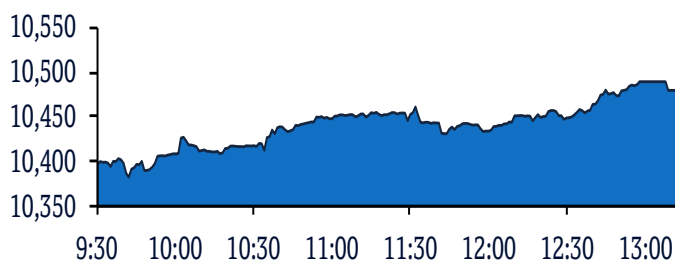


## QSE Intra-Day Movement



## Qatar Commentary

The QE Index rose 0.8% to close at 10,480.5. Gains were led by the Consumer Goods & Services and Transportation indices, gaining 2.3% and 1.7%, respectively. Top gainers were Gulf International Services and Mesaieed Petrochemical Holding Company, rising 10.0% and 4.5%, respectively. Among the top losers, Ezdan Holding Group fell 2.5%, while Islamic Holding Group was down 2.1%.

## GCC Commentary

**Saudi Arabia:** The TASI Index fell 0.3% to close at 9,336.9. Losses were led by the Food & Beverages and Utilities indices, falling 1.3% each. Saudi Company for Hardware declined 5.5%, while Gulf Union Cooperative Insurance was down 4.8%.

**Dubai:** The DFM Index gained 0.3% to close at 2,758.5. The Investment & Fin. Services index rose 2.5%, while the Services index gained 1.2%. International Financial Advisors rose 4.6%, while Dubai Investments was up 2.9%.

**Abu Dhabi:** The ADX General Index fell 0.3% to close at 5,242.6. The Energy index declined 0.9%, while the Banks index fell 0.6%. Abu Dhabi National Energy Company declined 8.7%, while United Arab Bank was down 4.2%.

**Kuwait:** The Kuwait Main Market Index gained 0.4% to close at 4,866.3. The Technology index rose 19.9%, while the Financial Services index gained 1.6%. Automated Systems Company rose 19.9%, while Hilal Cement Co. was up 9.9%.

**Oman:** The MSM 30 Index fell marginally to close at 3,964.8. The Financial index declined 0.1%, while the other indices ended in the green. Muscat Finance fell 5.7%, while Sohar International Bank was down 1.8%.

**Bahrain:** The BHB Index gained marginally to close at 1,434.6. The Investment index rose 0.6%, while the Commercial Banks index gained 0.2%. BMMI rose 6.0%, while Seef Properties was up 3.0%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Gulf International Services	17.82	10.0	345.6	4.8
Mesaieed Petrochemical Holding	20.50	4.5	786.4	36.4
Investment Holding Group	6.15	3.9	5,655.7	25.8
Dlala Brokerage & Inv. Holding Co.	10.73	3.8	160.6	7.3
Doha Bank	23.10	3.6	734.6	4.1

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Investment Holding Group	6.15	3.9	5,655.7	25.8
Qatar First Bank	5.02	1.4	2,983.5	23.0
Qatar Aluminium Manufacturing	10.25	0.1	1,274.0	(23.2)
Ezdan Holding Group	10.24	(2.5)	1,197.2	(21.1)
Vodafone Qatar	7.75	0.3	890.1	(0.8)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,480.52	0.8	0.3	1.0	1.8	85.44	161,115.6	14.7	1.6	4.2
Dubai	2,758.51	0.3	(1.0)	(0.3)	9.0	42.11	98,506.7	11.6	1.0	5.1
Abu Dhabi	5,242.59	(0.3)	(2.8)	(0.3)	6.7	34.90	149,307.8	14.6	1.5	4.7
Saudi Arabia	9,336.90	(0.3)	0.7	0.4	19.3	903.07	584,706.5	21.2	2.1	3.2
Kuwait	4,866.32	0.4	(0.2)	0.8	2.7	70.36	33,589.6	14.3	0.9	4.1
Oman	3,964.83	(0.0)	0.6	0.5	(8.3)	3.80	17,228.5	8.3	0.8	6.9
Bahrain	1,434.59	0.0	(0.5)	0.0	7.3	19.25	22,247.8	9.9	0.9	5.8

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	02 May 19	01 May 19	%Chg.
Value Traded (QR mn)	312.0	195.0	60.0
Exch. Market Cap. (QR mn)	586,514.7	583,420.8	0.5
Volume (mn)	19.0	12.5	51.2
Number of Transactions	6,644	4,986	33.3
Companies Traded	43	44	(2.3)
Market Breadth	28:12	17:22	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	19,285.05	0.8	0.3	6.3	14.7
All Share Index	3,182.11	0.5	(0.2)	3.3	15.1
Banks	4,085.79	0.4	(0.5)	6.6	14.3
Industrials	3,247.74	0.8	1.0	1.0	16.4
Transportation	2,487.07	1.7	(1.1)	20.8	13.4
Real Estate	1,865.92	(0.9)	(1.7)	(14.7)	15.6
Insurance	3,346.68	(0.5)	(0.8)	11.2	19.3
Telecoms	933.05	0.1	0.1	(5.5)	19.2
Consumer	7,954.80	2.3	1.8	17.8	15.5
Al Rayan Islamic Index	4,033.00	0.7	0.2	3.8	13.8

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Mabane Company	Kuwait	0.67	3.9	2,436.1	17.2
Qatar Gas Transport Co.	Qatar	22.00	3.1	617.3	22.7
Al Ahli Bank of Kuwait	Kuwait	0.33	3.1	5.0	11.9
Human Soft Holding Co.	Kuwait	3.40	3.0	108.5	3.6
Dubai Investments	Dubai	1.40	2.9	16,471.1	11.1

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Emaar Malls	Dubai	1.68	(4.5)	3,653.1	(6.1)
Makkah Const. & Dev. Co.	Saudi Arabia	74.90	(3.2)	96.0	(5.2)
Aluminium Bahrain	Bahrain	0.43	(3.2)	20.0	(28.3)
Ethihad Etisalat Co.	Saudi Arabia	23.46	(3.0)	4,572.8	41.5
BBK	Bahrain	0.44	(2.7)	143.4	(4.0)

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%
Ezdan Holding Group	10.24	(2.5)	1,197.2	(21.1)
Islamic Holding Group	21.65	(2.1)	37.5	(0.9)
Qatar Electricity & Water Co.	165.50	(1.3)	37.7	(10.5)
Qatar Navigation	67.00	(0.7)	2.7	1.5
Zad Holding Company	120.11	(0.7)	0.1	15.5

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	195.40	0.5	42,353.4	0.2
Investment Holding Group	6.15	3.9	34,997.5	25.8
Qatar Fuel Company	207.89	3.4	30,515.5	25.2
Industries Qatar	121.50	0.0	21,318.1	(9.1)
Doha Bank	23.10	3.6	16,810.1	4.1

Source: Bloomberg (\* in QR)

## Qatar Market Commentary

- The QE Index rose 0.8% to close at 10,480.5. The Consumer Goods & Services and Transportation 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.
- Gulf International Services and Mesaieed Petrochemical Holding Company were the top gainers, rising 10.0% and 4.5%, respectively. Among the top losers, Ezdan Holding Group fell 2.5%, while Islamic Holding Group was down 2.1%.
- Volume of shares traded on Thursday rose by 51.2% to 19.0mn from 12.5mn on Wednesday. Further, as compared to the 30-day moving average of 13.1mn, volume for the day was 44.3% higher. Investment Holding Group and Qatar First Bank were the most active stocks, contributing 29.8% and 15.7% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	36.61%	49.84%	(41,282,912.48)
Qatari Institutions	17.35%	18.62%	(3,970,775.76)
<b>Qatari</b>	<b>53.96%</b>	<b>68.46%</b>	<b>(45,253,688.24)</b>
GCC Individuals	1.11%	1.21%	(323,295.12)
GCC Institutions	3.51%	0.57%	9,164,583.42
<b>GCC</b>	<b>4.62%</b>	<b>1.78%</b>	<b>8,841,288.30</b>
Non-Qatari Individuals	12.99%	14.66%	(5,223,835.87)
Non-Qatari Institutions	28.43%	15.09%	41,636,235.81
<b>Non-Qatari</b>	<b>41.42%</b>	<b>29.75%</b>	<b>36,412,399.94</b>

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

## Earnings Releases and Global Economic Data

### Earnings Releases

Company	Market	Currency	Revenue (mn) 1Q2019	% Change YoY	Operating Profit (mn) 1Q2019	% Change YoY	Net Profit (mn) 1Q2019	% Change YoY
Southern Province Cement Co.	Saudi Arabia	SR	342.0	24.8%	126.0	23.5%	120.0	17.6%
Saudi Electricity Co.	Saudi Arabia	SR	11,395.0	-0.1%	-594.0	N/A	-1,489.0	N/A
National Central Cooling Company	Dubai	AED	296.8	8.1%	109.6	13.5%	80.0	2.9%
Deyaar Development	Dubai	AED	175.8	-0.4%	-	-	18.3	-54.4%
Dubai Investments	Dubai	AED	705.9	-23.9%	-	-	202.0	-44.2%
Finance House	Abu Dhabi	AED	62.1	-3.5%	69.7	-5.3%	12.6	-32.8%
RAK Ceramics	Abu Dhabi	AED	620.3	-6.3%	55.0	-34.7%	29.0	-48.2%
Bahrain Commercial Facilities Co.	Bahrain	BHD	9.7	11.1%	11.3	2.7%	5.5	10.8%
Seef Properties <sup>#</sup>	Bahrain	BHD	3,330.5	-0.5%	3,889.4	3.8%	2,192.1	1.7%
Zain Bahrain	Bahrain	BHD	15.6	-6.4%	1.9	64.3%	1.7	55.4%
Bahrain Telecommunication Co.	Bahrain	BHD	101.2	1.7%	-	-	14.6	11.4%

Source: Company data, DFM, ADX, MSM, TASI, BHB. (<sup>#</sup>Values in '000)

### Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
05/02	US	Department of Labor	Initial Jobless Claims	27-April	230k	215k	230k
05/02	US	Department of Labor	Continuing Claims	20-April	1,671k	1,660k	1,654k
05/03	US	Bureau of Labor Statistics	Unemployment Rate	April	3.6%	3.8%	3.8%
05/03	US	Markit	Markit US Services PMI	April	53.0	52.9	52.9
05/03	US	Markit	Markit US Composite PMI	April	53.0	-	52.8
05/03	US	Institute for Supply Management	ISM Non-Manufacturing Index	April	55.5	57.0	56.1
05/02	UK	Markit	Markit/CIPS UK Construction PMI	April	50.5	50.3	49.7
05/03	UK	Markit	Markit/CIPS UK Services PMI	April	50.4	50.3	48.9
05/03	UK	Markit	Markit/CIPS UK Composite PMI	April	50.9	50.6	50.0
05/02	EU	Markit	Markit Eurozone Manufacturing PMI	April	47.9	47.8	47.8
05/03	EU	Eurostat	PPI MoM	March	-0.1%	0.1%	0.1%
05/03	EU	Eurostat	PPI YoY	March	2.9%	3.0%	3.0%
05/03	EU	Eurostat	CPI Core YoY	April	1.2%	1.0%	0.8%
05/03	EU	Eurostat	CPI Estimate YoY	April	1.7%	1.6%	1.4%
05/02	Germany	Markit	Markit/BME Germany Manufacturing PMI	April	44.4	44.5	44.5
05/02	France	Markit	Markit France Manufacturing PMI	April	50.0	49.6	49.6
05/02	India	Markit	Nikkei India PMI Mfg	April	51.8	-	52.6

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

## Stock Split Dates for Listed Qatari Companies

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

Source: QSE

## News

### Qatar

- Qatari bourse seeks to gain retail investors with stock split move** – Qatar’s stock exchange is setting the stage for a split in the price of stocks in an effort to attract more individual investors to the \$160bn market. The bourse is preparing to change the nominal value of a share in all listed companies to QR1 starting next month. Such a move is typically designed to lower the price of equity and thereby stimulate dealing. Holders of QNB Group, for example, with a share worth QR195.40 on May 2, would hold 10 times the number of equities with a price of QR19.54 apiece after the split. “The face value of the stocks should be at par with other markets in the region, so retail investors can have a better sense of pricing. The economic value of the companies will be the same, at the end of the day,” Mohsin Mujtaba, Director of products and market development at the Qatar Stock Exchange. More retail participation would improve liquidity and also encourage institutional participation, he added. (Gulf-Times.com)
- ValuStrat: Qatar’s real estate may remain 'buyer-friendly market' over next quarters of 2019** – Qatar’s real estate may remain a ‘buyer-friendly market’ over the next quarters of 2019 as existing and upcoming supply this year will entail further softening of prices, a new report has showed. The first quarter 2019 review issued by leading regional consulting firm ValuStrat reported the continuation of an overall correction phase where prices have become more competitive. Residential capital values and rents weakened and office rents continued to favor tenants. Falling Average Daily Rates (ADRs) have given rise to occupancy in all hotel categories. Industrial storage rents

in the industrial sector decreased marginally, the report stated. ValuStrat’s General Manager (Qatar), Pawel Banach said, “Prices and rents continue to fall, however the rate of adjustment is slower, indicating they have reached a more representative level in several areas of Qatar. Competitive prices can partially explain the jump in transaction volume by 20% annually this quarter.” Qatar’s ValuStrat Price Index (VPI) for residential capital values is a 100-point valuation-based index with its base set in 1Q2016, stood at 73.4 points. Countrywide residential capital values declined by 18.3% compared to the same quarter two years ago, down 9.9% YoY and 2.2% QoQ. (Gulf-Times.com)

- ValuStrat: Qatar’s hotel sector saw 27,474 hotel rooms in 1Q2019** – Qatar’s hotel sector saw the first quarter of 2019 ending with 27,474 hotel rooms with the unveiling of Mandarin Oriental (Mushiereb), Dana Al Sadd (Al Sadd), VIP hotel (Umm Ghuwailina) and Dusit Doha (West Bay), ValuStrat stated. Visitor arrivals, recorded 376,000 until February 2019 up by 8% YoY. As hotel operators reduced room rates to attract more guests, the Average Daily Rate (ADR) declined 6% YoY for the first two months of 2019, a result of which led to hotel occupancy increasing to 67% from 60% last year, and there was a 3% annual rise in occupancy for hotel apartment to 76%. Qatar’s organized retail stock remained at 1.8mn square meters gross leasable area (GLA) by the end of 1Q2019. An estimated 185,000 square meters GLA from four shopping centers are in pipeline for 2019. Average occupancy across malls was estimated at 80%. However, the performance of older and newly completed shopping malls might come under pressure

due to upcoming retail supply. Additionally, average rents in Doha street retail remained stable at QR200 per square meters, the regional consulting firm stated. (Gulf-Times.com)

- **Qatar's trade volume with ACD nations reaches \$81bn in 2018** – Speakers at the Asia Cooperation Dialogue (ACD) Business Forum reviewed in the first session the potential of Doha as a gateway to regional markets. Trade volume between Qatar and ACD member states reached \$81bn in 2018, equivalent to 70% of the country's total foreign trade, Minister of Commerce and Industry HE Ali bin Ahmed Al Kuwari said. He said Qatar was ready to become a networking hub that brings together ACD member states to promote economic integration among Asian countries. The session discussed the State of Qatar's renaissance in various fields, particularly infrastructure, legislation, and incentives that promote the country as an investment destination. They stressed that the establishment of free industrial and investment zones and the amendment of the legislation regulating investment added to the attractive elements of investment in the country, which contributes to diversifying the Qatari economy and developing the small and medium industries which are the backbone of any economy. (Qatar Tribune, Gulf-Times.com)
- **Al-Attiyah Foundation: LNG advantage for Qatar with Golden Pass in US** – Golden Pass will give Qatar access to US LNG that could supply Europe, freeing up the country's own LNG to send more to Asia or to optimize deliveries between the Atlantic and Pacific basins, according to the Al-Attiyah Foundation. National Oil Companies' (NOCs) investments in gas has been a major trend, Al-Attiyah Foundation stated in a research paper and noted, "Qatar has sought to support its LNG business by expanding internationally with new liquefaction projects, receiving terminals and exploration that might one day support LNG or pipeline gas projects. The international oil business is very competitive. Middle Eastern NOCs have to match International Oil Companies (IOCs) super-majors, smaller independents and internationalized NOCs." (Gulf-Times.com)
- **Pre-built properties at Ras Bufontas SEZ to be completed this year** – A number of pre-built properties at Ras Bufontas Special Economic Zone (SEZ) including the \$110mn 'Oasis' building which will serve as Manateq's headquarters, are set to be completed this year, Fahad Zainal, Chief Corporate Services Officer at Qatar Free Zones Authority said. Speaking at the recent 16th Asian Cooperation Dialogue (ACD) Business Forum, Zainal said Manateq's 'Oasis' building is set to be completed by the third quarter of this year, while 24 light industrial units are expected to be completed by the fourth quarter of this year. Designed in an iconic building showcasing Qatar's economic zones as well as the Manateq brand, the 'Oasis' will also serve as a one-stop shop for investors in Qatar's economic zones. Further, as many as 14 light industrial units at the Umm Alhoul Free Zone are also set to be completed by the second quarter of 2020. Zainal said several international companies from Singapore, the UK, the US, South Korea, and China will soon be setting up their businesses in the free zones once the infrastructures are ready. "There are logistics companies, emerging technology as well as chemical downstream companies coming. All of them are already in the design phase of doing their businesses," Zainal added.

- **Project Qatar 2019 attracted more than 14,500 visitors** – The recently-concluded Project Qatar 2019, a three-day construction mega event, attracted 14,520 attendees from the local and international construction industries to the exhibition and conference, according to a statement released by the organizers of the coveted annual event. The exhibition and conference brought together attendees from across the construction sector – from project managers, to architects and designers, to property developers, equipment and material suppliers across the full spectrum of project sectors including infrastructure, building construction, property development, interior fit out and facilities, and all industry professionals. The 2019 edition was the most comprehensive to date and featured more than 500 exhibitors from 33 different countries including 342 international exhibitors, in four exhibition halls.
- **Doha Bank to boost investments instead of lending to reduce risk** – Doha Bank plans to boost investments, rather than lending, to help reduce risk after two-year Saudi Arabia-led standoff curbed business opportunities, its CEO, Raghavan Seetharaman said. The CEO said, "We wanted to de-risk the bank with the right asset allocation model, investments versus lending. As far as lending is concerned, recognizing the market risk, the changing dynamics in the region and the geopolitical tension to de-risk the bank is the prime motto." (Bloomberg)
- **Indosat Ooredoo names Al Neama as new CEO** – Indonesian telecom operator PT Indosat Ooredoo appointed Ahmad Abdulaziz Al Neama as CEO with effect from May 2, 2019. Al Neama has worked at Ooredoo for 15 years and most recently served as Chief Technology Officer. (Bloomberg)

#### International

- **Global factories on the mend in April but still struggling** – Global factory activity recovered a little last month but still appeared to be in the doldrums as demand remained weak and trade protectionism concerns prominent, while stimulus measures had yet to fully kick in. In the Eurozone, business survey data pointed to a third straight month of contraction and while manufacturing is still growing in the US, it missed expectations by a wide margin. The picture was similarly gloomy across much of Asia. (Reuters)
- **QNB Group: Capital flows to emerging markets rebound in 1Q2019** – Capital flows to emerging markets (EM) have seen a clear rebound in the first quarter after suffering in 2018 due to tight global financial conditions and Dollar appreciation, QNB Group stated in an economic commentary. QNB Group expects portfolio capital flows to EM to be higher in 2019 than 2018 as the US Federal reserve has shifted to a neutral stance and investors become less risk averse. The Institute of International Finance (IIF) compiles trackers of portfolio capital flows, which cover daily real money flows into the stocks and bonds of twenty large EMs. The trackers are a good indicator for the portfolio flows component of the official balance of payment (BoP) data, which are released much later. Historically there have been two main drivers of portfolio capital flows to EM: interest rates and economic growth, QNB Group noted. Higher interest rates and growth in EMs, relative to advanced economies, tend to attract capital as EMs offer higher returns to investors. Higher relative interest rates naturally attract foreign investment in interest-bearing assets such as bonds.

Whereas, stronger economic growth has traditionally drawn investors to equity investment on prospects of higher future profitability, QNB Group stated. (Gulf-Times.com)

- **US first-quarter productivity strongest since 2014, labor costs subdued** – US worker productivity increased at its fastest pace in more than four years in the first quarter, depressing labor costs and suggesting inflation could remain benign for a while. The report from the Labor Department came on the heels of data this week showing moderate wage growth in the first quarter and a key inflation measure posting its smallest annual gain in 14 months in March. Nonfarm productivity, which measures hourly output per worker, increased at a 3.6% annualized rate in the last quarter. That was the strongest pace since the third quarter of 2014. Data for the fourth quarter was revised down to show productivity rising at a pace of 1.3% instead of the previously reported 1.9% rate. Economists polled by Reuters had forecasted first-quarter productivity would advance at a 2.2% rate. The acceleration in productivity was flagged by a surge in gross domestic product growth in the January-March period. The economy grew at a 3.2% rate in the first three months of the year after expanding at a 2.2% pace in the fourth quarter. (Reuters)
- **Strong US job growth expected in April; wages seen moderate** – US employers likely maintained a strong pace of hiring in April while steadily increasing wages for workers, pointing to solid economic growth and moderate inflation pressures. Nonfarm payrolls probably increased by 185,000 jobs last month after rising 196,000 in March, according to a Reuters survey of economists. Early hiring by the government for the 2020 Census and winter storms in the Midwest are wild cards to the forecast. The anticipated job gains in April would be close to the monthly average of 180,000 in the first quarter and well above the roughly 100,000 needed per month to keep up with growth in the working-age population. Steadily rising wages are keeping workers in the labor force and drawing back those who had dropped out. Average hourly earnings are forecast to have risen 0.3% in April after edging up 0.1% in March. That would lift the annual increase in wages to 3.3% from 3.2% in March. (Reuters)
- **Eurozone's factory activity contracted for third month in April** – Eurozone's factory activity contracted for a third month in April, hurt by weak global demand, rising trade protectionism and concerns over Britain's upcoming departure from the European Union, a survey showed. IHS Markit's April final manufacturing Purchasing Managers' Index registered 47.9, beating March's six-year low of 47.5 and just above a flash estimate of 47.8. However that was its third month below the 50-mark separating growth from contraction. (Reuters)
- **Eurozone's inflation jumps beyond expectations in April** – Eurozone's inflation surged beyond expectations last month, mild relief for the European Central Bank (ECB), even if much of the jump was likely related to seasonal effects due to the timing of Easter. Inflation in the 19 countries sharing the Euro accelerated to 1.7% in April from 1.4% a month ago, beating expectations for 1.6%, Eurostat data showed. More crucially, underlying prices excluding food and energy, a figure closely watched by the ECB, picked up to 1.3% from 1%, erasing a worrisome dip a month earlier and hitting its highest rate since

October on a jump in services costs. The ECB targets inflation just below 2% but has undershot this for the past six years even as it deployed an arsenal of conventional and unconventional tools to boost growth and prices. (Reuters)

- **German retail sales fall in March** – German retail sales fell by 0.2% on the month in March, due largely to sharp drops in sales of food, drink and tobacco, data showed. A Reuters poll had pointed to a MoM fall of 0.4%. Sales slipped by 2.1% on the year as consumers delayed pre-Easter shopping until April because of the timing of the holiday, Germany's Federal Statistics Office stated. Household spending has become a key growth driver in recent years as Germans benefit from record-high employment and low borrowing costs, but retail sales are a volatile indicator often subject to revision. (Reuters)

#### Regional

- **OPEC says determined to avoid an 'energy crisis'** – OPEC is determined to avoid a global 'energy crisis' as some of its members are facing international sanctions and others struggling with unrest, the group's Secretary-General, Mohammed Barkindo said. "As an organization, we will remain focused on our goal of avoiding an energy crisis that may affect the global economy. The OPEC will pursue this policy despite current troubles in several of its member countries," he said. His comments came as the end of US sanction waivers for purchases of oil from key OPEC member Iran was due. (Gulf-Times.com)
- **OPEC's collapse is likely, warns Iran Oil Minister** – Iran's Oil Minister, Bijan Namdar Zanganeh warned that OPEC is in danger of collapse as some nations seek to undermine their fellow members, an apparent reference to Saudi Arabia's pledge to fill the supply gap created by US sanctions on Iranian exports. "Iran is a member of OPEC for its interests and any threat from member states won't go unanswered," he said. His comments come as US President Donald Trump tries to cut the Islamic Republic's oil exports to zero, backed by a promise from Saudi Arabia and its Gulf allies to increase production to ensure the squeeze does not create a supply shortage. Those countries boosted production last year as the first round of American sanctions hit Iran, without splitting the OPEC. This year, however, Iran is under even greater pressure, with fewer options to keep its economy afloat. (Gulf-Times.com)
- **SoftBank mulls IPO of \$100bn Vision Fund** – Japan's SoftBank Group Corp is considering an Initial Public Offering (IPO) of its \$100bn Vision Fund, sources said. The fund was set up in 2017 and has become the world's largest technology investment fund. Its investments include ride-hailing pioneer Uber, chip designer ARM and shared workspace firm WeWork. The company has publicly stated that it plans to set up a second investment fund. The senior banking source said that Softbank is talking to banks about helping it raise money, confirming an earlier report in the Wall Street Journal (WSJ). Softbank has spoken to half a dozen banks over the last month about a potential listing of the Vision Fund however has yet to start a formal process, sources said. (Reuters)
- **Saudi Arabian oil output may rise in June, but US may not get the extra exports it wants** – Saudi Arabia's oil output may edge up in June, sources said, but the extra crude may be used for domestic power generation rather than providing the boost to

exports that US has been seeking. Sources said any rise in Saudi Arabian output will still be within its output quota in a pact on supply cuts agreed between OPEC and its allies. Production from Saudi Arabia in May is expected to be around 10mn bpd, slightly higher than April however, still below its quota under the OPEC-led pact of 10.3mn bpd. Saudi Arabia often lifts output in the hot summer months to fuel oil-fired power plants and meet rising electricity demand, which means exports do not necessarily rise. May output rise was not related to US's push for more OPEC oil after it ended waivers granted to buyers of Iranian oil. (Reuters)

- **Saudi Arabia will issue \$3bn - \$5bn in international Sukuk by third quarter** – Saudi Arabia will issue \$3bn to \$5bn in new international Sukuk, around the third quarter as part of plans to diversify financing of the national budget deficit, a senior finance ministry official told Reuters. At the end of 2018, it also has more than \$80bn in outstanding domestic debt, borrowed through conventional and Islamic bonds, which bypass a religious prohibition on interest. Fahad Al-Saif, who heads the Kingdom's debt management office (DMO), said that about 40% of the \$31.5bn in debt planned for this year has been issued in the first quarter. Al-Saif said, "At the end of quarter one, we have reached 55% local, 45% international. We believe that the ratios will be more skewed towards the local (debt issues) by the end of this year. International Sukuk is planned for the third quarter subject to timing, pricing, market conditions and obviously demand and supply." (Reuters)
- **BSFR posts 1.3% YoY rise in net profit to SR1,126mn in 1Q2019** – Banque Saudi Fransi (BSFR) recorded net profit of SR1,126mn in 1Q2019, an increase of 1.3% YoY. Total operating profit fell 1.2% YoY to SR1,723mn in 1Q2019. Total revenue for special commissions/investments rose 14.9% YoY to SR1,846mn in 1Q2019. Total assets stood at SR190.0bn at the end of March 31, 2019 as compared to SR184.0bn at the end of March 31, 2018. Loans and advances stood at SR121.3bn (-2.1% YoY), while customer deposits stood at SR144.8bn (+2.0% YoY) at the end of March 31, 2019. EPS came in at SR0.94 in 1Q2019 as compared to SR0.93 in 1Q2018. (Tadawul)
- **Saudi Telecom starts marketing debut 10-year Dollar Sukuk** – State-run Saudi Telecom has started marketing its debut sale of US Dollar-denominated Sukuk, with an initial price of around 155 basis points over mid swaps, a document issued by one of the banks leading the deal showed. Saudi Arabia's biggest telecommunications operator has been rated 'A1' and 'A-' by Moody's and S&P, respectively. The bonds will be of benchmark size, which generally means upwards of \$500mn. HSBC, JPMorgan, Standard Chartered, Samba, First Abu Dhabi Bank, and KFH have been hired to arrange the deal. (Reuters)
- **Saudi Investment Bank plans early redemption of SR2bn Sukuk** – Saudi Investment Bank plans early redemption of its SR2bn Sukuk. The Tier 2 subordinated debt was issued in June 2014 with 2024 maturity, according to a statement. Saudi Investment Bank intends to redeem the Sukuk at the optional dissolution date of June 5, 2019. Regulatory approval has been obtained for the same. (Bloomberg)
- **UAE market regulator forms forensic audit committee on Drake and Scull International** – The UAE's Securities and Commodities Authority has formed a forensic audit committee

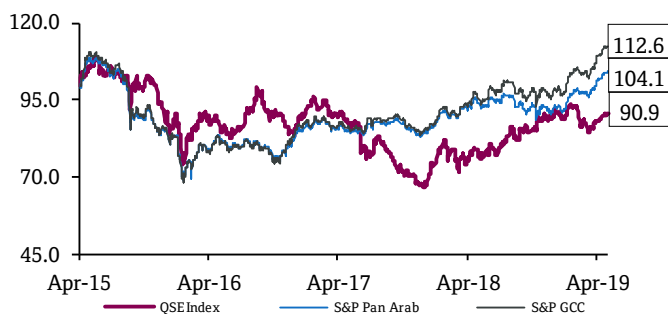
to investigate Drake and Scull International, it has stated. The committee is investigating the reasons for Drake and Scull International's floundering financial position and accumulated losses. Drake and Scull International posted a net loss of AED4.5bn in 2018, which widened from a loss of AED1.18bn in 2017. (Reuters)

- **UAE tax refund program fails to revive jewellery sales** – A program to refund tourists for value-added tax has failed to reverse a slump in gold and jewellery sales in the UAE, which plummeted after the tax was introduced in January 2018. Sales showed a 6% YoY increase in the first quarter of 2019, according to the World Gold Council, however, that compared to a drop of 23% in the same period last year. Gold demand for 2018 fell by 20% in the UAE and 11% in Saudi Arabia, where VAT came into force at the same time. The program was introduced in November after the slump in gold and jewellery sales, which made up 36% of the UAE's exports in 2017, fell to 30% in the first half of 2018. (Gulf-Times.com)
- **Finablr seeks \$677mn from London IPO** – Finablr, the financial services firm controlled by an Abu Dhabi-based billionaire, Bavaguthu Raghuram Shetty is seeking to raise as much as \$677mn through an Initial Public Offering (IPO) in London. The holding company for businesses, including Travelex Holdings Ltd. and the UAE Exchange Centre, is seeking a valuation of up to \$2.4bn and is offering shares at a range of 210 pence to 260 pence, according to terms sent to investors. Finablr is expected to list on May 14, 2019 and plans to use the proceeds to reduce debt and for expansion. He set up the UK incorporated Finablr about a year ago to consolidate his financial services brands. The firm has handled more than 150mn transactions in 2018, according to its website. He is also the founder of NMC Health, which trades in London. (Bloomberg)
- **DP World will get \$450mn from Emaar's Mina Rashid project** – DP World will provide the land for development for the Emaar's Mina Rashid project in Dubai and receive about \$450mn between years four and nine, and 30% of the future profit, the port operator stated. There will be no cash investment from DP World in the project. DP World will continue to focus on developing maritime services at Port Rashid in the UAE. P&O Marinas has made the land available to Emaar and will continue to develop marinas and berthing facilities. (Bloomberg)
- **Fitch affirms ADCB's IDR, says viability rating strengthened** – Fitch affirms Union National Bank's (UNB) and Al Hilal Bank's Long-Term Issuer Default Ratings (IDR) at 'A+', downgrades UNB's Viability Rating to 'BB+' from 'BBB-', aligning it with Abu Dhabi Commercial Bank's (ADCB) viability rating after the three Abu Dhabi banks completed merger. Fitch subsequently withdrew UNB's ratings as the bank no longer exists as a separate legal entity. ADCB's ratings, which are at the level of the other Abu Dhabi domestic important banks, reflect the bank's high systemic importance, which has increased as a result of the merger. Fitch expects high willingness from local authorities to support the banking sector. (Bloomberg)
- **Moody's affirmed Kuwait's foreign issuer rating at 'Aa2'** – Kuwait's foreign issuer rating has been affirmed by Moody's at 'Aa2'. The outlook remains 'Stable'. (Bloomberg)
- **Kuwait's 4Q2018 foreign trade surplus rises to KD2.8bn** – Central Bank of Kuwait published foreign trade data for fourth

quarter which showed that trade surplus stood at KD2.8bn as compared to a surplus of KD2bn in the same period a year ago and it stood at KD3.1bn in the previous quarter. Oil exports came in at KD5bn as compared to 4.3bn. Non-oil exports came in at KD0.4bn as compared to KD0.4bn. Imports stood at KD2.6bn as compared to KD2.7bn in the same period a year ago. (Bloomberg)

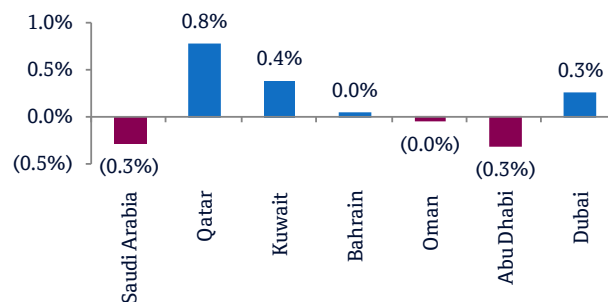
- **WSJ: Kuwait owned Wafra and GIC in talks to invest in Knotel** – Kuwait’s state pension fund-owned Wafra is in talks to invest in Knotel, a deal which would value Knotel around \$1.5bn, Wall Street Journal (WSJ) reported, citing sources. GIC Private Limited (Singapore) is also in talks to back the Knotel deal. Wafra is expected to lead the funding round. (Bloomberg)
- **ACWA Power, Kipco Unit and GIC will build 500 megawatt solar plant in Oman** – ACWA Power, a unit of Kuwait Projects Company and Gulf Investment Corporation (GIC) have signed an agreement with Oman’s utility to build a 500-megawatt solar power plant west of Muscat, Oman, the consortium stated. (Bloomberg)
- **Investcorp to seek between \$500mn and \$1bn for alternative investment managers stakes** – Bahrain’s Investcorp Bank is seeking to raise between \$500mn and \$1bn for its first fund dedicated to taking minority stakes in alternative investment managers, according to sources. The fund, Investcorp Strategic Capital Partners I, will invest about \$50mn to \$100mn in the general partnerships of mid-sized firms. The fund will take stakes in private equity, real estate, infrastructure, private credit and hedge fund firms. It will close in the coming months. Investcorp, which oversees more than \$22bn, last year hired former Credit Suisse Group AG executive Anthony Maniscalco to run the GP investments group. These investments also allow founders with an opportunity to seed new strategies or, at least partly, cash out. (Bloomberg)

## Rebased Performance



Source: Bloomberg

## Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,279.15	0.7	(0.6)	(0.3)
Silver/Ounce	14.94	2.1	(1.0)	(3.6)
Crude Oil (Brent)/Barrel (FM Future)	70.85	0.1	(1.8)	31.7
Crude Oil (WTI)/Barrel (FM Future)	61.94	0.2	(2.1)	36.4
Natural Gas (Henry Hub)/MMBtu	2.61	(0.8)	0.0	(18.1)
LPG Propane (Arab Gulf)/Ton	59.50	0.8	(9.2)	(6.3)
LPG Butane (Arab Gulf)/Ton	57.38	(0.9)	(13.5)	(18.0)
Euro	1.12	0.2	0.4	(2.3)
Yen	111.10	(0.4)	(0.4)	1.3
GBP	1.32	1.1	2.0	3.3
CHF	0.98	0.3	0.3	(3.4)
AUD	0.70	0.3	(0.3)	(0.4)
USD Index	97.52	(0.3)	(0.5)	1.4
RUB	65.09	(0.5)	0.5	(6.6)
BRL	0.25	0.7	(0.2)	(1.5)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,177.77	0.8	0.2	15.6
DJ Industrial	26,504.95	0.7	(0.1)	13.6
S&P 500	2,945.64	1.0	0.2	17.5
NASDAQ 100	8,164.00	1.6	0.2	23.0
STOXX 600	390.37	0.6	0.1	13.0
DAX	12,412.75	0.7	1.1	15.0
FTSE 100	7,380.64	1.3	1.0	13.1
CAC 40	5,548.84	0.3	(0.1)	14.7
Nikkei#	22,258.73	0.0	0.0	10.0
MSCI EM	1,082.77	0.4	0.4	12.1
SHANGHAI SE Composite#	3,078.34	0.0	(0.3)	26.1
HANG SENG	30,081.55	0.4	1.6	16.2
BSE SENSEX	38,963.26	0.3	0.7	8.9
Bovespa	96,007.89	1.0	(0.6)	7.4
RTS	1,248.39	0.8	0.1	16.8

Source: Bloomberg (\*\$ adjusted returns, #Market was closed on May 03, 2019)

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