



GLOBAL MARKETS

Indices	Closing Level	Change		Performance	
		Value	(%)	MTD (%)	YTD (%)
Global					
S&P 500	2,638.7	5.8	0.2	5.3	5.3
Dow Jones Ind. Average	24,575.6	171.1	0.7	5.4	5.4
Nasdaq	6,658.8	12.0	0.2	5.2	5.2
FTSE 100	6,842.9	(58.5)	(0.9)	1.7	1.7
DAX 30	11,071.5	(18.6)	(0.2)	4.9	4.9
CAC 40	4,840.4	(7.2)	(0.2)	2.3	2.3
BIST 100	100,141.0	463.9	0.5	9.7	9.7
Nikkei	20,593.7	(29.2)	(0.1)	2.9	2.9
Hang Seng	27,008.2	2.8	0.0	4.5	4.5
Shanghai Composite	2,581.0	1.3	0.1	3.5	3.5
BSE Sensex	36,108.5	(336.2)	(0.9)	0.1	0.1
GCC					
QE Index	10,650.3	(37.0)	(0.4)	3.4	3.4
Saudi Arabia (TASI)	8,466.1	66.7	0.8	8.2	8.2
UAE (ADX)	4,970.8	14.8	0.3	1.1	1.1
UAE (DFM)	2,517.0	23.1	0.9	(0.5)	(0.5)
Kuwait (KSE)	5,236.6	(21.3)	(0.4)	3.1	3.1
Oman (MSM)	4,166.0	(15.8)	(0.4)	(3.6)	(3.6)
Bahrain (BAX)	1,361.6	9.2	0.7	1.8	1.8
S&P GCC	1,811.7	0.3	0.0	2.5	2.4
Dow Jones Islamic	3,477.0	(1.0)	(0.0)	4.0	4.1
Commodity					
Brent (USD/bbl)	61.1	(0.4)	(0.6)	13.2	13.2
WTI (USD/bbl)	52.6	0.1	0.1	15.4	15.4
Natural Gas (USD/mmBTU)	3.0	(0.1)	(2.0)	2.6	2.6
Gold Spot (USD/t oz.)	1,284.0	0.6	0.1	0.2	0.2
Copper (USD/lb)	265.5	(0.5)	(0.2)	1.1	1.1

Source: Bloomberg

QATAR MARKET OVERVIEW

GCC Fundamentals	P/E (x)	P/B (x)	Dividend Yield (%)	Value Traded (USD mn)
Qatar All share	16.1	1.5	3.7	48.5
DSM 20	15.6	1.6	4.1	43.5
Saudi Arabia (TASI)	18.3	1.9	3.3	706.9
UAE (ADX)	13.4	1.4	4.8	33.9
UAE (DFM)	7.6	0.9	5.6	35.4
Kuwait (KSE)	15.5	1.3	3.8	97.8
Oman (MSM)	8.3	0.7	6.2	3.8
Bahrain (BAX)	8.8	0.8	6.0	6.5

Source: Bloomberg

Qatar Trading Activity	Close Price	1D Change		Performance		Vol. ('000)	P/E TTM
		Value	(%)	YTD (%)	YoY (%)		
Top Gainers							
Qatar General Ins.	46.9	1.8	3.9	4.5	2.2	8.5	12.0
Doha Bank Qpsc	22.7	0.7	3.4	2.1	(31.2)	1,589.1	12.1
Qatar First Bank	4.2	0.1	2.4	2.7	(40.4)	1,875.6	NA
Islamic Holding Group	21.4	0.4	2.1	(1.9)	(37.1)	1.8	NA
Mannai Corporation	57.0	1.0	1.8	3.7	(14.9)	0.6	5.8
Top Losers							
Qatar Cinema & Film	17.5	(1.5)	(7.8)	(7.8)	(16.9)	0.0	16.4
Al Ahli Bank	30.0	(2.0)	(6.1)	7.1	(6.0)	2.0	9.5
Al Khaleej Takaful Grp	9.5	(0.4)	(3.7)	10.9	(31.4)	149.9	33.5
Doha Insurance Co	12.1	(0.4)	(3.0)	(7.5)	(13.9)	16.1	14.1
Zad Holding Co	120.0	(3.5)	(2.8)	15.4	80.8	6.6	14.7

Source: Bloomberg; Note: Prices are in local currency.

MARKET COMMENTARY

Global

US equity markets ended higher yesterday, as investors stay focused on strong domestic corporate earnings data and overlooked the ongoing uncertainty surrounding the US-China trade talks. The S&P 500 benchmark ended 0.2% higher following gains in Consumer Staples and Utilities shares.

The Stoxx Europe 600 index ended marginally lower to close at 354.90 yesterday, as fears over the global economic slowdown continued to concern investors. The UK's FTSE 100 benchmark ended lower by 0.9%, as a delay to Brexit seemed more likely after weeks of political deadlock.

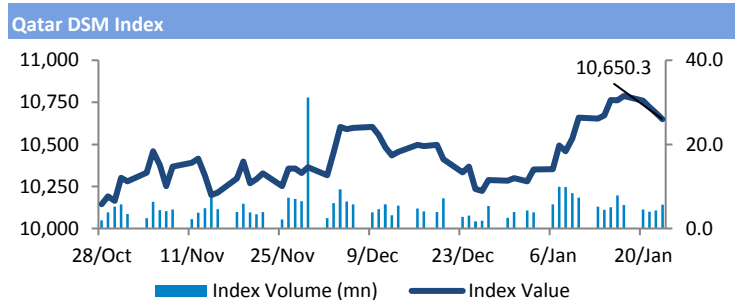
In Asia, the Japanese benchmark ended marginally lower, after reporting lower than expected domestic exports data for December-18. The Chinese benchmark ended almost flat as trade concerns with the US took centre stage again.

GCC

GCC equity markets ended higher yesterday. The Saudi Arabian benchmark ended higher by 0.8%, following gains in Media and Food & Beverages shares. In Dubai, the benchmark inched higher by 0.9%, on the back of gains in Real Estate & Construction and Investment & Financial Services shares. Amlak Finance rose 2.2% after announcing a renegotiation of restructuring terms with its financiers to adapt to current market conditions. The Abu Dhabi index ended higher by 0.3%, supported by gains in Banking and Consumer shares.

Qatar

The QE index ended lower by 0.4% yesterday, as losses in Industrial and Real Estate shares weighed on the benchmark. Increased selling activity on the part of domestic retail and institutional investors also weighed on the index. Trade turnover and volume decreased, with Real Estate, Banking and Industrial together accounting for about 85.6% of the total trading volume. Out of the total 46 listed stocks, 46 exchanged hands, 33 declined, 12 advanced and 1 remained unchanged.



Source: Bloomberg

QE Sector Indices	Closing Level	1D Change (%)
Banks & Financial Services	3,908.7	(0.1)
Consumer Goods & Services	7,117.9	0.3
Industrials	3,381.6	(1.0)
Insurance	3,268.9	0.8
Real Estate	2,387.6	(1.4)
Telecoms	1,004.7	(0.5)
Transportation	2,146.9	(1.2)

Source: Qatar Exchange

Qatar Trading Summary	Buy (%)	Sell (%)
Qatari Individuals	37.6	47.1
Qatari Institutions	8.7	10.9
Qatari – Total	46.3	58.0
Foreign Individuals	11.1	11.7
Foreign Institutions	42.6	30.3
Foreign – Total	53.7	42.0

Source: Qatar Stock Exchange, Bloomberg



GLOBAL NEWS

- ▶ Trump's adviser has stated that the US President wants to boost markets through a trade pact with China, however he will not soften his position that China must make real structural reforms, including intellectual property. (Source: Reuters)
- ▶ UK's Trade Secretary, Liam Fox stated that Britain would not have some free-trade deals with other nations in place by March-19, if it leaves the EU with no deal, as current trade partners are underestimating the chance of a no-deal Brexit. (Source: Reuters)
- ▶ The Bank of Japan cut its inflation forecasts to 0.9% in FY-19 from 1.4% earlier, reflecting falling oil prices, however it maintained its stimulus program. The Governor warned of growing risks to the economy from trade protectionism and faltering global demand. (Source: Reuters)
- ▶ China has approved a new plan to set up a board for tech firms in Shanghai similar to Nasdaq, targeted at improving their ability to raise funds. (Source: Reuters)
- ▶ India is planning to raise subsidies for food welfare program by 6.5% to INR 1.8tn (USD 25.3bn) for FY-20, as it tries to cover its budget deficit ahead of the next general election due in May-19. (Source: Reuters)
- ▶ S&P expects Turkey's real GDP growth to be negative 0.5% in 2019, as much of the lira's depreciation has passed through into higher inflation. Banks are expected to face difficulties in 2019, due to tighter global liquidity conditions, a stronger US dollar, and geopolitical as well as local instability. (Source: Trade Arabia)
- ▶ World Bank has approved loan of USD 252.0mn and USD 2.0mn in grants, for the projects involving modernization of irrigation infrastructure benefiting farmers in Turkey. (Source: Anadolu Agency)

GCC NEWS

- ▶ UAE equity markets are predicted to rally in 2019 due to weakening of US dollar and gains to the economy from Abu Dhabi's stimulus package and Expo 2020, as per MD and head of investment strategy and management of First Abu Dhabi Bank's Global Asset Management unit. (Source: The National)
- ▶ Dubai-based mall operator, Majid Al Futtaim has inaugurated its fourth shopping and leisure destination in Oman, City Centre Suhar at an investment of OMR 45.0mn (USD 117.0mn). With this the total number of malls in its portfolio reached 24. (Source: Arabian Business)
- ▶ Dubai-based DP World has acquired an additional stake in DP World Australia from Gateway Infrastructure Investments and other financial investors, valuing the company at USD 997.0mn. The deal is expected to close in the Q1-19. (Source: Gulf News)
- ▶ Dubai-based Damac Properties has announced plans to invest up to GBP 1.0bn (USD 1.3bn) in London's real estate market considering the weaker pound which has made the city cheaper, according to the Chairman. The company is seeking for deals from GBP 0.5 to 1.0bn (USD 0.6 to 1.3bn) in central London. (Source: Arabian Business)
- ▶ Abu Dhabi's Emirates Global Aluminium has achieved a key milestone at its under-construction Guinea bauxite mining project, after travel of the first train carrying 6,800 tons of bauxite ore from its subsidiary Guinea Alumina Corporation to its facilities at Kamsar in Guinea. (Source: Arabian Business)
- ▶ Abu Dhabi-based Khalifa Industrial Zone's volume of direct investments has touched AED 70.0bn (USD 19.0bn) through more than 200 national and foreign investors, as per CEO of Abu Dhabi Ports. (Source: Trade Arabia)
- ▶ Saudi Arabia has revealed Seven Investment Principles, issued by royal decree and based on international best practice to help in the development of a competitive investment environment in the nation. (Source: Arab News)

- ▶ Saudi Arabia is expecting billions of dollars of investments in the promising state-backed entertainment industry and aims at dozens of Western acts, including an exhibition, NBA basketball game and a Spanish-style running of the bulls. (Source: Reuters)
- ▶ Saudi defense sector is projected to grow at a CAGR of 1.4% during 2019-20 to contribute SAR 231.3bn (USD 61.6 bn) to the nation's GDP by 2020, as per US-Saudi Arabian Business Council. The sector will grow at a CAGR of 1.7% over the next decade. (Source: Trade Arabia)
- ▶ Saudi Aramco is seeking to acquire natural gas assets in the US and is willing to invest billions of dollars to become a global gas player, according to the company's CEO. It also plans to bring an additional USD 10.0bn in its Motiva refining complex in US. (Source: Reuters)
- ▶ The merger between Saudi Arabia's Alawwal Bank and the Saudi British Bank (SABB) is progressing well to take place in the H1-19, as per the MD of Alawwal Bank. (Source: Arabian Business)
- ▶ Luxembourg's tube manufacturer and supplier, Tenaris has acquired a 47.8% stake in Saudi Steel Pipe Company (SSP) for USD 141.0mn. CEO of Tenaris will become the MD and CEO of SSP. (Source: Arab News)
- ▶ Oman has reported a 43.0% YoY decline in the budget deficit to OMR 1.8bn (USD 4.8bn) during January to November-18, led by higher oil revenues resulting from oil output cuts. (Source: Zawya)
- ▶ Omani hotels witnessed a 2.8% YoY decline in the total number of guests to 1.35mn, despite the 8.5% YoY rise in the revenues to OMR 188.7mn (USD 488.9mn), in the first 11 months of 2018, as per Oman's National Centre for Statistics and Information. (Source: Arabian Business)
- ▶ Bahrain Economic Development Board witnessed a 13.2% YoY rise in the direct investments to USD 830.0mn in 2018, led by setting up of 92 firms in the country which added 4,772 jobs in various sector such as Tourism, Real Estate, Financial Services and ICT. (Source: Trade Arabia)
- ▶ Bahrain Petroleum Company (Bapco) is discussing with banks to finance up to USD 1.0bn for its existing Sitra oil refinery capacity expansion with a total cost of USD 5.0bn. Remaining will be financed through USD 1.0bn of equity and USD 3.0bn of debt. (Source: Gulf Business)
- ▶ Kuwait Finance House and Bahrain's Ahli United Bank's boards are planning to meet today to study valuation reports on a possible merger, resulting in the GCC's sixth-largest lender with USD 92.0bn in assets. (Source: Arabian Business)

QATAR NEWS

- ▶ Turkey's exports to Qatar rose 62.0% YoY to USD 1.0bn in 2018, according to the Ambassador to Qatar, he added that the number is expected to reach USD 1.5bn in 2019. (Source: Daily Sabah)
- ▶ Qatar has lifted the ban on imports of Pakistani rice which is expected to provide additional USD 40.0 to 50.0mn of rice exports to Qatar, if quality is maintained, as per Ministry of Economy and Commerce. Qatar annually imports 200,000 tons of rice. (Source: The News)
- ▶ Qatar-based commercial banks recorded more than 4.0% YoY rise in their total assets to QAR 1.4tn (USD 0.4tn) in December-18, led by higher growth in the private sector. (Source: Gulf Times)
- ▶ Qatar's non-oil sector is expected to witness growth in 2019 led by the QAR 48.0bn (USD 13.1bn) value of funding expected to be awarded for projects in various industries, according to the Chairman of Qatar Chamber. (Source: Gulf Times)
- ▶ Qatar Investment Authority's chairman has stated that Deutsche Bank is among the key German firms that the sovereign wealth fund is talking to on a potential stake purchases. (Source: Irish Times)
- ▶ Qatar is preparing to issue a tender for energy companies looking to acquire stake in the nation's gas expansion project, drawing interest from long-standing partners and newcomers Chevron, Norway's Equinor and Italy's Eni. (Source: Peninsula Qatar)



FX RATES

Currencies	Value	Currencies	Value
EUR/USD	1.1411	USD/QAR	3.6415
USD/JPY	109.6000	EUR/QAR	4.1553
GBP/USD	1.3099	JPY/QAR	0.0332
USD/CHF	0.9949	GBP/QAR	4.7700
USD/CAD	1.3343	CHF/QAR	3.6602
AUD/USD	0.7142	CAD/QAR	2.7291
NZD/USD	0.6788	AUD/QAR	2.6008
USD/INR	70.8288	INR/QAR	0.0514
USD/TRY	5.2850	TRY/QAR	0.6890
USD/ZAR	13.8163	ZAR/QAR	0.2636
USD/BRL	3.7594	BRL/QAR	0.9686

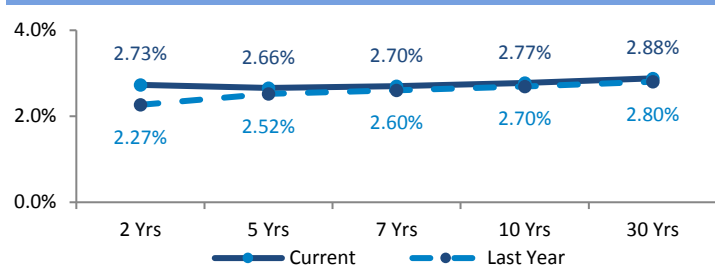
Source: Bloomberg

INTERBANK OFFERING & US SWAP RATES

Duration	Overnight	1 Week	1 Month	3 Month	1 Year
LIBOR	2.38	2.41	2.52	2.78	3.04
EURIBOR	(0.47)	(0.38)	(0.37)	(0.31)	(0.12)
QAIBOR	2.49	2.58	2.70	2.93	3.45
SAIBOR	NA	2.70	2.79	2.97	3.33
EIBOR	1.90	2.31	2.61	2.89	3.46
BMIBOR	2.45	2.65	3.25	3.63	4.25
KIBOR	NA	NA	2.31	2.56	3.06

Source: Bloomberg

US Swap Rates



Source: Bloomberg

ECONOMIC CALENDAR

Time	Country	Event	Period	Survey	Prior
11:15	France	Markit France Manufacturing PMI	Jan P	50	49.7
11:15	France	Markit France Services PMI	Jan P	50.5	49
11:15	France	Markit France Composite PMI	Jan P	51	48.7
11:30	Germany	Markit/BME Germany Manufacturing PMI	Jan P	51.5	51.5
12:00	Eurozone	Markit Eurozone Manufacturing PMI	Jan P	51.4	51.4
15:45	Eurozone	ECB Main Refinancing Rate	Jan-24 th	0.00%	0.00%
15:45	Eurozone	ECB Marginal Lending Facility	Jan-24 th	0.25%	0.25%
15:45	Eurozone	ECB Deposit Facility Rate	Jan-24 th	(0.40%)	(0.40%)
16:00	Russia	Gold and Forex Reserve	Jan-18 th	-	472.6b
16:30	US	Initial Jobless Claims	Jan-19 th	218k	213k
17:45	US	Markit US Manufacturing PMI	Jan P	53.5	53.8

Source: Bloomberg

GCC COMPANY RESULTS

Company Name	Revenues (mn)	YoY (%)	QoQ (%)	Net Profit (mn)	YoY (%)	QoQ (%)
National Petrochemical	NA	NA	NA	236.0	(39.7)	(23.2)
Commercial Bank Of Dubai	NA	NA	NA	319.0	(5.4)	13.0
Saudi Ind Investment Group	NA	NA	NA	27.0	(93.2)	(91.5)

Source: Bloomberg; Note: All figures are in local currency

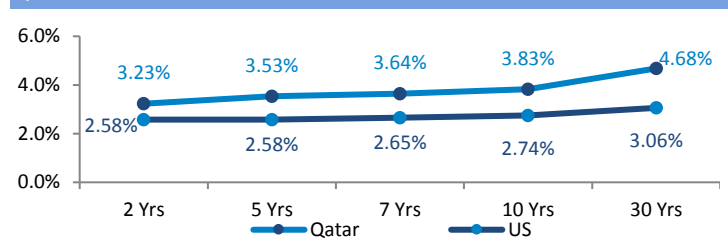
FX Commentary

The USD ended lower against the basket of major currencies yesterday, with the dollar index closing 0.2% lower at 96.127. Concerns over the US-China trade situation and reports of declining global growth weighed on the currency.

The GBP strengthened against the USD, after UK's opposition Labour Party stated that it would support an attempt by lawmakers to prevent a no-deal Brexit. The TRY inched higher against the USD, after Turkey's Finance Minister commented that he expects the issue with the US over the Iran sanctions busting case to be resolved soon. The CAD ended marginally higher against the USD, despite a decline in the retail sales data for November-18. The JPY ended lower against the USD, as the Bank of Japan kept its monetary policy steady, amid declining global growth.

SOVEREIGN YIELD CURVES & CDS SPREAD

Qatar vs US Treasuries Yields



Source: Bloomberg

5 Years CDS	Spreads	6M Change	5 Years CDS	Spread	6M Change
US	25.0	0.0	Turkey	325.0	2.0
UK	36.8	10.6	Brazil	175.1	(41.5)
Germany	14.6	2.6	Egypt	431.3	58.8
France	38.1	11.0	Abu Dhabi	66.4	2.7
Italy	213.3	(4.1)	Bahrain	287.8	(72.1)
Greece	442.6	73.2	Dubai	137.5	7.4
Russia	131.1	(1.9)	Qatar	75.8	(9.3)
Japan	22.8	(4.2)	Saudi Arabia	91.4	6.3

Source: Bloomberg

QSE MAIN FINANCIAL INDICATORS (As on 17th January 2019)

Company	Dividend Yield (%)	P/B Ratio (x)	P/E Ratio (x)	EPS (QR)	BV/Share (QR)	Stock Price (QR)	Company
Ahli Bank	3.3	1.2	9.5	3.2	26.2	30.0	الاهلي
Comm. Bank of Qatar	2.4	1.1	10.6	4.0	38.8	42.0	التجاري
Dlala	0.0	1.3	(M) (ç)	(M) (ç)	7.6	10.2	دلالة
Doha Bank	13.6	0.8	8.5	2.6	29.2	22.0	بنك الدوحة
Islamic Holding	4.6	0.9	(M) (ç)	(M) (ç)	24.0	22.0	الإسلامية القابضة
Al khalij Commercial Bank	6.3	0.8	7.5	1.6	15.5	11.9	الخليجي
Rayan	4.8	2.4	14.9	2.8	17.1	41.6	الريان
National Leasing	5.4	0.5	16.7	0.6	19.6	9.3	الاجارة
Qatar First Bank (QFC)	0.0	0.8	(M) (ç)	(M) (ç)	5.3	4.2	QFC الأول
Qatar Islamic Bank	3.2	2.4	13.6	11.7	65.3	158.8	المصرف
Intl. Islamic Bank	5.7	1.9	12.2	5.7	37.7	70.1	الدولي
QNB	3.0	2.7	13.3	14.9	72.8	198.0	الوطني قطر بنك
Qatar Oman	8.8	0.6	45.4	0.1	9.1	5.7	قطر عمان
Banks & Financial Services	3.6	2.1	13.2	6.2	38.2	-	البنوك والخدمات المالية
Mannai Corp.	7.1	1.0	5.7	9.9	57.5	56.5	مجمع المناعي
Medicare	6.1	2.0	22.0	3.0	33.2	66.0	الرعاية
Al Meera	5.5	2.3	17.2	8.9	67.2	153.9	الميرة
Cinema	5.3	0.9	17.9	1.1	22.2	19.0	السينما
Qatar Fuel	4.5	2.5	15.4	11.5	72.0	177.0	قطر للوقود
Qatar German Co. Med	0.0	1.5	(M) (ç)	(M) (ç)	4.2	6.4	الطبية
Salam International	0.0	0.5	(M) (ç)	(M) (ç)	11.2	5.1	السلام
Widam	5.6	4.0	12.7	6.0	19.0	75.6	ودام
Zad Holding Company	4.6	1.3	9.4	13.8	103.7	129.7	زاد
Consumer Goods & Services	4.9	1.9	14.4	5.7	42.9	-	البضائع والخدمات الاستهلاكية
Aamal	6.0	0.8	13.0	0.8	12.6	10.0	أعمال
Gulf International	0.0	0.9	30.5	0.6	19.8	16.8	الخليج الدولية
Investment Holding	4.7	0.5	10.5	0.5	10.6	5.3	استثمار القابضة
Industries Qatar	3.4	2.6	18.8	7.9	57.9	148.9	صناعات قطر
Mesaieed	4.5	1.3	68.7	0.2	11.7	15.5	مسيعيد
QAMCO	0.0	1.3	18.1	0.7	10.0	12.6	قامكو
Qatar Electricity & Water	4.1	2.0	14.2	13.3	94.1	188.9	كهرباء وماء
The Investors	2.6	1.3	15.0	1.9	22.0	28.4	المستثمرين
Ind. Manf. Co.	7.0	1.3	9.6	4.5	33.4	43.0	التحويلية
National Cement Co.	7.0	1.4	13.9	4.6	46.9	64.5	الاسمنت
Industrials	3.6	1.8	18.9	2.3	23.4	-	الصناعات
Alkhaleej Takaful	0.0	0.5	32.3	0.3	20.1	9.0	الخليج
Doha Insurance	6.0	0.6	14.6	0.9	20.8	12.5	الدوحة
Qatar Insurance	3.3	1.6	22.5	1.8	24.5	39.9	قطر
General Insurance	4.6	0.7	12.2	3.9	70.0	48.0	العامه
Islamic Insurance	6.1	2.4	12.3	4.6	23.7	57.0	الإسلامية
Insurance	3.8	1.2	18.1	2.1	31.9	-	التأمين
Barwa	6.3	0.8	9.1	4.4	48.3	40.0	بروة
Ezdan Holding	3.4	1.2	51.7	0.3	11.8	14.6	إزدان القابضة
Mazaya Qatar	0.0	0.6	27.6	0.3	13.0	7.8	مزايا قطر
United Dev. Company	7.7	0.5	11.7	1.4	30.5	16.2	المتحدة للتنمية
Real Estate	4.5	1.0	20.4	0.9	17.8	-	العقارات
Ooredoo	4.6	1.1	16.2	4.7	67.7	76.0	كيوتل
Vodafone Qatar	0.0	1.5	58.0	0.1	5.4	8.3	فودافون قطر
Telecoms	3.6	1.2	19.4	1.4	22.5	-	الاتصالات
Gulf warehousing Co	4.4	1.5	10.8	4.1	29.6	43.7	مخازن
Nakilat	5.0	1.3	12.3	1.6	15.9	19.9	ناقلات
Qatar Navigation	5.0	0.6	15.8	4.4	126.0	70.0	الملاحة
Transportation	4.9	0.9	13.2	2.3	34.3	-	النقل
Market	3.8	1.7	15.4	3.0	27.2	-	

Source: Qatar Exchange; Note: The above mentioned indicators were calculated according to the latest reliable financial data.

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