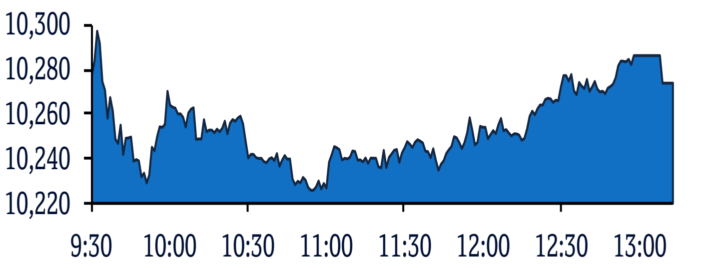
Daily Market Report

Tuesday, 03 September 2019

QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.2% to close at 10,274.2. Gains were led by the Insurance and Real Estate indices, gaining 1.1% and 0.4%, respectively. Top gainers were Doha Bank and Qatar General Insurance & Reinsurance Company, rising 4.6% and 4.1%, respectively. Among the top losers, Qatari Investors Group fell 4.1%, while Qatar First Bank was down 3.1%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.7% to close at 7,971.1. Gains were led by the Capital Goods and Consumer Durables indices, rising 2.7% and 2.4%, respectively. Al Sorayai Trading and Ind. rose 9.9%, while Saudi Arabian Amiantit was up 8.0%.

Dubai: The DFM Index gained 4.8% to close at 2,889.8. The Banks index rose 8.2%, while the Telecommunication index gained 6.5%. Emirates NBD rose 14.8%, while Emirate Integrated Telecommunications Company was up 6.5%.

Abu Dhabi: The ADX General Index gained 0.7% to close at 5,156.0. The Industrial index rose 2.0%, while the Telecommunication index gained 1.9%. Sharjah Group rose 15.0%, while Gulf Pharmaceutical Industries was up 11.6%.

Kuwait: The Kuwait All Share Index fell 0.3% to close at 5,953.5. The Consumer Services and Oil & Gas indices declined 0.7% each. Unicap Investment and Finance declined 9.8%, while Dar Al Thraya Real Estate Company was down 9.5%.

Oman: The MSM 30 Index fell 0.1% to close at 4,002.7. The Financial index declined marginally, while the other indices ended in green. Bank Dhofar fell 2.7%, while Gulf Invest Services Holding was down 1.3%.

Bahrain: The BHB Index gained 0.5% to close at 1,540.8. The Commercial Banks index rose 0.8%, while the Insurance index gained 0.6%. Bahrain National Holding Company rose 2.7%, while Ahli United Bank was up 1.5%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Doha Bank	2.71	4.6	1,870.0	22.1
Qatar General Ins. & Reins. Co.	3.79	4.1	83.3	(15.6)
Salam International Inv. Ltd.	0.40	3.4	633.4	(7.6)
Qatar International Islamic Bank	7.95	3.2	5,608.1	20.2
Ahli Bank	3.20	3.2	21.2	25.7

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Ezdan Holding Group	0.58	(1.2)	18,019.3	(55.5)
Qatar International Islamic Bank	7.95	3.2	5,608.1	20.2
Qatar Insurance Company	3.08	1.3	5,370.9	(14.2)
Qatar First Bank	0.28	(3.1)	4,887.3	(30.4)
Vodafone Qatar	1.24	0.8	3,671.4	(20.6)

Market Indicators	02 Sep 19	01 Sep 19	%Chg.
Value Traded (QR mn)	215.7	157.3	37.1
Exch. Market Cap. (QR mn)	564,858.2	565,296.9	(0.1)
Volume (mn)	68.5	61.4	11.5
Number of Transactions	5,180	4,987	3.9
Companies Traded	45	44	2.3
Market Breadth	21:21	14:22	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	18,905.31	0.2	0.4	4.2	14.8
All Share Index	3,004.27	0.0	(0.0)	(2.4)	14.9
Banks	4,009.09	0.0	0.4	4.6	13.9
Industrials	3,095.41	(0.4)	0.8	(3.7)	17.8
Transportation	2,505.33	0.1	(0.9)	21.6	13.8
Real Estate	1,375.86	0.4	(1.9)	(37.1)	15.1
Insurance	2,757.22	1.1	(1.4)	(8.4)	16.1
Telecoms	894.61	(0.1)	(0.7)	(9.4)	16.3
Consumer	8,203.21	(0.1)	(0.2)	21.5	16.1
Al Rayan Islamic Index	3,951.24	0.4	0.8	1.7	14.6

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Abu Dhabi Comm. Bank	Abu Dhabi	8.97	4.3	6,340.8	9.9
Emaar Properties	Dubai	5.17	3.4	9,237.2	25.2
Dubai Islamic Bank	Dubai	5.28	3.1	26,605.8	5.6
Bank Al Bilad	Saudi Arabia	26.40	2.3	753.1	21.1
Dubai Investments	Dubai	1.35	2.3	3,634.9	7.1

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Bank Dhofar	Oman	0.14	(2.7)	28.3	(8.5)
Banque Saudi Fransi	Saudi Arabia	33.30	(1.3)	952.4	6.1
Ahli United Bank	Kuwait	0.33	(1.2)	207.0	17.4
Human Soft Holding Co.	Kuwait	3.20	(0.9)	272.5	(2.4)
Mabanee Co.	Kuwait	0.77	(0.9)	265.2	35.0

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%
Qatari Investors Group	1.89	(4.1)	619.3	(32.0)
Qatar First Bank	0.28	(3.1)	4,887.3	(30.4)
Mazaya Qatar Real Estate Dev.	0.72	(2.2)	1,146.4	(7.9)
Alijarah Holding	0.65	(1.5)	672.9	(26.1)
Ezdan Holding Group	0.58	(1.2)	18,019.3	(55.5)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	19.10	(0.6)	47,460.1	(2.1)
Qatar International Islamic Bank	7.95	3.2	43,880.0	20.2
Qatar Insurance Company	3.08	1.3	16,471.6	(14.2)
Ezdan Holding Group	0.58	(1.2)	10,259.0	(55.5)
Masraf Al Rayan	3.65	0.8	9,417.1	(12.4)

Source: Bloomberg (* in QR)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,274.15	0.2	0.4	0.4	(0.2)	58.90	155,166.5	14.8	1.5	4.2
Dubai	2,889.81	4.8	4.8	4.8	14.2	172.70	102,294.6	12.1	1.1	4.3
Abu Dhabi	5,156.01	0.7	(0.2)	(0.2)	4.9	63.21	144,030.9	15.3	1.5	4.8
Saudi Arabia	7,971.14	0.7	(0.6)	(0.6)	1.8	856.45	505,069.5	19.8	1.8	3.8
Kuwait	5,953.50	(0.3)	0.2	0.2	17.2	61.74	111,210.3	14.8	1.4	3.5
Oman	4,002.66	(0.1)	(0.1)	(0.1)	(7.4)	3.38	17,404.1	8.1	0.8	6.9
Bahrain	1,540.75	0.5	0.5	0.5	15.2	4.88	24,086.0	11.5	1.0	5.0

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

Qatar Market Commentary

- The QE Index rose 0.2% to close at 10,274.2. The Insurance 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.
- Doha Bank and Qatar General Insurance & Reinsurance Company were the top gainers, rising 4.6% and 4.1%, respectively. Among the top losers, Qatari Investors Group fell 4.1%, while Qatar First Bank was down 3.1%.
- Volume of shares traded on Monday rose by 11.5% to 68.5mn from 61.4mn on Sunday. Further, as compared to the 30-day moving average of 65.2mn, volume for the day was 5.0% higher. Ezdan Holding Group and Qatar International Islamic Bank were the most active stocks, contributing 26.3% and 8.2% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	18.56%	41.79%	(50,102,165.10)
Qatari Institutions	36.62%	24.94%	25,198,273.37
Qatari	**55.18%**	**66.73%**	**(24,903,891.73)**
GCC Individuals	0.79%	0.84%	(116,683.72)
GCC Institutions	3.65%	0.48%	6,836,215.53
GCC	**4.44%**	**1.32%**	**6,719,531.82**
Non-Qatari Individuals	6.73%	9.31%	(5,562,170.44)
Non-Qatari Institutions	33.66%	22.65%	23,746,530.35
Non-Qatari	**40.39%**	**31.96%**	**18,184,359.92**

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

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
09/02	UK	Markit	Markit UK PMI Manufacturing SA	August	47.4	48.4	48.0
09/02	EU	Markit	Markit Eurozone Manufacturing PMI	August	47.0	47.0	47.0
09/02	Germany	Markit	Markit/BME Germany Manufacturing PMI	August	43.5	43.6	43.6
09/02	France	Markit	Markit France Manufacturing PMI	August	51.1	51.0	51.0
09/02	Japan	Markit	Jibun Bank Japan PMI Mfg	August	49.3	–	49.5
09/02	China	Markit	Caixin China PMI Mfg	August	50.4	49.8	49.9
09/02	India	Markit	Markit India PMI Mfg	August	51.4	–	52.5

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

News

Qatar

- **QIMD announces signing of an agreement with Doha Bank to finance Gulf Glass Factory –** Qatar Industrial Manufacturing Company (QIMD) announced the signing of an agreement with Doha Bank to finance its project, The Gulf Glass Factory (GGF), for the production of glass containers (bottles and Jars). The project specializes in the production of glass containers of different sizes and designs used in bottling beverages (water, juices, dairy, soft drinks) and foodstuffs (pickles, oils, sauces, honey). The design capacity of the project is 200 tons per day and the project is designed to add a second line with the same capacity to bring the total capacity to 400 tons per day in the future. The products will be marketed in the Qatari market and in neighboring markets (especially Lebanon, Jordan and Iraq) as well as international markets. The cost of the project is estimated to be about QR230mn. A contract will soon be signed for construction with a local company. Construction of the project is expected to start before the end of 2019 and is expected to last for about 20 months. (QSE)
- **Qatar Petroleum books 'full LNG regasification capacity' of Belgium's Zeebrugge terminal up to 2044 –** Affiliates of Qatar Petroleum and the Belgian independent natural gas transport company Fluxys Belgium signed a long-term agreement for LNG unloading services at the Zeebrugge LNG Terminal. Under the agreement, Qatar Terminal Limited (QTL), a subsidiary of Qatar Petroleum, will subscribe to the full capacity at the terminal from the expiry of the existing long-term unloading contracts and up to 2044. The transaction follows a competitive evaluation process as well as the approval of the Belgian regulators. QTL is already a party to an existing agreement under which approximately 50% of the terminal's capacity is utilized for delivery of Qatari LNG into Belgium under long-term LNG agreements. (Gulf-Times.com)
- **Takaful insurance sector growth accelerates in Qatar –** Qatar's Takaful insurance sector has been growing at a fast pace as the country's economy has successfully overcome the impact of the ongoing blockade, Bait Al Mashura Finance Consultations has stated in its latest report. According to the report, the share of insurance sector in Qatar's GDP has increased by 6.1% to about QR52bn in 2018 from QR49bn in the previous year. The report showed that assets of policyholders in the Qatari Takaful insurance companies achieved double-digit growth of 14% YoY to reach the level of QR2.1bn in 2018, compared to QR1.8bn in the previous year. Additionally, these companies have achieved insurance surplus of QR46mn. For Islamic finance sector, 2018 was more powerful in enhancing the quality of its assets and it continued to achieve positive results as Islamic banks' financing moved towards the consumer, industrial and real estate sectors from private and personal sectors. (Qatar Tribune)
- **Qatar ports container traffic stays buoyant in July –** Qatar witnessed strong container traffic (net tonnage) growth YoY in July 2019 with Ras Laffan and Hamad ports together accounting for about 78% of the total maritime traffic,

according to the official estimates. The container traffic through Qatar ports more than doubled YoY to 11.74mn tons in July this 2019, according to the data released by the Planning and Statistics Authority in its latest monthly bulletin. On a monthly basis, the net tonnage witnessed about 4% decline. The number of vessels calling on Qatar ports stood at 747, which registered 26% and 7.5% expansion on annual and monthly basis respectively in July this year. Ras Laffan Port berthed 245 vessels in July 2019. The net tonnage through the port was 6.16mn, accounting for more than 52% of the total container traffic in the country's ports. Ras Laffan Port has been designed and purpose built primarily as the export facility for liquefied natural gas, liquid petroleum gas, condensates, petroleum products and sulphur derived from the processing of gas landed from the North Field gas reservoir. Hamad Port, which has seen the world's largest shipping companies seek entry and growth in the Qatari and regional markets, berthed 141 vessels in July 2019, which saw more than 1% growth MoM, but fell more than 5% YoY. The container traffic stood at 2.94mn tons in July, which recorded 15% and 5.7% expansion on yearly and monthly basis, respectively. (Gulf-Times.com)

- **Economic growth leads to peak demand for utilities –** The demand for water and electricity in Qatar has been witnessing sharp and steady growth over the last several months, which peaked in June this year. This was mainly attributed to rapid growth in economic activities such as, extraordinary growth in the number of new companies, industrial diversification, construction boom, and ramp up in the production of several goods domestically as part of Qatar's self-sufficiency drive. According to official data, consumption of water surged to 56,850 thousand cubic meters (thousand m^3) in June this year, the all time high. This was nearly a 50% surge compared to 38,100 thousand m^3 in the corresponding month last year. While the demand for electricity has also seen a significant increase of about 28% to peak at 4,907 Gigawatt (GWh) in June 2019 against 3,845 GWh in the same month last year. When compared on monthly basis, the water consumption in June witnessed an increase of 2.4% and electricity utilization soared by 16.6% compared to May 2019 figures, Time Series data available at the Planning and Statistics Authority showed. Analysts suggest that this unprecedented YoY surge in the demand for water and electricity is due to factors other than seasonal variation or population growth, because the annual population growth was only 2.24% in June 2019. (Peninsula Qatar)
- **QIA-backed Aventicum Capital Management starts Qatar-based business –** Aventicum Capital Management, the asset management joint venture owned by Credit Suisse and the Qatar Investment Authority (QIA), announced that its Qatar-based business, Aventicum Capital Management-Qatar (ACMQ), will assume the investment management responsibility of selected funds and mandates of Amwal LLC, a Qatari asset management company. The transfer reflects ACMQ's continued efforts to strengthen its local presence. The agreement sees ACMQ take responsibility for a broad range of Amwal's managed investment funds in equities and fixed income across active and passive strategies in both conventional and Shari'ah-compliant products. These products will be available to local, regional and international investors and facilitate the expansion of ACMQ's client footprint. ACMQ is one of four operating businesses under Aventicum that acts as an Investment Manager, offering regional investment solutions to long-only funds investing in MENA equities. (Qatar Tribune)
- **Qatar-Italy trade grows 15% to QR10bn –** Trade relations between Qatar and Italy have been cemented in recent years through exchange of state visits and agreements signed between the two countries, Qatar Chamber's Chairman Sheikh Khalifa bin Jassim Al Thani said. Speaking at a meeting with Vice President and Treasurer of Joint Italian Arab Chamber of Commerce Pietro Paolo Rampino, Sheikh Khalifa said the Qatar-Italy trade volume reached QR10.4bn last year, recording a 15% growth compared to 2017. The meeting touched on economic and trade relations between Qatar and Italy and ways of enhancing cooperation between Qatar Chamber and the Joint Italian Arab Chamber of Commerce. (Qatar Tribune)

International

- **Factories fettered by trade wars, faltering demand in August –** The bitter trade war between China and the US kept global factory activity largely in decline in August, business surveys showed, strengthening the case for policymakers to unleash fresh stimulus to fend off recession risks. In a fresh escalation of the trade spat, the US began imposing 15% tariffs on a variety of Chinese goods on Sunday. China reciprocated with new duties on US crude oil, increasing fears of a global economic slowdown. An ongoing decline in the Eurozone's export-reliant powerhouse of Germany meant factory activity in the bloc contracted for a seventh month in August, bolstering expectations the European Central Bank will ease monetary policy next week. IHS Markit's August final manufacturing Purchasing Managers' Index (PMI) was 47.0, matching an earlier flash reading but well below the 50 level separating growth from contraction. While an improvement on July, that month's reading was the Eurozone's lowest since December 2012. In one brighter spot, as it is less dependent on exports than other Eurozone countries, France's economy has so far proved more impervious to a slowdown and factory activity returned to growth as manufacturers saw output and client demand pick up. Manufacturing in Britain, rocked by the deepening Brexit crisis and global downturn, contracted last month at the fastest rate in seven years. (Reuters)
- **UK factory activity dives at fastest rate since 2012 –** British manufacturing contracted last month at the fastest rate in seven years, rocked by the deepening Brexit crisis and the global downturn, boding poorly for the chances of an economic rebound in the third quarter, a survey showed. The IHS Markit/CIPS UK Manufacturing Purchasing Managers' Index (PMI) fell to 47.4 from 48.0 in July, a full point lower than the median forecast in a Reuters poll of economists and well below the 50 dividing line for growth and contraction. Only German manufacturing fared worse among the national PMIs produced for Europe by data company IHS Markit. "The big picture is that manufacturing is on track to contract for a second consecutive quarter, and a meaningful recovery is unlikely given the ongoing struggles of global manufacturing," Andrew Wishart, UK economist at consultancy Capital Economics, said. (Reuters)

- **BoE: UK mortgage approvals hit two-year high in July as market stabilizes –** British lenders approved the greatest number of mortgages in two years during July, adding to signs the housing market has stabilized from its pre-Brexit slowdown, official data showed. The Bank of England (BoE) stated lenders approved 67,306 mortgages, up from 66,506 in June and more than any economist predicted in a Reuters poll that had pointed to 66,167 approvals for July. Britain's housing market has sagged since the 2016 Brexit referendum - especially in London and neighboring areas - but has shown signs of a tentative recovery in recent months. The BoE stated net mortgage lending rose by 4.611bn Pounds in July, the biggest increase since March 2016, while consumer lending increased by 0.897bn Pounds compared with a forecast rise of 1.0bn Pounds on the month. Lending to businesses fell by 4.218bn Pounds last month, the sharpest fall since August 2017. While the series is volatile, the severity of the fall could be another sign of nerves in British companies as the Brexit crisis escalates. (Reuters)
- **Eurozone's manufacturing slump dragged on in August –** Eurozone's manufacturing activity contracted for a seventh month in August as a continued decline in demand sapped optimism, a survey showed, likely strengthening expectations for monetary easing from the European Central Bank next week. At their July meeting policymakers at the ECB all but promised to ease policy further as the bloc's growth outlook worsens. An escalation in the US-China trade war has increased fears for a global economic slowdown. IHS Markit's August final manufacturing Purchasing Managers' Index (PMI) was 47.0, matching an earlier flash reading but well below the 50 level separating growths from contraction. While an improvement on July's 46.5, that month's reading was the lowest since December 2012. (Reuters)
- **German manufacturing sector remains in contraction in August –** Germany's export-dependent manufacturing sector remained in contraction in August, a survey showed, as weaker demand pushed companies to scale back production and cut jobs. IHS Markit's Purchasing Managers' Index (PMI) for manufacturing, which accounts for about a fifth of the economy, rose slightly to 43.5, remaining below the 50.0 mark separating growth from contraction for an eight month in a row. The figure was below a flash reading of 43.6 and close to July's seven-year low reading. Lower demand, especially for capital and intermediate goods, was behind the continued weakness in the sector. Manufacturers also cited reduced demand from the car industry, which is facing lower sales. The survey also showed that sentiment about future output fell to a record low, pointing to pessimism among manufacturers. As a result, manufacturers sped up job cuts, which reached the fastest rate since July 2012. (Reuters)
- **India's July infrastructure output up 2.1% –** India's infrastructure output grew 2.1% in July from a year earlier, government data showed. During April-July, output rose 3% from the year-ago period, according to the data. Infrastructure output, which comprises eight sectors such as coal, crude oil and electricity, accounts for nearly 40% of India's industrial output. (Reuters)

Regional

- **OPEC output rises for first time since start of 2019 cuts –** OPEC's crude production rose last month, the first increase since the group and its allies started a new round of output cutbacks at the start of the year to shore up a weak global market. Nigeria and Saudi Arabia led the boost by the OPEC, which collectively increased by 200,000 barrels a day to 29.99mn a day, according to a Bloomberg survey. The survey is based on estimates from officials, ship-tracking data and consultants including Rystad Energy and JBC Energy GmbH. OPEC and its partners, a 24-nation coalition known as OPEC+, agreed to reduce output by 1.2mn barrels a day at the beginning of 2019 as a faltering global economy and booming US shale-oil production threatened to leave world markets with a glut. That deal replaced a previous round of curbs that began in January 2017. The strategy has struggled to shore up prices against a deteriorating outlook for global growth and a seemingly intractable trade war between the US and China. (Gulf-Times.com)
- **Russia's compliance with OPEC+ deal slips as Druzhba crisis ends –** Russia's average daily oil output in August exceeded its OPEC+ cap for the first time since April as the impact of the Druzhba contamination crisis faded. The country pumped 47.8mn tons of crude and condensate last month, according to preliminary data from the Energy Ministry's CDU-TEK unit. That implies a daily average of 11.294mn barrels – based on the standard 7.33 barrels-per-ton conversion ratio – and is 104,000 barrels a day above its OPEC+ target, Bloomberg calculations showed. Russia's compliance with pledged production cuts has retreated just weeks before OPEC+ ministers meet in Abu Dhabi to discuss the implementation of their accord to curb output. The OPEC and its allies agreed in July to extend their pact into 2020. Under the deal, Russia committed to cut output by 228,000 barrels a day from October levels. (Gulf-Times.com)
- **SAMA: Saudi Arabia's banks' investments in government bonds grow 25.08% in July –** Saudi Arabia's banks increased their government bond holdings by 25.08% or SR71.88bn YoY in July. Saudi Arabia's banks' holdings of government bonds jumped to SR358.53bn in July compared to SR286.65bn in the corresponding month a year earlier, according to recent data released by the Saudi Arabian Monetary Authority (SAMA). Moreover, the Kingdom plans to issue bonds worth SR118bn during full-year 2019 in a bid to finance the budget deficit. (Zawya)
- **Saudi Arabia names Head of PIF as Saudi Aramco Chairman –** Saudi Arabia has named Yasir Al-Rumayyan, Head of the Kingdom's sovereign wealth fund, known as the Public Investment Fund (PIF), as the Chairman of Saudi Aramco, replacing Energy Minister, Khalid Al-Falih, as the state oil giant prepares to go public. Bloomberg reported the news, citing an unnamed Saudi Arabian official. (Reuters)
- **CEO of Tadawul: Saudi Aramco yet to file for IPO –** Saudi Arabia's stock exchange, Tadawul has not yet received a filing for an Initial Public Offering (IPO) by state oil giant Saudi Aramco, according to the Chief Executive Officer, Khalid Al Hussan. He said that he has no additional information on whether the IPO will take place in Riyadh this year. "As an exchange, we receive filings for any new IPO. So far nothing has been on our radar screens regarding a timeline." Last week,

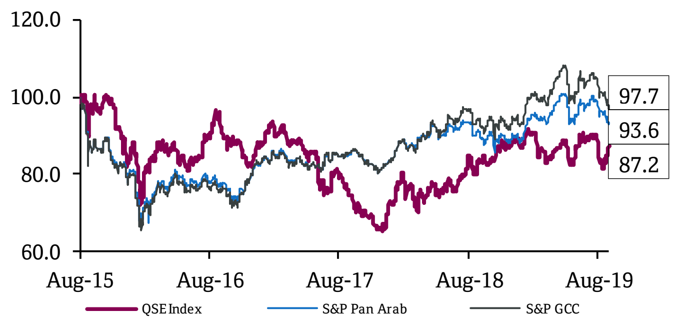
Dow Jones reported that Saudi Aramco is mulling a plan to split what could be the world's largest IPO into two stages, listing a portion of its shares on the local exchange this year before an international offering. The oil producer stated on August 24 it is going ahead with plans for a share sale, with the timing dependent on market conditions. The lack of an application to list so far does not necessarily signal any new delay by Saudi Aramco to its plans. An IPO process in Europe, for example, typically takes about two months from application to trading. (Bloomberg)

- **Emirates NBD raises foreign ownership limit to 20%, aims for 40% –** Emirates NBD, Dubai's largest bank, stated that it has raised its foreign ownership limit to 20% from 5%. The bank also announced its intention to raise its foreign ownership limit to 40% in the future after seeking approvals from its shareholders and the relevant regulatory authorities. The move follows a similar decision by First Abu Dhabi Bank, the largest lender in the UAE, which in July proposed removing the foreign ownership limit cap of 40% to attract more foreign capital. The Chairman of Emirates NBD, Sheikh Ahmed Bin Saeed Al Maktoum said that the move contributes to "increased liquidity and depth in the UAE's capital markets," in addition to diversifying the bank's investor base. (Reuters)
- **Emaar Properties said to be in talks to sell Islamic Dollar bond –** Emaar Properties is in talks with banks to tap the market for a possible benchmark-sized Islamic Dollar bond to refinance debt at lower rates, according to sources. A benchmark sale usually raises at least $500mn. Emaar Properties has hired banks including Standard Chartered to sell the benchmark-sized Islamic Dollar bond. The developer is also working with Deutsche Bank AG, Emirates NBD, Dubai Islamic Bank, Sharjah Islamic Bank, First Abu Dhabi Bank and Mashreqbank on the sale that could happen as soon as this month, sources said. (Bloomberg)
- **Dubai addresses property market slump with new planning body –** Dubai set up a real estate planning commission to regulate projects and avoid competition between semi-government and private firms, its ruler, Sheikh Mohammed bin Rashid Al-Maktoum announced. Dubai has traditionally encouraged open, competitive business, however, heavy oversupply in the property market, an important sector of the economy, has seen residential prices slide by at least a quarter since mid-2014. Sheikh Mohammed has put his son and Deputy Ruler, Sheikh Maktoum bin Mohammed in charge of the new body, which will also take steps to stop similar sorts of projects being developed. The property sector accounted for 7.2% of the Emirates' GDP in 2018. A number of state-owned developers, such as Nakheel, and semi-government owned developers like Emaar will also be part of the new body, known as the Higher Committee for Real Estate Planning. "Controlling supply and demand will be the key to real estate sustainability for the coming years," Dubai Land Department's (DLD) Director General, Sultan Butti bin Mejren said. The DLD, which is already involved in regulating the sector, would work with the new body, he said. (Reuters)
- **Abu Dhabi issues 3,854 new economic licenses in 2Q2019 –** The Abu Dhabi Department of Economic Development, ADDED, issued 3,854 new economic licenses in the second quarter of 2019, recording an increase of more than 44%, compared to the 2,671 commercial licenses issued during the same period last year, as per the commercial activity report of 2Q2019 issued by the department's Abu Dhabi Business Centre. According to the report, 1,947 new licenses were issued in Abu Dhabi city, 567 in Al Ain city, and 87 in the Al Dhafra region, in addition to 1,171 Tajer Abu Dhabi – Golden Package licenses, and 82 Instant licenses. The report categorizes economic licenses according to their type. A total of 3,654 commercial licenses were issued, recording a 44.7% growth compared to 2Q2018, which saw the issuance of 2,524 licenses in this category. Under-Secretary of ADDED, Rashed Abdul Karim Al Balooshi explained that the increasing demand for commercial licenses reflects the growing interest among investors and businessmen in pursuing opportunities in Abu Dhabi's services sector. This, in turn, indicates the competitiveness of the national economy and the continuous growth of the local business sector. (Zawya)
- **Bank of Sharjah hires banks for 5-year bond –** Bank of Sharjah has hired banks to arrange a series of fixed income investor meetings ahead of a planned issue of five-year US Dollar-denominated bonds, a document issued by one of the banks showed. The Abu Dhabi-listed lender, which is 17.2% owned by the government of the Emirate of Sharjah, has appointed Bank ABC , Emirates NBD Capital, First Abu Dhabi Bank and JPMorgan to arrange meetings in the Middle East, Asia and the UK starting on September 3. It has also invited holders of its outstanding $500mn bonds due in 2020 to tender the notes for purchase by Bank of Sharjah for cash after the settlement of the new bonds, the document showed. Bank of Sharjah is rated 'BBB+' by Fitch. The new notes will be of benchmark size, which generally means upwards of $500mn, and are part of a $1.5bn bond program. (Reuters)
- **Kuwait's KNPC commissions diesel production unit at Mina Abdullah refinery –** Kuwait's state refiner, KNPC is commissioning its diesel production unit at the Mina Abdullah refinery with 73k bpd processing capacity, according to state news agency KUNA. KNPC plans to boost total diesel production capacity at Mina Abdullah to 146k bpd after start of another unit, it did not state when the next unit will start. (Reuters, Bloomberg)
- **Kuwait to launch IPO of Az-Zour water and power project in October –** Kuwait plans to begin the first phase of an Initial Public Offering (IPO) of shares in the Az-Zour North Independent Water & Power Project on October 1, the Kuwait Authority For Partnership Projects stated in local newspaper Al Rai. The shares - representing 50% of the power project's equity, will come from the stake held by the Kuwait Authority for Partnership Projects, and will be sold to Kuwaiti citizens. The sovereign wealth fund, the Kuwait Investment Authority (KIA), and the country's pension fund, the Public Institution for Social Security each hold a 5% stake, while the remaining 40% of the project is held by a consortium including Engie, Sumitomo and Abdullah Hamad Al Saqer & Brothers Company. (Reuters)
- **Bahrain's July consumer prices fall 0.4% YoY –** Bahrain's July consumer prices fell for the first time since January 2012, the Information & eGovernment Authority reported. Prices fell 0.4% YoY, the largest decline since September 2011. Driving the

deflation was a fall of 9.6% for clothing and footwear, while prices for recreation and culture dropped 10.3%. Prices fell 0.3% MoM, driven by a decrease of 0.8% in housing, water, electricity, gas and other fuels, due to a decrease on housing rentals. According to the authority, electricity and water bills in June, July and August were reissued for citizens at their primary residence and the price of electricity and water have been imputed in the calculation of the CPI for July 2019. (Bloomberg)

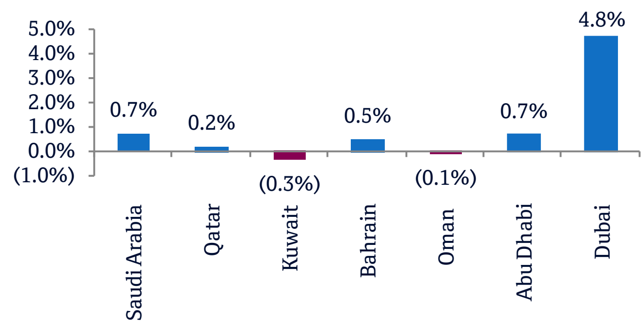
- **Bahrain sells BHD70mn 91-day bills; bid-cover at 1.94x –** Bahrain sold BHD70mn of 91 day bills due on December 4, 2019. Investors offered to buy 1.94 times the amount of securities sold. The bills were sold at a price of 99.288, having a yield of 2.84% and will settle on September 4, 2019. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,529.40	0.6	0.6	19.3
Silver/Ounce	18.47	0.5	0.5	19.2
Crude Oil (Brent)/Barrel (FM Future)	58.66	(2.9)	(2.9)	9.0
Crude Oil (WTI)/Barrel (FM Future)#	55.10	0.0	0.0	21.3
Natural Gas (Henry Hub)/MMBtu#	2.34	0.0	0.0	(26.6)
LPG Propane (Arab Gulf)/Ton#	41.25	0.0	0.0	(35.0)
LPG Butane (Arab Gulf)/Ton#	46.00	0.0	0.0	(34.3)
Euro	1.10	(0.1)	(0.1)	(4.3)
Yen	106.24	(0.0)	(0.0)	(3.1)
GBP	1.21	(0.7)	(0.7)	(5.4)
CHF	1.01	(0.1)	(0.1)	(0.9)
AUD	0.67	(0.3)	(0.3)	(4.7)
USD Index#	98.92	0.0	0.0	2.9
RUB	66.79	0.0	0.0	(4.2)
BRL	0.24	(1.0)	(1.0)	(7.3)

Source: Bloomberg (#Market was closed on September 02, 2019)

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,136.58	(0.1)	(0.1)	13.4
DJ Industrial#	26,403.28	0.0	0.0	13.2
S&P 500#	2,926.46	0.0	0.0	16.7
NASDAQ 100#	7,962.88	0.0	0.0	20.0
STOXX 600	380.69	0.2	0.2	8.0
DAX	11,953.78	(0.0)	(0.0)	8.6
FTSE 100	7,281.94	0.3	0.3	2.6
CAC 40	5,493.04	0.1	0.1	11.3
Nikkei	20,620.19	(0.2)	(0.2)	7.2
MSCI EM	983.76	(0.1)	(0.1)	1.9
SHANGHAI SE Composite	2,924.11	1.1	1.1	12.4
HANG SENG	25,626.55	(0.4)	(0.4)	(1.0)
BSE SENSEX#	37,332.79	0.0	0.0	0.9
Bovespa	100,625.70	(1.3)	(1.3)	6.3
RTS	1,309.22	1.2	1.2	22.5

Source: Bloomberg (*$ adjusted returns, #Market was closed on September 02, 2019)

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