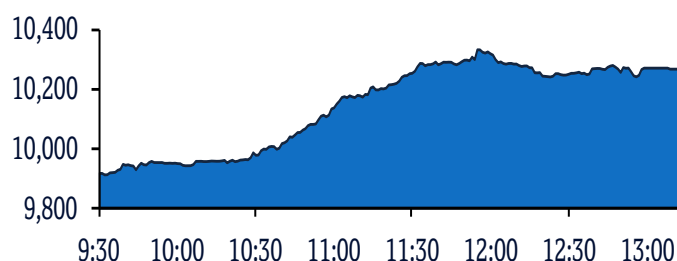


## QSE Intra-Day Movement



## Qatar Commentary

The QE Index rose 3.4% to close at 10,273.0. Gains were led by the Banks & Financial Services and Real Estate indices, gaining 4.4% and 3.5%, respectively. Top gainers were Qatar Cinema & Film Distribution Company and The Commercial Bank, rising 9.9% and 9.0%, respectively. Among the top losers, Zad Holding Company fell 3.8%, while Qatari German Company for Medical Devices was down 1.7%.

## GCC Commentary

**Saudi Arabia:** The TASI Index gained 1.2% to close at 8,516.5. Gains were led by the Media & Ent. and Materials indices, rising 5.0% and 1.7%, respectively. Middle East Specialized Cables rose 9.9%, while Basic Chemical Industries was up 6.9%.

**Dubai:** The DFM Index gained 0.8% to close at 2620.3. The Consumer Staples and Discretionary index rose 2.1%, while the Real Estate & Const. index gained 1.4%. International Financial Advisors rose 8.5%, while Dar Al Takaful was up 5.8%.

**Abu Dhabi:** The ADX General Index gained 2.8% to close at 5,003.6. The Telecom. index rose 4.5%, while the Real Estate index gained 3.7%. Reem Investments rose 12.9%, while Sudatel Telecomm. Group Company was up 5.4%.

**Kuwait:** The Kuwait Main Market Index fell 0.2% to close at 4,736.6. The Financial Services and Consumer Services indices declined 0.3% each. Kuwait Syrian Holding Company declined 11.1%, while Taameer Real Estate Invest Co. was down 9.8%.

**Oman:** The MSM 30 Index fell 0.2% to close at 3,934.2. Losses were led by the Financial and Industrial indices, falling 0.5% and 0.1%, respectively. Alizz Islamic Bank fell 3.6%, while Al Sharqia Investment Holding was down 2.6%.

**Bahrain:** The BHB Index gained 0.2% to close at 1,433.5. The Services index rose 0.5%, while the Commercial Banks index gained 0.4%. Ithmaar Holding rose 10.0%, while Al Salam Bank - Bahrain was up 2.4%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar Cinema & Film Distribution	19.90	9.9	0.6	4.6
The Commercial Bank	46.45	9.0	343.3	17.9
Qatar Gas Transport Company Ltd.	21.46	4.9	840.3	19.7
Qatar National Cement Company	63.00	4.9	53.0	5.9
Qatar International Islamic Bank	73.00	4.5	766.6	10.4

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Ezdan Holding Group	7.45	3.5	19,380.5	(42.6)
Mesaieed Petrochemical Holding	26.23	0.0	2,365.5	74.5
Qatar First Bank	4.18	2.0	1,624.4	2.5
Vodafone Qatar	7.06	0.1	1,603.2	(9.6)
Qatar Aluminium Manufacturing	10.04	(0.7)	1,089.8	(24.8)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,273.01	3.4	5.6	(1.0)	(0.3)	211.03	156,051.1	14.4	1.6	4.2
Dubai	2,620.33	0.8	1.2	(5.3)	3.6	56.11	95,039.7	11.4	1.0	5.1
Abu Dhabi	5,003.59	2.8	4.7	(4.8)	1.8	102.66	139,271.4	14.5	1.5	5.0
Saudi Arabia	8,516.48	1.2	(0.2)	(8.5)	8.8	726.37	533,344.0	19.5	1.9	3.5
Kuwait	4,736.58	(0.2)	0.3	(1.9)	(0.0)	102.03	32,757.0	14.4	0.9	3.9
Oman	3,934.15	(0.2)	1.5	(0.3)	(9.0)	4.41	17,147.8	7.7	0.8	7.0
Bahrain	1,433.52	0.2	1.8	(0.0)	7.2	2.36	22,236.7	10.5	0.9	5.3

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	30 May 19	29 May 19	%Chg.
Value Traded (QR mn)	769.1	399.2	92.7
Exch. Market Cap. (QR mn)	568,078.3	549,820.1	3.3
Volume (mn)	36.6	24.5	49.2
Number of Transactions	17,973	14,103	27.4
Companies Traded	44	42	4.8
Market Breadth	35:5	19:22	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	18,903.20	3.4	5.6	4.2	14.4
All Share Index	3,046.22	3.4	5.2	(1.1)	14.5
Banks	3,968.66	4.4	10.4	3.6	13.8
Industrials	3,218.88	2.3	1.4	0.1	16.2
Transportation	2,402.44	3.3	3.0	16.6	12.9
Real Estate	1,578.49	3.5	(1.3)	(27.8)	13.2
Insurance	3,044.10	2.7	0.2	1.2	17.6
Telecoms	896.18	1.6	1.8	(9.3)	18.4
Consumer	7,795.96	1.7	(0.1)	15.4	15.2
Al Rayan Islamic Index	3,993.09	2.7	3.6	2.8	13.7

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
The Commercial Bank	Qatar	46.45	9.0	343.3	17.9
Makkah Const. & Dev. Co.	Saudi Arabia	73.10	5.2	149.0	(7.5)
Qatar Gas Transport Co.	Qatar	21.46	4.9	840.3	19.7
Emirates Telecom. Group	Abu Dhabi	16.30	4.5	2,494.8	(4.0)
QNB Group	Qatar	188.00	4.4	547.5	(3.6)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Bank Dhofar	Oman	0.13	(2.2)	1,184.5	(14.9)
Comm. Bank of Kuwait	Kuwait	0.51	(1.9)	28.0	12.2
Human Soft Holding Co.	Kuwait	3.33	(1.7)	23.4	1.6
Dar Al Arkan Real Estate	Saudi Arabia	10.10	(1.2)	5,585.4	12.0
Bank Al Bilad	Saudi Arabia	23.76	(1.0)	1,560.0	9.0

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%
Zad Holding Company	123.00	(3.8)	3.9	18.3
Qatari German Co for Med. Dev.	5.20	(1.7)	114.5	(8.1)
Dlala Brokerage & Inv. Hold. Co.	9.01	(1.5)	129.1	(9.9)
Qatar Aluminium Manufacturing	10.04	(0.7)	1,089.8	(24.8)
Medicare Group	58.79	(0.4)	46.4	(6.8)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Ezdan Holding Group	7.45	3.5	144,146.8	(42.6)
QNB Group	188.00	4.4	102,945.9	(3.6)
Qatar Islamic Bank	167.10	2.6	74,396.6	9.9
Mesaieed Petrochemical Holding	26.23	0.0	61,807.8	74.5
Qatar International Islamic Bank	73.00	4.5	55,463.4	10.4

Source: Bloomberg (\* in QR)

## Qatar Market Commentary

- The QE Index rose 3.4% to close at 10,273.0. The Banks & Financial Services and Real Estate indices led the gains. The index rose on the back of buying support from GCC and non-Qatari shareholders despite selling pressure from Qatari shareholders.
- Qatar Cinema & Film Distribution Company and The Commercial Bank were the top gainers, rising 9.9% and 9.0%, respectively. Among the top losers, Zad Holding Company fell 3.8%, while Qatari German Company for Medical Devices was down 1.7%.
- Volume of shares traded on Thursday rose by 49.2% to 36.6mn from 24.5mn on Wednesday. Further, as compared to the 30-day moving average of 17.5mn, volume for the day was 109.3% higher. Ezdan Holding Group and Mesaieed Petrochemical Holding Company were the most active stocks, contributing 52.9% and 6.5% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	30.01%	37.57%	(58,089,798.54)
Qatari Institutions	15.89%	22.72%	(52,506,222.58)
<b>Qatari</b>	<b>45.90%</b>	<b>60.29%</b>	<b>(110,596,021.12)</b>
GCC Individuals	0.86%	0.88%	(160,440.67)
GCC Institutions	1.58%	0.83%	5,764,071.89
<b>GCC</b>	<b>2.44%</b>	<b>1.71%</b>	<b>5,603,631.22</b>
Non-Qatari Individuals	7.41%	9.01%	(12,349,643.21)
Non-Qatari Institutions	44.25%	28.99%	117,342,033.11
<b>Non-Qatari</b>	<b>51.66%</b>	<b>38.00%</b>	<b>104,992,389.90</b>

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

## Global Economic Data

### Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
05/30	US	Bureau of Economic Analysis	GDP Annualized QoQ	1Q2019	3.1%	3.0%	3.2%
05/30	US	Bureau of Economic Analysis	GDP Price Index	1Q2019	0.8%	0.9%	0.9%
05/30	US	Department of Labor	Initial Jobless Claims	25-May	215k	214k	212k
05/30	US	Department of Labor	Continuing Claims	18-May	1657k	1662k	1683k
05/31	UK	GfK NOP (UK)	GfK Consumer Confidence	May	-10.0	-12.0	-13.0
05/31	Germany	German Federal Statistical Office	CPI MoM	May	0.2%	0.3%	1.0%
05/31	Germany	German Federal Statistical Office	CPI YoY	May	1.4%	1.6%	2.0%
05/31	Germany	German Federal Statistical Office	CPI EU Harmonized MoM	May	0.3%	0.3%	1.0%
05/31	Germany	German Federal Statistical Office	CPI EU Harmonized YoY	May	1.3%	1.4%	2.1%
05/31	Japan	Ministry of Internal Affairs and Communications	Tokyo CPI YoY	May	1.1%	1.2%	1.4%
05/31	Japan	Ministry of Economy	Industrial Production MoM	April	0.6%	0.2%	-0.6%
05/31	Japan	Ministry of Economy	Industrial Production YoY	April	-1.1%	-1.5%	-4.3%
05/31	Japan	Economic and Social Research Institute	Consumer Confidence Index	May	39.4	40.7	40.4
05/31	China	China Federation of Logistics and Purchasing	Composite PMI	May	53.3	-	53.4
05/31	China	China Federation of Logistics and Purchasing	Manufacturing PMI	May	49.4	49.9	50.1
05/31	China	China Federation of Logistics and Purchasing	Non-manufacturing PMI	May	54.3	54.3	54.3
05/31	India	Central Statistics Office India	GDP YoY	1Q2019	5.8%	6.3%	6.6%

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

## 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	QIIK	NLCS		
Wednesday 12/06/2019	QNBK	ABQK	IHGS	
Thursday 13/06/2019	QIBK	DHBK		
Sunday 16/06/2019	MARK			Consumer Goods & Services
Monday 17/06/2019	MERS	MCCS		
Tuesday 18/06/2019	WDAM	ZHCD	QGMD	
Wednesday 19/06/2019	QFLS	MCGS		
Thursday 20/06/2019	SIIS	QCFS		Industrial
Sunday 23/06/2019	MPHC	IGRD		
Monday 24/06/2019	QIGD	AHCS	QNCD	
Tuesday 25/06/2019	IQCD	QIMD		
Wednesday 26/06/2019	QEWS	GISS		
Thursday 27/06/2019	QISI	QATI		Insurance
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 announces Eid Al-Fitr holiday for 2019** – Qatar Stock Exchange (QSE) announced Eid Al-Fitr holiday will be three working Days, starting from June 4, 2019 until June 6, 2019. The market will resume work on June 9, 2019. This is based on the instructions received from the Qatar Financial Markets Authority (QFMA). Wishing you Eid Mubarak! (QSE)
- **QIGD postpones its EGM due to lack of quorum** – Qatari Investors Group (QIGD) announced that the necessary quorum for the Extraordinary General Assembly Meeting (EGM), which was scheduled on May 29, 2019, has not been met. Therefore, subject to Article 139 of the companies Law and Article 58 of the company statute, an invitation for a third meeting shall be made after thirty days from the date of the second meeting. (QSE)
- **Qatar's April M2 money supply falls most since 2016** – Qatar M2 money supply fell 3.1% in April, the largest fall since January 2016, according to figure published by the Qatar Central Bank. The fall was largely due to a drop in foreign currency deposits, down 13.8% in the month to QR153.9bn from QR178.5bn in March. (Bloomberg)
- **QIA leads more than \$500mn equity financing in US online lending entity, SoFi** – The Qatar Investment Authority (QIA) has led a more than \$500mn equity financing in SoFi, an online lending entity in the US. The San Francisco-based company plans to use the funds to continue to invest in its rapid rate of innovation and growth, fulfilling its mission to help SoFi

members achieve financial independence to realize their ambitions. The investment round values SoFi at \$4.3bn on a 'pre-money' basis and further strengthens SoFi's balance sheet to total capital of \$2.3bn. The QIA invested alongside existing investors and SoFi Chief Executive, Anthony Noto. "We strongly believe in SoFi's approach, and their dedication to build a transformational financial platform that is rapidly disrupting consumer finance," said Mansoor Al-Mahmoud, CEO of the QIA. Finding that SoFi's team has a clear long-term vision for their business, he said the QIA is proud to be the partners and support SoFi on its journey as part of the broader strategic investments in technology. Qatar's sovereign wealth fund finds immense potential in the technology sector and therefore has been focusing more on its investing in companies in the TMT sector. (Gulf-Times.com)

- **Qatar's real estate transactions stood at QR312,180,168 between May 19 to May 23** – The trading volume of registered real estate between May 19 to May 23 at the Ministry of Justice's real estate registration department stood at QR312,180,168. The department's weekly report stated that the trading included empty lands, residential units, residential buildings and multipurpose empty lands. (Gulf-Times.com)
- **Qatari ports see strong growth in first quarter** – Qatar's maritime sector has delivered strong performance in the first quarter of this year. Hamad Port, Ruwais Port and Doha Port have registered all-round growth in cargo and passenger traffic during January - March quarter of 2019, showing the robustness of Qatar's maritime sector. The ports handled 110,938 tons of

building materials during the first quarter, reflecting 37% growth, compared to same quarter last year. The ports received 321,345 containers during the first quarter of 2019, registering 3% increase over the same period of 2018. Number of cruise passengers also increased as Doha Port witnessed arrival of 89,188 passengers during the quarter, showing a massive growth of 99% compared to the first quarter of last year. The ports handled 17,141 units of vehicles, while 227,554 tons of general cargo during the first quarter. The ports handled 235,053 livestock during the quarter. A total of 958 ships called at these ports during the first quarter of 2019. (Peninsula Qatar)

- **Qatar receives record number of cruise tourists** – Qatar’s tourism sector witnessed visitors boom in the last season as Doha Port welcomed record number of passengers in 2018-19 season. Doha Port received 144,707 passengers and crew on 44 ships during the season according to Mwani Qatar. The record breaking number of tourist arrival has confirmed Doha Port’s important role in boosting marine tourism revenues and transforming Qatar into a regional cruise hub. Cruise season runs from September to April in Qatar. A total of 65,675 visitors arrived on Qatar’s shores during 2017/18 season, which was a 39% increase compared to the previous season. (Peninsula Qatar)
- **Qatar Airways' inaugural flight touches down in Rabat** – Qatar Airways’ first flight from Doha to Rabat landed on Wednesday at Rabat-Salé Airport, marking the airline’s third gateway to Morocco. Qatar Airways flight QR1463, operated by a Boeing 787, was welcomed by a celebratory water cannon salute upon arrival in the Moroccan capital. (Peninsula Qatar)
- **Ooredoo’s subsidiary to pay interest to its GMTN holders** – Ooredoo announces that Ooredoo International Finance Limited (OIFL), its wholly-owned subsidiary, pursuant to the terms and conditions of the notes and the final terms, will pay its global medium term note (GMTN) holders’ interest payment on 24 June 2019. (QSE)
- **SC: Workers to get back QR80mn in recruitment fees** – The Supreme Committee for Delivery & Legacy (SC) has stated the successful reimbursement of recruitment fees is one of its landmark achievements in the area of workers' welfare, as about 123 contractors and sub-contractors have agreed to pay back recruitment and relocation costs to their workers. As a result, more than 31,800 SC and non-SC workers will collectively receive over QR80mn as reimbursements over the next 36 months, according to the Supreme Committee, which has released its fourth Annual Workers’ Welfare Progress Report for the period February 2018 - January 2019. The report outlines a number of key milestones, challenges and priorities of the SC "as part of its continued commitment to its 30,000 workforce in the country", the Qatar News Agency (QNA) stated. The reimbursement of recruitment fees is a first-ever initiative undertaken in the country. (Gulf-Times.com)

#### **International**

- **US inflation perks ups; slowing economy may limit gains** – US consumer prices increased by the most in 15 months in April, but a cooling in spending pointed to a slowdown in economic growth that could keep inflation pressures moderate. The report from the Commerce Department on Friday supported Federal Reserve’s Chairman, Jerome Powell’s view that a recent

disinflationary trend “may wind up being transient.” Inflation remains below the US central bank’s 2.0% target. That, together with the slowing economy, has increased calls, including from President Donald Trump, for the Fed to cut interest rates. The Fed this month kept rates unchanged and signaled little desire to adjust monetary policy anytime soon. Consumer prices as measured by the personal consumption expenditures (PCE) price index increased 0.3% last month, the biggest gain since January 2018, after rising 0.2% in March. That lifted the annual increase in the PCE price index to 1.5% from 1.4% in March. Inflation was boosted by higher prices for gasoline and services, which offset a 0.3% drop in the cost of food. Excluding the volatile food and energy components, the PCE price index gained 0.2% last month after edging up 0.1% in March. In the 12 months through April, the so-called core PCE price index increased 1.6% after rising 1.5% in March. The core PCE index is the Fed’s preferred inflation measure. It hit the US central bank’s 2% inflation target in March 2018 for the first time since April 2012. A much weaker inflation pulse than initially thought in the first quarter had led economists to anticipate that the annual core PCE price index would remain at 1.5% in April. (Reuters)

- **Trump's Mexican tariffs could hit US refiners, add to fuel costs** – US President Donald Trump’s threats to tax Mexican imports could disrupt a long-standing cross-border energy trade, hitting US consumers and refiners that use Mexican oil by boosting prices, and raising concerns about potential retaliation by the world’s biggest buyer of US energy products. Mexico sends 600,000 to 700,000 barrels of oil to the US every day, mostly to refiners that process that crude into gasoline, diesel and other products. Mexico buys more than 1mn barrels per day (bpd) of US crude and fuel, more than any other country, and analysts are concerned that retaliatory tariffs from Mexico could disrupt that trade. Trump on Thursday vowed to impose a tariff on all goods coming from Mexico, starting at 5% and increasing monthly until the surge of undocumented immigrants from across the border subsides. Mexico and the US, along with Canada, are trying to finish a broad free-trade agreement to replace the 25-year-old NAFTA deal. If implemented, the tariffs would begin June 10. So far Mexico has not said it would retaliate. The imposition of tariffs may spur “retaliatory actions that impair the development of new markets,” said a spokesman for Chevron Corp, adding the company supports free and fair trade. Chevron has opened 100 retail gasoline stores in Mexico since 2017. Trade group American Fuel and Petrochemical Manufacturers warned tariffs could raise domestic fuel prices and jeopardize the proposed trade deal. The American Petroleum Institute said the tax could hurt the US economy. (Reuters)
- **Carmakers see \$17bn wiped out by Trump’s Mexico threat** – The automotive industry is bearing the brunt of trade-war crossfire again as US President Donald Trump threatens to slap tariffs of as much as 25% on goods from Mexico, a key production hub for carmakers from Mazda Motor Corp to General Motors Co. Mexico is the largest source of US vehicle and auto-parts imports, meaning tariffs would increase costs for virtually every major manufacturer. In tweets on Thursday, Trump warned tariffs would start at 5% on June 10 and increase to 25% on October 1 unless Mexico stops immigrants from

entering the US illegally. The world's largest carmakers — including Ford Motor Co., Toyota Motor Corp and Volkswagen AG — lost \$17bn in market value in Friday trading. “Tariffs will mean higher price tags on cars for sales in US and that will hit sales,” said Seiichi Miura, an analyst at Mitsubishi UFJ Morgan Stanley. “While the impact will differ for each carmaker, all of them have moved into Mexico.” (Peninsula Qatar)

- **QNB Group report: Brexit uncertainty a drag on UK economy** – Uncertainty around Brexit has been a persistent drag on the UK economy ever since June 2016 referendum when the UK narrowly voted to “Leave” the EU rather than “Remain” in the EU. The British currency (GBP) fell sharply after the referendum and remains 17% below the average of the previous 5 years. The uncertainty around Brexit has already impacted the UK economy, QNB Group stated in its weekly economic report. Goldman Sachs estimates a 2.5% hit to the level of GDP. The main impact is via weaker confidence, causing consumers to spend less and businesses to invest less than they would have without Brexit risk, the report noted. The British Prime Minister (PM) Theresa May has negotiated a deal with the EU, but it is universally unpopular and has been repeatedly rejected in three “meaningful votes” by the British Parliament. Instead, Brexit has been delayed multiple times and is now penciled in for October 31. Parliament tried and failed to break the impasse with a series of “indicative votes” on March 27. In addition, May has announced that she will step down as Conservative Party leader on June 7. The process to elect a new leader (who will also become PM) could last until September. (Qatar Tribune)
- **CBI: UK's private sector reports sluggish underlying growth** – Britain's private sector reported sluggish underlying growth last month as Brexit uncertainty continues to weigh on many businesses, the Confederation of British Industry (CBI) stated on Sunday. Britain's economy grew solidly in the first three months of this year, according to official data, boosted in part by factories stockpiling raw materials ahead of a Brexit that failed to come as planned on March 29. However, some business surveys have pointed to weakness since, and the Bank of England has forecast a second-quarter slowdown as the boost from stockpiling fades. The CBI stated its monthly growth indicator sank to -1 for May from zero in April. Last week, the CBI wrote to Conservative lawmakers competing to succeed Theresa May as prime minister, urging them to avoid a no-deal Brexit, for which it said the “vast majority” of businesses were unable to prepare. (Reuters)
- **GfK: UK consumer sentiment jumps to eight-month high in May** – British consumers this month were the cheeriest since September last year, reporting an improvement in their personal finances and a less gloomy view of the year ahead, according to a monthly survey by market researchers GfK. Solid demand from British households has kept the economy ticking over during a period when many businesses have called a halt to major investment until the terms of Britain's departure from the European Union become clearer. The GfK consumer sentiment index rose to -10 in May from April's increase of -13, its highest since September 2018 and beating all forecasts in a Reuters poll of economist. However, GfK said it expected further gains to be limited while it remained uncertain how

Britain would leave the European Union on the newly set Brexit date of October 31. GfK's data showed a big split between households' relatively upbeat assessment of their own financial situation - reflecting high levels of employment and rising wage growth - and a far bleaker assessment of the broader prospects for the economy. (Reuters)

- **Bank of England's Ramsden sees weak growth in mid-2019** – Britain's economy is likely to see slow growth through the middle of this year before picking up towards the end of 2019, Bank of England's (BoE) Deputy Governor, Dave Ramsden said in an interview published on Saturday. In a speech to local businesses on Thursday, Ramsden said he expected growth to be a bit weaker than the BoE had forecast at the start of May due to slower investment and subdued economic productivity. The BoE forecast in early May that the economy would grow by 1.5% this year and 1.6% in 2020 if Brexit goes smoothly. Quarterly growth was a robust 0.5% in the first three months of 2019, but the BoE predicts this will drop to 0.2% during the current quarter as the temporary boost from pre-Brexit stockpiling fades. (Reuters)
- **Reuters poll: ECB has missed chance to hike rates, will lean towards more easing** – The European Central Bank has no prospect of raising interest rates through to the end of 2020, according to economists in a Reuters poll who said its next policy move will be to tweak its forward guidance towards more accommodation. But the May 24-30 survey of more than 100 economists also showed almost no change to euro zone growth and inflation forecasts, nor any change to the probability of recession, despite clear evidence that the bloc's economy is under pressure. ECB officials have already raised the prospect of further support and said the central bank is willing to keep negative interest rates for longer if necessary, coming alongside a global shift by policymakers towards easing. The median forecast from the poll showed no change in the deposit rate, currently at -0.40%, through the end of next year. One month ago, the forecast was for a hike to -0.30% in the third quarter. Of the 60 contributors who provided a view out until the end of next year, 28 expected a deposit rate hike at some point between now and then. Two expected a cut and the rest forecast no change. A few months after shutting its 2.6 trillion euro asset purchase program (APP), the ECB launched in March a third round of Targeted Long-Term Refinancing Operations, essentially cheap loans to banks, to prevent an economic slowdown from worsening through any sudden crunch in lending. (Reuters)
- **Government: Japan jobless rate falls to 2.4% in April** – Japan's jobless rate fell in April and the availability of jobs held steady at a high level, government data showed on Friday, underscoring a tight labor market. The seasonally adjusted unemployment rate fell to 2.4% from 2.5% in March, figures from the Internal Affairs ministry showed. The result matched the median forecast of economists polled by Reuters. The jobs-to-applicants ratio stood at 1.63, unchanged from March and matching the median estimate. (Reuters)
- **Japan's April retail sales rise 0.5% YoY** – Japanese retail sales rose 0.5% in April from a year earlier, compared with economists' median forecast for a 0.8% increase, government data showed on Friday. (Reuters)

- **Japan's April industrial output rises 0.6% MoM** – Japan's industrial output rose 0.6% in April from the previous month, government data showed on Friday. That compared with a 0.2% increase seen in a Reuters poll of economists, and followed a 0.6% decline in the previous month. Manufacturers surveyed by the Ministry of Economy, Trade and Industry expect output to rise 5.6% in May, but decline 4.2% in June, the data showed. (Reuters)
- **China raises tariffs on US goods amid escalating tensions** – China increased tariffs on billions worth of US goods as it prepares to unveil a blacklist of “unreliable” foreign companies that analysts say aims to punish US and foreign firms cutting off supplies to telecoms giant Huawei. Beijing's move hits \$60bn worth of US goods with new punitive tariffs ranging from five to 25%, and comes in retaliation for Washington raising duty on \$200bn in Chinese goods to 25%. Washington and Beijing resumed their trade battle last month when trade talks in the US ended without a deal, with American negotiators accusing Chinese negotiators of reneging on previous commitments. The countries have exchanged tariffs on \$360bn in two-way trade so far. The tit-for-tat tariff war has been upstaged in recent weeks by Washington's move to blacklist Chinese tech giant Huawei over national security concerns, threatening the firm's global ambitions. (Peninsula Qatar)
- **PBOC official: China's slower** monetary growth can meet needs of economy – As China's economy shifts from high-speed growth to high-quality development, economic activity can be sustained by a relatively slower rate of monetary expansion, a senior central bank official said on Thursday. The pace of growth in broad M2 money supply had previously exceeded the nominal rate of expansion in GDP, but the economy has changed, said Sun Guofeng, head of the monetary policy department at the People's Bank of China (PBOC), at a forum. M2 money supply in April grew 8.5% from a year earlier, slightly less than the previous month, and new bank lending in April also slowed. While lending levels in April tended to come off from March in past years, the moderation suggested Beijing was cautious about pumping too much credit into the economy. Policy insiders told Reuters late in April that the PBOC was likely to pause to assess economic conditions before making any further moves to ease banks' reserve requirements, though the PBOC's easing bias remains unchanged. The PBOC has cut the proportion of cash that commercial lenders need to set aside six times since January 2018, in a bid to spur lending and bolster economic growth. China's GDP grew a steady 6.4% in the first quarter, defying expectations of a further slowdown. Beijing aims to keep growth between 6% and 6.5% this year. (Reuters)
- **Shrinking China factory activity, faltering exports inflame economic anxiety** – China's factory activity in May slumped into a deeper contraction than markets had expected, heaping pressure on Beijing to roll out more stimulus to support an economy hit hard by a bruising trade war with the US. Friday's weak manufacturing readings, which follow a recent raft of soft data across the retail, export and construction sectors, could inflame concerns about the risk of a global recession and push more central banks to adopt an accommodative monetary stance. The official Purchasing Managers' Index (PMI) fell to

49.4 in May from 50.1 in April, data from the statistics bureau showed. Analysts surveyed by Reuters had forecasted the PMI to be down a notch at 49.9, below the 50-point mark separates expansion from contraction on a monthly basis. Factory output expanded at a slower pace as new orders - a gauge of domestic and foreign demand - fell for the first time in four months. Export orders extended their decline for the twelfth straight month with the sub-index pulling back significantly to 46.5 from April's 49.2, suggesting a further weakening in global demand. (Reuters)

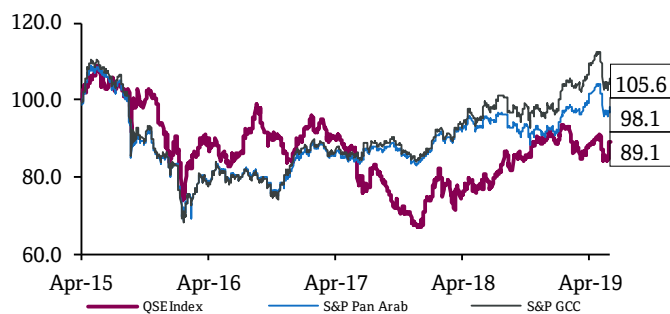
#### **Regional**

- **Islamic microfinance needs to tap its bursting potential** – The inherent characteristics of Islamic finance of being socially and ethically responsible and having an impact on society through Shari'ah-compliant investments are predestining it for use in microfinance across the Muslim world, where it is currently underrepresented with less than 1% of total global microfinance outreach. Microfinance is a type of financial service that aims at supporting individuals and small enterprises who lack access to banking and loans with small amounts of credit to establish and run a business and is offered by various organizations and networks across the globe, mainly in developing nations. Given the fact that an estimated 650mn Muslims out of a total world population of 1.8bn are living on less than \$2 a day – according to Washington-based NGO Consultative Group to Assist the Poor, or CGAP – Islamic financing models could be the key to providing financial inclusion to millions of those Muslim poor who avoid non-Shari'ah-compliant financial products or do not have access to banking at all. (Gulf-Times.com)
- **Trump's sanctions hit OPEC oil output despite Saudi Arabian boost** – Top oil exporter Saudi Arabia has raised production in May, a Reuters survey found, however not by enough to compensate for lower Iranian exports which collapsed after the US tightened the screw on Iran. The 14-member Organization of the Petroleum Exporting Countries (OPEC) pumped 30.17mn barrels per day (bpd) in May, the survey showed, down 60,000 bpd from April and the lowest OPEC total since 2015, the Reuters survey showed. The survey suggests that even though Saudi Arabia is raising output following pressure from US President, Donald Trump to bring down prices, the Kingdom is still voluntarily pumping less than an OPEC-led supply deal in place this year allows it to. “We are seeing OPEC supply falling in May to its lowest in numerous years,” an industry source who monitors OPEC output said. “There are not many big increases this month and lots of countries posting lower supply.” (Reuters)
- **UAE's GEMS & Saudi's Hassana Investment acquires Saudi Arabia's Ma'arif Education** – UAE-based GEMS Education has stated that it has acquired Saudi Arabia's Ma'arif Education Group in a joint venture with the Kingdom's Hassana Investment Company. GEMS and Hassana have signed an agreement to acquire Ma'arif, the largest private school owner and operator in Saudi Arabia, a statement from GEMS stated. The value of the deal was not disclosed. (Reuters)
- **Goldman Sachs, CPPIB and ADIA invest \$300mn more in ReNew Power** – Goldman Sachs, Canada Pension Plan Investment Board (CPPIB) and Abu Dhabi Investment

Authority (ADIA), the existing investors of ReNew Power, are investing \$300mn more into India's largest green energy company via a rights issue, Economic Times reported, citing sources. The proceeds may be used to finance business growth and repay existing debt. The rights issue follows earlier plans of a bond issuance, which has temporarily been put off; bonds could still be issued later. It is unclear if Japan's JERA, which has a 10% stake in ReNew, will invest in this round. (Bloomberg)

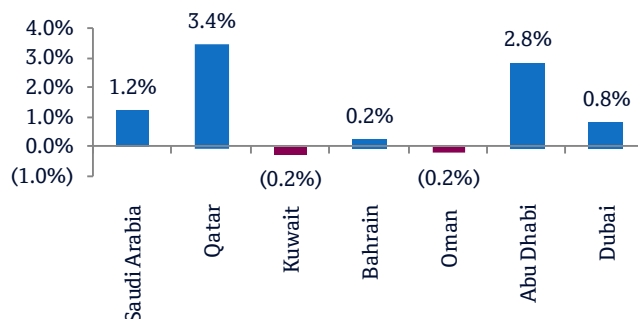
- **Kuwait International Bank raises \$300mn from Islamic bonds –** Kuwait International Bank has raised \$300mn perpetual Sukuk, which classify under Tier 1 capital as per Basel III guidelines, at an annual profit rate of 5.625%, it has stated. AT1 perpetual, non-call 5-year Mudarabah Sukuk generates order book of \$4.6bn. Citi and Standard Chartered acted as joint global coordinators; Dubai Islamic Bank, First Abu Dhabi Bank, KFH Capital and KAMCO acted as joint lead managers and bookrunners; Boubyan Bank acted as co-manager. (Bloomberg)
- **Oman increases spot market LNG sales as production rises –** Oman has increased the number of cargos of liquefied natural gas (LNG) it offers to the spot market in recent months thanks to rising feed gas output and ongoing improvements to the facilities, industry sources and traders said. Oman, a top 10 global LNG exporter for the past decade, commissioned natural gas production from a new field at the end of 2017 leading LNG exports to jump last year and to keep rising this year. Oman LNG, the majority state-owned operator, has a number of long-term takers for its LNG including South Korean utility KOGAS and Spain's Union Fenosa (UFG), however has come to the spot market to tender some excess volumes, traders said. "Feed-gas production is going well," one trader said. "They have up to one (tender) a week. It depends on the time of the year and so on, so there is variability." Oman most recently is known to have tendered cargos for loading at the end of June, the start of July and August, trade sources said. (Gulf-Times.com)
- **Oman crude's official selling price set at \$69.99/bbl for July –** Oman crude's official selling price (OSP) has been set at \$69.99/bbl for July, according to average of daily futures market price on Dubai Mercantile Exchange. (Bloomberg)

## Rebased Performance



Source: Bloomberg

## Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,305.45	1.3	1.6	1.8
Silver/Ounce	14.57	0.3	0.0	(6.0)
Crude Oil (Brent)/Barrel (FM Future)	64.49	(3.6)	(6.1)	19.9
Crude Oil (WTI)/Barrel (FM Future)	53.50	(5.5)	(8.7)	17.8
Natural Gas (Henry Hub)/MMBtu	2.54	(4.5)	(2.2)	(20.3)
LPG Propane (Arab Gulf)/Ton	49.00	(6.2)	(8.8)	(22.8)
LPG Butane (Arab Gulf)/Ton	46.25	(6.1)	(9.8)	(33.9)
Euro	1.12	0.4	(0.3)	(2.6)
Yen	108.29	(1.2)	(0.9)	(1.3)
GBP	1.26	0.2	(0.7)	(1.0)
CHF	1.00	0.7	0.1	(1.9)
AUD	0.69	0.4	0.2	(1.6)
USD Index	97.75	(0.4)	0.1	1.6
RUB	65.43	0.4	1.5	(6.1)
BRL	0.25	1.5	2.5	(1.0)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,046.25	(1.0)	(2.3)	8.6
DJ Industrial	24,815.04	(1.4)	(3.0)	6.4
S&P 500	2,752.06	(1.3)	(2.6)	9.8
NASDAQ 100	7,453.15	(1.5)	(2.4)	12.3
STOXX 600	369.06	(0.6)	(2.2)	6.5
DAX	11,726.84	(1.2)	(2.7)	8.4
FTSE 100	7,161.71	(0.7)	(2.3)	5.5
CAC 40	5,207.63	(0.6)	(2.4)	7.3
Nikkei	20,601.19	(0.6)	(1.7)	4.7
MSCI EM	998.00	0.3	1.2	3.3
SHANGHAI SE Composite	2,898.70	(0.3)	1.5	15.8
HANG SENG	26,901.09	(0.7)	(1.6)	4.0
BSE SENSEX	39,714.20	0.0	0.4	10.3
Bovespa	97,030.32	0.5	6.3	9.0
RTS	1,287.09	0.0	0.6	20.4

Source: Bloomberg (\*\$ adjusted returns)

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