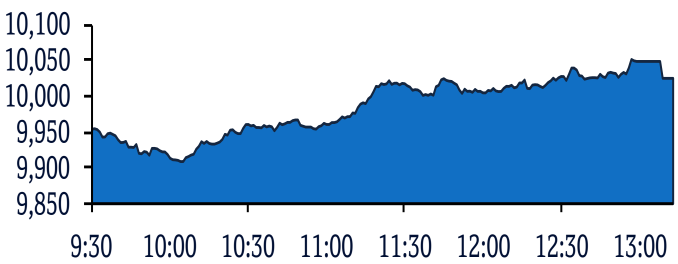
Daily Market Report

Thursday, 29 August 2019

QSE Intra-Day Movement



Qatar Commentary

The QE Index declined marginally to close at 10,025.5. Losses were led by the Transportation and Consumer Goods & Services indices, falling 0.5% and 0.4%, respectively. Top losers were Ahli Bank and United Development Company, falling 4.1% and 2.9%, respectively. Among the top gainers, Qatar General Insurance & Reinsurance Company gained 5.7%, while Qatar Oman Investment Co. was up 4.5%.

GCC Commentary

Saudi Arabia: The TASI Index fell 1.4% to close at 8,171.2. Losses were led by the Food & Staples and Telecom. Services indices, falling 4.1% and 3.1%, respectively. Abdullah Al Othaim Markets and Saudia Dairy & Foodstuff were down 4.6% each.

Dubai: The DFM Index gained 0.2% to close at 2,757.8. The Telecommunication index rose 1.3%, while the Consumer Staples and Discretionary index gained 0.8%. Al Salam Sudan rose 13.1%, while DAMAC Properties Dubai Co. was up 3.5%.

Abu Dhabi: The ADX General Index fell marginally to close at 5,128.6. The Investment & Financial Services index declined 0.5%, while the Banks index fell 0.4%. Sharjah Group declined 10.0%, while Waha Capital was down 1.9%.

Kuwait: The Kuwait All Share Index gained 0.2% to close at 5,950.3. The Consumer Goods index rose 1.0%, while the Industrials index gained 0.5%. Bayan Investment Company rose 6.0%, while Al-Deera Holding Company was up 5.9%.

Oman: The MSM 30 Index gained 0.5% to close at 3,972.6. Gains were led by the Services and Financial indices, rising 0.6% and 0.1%, respectively. National Life & General Insurance rose 3.3%, while Renaissance Services was up 2.6%.

Bahrain: The BHB Index fell 0.2% to close at 1,534.4. The Commercial Banks index declined 0.4%, while the Services index fell 0.3%. Bahrain Ship Repairing & Engineering Company declined 3.3%, while Ithmaar Holding was down 1.4%.

Market Indicators	28 Aug 19	27 Aug 19	%Chg.
Value Traded (QR mn)	203.6	655.8	(69.0)
Exch. Market Cap. (QR mn)	551,087.2	551,771.4	(0.1)
Volume (mn)	66.4	126.1	(47.4)
Number of Transactions	5,894	11,006	(46.4)
Companies Traded	44	45	(2.2)
Market Breadth	19:18	27:16	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	18,447.72	(0.0)	1.1	1.7	14.5
All Share Index	2,943.30	(0.1)	0.4	(4.4)	14.6
Banks	3,889.77	0.0	0.2	1.5	13.4
Industrials	3,002.82	(0.2)	1.2	(6.6)	17.3
Transportation	2,476.56	(0.5)	(1.2)	20.2	13.6
Real Estate	1,401.13	(0.4)	(1.4)	(35.9)	15.4
Insurance	2,789.28	1.8	4.6	(7.3)	16.3
Telecoms	883.77	0.0	(0.7)	(10.5)	16.1
Consumer	8,143.65	(0.4)	1.6	20.6	16.2
Al Rayan Islamic Index	3,862.34	(0.2)	0.8	(0.6)	14.3

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Co. for Cooperative Ins.	Saudi Arabia	68.00	4.0	811.6	12.8
DAMAC Properties	Dubai	0.96	3.5	7,955.3	(36.8)
Ahli Bank	Oman	0.12	2.6	133.3	(13.7)
Qatar Insurance Co.	Qatar	3.13	2.3	483.9	(12.8)
Bupa Arabia for Coop. Ins.	Saudi Arabia	106.00	1.9	241.6	30.9

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Saudi Arabian Mining Co.	Saudi Arabia	45.20	(4.1)	1,821.0	(8.3)
Banque Saudi Fransi	Saudi Arabia	36.20	(4.0)	1,740.2	15.3
Bank Al-Jazira	Saudi Arabia	13.72	(3.4)	3,644.8	(3.9)
Saudi Telecom Co.	Saudi Arabia	100.40	(3.3)	2,733.9	11.3
Mouwasat Med. Services	Saudi Arabia	89.00	(3.3)	59.0	10.6

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

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar General Ins. & Reins. Co.	3.50	5.7	46.3	(22.0)
Qatar Oman Investment Company	0.51	4.5	149.6	(3.9)
Doha Bank	2.60	3.6	2,631.2	17.1
Qatar Insurance Company	3.13	2.3	483.9	(12.8)
Qatar First Bank	0.30	1.4	8,987.2	(26.5)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Ahli Bank	3.06	(4.1)	30.0	20.2
United Development Company	1.36	(2.9)	2,070.8	(7.8)
Qatar Navigation	6.00	(2.8)	3.1	(9.1)
Qatar Islamic Insurance Company	5.99	(1.8)	4.6	11.5
Al Khalij Commercial Bank	1.15	(1.7)	178.0	(0.3)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Ezdan Holding Group	0.61	0.0	12,031.6	(53.2)
Qatar First Bank	0.30	1.4	8,987.2	(26.5)
Salam International Inv. Ltd.	0.39	0.5	6,154.5	(9.9)
Qatar Gas Transport Company Ltd.	2.31	0.4	6,038.4	28.8
Mesaieed Petrochemical Holding	2.70	(0.4)	5,001.2	79.6

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Qatar Fuel Company	21.41	(0.9)	37,560.8	29.0
QNB Group	18.52	(0.2)	25,303.7	(5.0)
Qatar Islamic Bank	15.60	0.6	14,200.0	2.6
Qatar Gas Transport Company	2.31	0.4	13,895.6	28.8
Mesaieed Petrochemical Holding	2.70	(0.4)	13,618.6	79.6

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*	10,025.47	(0.0)	1.1	(4.6)	(2.7)	55.66	151,383.7	14.5	1.5	4.4
Dubai	2,757.80	0.2	(0.4)	(5.5)	9.0	35.28	98,671.0	11.6	1.0	4.5
Abu Dhabi	5,128.56	(0.0)	1.8	(3.6)	4.3	48.33	141,282.9	15.2	1.5	4.8
Saudi Arabia	8,171.17	(1.4)	(3.3)	(6.4)	4.4	1,232.44	515,685.2	20.1	1.8	3.7
Kuwait	5,950.31	0.2	(0.8)	(2.7)	17.1	72.19	111,294.7	14.8	1.4	3.5
Oman	3,972.56	0.5	(0.4)	5.6	(8.1)	6.69	17,304.9	8.1	0.8	6.9
Bahrain	1,534.43	(0.2)	0.1	(0.9)	14.7	2.55	23,981.5	11.4	1.0	5.1

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

Qatar Market Commentary

- The QE Index declined marginally to close at 10,025.5. The Transportation and Consumer Goods & Services indices led the losses. The index fell on the back of selling pressure from GCC and non-Qatari shareholders despite buying support from Qatari shareholders.
- Ahli Bank and United Development Company were the top losers, falling 4.1% and 2.9%, respectively. Among the top gainers, Qatar General Insurance & Reinsurance Company gained 5.7%, while Qatar Oman Investment Company was up 4.5%.
- Volume of shares traded on Wednesday fell by 47.4% to 66.4mn from 126.1mn on Tuesday. However, as compared to the 30-day moving average of 62.5mn, volume for the day was 6.2% higher. Ezdan Holding Group and Qatar First Bank were the most active stocks, contributing 18.1% and 13.5% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	20.50%	30.08%	(19,520,653.41)
Qatari Institutions	38.75%	16.65%	44,990,451.02
Qatari	**59.25%**	**46.73%**	**25,469,797.61**
GCC Individuals	0.73%	5.19%	(9,088,622.63)
GCC Institutions	1.94%	2.12%	(372,006.26)
GCC	**2.67%**	**7.31%**	**(9,460,628.89)**
Non-Qatari Individuals	7.04%	7.08%	(86,070.98)
Non-Qatari Institutions	31.05%	38.87%	(15,923,097.74)
Non-Qatari	**38.09%**	**45.95%**	**(16,009,168.72)**

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

Ratings and Global Economic Data

Ratings Updates

Company	Agency	Market	Type*	Old Rating	New Rating	Rating Change	Outlook	Outlook Change
DAMAC Properties Dubai Co.	S&P	Dubai	LT-FIC/LT-LIC	BB-/BB-	B+/B+	↓	Negative	–

Source: News reports, Bloomberg (* LT – Long Term, ST – Short Term, FIC- Foreign Issuer Credit, LIC- Local Issuer Credit)

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
08/28	US	Mortgage Bankers Association	MBA Mortgage Applications	23-August	-6.2%	–	-0.9%
08/28	Germany	GfK AG	GfK Consumer Confidence	September	9.7	9.6	9.7

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

News

Qatar

- **July earnings of oil and natural gas producers increase in Qatar –** Oil and natural gas producers in Qatar saw about 1% MoM increase in their earnings in July; even as the country's Producers' Price Index (PPI) fell marginally, according to the official estimates. Qatar's PPI - a measure of the average selling prices received by the domestic producers for their output - reported a 0.2% dip compared to that in June this year, according to the figures released by the Planning and Statistics Authority (PSA). On a yearly basis, the index had seen an 11.8% plunge. The mining PPI, which carries the maximum weight of 72.7%, was up 0.9% on a monthly basis as crude petroleum and natural gas prices also grew in a similar proportion, while that of stone, sand and clay was unchanged in the review period. The PPI for mining saw a 12.4% YoY shrinkage in July 2019, on the back of 12.5% decrease in the price of crude petroleum and natural gas; even as there was a marginal 0.5% rise in that of stone, sand and clay. The manufacturing sector, which has a weight of 26.8% in the PPI basket, witnessed a 10.5% yearly plunge this July on a 12% decline in the price of refined petroleum products, 11.1% in basic metals, 8.1% in basic chemicals, 5.1% in cement and other non-metallic mineral products, 1% in paper and paper products and 0.7% in grain mill and other products. The manufacturing sector PPI had seen a monthly 2.1% contraction in July 2019. (Gulf-Times.com)
- **The Amir chairs third meeting of Supreme Council for Economic Affairs and Investment –** HH the Amir Sheikh Tamim bin Hamad Al Thani, Chairman of the Supreme Council for Economic Affairs and Investment, chaired on Wednesday the council's third meeting in 2019. The Council discussed topics on the meeting agenda and took the appropriate measures regarding them. The Council reviewed the work process of the second National Development Strategy 2018-2022. The Council also reviewed the latest developments with regard to the Free Zone Authority, particularly the approval of investment applications from major international and local companies worth more than QR1bn targeting key economic, industrial and technological projects in the free zones in the country, in addition to the adoption of privileged partnerships between the private sector and international companies from various fields. (Qatar Tribune)
- **QFZA approves QR1bn-plus investments ahead of free zones official launch –** The Qatar Free Zones Authority (QFZA) has approved investment applications from major international and local companies valued at more than QR1bn. The QFZA is the authority that develops free zones in Qatar and sets the strategic direction as well as formulates and governs policies for businesses operating in the free zones. "The value of the approved investments totaled more than QR1bn, in the first six months alone, of accepting investment applications," the QFZA stated. The QFZA has directed the funds towards significant

economic, industrial, and technological projects in the free zones, having briefed the Supreme Council for Economic Affairs and Investment on the progress report of the QFZA and the projects it works on. The QFZA also revealed that it has approved a range of partnerships between private sector and global companies across different fields. HE Minister of State and Chairman of the Qatar Free Zones Authority, Ahmad bin Mohamed Al-Sayed said, "Prior to the official launch of the free zones, QFZA was able to attract and approve investment applications and register a group of major international companies in various fields, reflecting the confidence investors have in Qatar." The QFZA also announced that it is in the process of finalizing the infrastructure of its free zones, which will be ready for inauguration soon. Investors from Qatar and abroad can apply to invest and register in the free zones through the QFZA. (Gulf-Times.com)

- **Foreign net inflows into Qatar equity market stood at $2.2bn in 2018 –** GCC countries are in the process of opening their economies to make them more attractive to foreign investors. Foreign equity inflows into GCC capital markets is expected to rise sharply in the coming years, aided by the recent inclusions of two markets in the region in emerging market indices by global index providers such as MSCI, FTSE and S&P. Markaz Research noted Qatar's markets were the best performer in 2018 in terms of price returns as well as net foreign portfolio inflows in 2018. Its inflows amounted to $2.2bn in 2018, up from a net outflow of $445mn in 2017. Qatar's ability to successfully manage the diplomatic isolation of GCC neighbors helped in changing the outlook of global investors on Qatar in 2018. Markaz analysts said the influx of foreign capital into GCC equity markets would contribute to broader development of GCC markets and may allow domestic companies to raise capital at favorable rates from an enlarged base of investors. This in turn, will lead to higher growth of the private sector in these countries, a major objective of the governments in the region as part of their focus on growth of the non-oil economy. (Gulf-Times.com)
- **Al Baker: Malaysia important market for Qatar Airways –** Qatar Airways Group's CEO, Akbar Al Baker met with Malaysian Prime Minister Mahathir bin Mohamed and other senior officials following the opening of the UNWTO World Tourism Conference. Al Baker took the opportunity to discuss several issues of mutual interest, including developments in the global aviation industry and Qatar Airways' upcoming launch of flights to Langkawi, during separate meetings with Prime Minister Mahathir and Malaysian Minister of Transport Anthony Loke Siew Fook. Al Baker said, "It was a pleasure and an honor to meet with Prime Minister Mahathir. Malaysia is an important, and growing, market for Qatar Airways as shown by our new route to Langkawi, which will operate from October 15. We were able to discuss a wide range of mutually beneficial issues and I look forward to a continuing dialogue with him and his government." (Gulf-Times.com)

International

- **Retailers howl as US trade agency locks in 15% tariffs on September 1 –** The Trump administration on Wednesday made official its extra 5% tariff on $300bn in Chinese imports and set collection dates of September 1 and December 15, prompting hundreds of US retail, footwear, toy and technology companies to warn of price hikes. The US Trade Representative's office stated in an official notice that collections of a 15% tariff will begin at 12:01 a.m. EDT (0401 GMT) Sunday on a portion of the list covering over $125bn of targeted goods from China. This initial tranche includes smart-watches, Bluetooth headphones, flat panel televisions and many types of footwear. The US Customs and Border Protection will also start collecting a 15% tariff on December 15 on the remainder of the $300bn list, including cellphones, laptop computers, toys and clothing, USTR stated in the Federal Register filing. The US President, Donald Trump announced the increase to 15% from 10% last Friday, escalating the bitter US China trade war after Beijing hit back with retaliatory tariffs on $75bn worth of US goods, including crude oil. (Reuters)
- **MBA: US mortgage activity falls as loan costs rise –** The US mortgage applications recorded their biggest weekly drop in over four months as home borrowing costs posted their first broad increase in six weeks, the Mortgage Bankers Association (MBA) stated. Mortgage rates rose last week prompted by volatility in the Treasuries markets as investors fretted over the trade conflict between China and the US and its impact on an already softening global economy. This uncertain outlook will likely curb interest in home buying and potential borrowers from seeking a mortgage. The Washington-based industry group's seasonally adjusted index on loan requests to buy a home and to refinance one fell 6.2% to 576.2 in the week ended August 23. This was the steepest decline since a 7.3% fall in the week of April 19. The average interest rate for 30-year fixed-rate mortgages, with conforming loan balances of $484,350 or less, climbed to 3.94% from prior week's 3.90%, which was the lowest since November 2016. The 30-year rate on conforming mortgages has fallen 44 basis points so far this year. Average interest rates on most fixed-rate home loans MBA tracks edged up 1 basis point from the prior week, while the average rate on five-year adjustable mortgages jumped to 3.42% from 3.35% the prior week. (Reuters)
- **UK employers want more staff, but fear shortages as Brexit nears –** British employers plan to hire more staff even as they remain pessimistic about the economy in the run-up to Brexit, according to a survey published which showed no sign of a weakening of the strong labor market. However the Recruitment & Employment Confederation (REC) stated severe skill shortages remained, especially in the public sector, and the government's proposed restrictions on European Union workers after Brexit could make them worse. Hiring intentions improved for permanent staff in the short and medium term, the REC survey showed. Economists are watching for any signs that employers might cut back on hiring as the October 31 Brexit deadline nears. A fall in unemployment to its lowest rate since the mid-1970s has helped Britain's economy to outperform most analysts' expectations over the three years since the 2016 Brexit referendum. REC stated despite the stronger hiring plans, 46% of employers were concerned that they would be unable to find enough suitable candidates, especially among firms seeking workers with health and social care skills. (Reuters)
- **Eurozone's household lending growth rises to post-crisis high –** Bank lending in the Eurozone accelerated in July, while a

money supply indicator which often foreshadows future activity rose far more than expected, data from the European Central Bank (ECB) showed. Household lending growth accelerated to a post-crisis high of 3.4% in July from 3.3% in June, while corporate lending growth held steady at 3.9%, equaling its best rate this year, suggesting that even as the economy continues to cool, it is not facing a downturn or a recession. Still, with growth now below trend due to weak export demand for manufactured goods, the lending figures are unlikely to ease the ECB's concerns, and policymakers are all but certain to approve a fresh stimulus package at their September 12 meeting. Indeed, with a hard Brexit looking ever more likely and a global trade war sapping confidence, Germany's vast industrial sector is already in recession, raising the risk that its malaise will soon infect the domestic economy and spread around to other nations. The annual growth rate of the M3 measure of money supply, which often serves as a reliable indicator of future activity, grew by 5.2% in July after 4.5% in June, beating forecasts for 4.7%. (Reuters)

- **GfK: German consumer morale stable despite weaker growth outlook –** German consumer morale remained unexpectedly stable heading into September, a survey showed, suggesting that household spending will continue to prop up Europe's largest economy despite its deteriorating growth outlook. The GfK consumer sentiment indicator, based on a survey of about 2,000 Germans, was unchanged at 9.7 compared with the previous month. The reading beat a Reuters Poll of analysts who had expected a decline to 9.6. Household spending has become an important pillar of support for Germany as its exports falter. Domestic demand is boosted by record-high employment, above-inflation pay increases and low borrowing costs. The economy contracted by 0.1% on weaker exports in the second quarter, data showed on Tuesday, highlighting Germany's Achilles' heel in times of weaker foreign demand, escalating trade disputes and Brexit uncertainty. (Reuters)
- **Hitting EU's debt target will be harder this year says German finance ministry spokesman –** Germany has not abandoned its goal of keeping public debt below the European Union's (EU) ceiling of 60% of economic output, but recent economic developments mean that this target will be harder to hit, a finance ministry spokesman said. "We are not giving this goal up, but given the economic developments we are seeing this year it will be harder to reach this goal," the spokesman said. On Tuesday, Germany's statistics office revised gross domestic product data for the past 20 years, which also affected its debt to GDP ratio. (Reuters)
- **China considers new rules for smaller banks to limit risk –** China is considering new rules for the country's small-to-medium financial institutions to reduce risk in the wider economy, following a number of state bailouts of smaller lenders, the state-run Economic Information Daily reported. The report, citing a source in the People's Bank of China (PBOC), stated the rules could require high-risk financial institutions, local governments and the country's regulators to jointly take on the responsibility of risk resolution for smaller banks. The PBOC, the country's central bank, would also encourage merger talks, instead of bankruptcies, when dealing with problematic financial institutions, the report added. (Reuters)

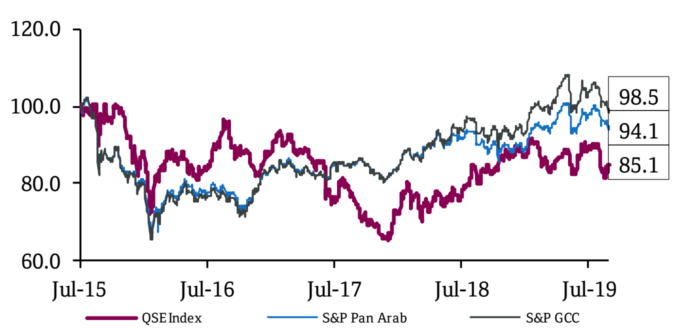
Regional

- **MENA fund managers to boost Egypt and UAE investments, still bearish on Saudi Arabia –** Middle Eastern funds plan to increase their investments in Egypt and UAE and decrease allocations in Saudi Arabia, while keeping their exposure to other countries in the region at current levels, according to a Reuters poll. Six of 10 managers polled said they would increase their investments in Egypt, noting falling inflation and interest rates. Earlier this month, Egypt reported its lowest headline inflation rate in nearly four years, and its central bank cut interest rates by 150 basis points. Analysts expect this trend to continue. "This should drive demand for consumer goods as well as support corporate capital expenditure financed by lower borrowing costs. (Egypt's) earnings growth profile is the best in MENA," Senior Portfolio Manager at Al Mal Capital, Vrajesh Bhandari said. Egypt's main index EGX30 is up 9.56% this year, beating most regional markets. "We believe (falling interest rates) could channel liquidity out of the fixed income market into the equity market as the carry-trade of Egyptian treasuries become less attractive," Portfolio Manager at Rasmala Investment Bank, Vishal Gupta said. Among 50% of fund managers polled said they would increase their investments in the UAE, a trend that has continued through most of the year. Dubai was one of the worst-performing markets globally in 2018 however, has rebounded with its benchmark index DFM is up almost 8.76% so far. In neighboring Abu Dhabi, the index ADX is up 4.39% this year. "There are high quality companies that have reported stable results for the second quarter amid a difficult operating environment and thus valuations are not demanding," Vrajesh Bhandari said. (Reuters)
- **UAE and Saudi Arabia launch joint housing services –** A joint working team was formed within the UAE-Saudi Coordination Council will reinforce the strategic partnership in the housing sector, according to the official WAM news agency. The step is aimed at providing unified housing services and launching joint ventures in this vital sector. The team is responsible for launching joint housing initiatives, performing studies and presenting proposals to the council's executive committee, as well as establishing a knowledge platform for unifying standards related to the construction sector and materials. UAE's Minister of Infrastructure Development and Chairman of the Sheikh Zayed Housing Program, Abdullah bin Mohammed Belhaif Al Nuaimi said that the UAE believes in the importance of strengthening its cooperation with Saudi Arabia in providing joint housing services to achieve housing sustainability. (Bloomberg)
- **Saudi Arabia's non-oil trade with four GCC countries reached SR46.65bn in 1H2019 –** The non-oil trade exchange between Saudi Arabia and the UAE, Bahrain, Kuwait, and Oman went down by 4.3% YoY during the first six months of 2019. The Saudi Arabia-GCC non-oil trade, excluding Qatar, amounted to SR46.65bn in 1H2019, compared to SR48.77bn in the year-ago period, according to data compiled by Mubasher. Saudi Arabian non-oil trade with the UAE reached SR30.28bn from January 2019 to the end of June, as compared to SR34.6bn in 1H2019. Moreover, Kuwaiti-Saudi Arabian non-oil trade declined by 2% YoY to SR4.4bn in the first half of the year. Saudi Arabia's non-oil exports to the UAE, Kuwait, Bahrain, and Oman recorded

SR22.5bn in the six-month period ended June 30. The Kingdom's non-oil imports from the four countries leveled down to SR27.67bn in 1H2019, compared to SR29.83bn in the corresponding period in 2018. (Zawya)

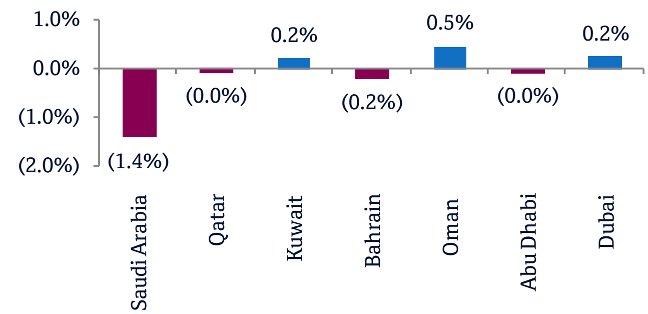
- **Saudi Arabia's trade surplus hits SR251.49bn in 1H2019 –** The trade surplus of Saudi Arabia declined during the first half of 2019 affected by the volume of trade during June. The Kingdom's trade surplus retreated by 6.1% to SR251.49bn in 1H2019 compared to SR267.93bn in 1H2018, according to Mubasher statistics. In June, the trade surplus of the GCC nation fell by 31.9% YoY. The country's total trade volume decreased by 4.15% to SR751.43bn during the first six months of 2019 from SR783.94bn in the corresponding period last year. As for Saudi Arabia's oil exports, they leveled down by 3.96% YoY to SR391.83bn in 1H2019. On a yearly basis, the country's total exports went down by 4.65% to SR501.5bn during the six-month period ended June, while imports plunged by 3.1% to SR249.97bn over the same period. (Zawya)
- **Saudi Arabia's consumer prices ease for a seventh month in July –** Saudi Arabia's consumer prices fell an annual 1.3% in July, easing for a seventh month, according to a report from the General Authority for Statistics. Deflation led by drop in prices for housing, water, electricity, gas and other fuels, which decreased 6.7% from a year earlier. (Bloomberg)
- **Saudi Arabia's sovereign wealth fund finalizes terms on $10bn loan –** Saudi Arabia's sovereign wealth fund, Public Investment Fund (PIF) finalized the terms of a $10bn loan it is seeking to raise from a group of banks, according to sources. The PIF will pay 30 basis points over the London Interbank Offered Rate for the bridge loan, less than half the rate of its first borrowing, sources said. The financing will have a one-year tenor with an option to extend by an additional 12 months, they said. The fund received more than $20bn of offers from the banks, sources added. The loan will provide some liquidity for the PIF ahead of its Saudi Basic Industries Corp. stake sale, sources said. The fund was seeking to raise as much as $8bn when it started talks with lenders in April, sources said. The PIF will repay the loan with the $70.1bn it will get from the sale of its 70% holding in SABIC to Saudi Aramco. The state-owned oil company will pay for half of the stake this year and the rest over the next two years. (Bloomberg)
- **Aramco Trading sells first US West Texas Light crude to South Korea's Hyundai –** Aramco Trading Company (ATC) sold its first-ever cargo of US West Texas Light (WTL) crude, with a South Korean refiner the buyer, as the Saudi Aramco unit expands its US oil dealings to boost trade volumes, sources said. ATC is key to Saudi Aramco's strategy as it expands its refining and petrochemical operations to boost global sales. The trading unit has been buying US crude from Texas refinery Motiva to re-sell in Asia, the sources said. ATC has been shipping US oil such as West Texas Intermediate (WTI) Midland crude, Eagle Ford condensate and sour grade Mars to refiners in Japan, South Korea, Taiwan, Thailand and the UAE since last year, they said. It expanded that selection of US crudes earlier this month, loading its first-ever 1mn -barrel cargo of WTL, sources said. The shipment is expected to arrive at Hyundai Oilbank's refinery in Daesan in October, they said. This was also Hyundai Oilbank's first WTL crude purchase, sources added. (Reuters)
- **UAE'S Lulu Group to invest $500mn in Egypt's retail sector –** Lulu Group plans to invest $500mn in Egypt's retail sector, the UAE's supermarket chain stated. It plans to build malls, hypermarkets and mini markets, providing 8,000 sustainable jobs, Group Chairman and Managing Director, Youssef Ali said. The agreement was signed with Egypt's Ministry of Supply & Internal Trade and the Ministry of Housing, Utilities & Urban Communities, it stated. (Reuters)
- **Dubai's Averda upsizes loan to $181mn to finance growth –** Dubai-based waste management firm Averda increased the size of its syndicated loan to $181mn and extended the tenor to 2023. The closely held firm, which operates in eight countries across the Middle East, North Africa and sub-Saharan Africa, stated that the loan was 70% oversubscribed. "Our growth strategy combines organic and inorganic expansion and an increased focus on technology driven services, including waste-to-energy," Chief Financial Officer, Samir Sharma said. "The extended facility gives us an enhanced platform from which to drive that strategy forward." The banks involved in transaction are Citigroup, Bank ABC Islamic, Barclays, Credit Suisse, First Abu Dhabi Bank, HSBC, Intesa Sanpaolo, Natixis and Standard Chartered. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,538.98	(0.2)	0.8	20.0
Silver/Ounce	18.35	0.9	5.3	18.4
Crude Oil (Brent)/Barrel (FM Future)	60.49	1.6	1.9	12.4
Crude Oil (WTI)/Barrel (FM Future)	55.78	1.5	3.0	22.8
Natural Gas (Henry Hub)/MMBtu	2.30	2.7	7.0	(27.8)
LPG Propane (Arab Gulf)/Ton#	43.50	0.0	5.5	(31.5)
LPG Butane (Arab Gulf)/Ton#	45.25	0.0	12.1	(35.4)
Euro	1.11	(0.1)	(0.6)	(3.4)
Yen	106.12	0.3	0.7	(3.3)
GBP	1.22	(0.6)	(0.4)	(4.2)
CHF	1.02	(0.0)	(0.7)	(0.0)
AUD	0.67	(0.3)	(0.3)	(4.5)
USD Index	98.21	0.2	0.6	2.1
RUB	66.79	0.5	1.2	(4.2)
BRL	0.24	(0.8)	(1.0)	(6.8)

Source: Bloomberg (#Market was closed on August 28, 2019)

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,111.92	0.3	0.8	12.1
DJ Industrial	26,036.10	1.0	1.6	11.6
S&P 500	2,887.94	0.7	1.4	15.2
NASDAQ 100	7,856.88	0.4	1.4	18.4
STOXX 600	372.86	(0.4)	(0.1)	6.8
DAX	11,701.02	(0.4)	0.2	7.3
FTSE 100	7,114.71	(0.2)	0.0	1.5
CAC 40	5,368.80	(0.5)	0.2	9.8
Nikkei	20,479.42	(0.1)	(1.6)	6.6
MSCI EM	965.35	0.1	(0.9)	(0.0)
SHANGHAI SE Composite	2,893.76	(0.3)	(1.1)	11.4
HANG SENG	25,615.48	(0.2)	(2.2)	(1.0)
BSE SENSEX	37,451.84	(0.8)	1.9	0.8
Bovespa	98,193.50	1.1	(0.4)	4.2
RTS	1,266.71	0.6	(0.1)	18.5

Source: Bloomberg (*$ adjusted returns)

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