

July 18, 2023

## GLOBAL MARKETS

Indices	Closing Level	Change		Performance	
		Value	(%)	MTD (%)	YTD (%)
<b>Global</b>					
S&P 500	4,522.8	17.4	0.4	1.6	17.8
Dow Jones Ind. Average	34,585.4	76.3	0.2	0.5	4.3
Nasdaq 100	15,713.3	147.7	0.9	3.5	43.6
FTSE 100	7,406.4	(28.2)	(0.4)	(1.7)	(0.6)
DAX 30	16,068.7	(36.4)	(0.2)	(0.5)	15.4
CAC 40	7,291.7	(82.9)	(1.1)	(1.5)	12.6
BIST 100	6,600.5	162.7	2.5	14.6	19.8
Nikkei	32,391.3	NA	NA	(2.4)	24.1
Hang Seng	19,413.8	63.2	0.3	2.6	(1.9)
Shanghai Composite	3,209.6	(28.1)	(0.9)	0.2	3.9
BSE Sensex	66,589.9	529.0	0.8	2.9	9.4
<b>GCC</b>					
QE Index	10,280.4	54.9	0.5	2.0	(3.8)
Saudi Arabia (TASI)	11,780.3	64.8	0.6	2.8	11.7
UAE (ADX)	9,681.2	9.3	0.1	1.4	(5.2)
UAE (DFM)	4,019.0	9.1	0.2	6.0	20.5
Kuwait (KSE)	7,287.1	(20.0)	(0.3)	3.7	(0.1)
Oman (MSM)	4,757.6	(11.9)	(0.2)	(0.2)	(2.4)
Bahrain (BAX)	1,980.4	0.9	0.0	1.1	4.5
MSCI GCC	709.0	1.1	0.2	2.8	2.6
Dow Jones Islamic	5,820.3	14.2	0.2	2.2	20.7
<b>Commodity</b>					
Brent (USD/bbl)	78.5	(1.4)	(1.7)	4.8	(4.4)
WTI (USD/bbl)	74.2	(1.3)	(1.7)	5.0	(3.6)
Natural Gas (USD/mmBTU)	2.5	(0.0)	(1.1)	(10.2)	(37.0)
Gold Spot (USD/t oz.)	1,952.4	(7.7)	(0.4)	1.6	6.1
Copper (USD/lb)	3.8	(0.1)	(2.3)	2.4	1.8

Source: Refinitiv Eikon

## QATAR MARKET OVERVIEW

GCC Fundamentals	P/E (x)	P/B (x)	Dividend Yield (%)	Value Traded (USD mn)
Qatar All Share	11.8	1.2	4.5	100.2
DSM 20	11.9	1.2	4.8	73.6
Saudi Arabia (TASI)	18.6	2.2	3.0	2,168.5
UAE (ADX)	16.2	2.4	2.2	248.5
UAE (DFM)	10.1	1.5	4.4	116.5
Kuwait (KSE)	16.8	1.5	3.0	280.3
Oman (MSM)	9.5	0.8	5.7	3.4
Bahrain (BAX)	7.5	0.8	6.5	1.5

Source: Refinitiv Eikon

Qatar Trading Activity	Close Price	1D Change Value	1D Change (%)	Performance YTD YoY (%)	Vol. ('000)	P/E TTM
<b>Top Gainers</b>						
QA ISLAMIC BK	18.3	0.4	2.4	(1.7)	3,361.9	11.1
DOHA BK LTD	1.6	0.0	1.8	(16.8)	1,708.9	8.8
QA ELEC & WATE	17.9	0.3	1.6	1.1	210.0	11.6
DUKHAN BANK	4.1	0.1	1.6	4.6	10,990.2	15.3
QA NAT CEMENT	4.0	0.0	1.2	(18.2)	90.5	12.1
<b>Top Losers</b>						
QAT GER MED DE	2.4	(0.1)	(5.8)	90.9	12,615.4	NA
MEKDAM HLD GRP	4.9	(0.1)	(1.7)	(0.5)	125.6	12.6
ALKHALEJ GROU	2.8	(0.0)	(1.7)	20.5	595.1	12.3
QATAR ALUMINIUM	1.3	(0.0)	(1.5)	(15.2)	15,612.1	9.3
WIDAM FOOD CO	2.7	(0.0)	(1.3)	33.2	11,544.6	NA

Source: Refinitiv Eikon; Note: Prices are in local currency.

## MARKET COMMENTARY

### Global

US stocks ended higher to kick off the trading week on Monday, buoyed by gains in financial and technology shares as investors awaited the next round of quarterly results this week as earnings season gathers speed. The DJIA was up 0.2%, the S&P 500 gained 0.4% and Nasdaq 100 added 0.9%.

European shares fell, as Richemont led a slide among luxury firms on weaker-than-expected organic sales growth and as lacklustre economic growth in China raised concerns about demand from the world's second-biggest economy. The pan-European STOXX 600 index closed 0.6% lower, with luxury giants at the forefront of the selling pressure.

Japanese shares market was closed, due to the Marine Day. China stocks fell, after data showed the country's economy grew at a frail pace in the second quarter as demand weakens at home and abroad, raising pressure on policymakers to deliver more stimulus to shore up activity.

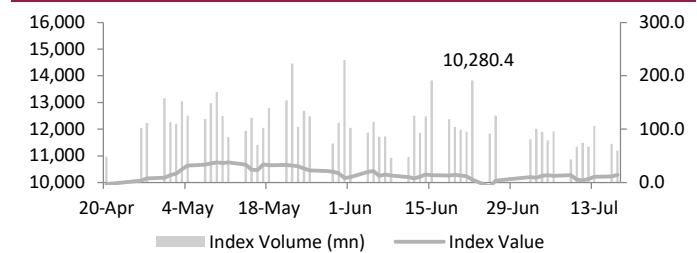
### GCC

Most stock markets in the Gulf ended higher on Monday, extending gains as investors ramped up their bets for an imminent end to US interest rate hikes. Saudi Arabia's benchmark index gained 0.6%, led by a 2.1% increase in Dr Sulaiman Al-Habib Medical Services and a 5.3% jump in Saudi Awwal Bank. Dubai's main share index gained 0.2%, extending gains for a fifth session, with Emirates Central Cooling Systems finishing 1.6% higher. In Abu Dhabi, the index inched 0.1% higher.

### Qatar

The Qatari index jumped 0.5%, boosted by the Qatar Islamic Bank (+2.4%) and Doha Bank up (1.7%) were the top gainers of the day. Out of the 43 traded stocks, 18 advanced, 23 declined and 2 remained unchanged. Total traded volume in the market was lower than the previous trading session. The Banks and Financial Services index up 0.8% and the Consumer Goods and Services index advanced by 0.5%, while Real Estate index declined by 0.5%.

### Qatar DSM Index



Source: Refinitiv Eikon

QE Sector Indices	Closing Level	1D Change (%)
Banks & Financial Services	4,240.1	0.8
Consumer Goods & Services	7,893.9	0.5
Industrials	3,850.3	0.3
Insurance	2,391.6	0.5
Real Estate	1,537.1	(0.5)
Telecoms	1,695.8	0.2
Transportation	4,859.5	(0.3)

Source: Refinitiv Eikon

Qatar Trading Summary	Buy (%)	Sell (%)
Qatari Individuals	26.8	29.9
Qatari Institutions	18.9	30.2
<b>Qatari - Total</b>	<b>45.7</b>	<b>60.2</b>
Foreign Individuals	13.9	14.5
Foreign Institutions	40.4	25.4
<b>Foreign - Total</b>	<b>54.3</b>	<b>39.8</b>

Source: Qatar Exchange

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## GLOBAL NEWS

- ▶ Jan Hatzius, Chief Economist at Goldman Sachs, stated that the firm has reduced the chance of a US recession starting in the next 12 months to 20% from 25% previously. The recent data have reinforced our confidence that bringing inflation down to an acceptable level will not necessitate a recession. (Source: Reuters)
- ▶ Since the Federal Reserve decided to keep interest rates on hold at its June 13-14 policy meeting, US central bank officials have given every indication they are ready to approve another small rate increase when they gather again next week. (Source: Reuters)
- ▶ According to a new analysis, the rise in interest rates has wiped off more than GBP 2tn in personal wealth in Britain over the last year due to a drop in home prices and the value of bonds, which has impacted pensions. (Source: Reuters)
- ▶ According to the IMF, Germany's economic production may contract marginally this year because of the oil price shock and tightening financial conditions. The economy is predicted to gradually regain speed in 2024 and 2025 as the delayed effects of monetary tightening diminish and the economy reacts to the energy shock. (Source: Reuters)
- ▶ Japan's government and dairy associations have begun to focus on promoting increased consumption of milk and other dairy products to drive demand and help dairy farmers at a time when they are hurting from heavy production costs. (Source: Mainichi)
- ▶ China's industrial output grew 4.4% in June from a year earlier, unexpectedly accelerating from 3.5% seen in May, but demand remains lukewarm amid a bumpy post-COVID economic recovery. (Source: Reuters)
- ▶ According to political strategists and analysts, China has to develop a high-level agenda to successfully strengthen support for the private economy, which is at the heart of driving the nation's economic recovery. (Source: Cina Daily)
- ▶ According to the National Bureau of Statistics, China's GDP increased by 5.5% in the H1-23 to CNY 59.3tn (USD 8.3tn), indicating a solid economic recovery. The economy expanded by 6.3% YoY in the Q2-23, up from 4.5% in the Q1-22. (Source: China Daily)
- ▶ Türkiye's budget widened to a record deficit in June, according to official data that comes as the government embarked on a path to bolster coffers, hiking taxes and requesting institutions to review their expenditures. (Source: Daily Sabah)

## GCC NEWS

- ▶ Oil rich GCC countries are turning to another form of energy production - green hydrogen - that could transform their economies and curb carbon emissions in the coming years, Al-Attiyah Foundation said in a report. (Source: Zawya)
- ▶ According to the most recent Dubai Land Department data provided by Better Homes, the real estate market in Dubai has continued to develop strongly, with transactions jumping by 37% in Q2-23 compared to the same time last year. (Source: Zawya)
- ▶ Dubai's reputation as a worldwide meetings, incentives, conferences, and exhibitions destination is growing, with the city experiencing a 44% YoY increase in corporate event bid wins in the H1-23. (Source: Zawya)
- ▶ Abu Dhabi Islamic Bank Egypt has inked a Shariah-compliant subordinated Tier 2 financing deal with the International Finance Corporation in the amount of USD 50mn, utilizing the Murabaha method. (Source: Zawya)
- ▶ Growdash, a UAE-based restaurant technology firm, has secured a USD 750,000 pre-seed round of investment, which will help it expand

across the GCC. This year, the business will debut its SaaS product in Qatar and Saudi Arabia. (Source: Zawya)

- ▶ In the first such major development in the MENA region, Saudi Arabia has successfully converted oil derived from plastic waste into certified circular polymers. (Source: Arab News)
- ▶ A massive wind farm that will power 11mn Egyptian households is one step closer to construction after Saudi business ACWA Power completed a land agreement for the project. (Source: Trade Arabia)
- ▶ Due to sluggish global demand and weaker product prices, Saudi Arabia's petrochemical companies, notably sector leader SABIC, are projected to face severe earnings pressure in Q2-23, albeit reduced feedstock prices might enable some margin expansion and soften the reductions. (Source: Arab News)
- ▶ In a further boost to commercial ties between the two nations, more than 400 business executives and officials attended a special meeting of the Saudi-Turkish Business Forum in Jeddah. Several agreements on real estate, mining, food and agriculture, and the financial services sector, were inked amid conversations about more investment potential. (Source: Arab News)
- ▶ Residents in Saudi Arabia have benefited from increased housing possibilities, with the number of residential rental arrangements increasing by 137% in June compared to the same month in 2022. (Source: Arab News)
- ▶ According to new research, the total net profit of MSX-listed businesses increased by 13% YoY during the H1-23, with the Financial and Industrial Sector companies leading the way. (Source: Times of Oman)
- ▶ Kuwaitis spent around KWD 1.131bn on travel in the Q1-23, representing a 4.48% rise over the previous quarter's expenditures of KWD 913. 1mn. It witnessed a slight decrease by about 0.44% compared to the level in the Q1-22 amounting to about KWD 1.136bn, reports Al-Rai daily. (Source: Arab News)
- ▶ The Kuwaiti real estate market appears to be in a condition of stagnation. This is seen by the continuous fall in the quantity and value of real estate transactions in the Q2-23. The economic crisis, as well as the resulting inflation and rise in interest rates, played a significant influence on this reduction. (Source: Gulf News)

## QATAR NEWS

- ▶ Qatar Islamic Bank, the country's foremost Islamic bank, has released its results for the H1-23. The bank's net profit attributable to shareholders was QAR 1,955mn for the H1-23, reflecting a 7.7% increase over the same period in 2022. (The Peninsula)
- ▶ Dukhan Bank released its financial results for the H1-23, with a net profit of QAR 761mn, a 2% increase over the same time previous year. The moderate growth in net profit of 2% was mainly attributed to the rise in net income from financing activities. (Source: Gulf News)
- ▶ Qatar's goods trade balance, which measures the difference between total exports and imports, showed a surplus of QAR 18.2bn in May 2023, a reduction of around QAR 16bn or 46.8% from May 2022 and a decline of QAR 3.8bn or 17.2% from April 2023. (Source: The Peninsula)
- ▶ The Commercial Bank Group reported a consolidated H1-23 net profit of QAR 1,554.3mn, up 8.5% from the same period last year, driven by increased operational income, better recoveries, and stronger performance from its associates. The Group's financial sheet shrank by 8.8% as of June 30, with total assets at QAR 160.8bn. (Source: Gulf News)
- ▶ The Qatar Central Bank's move to tighten the credit to the real estate sector is expected to not only lessen the stress in the banking industry but also augur well for the proposed real estate investment trusts. (Source: Gulf News)

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## FX RATES

Currencies	Value	Currencies	Value
EUR/USD	1.1264	USD/QAR	3.6400
USD/JPY	138.7100	EUR/QAR	4.1001
GBP/USD	1.3101	JPY/QAR	0.0262
USD/CHF	0.8605	GBP/QAR	4.7688
USD/CAD	1.3196	CHF/QAR	4.2301
AUD/USD	0.6815	CAD/QAR	2.7584
NZD/USD	0.6324	AUD/QAR	2.4807
USD/INR	81.5400	INR/QAR	0.0446
USD/TRY	26.3351	TRY/QAR	0.1382
USD/ZAR	18.0231	ZAR/QAR	0.2020
USD/BRL	4.8066	BRL/QAR	0.7573

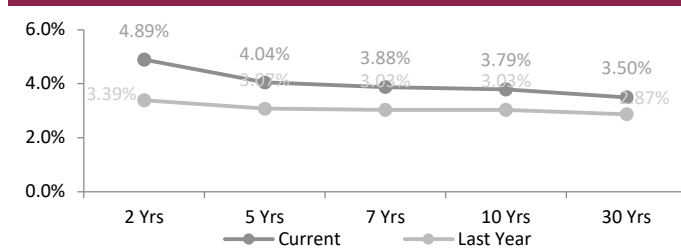
Source: Refinitiv Eikon

## INTERBANK OFFERING & US SWAP RATES

Duration	Overnight	1 Week	1 Month	3 Month	1 Year
LIBOR	5.06	0.08	5.34	5.57	6.04
EURIBOR	(0.65)	3.39	3.46	3.66	4.13
QAIBOR	5.60	5.60	5.75	6.00	6.25
SAIBOR	5.53	5.50	5.59	5.94	5.94
EIBOR	4.96	5.11	5.25	5.33	5.52
BMIBOR	5.82	6.06	6.76	6.63	6.78
KIBOR	2.38	3.56	3.88	4.19	4.63

Source: Refinitiv Eikon

## US Swap Rates



Source: Refinitiv Eikon

## GCC COMPANY RESULTS

Company Name	Revenues (mn)	YoY (%)	QoQ (%)	Net Profit (mn)	YoY (%)	QoQ (%)
Gulf Navigation Holding	25.9	-30.5	-33.6	14.0	NA	2.0
Global Financial Investments	4.3	22.4	-3.2	0.0	NA	NA
National Detergent Co	5.1	7.5	-9.6	0.1	NA	-15.5
Abraj Energy Services	36.3	7.5	8.9	NA	NA	NA
Oman Oil Marketing Co SAOG	169.2	-14.6	-16.1	NA	NA	NA
Dhofar Tourism Co	0.2	148.9	-57.2	-0.4	NA	NA
Oman Flour Mills Co	34.8	17.0	2.0	NA	NA	NA
Raysut Cement Co	15.5	13.2	-13.7	-0.9	NA	NA
Construction Materials Industry	0.8	4.1	33.0	NA	NA	NA
United Finance Co	NA	NA	NA	0.6	27.1	115.1
Al Jazeera Steel Products Co	33.6	-19.7	-11.6	0.5	-51.1	-63.4
Jarir Marketing Co	2435.7	21.2	-10.4	NA	NA	NA
Renaissance Services	25.6	-13.7	-4.1	2.6	7.6	-3.9
Almarai Co	4792.3	3.9	-5.4	557.1	7.1	-12.3

Source: Refinitiv Eikon; Note: All figures are in local currency

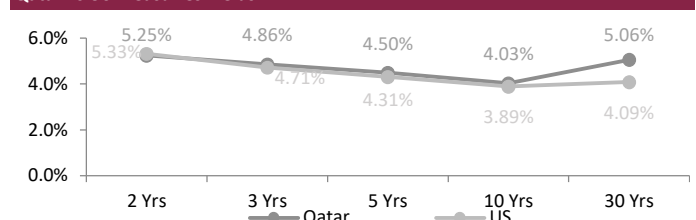
## FX Commentary

The USD dipped against a basket of currencies on Monday after last week suffering its largest weekly decline this year as Treasury yields tumbled but held above more than one-year lows reached on Friday with no major catalysts to drive market direction. The US Dollar index was down 0.1% at 99.90.

The EUR/USD traded up 0.1% at 1.1234 as the ECB is widely expected to lift interest rates once more next week. The GBP/USD went down 0.1% at 1.3071. The USD/JPY traded up 0.1% at 138.71, ahead of the BoJ policy meeting next week. The USD/CNY traded up 0.4% at 7.1711. The USD/CAD went down 0.2% at 1.3196. The risk-sensitive AUD/USD traded down 0.3% at 0.6815 suffering alongside the yuan given the historic trade links between the two countries and the NZD/USD traded down 0.7% at 0.6324.

## SOVEREIGN YIELD CURVES & CDS SPREAD

### Qatar vs US Treasuries Yields



Source: Refinitiv Eikon, Investing.com

5 Years CDS	Spread	6M Change	5 Years CDS	Spread	6M Change
US	29.7	(2.8)	Turkey	438.4	(106.4)
UK	27.5	4.6	Brazil	175.0	(60.7)
Germany	14.0	(5.1)	Egypt	1,258.0	550.7
France	25.0	2.5	Abu Dhabi	36.8	(7.1)
Italy	88.6	(11.4)	Bahrain	240.4	7.2
Greece	72.7	(36.3)	Dubai	74.1	(3.1)
Russia	13,775.2	0.0	Qatar	37.1	(10.3)
Japan	16.6	(9.7)	Saudi Arabia	53.6	(10.7)

Source: Refinitiv Eikon, worldgovernmentbonds.com

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**QSE MAIN FINANCIAL INDICATORS (as on 17th July 2023)**

Company	Dividend Yield (%)	P/B Ratio (x)	P/E Ratio (x)	EPS (QR)	BV/Share (QR)	Stock Price (QR)	Company
QNB	3.82	1.41	10.51	1.44	11.38	15.69	QNB
Qatar Islamic Bank	3.42	1.62	11.15	1.62	11.54	18.25	المصرف الإسلامي
Comm. Bank of Qatar	4.31	0.98	8.89	0.62	6.31	5.80	البنك التجاري
Doha Bank	4.62	0.36	8.79	0.25	4.54	1.62	بنك الدوحة
Ahli Bank	4.94	1.35	13.94	0.29	3.13	4.05	الاهلي
Intl. Islamic Bank	4.00	1.72	15.30	0.64	6.00	9.99	الدولي
Rayan	4.00	0.99	19.42	0.14	2.59	2.50	الريان
Qatar First Bank (QFC)	0.00	1.47	21.94	0.07	1.17	1.51	الأول QFC
National Leasing	3.69	0.63	19.61	0.04	1.32	0.81	الاجارة
Dlala	0.00	1.53	0.00	-0.14	0.70	1.48	دلالة
Qatar Oman	0.00	0.91	74.92	0.01	0.82	0.72	قطر وعمان
Inma	1.02	1.87	58.98	0.17	2.67	4.91	إنماء
<b>Banks &amp; Financial Services</b>	<b>3.83</b>	<b>1.20</b>	<b>11.16</b>	<b>0.77</b>	<b>5.20</b>		<b>البنوك والخدمات المالية</b>
Zad Holding Company	4.33	2.90	20.29	0.68	4.47	13.63	زاد
Qatar German Co. Med	0.00	7.97	280.37	0.01	0.30	2.40	الطبية
Salam International	0.00	0.58	15.15	0.05	1.24	0.72	السلام
Medicare	4.20	1.79	21.78	0.28	3.70	6.25	الرعاية
Cinema	1.96	1.49	59.44	0.04	2.12	3.06	السينما
Qatar Fuel	5.39	1.97	16.11	1.08	9.25	16.70	قطر للوقود
Widam	0.00	2.92	0.00	-0.34	1.08	2.71	ودام
Mannai Corp.	1.89	2.53	0.00	-0.60	2.16	5.30	مجمع المناعي
Al Meera	3.07	1.85	15.10	0.95	7.59	14.24	الميرة
Baladna	0.00	1.24	37.51	0.04	1.18	1.48	بلدنا
<b>Consumer Goods &amp; Services</b>	<b>4.25</b>	<b>1.74</b>	<b>17.75</b>	<b>0.25</b>	<b>3.22</b>		<b>الخدمات والسلع الاستهلاكية</b>
Ind. Manf. Co.	4.43	0.80	8.74	0.32	3.71	2.94	التحويلية
National Cement Co.	7.58	0.88	12.10	0.35	4.71	3.96	الاسمنت
Industries Qatar	9.24	1.97	9.89	1.46	6.94	11.90	صناعات قطر
The Investors	0.00	1.65	20.31	0.11	1.41	2.21	المستثمرين
Electricity & Water	5.31	1.40	11.58	1.55	13.75	17.90	كهرباء وماء
Aamal	5.84	0.70	14.91	0.06	1.25	0.86	أعمال
Gulf International	4.97	1.07	12.79	0.16	1.94	2.01	الخليج الدولية
Mesaieed	5.72	1.48	15.18	0.14	1.39	1.92	مسعيد
Investment Holding	0.00	1.65	20.31	0.11	1.41	2.21	استثمار القابضة
QAMCO	6.98	1.12	9.32	0.16	1.22	1.29	قامكو
<b>Industrials</b>	<b>7.41</b>	<b>1.36</b>	<b>10.95</b>	<b>0.38</b>	<b>2.68</b>		<b>الصناعات</b>
Qatar Insurance	0.00	0.92	24.70	0.02	2.40	2.25	قطر
Doha Insurance	6.49	1.04	8.68	0.20	2.30	2.31	الدوحة
General Insurance	0.00	0.25	0.00	-0.61	5.19	1.33	العامه
Alkhaleej Takaful	3.61	1.30	12.29	0.20	2.16	2.77	الخليج التكافلي
Islamic Insurance	5.15	3.15	11.83	0.73	3.04	8.74	الإسلامية
QLM	4.38	1.83	13.18	0.24	1.62	2.85	كيو إل إم
<b>Insurance</b>	<b>1.53</b>	<b>0.82</b>	<b>0.00</b>	<b>0.01</b>	<b>2.33</b>		<b>التأمين</b>
United Dev. Company	4.67	0.38	10.54	0.11	3.14	1.18	المتحدة للتنمية
Barwa	6.84	0.48	8.70	0.29	5.47	2.56	بروة
Ezdan Holding	0.00	0.88	1227.47	0.00	1.26	1.12	إزدان القابضة
Mazaya	0.00	0.91	23.61	0.04	0.88	0.81	مزايا
<b>Real Estate</b>	<b>4.64</b>	<b>0.48</b>	<b>11.57</b>	<b>0.05</b>	<b>1.90</b>		<b>العقارات</b>
Ooredoo	3.80	1.47	13.63	0.74	7.59	11.33	Ooredoo
Vodafone Qatar	5.27	1.77	15.19	0.12	1.14	1.90	فودافون قطر
<b>Telecoms</b>	<b>4.16</b>	<b>1.53</b>	<b>13.95</b>	<b>0.44</b>	<b>3.92</b>		<b>الاتصالات</b>
Qatar Navigation	3.43	0.73	11.42	0.89	14.12	10.21	الملاحة
Gulf warehousing Co	2.95	0.89	8.16	0.41	3.81	3.39	مخازن
Nakilat	3.07	2.17	16.17	0.26	2.03	4.24	ناقلات
<b>Transportation</b>	<b>3.20</b>	<b>1.16</b>	<b>13.48</b>	<b>0.37</b>	<b>4.07</b>		<b>النقل</b>
<b>Market</b>	<b>2.73</b>	<b>2.17</b>	<b>18.77</b>	<b>0.31</b>	<b>2.71</b>		

Source: Refinitiv Eikon; Note: The above-mentioned indicators were calculated according to the latest reliable financial data.

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