

June 13, 2024

GLOBAL MARKETS

	Closing Level	Change		Performance	
		Value	%	MTD (%)	YTD (%)
Global					
S&P 500	5,421.0	45.7	0.9	2.7	13.7
Dow Jones Ind. Average	38,712.2	(35.2)	(0.1)	0.1	2.7
Nasdaq 100	19,465.2	255.0	1.3	5.0	15.7
FTSE 100	8,215.5	67.7	0.8	(0.7)	6.2
DAX 30	18,630.9	260.9	1.4	0.7	11.2
CAC 40	7,864.7	75.5	1.0	(1.6)	4.3
BIST 100	10,165.5	114.2	1.1	(2.3)	36.1
Nikkei	38,876.7	(258.1)	(0.7)	1.0	16.2
Hang Seng	17,937.8	(238.5)	(1.3)	(0.8)	5.2
Shanghai Composite	3,037.5	9.4	0.3	(1.6)	2.1
BSE Sensex	76,606.6	150.0	0.2	3.6	6.0
GCC					
QE Index	9,645.9	14.3	0.1	3.5	(10.9)
Saudi Arabia (TASI)	11,651.8	(123.7)	(1.1)	1.3	(2.6)
UAE (ADX)	8,930.0	(69.9)	(0.8)	0.8	(6.8)
UAE (DFM)	3,979.2	(29.8)	(0.7)	0.0	(2.0)
Kuwait (KSE)	7,037.2	(5.3)	(0.1)	(0.2)	3.2
Oman (MSM)	4,700.5	4.3	0.1	(3.0)	4.1
Bahrain (BAX)	2,037.8	(1.5)	(0.1)	(0.1)	3.4
MSCI GCC	999.7	(7.7)	(0.8)	2.0	(6.3)
Dow Jones Islamic	6,828.3	80.4	1.2	3.6	12.5
Commodity					
Brent	82.2	0.2	0.3	1.3	6.6
WTI	78.2	0.6	0.8	1.5	8.8
Natural Gas	3.1	(0.0)	(1.1)	19.6	33.0
Gold Spot	2,354.8	28.2	1.2	0.4	13.7
Copper	4.6	0.1	1.3	(0.8)	17.4

Source: S&P Capital IQ

GCC MARKET OVERVIEW

GCC Fundamentals	P/E (x)	P/B (x)	Dividend Yield (%)	EV / EBITDA (x)
Qatar All Share	10.9	1.3	4.74%	11.2
DSM 20	10.9	1.4	4.98%	10.6
Saudi Arabia (TASI)	20.2	4.6	5.62%	13.9
UAE (ADX)	18.5	2.6	2.18%	15.4
UAE (DFM)	10.6	3.0	6.26%	10.3
Kuwait (KSE)	16.8	1.9	4.44%	21.3
Oman (MSM)	9.5	0.9	5.33%	4.1
Bahrain (BAX)	10.6	2.2	3.83%	12.9

Source: Refinitiv Eikon, Bloomberg

TOP GAINERS & LOSERS

GCC Trading Activity	Close Price	1D Change		Performance		Vol. ('000)	P/E TTM
		Value	%	1Y (%)	1M (%)		
Top Gainers							
Gulf International Services	3.3	0.1	3.5%	-32.4%	-3.7%	10,656	12
Zad Holding Company	13.0	0.3	2.3%	16.9%	10.5%	5	19
Qatar Navigation	10.7	0.2	1.7%	-11.2%	0.8%	1,797	12
Doha Insurance Group	2.6	0.0	1.6%	-13.3%	-3.4%	67	8
Dlala Brokerage and Investment Holding Company	1.3	0.0	1.4%	-13.8%	-5.0%	3,486	NM
Top Losers							
Qatar Cinema and Film Distribution Co.	2.5	(0.2)	-8.6%	-9.4%	-3.6%	7	33
Widam Food Company	2.8	(0.1)	-4.2%	-7.5%	1.3%	3,385	NM
Barwa Real Estate Company	2.8	(0.1)	-2.7%	7.4%	-6.3%	5,916	9
Medicare Group	4.2	(0.1)	-1.7%	-32.4%	-2.5%	3,572	18
QLM Life & Medical Insurance Company	2.0	(0.0)	-1.4%	-5.2%	-1.2%	297	9

Source: S&P Capital IQ

MARKET COMMENTARY

Global

The S&P 500 and Nasdaq posted record closing highs for a third straight day on Wednesday after inflation data came in softer than expected. But the indexes ended off the day's highs as the Federal Reserve projected only one interest rate cut this year. Alex Cohen has more. The S&P 500 closed at 5,421.0 post gaining 0.9%, Dow Jones Industrial Average closed after losing 35.2 points at 38,712.2, while Nasdaq 100 closed at 19,465.2 post gaining 1.3%. European stocks advanced ahead of a crucial day for markets as the Federal Reserve will provide updated rate projections a few hours after a key US inflation print. The Brent crude at USD 82.2 per barrel and US WTI crude settling at USD 78.2 a barrel. Gold prices rose 1% on Wednesday after a surprisingly soft US consumer inflation report raised hopes for an interest rate cut in 2024.

GCC

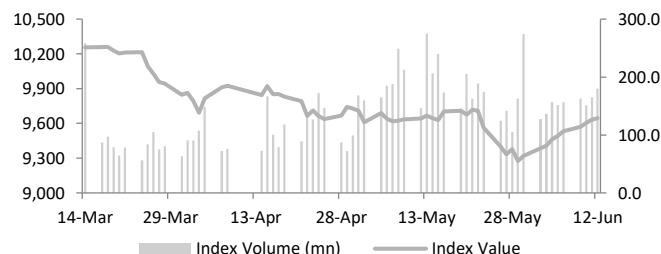
Most stock markets in the Gulf ended lower on Wednesday as investors turned cautious ahead of the Federal Reserve's rate decision and interest rate projections due later in the day. Saudi Arabia's benchmark stock index was down for a third day to fall 1.1%, with almost all sectors in the red. The Abu Dhabi benchmark index slipped 0.8% after three straight sessions of gains, with most of its constituents posting losses, Dubai's benchmark stock index retreated 0.7%, after gains in the previous session, with most sectors in the red. Kuwait's index lost 0.1% to close at 7,037.2, while Oman's index gained 0.1%, closing at 4,700.5 and Bahrain closed flat at 2,037.8 post losing 0.1%.

Qatar

The Qatari benchmark index rose 0.2%, extending its gain to a tenth session, the longest rally in nearly six months. Qatar National Bank, the region's largest lender, added 0.4% and Qatar Navigation advanced 1.7%. The banks and financial services sector index gained 0.2%, consumer goods and services lost 0.2%, industrials gained 0.3%, insurance lost 0.8%, real estate lost 1.9%, telecom gained 0.4% and transportation gained 0.4%.

The top performer includes Gulf International Services and Zad Holding Company while Qatar Cinema and Film Distribution Co. and Widam Food Company were among the top losers. Trading saw a volume of 179.9 mn shares exchanged in 17,636 transactions, totalling QAR 538.1 mn in value with market cap of QAR 560.5 bn.

Qatar DSM Index



Source: Investing.com

QE Sector Indices	Closing Level	1D Change (%)
Banks & Financial Services	3,980.9	0.21%
Consumer Goods & Services	7,460.7	-0.15%
Industrials	4,024.1	0.30%
Insurance	2,268.1	-0.75%
Real Estate	1,577.5	-1.90%
Telecoms	1,565.1	0.44%
Transportation	5,227.1	0.41%

Source: Qatar Stock Exchange

Qatar Trading Summary	Buy (%)	Sell (%)
Qatari Individuals	22.4	24.7
Qatari Institutions	49.1	34.3
Qatari - Total	71.5	59.0
Foreign Individuals	11.8	11.0
Foreign Institutions	16.7	30.0
Foreign - Total	28.5	41.0

Source: Qatar Stock Exchange

KEY NEWS OF QATAR

Business boom builds Qatar-Saudi entente as Gulf rift fades

Saudi Crown Prince Mohammed bin Salman's 2021 visit to Qatar, marked by a friendly tour of Doha with Emir Sheikh Tamim bin Hamed Al Thani, helped mend years of strained relations and sparked a surge in Qatar-Saudi business ties. His visit showcased Qatar's mega projects, such as a new expressway, metro, and World Cup stadium, inspiring Saudi Arabia's own ambitious plans. Following this visit, Qatari companies leveraged their expertise from Qatar's construction boom to secure at least USD 10 bn in contracts in Saudi Arabia, contributing to Saudi giga projects central to its Vision 2030. This collaboration, applauded by Western allies, was solidified by a joint Saudi-Qatar committee aiming to foster economic partnership and regional stability. [Read More](#)

Doha Bank, Mastercard announce long-term strategic partnership to shape Qatar's payments landscape

Doha Bank and Mastercard have formed a strategic partnership to enhance Doha Bank's customer service and innovative payment solutions, aligning with the bank's 'Himma' roadmap. This significant collaboration, one of Qatar's largest, reinforces Doha Bank's leadership in the financial sector and promotes digital payment adoption. The partnership will expand Doha Bank's card and digital payment services, leveraging Mastercard's digital expertise. This move supports Qatar's Third Financial Sector Strategic Plan and the country's digital transformation goals, which are part of Qatar National Vision 2030. Both institutions emphasize the importance of payments innovation, digital transformation, and financial inclusion in Qatar's dynamic economy. [Read More](#)

Qatar Airways and China Southern sign MoU, strengthen airline partnership

Qatar Airways and China Southern Airlines have advanced their partnership with a new memorandum of understanding (MoU) to enhance travel options and convenience for passengers. The MoU covers a codeshare agreement and collaboration in cargo and frequent flyer programs. The agreement was signed by Qatar Airways CEO Badr Mohamed al-Meer and China Southern Airlines CEO Han Wensheng. This partnership builds on the success of a new Doha-Guangzhou route launched in April and aims to improve connectivity between China and regions along the Belt and Road Initiative. The collaboration will offer benefits to frequent flyer members, including the ability to earn and use Avios/Miles on both airlines and enjoy tier benefits like lounge access. [Read More](#)

KEY NEWS OF SAUDI ARABIA

Saudi Arabia leads global desalinated water production surge

Saudi Arabia has emerged as a global leader in desalinated water production, doubling its output to meet daily demands, with a production of 2.9 bn cubic meters in 2022. The Kingdom has expanded water storage, transmission, and wastewater treatment, and reduced groundwater reliance, aiming to enhance water sustainability. Significant milestones include achieving nine Guinness World Records in desalination, a daily production capacity of 11.5 mn m3 in 2023, and plans to reach 13.3 mn m3 by 2024 using eco-friendly technologies. Additionally, Saudi Arabia is committed to global water sustainability through initiatives like the National Water Strategy and the establishment of a Global Water Organization in Riyadh. The Kingdom's water reuse market ranks third globally, and it aims to fulfill 90% of its water demand through desalination by 2030. [Read More](#)

Saudi EXIM forges key international partnerships during Greek visit

Saudi EXIM Bank and the Swedish Export Credit Agency signed an agreement to boost Saudi Arabia's non-oil exports and explore trade and investment opportunities. The MoU, signed in Athens by Saudi EXIM CEO Saad Al-Khalb and EKN Director General Anna-Karin Jatko, aims to enhance cooperation and expand Saudi exports into Swedish markets. At the TXF Global 2024 event, Al-Khalb highlighted Saudi EXIM's USD 12 bn in credit facilities, with a goal of exceeding USD 20 bn annually by 2030. He also noted the bank's USD 2 bn insurance policy covering 450 financial institutions and its contributions to sustainability and renewable energy. Al-Khalb met with leaders from Etihad Credit Insurance, Export Finance Australia, and Credit Agricole Bank to discuss collaboration and enhance trade, including facilitating Saudi exports to Australian and African markets. [Read More](#)

KEY NEWS OF UAE

World Bank predicts UAE's real GDP will rise to 4.1% in 2025

The UAE's real GDP is expected to grow by 3.9% in 2024 and further to 4.1% in 2025, according to the World Bank's Global Economic Prospects report. In April 2024, the World Bank revised its forecast upward from 3.7% to 3.9% for the UAE's 2024 growth. Across the Middle East and North Africa, growth is anticipated to reach 2.8% in 2024 and 4.2% in 2025. The Gulf Cooperation Council (GCC) countries are forecasted to experience stronger growth at 2.8% in 2024 and 4.7% in 2025. Oil-exporting economies are expected to grow by 2.9% and 4.2% in 2024 and 2025, while oil-importing countries are projected to see growth rates of 2.9% and 4% in the same periods. [Read More](#)

Central Bank of UAE's Balance sheet hits USD 210 bn in March, up 30% YoY

The Central Bank of the UAE's (CBAUE) balance sheet reached a record AED 771.23 bn by the end of March 2024, marking a 30% year-on-year increase from AED 594.12 bn in March 2023. On a monthly basis, the balance sheet grew by 3.2%, or AED 23.6 bn, from AED 747.62 bn in February 2024. Asset allocations included AED 359.04 bn in cash and bank balances, AED 216.21 bn in investments, AED 158.46 bn in deposits, AED 1.73 bn in loans and advances, and AED 35.79 bn in other assets. On the liabilities and capital side, it included AED 322.9 bn in current and deposit accounts, AED 264.12 bn in treasury bills and Islamic certificates of deposit, AED 146.85 bn in issued banknotes and coins, AED 26.2 bn in capital and reserves, and AED 11.12 bn in other liabilities. [Read More](#)

OTHER REGIONAL AND GLOBAL NEWS

Oil demand set to peak by 2029, major supply glut looms, IEA says

The International Energy Agency (IEA) predicts that global oil demand will peak in 2029 and then decline, while oil supply capacity is expected to exceed demand significantly by 2030. This surplus could impact oil markets and producer economies. Non-OPEC+ producers, mainly led by the United States, will drive most of the production capacity increase. Emerging Asian economies, especially India for road transportation and China for jet fuel and petrochemicals, will be key drivers of demand growth. The IEA adjusted its 2024 oil demand growth forecast downward due to sluggish consumption in developed countries but expects a rebound next year due to economic recovery and green energy adoption. These projections contrast with OPEC's more optimistic outlook for oil demand growth. [Read More](#)

Gold gains on soft inflation data ahead of Fed statement, projections

Gold prices rose 1% on Wednesday, with spot gold at USD 2,338.59 per ounce, after a softer-than-expected US consumer inflation report increased hopes for an interest rate cut in 2024. US gold futures also climbed 1.2% to USD 2,335.50. The CPI remained flat month-on-month in May, below the expected 0.1% gain, and core prices rose by 0.2%, below the forecasted 0.3%. Year-on-year, CPI advanced 3.3%, slightly below economists' expectations. This data led traders to anticipate two rate cuts by the Fed by the end of the year, boosting gold prices due to the lower opportunity cost of holding non-yielding assets like gold. The dollar index fell 0.7%, and US 10-year Treasury yields dropped to their weakest levels since April 1. Silver, platinum, and palladium also saw significant gains. The focus now shifts to the Federal Reserve's policy statement and economic projections, with a press conference by Fed Chair Jerome Powell. [Read More](#)

Fed leaves rates unchanged, sees only one 2024 cut despite inflation progress

The Federal Reserve opted to keep interest rates unchanged, delaying potential rate cuts until at least December. Fed Chair Jerome Powell indicated a contentment with current economic conditions, citing strong labor markets and manageable inflation. The Fed projects a slow decline in inflation toward its 2% target, with rate reductions likely starting in 2025. Powell emphasized that future rate decisions would depend on a range of economic factors, including inflation and employment data. Despite a weaker-than-expected CPI in May, the Fed remains cautiously optimistic about economic growth, with projections of above-trend growth and a steady unemployment rate. The Fed's long-run "neutral" rate, aimed at balancing inflation and growth, was raised slightly. Overall, the Fed's decision reflects a cautious approach to monetary policy amid evolving economic conditions. [Read More](#)

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FX RATES

Currencies	Value	Currencies	Value
EUR/USD	1.08	USD/QAR	3.64
USD/JPY	155.82	EUR/QAR	3.95
GBP/USD	1.28	JPY/QAR	0.02
USD/CHF	0.89	GBP/QAR	4.67
USD/CAD	1.37	CHF/QAR	4.08
AUD/USD	0.67	CAD/QAR	2.66
NZD/USD	0.62	AUD/QAR	2.44
USD/INR	83.45	INR/QAR	0.04
USD/TRY	32.32	TRY/QAR	0.11
USD/ZAR	18.40	ZAR/QAR	0.20
USD/BRL	5.41	BRL/QAR	0.67

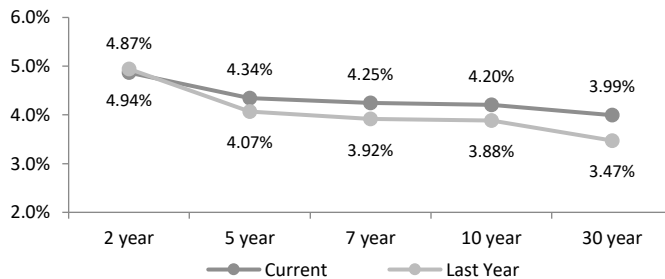
Source: S & P Capital IQ

INTERBANK OFFERING & US SWAP RATES

Duration	Overnight	1 Week	1 Month	3 Month	1 Year
LIBOR	5.06	0.08	5.45	5.61	6.04
EURIBOR	3.91	3.72	3.61	3.74	3.73
QIBOR	5.80	5.85	5.90	6.00	6.25
SAIBOR	5.84	5.68	5.91	6.30	5.84
EIBOR	5.09	5.22	5.38	5.26	5.31
BMIBOR	6.05	6.27	6.59	6.34	6.39
KIBOR	2.38	3.81	4.06	4.31	4.69

Source: Refinitiv Eikon, Qatar Stock Exchange

US Swap Rates



Source: Investing.com

GCC COMPANY RESULTS

Company Name	Ticker	Revenues (Mn)	YoY (%)	Net Profit (Mn)	YoY (%)
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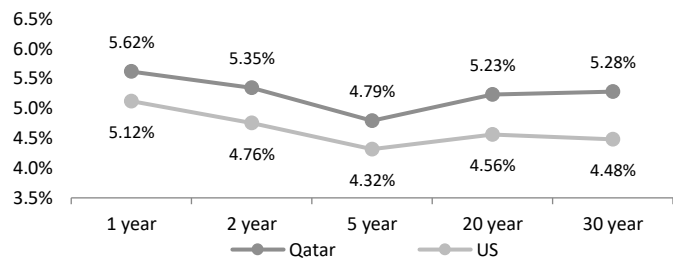
Note: No Results were published on 12th June 2024.

FX Commentary

The dollar stabilized near a four-week high against other currencies, with the dollar index holding around 105.26 after touching 105.46 previously. Market attention was on upcoming events, including the release of US Consumer Price Index (CPI) data and the Federal Reserve's interest rate projections. China's economic indicators showed steady consumer inflation in May and a narrowing decline in producer prices, reflecting ongoing government support measures. Expectations for a September rate cut by the Fed decreased to around 56% from 77.8% previously. Economists projected a slight easing in headline CPI to 0.1% from 0.3% last month, with core inflation expected to remain steady at 0.3%. The Fed was anticipated to keep rates between 5.25% to 5.5%, with market focus on the "dot plot" and Chair Jerome Powell's commentary for clues about future monetary policy. The euro remained flat around USD 1.08, while sterling held at USD 1.28, with additional attention on UK gross domestic production figures for April.

SOVEREIGN YIELD CURVES

Qatar vs US Treasuries Yields



Source: Investing.com

5 Years CDS	Spreads	3M Change	5 Year CDS	Spreads	3M Change
US	39.6	1.1	Turkey	256.9	(51.3)
UK	24.6	(3.9)	Egypt	558.8	(16.1)
Germany	7.8	(3.6)	Abu Dhabi	39.0	4.2
France	27.5	3.7	Bahrain	174.0	(15.6)
Italy	66.9	3.6	Dubai	61.9	4.0
Greece	66.6	8.5	Qatar	38.8	2.7
Japan	21.8	2.3	Saudi Arabia	50.1	(0.4)

Source: S&P Capital IQ

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QSE MAIN FINANCIAL INDICATORS

Company	Dividend Yield (%)	P/B.V Ratio (x)	P/E Ratio (x)	EPS (QR)	Book Value/Share (QR)	Stock Price (QR)	Company
QNB	4.61	1.54	8.26	1.71	9.15	14.10	QNB
Qatar Islamic Bank	4.09	1.70	9.63	1.84	10.43	17.75	المصرف التجاري
Comm. Bank of Qatar	6.23	0.64	5.39	0.74	6.25	4.01	بنك الدوحة
Doha Bank	5.37	0.41	5.46	0.26	3.38	1.40	الاهلي الدولي
Ahli Bank	6.52	1.46	11.52	0.33	2.63	3.84	الريان
Intl. Islamic Bank	4.49	2.15	12.81	0.78	4.67	10.02	QFC بنك لشا
Rayan	4.26	0.95	14.84	0.16	2.48	2.35	بنك دخان
Lesha Bank (QFC)	0.00	1.17	14.50	0.09	1.12	1.31	الاجارة
Dukhan Bank	4.48	1.50	14.25	0.25	2.38	3.57	دلالة
National Leasing	4.18	0.57	22.11	0.03	1.26	0.72	قطر وعمان
Dlala	0.00	1.31	nm	nm	0.96	1.25	إنماء
Qatar Oman	0.00	1.13	nm	nm	0.70	0.79	البنوك والخدمات المالية
Inma	1.15	1.55	19.44	0.22	2.81	4.34	زاد
Banks & Financial Services	4.63	1.33	9.04	0.73	4.98		
Zad Holding Company	5.02	2.64	18.82	0.69	4.91	12.95	الطبية
Qatar German Co. Med	0.00	5.85	H	0.01	0.31	1.84	بلدنا
Baladna	5.25	1.11	18.24	0.07	1.20	1.32	السلام
Salam International	4.47	0.52	16.02	0.04	1.28	0.67	الرعاية
Medicare	5.21	1.16	17.83	0.24	3.66	4.22	السينما
Cinema	2.78	1.26	33.45	0.08	2.00	2.52	قطر للوقود
Qatar Fuel	6.11	1.72	14.58	1.01	8.58	14.73	ودام
Widam	0.00	3.11	nm	nm	0.89	2.76	مجتمع المناعي
Mannai Corp.	6.25	1.79	9.83	0.41	2.23	4.00	الميرة
Al Meera	5.78	1.81	16.04	0.92	8.11	14.70	مقدام
Mekdam	0.00	23.93	13.34	0.27	0.15	3.58	ميزة
MEEZA QSTP	2.29	3.16	37.71	0.09	1.11	3.50	الفالج
Faleh	0.00	na	na	0.00	0.00	0.68	الخدمات والسلع الاستهلاكية
Consumer Goods & Services	5.26	1.71	16.35	0.29	2.77		
QAMCO	5.17	1.17	17.22	0.08	1.16	1.36	فامكو
Ind. Manf. Co.	5.17	0.65	7.90	0.32	3.85	2.51	التحويلية
National Cement Co.	8.39	0.80	12.16	0.29	4.47	3.58	الاسمنت
Industries Qatar	6.42	2.01	15.20	0.80	6.04	12.15	صناعات قطر
The Investors	9.69	0.65	10.97	0.14	2.37	1.55	المستثمرين
Electricity & Water	5.71	1.15	11.27	1.34	13.06	15.05	كهرباء وماء
Aamal	0.00	0.60	12.82	0.06	1.27	0.76	أعمال
Gulf International	4.57	1.64	13.17	0.25	2.00	3.28	الخليج الدولية
Mesaieed	5.01	1.33	21.41	0.08	1.29	1.72	مسعييد
Estithmar Holding	0.00	1.33	18.24	0.11	1.45	1.92	استثمار القابضة
Industrials	5.53	1.45	15.01	0.24	2.50		الصناعات
Qatar Insurance	4.80	1.14	nm	nm	1.83	2.08	قطر
Doha Insurance Group	6.84	1.10	11.86	0.22	2.33	2.56	مجموعة الدوحة للتأمين
QLM	6.35	1.14	8.54	0.23	1.73	1.97	كيو إل إم
General Insurance	0.00	0.25	nm	nm	3.75	0.94	العامية
Alkhaleej Takaful	5.09	1.02	11.89	0.20	2.31	2.36	الخليج التكافلي
Islamic Insurance	6.10	2.47	10.71	0.77	3.32	8.20	الاسلامية
Beema	4.75	1.56	12.82	0.30	2.44	3.79	بيمه
Insurance	4.92	0.97	nm	nm	2.25		التأمين
United Dev. Company	4.77	0.37	10.95	0.11	3.16	1.15	المتحدة للتنمية
Barwa	6.40	0.51	9.59	0.29	5.49	2.81	بروة
Ezdan Holding	0.00	0.63	H	0.00	1.27	0.80	إزدان القابضة
Mazaya	3.85	0.63	17.16	0.04	1.03	0.65	مزايا
Real Estate	2.50	0.55	22.41	0.05	1.92		العقارات
Ooredoo	5.58	1.24	13.65	0.72	7.93	9.86	Ooredoo
Vodafone Qatar	6.48	1.55	13.82	0.12	1.09	1.70	فودافون قطر
Telecoms	5.75	1.29	13.68	0.38	4.04		الاتصالات
Qatar Navigation	3.51	0.74	11.99	0.89	14.44	10.70	الملاحة
Gulf warehousing Co	3.31	0.82	8.50	0.39	4.04	3.32	مخازن
Nakilat	3.18	2.04	16.66	0.26	2.15	4.40	ناقلات
Transportation	3.29	1.25	14.22	0.37	4.23		النقل
Exchange	4.74	1.24	12.01	0.33	3.22		

Source: Qatar Stock Exchange; "nm" stands for Minus ratio due to company losses according to the latest financial data and "H" stands for The P/E ratio is one hundred times and more.

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