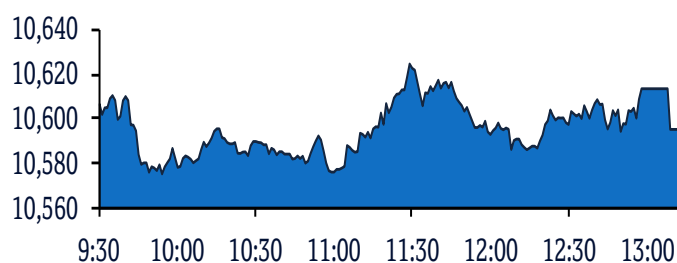


QSE Intra-Day Movement



Qatar Commentary

The QE Index declined marginally to close at 10,595.6. Losses were led by the Telecoms and Real Estate indices, falling 1.2% and 0.5%, respectively. Top losers were Islamic Holding Group and Gulf International Services, falling 3.1% and 2.7%, respectively. Among the top gainers, Qatar Cinema & Film Distribution Company gained 10.0%, while Gulf Warehousing Company was up 3.9%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.3% to close at 9,044.2. Gains were led by the Telecommunication Services and Software & Serv. indices, rising 1.2% and 1.1%, respectively. Alahli Takaful Co. rose 4.5%, while Saudi Ceramic Co. was up 3.8%.

Dubai: The DFM Index gained 0.4% to close at 2,715.7. The Investment & Financial Services index rose 2.3%, while the Telecommunication index gained 1.4%. Dubai Investments rose 3.1%, while Arabtec Holding was up 3.0%.

Abu Dhabi: The ADX General Index fell 0.3% to close at 5,041.9. The Investment & Financial Services index declined 1.1%, while the Services index fell 0.6%. Umm Al Qaiwain General Inv. declined 10.0%, while Gulf Medical Projects was down 9.7%.

Kuwait: The Kuwait All Share Index fell 0.4% to close at 6,102.4. The Telecom. index declined 0.9%, while the Basic Materials index fell 0.8%. Ream Real Estate Company declined 18.3%, while Hilal Cement Company was down 10.0%.

Oman: The MSM 30 Index fell 0.2% to close at 3,785.6. Losses were led by the Services and Industrial indices, falling 0.7% and 0.6%, respectively. Al Jazeera Services fell 9.5%, while Renaissance Services was down 7.2%.

Bahrain: The BHB Index fell 0.2% to close at 1,534.0. The Commercial Banks index declined 0.4%, while the Investment index fell marginally. Inovent Company declined 3.7%, while National Bank of Bahrain was down 0.7%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar Cinema & Film Distribution	2.31	10.0	2.7	21.5
Gulf Warehousing Company	5.06	3.9	1,372.9	31.5
Alijarah Holding	0.81	2.5	2,498.0	(7.8)
Qatar International Islamic Bank	7.64	1.9	1,977.2	15.5
Mazaya Qatar Real Estate Dev.	0.81	1.0	2,240.0	3.8

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Ezdan Holding Group	0.72	(0.6)	9,359.1	(44.4)
Qatar First Bank	0.41	(1.2)	5,287.0	(0.7)
Qatar Aluminium Manufacturing	1.00	0.0	2,795.9	(25.5)
Masraf Al Rayan	3.81	(0.3)	2,727.2	(8.6)
Alijarah Holding	0.81	2.5	2,498.0	(7.8)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,595.55	(0.0)	(0.2)	1.3	2.9	44.43	159,932.8	15.3	1.7	4.1
Dubai	2,715.70	0.4	1.1	2.1	7.4	58.25	96,946.0	12.1	1.0	4.5
Abu Dhabi	5,041.95	(0.3)	(0.2)	1.2	2.6	34.36	140,118.3	14.9	1.5	4.9
Saudi Arabia	9,044.21	0.3	0.8	2.5	15.6	848.55	567,044.6	20.1	2.0	3.3
Kuwait	6,102.44	(0.4)	(0.4)	4.6	20.1	146.06	113,975.7	15.2	1.5	3.4
Oman	3,785.57	(0.2)	(0.6)	(2.6)	(12.4)	4.45	16,677.5	7.2	0.8	7.2
Bahrain	1,533.97	(0.2)	(0.2)	4.3	14.7	4.14	23,977.9	11.2	1.0	4.9

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	15 July 19	14 July 19	%Chg.
Value Traded (QR mn)	162.5	79.3	104.9
Exch. Market Cap. (QR mn)	582,209.1	582,113.2	0.0
Volume (mn)	52.2	32.0	63.0
Number of Transactions	5,075	3,312	53.2
Companies Traded	45	43	4.7
Market Breadth	16:23	19:15	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	19,496.71	(0.0)	(0.2)	7.4	15.3
All Share Index	3,130.43	0.0	(0.1)	1.7	15.2
Banks	4,103.69	0.3	0.1	7.1	14.7
Industrials	3,228.73	(0.5)	(0.2)	0.4	16.3
Transportation	2,574.14	1.2	1.2	25.0	15.8
Real Estate	1,562.01	(0.5)	(0.6)	(28.6)	13.0
Insurance	3,176.60	0.2	(0.7)	5.6	18.3
Telecoms	936.07	(1.2)	(1.0)	(5.2)	19.2
Consumer	8,240.83	(0.1)	(0.6)	22.0	16.0
Al Rayan Islamic Index	4,091.72	(0.1)	(0.1)	5.3	14.2

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Comm. Bank of Kuwait	Kuwait	0.57	4.6	0.0	25.2
Human Soft Holding Co.	Kuwait	3.24	3.7	181.5	(1.2)
Dubai Investments	Dubai	1.33	3.1	18,224.3	5.6
Saudi British Bank	Saudi Arabia	41.00	2.5	1,023.2	25.6
HSBC Bank Oman	Oman	0.12	1.8	610.0	(3.4)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Emaar Malls	Dubai	1.91	(3.0)	10,125.5	6.7
Boubyan Bank	Kuwait	0.58	(2.7)	849.5	15.4
Al Ahli Bank of Kuwait	Kuwait	0.31	(1.6)	16.0	5.1
Samba Financial Group	Saudi Arabia	34.55	(1.6)	2,144.0	10.0
Ooredoo	Qatar	6.94	(1.4)	1,123.6	(7.5)

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

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Islamic Holding Group	2.52	(3.1)	187.0	15.3
Gulf International Services	1.82	(2.7)	1,558.1	7.1
Medicare Group	8.02	(1.8)	252.8	27.1
Ahli Bank	3.00	(1.6)	0.5	17.9
Ooredoo	6.94	(1.4)	1,123.6	(7.5)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	19.26	0.5	38,504.1	(1.2)
Qatar International Islamic Bank	7.64	1.9	15,082.1	15.5
Masraf Al Rayan	3.81	(0.3)	10,413.4	(8.6)
Industries Qatar	11.40	(0.6)	9,403.5	(14.7)
Ooredoo	6.94	(1.4)	7,813.0	(7.5)

Source: Bloomberg (* in QR)

Qatar Market Commentary

- The QE Index declined marginally to close at 10,595.6. The Telecoms and Real Estate indices led the losses. The index fell on the back of selling pressure from GCC shareholders despite buying support from Qatari and non-Qatari shareholders.
- Islamic Holding Group and Gulf International Services were the top losers, falling 3.1% and 2.7%, respectively. Among the top gainers, Qatar Cinema & Film Distribution Company gained 10.0%, while Gulf Warehousing Company was up 3.9%.
- Volume of shares traded on Monday rose by 63.0% to 52.2mn from 32.0mn on Sunday. However, as compared to the 30-day moving average of 98.2mn, volume for the day was 46.8% lower. Ezdan Holding Group and Qatar First Bank were the most active stocks, contributing 17.9% and 10.1% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	31.64%	34.31%	(4,339,181.55)
Qatari Institutions	30.69%	25.86%	7,855,117.74
Qatari	62.33%	60.17%	3,515,936.19
GCC Individuals	1.87%	1.37%	811,928.54
GCC Institutions	3.78%	7.34%	(5,784,414.83)
GCC	5.65%	8.71%	(4,972,486.30)
Non-Qatari Individuals	11.07%	10.19%	1,424,327.39
Non-Qatari Institutions	20.96%	20.94%	32,222.72
Non-Qatari	32.03%	31.13%	1,456,550.11

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

Earnings Releases, Global Economic Data and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 2Q2019	% Change YoY	Operating Profit (mn) 2Q2019	% Change YoY	Net Profit (mn) 2Q2019	% Change YoY
Al Madina Takaful	Oman	OMR	13.8	3.4%	-	-	-0.5	N/A
Dhofar Insurance*	Oman	OMR	24.5	19.2%	-	-	1.5	129.1%
Al Ahlia Insurance*	Oman	OMR	14.1	-7.1%	-	-	2.8	3.4%
Oman and Emirates Inv. Holding*	Oman	OMR	2,095.0	-40.4%	-	-	0.7	-61.9%
Al Fajar Al Alamia**	Oman	OMR	20,577.0	-3.4%	-	-	1,405.0	-0.3%
Gulf Stones	Oman	OMR	1.5	-13.7%	-	-	-0.3	N/A
Gulf Invest Services Holding*	Oman	OMR	-	-	-	-	-1.9	N/A
Majan Glass#	Oman	OMR	5,832.5	64.8%	-	-	3.0	N/A
Dhofar Beverages Food Stuff **	Oman	OMR	2,106.6	-6.2%	-61.3	N/A	-63.7	N/A
Oman Investment and Finance*	Oman	OMR	11.3	11.0%	-	-	2.0	173.4%
Al Hassan Engineering*	Oman	OMR	19.1	68.9%	-	-	0.9	N/A
Vision Insurance*	Oman	OMR	14.2	2.4%	-	-	1.0	-17.5%
National Finance*	Oman	OMR	21.6	2.9%	-	-	4.2	-28.6%
Global Financial Investment Holding	Oman	OMR	9.6	4.0%	-	-	-0.3	N/A
Ooredoo	Oman	OMR	70.4	-1.0%	-	-	9.4	-2.1%
Oman United Insurance**	Oman	OMR	18,048.2	-14.5%	-	-	10.2	N/A
Oman National Engine. Invt.	Oman	OMR	22.6	11.2%	-	-	0.5	-22.2%
Muscat Gases*	Oman	OMR	4.6	-7.4%	-	-	0.2	-22.2%
Oman Fisheries*	Oman	OMR	7.5	-15.4%	-	-	-1.9	N/A

Source: Company data, DFM, ADX, MSM, TASI, BHB. (*Figures for 6M2019, **Values in Thousands)

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
07/15	China	National Bureau of Statistics	Industrial Production YoY	June	6.3%	5.2%	5.0%
07/15	China	National Bureau of Statistics	Industrial Production YTD YoY	June	6.0%	5.9%	6.0%
07/15	China	National Bureau of Statistics	GDP SA QoQ	2Q2019	1.6%	1.5%	1.4%
07/15	China	National Bureau of Statistics	GDP YoY	2Q2019	6.2%	6.2%	6.4%

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
QGMD	Qatari German Company for Medical Devices	16-Jul-19	0	Due
IHGS	Islamic Holding Group	16-Jul-19	0	Due
QFLS	Qatar Fuel Company	17-Jul-19	1	Due
QIBK	Qatar Islamic Bank	17-Jul-19	1	Due
QIHK	Qatar International Islamic Bank	17-Jul-19	1	Due
ERES	Ezdan Holding Group	18-Jul-19	2	Due
ABQK	Ahli Bank	18-Jul-19	2	Due
NLCS	Aljarah Holding	18-Jul-19	2	Due
QEWS	Qatar Electricity & Water Company	21-Jul-19	5	Due
GWCS	Gulf Warehousing Company	21-Jul-19	5	Due
QIGD	Qatari Investors Group	22-Jul-19	6	Due
KCBK	Al Khalij Commercial Bank	23-Jul-19	7	Due
MCGS	Medicare Group	24-Jul-19	8	Due
UDCD	United Development Company	24-Jul-19	8	Due
QGRI	Qatar General Insurance & Reinsurance Company	24-Jul-19	8	Due
DHBK	Doha Bank	24-Jul-19	8	Due
QAMC	Qatar Aluminum Manufacturing Company	25-Jul-19	9	Due
AKHI	Al Khaleej Takaful Insurance Company	25-Jul-19	9	Due
QIMD	Qatar Industrial Manufacturing Company	25-Jul-19	9	Due
QFBQ	Qatar First Bank	28-Jul-19	12	Due
QCFS	Qatar Cinema & Film Distribution Company	29-Jul-19	13	Due
QNNS	Qatar Navigation (Milaha)	29-Jul-19	13	Due
VFQS	Vodafone Qatar	29-Jul-19	13	Due
ORDS	Ooredoo	29-Jul-19	13	Due
QATI	Qatar Insurance Company	30-Jul-19	14	Due
AHCS	Aamal Company	30-Jul-19	14	Due
DBIS	Dlala Brokerage & Investment Holding Company	30-Jul-19	14	Due
MRDS	Mazaya Qatar Real Estate Development	31-Jul-19	15	Due
DOHI	Doha Insurance Group	31-Jul-19	15	Due
IQCD	Industries Qatar	1-Aug-19	16	Due
GISS	Gulf International Services	4-Aug-19	19	Due
QISI	Qatar Islamic Insurance Company	4-Aug-19	19	Due
SIIS	Salam International Investment Limited	5-Aug-19	20	Due
MPHC	Mesaieed Petrochemical Holding Company	5-Aug-19	20	Due
ZHCD	Zad Holding Company	5-Aug-19	20	Due
QOIS	Qatar Oman Investment Company	5-Aug-19	20	Due
MERS	Al Meera Consumer Goods Company	6-Aug-19	21	Due

Source: QSE

News

Qatar

- MARK: In-Line 2Q2019 Revenue/Earnings but Moderate Margin Pressure; Market Perform** – MARK reports in-line 2Q2019: Masraf Al Rayan (MARK) reported a net profit of QR534.0mn in 2Q2019, in-line with our estimate of QR547.1mn (variation of -2.4%). The bottom-line remained flat YoY (-1.9% QoQ) solely due to net reversal of provisions (QR6.3mn vs. provisions of QR4.9mn in 2Q2018) as net operating income declined by 2.8% (on the account of weak revenue. The sequential drop was due to weak non-funded income and growth in opex. Margins remained under modest pressure both YoY and sequentially. NIMs compressed by 12bps YoY and 5bps QoQ to ~2.30%. This was mainly due to the CoFs outpacing yield on assets. CoFs jumped by 59bps YoY (+11bps QoQ) to 3.01%, while yields increased by only 32bps YoY (6bps QoQ) to 4.75%. The moderate margin pressure is due to MARK's liquidity profile. C/I ratio remained healthy; generated neutral

JAWS. MARK generated a C/I ratio of 24.2% in 2Q2019 vs. 23.7% in 2Q2018 (22.5% in 1Q2019). On the other hand, the bank generated neutral JAWS of -0.8% as revenue dropped by 1.4% while opex decreased by 0.5%. Loans dropped sequentially while deposits displayed flat performance. Net loans contracted by 1.4% QoQ (+3.2% YTD) to QR74.8bn, while deposits remained flat (+4.9% YTD) at QR64.6bn. Thus, MARK's LDR position remained challenging at 116% vs. 118% in both 1Q2019 and FY2018. Moreover, loans to stable sources of funds also remained on the high side at 110%. Drop in loans was most likely due to the public sector's repayment of overdrafts. Asset quality remains a non-issue. The bank's NPL ratio decreased to 0.74% (remained flat QoQ) vs. 0.83% at the end of 2018. Moreover, coverage of stage 3 loans was 54%. Capitalization remained robust and one of the highest among its peers. MARK ended 2Q2019 with a CET1 and CAR of 18.9% and 19.4%, respectively. Recommendation and valuation: The stock trades

at a P/B of 2.1x on our 2019 estimates. For now, we maintain our PT QR3.40 and Market Perform rating. (QNB FS Research)

- **WDAM's net profit declines 31.1% YoY and 9.5% QoQ in 2Q2019** – Widam Food Company's (WDAM) net profit declined 31.1% YoY (-9.5% QoQ) to QR23.4mn in 2Q2019. The company's revenue came in at QR174.2mn in 2Q2019, which represents an increase of 6.3% YoY (+33.8% QoQ). In 1H2019, WDAM reported net profit of QR49.24mn compared to QR60.61mn in 1H2018. EPS amounted to QR0.27 in 1H2019 as compared to QR0.34 in 1H2018. (QSE)
- **Awards reaffirm Ooredoo Group's progress as a global digital enabler** – Ooredoo Group's transformation into a digital enabler across its global footprint was recently recognized at the 5G World Awards. Ooredoo Group was honored with the 'Best Telco Digital Transformation Project' award at the 2019 edition of the event in London, which showcased innovation in the telco industry. In recognition of Ooredoo's 5G leadership and innovation, Ooredoo Qatar was also shortlisted in the 5G World Awards for 'Best 5G Commercial Launch' and in the Leading Lights Awards for 'Most Innovative 5G Strategy'. The pressure is on for telcos to digitize their operations and drive growth through new revenue streams. Understanding the digital ecosystem and the emerging trends within it has become critical for telcos looking to succeed and capture digital opportunity, Ooredoo stated in a statement. (Gulf-Times.com)
- **NDS-2 accelerates Qatar's growth** – With the government advancing its second National Development Strategy (NDS-2) that sees the private sector assume greater importance in driving diversification, Qatar's economic growth has accelerated. NDS-2 also prioritizes raising the average productivity of its local and foreign workers. The country's public finances and investor confidence have recovered since the 2017 blockade, after the government exercised spending restraint, injected liquidity into the banking system, rerouted impacted trade flows and benefitted from higher energy prices, NBK stated in its 'Qatar Macroeconomic Outlook 2019-21.' Qatar's growth is expected to accelerate to 2.6% in 2019 from 1.6% in 2018, driven by a recovery in hydrocarbon sector output (0.4%) and ongoing gains in non-hydrocarbon activity (4.4%) as the government's expansive public investments bear fruit. Over the medium term, as infrastructure projects related to the FIFA World Cup 2022 and work on the broader Qatar National Vision 2030 advances, non-oil growth is expected to moderate to around 4% by 2021. By this time, the private sector should have assumed a greater role in driving diversification through greater-value add – in sectors such as manufacturing, services, transportation and real estate – as per 2018's Qatar National Development Strategy 2018-2022. (Peninsula Qatar)
- **Ezdan offers 15-month rent-free on commercial units at Oasis** – Ezdan Real Estate (Ezdan) has launched a new promotional campaign offering 15-month rent-free on 500 commercial units at Ezdan Oasis, in Al Wukair, the company announced. Ezdan Real Estate's Property Management Director, Hani Dabash said through this campaign the company is targeting small and medium-sized enterprises including craftsmen, entrepreneurs and companies. The promotion will run from July 21 to September 30, 2019, he added. Hani said the new campaign aims at offering cost effective rentals for new investors and

encourages them to fill vacant commercial units in the Oasis which is meant to accommodate more than 35,000 residents. (Qatar Tribune)

- **Qatar aims for big strides in environment-friendly transport systems by 2022** – Up to 25% of the public transport systems in Qatar will be environment-friendly before the start of the FIFA World Cup 2022, the Minister of Transport and Communications HE Jassim Seif Ahmed Al-Sulaiti has said. He said, "Such systems will use clean energy and enjoy the best safety standards and a high degree of quality and efficiency. This is in accordance with the guidance of the wise leadership that Qatar attains high ranks in the public transport sector, in the use of environment-friendly cars and in the ambitious plans of the MOTC." Talking to reporters on the sidelines of the launch of the test operation of the Automatic Rapid Transit (ART) System, the Minister said the new system will be operational within 15 to 16 months. The Minister said Qatar has earmarked QR3bn for the public transport master plan from now until 2022. (Gulf-Times.com)
- **QFZA: Qatar Free Zones and Media City are separate entities** – Qatar Free Zone Authority (QFZA) stated that Qatar Free Zones (QFZ) currently consists of Ras Bufontas Free Zone and Umm Alhoul Free Zone. The Council of Ministers has agreed in principle to the establishment of another Free Zone in Msheireb Downtown Doha. Commenting on recent media reports which indicated that Msheireb Downtown Doha is the planned headquarters of the new Media City, the QFZA stated that the decision on where to base the new Media City has not been issued yet, and underlined that Qatar Free Zones and Media City are separate entities established by different laws. (Gulf-Times.com)
- **Qatar delegation participates in pan-Arab media meetings** – Qatar participated in the meetings of the 93rd ordinary session of the Standing Committee for Arab Media, which started on Monday. Qatar's Permanent Representative to the Arab League Ambassador Ibrahim bin Abdulaziz Al Sahlawi led Qatar's delegation to the meetings. The meetings' agenda includes 18 items to be presented on Tuesday before the 11th session of the Arab Information Ministers Council Executive Office, and then to the 50th session of the Arab Information Ministers Council on Wednesday. (Qatar Tribune)

International

- **Treasury's Mnuchin says deal to raise US debt ceiling getting close** – The US Treasury Secretary Steven Mnuchin said the Trump administration and Congress were getting close to a deal on raising the US debt ceiling and he urged lawmakers to take action on the issue before leaving for an August recess. In addition, Mnuchin and congressional leaders have been discussing a possible two-year budget deal that would set overall federal spending levels for fiscal 2020, which begins on October 1, and for fiscal 2021, he told reporters during a briefing at the White House. Mnuchin said he did not see a government shutdown looming over the issue. He said there was a preference in both parties to agree on the debt ceiling increase and a budget pact. The US borrowing authority could be exhausted sometime in September, according to the latest administration estimates, rather than in October or November, as had earlier been projected. (Reuters)

- **UK banks say business investment slowing further ahead of Brexit** – Britain’s major banks have seen a growing number of business customers delay decisions on investments and borrowing in recent weeks, as the probability of a disorderly exit from the European Union inches higher. Britain’s banks have largely played up the resilience of businesses since the June 2016 referendum decision to leave the EU, but senior executives speaking to Reuters say that in recent weeks they have seen a dip in firms’ activity levels. Bankers responsible for tens of billions of Pounds in business debt told Reuters that activity among corporate customers had fallen in recent months, as the two candidates to be Britain’s next Prime Minister have both said they are ready to take the country out of the EU without a withdrawal deal. (Reuters)
- **Governor: Bank of England can respond to Brexit impact on economy** – Bank of England’s (BoE) Governor, Mark Carney said the British central bank had the ability to respond to either slower growth or higher inflation which could follow the country’s departure from the European Union. “We have the flexibility to respond to circumstances in either direction - stronger growth or weaker inflation - if necessary,” Carney said when asked about the risk of a recession in Britain and whether the BoE had the tools to respond. He also said Britain’s financial system was strong enough to withstand any Brexit turbulence. (Reuters)
- **Economy Ministry: Germany to face weak economic trend in second quarter** – German industrial activity is sluggish and recent data point to slower growth in the service sector, the German Economy Ministry said, adding this suggested Europe’s largest economy would experience a weak general economic trend in the second quarter. “After what is shaping up to be a subdued development in the second quarter, the forces of economic upswing could become more prominent again if the external environment settles,” the Ministry said in its monthly report published. But it added that there were significant downside risks such as trade conflicts, Britain’s expected departure from the European Union and geopolitical tensions. The Bundesbank has said economic output will fall slightly in the second quarter. (Reuters)
- **Greece’s January-June primary budget surplus at 382mn Euros, beats target** – Greece’s central government achieved a primary budget surplus of 382mn Euros in the first half of the year, well above its target, thanks to higher revenues, finance ministry data showed. The government was projecting a primary budget deficit – which excludes debt-servicing costs – of 1.57bn Euros for the January-June period, meaning the surplus outperformed the target by 1.95bn Euros. The central government surplus excludes the budgets of social security funds and local administration. It differs from the figure monitored by Greece’s foreign lenders but does indicate the state of the country’s finances. Net tax revenue came in at 23.4bn Euros – 1.9bn Euros above target. Spending reached 26.1bn Euros – 191mn Euros below target. The government projects a primary budget surplus of 3.6% of economic output this year, according to its 2019 budget. The post-bailout target set by Greece’s lenders is for a primary surplus of 3.5% of GDP. (Reuters)
- **India’s June import decline reflects further weakness in demand and activity** – India’s imports declined to their lowest level in

four months in June to \$40.29bn, down 9% from a year ago, indicating weakening consumption in Asia’s third largest economy, economists said. The Indian economy grew at 5.8% in the January-March period, a five-year low, hurt by weak consumption and tepid private investment. The latest data added to fears that the economy may have slowed further in April-June. In the last two quarters, the Indian economy has seen a sharp fall in sales of automobiles, petroleum products and consumer goods. India’s oil imports during June fell 13.33% to \$11.03bn, partly due to low oil prices, while gold imports surged 13% to \$2.70bn. (Reuters)

- **India June business sentiment lowest since 2016** – India’s slowing economic growth, water shortage and regulatory hurdles have taken its business sentiment in June to the lowest level since 2016, a survey by market research firm IHS Markit showed. The aggregate of private-sector companies forecasting output growth during this year fell to +15% in June from +18% in February. The level was earlier hit three years ago - its lowest since data became available in 2009, according to the report. (Reuters)

Regional

- **MENA power sector requires \$209bn investment over 5 years** – The MENA region will need to invest \$209bn in the power sector over the next five years according to a report from the Arab Petroleum Investments Corporation (APICORP). Between 2019 and 2023, investment in the MENA energy sector could reach \$1tn, with the power sector accounting for the largest share at 36%, spurred by growing electricity demand and greater momentum for renewable energy, APICORP noted in its report MENA Power Investment Outlook 2019-2023. “We have observed that a large share of the funding requirements in MENA’s energy sector will go to the power sector, of which renewables account for a substantial share of around 34%,” Chief Economist at APICORP, Dr. Leila Benali said. The power sector continues to evolve throughout the MENA region, driven by the need for countries to meet demand growth, diversify their economies and create efficiencies. “We also estimate that MENA power capacity will need to expand by an average of 4% each year between 2019 and 2023, which corresponds to 88GW by 2023, to meet rising consumption and pent-up demand. Highly leveraged power projects in the region continue to be largely financed based on non-recourse or limited recourse structure, with debt-equity ratios in the 60:40 to 80:20 range, even 85:15 for lower risk profile projects backed by strong government payment guarantee,” she said. (Zawya)
- **S&P: GCC Islamic insurers record 9.5% jump in 1Q2019 premiums** – Islamic insurers in the region recorded a 9.5% increase in gross written premiums and contributions in first-quarter of 2019 following years of flat growth and declining profitability, S&P has stated in its latest report. According to the report, the market received a boost in first-quarter of 2019, compared with the same quarter in 2018, with gross written premiums and contributions rising about 9.5% to \$3.5bn, and a 13.4% rise in net profit to about \$77mn. While takaful companies in GCC markets expanded at an even faster rate of about 14%, the report stated, the growth was supported by strong recoveries in equity markets in first-quarter 2019, following a significant decline in fourth-quarter 2018. S&P

believes that plans to increase minimum capital requirements will lead to consolidation in the GCC Islamic insurance industry, where weak profitability has posed problems. "We expect stricter capital requirements in a number of Gulf countries will speed up consolidation in the Islamic insurance sector, we expect net income will improve in 2019, compared with 2018, but moderate over the remaining quarters of the year. However, the improvement is likely to be spurred by better investment returns, not market conditions, which we expect will remain highly competitive," the report stated. Some GCC insurers have been unable to cope with increased competition and stricter laws and regulations. (Qatar Tribune)

- **PIF buys 40% stake in joint venture from Saudi Aramco and Jacobs Engineering Group** – Saudi Arabia's sovereign wealth fund, Public Investment Fund (PIF) has acquired a 40% stake in a joint venture between state energy producer Saudi Aramco and Jacobs Engineering Group Inc., according to sources. The PIF acquired 30% of Saudi Arabian Oil Co.'s stake in Jasara Program Management Co. and 10% from Jacobs, sources said, leaving Saudi Aramco with 20% and Jacobs with 40%. The joint venture was created in 2017 to provide management services for social infrastructure projects in the Kingdom and across the Middle East and North Africa (MENA) region, according to a Jacobs statement from that year. (Bloomberg)
- **Saudi Aramco eyes tie-up with Russia's Lukoil in Uzbek gas** – Saudi Aramco is interested in a partnership with Russia's Lukoil on two natural gas projects in Uzbekistan, RIA news agency reported, citing documents signed by a joint governmental commission. It also stated that Lukoil is interested in jointly working with Saudi Aramco in international projects. (Reuters)
- **Emirates Strategic Investments Co readies debut Dollar Sukuk sale** – Emirates Strategic Investments Co, a firm owned by Sheikh Mansour bin Zayed Al-Nahyan, a member of Abu Dhabi's royal family, has hired banks to arrange investor meetings ahead of a debut US Dollar-denominated Sukuk issuance, a document showed. Rated 'Baa3' by rating agency Moody's, the company, which has a portfolio of assets across different sectors in the UAE, has hired Standard Chartered and First Abu Dhabi Bank (FAB) as coordinators for the planned five-year Islamic bond sale, according to the document issued by one of the leading banks. The two lenders have also been mandated as joint lead managers along with Bank ABC, Dubai Islamic Bank, Emirates NBD Capital, National Bank of Bahrain, and Warba Bank. The planned deal will be a benchmark transaction, which generally means a size of more than \$500mn, and is part of a \$1bn issuance program. Investor meetings will take place in Singapore, Hong Kong, UAE and London, starting on July 17, the document showed. Sheikh Mansour is the owner of English football club Manchester City. (Reuters)
- **Actis takes on management of two Abraaj funds** – Private equity firm Actis stated that it has acquired the rights to manage two private equity funds previously managed by collapsed buyout firm Abraaj, in a deal aimed at strengthening its position in the Middle East and Africa (MEA). Actis will take over the management rights to Abraaj Private Equity Fund IV and Abraaj Africa fund III, it stated. Abraaj, which filed for provisional liquidation in June 2018, was the largest buyout

fund in the Middle East and North Africa (MENA) until it collapsed last year in the aftermath of a row with investors over the use of money in a \$1bn healthcare fund. The transaction includes investments in 14 portfolio companies across the two funds, Actis stated. (Reuters)

- **Investec Fund to buy Spinneys Egypt from Abraaj** – Investec Asset Management's African private-equity fund will buy Spinneys Egypt from the collapsed Abraaj Group, Ahrum Gate reported, citing a statement. The acquisition is the fund's first investment in Egypt and comes after discussions started in March. The value of the deal was not disclosed. (Bloomberg)
- **Amlak Finance close to restructuring \$1.2bn with creditors** – Amlak Finance is nearing a deal to restructure debt for a second time as the Dubai-based Islamic mortgage provider navigates an ongoing property slump, according to sources. The company is asking creditors to reschedule repayments on \$1.2bn of loans over the originally agreed period that ends in 2026, sources said. Most lenders have agreed to the new terms but a final deal has not been signed, they stated. PricewaterhouseCoopers is advising a group of about 28 creditors on their negotiations with Amlak, sources added. Amlak Finance, in which Emaar Properties holds a 45% stake, is restructuring its debt again after it agreed to new terms on \$2.7bn of loans in 2014. Delaying some of the repayments may help Amlak Finance if and when the property market rebounds. Emirates NBD, Standard Chartered, Dubai Islamic Bank, Abu Dhabi Islamic Bank, Dubai's Department of Finance and the National Bonds Corp. are among the creditors. (Bloomberg)
- **Abu Dhabi wealth fund to boost active investments in fixed-income** – Abu Dhabi Investment Authority (ADIA), the world's third-biggest sovereign wealth fund, plans to increase active investments in fixed-income in the coming years, reducing its reliance on passive investments. The move comes as ADIA, which manages the reserves of oil-rich Abu Dhabi, has been reducing its reliance on external fund managers and boosting in-house investment capabilities. Some 55% of ADIA's portfolio is managed by external managers, down from 60% in 2016, with the rest managed internally. ADIA stated in its 2018 annual report its fixed income and treasury department aimed to go fully active in the coming years, with fund managers making active decisions on where to invest rather than passively following a benchmark index. Currently the department's strategy is to be 40% active and 60% passive. During 2019, as part of the transition, the department plans to add a number of new positions, mostly investment and research-focused roles. "This provides our investment professionals with the flexibility to allocate funds between different asset types according to where they see opportunities," it stated. ADIA stated that the decisions in early 2018 to reduce exposure to credit and being overweight on the US Dollar has benefitted its performance during the year. ADIA has been consolidating a number of investment portfolios since 2017. (Zawya)
- **ADNOC hires BAML, Mizuho for natural gas pipelines deal** – Abu Dhabi National Oil Company (ADNOC) has hired Bank of America Merrill Lynch and Mizuho to arrange the lease of its natural gas pipeline assets, sources said, as the oil giant establishes new partnerships in an era of lower oil prices. ADNOC, which manages almost all of the proven oil reserves in

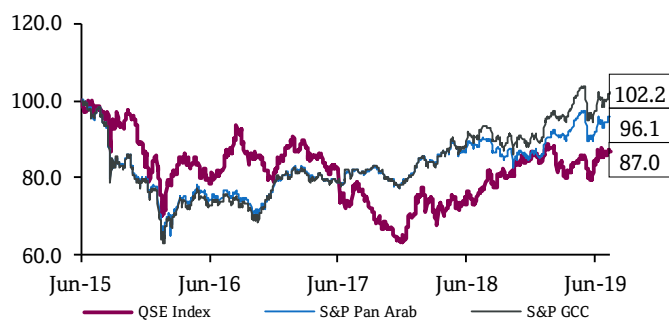
the UAE, has embarked on a major shake-up over the past two years to cut costs, boost efficiency and monetize its assets. Earlier this year it agreed a \$4bn midstream pipeline infrastructure deal with KKR and BlackRock. The company is now looking to raise funds by leveraging its natural gas pipelines in a similar deal and has mandated Bank of America Merrill Lynch and Mizuho as transaction advisors, sources said. "As we have demonstrated over the last two years, we are actively exploring a number of potential options to optimize and maximize value from across our portfolio of assets," an ADNOC spokesman said. (Reuters)

- **NBOB's net profit falls 0.5% YoY to OMR25.3mn in 1H2019** – National Bank of Oman (NBOB) recorded net profit of OMR25.3mn in 1H2019, registering decrease of 0.5% YoY. Operating Profit rose 2.3% YoY to OMR34.1mn in 1H2019. Net interest income and income from Islamic financing fell 2.7% YoY to OMR46.3mn in 1H2019. Total assets stood at OMR3.6bn at the end of June 30, 2019 as compared to OMR3.4bn at the end of June 30, 2018. Loans, advances and financing activities for customers (net) stood at OMR2.8bn (+5.5% YoY), while customers' deposits and unrestricted investment accounts stood at OMR2.5bn (+0.1% YoY) at the end of June 30, 2019. (MSM)
- **BKIZ's net profit falls 50.1% YoY to OMR0.47mn in 1H2019** – Alizz Islamic Bank (BKIZ) recorded net profit of OMR0.47mn in 1H2019, registering decrease of 50.1% YoY. Net operating income rose 5.7% YoY to OMR9.7mn in 1H2019. Total assets stood at OMR734.98mn at the end of June 30, 2019 as compared to OMR671.81mn at the end of June 30, 2018. Financing receivables stood at OMR579.80mn (+7.3% YoY), while total deposits stood at OMR631.47mn (+9.3% YoY) at the end of June 30, 2019. (MSM)
- **BKMB posts 4.4% YoY rise in net profit to OMR93.7mn in 1H2019** – Bank Muscat (BKMB) recorded net profit of OMR93.7mn in 1H2019, an increase of 4.4% YoY. Net interest income and income from Islamic financing rose 9.7% YoY to OMR159.0mn in 1H2019. Operating profit rose 10.9% YoY to OMR137.0mn in 1H2019. Net loans and Islamic financing stood at OMR9.1bn (+6.3% YoY), while customer deposits and Islamic deposits stood at OMR8.0bn (+3.7% YoY) at the end of June 30, 2019. (MSM)
- **ABOB posts 5.1% YoY rise in net profit to OMR14.9mn in 1H2019** – Ahli Bank (ABOB) recorded net profit of OMR14.9mn in 1H2019, an increase of 5.1% YoY. Operating income rose 14.0% YoY to OMR34.2mn in 1H2019. Total assets stood at OMR2.4bn at the end of June 30, 2019 as compared to OMR2.1bn at the end of June 30, 2018. Net Loans & advances and financing stood at OMR2.0bn (+10.1% YoY), while customer deposits stood at OMR1.6bn (+6.9% YoY) at the end of June 30, 2019. (MSM)
- **BKDB's net profit falls 21.0% YoY to OMR19.7mn in 1H2019** – Bank Dhofar (BKDB) recorded net profit of OMR19.7mn in 1H2019, registering decrease of 21.0% YoY. Profit from operations fell 2.9% YoY to OMR31.3mn in 1H2019. Total assets stood at OMR4.19bn at the end of June 30, 2019 as compared to OMR4.23bn at the end of June 30, 2018. Net loans and advances to customers stood at OMR3.1bn (-1.9% YoY), while deposits

from customers stood at OMR2.9bn (-7.3% YoY) at the end of June 30, 2019. (MSM)

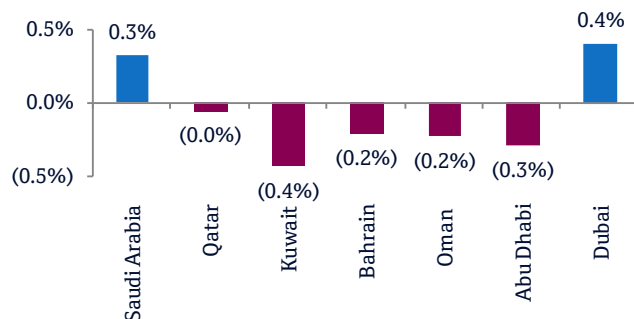
- **Bahrain sells BHD43mn of 3.09% 91-day Sukuk; bid-cover at 3.2x** – Bahrain sold BHD43mn of 91 day 3.09% Sukuk due on October 16, 2019. Investors offered to buy 3.2 times the amount of securities sold. The Sukuk will settle on July 17, 2019. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,414.14	(0.1)	(0.1)	10.3
Silver/Ounce	15.38	1.0	1.0	(0.7)
Crude Oil (Brent)/Barrel (FM Future)	66.48	(0.4)	(0.4)	23.6
Crude Oil (WTI)/Barrel (FM Future)	59.58	(1.0)	(1.0)	31.2
Natural Gas (Henry Hub)/MMBtu	2.52	(0.8)	(0.8)	(20.9)
LPG Propane (Arab Gulf)/Ton*	50.25	0.0	0.0	(20.9)
LPG Butane (Arab Gulf)/Ton*	48.63	0.0	0.0	(30.5)
Euro	1.13	(0.1)	(0.1)	(1.8)
Yen	107.91	0.0	0.0	(1.6)
GBP	1.25	(0.4)	(0.4)	(1.9)
CHF	1.02	(0.0)	(0.0)	(0.3)
AUD	0.70	0.3	0.3	(0.1)
USD Index	96.93	0.1	0.1	0.8
RUB	62.66	(0.5)	(0.5)	(10.1)
BRL	0.27	(0.5)	(0.5)	3.3

Source: Bloomberg (*Market was closed on July 15, 2019)

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,214.34	0.1	0.1	17.5
DJ Industrial	27,359.16	0.1	0.1	17.3
S&P 500	3,014.30	0.0	0.0	20.2
NASDAQ 100	8,258.19	0.2	0.2	24.5
STOXX 600	387.75	0.2	0.2	12.9
DAX	12,387.34	0.4	0.4	15.4
FTSE 100	7,531.72	(0.1)	(0.1)	9.9
CAC 40	5,578.21	0.0	0.0	15.9
Nikkei*	21,685.90	0.0	0.0	10.8
MSCI EM	1,057.75	0.7	0.7	9.5
SHANGHAI SE Composite	2,942.19	0.4	0.4	18.0
HANG SENG	28,554.88	0.3	0.3	10.6
BSE SENSEX	38,896.71	0.5	0.5	9.7
Bovespa	103,802.70	(0.5)	(0.5)	21.9
RTS	1,386.52	(0.1)	(0.1)	29.7

Source: Bloomberg (*\$ adjusted returns, #Market was closed on July 15, 2019)

Contacts

Saugata Sarkar, CFA, CAIA

Head of Research

Tel: (+974) 4476 6534

saugata.sarkar@qnbfs.com.qa

Mehmet Aksoy, PhD

Senior Research Analyst

Tel: (+974) 4476 6589

mehmet.aksoy@qnbfs.com.qa

Shahan Keushgerian

Senior Research Analyst

Tel: (+974) 4476 6509

shahan.keushgerian@qnbfs.com.qa

QNB Financial Services Co. W.L.L.

Contact Center: (+974) 4476 6666

PO Box 24025

Doha, Qatar

Zaid al-Nafoosi, CMT, CFTe

Senior Research Analyst

Tel: (+974) 4476 6535

zaid.alnafoosi@qnbfs.com.qa

Disclaimer and Copyright Notice: This publication has been prepared by QNB Financial Services Co. W.L.L. ("QNB FS") a wholly-owned subsidiary of Qatar National Bank (Q.P.S.C.). QNB FS is regulated by the Qatar Financial Markets Authority and the Qatar Exchange. Qatar National Bank (Q.P.S.C.) is regulated by the Qatar Central Bank. This publication expresses the views and opinions of QNB FS at a given time only. It is not an offer, promotion or recommendation to buy or sell securities or other investments, nor is it intended to constitute legal, tax, accounting, or financial advice. QNB FS accepts no liability whatsoever for any direct or indirect losses arising from use of this report. Any investment decision should depend on the individual circumstances of the investor and be based on specifically engaged investment advice. We therefore strongly advise potential investors to seek independent professional advice before making any investment decision. Although the information in this report has been obtained from sources that QNB FS believes to be reliable, we have not independently verified such information and it may not be accurate or complete. QNB FS does not make any representations or warranties as to the accuracy and completeness of the information it may contain, and declines any liability in that respect. For reports dealing with Technical Analysis, expressed opinions and/or recommendations may be different or contrary to the opinions/recommendations of QNB FS Fundamental Research as a result of depending solely on the historical technical data (price and volume). QNB FS reserves the right to amend the views and opinions expressed in this publication at any time. It may also express viewpoints or make investment decisions that differ significantly from, or even contradict, the views and opinions included in this report. This report may not be reproduced in whole or in part without permission from QNB FS.

COPYRIGHT: No part of this document may be reproduced without the explicit written permission of QNB FS.