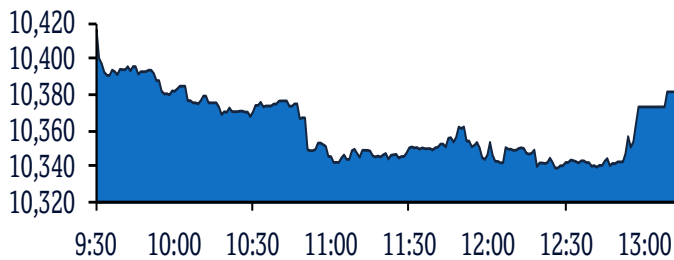


QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.3% to close at 10,381.7. Losses were led by the Telecoms and Insurance indices, falling 1.1% and 0.7%, respectively. Top losers were Qatari German Company for Medical Devices and Qatar International Islamic Bank, falling 2.6% and 2.0%, respectively. Among the top gainers, Qatar General Insurance & Reinsurance Company gained 3.8%, while Medicare Group was up 3.0%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.1% to close at 8,199.0. Losses were led by the Utilities and Pharma, Biotech indices, falling 1.1% and 0.7%, respectively. Alliant Saudi Fransi Coop. Ins. declined 4.5%, while Saudi Fisheries was down 3.7%.

Dubai: The DFM Index gained 2.0% to close at 2,746.8. The Real Estate & Construction index rose 2.4%, while the Banks index gained 2.3%. Mashreqbank rose 13.8%, while SHUAA Capital was up 4.8%.

Abu Dhabi: The ADX General Index gained 1.0% to close at 5,056.8. The Energy index rose 2.2%, while the Services index gained 1.2%. Abu Dhabi National Energy Company rose 12.5%, while Al Qudra Holding was up 11.9%.

Kuwait: The Kuwait All Share Index gained 0.9% to close at 6,129.8. The Insurance index rose 2.0%, while the Consumer Services index gained 1.7%. Real Estate Trade Centers Company rose 17.7%, while Dar AL Thraya Real Estate Co. was up 9.7%.

Oman: The MSM 30 Index fell 0.1% to close at 3,948.4. The Services index declined 0.4%, while the other indices ended flat or in green. Voltamp Energy fell 6.0%, while Oman Cement was down 3.3%.

Bahrain: The BHB Index gained 0.5% to close at 1,592.0. The Commercial Banks index rose 0.9%, while the Services index gained 0.1%. Ahli United Bank rose 1.5%, while Al Salam Bank – Bahrain was up 1.1%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar General Ins. & Reins. Co.	2.44	3.8	0.5	(0.8)
Medicare Group	8.15	3.0	280.7	(3.6)
Gulf Warehousing Company	5.39	1.7	688.5	(1.6)
Masraf Al Rayan	4.01	1.3	3,616.1	1.3
Qatar Aluminium Manufacturing	0.75	0.9	2,215.2	(3.5)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatar First Bank	0.73	(0.3)	4,932.2	(11.4)
Masraf Al Rayan	4.01	1.3	3,616.1	1.3
Qatar Oman Investment Company	0.63	(1.4)	3,308.3	(5.8)
Ezdan Holding Group	0.59	(0.3)	3,213.5	(4.2)
The Commercial Bank	4.82	0.4	2,306.2	2.6

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,381.74	(0.3)	(1.2)	(0.4)	(0.4)	39.78	158,809.4	15.1	1.5	4.1
Dubai	2,746.77	2.0	(0.8)	(0.7)	(0.7)	41.50	101,684.5	10.9	1.0	4.3
Abu Dhabi	5,056.75	1.0	(0.9)	(0.4)	(0.4)	29.35	141,390.9	15.5	1.4	4.9
Saudi Arabia	8,198.97	(0.1)	(2.4)	(2.3)	(2.3)	989.92	2,345,176.9	22.0	1.8	3.3
Kuwait	6,129.84	0.9	(2.4)	(2.4)	(2.4)	154.03	114,981.0	15.1	1.4	3.5
Oman	3,948.38	(0.1)	(1.4)	(0.8)	(0.8)	2.75	17,025.3	7.5	0.7	7.6
Bahrain	1,592.02	0.5	(1.2)	(1.1)	(1.1)	2.51	24,904.8	12.7	1.0	4.9

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

Market Indicators	07 Jan 20	06 Jan 20	%Chg.
Value Traded (QR mn)	145.7	260.6	(44.1)
Exch. Market Cap. (QR mn)	578,119.3	578,752.9	(0.1)
Volume (mn)	42.6	83.0	(48.7)
Number of Transactions	4,120	8,772	(53.0)
Companies Traded	42	45	(6.7)
Market Breadth	12:23	30:12	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	19,103.28	(0.3)	(1.2)	(0.4)	15.1
All Share Index	3,082.14	(0.1)	(1.2)	(0.6)	15.5
Banks	4,225.15	0.0	(0.8)	0.1	14.7
Industrials	2,896.49	(0.5)	(1.1)	(1.2)	19.9
Transportation	2,534.60	0.2	(1.4)	(0.8)	13.6
Real Estate	1,535.94	(0.0)	(1.8)	(1.9)	11.5
Insurance	2,693.99	(0.7)	(2.0)	(1.5)	15.4
Telecoms	878.78	(1.1)	(3.2)	(1.8)	15.0
Consumer	8,498.86	(0.0)	(2.2)	(1.7)	18.8
Al Rayan Islamic Index	3,896.32	(0.1)	(1.7)	(1.4)	16.2

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Emaar Properties	Dubai	4.05	3.6	8,511.6	0.7
DP World	Dubai	12.50	2.5	240.6	(4.6)
Emirates NBD	Dubai	12.95	2.4	2,297.7	(0.4)
Boubyan Bank	Kuwait	0.64	1.9	975.5	0.2
Agility Pub. Warehousing	Kuwait	0.80	1.8	2,127.2	(2.8)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Saudi British Bank	Saudi Arabia	33.70	(2.2)	335.1	(2.9)
Qatar Int. Islamic Bank	Qatar	9.39	(2.0)	856.6	(3.0)
Qatar Insurance Co.	Qatar	3.12	(1.6)	161.3	(1.3)
Ooredoo Oman	Oman	0.51	(1.5)	29.2	(2.3)
Saudi Cement Co.	Saudi Arabia	66.90	(1.5)	150.5	(4.6)

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%
Qatari German Co for Med. Dev.	0.52	(2.6)	1,610.5	(10.7)
Qatar International Islamic Bank	9.39	(2.0)	856.6	(3.0)
Salam International Inv. Ltd.	0.47	(1.9)	655.7	(10.1)
Islamic Holding Group	1.84	(1.6)	49.0	(3.2)
Qatar Insurance Company	3.12	(1.6)	161.3	(1.3)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	20.55	0.3	31,883.3	(0.2)
Masraf Al Rayan	4.01	1.3	14,429.1	1.3
The Commercial Bank	4.82	0.4	11,046.9	2.6
Ooredoo	6.95	(1.4)	11,012.6	(1.8)
Qatar Fuel Company	22.55	(0.2)	9,351.9	(1.5)

Source: Bloomberg (* in QR)

Qatar Market Commentary

- The QE Index declined 0.3% to close at 10,381.7. The Telecoms and Insurance indices led the losses. The index fell on the back of selling pressure from Qatari and GCC shareholders despite buying support from non-Qatari shareholders.
- Qatari German Company for Medical Devices and Qatar International Islamic Bank were the top losers, falling 2.6% and 2.0%, respectively. Among the top gainers, Qatar General Insurance & Reinsurance Company gained 3.8%, while Medicare Group was up 3.0%.
- Volume of shares traded on Tuesday fell by 48.7% to 42.6mn from 83.0mn on Monday. Further, as compared to the 30-day moving average of 74.5mn, volume for the day was 42.8% lower. Qatar First Bank and Masraf Al Rayan were the most active stocks, contributing 11.6% and 8.5% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	20.84%	30.63%	(14,255,277.83)
Qatari Institutions	33.19%	25.97%	10,514,688.59
Qatari	54.03%	56.60%	(3,740,589.24)
GCC Individuals	0.59%	0.35%	344,038.86
GCC Institutions	0.85%	8.02%	(10,456,384.17)
GCC	1.44%	8.37%	(10,112,345.31)
Non-Qatari Individuals	9.37%	12.66%	(4,795,750.34)
Non-Qatari Institutions	35.16%	22.37%	18,648,684.89
Non-Qatari	44.53%	35.03%	13,852,934.55

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

Global Economic Data and Earnings Calendar

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
01/07	US	Institute for Supply Management	ISM Non-Manufacturing Index	Dec	55.0	54.5	53.9
01/07	EU	Eurostat	Retail Sales MoM	Nov	1.0%	0.7%	-0.3%
01/07	EU	Eurostat	Retail Sales YoY	Nov	2.2%	1.5%	1.7%
01/07	EU	Eurostat	CPI MoM	Dec	0.3%	0.3%	-0.3%
01/07	EU	Eurostat	CPI Core YoY	Dec	1.3%	1.3%	1.3%
01/07	Germany	Markit	Markit Germany Construction PMI	Dec	53.8	-	52.5
01/07	Japan	Markit	Jibun Bank Japan PMI Composite	Dec	48.6	-	49.8
01/07	Japan	Markit	Jibun Bank Japan PMI Services	Dec	49.4	-	50.6
01/07	India	Central Statistics Office India	GDP Annual Estimate YoY	2020	5.0%	5.0%	6.8%

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
QNBK	QNB Group	14-Jan-20	6	Due
GWCS	Gulf Warehousing Company	14-Jan-20	6	Due
QIBK	Qatar Islamic Bank	15-Jan-20	7	Due
ABQK	Ahli Bank	16-Jan-20	8	Due
MARK	Masraf Al Rayan	20-Jan-20	12	Due
KCBK	Al Khalij Commercial Bank	20-Jan-20	12	Due
DHBK	Doha Bank	26-Jan-20	18	Due
IHGS	Islamic Holding Group	29-Jan-20	21	Due
NLCS	Aljarah Holding	30-Jan-20	22	Due

Source: QSE

Qatar

- **IHGS to hold board meeting on January 29 to discuss the financial statements** – Islamic Holding Group (IHGS) announced that its board of directors will meet on January 29, 2020 to discuss financial statements for the period ended December 31, 2019. (QSE)
- **NLCS to hold board meeting on January 30 to discuss the financial statements** – Alijarah Holding (NLCS) announced that its board of directors will meet on January 30, 2020 to discuss financial statements for the period ended December 31, 2019. (QSE)
- **MRDS to hold board meeting on January 22 to discuss the financial statements** – Mazaya Qatar Real Estate Development (MRDS) announced that its board of directors will meet on January 22, 2020 to discuss financial statements for the period ended December 31, 2019. (QSE)
- **QCB issues treasury bills for January worth QR600mn** – Qatar Central Bank (QCB) has issued treasury bills worth QR600mn for three, six and nine months. According to a QCB press release on Tuesday, the treasury bills are distributed as follows: QR300mn for three months at an interest rate of 1.53%, QR200mn for six months at an interest rate of 1.56%, and QR100mn for nine months at an interest rate of 1.53%. (Qatar Tribune)
- **QCB: Public sector drives local currency deposits expansion in Qatar banks** – The local currency time and savings (T&S) deposits of the public sector has considerably outpaced the total deposits expansion in Qatar’s banking industry during November 2019, according to the central bank data. The public sector T&S deposits’ growth was mainly on account of the local currency (T&S) deposits of the sovereign and government institutions during the review period, according to figures released by the Qatar Central Bank (QCB). Total (public, private and non-resident) deposits in the country’s commercial banks otherwise witnessed an about 5% YoY rise to QR830.46bn during November. The public sector’s total deposits shrank 4% YoY to QR260.2bn, mainly dragged by foreign currency T&S deposits during the review period. The public sector’s local currency T&S deposits soared 67% YoY to QR141.57bn, which constituted more than 54% of the total deposits of the public sector during November 2019. The local currency T&S deposits of government institutions almost doubled YoY to QR75.03bn and those of the sovereign shot up 65% to QR51.16bn; while those of the semi-government institutions fell 5% to QR15.37bn during the review period. On the other hand, the local currency demand deposits of public sector were down by a marginal 0.35% to QR28.17bn in the review period. Such deposits of sovereign and semi-government institutions declined 23% and 36% YoY to QR5bn and QR2.22bn respectively; whereas those of government institutions were seen gaining 14% to QR20.95bn during November 2019. The public sector foreign currency demand deposits registered an impressive 71% YoY surge to QR18.33bn; whereas foreign currency T&S deposits plummeted 51% to QR72.13bn during the review period. The foreign currency deposits of the sovereign reported 51% decline YoY to QR20.02bn, those of government institutions by 43% to QR61.36bn and those of semi-government institutions by 19% to QR9.07bn during November last year. (Gulf-Times.com)
- **Qatar Central Bank’s international reserves continue to grow** – Qatar Central Bank data released yesterday showed a continued growth of the total international reserves in foreign currency of the Qatar Central Bank reaching QR198.4bn by the end of December 2019. The official reserves of Qatar Central Bank increased by about QR0.5bn by the end of December, compared to previous month reach about QR144.3bn. The total international reserves increased, with liquidity in foreign currency at the bank at the end of December by about QR0.8bn to reach about QR198.4bn, and thus increased by about QR61.5bn, or 44.9% of what it was in a month December 2017, as well as increased by December 2018 by 10.6%. The MoM increase in International reserves in December was due to the increase in Qatar Central Bank’s balances of deposits with foreign banks by about QR1.74bn, to reach the level of QR54.65bn. The value of gold has increased by QR253mn to QR7.49bn. The stocks of foreign bonds and notes decreased by QR415mn to QR80.3bn, and the special drawing rights deposits’ balances remain stable with a slight increase to the level of QR1898mn. On YoY, the international reserves and liquidity of the bank witnessed an increase of about QR19bn, or 10.6% to QR198.4bn. On the other hand, other liquid assets - other than official reserves - i.e. deposits in foreign currencies increased from December 2018 by about QR284mn to QR54.1bn. Available comparisons indicate that the Qatar Central Bank has significant international reserves and liquidity in foreign currency, which has made it in a very comfortable position, enabling it to maintain the stability of the Qatari currency, no matter how subjected to pressure. (Peninsula Qatar)
- **‘Made in Qatar’ expo in Kuwait next month to showcase Qatar industrial feats** – The third edition of this year’s ‘Made in Qatar’ exhibition will be held in Kuwait from February 19 to 22, Qatar Chamber announced in a press conference held in Doha Tuesday. The expo is organized by Qatar Chamber, in cooperation with the Ministry of Commerce and Industry and Qatar Development Bank (QDB), and in coordination with the Kuwait Chamber of Commerce and Industry. Qatar Chamber’s Chairman, Sheikh Khalifa bin Jassim Al Thani said that the expo aims to promote Qatari goods abroad amid the success and demand of these products in the local market. He said the decision to hold the expo in Kuwait stems from fraternal relations of both countries fields and the fast-growing commercial relations between their private sectors. Sheikh Khalifa said the chamber is keen on strengthening communication between Qatari manufacturers and businessmen and their Kuwaiti counterparts with the aim of achieving industrial partnerships to serve both nations’ economies, and increase bilateral trade, which stood at QR1.5bn in 1H2019. Qatar Chamber’s Director-General, Saleh bin Hamad Al Sharqi said, “As many as 180 Qatari companies have already confirmed their participation till date. We expect the number of Qatari exhibitors to exceed 220 as many more companies and factories have shown interest to take part in the exhibition.” (Gulf-Times.com, Qatar Tribune)

- **CRA launches survey on draft regulatory framework for retail telecom services** – The Communications Regulatory Authority (CRA) on Tuesday launched a public consultation on the draft of a regulatory framework for the quality of retail communication services provided to the public. The aim of the consultation is to receive views and comments on the content of the regulatory framework from different stakeholders, including consumers and telecom service providers, no later than February 6, 2020. The new regulatory framework aims to develop the current key performance indicators (KPI) for measuring the quality of telecom services. The regulatory framework includes the measurement methodologies and mentions the tools that are used in monitoring the KPIs, especially for fixed telecommunications networks. The CRA ensured that the regulatory framework and the KPIs are in line with international standards and best practices and that both are forward-looking and taking into consideration the new technologies such as Internet of Things (IoT), Fifth Generation (5G) technology and other innovations and developments in the communications sector infrastructure from a quality of experience perspective. (Qatar Tribune)
- **Qatar welcomed 2.1mn visitors in 2019** – Qatar witnessed huge leap in visitor arrivals with 2.1mn visitors last year, a double-digit growth compared to 2018. This was pointed out by HE Akbar Al Baker, Secretary-General of Qatar National Tourism Council (QNTC) and Group Chief Executive of Qatar Airways. He said, “In 2019 we saw a double digit growth in our key markets, welcoming 2.1mn visitors to Qatar - a 17% increase over the previous year.” (Peninsula Qatar)

International

- **Global economy ends 2019 on brighter note as PMI hits eight-month high** – Worldwide growth accelerated for a second successive month in December, according to the latest PMI surveys, registering the strongest monthly increase in output since last April. Other indicators such as jobs growth, new order inflows and business expectations also improved, to underscore the brightening picture of global economic trends at the end of 2019. The JPMorgan Global PMI (compiled by IHS Markit) climbed from 51.4 in November to an eight-month high of 51.7 in December, recovering further since slumping in October to its lowest since February 2016. The latest reading nevertheless remains comparable with global GDP rising at a modest annual rate of just less than 2% (at market prices), below the average of 2.4% seen since 2009. New business inflows also picked up, rising at the fastest rate since July, to indicate that output growth is likely to accelerate further at the start of the New Year. Similarly, future output expectations hit the highest since June, reflecting more upbeat prospects for the year ahead. The increase in employment meant backlogs of work continued to fall, however, hinting that further jobs growth will only be sustainable if demand rises at an increased rate. In this respect, a further fall in global exports of goods and services underscored how weakened trade flows continued to act as a drag on demand. However, December's fall in global exports was the least marked since last April, suggesting some of the trade drag has eased. (Markit)
- **US trade deficit at three-year low as imports tumble** – The US trade deficit fell to a more than three-year low in November as

imports declined further, weighed down by the Trump administration's trade war with China, and exports rebounded, suggesting solid economic growth in the fourth quarter. The Commerce Department said the trade deficit decreased 8.2% to \$43.1bn in November, the smallest since October 2016. The trade gap narrowed 0.7% through November and is on track to record its first annual decline since 2013. Though the shrinking trade bill should be a boost to gross domestic product in the fourth quarter, falling consumer and capital goods imports also suggest a cooling in domestic demand. Economists polled by Reuters had forecasted the trade shortfall tightening to \$43.8bn in November. The goods trade deficit with China, the focus of the White House's "America First" agenda tumbled 15.7% to \$26.4bn, with imports dropping 9.2% and exports jumping 13.7%. The goods trade deficit with the European Union fell 20.2% to \$13.1bn. In a separate report on Tuesday, the Institute for Supply Management (ISM) said its non-manufacturing activity index rose to a reading of 55.0 last month from 53.9 in November. A reading above 50 indicates expansion in the services sector, which accounts for more than two-thirds of US economic activity. But services industries reported a moderation in growth in new orders and hiring. The report came on the heels of a survey from the ISM last week showing its measure of national factory activity dropping in December to its lowest level since June 2009, and contracting for a fifth straight month. (Reuters)

- **Commercial and multifamily lending to climb 9% to \$683bn in 2020** – Commercial and multifamily mortgage bankers are expected to close a record \$683bn of loans backed by income-producing properties in 2020, a 9% increase from 2019's anticipated record volume of \$628bn, according to a new forecast released today by the Mortgage Bankers Association (MBA). Total multifamily lending alone, which includes some loans made by small and midsize banks not captured in the overall total, is forecast to rise 9% to \$395bn in 2020, surpassing last year's expected record total of \$364bn. MBA anticipates volumes will plateau in 2021, falling slightly to \$660bn in commercial/multifamily mortgage bankers originations and \$392bn in total multifamily lending. “Commercial and multifamily real estate markets got a shot in the arm from low interest rates in 2019. In addition to making mortgage borrowing less expensive, lower yields on a broad array of investment options are buoying the values of industrial, apartment, office, retail and other income-producing properties. This increase in property values is expected to translate into increased sales transactions and demand for mortgage debt in 2020,” Jamie Woodwell, MBA's Vice President for Commercial Real Estate (CRE) Research said. (MBA)
- **Eurozone's inflation accelerates in December, retail sales jump in November** – Eurozone's inflation accelerated as expected in December, an estimate from the EU statistics office Eurostat showed on Tuesday, while retail sales turned out stronger than predicted in a sign of rising household demand. Eurostat said consumer prices in the 19 countries that share the euro rose 1.3% YoY in December for a 0.3% gain on the month. The YoY rise matched forecasts of economists polled by Reuters, accelerating from 1.0% in November. Inflation's faster growth was mainly due to a 0.2% YoY increase in energy prices, which were down 3.2% the previous month. Also unprocessed food

prices rose 2.1% YoY accelerating from a 1.8% rise in November. Without the two volatile components, inflation was steady at 1.4% in December. Separately, Eurostat said that retail trade, an indicator of household demand, was much stronger than expected in November, rebounding from two consecutive MoM falls with a 1.0% rise that produced a 2.2% YoY gain. Economists polled by Reuters had expected only a 0.6% monthly increase and a 1.3% annual rise. (Reuters)

- **Eurozone's productivity rises for first time in 20 months at end of 2019** – Euro area productivity increased for the first time since April 2018 at the end of the year, albeit fractionally. The improvement was underpinned by renewed growth in the service economy as goods producers continued to record contraction. Of the three Eurozone countries for which productivity data are published, efficiency gains were noted in France and Germany, with Italy continuing to post deterioration. Registering 50.1 in December, the seasonally adjusted Eurozone Productivity PMI – derived from IHS Markit's national manufacturing and services PMI survey data – was in expansion territory for the first time in 20 months. The latest figure was up from 49.7 in November, but indicated only a fractional improvement in workforce efficiency. While the service sector saw the quickest rise in productivity since March 2018, the downturn in the manufacturing industry continued. Eurozone's goods producers signaled the twenty-first successive deterioration in labor market efficiency. French companies fared better than their counterparts in Germany and Italy, posting the best trend for private sector productivity during December. The favorable outcome was underpinned by a fifth consecutive improvement among service providers. By comparison, French goods producers signaled the sharpest rate of contraction since last February. Germany recorded the first increase in private sector productivity in almost two years. (Markit)
- **Quickest expansion in Eurozone construction activity for eight months** – The latest PMI data pointed to the fastest increase in Eurozone's construction activity for eight months in December. Growth was supported by another rise in new orders and a further workforce expansion. Similarly, input buying increased at a quicker rate and supplier delivery times lengthened amid elevated demand. Meanwhile, input prices rose at the softest rate for over three years. Up from 50.6 in November, at 51.3 in December, the IHS Markit Eurozone Construction PMI pointed to a faster expansion in construction activity across the currency area. In fact, the latest rise was the quickest for eight months amid accelerated growth in both Germany and France. Across the euro area's three largest economies, only Italy registered a reduction in construction activity. At the sub-sector level, faster growth was primarily driven by home building, where the rate of activity expansion was the fastest since May. The rise in total activity was also supported by a fractional increase in commercial sub-sector. (Markit)
- **China will not hike grain import quotas for US trade deal** – China will not increase its annual low-tariff import quotas for corn, wheat and rice to accommodate stepped-up purchases of farm goods from the US, senior agriculture official Han Jun said on Tuesday, according to local media group Caixin. The move could make it harder for Beijing to meet import commitments in

a Phase 1 trade deal due to be signed next week. The US President, Donald Trump said last month the agreement would likely double China's \$24bn in pre-trade war purchases to \$40bn-\$50bn annually. China has not confirmed the amount. (Reuters)

- **India predicts slower 5% growth, likely prompting budget stimulus** – India on Tuesday forecast 5% growth for the current financial year, the slowest pace in 11 years, which will likely prompt the Finance Minister to opt for extra fiscal stimulus when she presents the annual budget next month. The government is expected to announce tax concessions for individuals and increase spending on infrastructure after cutting corporate tax rates last year, officials and economists said. Finance Minister Nirmala Sitharaman last week unveiled a plan to invest 102tn Rupees in infrastructure over the next five years in a bid to make India a \$5tn economy by 2025. Annual economic growth slowed to 4.5% in the July-September quarter, the weakest pace since 2013, blamed on weakening demand and private investment, putting pressure on Prime Minister Narendra Modi to speed up reforms as five rate cuts have failed to help. The financial year ends in March. Gross domestic product is estimated to grow 5.0% in 2019-20, slower than the 6.8% growth of 2018-19, the Ministry of Statistics said in a statement. Indian growth had slowed to 3.1% in 2008-09 after the global financial crisis. (Reuters)

Regional

- **Saudi Arabia and Kuwait hire consultant to assess Dorra gas field** – Saudi Arabia and Kuwait have asked an international consultant to study the development plan for the Dorra offshore gas field and assess the share of the gas for each country from the joint project, Kuwaiti Al-Rai newspaper reported. Such a development would indicate that the two Gulf OPEC producers are moving forward with the project, which they shelved in 2013 after disagreeing over how to share the gas back on land. Both countries need the field to satisfy their growing gas consumption for power generation and boost exports. The independent consultant, which Kuwaiti Al-Rai did not name, will study the production volumes, storage options and cost of development for the field, the newspaper said, citing unnamed sources. Dorra, which is located in the divided zone between Saudi Arabia and Kuwait, also known as the Neutral Zone, has an estimated 10-11tn cubic feet of gas and around 300mn barrels of oil. (Zawya)
- **Saudi Arabia provides \$451mn housing funds** – Saudi Arabia's Real Estate Development Fund has announced the deposit of \$451mn in the accounts of citizens benefiting from Sakani program for the month of December 2019. The fund's spokesperson, Hamoud Al-Osaimi, pointed out that the announcement confirms its keenness on supporting Saudi citizens to own their first home, a Saudi Press Agency report said. (Zawya)
- **Saudi Arabia fastest growing country for start-up funding deals in MENA** – Saudi Arabia has seen the fastest YoY growth in venture funding deals in the region in 2019, which was a record year for MENA-based start-ups in investment deals. The region saw a record 564 start-up investments in 2019, an increase of 31% from 2018, with a total amount of funding of \$704mn, a recent report by start-up platform MAGNiTT showed. In terms

of the number of funding deals, Saudi Arabia posted the fastest growth in the region last year, with its share of total deals growing by 4% compared to the previous year. The Kingdom accounted for 12% of the number of MENA funding deals in 2019. As part of Saudi Vision 2030, there is a concerted effort to develop a start-up ecosystem in Saudi Arabia and boost venture investment as an asset class, CEO and Founder at MAGNiTT, Philip Bahoshy said. (Zawya)

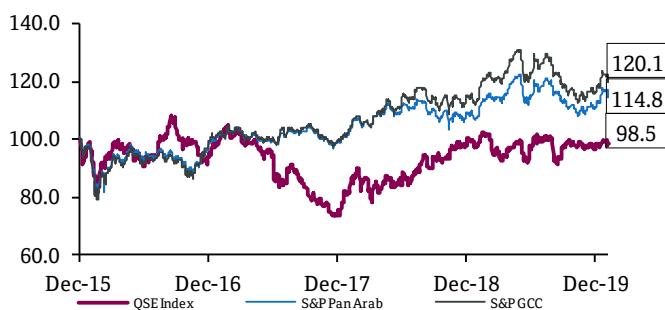
- **Al Kathiri increases renewed NCB credit facility** – Al Kathiri Holding Company (Al Kathiri) announced the renewal of a Shari'ah-compliant bank facility agreement with the National Commercial Bank (NCB). The two parties also agreed to increase the value of the credit facilities by SR2mn, from SR3mn to SR5mn, according to the company's statement to the Saudi Stock Exchange (Tadawul). As for the credit facility duration, it extends to the end of August 2020 but can be extended for further periods, the statement noted. The purpose of this facility is to finance Al Kathiri Holding's working capital and business requirements. (Zawya)
- **Clifford Chance, AS&H advise on \$1.9bn refinancing for Arabian Centres Company** – International law firm Clifford Chance, together with Abuhimed Alsheikh Alhagbani Law Firm (AS&H), have advised the joint lead managers and lenders on a \$1.9bn refinancing package for Arabian Centres Company (ACC). The package consisted of a Sukuk issuance and Islamic banking facilities. Arabian Centres Company is a leading owner, developer and operator of shopping malls in Saudi Arabia and the Sukuk issuance marks their debut international debt capital markets transaction. A team across our Dubai, London and Riyadh offices jointly advised on the landmark \$1.9bn refinancing package for Arabian Centres Company, which comprised of (i) a Reg S/144A issuance of \$500,000,000 Trust Certificates due 2024 (the "Sukuk"), and (ii) \$1,400,000,000 (or the equivalent in SAR) term Ijara and Murabaha facilities and a revolving Murabaha facility. (Zawya)
- **Saudi Arabia grants license to Bank of China to open branch in the Kingdom** – Saudi Arabia's cabinet has approved Bank of China's license to open a branch in the Kingdom, state news agency SPA said. Bank of China joins a growing band of Chinese firms expanding in the Kingdom. Nearly four years ago Industrial and Commercial Bank of China, the world's biggest bank by assets, launched its first branch in Riyadh. (Zawya)
- **FCSA: UAE's inflation rate down for 11th month in row in November** – The inflation rate in the UAE fell to 1.4% in November 2019 when compared to 1.9% in October 2019, marking a low performance for the eleventh consecutive month, according to a recent report issued by the Federal Competitiveness and Statistics Authority (FCSA). In November, the food and beverages segment slid by 1.13% when compared to the same month in 2018, while the textiles, clothing, and footwear group shed by 7.07%, data showed. Moreover, the housing, water, electricity, and gas sector slipped by 4.17%, while the transportation sector sank by 3.94% and the restaurants and hotels group went down by 1.37%. Moreover, both of the furniture and household goods segment inched up by 1.68%, unlike the communications group which retreated 0.09%, on an annual basis. In contrast, the recreation and culture sector grew by 26.28%, followed by the education

with 0.69%, the tobacco with 0.57%, and miscellaneous goods and services by 1.23%. (Zawya)

- **Dubai government splits CEO, Chairman roles for state-backed companies** – The roles of Chief Executive and Chairman will be split in government and semi-government companies in Dubai as part of a corporate overhaul, the Dubai government said. The decision was made by the newly formed Dubai Council, which also called on the boards of state-backed companies to form committees to evaluate investment and risk management, the Emirate's ruler Sheikh Mohammed bin Rashid Al-Maktoum said. The council was recently set up to oversee economic and social governance in Dubai and draw up a vision for the next 50 years. (Reuters)
- **Investors return strongly as Dubai property transactions hit 11-year high** – Investors and buyers cashed in on lower property prices in Dubai as the number of transactions jumped 20% to hit 11-year high of 41,988 in 2019 as compared to 34,961 transactions in the previous year. Data released by Property Finder revealed that the sale of off-plan properties took the lion's share, accounting for 23,643 transactions or 56.3% of the total due to attractive prices and incentives such as waiver of service fees, post-handover payment plans, discounts on registration charges and commission, guaranteed rental returns etc. offered by the developers. Secondary market transactions in Dubai reached 18,345 last year. While the number of completed units reached over 45,000 last year. Analysts believe that measures taken by the government such as formation of a Higher Real Estate Committee to rebalance supply and demand in September are infusing confidence in the market, prompting investors to return to the market following five years of decline in property market. They foresee this trend will continue in 2020 as well. (Zawya)
- **Tabreed seeking to expand in Saudi Arabia** – Abu Dhabi-based National Central Cooling Company (Tabreed) sees growth opportunities in Saudi Arabia, including at the Kingdom's planned mega-city Neom, CEO Bader Saeed Al Lamki said. He said the company holds 28% of joint-venture Saudi Tabreed, may try to increase its stake. He added that Saudi Aramco is a client. Tabreed also sees market potential in Egypt, India and Kuwait, as well as in the UAE, targeting possible acquisitions and organic growth. (Bloomberg)
- **Indonesia to sign \$18.8bn worth of energy and trade deals in Abu Dhabi** – Indonesian President, Joko Widodo will oversee the signing of \$18.8bn worth of energy and trade deals on a visit to Abu Dhabi, including Pertamina's deal with Abu Dhabi National Oil Company to upgrade a West Java refinery, Ministers said. Some of the deals have been under discussions for some time, while others, such as Pertamina's purchase of LPG from ADNOC, are new. Among ready agreements was Indonesian state energy firm Pertamina's deal with ADNOC to upgrade a refinery in Balongan, West Java, said Budi Gunadi Sadikin, deputy minister of state-owned enterprises. (Reuters)
- **Mubadala cuts UniCredit stake by more than half to 2.02%** – Abu Dhabi sovereign wealth fund Mubadala Investment Company (Mubadala) cut its stake in Italy's biggest bank UniCredit to 2.02% as of December 20, according to filings from Italy's market watchdog Consob. Its previous position as of June 28 was 4.986%, Consob said. (Reuters)

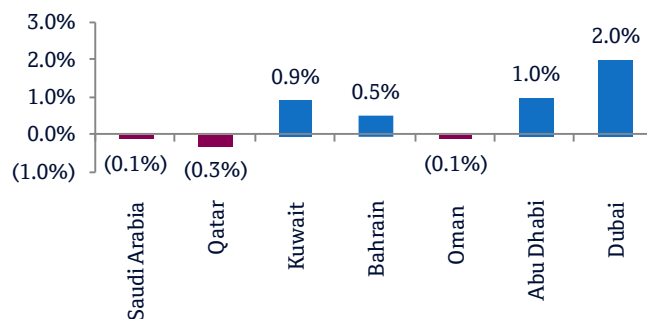
- **Agility to develop 1.2mn square meters of land in Sabah Al Ahmed** – Kuwait's Agility has been awarded an investment project to develop a 1.2mn square meters of land in Sabah Al Ahmed as industrial and storage zones, according to a notification from the Public Authority for Housing Welfare (PAHW). Agility said that after signing the partnership agreement, it will announce the details of the award to the public. Agility, one of the Arabian Gulf's biggest logistics firms, is a dual-listed company on Bursa Kuwait and the Dubai Financial Market (DFM). (Zawya)
- **Bahrain's economy continues steady growth in 3Q2019** – Bahrain's real economy grew at a rate of 1.58% in the third quarter of 2019, marking a 0.57% increase at current prices compared to the same period last year, the Information & eGovernment Authority (iGA) said in a new report. The National Accounts for 3Q2019 report showed that Bahrain's economy continued to grow at a steady pace during 3Q2019, as the data indicated GDP growth was supported by growth in the non-oil sector, which amounted to 1.99% and 3.18% in real and current prices, respectively, compared to the corresponding quarter of 2018. This reflected the diversity of Bahrain's non-oil sectors, most of which registered growth, highlighting the strength and resilience of Bahrain's economy, iGA said in the report. The preliminary data showed growth of educational services at 7.12% at real prices and 11.77% at current prices, followed by hotel and restaurant activity at 6.28% and 8.76% at real and current prices respectively. Transportation and telecommunications achieved a growth of 6.35% at real prices and 8.10% at current prices. Manufacturing industries increased by 4.08% at real prices and 5.29% at current prices. Comparing 3Q2019 to 3Q2018, the results indicate that private health services grew by about 3.20% and 3.30% at real and current prices respectively. Meanwhile, trading activity increased by 1.82% at real prices and 3.63% at current prices. Financial projects increased by 1.80% at real prices and 1.89% at current prices. The construction sector recorded an improvement of 1.46% and 1.03% at real and current prices respectively. (Zawya)
- **Bahrain's sovereign wealth fund Mumtalakat hires banks for dollar Sukuk** – Bahrain's sovereign wealth fund Mumtalakat has hired banks to arrange fixed income investor meetings ahead of a potential issue of US dollar-denominated Sukuk, or Islamic bonds, a document by one of the banks leading the deal showed. The fund has picked Citi, Gulf International Bank, HSBC, National Bank of Bahrain and Standard Chartered for meetings in London, Asia and the Middle East, starting on Thursday. A seven-year issuance might follow, subject to market conditions, the document said. The deal could be the first international debt sale by a Gulf borrower this year. (Reuters)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,574.37	0.6	1.4	3.8
Silver/Ounce	18.41	1.4	1.9	3.1
Crude Oil (Brent)/Barrel (FM Future)	68.27	(0.9)	(0.5)	3.4
Crude Oil (WTI)/Barrel (FM Future)	62.70	(0.9)	(0.6)	2.7
Natural Gas (Henry Hub)/MMBtu	2.17	2.4	5.3	3.8
LPG Propane (Arab Gulf)/Ton	46.38	(0.8)	(0.8)	12.4
LPG Butane (Arab Gulf)/Ton	71.00	(1.4)	2.2	8.4
Euro	1.12	(0.4)	(0.1)	(0.5)
Yen	108.44	0.1	0.3	(0.2)
GBP	1.31	(0.3)	0.3	(1.0)
CHF	1.03	(0.3)	0.2	(0.3)
AUD	0.69	(1.0)	(1.2)	(2.2)
USD Index	97.01	0.3	0.2	0.6
RUB [#]	61.82	0.0	(0.4)	(0.3)
BRL	0.25	(0.2)	(0.0)	(1.2)

Source: Bloomberg (*Market was closed on January 07, 2020)

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,362.43	(0.1)	(0.0)	0.2
DJ Industrial	28,583.68	(0.4)	(0.2)	0.2
S&P 500	3,237.18	(0.3)	0.1	0.2
NASDAQ 100	9,068.58	(0.0)	0.5	1.1
STOXX 600	417.67	(0.2)	(0.4)	(0.3)
DAX	13,226.83	0.3	(0.2)	(0.8)
FTSE 100	7,573.85	(0.3)	(0.3)	(0.6)
CAC 40	6,012.35	(0.5)	(0.8)	(0.2)
Nikkei	23,575.72	1.4	(0.0)	(0.0)
MSCI EM	1,115.84	0.3	(0.7)	0.1
SHANGHAI SE Composite	3,104.80	1.1	0.9	2.0
HANG SENG	28,322.06	0.2	(0.4)	0.6
BSE SENSEX	40,869.47	0.5	(1.6)	(1.8)
Bovespa	116,661.90	(0.6)	(1.7)	(0.6)
RTS [#]	1,568.35	0.0	0.3	1.3

Source: Bloomberg (*\$ adjusted returns, *Market was closed on January 07, 2020)

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