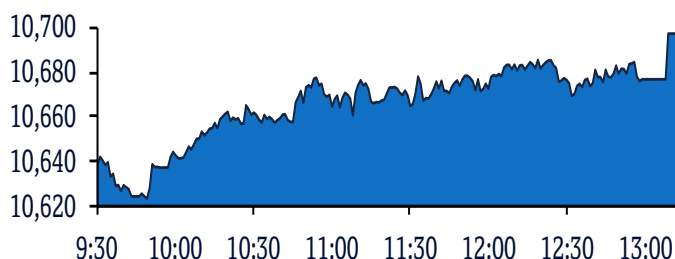


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.4% to close at 10,698.3. Gains were led by the Real Estate and Telecoms indices, gaining 1.1% each. Top gainers were Vodafone Qatar and Ahli Bank, rising 5.9% and 4.2%, respectively. Among the top losers, Doha Insurance Group fell 3.4%, while Qatar General Insurance & Reinsurance Company was down 0.8%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.3% to close at 8,459.8. Gains were led by the Insurance and Health Care Equip. indices, rising 1.3% and 1.2%, respectively. The Med. and Gulf Ins. and Reins. rose 9.9%, while Malath Coop. Ins. was up 6.7%.

Dubai: The DFM Index gained 0.4% to close at 2,828.3. The Consumer Staples and Discretionary index rose 2.1%, while the Services index gained 1.2%. Ithmaar Holding rose 3.0%, while National Central Cooling Co. was up 2.5%.

Abu Dhabi: The ADX General Index gained 0.1% to close at 5,179.1. The Energy index rose 0.6%, while the Investment & Financial Services index gained 0.5%. The National Investor rose 4.7%, while AGTHIA Group was up 3.6%.

Kuwait: The Kuwait All Share Index fell marginally to close at 6,351.2. The Technology index declined 10.0%, while the Oil & Gas index fell 2.2%. Automated Systems Co. declined 10.0%, while Kuwait Real Estate Holding Co. was down 9.4%.

Oman: The MSM 30 Index gained 0.5% to close at 4,060.6. The Industrial index rose 0.3%, while the Financial index rose marginally. United Finance Company rose 9.7%, while Al Anwar Ceramic Tiles Co. was up 4.6%.

Bahrain: The BHB Index gained 0.2% to close at 1,639.7. The Industrial and Commercial Banks indices rose 0.4% each. National Bank of Bahrain rose 1.1%, while Al Salam Bank - Bahrain was up 1.0%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Vodafone Qatar	1.26	5.9	14,635.1	8.6
Ahli Bank	3.70	4.2	32.0	5.7
Barwa Real Estate Company	3.59	1.7	5,606.6	1.4
Islamic Holding Group	1.90	1.6	120.8	0.0
Qatar Islamic Insurance Company	6.90	1.5	68.9	3.3

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Vodafone Qatar	1.26	5.9	14,635.1	8.6
Masraf Al Rayan	4.11	0.5	10,320.9	3.8
Ezdan Holding Group	0.62	(0.6)	6,847.0	1.1
Barwa Real Estate Company	3.59	1.7	5,606.6	1.4
Investment Holding Group	0.58	0.0	4,924.2	2.8

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,698.31	0.4	2.4	2.6	2.6	97.35	162,191.9	15.5	1.6	4.0
Dubai	2,828.28	0.4	2.9	2.3	2.3	84.32	103,960.6	11.2	1.0	4.1
Abu Dhabi	5,179.12	0.1	2.0	2.0	2.0	46.28	145,046.2	15.9	1.5	4.8
Saudi Arabia	8,459.80	0.3	1.4	0.8	0.8	931.36	2,373,214.7	22.8	1.9	3.2
Kuwait	6,351.20	(0.0)	1.9	1.1	1.1	116.40	119,010.4	15.6	1.5	3.4
Oman	4,060.55	0.5	2.1	2.0	2.0	11.41	17,482.2	7.1	0.7	7.4
Bahrain	1,639.70	0.2	2.7	1.8	1.8	7.41	25,704.3	13.1	1.0	4.8

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	16 Jan 20	15 Jan 20	%Chg.
Value Traded (QR mn)	356.5	241.3	47.8
Exch. Market Cap. (QR mn)	594,109.7	592,340.1	0.3
Volume (mn)	85.8	67.2	27.6
Number of Transactions	6,058	4,427	36.8
Companies Traded	45	44	2.3
Market Breadth	24:12	22:14	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	19,685.79	0.4	2.4	2.6	15.5
All Share Index	3,171.49	0.3	2.3	2.3	16.0
Banks	4,365.69	0.3	2.4	3.4	15.3
Industrials	2,946.82	0.1	1.7	0.5	20.3
Transportation	2,569.09	0.6	2.2	0.5	13.7
Real Estate	1,593.11	1.1	2.4	1.8	12.0
Insurance	2,794.91	(0.3)	2.7	2.2	16.0
Telecoms	904.21	1.1	2.6	1.0	15.4
Consumer	8,726.35	0.1	2.5	0.9	19.3
Al Rayan Islamic Index	4,014.92	0.6	2.5	1.6	16.6

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Bank Muscat	Oman	0.46	3.2	2,557.9	5.5
National Petrochem. Co.	Saudi Arabia	24.98	3.1	478.2	5.2
Bank Sohar	Oman	0.11	2.7	1,591.7	2.7
Mouwasat Med. Serv. Co.	Saudi Arabia	85.70	2.0	109.9	(2.6)
Emaar Economic City	Saudi Arabia	10.02	1.9	4,629.6	4.9

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Ooredoo Oman	Oman	0.51	(1.9)	644.5	(2.7)
Rabigh Refining & Petro.	Saudi Arabia	21.56	(1.7)	2,308.8	(0.5)
GFH Financial Group	Dubai	0.82	(1.7)	15,257.0	(2.3)
Bank Dhofar	Oman	0.12	(1.6)	14.5	(2.4)
Emaar Properties	Dubai	4.17	(1.4)	10,326.9	3.7

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%
Doha Insurance Group	1.13	(3.4)	16.0	(5.8)
Qatar General Ins. & Reins. Co.	2.45	(0.8)	15.7	(0.4)
Ezdan Holding Group	0.62	(0.6)	6,847.0	1.1
Gulf International Services	1.68	(0.6)	1,478.8	(2.3)
Qatar Electricity & Water Co.	16.60	(0.5)	548.1	3.2

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	20.94	(0.0)	98,458.6	1.7
Qatar Islamic Bank	16.50	1.3	60,831.3	7.6
Masraf Al Rayan	4.11	0.5	42,314.8	3.8
Barwa Real Estate Company	3.59	1.7	20,088.8	1.4
Vodafone Qatar	1.26	5.9	17,940.8	8.6

Source: Bloomberg (* in QR)

Qatar Market Commentary

- The QE Index rose 0.4% to close at 10,698.3. The Real Estate and Telecoms indices led the gains. The index rose on the back of buying support from non-Qatari shareholders despite selling pressure from Qatari and GCC shareholders.
- Vodafone Qatar and Ahli Bank were the top gainers, rising 5.9% and 4.2%, respectively. Among the top losers, Doha Insurance Group fell 3.4%, while Qatar General Insurance & Reinsurance Company was down 0.8%.
- Volume of shares traded on Thursday rose by 27.6% to 85.8mn from 67.2mn on Wednesday. Further, as compared to the 30-day moving average of 74.5mn, volume for the day was 15.1% higher. Vodafone Qatar and Masraf Al Rayan were the most active stocks, contributing 17.1% and 12.0% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	17.76%	37.12%	(69,026,170.34)
Qatari Institutions	27.20%	37.63%	(37,161,312.01)
Qatari	44.96%	74.75%	(106,187,482.35)
GCC Individuals	0.32%	0.36%	(145,486.70)
GCC Institutions	0.91%	2.20%	(4,596,213.56)
GCC	1.23%	2.56%	(4,741,700.26)
Non-Qatari Individuals	5.73%	6.42%	(2,465,549.37)
Non-Qatari Institutions	48.08%	16.27%	113,394,731.99
Non-Qatari	53.81%	22.69%	110,929,182.61

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

Ratings, Earnings Releases, Global Economic Data and Earnings Calendar

Ratings Updates

Company	Agency	Market	Type*	Old Rating	New Rating	Rating Change	Outlook	Outlook Change
Kuwait Projects Co. Holding	Moody's	Kuwait	LTR	-	Baa3	-	Negative	-

Source: News reports, Bloomberg (* LTR – Long Term Rating)

Earnings Releases

Company	Market	Currency	Revenue (mn) 4Q2019	% Change YoY	Operating Profit (mn) 4Q2019	% Change YoY	Net Profit (mn) 4Q2019	% Change YoY
Takaful Oman Insurance*	Oman	OMR	18.3	-5.7%	-	-	(0.9)	N/A
Dhofar Beverage and Food Stuff Co.*	Oman	OMR	4,155.4	-5.1%	(32.4)	N/A	(152.4)	N/A
Voltamp Energy*	Oman	OMR	41.3	3.7%	-	-	0.5	1530.9%
Gulf Mushroom Products Co.*	Oman	OMR	7.5	-1.0%	-	-	0.6	53.0%
Oman Packaging Co.*	Oman	OMR	12.1	-5.5%	-	-	1.1	147.8%
Sohar Power Co.*	Oman	OMR	50.5	-25.2%	-	-	1.4	N/A
Salalah Mills Co.*	Oman	OMR	53.7	3.2%	-	-	1.1	-66.0%
Vision Insurance*	Oman	OMR	25.6	-6.7%	-	-	-	-
Al Anwar Holding*	Oman	OMR	-	-	-	-	0.3	N/A
National Gas Co.*	Oman	OMR	77.6	-9.6%	-	-	1.6	-11.2%
Global Financial Investments Holding*	Oman	OMR	0.3	-89.0%	-	-	(0.3)	N/A
Al Batinah Development & Inv. Co.##	Oman	OMR	223.1	-37.8%	-	-	(574.3)	N/A
Al Madina Takaful Insurance*	Oman	OMR	36.4	32.4%	-	-	0.3	21.9%
Al Batinah Power*	Oman	OMR	49.2	-34.5%	-	-	9.7	7.4%
Salalah Port Services*	Oman	OMR	64.7	14.3%	-	-	5.7	7.3%
Dhofar International Development*	Oman	OMR	9.6	-11.8%	-	-	(19.9)	N/A
Musandam Power Company##	Oman	OMR	18.0	9.2%	-	-	2.5	-31.6%
Dhofar Insurance Co.*	Oman	OMR	45.6	14.0%	-	-	2.7	136.1%
Gulf International Chemicals*	Oman	OMR	2.2	4.1%	-	-	0.1	-20.7%
National Finance Co.*	Oman	OMR	44.6	5.4%	-	-	10.0	-16.6%
Arabia Falcon Insurance Company*	Oman	OMR	16.9	5.2%	-	-	1.0	-3.6%
The National Detergent Co.*	Oman	OMR	19.7	-7.9%	-	-	0.6	-29.4%
Oman United Insurance Co.*	Oman	OMR	31.1	-15.1%	-	-	3.0	-4.2%
National Life General Insurance*	Oman	OMR	148.6	10.4%	-	-	10.1	8.6%
Muscat Insurance Co.*	Oman	OMR	18.5	-0.7%	-	-	(0.9)	N/A
Muscat Thread Mills*	Oman	OMR	3.6	20.1%	-	-	0.1	N/A
Al Maha Petroleum Products Marketing##	Oman	OMR	465.1	-4.6%	-	-	3.9	-24.2%
Al Omaniya Financial Services*	Oman	OMR	17.6	-3.5%	-	-	3.4	-14.8%
Oman Ceramic Co.*	Oman	OMR	2.0	-16.5%	-	-	(1.0)	N/A
Financial Services Co.##	Oman	OMR	313.3	-18.3%	-	-	(817.7)	N/A
Al Sharqiya Investment Holding Co.*	Oman	OMR	1.2	-3.9%	-	-	0.5	-8.7%
Taageer Finance Co.*	Oman	OMR	19.9	20.6%	-	-	3.8	-21.9%

Company	Market	Currency	Revenue (mn) 4Q2019	% Change YoY	Operating Profit (mn) 4Q2019	% Change YoY	Net Profit (mn) 4Q2019	% Change YoY
Muscat Finance*	Oman	OMR	12.6	-10.2%	7.8	-20.4%	0.4	-89.2%
Gulf Stones Co.*	Oman	OMR	3.1	-6.2%	-	-	(0.7)	N/A
Acwa Power Barka*	Oman	OMR	55.7	-9.4%	-	-	1.8	N/A
Oman Flour Mills Co.*	Oman	OMR	95.3	7.4%	-	-	6.7	-28.8%
Al Fajar Al Alamia Co.*	Oman	OMR	9.0	-17.8%	-	-	0.2	-84.7%
Oman Chlorine*	Oman	OMR	16.3	29.9%	1.3	-54.5%	(0.2)	N/A
National Aluminium Products Co.*	Oman	OMR	43.3	-10.1%	-	-	(0.8)	N/A
Al Maha Ceramics*	Oman	OMR	7.4	-11.9%	-	-	1.0	-16.0%
Dhofar Fisheries & Food Industries Co.*	Oman	OMR	8.5	0.1%	-	-	(1.0)	N/A
Al Batinah Hotels##	Oman	OMR	67.3	-36.2%	-	-	(30.2)	N/A
Al Madina Investment Co.##	Oman	OMR	124.9	-3.6%	-	-	(1,542.2)	N/A
Al Hassan Engineering Co.*	Oman	OMR	38.7	48.5%	-	-	1.2	N/A
Majan Glass Co.	Oman	OMR	10.9	23.7%	-	-	-	-
Dhofar Cattle Feed Co.*	Oman	OMR	34.8	4.0%	0.9	N/A	0.5	N/A
Galfar Engineering & Contracting##	Oman	OMR	253,661.0	-12.3%	-	-	(59.0)	N/A
Dhofar Poultry Co.*	Oman	OMR	9.5	-5.0%	-	-	(0.4)	N/A
Ooredoo	Oman	OMR	74.4	3.8%	-	-	6.9	-54.3%

Source: Company data, DFM, ADX, MSM, TASI, BHB. (# - Values in Thousands, *Financial for FY2019)

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
01/16	US	Department of Labor	Initial Jobless Claims	11-Jan	204k	218k	214k
01/16	US	Department of Labor	Continuing Claims	4-Jan	1,767k	1,750k	1,804k
01/17	US	Federal Reserve	Industrial Production MoM	Dec	-0.3%	-0.2%	0.8%
01/17	US	Federal Reserve	Manufacturing (SIC) Production	Dec	0.2%	-0.1%	1.0%
01/17	EU	Eurostat	CPI YoY	Dec	1.3%	1.3%	1.3%
01/17	EU	Eurostat	CPI MoM	Dec	0.3%	0.3%	0.3%
01/16	Germany	German Federal Statistical Office	CPI MoM	Dec	0.5%	0.5%	0.5%
01/16	Germany	German Federal Statistical Office	CPI YoY	Dec	1.5%	1.5%	1.5%
01/16	Japan	Bank of Japan	PPI MoM	Dec	0.1%	0.1%	0.2%
01/16	Japan	Bank of Japan	PPI YoY	Dec	0.9%	0.9%	0.1%
01/16	China	The People's Bank of China	Money Supply M0 YoY	Dec	5.4%	5.2%	4.8%
01/16	China	The People's Bank of China	Money Supply M1 YoY	Dec	4.4%	3.7%	3.5%
01/16	China	The People's Bank of China	Money Supply M2 YoY	Dec	8.7%	8.3%	8.2%
01/17	China	National Bureau of Statistics	GDP YoY	4Q2019	6.0%	6.0%	6.0%
01/17	China	National Bureau of Statistics	Industrial Production YoY	Dec	6.9%	5.9%	6.2%
01/17	China	National Bureau of Statistics	Retail Sales YoY	Dec	8.0%	7.9%	8.0%

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 4Q2019 results	No. of days remaining	Status
MARK	Masraf Al Rayan	20-Jan-20	1	Due
KCBK	Al Khalij Commercial Bank	20-Jan-20	1	Due
MRDS	Mazaya Qatar Real Estate Development	22-Jan-20	3	Due
DHBK	Doha Bank	26-Jan-20	7	Due
QIIK	Qatar International Islamic Bank	28-Jan-20	9	Due
QFLS	Qatar Fuel Company	29-Jan-20	10	Due
CBQK	The Commercial Bank	29-Jan-20	10	Due
IHGS	Islamic Holding Group	29-Jan-20	10	Due
NLCS	Aljarah Holding	30-Jan-20	11	Due
QATI	Qatar Insurance Company	2-Feb-20	14	Due
VFQS	Vodafone Qatar	3-Feb-20	15	Due
MCGS	Medicare Group	4-Feb-20	16	Due
QIMD	Qatar Industrial Manufacturing Company	5-Feb-20	17	Due
DOHI	Doha Insurance Group	12-Feb-20	24	Due
ORDS	Ooredoo	13-Feb-20	25	Due

Source: QSE

Qatar

- ABQK posts ~2% YoY increase but ~29% QoQ decline in net profit in 4Q2019, misses our estimate** – Ahli Bank's (ABQK) net profit rose 2.3% YoY (but declined 29.5% on QoQ basis) to QR130.7mn in 4Q2019 vs. our estimate of QR157.5mn. In FY2019, ABQK has posted a net profit of QR675.23mn compared to net profit amounting to QR665.56mn for the same period of the previous year. EPS amounted to QR0.292 in FY2019 as compared to QR0.288 in FY2018. The bank's balance sheet grew by 8.7% over December 31, 2018 to QR43.9bn. Loans and advances grew 14.8% last year to nearly QR31.6bn. Investment Securities grew by 27.1% to QR7.5bn in 2019. ABQK's customer deposits grew by 17.2% to QR25.5bn in 2019. Cost-to-income ratio for 2019 improved to 27.3% from 28.1% in 2018 reflecting efficient management of the bank's operations. The Return on Average Assets (ROAA) and Return on Average Equity (ROAE) stood steady at 1.7% and 11.9% respectively, despite an increase in balance sheet size and equity base. Total capital adequacy ratio as of December 2019 stood at a healthy 17.1%, reflecting strong capital position of the bank. Ahli Bank's board of directors has proposed a cash dividend of 15% i.e. QR0.15 per share, and a bonus share of 5% (one new share for every 20 shares held) as the dividend distribution for 2019. The dividend proposal takes into account maximization of shareholders' wealth, bank's internal capital requirements, liquidity and balance sheet growth projections. The results are subject to the final approval of the Qatar Central Bank and the shareholders in the General Assembly, Ahli Bank stated. On the results, ABQK's Chairman and Managing Director, Sheikh Faisal bin AbdulAziz bin Jassem Al Thani said, "We are very pleased with our performance for this year, as the key growth drivers were positively reflected in the overall business growth. The bank has successfully met one of its key strategic objectives of improving stable funding by completing the third bond issuance for \$500mn under its \$1.5bn EMTN Program in the international debt capital markets. The issue was oversubscribed by more than three times with orders from more than 85 investors from Asia, MENA and Europe. This demonstrates the continued vote of confidence from international investors in both Qatar and Ahli Bank. As a further testimony to our performance, Ahli Bank continues to enjoy higher credit ratings A2/P1 from Moody's and is the second highest rated conventional bank in Qatar after QNB. Fitch Ratings has also affirmed Ahli Bank's Long Term Issuer Default Rating (IDR) at 'A.'" (QNB FS Research, QSE, Gulf-Times.com)
- Alijarah Holding to hold investors relation conference call on February 2** – Alijarah Holding announced that Investors Relation Conference Call will be held on February 2, 2020 to discuss the financial statements ended December 31, 2019. (QSE)
- QIGD to hold its board meeting on February 2 to discuss the financial statements; conference call to be held on February 6** – Qatari Investors Group (QIGD) announced that its board of directors will meet on February 2, 2020 to discuss financial statements for the period ended December 31, 2019. In addition, the company will also hold an investor relations conference by phone to discuss the financial results for the period ending on December 31, 2019 on February 6, 2020. (QSE)
- Vodafone Qatar to hold board meeting on February 3 to discuss the financial statements; conference call will be held on February 4** – Vodafone Qatar announced that its board of directors will meet on February 3, 2020 to discuss financial statements for the period ended December 31, 2019. In addition, the company will also hold an investor relations conference by phone to discuss the financial results for the period ending on December 31, 2019 on February 4, 2020. (QSE)
- Ooredoo continues with Plug and Play tie-up to drive digital innovation** – Ooredoo has announced partnership contract renewal for 2020 with Plug and Play, the Silicon Valley-based world's largest innovation ecosystem, which aims to connect major corporations, start-ups and investors. Since March 2019, Ooredoo and Plug and Play have evaluated more than 200 start-ups and built seven Minimum Viable Projects. Currently, Ooredoo has two projects in production – the Ooredoo Virtual Store and Digital Opportunities for People with Physical Disabilities in partnership with the accessible travel start-up Wheel the World. (Qatar Tribune)
- Qatar Airways narrows full-year loss with sales surge** – Qatar Airways' CEO, Akbar Al Baker said a surge in sales and a higher load factor will narrow losses for the fiscal year ending in March. "Our losses are half of what we budgeted," Al Baker said at a media briefing in Kuwait on Wednesday. Cost-cutting and being very aggressive in the way we sell has allowed the improvement, he added. The CEO said, "The only impact of the blockade after almost three years today is operational costs due to the average extra flying time of 25 minutes per flight. Breakeven could come in the next financial year and profitability in the one ending in 2022." (Bloomberg)
- Four Qatari companies among Forbes ME top 50 realty firms** – Forbes Middle East magazine has placed four Qatari real estate companies in its recently published report on the top 50 listed real estate companies in the Middle East for the year 2019. Ranked by market value as of October 21, 2019, two of the Qatari companies have found space in the top 10 of the report that features the top 50 companies listed on the region's stock exchange. Ezdan Holding Group, which has been ranked at the fourth place with a market value of \$4.5bn, has emerged as the top Qatari company in the list. Barwa Real Estate Company with a market value of \$3.6bn has been ranked sixth among all companies as part of the report. United Development Company and Mazaya Qatar Real Estate Development have been ranked 12th and 38th, respectively in the list. While United Development Company has a market value of \$1.3bn, Mazaya Qatar Real Estate Development's market value reached \$229mn as of October 21, 2019. Qatar's real estate sector is closely linked to its economy with the industry contributing heavily to growth. Over the last one decade, Qatar has become world-renowned for erecting architectural masterpieces such as the Pearl-Qatar, Msheireb Downtown Doha, Lusail City and various other projects currently under construction. (Qatar Tribune)
- Deal for Qatar's first solar power plant project to be signed today** – Under the patronage of Prime Minister and Minister of Interior HE Sheikh Abdullah bin Nasser bin Khalifa Al Thani,

the Qatar General Electricity and Water Corporation (Kahramaa) will sign an agreement for the Al Kharsaah solar power plant project today. The solar power plant, which is being built near the Al Kharsaah district with an area of 10 square kilometers, is the first project for a solar energy plant in Qatar to produce electricity using photovoltaic technology. The total capacity of the solar power project is estimated at least 700 MW and 350 MW will be connected to the grid in the first quarter of 2021. The commercial operation is expected to begin in the first quarter of 2022. Kahramaa has received five offers from international developers who are qualified to bid for the project, and it has reviewed and evaluated the offers submitted in technical, legal and commercial terms. The plant is part of Kahramaa's plans to reduce dependence on fossil fuels, reduce carbon emissions and increase energy efficiency by diversifying sources of electricity production, besides increasing the proportion of renewable energy in line with the Qatar National Vision 2030 within the pillars of economic development and environmental development. (Qatar Tribune)

- **Al-Kuwari: Private sector progress main indicator of economic development** – Private sector progress is a main indicator of development in advanced countries, according to HE the Minister of Commerce and Industry Ali bin Ahmed AL-Kuwari. The Minister was speaking at a meeting hosted in his honor by the Qatari Businessmen Association (QBA). Al-Kuwari noted Qatari financial institutions and companies have become globally competitive and are present in major European and American markets through successful investments. These have served the goals of developing the national economy and transferring expertise and knowledge to the local market. The QBA noted the Minister's visit was aimed at reinforcing communication with the Qatari business community and Qatari businessmen, exchanging views and informing them of the ministry's initiatives that are put in the service of the national economy and its development. (Gulf-Times.com)
- **Exit permits abolished for government, domestic workers** – Qatar has scrapped exit permits for different categories of expatriates including those who are not covered by the country's Labor Law like domestic workers, as part of its efforts to ensure the rights of all foreign workers. To this effect, HE the Prime Minister and Minister of Interior Sheikh Abdullah bin Nasser bin Khalifa Al Thani issued on Thursday Decision No. 95 of 2019 "regarding controls and procedures for the exit of some categories of expatriates who are not subject to the Labor Law in Qatar", the official Qatar News Agency (QNA) stated. The decision is another important step taken by the Qatari government to establish a modern system that strengthens labor laws in the country and ensures the protection of the rights of all expatriate workers, the report stated. According to the new decision, expatriates in the following categories have the freedom to temporarily or permanently leave the country during the period of validity of their employment contract: staff in ministries and other government agencies, employees in public bodies and institutions, employees in the oil and gas sector and affiliated companies, employees working on marine vessels; workers engaged in agriculture and grazing; and workers in private offices. This decision will support Qatari companies by enhancing their global competitiveness and ensuring their conformity with international labor regulations

and best practices, the QNA report stressed. The decision also stipulates that the employer has the right to submit a reasoned request to the Ministry of Interior (MoI) with the names of those who need prior approval before they leave the country because of the nature of their work. Such requests should not exceed 5% of the total number of their employees. (Gulf-Times.com)

- **Ministry of Commerce & Industry, QBA to set up Joint Follow-up Committee** – The Ministry of Commerce and Industry (MoCI) and the Qatari Businessmen Association (QBA) will establish a Joint Follow-up Committee, which will serve as a direct communication channel to discuss economic initiatives between both sides, and to facilitate joint cooperation in the implementation of programs and initiatives undertaken by the Ministry and its proper delivery to the business community. The minister's visit also aimed at reinforcing communication with the Qatari business community and Qatari businessmen, exchanging views and informing them of the ministry's initiatives which are being implemented in the service of the national economy and its development. (Peninsula Qatar)
- **Sharp jump in Qatar-US monthly trade volume** – The Qatar-US monthly trade exchange witnessed a remarkable growth in November 2019. The bilateral trade volume in goods between the two countries reached at QR3.09bn in November, registering a sharp jump of over 111% compared to QR1.46bn in the previous month (October 2019), latest official data showed. The combined value of Qatar-US trade exchange during the first 11 months of 2019 (January-November) amounted to QR24.34bn, with the US trade surplus (for the 11-month period) reaching at QR12.57bn. This huge trade surplus is nearly 35% higher compared to QR10.41bn reported for the full year in 2018. With the release of December figures the US trade surplus with Qatar is likely to touch higher level. The US exports to Qatar during January-November period stood at \$5.07bn, while its imports from Qatar remained at \$1.61bn, according to the latest online data available at the US Census Bureau website. When analyzed on monthly basis, November 2019 recorded the highest trade volume during the 11 month period, which was also one of the highest monthly figures in the past few years. The total US exports to Qatar in November peaked at \$773.5mn, recoding a nearly 200% MoM growth compared to \$263m in October 2019, while its imports from Qatar remained at \$76mn, down over 82% against \$138.6mn in the previous month. (Peninsula Qatar)

International

- **IMF Chief: US-China trade deal to ease global uncertainty** – The signing of a Phase 1 trade agreement between the US and China will reduce - but not eliminate - uncertainty that has dampened global economic growth, International Monetary Fund's (IMF) Managing Director, Kristalina Georgieva said on Friday. However she said the IMF expected the trade deal would ensure that China's gross domestic product expands by 6% in 2020 and she had shared that forecast with Chinese Vice-Premier Liu He during a meeting this week. "It brings China in the parameters of around 6% growth for 2020, rather than below," she said. Georgieva said the IMF had previously estimated that global trade tensions would shave 0.8%, or \$700bn, off international economic growth. Only about one-third of that was due to

tariffs, with the larger share resulting from a slowdown in business investment. Since the US-China trade deal was only an interim solution, the impact on investment would not be eradicated, she said. (Reuters)

- **US housing starts at 13-year high, factory output gains** – The US homebuilding surged to a 13-year high in December as activity increased across the board, suggesting the housing market recovery was back on track amid low mortgage rates, and could help support the longest economic expansion on record. Housing starts jumped 16.9% to a seasonally adjusted annual rate of 1.608mn units last month, the highest level since December 2006. The percentage gain was the largest since October 2016. Groundbreaking activity last month was likely flattered by unseasonably mild weather and probably overstates the health of the housing market. Data for November was revised higher to show homebuilding rising to a pace of 1.375mn units, instead of advancing to a rate of 1.365mn units as previously reported. In a separate report on Friday, the Fed said manufacturing production rose 0.2% last month, adding to November's 1.0% increase. Manufacturing output, however, fell 1.0% in the fourth quarter. It dropped 0.2% in 2019, the first decline since 2016. The US-China trade war has eroded business confidence, leading to a decline in capital expenditures. The housing market improvement is offsetting some of the drag on the economy from weak manufacturing. (Reuters)
- **US data point to moderate economic growth, tightening jobs market** – US retail sales increased for a third straight month in December, with households buying a range of goods even as they cut back on purchases of motor vehicles, suggesting the economy maintained a moderate growth pace at the end of 2019. Other data showed the number of Americans filing claims for unemployment benefits dropped for a fifth straight week last week, indicating the labor market remained strong despite a recent slowdown in job growth. That should help sustain consumer spending and probably keep the longest economic expansion on record, now in its 11th year, on track. The Federal Reserve described the economy as having continued to expand modestly in the final six weeks of 2019. The US central bank has signaled that it could keep interest rates unchanged at least through this year after reducing borrowing costs three times in 2019. The Commerce Department said retail sales increased 0.3% last month. Data for November was revised up to show retail sales gaining 0.3% instead of rising 0.2% as previously reported. Economists polled by Reuters had forecast retail sales would gain 0.3% in December. Compared to December of last year, retail sales accelerated 5.8%. Sales increased 3.6% in 2019. Excluding automobiles, gasoline, building materials and food services, retail sales rebounded 0.5% last month after falling by a downwardly revised 0.1% in November. (Reuters)
- **China to boost US purchases by \$76.7bn in first year of trade deal** – China has agreed to increase purchase \$76.7bn worth of US goods in the first year of the newly signed Phase 1 trade deal with the US, with \$123.3bn slated for the second year, according to the text of the agreement released on Wednesday. The \$200bn total two-year increase includes a \$77.7bn increase in sales of manufactured goods to China, according to the text. China also will increase US energy purchases by \$52.4bn and

services purchases by a \$37.9bn. The totals are in line with figures reported by Reuters on Monday. The manufactured goods, which include industrial machinery, electrical equipment, pharmaceutical products, aircraft, motor vehicles, iron and steel and optical and medical instruments, is part of a \$200bn overall increase in Chinese purchases over the next two years. "This agreement will work if China wants it to work. The people that I'm dealing with in China want it to work," US Trade Representative Robert Lighthizer told a news briefing before the document was signed by US President Donald Trump and Chinese Vice-Premier Liu He. (Reuters)

- **QNB Group: Headwind for global GDP growth from US-China trade war appears to be abating** – Progress towards the Phase 1 deal has meant that the headwind for global GDP growth from the US-China trade war appears to be abating, QNB Group has said in its weekly economic commentary. QNB Group has written extensively on the trade tensions and the US-China trade war in particular. Its optimism early last year turned to pessimism as tensions escalated over the summer and the US labeled China a currency manipulator. Progress towards a "Phase 1" deal first hit the headlines in early October when the US cancelled a planned increase in tariffs in return for Chinese commitments to purchase more US goods and agricultural commodities in particular. Further progress was made in December, when the US cancelled another planned increase in tariffs and lowered some tariffs from 15% to 7.5%. On January 13, the US removed the currency manipulator label from China ahead of the planned official signing of the Phase 1 deal on 15 January. The US Treasury Department undertakes a semi-annual review of "Macroeconomic and Foreign Exchange Policies of Major Trading Partners of the United States". The review defines three criteria to consider whether countries manipulate the rate of exchange between their currency and the US dollar for purposes of preventing effective balance of payments adjustment or gaining unfair competitive advantage in international trade. (Gulf-Times.com)
- **RICS: UK housing market gets a boost from election** – Britain's housing market got a boost from Prime Minister Boris Johnson's big election win in December which cleared up some of the uncertainty that has hung over the economy, at least for now, a survey showed on Thursday. Agreed home sales rose for the first time since May and expectations of future sales both jumped, according to the report by the Royal Institution of Chartered Surveyors (RICS). (Reuters)
- **BDI: German economic growth to slow further in 2020** – Germany's BDI industry association said on Thursday it expected German economic growth to slow further this year as there are no signs of improvement in the struggling manufacturing sector. "Industry remains stuck in recession, there are no signs for the sector bottoming out," BDI's President, Dieter Kempf said. The association said it expected the economy to grow by 0.5% in 2020, helped mainly by a higher number of working days, adding that calendar-adjusted growth is seen at 0.1%. Kempf called on the government to cut corporate taxes to push down companies' average burden to below 25% from 31% currently. Berlin should also massively hike public investment in infrastructure over next 10 years to boost growth, he added. (Reuters)

- **Bank of Japan to keep policy steady, raise growth outlook as risks subside** – The Bank of Japan is expected to keep monetary policy steady next week and nudge up its economic growth forecast, as the US-China trade deal and de-escalation in Middle East tensions take some pressure off the central bank for more stimulus. However, Bank of Japan's Governor, Haruhiko Kuroda will likely voice his resolve to keep monetary policy ultra-loose as the economy continues to feel the strain from the trade war and October's sales tax hike. At the two-day rate review that ends on Tuesday, the Bank of Japan is set to keep its short-term interest rate target at -0.1% and a pledge to guide 10-year government bond yields around 0%. It is also seen maintaining a guidance that commits to keeping rates at current low levels, or even to cut them, until risks keeping it from achieving its 2% inflation goal subside. (Reuters)
- **China's economic growth slows to 6.1% in 2019, near 30-year low** – China's economy grew 6.0% in the fourth quarter of 2019 from a year earlier, official data showed on Friday, in line with expectations and steady from the previous quarter's pace. The growth rate continued to hover at the weakest in nearly three decades. The world's second-largest economy grew an annual 6.1% in 2019, the slowest in 29 years but still within the government's target of 6-6.5%. Analysts had expected it to expand 6.1% in 2019, down from 6.6% in 2018. Facing sluggish demand at home and abroad and escalating US trade pressure, Chinese policymakers have been rolling out a stream of growth boosting measures over the past two years, while trying to contain financial and debt risks. (Reuters)
- **China's December new bank loans fall to 1.14tn Yuan, below forecast, but M2 jumps** – Chinese banks extended 1.14tn Yuan in new Yuan loans in December, down slightly from November and falling short of analysts' expectations. Analysts polled by Reuters had predicted new Yuan loans would fall to 1.194tn Yuan in December, from 1.39tn Yuan in the previous month and compared with 1.08tn Yuan a year earlier. Broad M2 money supply in December grew 8.7% from a year earlier, central bank data showed on Thursday, above estimates of 8.3% and quickening from 8.2% growth in November. Outstanding Yuan loan grew 12.3% from a year earlier compared with 12.4% growth in November. Analysts had expected 12.4%. The central bank is widely expected to keep its policy supportive despite recent signs of improvement in the economy as Sino-US trade tensions ease. Economic growth cooled to 6% in the third quarter, the slowest in nearly 30 years. (Reuters)
- **China's new bank loans hit record in 2019, more stimulus expected** – New bank lending in China hit a record of 16.81tn Yuan in 2019 as the central bank eased policy to support the world's second-largest economy hobbled by weak global demand and the Sino-US trade war. The central bank has cut borrowing costs to shore up business activity and more monetary easing and fiscal stimulus is expected this year to spur growth, analysts said. The signing of an initial US-China trade deal this week will help lower economic risks but will not stop Beijing from rolling out more policy measures to weather the downturn. The People's Bank of China (PBoC) has tried to boost bank lending and lower financing costs in the past two years, especially for smaller and private companies which generate a sizeable share of the country's economic growth and

jobs. Chinese banks extended 1.14tn Yuan in new Yuan loans in December, down from 1.39tn Yuan in November and falling slightly short of analyst expectations, data from the PBoC showed on Thursday. Analysts polled by Reuters had predicted new Yuan loans would fall to 1.19tn Yuan in December, with total new lending for the year estimated at 16.88tn Yuan, up from the previous record of 16.17tn Yuan in 2018. Outstanding Yuan loans grew 12.3% from a year earlier, a notch below 12.4% growth forecast by analysts and November's pace, which was also 12.4%. (Reuters)

Regional

- **Real estate stabilization, broad money growth to support GCC recovery** – GCC economies will see a modest recovery in 2020 and 2021, thanks to stabilization in the real estate sector, as well as broad money growth, according to the UN's latest report. "The GCC economies are expected to experience a modest recovery during 2020 and 2021 as the real estate sector stabilizes. In Saudi Arabia and the UAE, in particular, broad money growth is projected to recover in line with a moderately accelerating expansion of domestic demand. Ongoing reform efforts by the government to facilitate economic diversification should also contribute to the recovery," according to the UN Conference on Trade and Development (UNCTAD). The UAE's real GDP will grow from 1.1% in 2019, to 2.4% in 2020, and 2.9% in 2021. After experiencing deflation in 2019, the UAE will witness inflation of 2.8% in 2020 and 2.9% a year later, it said. The Middle East region grew by 1.0% in 2019, but the growth will pick up in later years to grow 2.4% in 2020 and 2.8% in 2021, it said, adding that the GCC economies experienced a substantial slowdown in growth in 2019 due to cut in crude oil production under the OPEC agreement. However, it warned that geopolitical conflict is hampering inter-region trade in the Middle East. (Zawya)
- **IEA: Oil stocks, non-OPEC output to buffer market from shocks** – Surging oil production from non-OPEC countries led by the US along with abundant global stocks will help the market weather political shocks such as the US-Iran stand-off, the International Energy Agency (IEA) said. "For now the risk of a major threat to oil supplies appears to have receded," the Paris-based IEA said in a monthly report. "Today's market, where non-OPEC production is rising strongly and OECD stocks are 9mn barrels above the five-year average, provides a solid base from which to react to any escalation in geopolitical tension," the IEA said. The IEA said it expected production to outstrip demand for crude from the OPEC even if members comply fully with a pact with Russia and other non-OPEC allies to curb output. (Zawya)
- **World Bank: Saudi Arabia top reformer, improver among 190 economies** – Saudi Arabia has made a stellar performance in the World Bank's Women, Business and the Law 2020 report, with a score of 70.6 out of 100. The report ranks the Kingdom as the top reformer and top improver among 190 economies that it covers. The report also places Saudi Arabia first among GCC countries and second in the Arab world. The Kingdom has made 'outstanding' improvements in 6 out of 8 indicators measured by the report: mobility, workplace, marriage, parenthood, entrepreneurship, and pension. According to the World Bank report, Saudi Arabia has significantly transformed the lives of women by enhancing their economic participation and

strengthened the kingdom's global competitiveness, thanks to a bold set of 12 legislative reforms that it has implemented. (Zawya)

- **Saudi Aramco adds \$500mn to corporate tech venture** – Saudi Aramco Energy Ventures is opening a new \$500mn fund through its corporate venture capital (CVC) that will invest in oil and gas technology and industrial software. Technology ventures help oil companies optimize operations in an increasingly volatile market. Aramco's investing arm has provided \$500mn in 45 start-ups since 2012, but this is the largest oil CVC fund announcement in one go. SAEV opened a Beijing office in December, the unit's CEO, Majid Mufti said. Aramco wants to invest in China as part of its Asian expansion strategy. (Bloomberg)
- **Saudi finance forum plots path to stable growth** – Sustainable economic growth topped the agenda at the Financial Stability Forum 2020, organized by the Saudi Arabian Monetary Authority (SAMA) and the Capital Market Authority (CMA). Over 300 Finance Executives and Officials took part in the forum, which was opened by Saudi Arabia's Finance Minister, Mohammed Al-Jadaan. The Minister later joined representatives from private and government finance sectors in a panel discussion on achieving the objectives of the Financial Sector Development Program, one of the main programs of the Saudi Vision 2030. (Zawya)
- **GlobalData: Saudi Aramco planning for more oil expansion** – Saudi Aramco is currently planning for launching five major oil expansion projects, including four crude and one natural gas, at its offshore oil fields to increase Saudi Arabia's oil output, GlobalData said. With the new expansion projects, Saudi Aramco will add 1.45mn bpd more to its oil capacity, according to GlobalData's recent report 'Saudi Aramco After IPO – Company Overview and Development Outlook'. Saudi Aramco, the producer of one eighth of the world's crude oil from 2016 to 2018, mainly depends on oil production, with 88% of its total 2018 upstream output coming from crude. (Zawya)
- **SMEs to benefit from Saudi government fee refund initiative** – The Small and Medium Enterprises (SMEs) General Authority (Monshaat) has begun refunding government fees to some small and medium enterprises as part of a government fee recovery initiative after the service was previously limited to companies only. The fee exemption will be for a period of three years or until reaching the maximum amount of refund allotted to the firms concerned. Okaz/Saudi Gazette learnt from sources that government fee refund is applicable to firms that are operating currently in 10 sectors covering 2,040 areas. (Zawya)
- **Saudi Finance Ministry, Sakani program sign housing deal** – The Saudi Ministry of Finance and the government's Sakani program have signed a cooperation deal to provide housing services for ministry beneficiaries. The agreement will include beneficiaries on the lists of the Ministry of Housing and the Real Estate Development Fund. The deal aims to combine the services of the finance and housing ministries along with other governmental agencies to streamline operations. The agreement provides offers for the ministry's beneficiaries. (Zawya)
- **UAE approves draft law to allow family-owned companies to list** – The UAE approved a draft law allowing family-owned

businesses to list on the country's financial markets. The cabinet approved the draft law amending provisions in the Agency Law that regulates commercial and distribution agreements, state-run WAM news agency reported. It will allow family-owned companies to turn into public joint stock companies. (Bloomberg)

- **World Economic Forum: Blockchain to help UAE save \$3bn** – The use of advanced blockchain technology will help the UAE government save more than \$3bn and tackle fraud, aside from reducing the consumption of paper and creating a paperless economy. The distributed ledger technology, which was first devised for cryptocurrencies, is now gaining traction in the country and has proven successful in cutting transaction costs and improving services in both government and private entities. These are some of the findings highlighted in whitepaper by the World Economic Forum (WEF) and the Centre for the Fourth Industrial Revolution UAE (CFIR UAE), Dubai Future Foundation (DDF). The paper provides a detailed analysis of seven case studies and surveys among more than 100 stakeholders from at least 60 various governmental and non-governmental organisations across the country. The case studies covered the blockchain strategies and initiatives implemented by major companies and government agencies like Emirates Airline, Emirates NBD, Etisalat Digital, Abu Dhabi Digital Authority, the Ministry of Health and Prevention and Smart Dubai. (Zawya)
- **Dubai non-oil foreign trade surges 22% in first nine months of 2019** – The Emirate of Dubai's non-oil foreign trade volumes surged to 83mn tons in the first nine months of 2019, revealed Dubai Customs. These figures represent an increase by 22% YoY from 68mn tons during the same period in 2018. According to the customs authority, the volume of re-exports jumped 48% to 13mn tons, while exports rose by 47% (14mn tons) and imports grew by 13% (56mn tons). (Zawya)
- **Dubai targets \$544bn non-oil trade by 2025** – His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President, Prime Minister and Ruler of Dubai, announced new \$544bn target for Dubai's non-oil foreign trade by 2025. Presiding over the second meeting of Dubai Council, he said the trade target will be supported by establishing 50 offices around the world, each tasked with promoting Dubai's unrivalled trade, tourism and investment offerings through and intensifying and unifying of external marketing efforts, a Wam news agency report said. Sheikh Mohammed bin Rashid said: "Dubai will become the world's capital of the new economy. The new economy will be a major focus on the 50 goals agenda that we seek to achieve in the next five years. The Dubai Council will focus on opening new economic sectors for the emirate and transform its existing sectors." (Zawya)
- **Al Hilal Bank agrees to sell Al Hilal Takaful to Siraj Holding** – Al Hilal Bank, a wholly-owned subsidiary of Abu Dhabi Commercial Bank (ADCB), has agreed to sell Al Hilal Takaful, its Islamic insurance business and operations, to Siraj Holding LLC. The transaction is expected to be completed during the first quarter of 2020, subject to the necessary regulatory approval. This decision is driven by Al Hilal Bank's strategic decision to focus on delivering high-quality retail banking services, primarily through digital channels and to divest non-

core businesses. The transaction will not impact the profitability of Al Hilal Bank or the wider ADCB Group. (ADX)

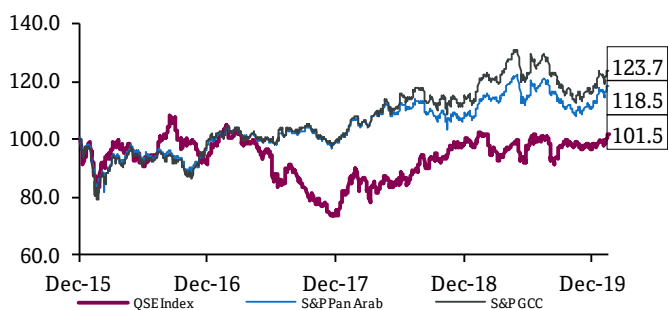
- **UAE's Masdar, Egypt's Infinity Energy set up JV** – Abu Dhabi Future Energy Company (Masdar) and Infinity Energy will establish a joint venture company, Infinity Power, to develop utility-scale and distributed solar energy and wind power projects in Egypt and Africa. The agreement was signed at the Abu Dhabi Sustainability Week by Masdar's CEO, Mohamed Jameel Al Ramahi, Infinity Energy's Managing Director and Co-founder Mohamed Elamin Ismail Mansour, and Infinity Energy's CEO, Nayer Fouad. Infinity Energy completed the development and construction of Egypt's first large-scale solar power plant in February 2018, followed by another three plants in Benban Solar Park, which is considered the largest solar park in the world to date. Egypt's 2035 Integrated Sustainable Energy Strategy targets 20% of the electricity mix coming from renewables by 2022 and 42% by 2035. According to the International Renewable Energy Agency (IRENA), the country has the potential to supply 53% of its electricity mix from renewables by 2030. (Zawya)
- **Abu Dhabi Aviation's foreign share ownership at 30%** – Abu Dhabi Aviation Co. announced its opening its trading of shares to foreign investment at a rate of no more than 30% of the company's total nominal shares capital. The announcement was made following a resolution taken during the company's General Assembly meeting on October 13, 2019, and the necessary approvals processes by the Securities and Commodities Authority, and the Department of Economic Development in Abu Dhabi. (Zawya)
- **Abu Dhabi's green bond accelerator initiative aims to finance sustainable projects** – The Abu Dhabi Department of Energy (DoE) announced a new green bond accelerator program aimed at showcasing the Emirate as a regional hub for the issuance of green bonds and green Sukuk for sustainable projects across the Middle East and Africa. The DoE program aimed at financing green projects is a joint initiative with Abu Dhabi Global Market (ADGM) and Abu Dhabi Securities Exchange (ADX) and will develop a transparent framework for green bonds, Undersecretary of the Abu Dhabi Department of Energy, Mohamed Bin Jarsh Al Falasi said. He said that the green bond will be established, regulated and listed in Abu Dhabi, with the money from any green bond supporting sustainable and efficiency projects both inside and outside the Emirate. (Zawya)
- **Abu Dhabi's ADNOC raises \$19bn** – Abu Dhabi National Oil Company (ADNOC) has been courting foreign funds - and its efforts compare favourably. Like Saudi Arabia, Abu Dhabi's economy was hit by a dramatic fall in oil prices in mid-2014, triggering a drive to reduce its dependence on crude. A central part of that has been to reform and modernise state champion ADNOC and attract foreign investment. ADNOC has gone for a more staggered approach with its fundraising efforts, and there has been little overview of their scope by industry experts. However, ADNOC has raised more than \$19bn over the past three years from overseas investors, according to Reuters calculations based on publicly released size of investments, signing fees and share sales. (Zawya)
- **Kuwait Business Town sells investment property at KD25.501mn** – The board of Kuwait Business Town Real Estate

Company approved the selling of an investment property to one of the company's subsidiaries at a value of KD25.501mn, without achieving a profit nor a loss. The transaction will not have any material impact on the firm's consolidated financial statements, according to a bourse filing. It is worth noting that over the nine-month period ended September 2019, the company's profits increased by 22.8% to KD1.88mn from KD1.53 million in the corresponding period last year. (Zawya)

- **BKSB posts 17.2% YoY rise in net profit to OMR34.4mn in FY2019** – Sohar International Bank (BKSB) recorded net profit of OMR34.4mn in FY2019, an increase of 17.2% YoY. Operating income rose 10.8% YoY to OMR104.7mn in FY2019. Operating profit rose 8.8% YoY to OMR59.4mn in FY2019. Total assets stood at OMR3.5bn at the end of December 31, 2019 as compared to OMR3.0bn at the end of December 31, 2018. Net loans and advances stood at OMR2.5bn (9.0% YoY), while deposits from customers stood at OMR2.1bn (15.3% YoY) at the end of December 31, 2019. (MSM)
- **Alizz Islamic Bank recommends swap ratio for Oman Arab Bank merger** – Alizz Islamic Bank announced that the board of directors, after reviewing the offer with the swap ratio of around 81%:19% for shareholders of Oman Arab Bank and Alizz Islamic Bank respectively, have approved and recommended this to the shareholders for their approval. Actual SWAP ratio will be based on the net assets value as per the audited financial statements for the year ended December 31, 2019. Appropriate price adjustments will be made to movements in both the Banks financials between December 31, 2019 (the Cut-off Date) and the actual transaction date. The proposed merger and the indicative Swap ratio will remain subject to the approval from the shareholders, the Central Bank of Oman, Capital market Authority and other relevant authorities. (MSM, Bloomberg)
- **Bahrain's Liquidity Fund closes loan applications for large firms** – The Liquidity Support Fund yesterday closed applications for large enterprises with an annual income above BHD3mn, with the application window for small and medium enterprises (SMEs) remaining open until March 19. The BHD100mn Liquidity Support Fund, launched following the instructions of Crown Prince, Deputy Supreme Commander and First Deputy Premier, His Royal Highness Prince Salman bin Hamad Al Khalifa during the 2019 Government Forum, supports private sector companies by offering credit facilities at a 2.5% interest rate. The fund will review all applicants against specified eligibility. Credit application requests for large companies are capped at BHD1mn, and BHD250,000 for SMEs, with a loan period of up to three years. (Zawya)
- **Bahrain's Gulf Air aims to transport 7mn passengers this year** – Bahrain's national carrier expects to transport more than 7mn passengers in 2020, seven per cent higher than 6.5mn last year. Gulf Air's Chief Executive, Krešimir Kuko said that the airline is also confident of retaining load factor at around 77% this year. He said the airline saw substantial growth in 2019, especially in high-volume sectors like the Indian subcontinent where it has seen load factors going up to 90%, with the overall average across the network coming in at about 77%, a few notches better than 2018. Load factor is a measure of the capacity utilisation of airlines and is generally used to assess how efficiently a carrier fills seats and generates fare revenue.

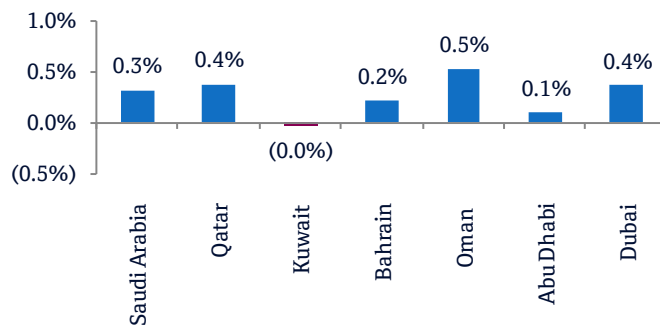
However, Mr Kuko expects 2020 to be a challenging year because it is building significant capacity and network expansion in long haul operations. (Zawya)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,557.24	0.3	(0.3)	2.6
Silver/Ounce	18.04	0.5	(0.4)	1.1
Crude Oil (Brent)/Barrel (FM Future)	64.85	0.4	(0.2)	(1.7)
Crude Oil (WTI)/Barrel (FM Future)	58.54	0.0	(0.8)	(4.1)
Natural Gas (Henry Hub)/MMBtu	2.06	(1.0)	(1.0)	(1.4)
LPG Propane (Arab Gulf)/Ton	42.00	(1.2)	(8.5)	1.8
LPG Butane (Arab Gulf)/Ton	69.75	4.9	(1.8)	5.1
Euro	1.11	(0.4)	(0.3)	(1.1)
Yen	110.14	(0.0)	0.6	1.4
GBP	1.30	(0.5)	(0.4)	(1.8)
CHF	1.03	(0.3)	0.5	0.0
AUD	0.69	(0.3)	(0.3)	(2.0)
USD Index	97.61	0.3	0.3	1.3
RUB	61.57	(0.1)	0.8	(0.7)
BRL	0.24	0.6	(1.6)	(3.4)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,415.51	0.4	1.6	2.4
DJ Industrial	29,348.10	0.2	1.8	2.8
S&P 500	3,329.62	0.4	2.0	3.1
NASDAQ 100	9,388.94	0.3	2.3	4.6
STOXX 600	424.56	0.6	1.0	0.8
DAX	13,526.13	0.3	0.0	1.0
FTSE 100	7,674.56	0.5	0.8	(0.1)
CAC 40	6,100.72	0.6	0.8	0.8
Nikkei	24,041.26	0.5	0.2	0.5
MSCI EM	1,146.83	0.5	1.2	2.9
SHANGHAI SE Composite	3,075.50	0.3	0.2	2.2
HANG SENG	29,056.42	0.7	1.4	3.4
BSE SENSEX	41,945.37	(0.1)	0.6	1.9
Bovespa	118,478.30	1.8	0.1	(1.5)
RTS	1,637.75	1.6	1.4	5.7

Source: Bloomberg (*\$ adjusted returns)

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