

July 03, 2024

GLOBAL MARKETS

	Closing Level	Change		Performance	
		Value	%	MTD (%)	YTD (%)
Global					
S&P 500	5,509.0	33.9	0.6	0.9	15.5
Dow Jones Ind. Average	39,331.9	162.3	0.4	0.5	4.4
Nasdaq 100	20,011.9	199.7	1.0	1.7	18.9
FTSE 100	8,121.2	(45.6)	(0.6)	(0.5)	5.0
DAX 30	18,164.1	(126.6)	(0.7)	(0.4)	8.4
CAC 40	7,538.3	(22.8)	(0.3)	0.8	(0.1)
BIST 100	10,446.2	102.9	1.0	(1.9)	39.8
Nikkei	40,074.7	443.6	1.1	1.2	19.8
Hang Seng	17,769.1	50.5	0.3	0.3	4.2
Shanghai Composite	2,997.0	2.3	0.1	1.0	0.7
BSE Sensex	79,441.4	(34.7)	(0.0)	0.5	10.0
GCC					
QE Index	10,006.1	(0.5)	(0.0)	0.4	(7.6)
Saudi Arabia (TASI)	11,606.1	(52.4)	(0.4)	(0.6)	(3.0)
UAE (ADX)	9,087.8	27.8	0.3	0.3	(5.1)
UAE (DFM)	4,063.3	6.2	0.2	0.8	0.1
Kuwait (KSE)	6,937.1	(5.9)	(0.1)	0.0	1.8
Oman (MSM)	4,684.2	(11.8)	(0.3)	(0.1)	3.8
Bahrain (BAX)	2,015.7	(1.4)	(0.1)	(0.5)	2.2
MSCI GCC	1,004.8	(4.8)	(0.5)	(0.6)	(5.8)
Dow Jones Islamic	6,881.8	28.5	0.4	0.7	13.4
Commodity					
Brent	86.2	(0.4)	(0.4)	1.5	11.9
WTI	81.9	(0.4)	(0.5)	1.6	14.0
Natural Gas	2.5	(0.0)	(1.5)	(5.5)	5.5
Gold Spot	2,333.4	(5.5)	(0.2)	(0.3)	12.6
Copper	4.4	0.0	0.0	0.6	13.6

Source: S&P Capital IQ

GCC MARKET OVERVIEW

GCC Fundamentals	P/E (x)	P/B (x)	Dividend Yield (%)	EV / EBITDA (x)
Qatar All Share	11.4	1.4	4.58%	11.5
DSM 20	11.4	1.4	4.78%	11.0
Saudi Arabia (TASI)	19.6	4.5	5.69%	13.4
UAE (ADX)	18.7	2.7	2.16%	15.4
UAE (DFM)	10.5	3.4	6.09%	8.4
Kuwait (KSE)	16.4	1.9	4.50%	21.2
Oman (MSM)	9.6	0.9	5.36%	3.8
Bahrain (BAX)	10.0	2.2	4.08%	12.8

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							
Mekdam Holding Group -	3.7	0.1	1.6%	-	-1.2%	244	12
Al Meera Consumer Goods Company	14.6	0.2	1.5%	-34.4%	7.4%	443	17
Gulf International Services	3.3	0.0	1.2%	-30.7%	-0.4%	6,429	13
QLM Life & Medical Insurance Company	2.0	0.0	0.8%	-12.4%	-0.8%	695	10
Al Khaleej Takaful Insurance Company	2.4	0.0	0.7%	-15.3%	0.5%	2,882	10
Top Losers							
Doha Insurance Group	2.4	(0.1)	-3.2%	-7.8%	4.4%	366	8
Damaan Islamic Insurance Company "Beema"	3.8	(0.1)	-2.8%	-3.0%	1.6%	3	8
Qatar National Cement Company	3.6	(0.1)	-2.2%	-5.7%	9.5%	1,137	12
Qatar Insurance Company	2.1	(0.0)	-2.0%	2.3%	-2.1%	107	8
Qatari German Company for Medical Devices	1.9	(0.0)	-1.6%	-8.8%	11.5%	7,574	160

Source: S&P Capital IQ

MARKET COMMENTARY

Global

Wall Street's major stock indexes ended higher on Tuesday, supported by increases in Tesla and large-cap growth stocks. However, trading volumes were light ahead of the July Fourth holiday and the upcoming release of the June nonfarm payrolls report on Friday. The S&P 500 closed at 5,509.0, up 0.6%, the Dow Jones Industrial Average closed 0.4% higher, and the Nasdaq 100 gained 1.0% to close at 20,011.9. Europe's regional markets concluded Tuesday with losses, as investors processed the latest consumer price data from the euro zone, revealing that headline inflation eased to 2.5% in June, aligning with economists' forecasts. Oil prices decreased on Tuesday, with Brent crude at USD 86.2 per barrel and US WTI crude settling at USD 81.9. Gold prices held steady on Tuesday after data showed US inflation subsided, bolstering hopes that the Federal Reserve will start cutting interest rates this year.

GCC

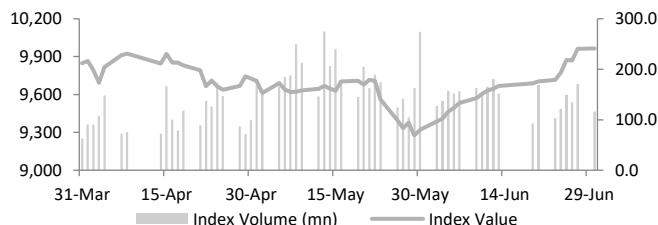
Major Gulf bourses fell slightly on Tuesday as investors booked profits. Saudi Arabia's benchmark stock index lost 0.4%, Abu Dhabi's benchmark index gained 0.3%, Dubai's main index was trading 0.2% higher. Kuwait's index lost 0.1%, closing at 6,937.1, while Oman's index lost 0.3%. Bahrain's market ended lower at 2,015.2 losing 0.1%.

Qatar

The Qatari benchmark index held its ground at after reaching 10,000 mark, with the Gulf's largest lender Qatar National Bank gaining 0.4% and petrochemical maker Industries Qatar inching up 0.4%. The banks and financial services sector index gained 0.2%, consumer goods and services lost 0.2%, industrials sector stayed flat, insurance lost 1.6%, real estate lost 0.3%, telecom lost 1.2% and transportation gained 0.1%.

The top performer includes Mekdam Holding Group and Al Meera Consumer Goods Company while Doha Insurance Group and Damaan Islamic Insurance Company "Beema" were among the top losers. Trading saw a volume of 124.4 mn shares exchanged in 15,918 transactions, totalling QAR 397.5 mn in value with market cap of QAR 577.4 bn.

Qatar DSM Index



Source: Investing.com

QE Sector Indices	Closing Level	1D Change (%)
Banks & Financial Services	4,150.4	0.15%
Consumer Goods & Services	7,488.8	-0.23%
Industrials	4,163.6	0.04%
Insurance	2,259.2	-1.58%
Real Estate	1,525.6	-0.28%
Telecoms	1,583.4	-1.14%
Transportation	5,536.1	0.10%

Source: Qatar Stock Exchange

Qatar Trading Summary	Buy (%)	Sell (%)
Qatari Individuals	22.9	29.8
Qatari Institutions	40.4	26.9
Qatari - Total	63.3	56.8
Foreign Individuals	10.3	9.9
Foreign Institutions	26.4	33.3
Foreign - Total	36.7	43.2

Source: Qatar Stock Exchange

KEY NEWS OF QATAR

▶ QNB Group Qatar's first financial institution to 'consider interim profits distribution'

QNB Group, the largest financial institution in the Middle East and Africa, will be the first in Qatar to consider interim profit distribution for the period ending June 30, 2024. The Board of Directors will meet on July 8 to discuss financial results and the potential profit distribution, aimed at supporting the national economy and aligning with Qatar National Vision 2030. This move is expected to enhance investor trust and market liquidity. QNB operates in 28 countries across three continents, employing over 30,000 people, with a vast network of 900 locations and more than 5,000 ATMs. [Read More](#)

▶ Open Door VC initiative seen to spur growth in Qatar's startup ecosystem

Rasmal Ventures will soon launch the "Open-Door VC programme" in Qatar, offering dedicated support to startup owners and entrepreneurs by addressing their specific challenges in detailed, one-on-one meetings. Announced by partner Alexander Wiedmer at a Startup Grind Qatar event, this initiative will allow entrepreneurs to meet with venture capital professionals monthly at Rasmal's Workinton Lusail office to discuss pre-defined issues. The programme aims to complement existing workshops and resources by providing direct, concrete assistance, fostering growth and collaboration within Qatar's startup ecosystem. Junior partner Soumaya Ben Beya Dridje emphasized the programme's goal to prepare startups for VC investment and reinforce the shared value of contributing to the ecosystem. [Read More](#)

▶ Qatar working on enhancing Asian ties, says envoy

Qatar's ambassador to Kazakhstan, Abdullah bin Hussein al-Jaber, emphasized Qatar's commitment to strengthening relations with Asia, highlighting Qatar's status as a "Dialogue Partner" in the Shanghai Cooperation Organisation (SCO) and its successful cooperation with influential organizations like CICA, the Asian Parliamentary Assembly, and the Asia Cooperation Dialogue. Qatar aims to achieve full SCO membership, enhancing its role in regional peace, security, and economic growth. Al-Jaber also underscored Qatar's significant mediation efforts in global conflicts, its strategic partnership with Kazakhstan since 1993, and the promising prospects for joint investment projects, particularly in the gas sector, alongside a fivefold increase in trade volume from 2019-2023. [Read More](#)

KEY NEWS OF SAUDI ARABIA

▶ Tourists' spending in Saudi Arabia up 23% to USD 12 bn

Tourism spending in Saudi Arabia increased by 23 percent in the first quarter of the year, reaching SAR 45 bn (USD 12 bn), according to the Saudi Central Bank. The balance of payments for travel posted a surplus of SAR 24 bn, a 46 percent rise compared to the same period in 2023. This surge supports Saudi Arabia's Vision 2030 strategy to become a top 10 global tourist destination by 2024. The World Economic Forum projects a rebound to pre-pandemic levels for international tourist arrivals, with the Middle East, especially Saudi Arabia, leading the recovery. This growth is fueled by investments in tourism and cultural sectors, regulatory improvements, and increased travel demand. The Kingdom has also made strides in cultural influence, participating in prestigious global events and revising its visitor target to 150 mn by 2030. [Read More](#)

▶ Saudi SME Bank drives economic growth with USD 267 mn disbursed since inception

The Saudi Small and Medium Enterprise Bank disbursed SAR 1 bn (USD 267 mn) between its launch in December 2022 and January 2023, according to the National Development Fund. In 2023, the bank introduced five new financing products for SMEs: microloans, working capital loans, term loans, commerce loans, and revolving limit loans. These initiatives are part of Saudi Arabia's broader Vision 2030 strategy to diversify its economy away from oil dependency by fostering innovation, job creation, and sustainable growth. The bank, established by the Kingdom's Cabinet in February 2021, collaborates with the Kafalah Program and Saudi Venture Capital Company to address financing challenges and support entrepreneurship. The SME sector aims to increase its GDP contribution to 35% by 2030. Additionally, the bank is developing a digital strategy focused on financial services, data centers, and value-added services. In 2023, Saudi Arabia secured 52% of the Middle East and North Africa region's venture capital investment, highlighting its growing investment appeal and economic resilience. [Read More](#)

KEY NEWS OF UAE

▶ UK's prestigious Harrow School attended by Churchill to open in UAE in two years

The UK's prestigious 452-year-old Harrow School, renowned for its alumni including Winston Churchill and Jawaharlal Nehru, will open its first international branch in the UAE within the next two years, through a partnership with UAE education developer Taaleem. Taaleem has acquired the rights to operate Harrow International Schools across the GCC, including Saudi Arabia, Bahrain, Oman, Qatar, and Kuwait. The UAE branch will integrate Harrow's traditional values of courage, honour, humility, and fellowship with modern educational needs, while maintaining the integrity of the Harrow brand. This expansion aligns with Harrow's legacy of academic excellence and holistic education, already demonstrated by its existing campuses in Asia. The new school aims to provide a premium British boarding school experience tailored to the UAE's cultural context. [Read More](#)

OTHER REGIONAL AND GLOBAL NEWS

▶ Oil rises to two-month high on summer demand outlook and supply fears

Oil prices reached two-month highs, driven by expectations of increased demand during the summer travel season and potential supply disruptions from Hurricane Beryl. Brent crude futures rose to USD 87.30 a barrel, while US West Texas Intermediate (WTI) crude climbed to USD 84.06. Both benchmarks saw a 2% gain in the previous session. The American Automobile Association anticipates a 5.2% increase in travel during the Independence Day holiday, boosting gasoline demand. Market support also comes from Middle East tensions and easing US inflation, raising hopes for interest rate cuts. Concerns about supply disruptions from the hurricane and lower OPEC and Russian crude exports are tightening the market. However, lower-than-expected demand growth, especially in Asia, is tempering price gains. [Read More](#)

▶ Gold flat as investors focus on Fed minutes

On Wednesday, gold prices remained stable ahead of the release of minutes from the Federal Reserve's recent policy meeting, with spot gold holding at USD 2,329.66 per ounce and US gold futures slightly up at USD 2,338.70. Analysts noted the market's cautious stance amidst ongoing uncertainty, including upcoming elections. Federal Reserve Chair Jerome Powell indicated a cautious approach towards rate cuts, emphasizing the need for more economic data, while investors awaited key employment reports later in the week that could influence expectations for future rate cuts. Other metals saw mixed movement, with silver and platinum prices rising slightly, while palladium dipped. [Read More](#)

▶ ECB's next rate cut an easy decision before choices become hard, Wunsch says

In an interview, European Central Bank (ECB) policymaker Pierre Wunsch discussed the ECB's cautious approach to further interest rate cuts, emphasizing that while another cut is feasible based on current projections, it is not urgent. The ECB recently cut rates but remains cautious about committing to further reductions, citing persistent inflation slightly above target and uncertain economic conditions. Wunsch indicated that future cuts would depend on inflation trends moving decisively towards the 2% target, suggesting a wait-and-see approach until the ECB's September forecasts. He also addressed political challenges in Europe, including fiscal adjustments and potential market turbulence, downplaying the likelihood of activating emergency measures unless market disruptions were significant and disorderly. [Read More](#)

▶ UK shop price inflation weakest since October 2021, retailer says

In June, British shop prices saw their slowest annual increase in almost three years, with inflation at 0.2%, down from 0.6% in May, according to the British Retail Consortium. Non-food prices fell by 1.0% annually, driven partly by promotions tied to the Euro 2024 soccer tournament, while food inflation eased to 2.5%, marking its 14th consecutive monthly slowdown. This trend is seen as beneficial for household budgets amid economic uncertainty, though Prime Minister Rishi Sunak may not gain much electoral advantage from these developments in the upcoming national election. The Bank of England is considering its first interest rate cut since 2020, with markets indicating a 60% chance of a reduction in early August. Retail leaders are calling for governmental action to address business taxes and employment costs. [Read More](#)

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FX RATES

Currencies	Value	Currencies	Value
EUR/USD	1.07	USD/QAR	3.64
USD/JPY	161.52	EUR/QAR	3.91
GBP/USD	1.27	JPY/QAR	0.02
USD/CHF	0.90	GBP/QAR	4.62
USD/CAD	1.37	CHF/QAR	4.03
AUD/USD	0.67	CAD/QAR	2.66
NZD/USD	0.61	AUD/QAR	2.42
USD/INR	83.47	INR/QAR	0.04
USD/TRY	32.58	TRY/QAR	0.11
USD/ZAR	18.63	ZAR/QAR	0.20
USD/BRL	5.67	BRL/QAR	0.64

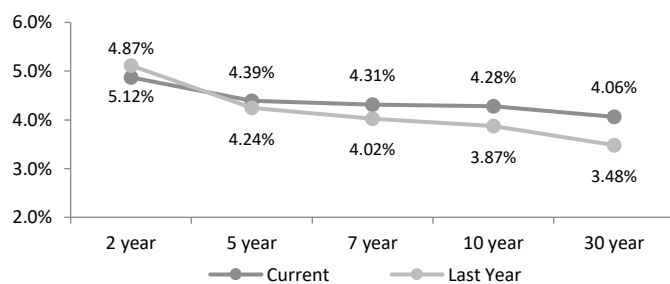
Source: S & P Capital IQ

INTERBANK OFFERING & US SWAP RATES

Duration	Overnight	1 Week	1 Month	3 Month	1 Year
LIBOR	5.06	0.08	5.45	5.58	6.04
EURIBOR	3.66	3.64	3.66	3.71	3.57
QIBOR	5.80	5.85	5.90	6.00	6.25
SAIBOR	5.73	5.74	5.85	6.23	5.87
EIBOR	4.93	5.29	5.36	5.31	5.43
BMIBOR	6.05	6.27	6.61	6.35	6.37
KIBOR	2.31	3.81	4.06	4.31	4.69

Source: Refinitiv Eikon, Qatar Stock Exchange

US Swap Rates



Source: Investing.com

GCC COMPANY RESULT

Company Name	Ticker	Revenues (Mn)	YoY (%)	Net Profit (Mn)	YoY (%)
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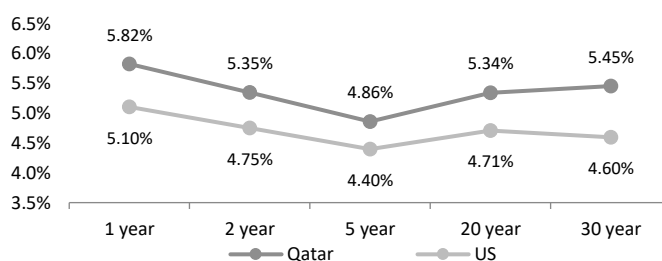
Note: No results were published on 02nd July 2024.

FX Commentary

On Tuesday, the dollar strengthened while Asian equities showed mixed results amid speculation of a potential second term for former President Donald Trump following his perceived debate victory over incumbent Joe Biden. The Supreme Court's ruling granting former presidents "absolute immunity" for official acts further fueled expectations, despite ongoing legal challenges against Trump. The prospect of Trump's return led to discussions of potential tax cuts and inflation spikes, boosting dollar yields and dampening hopes for interest rate cuts. Meanwhile, European markets were influenced by relief over the National Rally's reduced likelihood of securing a majority in French legislative elections, though uncertainty remained ahead of the final round.

SOVEREIGN YIELD CURVES

Qatar vs US Treasuries Yields



Source: Investing.com

5 Years CDS	Spreads	3M Change	5 Year CDS	Spreads	3M Change
US	37.6	(2.3)	Turkey	272.4	(29.4)
UK	24.9	(3.0)	Egypt	644.9	73.2
Germany	10.0	(0.4)	Abu Dhabi	43.3	4.2
France	34.2	8.9	Bahrain	184.2	(9.2)
Italy	73.8	7.8	Dubai	64.8	(2.6)
Greece	74.8	12.5	Qatar	42.3	2.1
Japan	21.7	3.1	Saudi Arabia	54.3	1.3

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	4.40	1.62	8.66	1.71	9.15	14.78	QNB
Qatar Islamic Bank	3.82	1.82	10.31	1.84	10.43	19.00	المصرف التجاري
Comm. Bank of Qatar	5.86	0.68	5.74	0.74	6.25	4.27	بنك الدوحة
Doha Bank	5.25	0.42	5.60	0.26	3.38	1.43	الاهلي الدولي
Ahli Bank	6.67	1.43	11.26	0.33	2.63	3.75	الريان
Intl. Islamic Bank	4.43	2.18	13.00	0.78	4.67	10.17	QFC بنك لشا
Rayan	4.38	0.92	14.40	0.16	2.48	2.28	بنك دخان
Lesha Bank (QFC)	0.00	1.14	14.13	0.09	1.12	1.28	الإجارة
Dukhan Bank	4.28	1.57	14.93	0.25	2.38	3.74	دلالة
National Leasing	4.24	0.56	21.80	0.03	1.26	0.71	قطر وعمان
Dlala	0.00	1.31	nm	nm	0.96	1.25	إنماء
Qatar Oman	0.00	1.11	nm	nm	0.70	0.78	البنوك والخدمات المالية
Inma	1.09	1.64	20.55	0.22	2.81	4.59	زاد
Banks & Financial Services	4.45	1.38	9.40	0.73	4.98		
Zad Holding Company	5.20	2.55	18.17	0.69	4.91	12.50	الطبية
Qatar German Co. Med	0.00	5.98	H	0.01	0.31	1.88	بلدنا
Baladna	5.33	1.09	18.00	0.07	1.20	1.31	السلام
Salam International	4.46	0.52	16.05	0.04	1.28	0.67	الرعاية
Medicare	5.16	1.17	18.02	0.24	3.66	4.27	السينما
Cinema	2.59	1.35	35.84	0.08	2.00	2.70	قطر للوقود
Qatar Fuel	6.00	1.75	14.85	1.01	8.58	15.00	ودام
Widam	0.00	3.05	nm	nm	0.89	2.70	مجمع المناعي
Mannai Corp.	6.51	1.72	9.45	0.41	2.23	3.84	الميرة
Al Meera	5.82	1.80	15.94	0.92	8.11	14.60	مقدم
Mekdam	0.00	24.38	13.58	0.27	0.15	3.65	ميزة
MEEZA QSTP	2.28	3.36	37.37	0.09	1.05	3.51	الفالح
Faleh	4.52	0.65	13.28	0.05	1.06	0.69	الخدمات والسلع الاستهلاكية
Consumer Goods & Services	5.27	1.69	16.26	0.29	2.81		
QAMCO	5.30	1.14	16.80	0.08	1.16	1.32	قامكو
Ind. Manf. Co.	5.21	0.65	7.84	0.32	3.85	2.50	التحويلية
National Cement Co.	8.39	0.80	12.15	0.29	4.47	3.58	الاسمنت
Industries Qatar	6.01	2.15	16.25	0.80	6.04	12.99	صناعات قطر
The Investors	9.72	0.65	10.94	0.14	2.37	1.54	المستثمرين
Electricity & Water	5.51	1.20	11.68	1.34	13.06	15.60	كهرباء وماء
Aamal	0.00	0.60	12.81	0.06	1.27	0.76	أعمال
Gulf International	4.49	1.67	13.41	0.25	2.00	3.34	الخليج الدولية
Mesaieed	5.23	1.28	20.49	0.08	1.29	1.64	مسعيد
Estithmar Holding	0.00	1.36	18.71	0.11	1.45	1.97	استثمار القابضة
Industrials	5.35	1.50	15.52	0.24	2.50		الصناعات
Qatar Insurance	4.76	1.15	nm	nm	1.83	2.10	قطر
Doha Insurance Group	7.29	1.03	11.12	0.22	2.33	2.40	مجموعة الدوحة للتأمين
QLM	6.19	1.17	8.75	0.23	1.73	2.02	كيو إل إم
General Insurance	0.00	0.25	nm	nm	3.75	0.92	العامة
Alkhaleej Takaful	5.06	1.03	11.97	0.20	2.31	2.37	الخليج التكافلي
Islamic Insurance	6.24	2.41	10.47	0.77	3.32	8.01	الإسلامية
Beema	4.77	1.55	12.78	0.30	2.44	3.78	بيمه
Insurance	4.94	0.96	nm	nm	2.25		التأمين
United Dev. Company	4.96	0.35	10.53	0.11	3.16	1.11	المتحدة للتنمية
Barwa	6.57	0.50	9.35	0.29	5.49	2.74	بروة
Ezdan Holding	0.00	0.60	H	0.00	1.27	0.76	إزدان القابضة
Mazaya	4.07	0.60	16.23	0.04	1.03	0.62	مزايا
Real Estate	2.60	0.53	21.58	0.05	1.92		العقارات
Ooredoo	5.49	1.26	13.88	0.72	7.93	10.02	Ooredoo
Vodafone Qatar	6.51	1.55	13.76	0.12	1.09	1.69	فودافون قطر
Telecoms	5.68	1.31	13.86	0.38	4.04		الاتصالات
Qatar Navigation	3.28	0.79	12.83	0.89	14.44	11.45	الملاحة
Gulf warehousing Co	3.30	0.83	8.53	0.39	4.04	3.33	مخازن
Nakilat	3.02	2.16	17.57	0.26	2.15	4.64	ناقلات
Transportation	3.11	1.32	15.03	0.37	4.23		النقل
Exchange	4.61	1.27	12.37	0.33	3.23		

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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