	Markit US Manufacturing PMI	June	50.6	50.1	50.1
07/01	US	Institute for Supply Management	ISM Manufacturing	June	51.7	51.0	52.1
07/01	UK	Markit	Markit UK PMI Manufacturing SA	June	48.0	49.5	49.4
07/01	EU	Markit	Markit Eurozone Manufacturing PMI	June	47.6	47.8	47.8
07/01	Germany	Markit	Markit/BME Germany Manufacturing PMI	June	45.0	45.4	45.4
07/01	France	Markit	Markit France Manufacturing PMI	June	51.9	52.0	52.0
07/01	Japan	Economic and Social Research Institute	Consumer Confidence Index	June	38.7	39.2	39.4
07/01	China	Markit	Caixin China PMI Mfg	June	49.4	50.1	50.2
07/01	India	Markit	Markit India PMI Mfg	June	52.1	-	52.7

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
QNBK	QNB Group	10-Jul-19	8	Due
QGTS	Qatar Gas Transport Company Limited (Nakilat)	10-Jul-19	8	Due
WDAM	Widam Food Company	15-Jul-19	13	Due
MARK	Masraf Al Rayan	15-Jul-19	13	Due
IHGS	Islamic Holding Group	16-Jul-19	14	Due
QIBK	Qatar Islamic Bank	17-Jul-19	15	Due
QIIK	Qatar International Islamic Bank	17-Jul-19	15	Due
ABQK	Ahli Bank	18-Jul-19	16	Due
NLCS	Aljarah Holding	18-Jul-19	16	Due
QIGD	Qatari Investors Group	22-Jul-19	20	Due
DHBK	Doha Bank	24-Jul-19	22	Due
ORDS	Ooredoo	29-Jul-19	27	Due

Source: QSE

## Stock Split Dates for Listed Qatari Companies

Day / Date	Company Symbols			Sector
	1	2	3	
Sunday 09/06/2019	CBQK	QFBQ		Banking and Financial Services
Monday 10/06/2019	KCBK	DBIS	QOIS	
Tuesday 11/06/2019	QIHK	NLCS		
Wednesday 12/06/2019	QNBK	ABQK	IHGS	
Thursday 13/06/2019	QIBK	DHBK		
Sunday 16/06/2019	MARK			
Monday 17/06/2019	MERS	MCCS		Consumer Goods & Services
Tuesday 18/06/2019	WDAM	ZHCD	QGMD	
Wednesday 19/06/2019	QFLS	MCGS		
Thursday 20/06/2019	SIIS	QCFS		
Sunday 23/06/2019	MPHC	IGRD		Industrial
Monday 24/06/2019	QIGD	AHCS	QNCD	
Tuesday 25/06/2019	IQCD	QIMD		
Wednesday 26/06/2019	QEWS	GISS		Insurance
Thursday 27/06/2019	QISI	QATI		
Sunday 30/06/2019	DOHI	QGRI	AKHI	
Monday 01/07/2019	BRES	ERES		Real Estate
Tuesday 02/07/2019	UDCD	MRDS		
Wednesday 03/07/2019	VFQS	ORDS		Telecoms
Thursday 04/07/2019	QGTS	GWCS	QNNS	Transport/Logistics
Sunday 07/07/2019	QETF	QATR	QAMC	ETFs and QAMCO

Source: QSE

## News

### Qatar

- QSE executes share splits for BRES** – Qatar Stock Exchange (QSE) announced that the split of shares for Barwa Real Estate Company (BRES) has been executed, effective from July 02, 2019. The new number of BRES' shares after the split is 3,891,246,370 and the adjusted closing price of QR3.48 per share. QSE also sets price limits, (i) Price up limit: QR3.82 and (ii) Price down limit: QR3.14. (QSE)
- QSE executes share splits for ERES** – Qatar Stock Exchange (QSE) announced that the split of shares for Ezdan Holding Group (ERES) has been executed, effective from July 02, 2019. The new number of ERES' shares after the split is 26,524,966,910 and the adjusted closing price of QR0.721 per share. QSE also sets price limits, (i) Price up limit: QR0.793 and (ii) Price down limit: QR0.649. (QSE)
- QIBK to disclose 2Q2019 financial statements on July 17** – Qatar Islamic Bank (QIBK) announced its intent to disclose 2Q2019 financial statements for the period ending June 30, 2019, on July 17, 2019. (QSE)
- QIMD to disclose 2Q2019 financial statements on July 31** – Qatar Industrial Manufacturing Company (QIMD) announced its intent to disclose 2Q2019 financial statements for the period ending June 30, 2019, on July 31, 2019. (QSE)
- DOHI to disclose 2Q2019 financial statements on July 31** – Doha Insurance Group (DOHI) announced its intent to disclose 2Q2019 financial statements for the period ending June 30, 2019, on July 31, 2019. (QSE)
- ERES to disclose 2Q2019 financial statements on July 18** – Ezdan Holding Group (ERES) announced its intent to disclose 2Q2019 financial statements for the period ending June 30, 2019, on July 18, 2019. (QSE)
- QFZA to create new free zone in Msheireb Downtown** – Qatar Free Zones Authority (QFZA) is planning to create a new free zone in Msheireb Downtown Doha which will be home to the upcoming Media City and top class IT companies, according to HE Ahmad Al Sayed, Minister of State and Chairman of QFZA. The Media City, being established under the Law No. 13 of 2019, aims at managing and developing media activity in Qatar, and enhancing its position as a venue for attracting international media, technology companies, research and training institutions in the media and digital media, in addition to supporting and promoting digital and technological media projects, achieving economic and professional integration. Global IT giant Microsoft has already got a cabinet approval for establishing a global data centre in Qatar called 'Azure Cloud Computing'. Minister Al Sayed said, "We are identifying the third free zone area in Msheireb Downtown which will be dedicated to media and other offices to provide platform to top technology companies." (Peninsula Qatar)
- PwC: Qatar growth to double in 2019 on upbeat economy** – An expected increase in hydrocarbons output, non-oil expansion boosted by Qatar Petroleum's localization drive, and fresh digital investment supported by 5G rollout offer prospects to many sectors in potentially doubling the economic growth, according to PricewaterhouseCoopers (PwC). "The Qatari economy has recovered from a period of low energy prices and the impact of regional political uncertainties and is looking ahead to new opportunities. These will come as a result of economic reforms, such as the new foreign investment law, as well as from projects such as the North Field LNG expansion," Bassam Hajhamad, Qatar Senior Partner, said, adding "the rate of economic growth is expected to roughly double in 2019." Finding that Qatar is no longer required to limit its crude output

based on quotas; PwC stated Total's investment in Al Shaheen field may also raise oil output capacity. There is also scope for gas production growth, particularly when the Barzan comes on stream, it added. Non-oil growth would be boosted by the ongoing localization drive, including the Qatar Petroleum-led Tawteen initiative. A new round of digital investment – supported by the launch of 5G networks, new government platforms and technology ranging from blockchain to artificial intelligence – offers growth potential in many sectors. The 5G cellular networks should become available towards the end of 2019, it stated. (Gulf-Times.com)

- **Qatar's housing sector sees huge growth in last 10 years** – Qatar has seen a huge growth in housing and facilities in the last decade, reflecting the solid economic growth witnessed by the state, according to Planning and Statistics Authority's (PSA) 2019 census data for buildings and facilities. During the inauguration ceremony of the 2020 census, the data showed that the number of buildings in Qatar (completed, under construction, and under demolition) rose to 216,740 this year, compared with 148,804 in the 2010 census, an increase of 45.6%. The number of completed buildings in 2019, according to the census, amounted to 200,417 buildings, compared to 128,074 buildings in 2010, an increase of 56.5%. Residential buildings were at the top of the list with 80.3%, followed by facilities buildings at 16%, with the rest being distributed to residential and commercial buildings and other buildings. The number of housing units reached 354,549 units, based on the census this year, compared to 259,067 units in 2010, an increase of 36.9%. Statistics showed an increase in the number of active facilities in the country by more than 93% over the past ten years, according to the census this year, as the number rose to 64,051 establishments, compared to 33,172 in the 2010 census. (Qatar Tribune)

#### **International**

- **US manufacturing stumbles under weight of trade tensions** – The US manufacturing activity slowed to near a three-year low in June, with a measure of new orders received by factories tumbling, amid growing anxiety over an escalation in trade tensions between the US and China. Other data showed construction spending unexpectedly fell in May as investment in private construction projects dropped to its lowest level in nearly 2-and-a-half years. The reports were the latest indications that economic growth slowed in the second quarter after getting a temporary boost from exports and an accumulation of inventory. While the slowdown in factory activity was not as steep as had been flagged by some regional factory surveys, a sharp drop in a gauge of prices paid by manufacturers could be yet another reason for the Federal Reserve to consider cutting interest rates this month. The Institute for Supply Management (ISM) said its index of national factory activity dropped to 51.7 last month, the lowest reading since October 2016, from 52.1 in May. It was the third straight monthly decline in the index. A reading above 50 indicates expansion in the manufacturing sector, which accounts for about 12% of the US economy. Economists polled by Reuters had forecast the ISM index would fall to 51.0 in June. (Reuters)

- **USTR proposes \$4bn in potential additional tariffs over EU aircraft subsidies** – Just days after reaching a truce in the US-China trade war, the US government ratcheted up pressure on Europe in a long-running dispute over aircraft subsidies, threatening tariffs on \$4bn of additional EU goods. The US Trade Representative's (USTR) office released a list of additional products - including olives, Italian cheese and Scotch whiskey - that could be hit with tariffs, on top of products worth \$21bn that were announced in April. USTR said it was adding 89 tariff sub-categories to its initial list, including a variety of metals, in response to public comments, but gave no further explanation. Over 40 individuals testified about products included on the initial list at a public hearing on May 15 and 16. (Reuters)
- **US-China trade agreement takes little pressure off Fed to cut rates** – A ceasefire in the US-China trade war is doing little to relieve pressure on the Federal Reserve to stimulate the economy. The two countries agreed to resume trade talks after President Donald Trump offered concessions to his Chinese counterpart, Xi Jinping, when the two met at the sidelines of the Group of 20 summit in Japan. As part of their latest agreement, Washington promised no new tariffs and an easing of restrictions on Huawei Technologies Co. China agreed to make unspecified new purchases of US farm products and return to the negotiating table. However the Fed, which signaled rate cuts could come soon due partly to uncertainty caused by the trade war, still faces a slowing global economy as well as businesses domestically putting off spending until China and the US reach a lasting truce. (Reuters)
- **UK consumers raise borrowing at weakest pace in five years, adding to slowdown signs** – Lending to British consumers rose by its weakest pace in more than five years in May, according to Bank of England (BoE) data which added to signs of a slowdown in the economy. The annual growth rate in unsecured lending to consumers - whose spending has helped the economy cope with the Brexit crisis - slipped to 5.6%, the smallest rise since April 2014 and down from 5.9% a month earlier, the figures showed. The BoE said the number of mortgages approved for house purchases fell to 65,409 in May from 66,045 in April. That was almost in line with a median forecast of 65,600 in Reuters poll of economists. Britain's housing market weakened in 2018 and is still struggling for momentum. The BoE data showed that net mortgage lending, which tends to lag behind approvals, fell to 3.102bn Pounds in May, the weakest increase since April 2017. Figures published last week by UK Finance, an industry group, showed British banks approved slightly fewer mortgages for house purchase in May than in April but overall lending remained robust. (Reuters)
- **UK economy feels the strain of global slowdown as well as Brexit** – Britain's economy has lost momentum and might have shrunk in the second quarter of 2019, according to data that showed the double impact of Brexit and the slowdown in the global economy. Manufacturers had their worst month in more than six years and consumers increased their borrowing at the slowest pace since 2014. Howard Archer, an economist with EY Item Club, a forecasting group, estimated that Britain's economy contracted by 0.2% in the April-June period. The Bank of England last month cut its forecast for economic growth in

the second quarter to zero. The overall PMI slumped to 48.0 in June from May's 49.4, well below the average forecast in a Reuters poll of economists and its lowest reading since February 2013. Export demand fell for a third month as manufacturers around the world lost confidence. (Reuters)

- **BCC: Brexit and global slowdown hit UK factories in second quarter** – The proportion of British manufacturers reporting a rise in their domestic orders has fallen to its lowest in seven years as Brexit uncertainty and the global slowdown take their toll, a leading employers group said. Factories also showed the weakest picture for export orders in four years in the April-June period while a slight pick-up for services firms was not strong enough to make up for a weak start to the year, the British Chambers of Commerce (BCC) said. “These results indicate that underlying economic conditions in the UK remain decidedly downbeat,” BCC economist Suren Thiru said. Britain’s economy began 2019 strongly, but the growth came largely from a surge in stockpiling by manufacturers seeking to protect themselves against the risk of border delays after the original March 29 Brexit deadline. That deadline has been postponed until October 31, and progress to resolve a stand-off in parliament over how to leave the European Union is on hold while the Conservative Party chooses a new leader who will take over as prime minister. (Reuters)
- **German unemployment falls slightly amid signs of slackening economy** – Unemployment in Germany fell slightly in June compared to the previous month, data from the Federal Labour Office showed, but there was an increase in the amount of underemployment, clearly pointing to a weakening in the economy. Seasonally adjusted unemployment fell by 1,000 to 2.281mn compared to the month before. A drop of 3,000 had been forecast. The unemployment rate remained at 5%. “The influence of a slackening economic environment is showed most clearly in underemployment, which also reflects changes to labor market policy and short-term inability to work,” the office stated. In seasonally adjusted terms, underemployment rose by 6,000 to 3.172mn. (Reuters)
- **BoJ tankan: Japan firms expect CPI to rise 0.9% a year from now** – Japanese companies expect consumer prices to rise an average 0.9% a year from now, unchanged from their projection three months ago, a central bank survey showed. Three months ago, companies expected prices to rise 0.9% over the next year. Firms polled by the Bank of Japan (BoJ), as part of its detailed tankan survey for June, also said they expect consumer prices to rise an annual 1.0% three years from now and an annual 1.1% five years from now. The BoJ started the survey on corporate price expectations from the tankan in March 2014 to gather more information on inflation expectations, key to its current stimulus program. (Reuters)
- **PMI: India's manufacturing growth slowed in June on weaker demand** – Growth in India’s manufacturing sector slowed last month as the expansion in new orders and output eased despite factories cutting prices again, according to a private survey which also showed a decrease in the rate of hiring. The Nikkei Manufacturing Purchasing Managers’ Index, compiled by IHS Markit, fell to 52.1 in June from 52.7 in May, but remained above the 50-mark that separates growth from contraction for a 23rd month. (Reuters)

## Regional

- **OPEC set to extend output cuts into 2020 as demand falters** – The OPEC+ alliance is poised to extend production cuts into 2020 as the world’s leading oil exporters fret about a weakening outlook for global demand growth and the relentless rise in output from US’s shale fields. Oil rose the most in a week after Iran became the latest OPEC member to back an extension of as long as nine months. The leaders of Russia and Saudi Arabia, the dominant members in the alliance, settled on the idea of extending the cuts into next year during the G-20 meeting in Japan. The UAE’s Energy Minister said an extension of supply cuts is needed for the current conditions of the market. By pushing to extend the cuts until March 2020, Saudi Arabia is trying to avoid cliffhanger meetings, when the group gathers only days - or even hours - before a round of curbs expire, according to an OPEC delegate briefed on the strategy. The OPEC will meet before the end of the year, perhaps in December, giving the cartel a cushion of several months between its next meeting and the end of the agreement. (Bloomberg)
- **Barkindo confident OPEC+ can achieve oil market stability** – OPEC Secretary-General, Mohammad Barkindo said that he is confident that OPEC+ members will succeed in balancing oil production to guarantee market stability, Kuwait state news agency (KUNA) quoted him as saying. “G20 (summit) successful outcome will reflect on the atmosphere of Vienna’s OPEC and OPEC+ meetings,” he said. (Reuters)
- **Saudi Arabia widens funding base with dual-tranche debut Euro bond** – Saudi Arabia has hired a group of banks including Goldman Sachs and Societe Generale to arrange a global investor call ahead of an issuance of Euro-denominated bonds, its first in that currency, as the Kingdom seeks to diversify its investor base. Saudi Arabia has become a regular debt issuer over the past few years to offset the impact of lower oil prices on its finances. It has so far issued debt in Saudi Riyal and US Dollars; however, its planned debut in the Euro-denominated markets shows it is targeting new funding sources for future issues. Entering the Euro market would allow the Kingdom to tap different investors at any time, sources familiar with the government’s plans said, adding it would also indirectly strengthen trade links between Saudi Arabia and Europe. Goldman Sachs and Societe Generale have been hired as global coordinators and bookrunners for the potential new deal, while BNP Paribas, Morgan Stanley and Samba Capital have been mandated as lead managers and passive bookrunners, according to a document issued by one of the banks leading the potential new deal. The Kingdom is looking to issue bonds in tranches of eight and 20 years following the call, scheduled for Monday, the document stated. The deal, subject to market conditions, will be a Regulation S/144 A transaction, a format which allows the sale of securities to qualified institutional buyers in the US. The planned debt sale would be Saudi Arabia’s second international bond issue this year. Saudi Arabia may price its debut Euro-denominated sovereign bonds at asset-swap spreads in the region of 87 and 150 basis points, if the bonds were issued at an equivalent spread to the Kingdom’s existing Dollar debt. Saudi Arabia hired five banks to help manage its first Euro-denominated bond sale as it seeks to

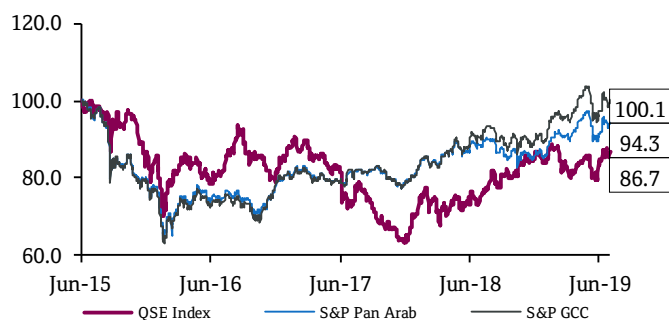
diversify borrowing sources, according to sources. Eight- and 20-year maturities have been planned for the issue of the bond. (Bloomberg)

- **Saudi Arabia to pump less oil than OPEC quota in 2H2019** – Saudi Arabia will produce less oil than its OPEC quota, according to Energy Minister, Khalid Al-Falih. The Kingdom will take the lead and constrain production and production in 2H2019 will be similar to 1H2019. It will not leave customers short of crude. The oil demand in 1Q2020 is likely to be soft. "We understand that Saudi Arabia will continue to lead from the front," Chief oil analyst at Energy Aspects Ltd., Amrita Sen said. "They're likely to keep production at around 10mn barrels a day, below its 10.31mn barrels target," she added. (Bloomberg)
- **Saudi Aramco and Baker Hughes sign MoU to create joint venture facility** – Saudi Aramco and Baker Hughes have signed a memorandum of understanding (MoU) to create a joint venture facility in Saudi Arabia to manufacture non-metallic materials. The joint venture will focus on non-metallic reinforced thermoplastic pipes. "This partnership with Baker Hughes is another step in Saudi Aramco's journey towards expanding the use of innovative non-metallic materials in its operations. Saudi Aramco has successfully deployed more than 5,000 kilometers of non-metallic pipes, resulting in a significant increase in efficiency and reduction in maintenance and replacement costs across the company's operations," Saudi Aramco's SVP for Technical Services, Ahmad Al Sa'adi said. (Bloomberg)
- **Tadawul foreign investors' net buying value at SR16bn in June** – The Saudi Stock Exchange (Tadawul) published June data on investor nationality for trades performed in shares of listed companies on the main market which showed that foreign investors' net buying value stood at SR16bn in June. Saudi Arabian investors were net sellers of listed shares worth SR14.9bn. Saudi Arabian investors' total buying value stood at SR42.6bn as compared to a total sell value of SR57.5bn. Saudi Arabian corporates were net sellers of shares worth SR6.35bn. Saudi Arabian corporates' total buying value stood at SR3.3bn as compared to a total sell value of SR9.67bn. Saudi Arabian retail investors were net sellers of listed shares worth SR1.0bn in June and their total buying value stood at SR20.9bn as compared to a total sell value of SR21.95bn. (Bloomberg)
- **Moody's rates Emirates Strategic Investments 'Baa3' with 'Stable' outlook** – Moody's assigned 'Baa3' rating to Emirates Strategic Investments Company with a 'Stable' outlook. The rating is supported by strong financial profile and good base of recurring income from investment properties and equity investments, which partially offsets company's asset and geographic location as well as weak property market outlook in the UAE. The 'Stable' outlook reflects expectation that company's credit metrics will remain around current levels. (Bloomberg)
- **DP World acquires Topaz Energy in \$1.1bn deal** – DP World has acquired 100% of Topaz Energy & Marine Plc (Topaz Energy) from Oman's Renaissance Services and Standard Chartered's private equity unit for \$1.1bn, marking the Dubai firm's first venture into the oil and gas sector. The acquisition is expected to be earnings- and margins-accretive from the first full year of

consolidation and meet DP World's return targets, the world's largest port operator stated. The deal is subject to regulatory approvals and is likely to close in the second half of the year. (Bloomberg)

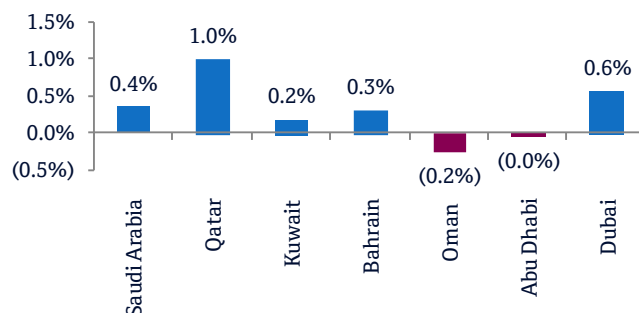
- **Dubai's ENBD REIT secures \$177mn facility from Mashreqbank** – The real estate investment trust managed by Emirates NBD Asset Management Ltd. (ENBD REIT) has got Shari'ah-compliant facility worth \$177mn from Mashreqbank to refinance its \$134.5mn of existing debt. The facility will reduce cost of financing and provide additional funds for acquisitions, corporate purposes. The 12-year facility is profit only for first four years, amortizing 80% during the following eight years with a 20% balloon payment at the end of term. (Bloomberg)
- **Ajman Bank says it arranged \$275mn loan for Pakistan** – UAE-based Ajman Bank arranged a syndicated financing of \$275mn for the government of Pakistan in May, the bank stated. A number of banks participated in the one-year Islamic loan, which has a Murabaha structure and was solely arranged by Ajman Bank, it stated. The Pakistani government last month signed a \$375mn syndicated loan with UAE banks which included conventional and Islamic tranches. A Murabaha is a cost-plus-profit arrangement which complies with Islamic finance standards. (Reuters)
- **Halliburton Company signs \$597mn drilling deal with Kuwait Oil Company** – Halliburton Company and state-owned Kuwait Oil Company signed a \$597mn contract to explore for oil off the coast of Kuwait, marking the Gulf state's first foray into offshore services. Development of the country's offshore area will add an estimated 100,000 barrels to Kuwait's daily production capacity, Kuwait Oil Company's CEO, Emad Sultan said after signing the three-year agreement. The company will use two rigs in the first stage of the project to drill six exploratory wells, he said. Kuwait is currently OPEC's fourth-biggest producer, and can pump as much as 3mn barrels of oil a day from its wholly owned fields. The country is targeting a daily capacity of 4mn barrels by 2020. (Bloomberg)
- **Bahrain sells BHD70mn 91-day bills; bid-cover at 1.14x** – Bahrain sold BHD70mn 91 day of bills due on October 2, 2019. Investors offered to buy 1.14 times the amount of securities sold. The bills were sold at a price of 99.219, having a yield of 3.12% and will settle on July 3, 2019. (Bloomberg)

## Rebased Performance



Source: Bloomberg

## Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,384.15	(1.8)	(1.8)	7.9
Silver/Ounce	15.15	(1.1)	(1.1)	(2.2)
Crude Oil (Brent)/Barrel (FM Future)	65.06	(2.2)	(2.2)	20.9
Crude Oil (WTI)/Barrel (FM Future)	59.09	1.1	1.1	30.1
Natural Gas (Henry Hub)/MMBtu	2.33	(3.7)	(3.7)	(26.9)
LPG Propane (Arab Gulf)/Ton	48.13	(0.5)	(0.5)	(24.8)
LPG Butane (Arab Gulf)/Ton	43.50	(1.1)	(1.1)	(37.4)
Euro	1.13	(0.8)	(0.8)	(1.6)
Yen	108.45	0.6	0.6	(1.1)
GBP	1.26	(0.4)	(0.4)	(0.9)
CHF	1.01	(1.2)	(1.2)	(0.6)
AUD	0.70	(0.8)	(0.8)	(1.2)
USD Index	96.84	0.7	0.7	0.7
RUB	62.97	(0.4)	(0.4)	(9.7)
BRL	0.26	0.2	0.2	1.0

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,192.24	0.6	0.6	16.4
DJ Industrial	26,717.43	0.4	0.4	14.5
S&P 500	2,964.33	0.8	0.8	18.2
NASDAQ 100	8,091.16	1.1	1.1	21.9
STOXX 600	387.87	0.2	0.2	13.3
DAX	12,521.38	0.4	0.4	17.1
FTSE 100	7,497.50	0.5	0.5	10.5
CAC 40	5,567.91	(0.1)	(0.1)	16.1
Nikkei	21,729.97	1.6	1.6	10.5
MSCI EM	1,064.09	0.9	0.9	10.2
SHANGHAI SE Composite	3,044.90	2.4	2.4	22.6
HANG SENG <sup>#</sup>	28,542.62	0.0	0.0	10.7
BSE SENSEX	39,686.50	0.8	0.8	11.3
Bovespa	101,339.68	0.4	0.4	16.5
RTS	1,401.64	1.5	1.5	31.2

Source: Bloomberg (\*\$ adjusted returns, <sup>#</sup>Market was closed on July 01, 2019)

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