

Overview

Regional Markets: The month of July has been good for the MENA region as most of the regional indexes ended on a positive note, second consecutive month of gains. Dubai was the standout performer with gains of 7.1% in July, followed by 4.2% in Qatar and 3.2% in Abu Dhabi, while Saudi Arabia was the worst performer with losses of 4.5% after rising by 8.1% in the previous month. The gains recorded during the month of July has turned UAE indexes positive for the year. The month of August might start on a cautionary note as second quarter earnings are not aligned with the improving latest economic indicators coupled with oil prices trading above \$50 mark. Investors will have to continue cherry picking stocks that depict growth trajectory with management's ability to expand margins by rationalizing cost. For the last trading session of the month, the regional markets ended on a negative note as sentiments were driven by earnings announcement, which has been kind of dampener for the markets. UAE markets ended on a mixed note as Dubai was up by 0.7%, while Abu Dhabi was marginally down by 0.2% for the day. Saudi Arabia closed lower by 0.3% for the day, continuing the downward pressure seen throughout the month. Qatar closed on a negative note as it was down by 0.7% for the day, extending the losses to 1.6% in the previous two sessions. Egypt closed lower by 0.5%, while Kuwait was up by 0.8% for the day. Bahrain and Oman were down by 0.3% and 0.8% respectively for the day.

International Markets: US markets closed on a mixed note as DJIA was up by 0.3%, while Nasdaq and S&P were down by 0.4% and 0.1% respectively. European markets closed in red as DAX and CAC were down by 0.4% and 0.7% respectively, while FTSE was up by 0.1%. At the time of writing this report, Asian markets have opened on a positive note as Nikkei, Hang Seng and Shanghai are up by 0.2%, 0.7% and 0.4% respectively.

Headlines

(WW) US to overtake EU as China's largest trading partner
(WW) China factory growth eases in July as export demand slips
(WW) China July factory growth cools but construction boom fortifies economy
(WW) UK to start using VAT returns to measure GDP
(WW) UK could be hit with post-Brexit chaos costing businesses more than GBP 1bn
(WW) Business confidence in UK economy at new six-month low
(WW) Eurozone jobless rate hits fresh eight-year low as recovery strengthens
(WW) Europe's economy recovers as unemployment hits 8-year low
(WW) Asian high yield suffers triple whammy, as investors push back
(CMD) Oil analysts more bearish as OPEC deal under scrutiny
(CMD) Gold hits highest in nearly 7 weeks on struggling dollar
(FX) Emerging Asian currencies edge up as dollar sinks
(FX) Sterling struggles despite recent improvement in UK GDP

(GCC) GCC banks become more selective in lending
(SA) Saudi Arabia may raise September light crude prices to Asia
(SA) Saudi Arabia unemployment continues to rise, testing reform plans
(AE) UAE to benefit from China's One Belt, One Road programme
(AE) Dubai records outstanding 10.6% increase in tourism volume
(AE) Dubai's H1 2017 real estate transactions hit USD 36bn
(AE) Abu Dhabi's hotel guest arrivals surge in June
(AE) Chinese firms to invest USD 300mn in Abu Dhabi
(AE) Value of Dubai property deals surges 17%
(EG) Egypt's external debt up by 32% since July 2016
(QA) Qatar economy beginning to show the strain
(OM) Economic slowdown, subsidy reforms hit fuel demand in Oman
(Source: Thomson Reuters, Bloomberg)

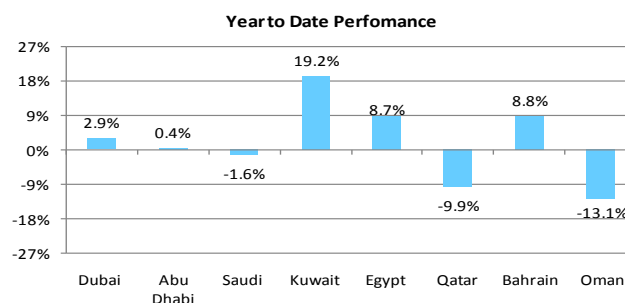
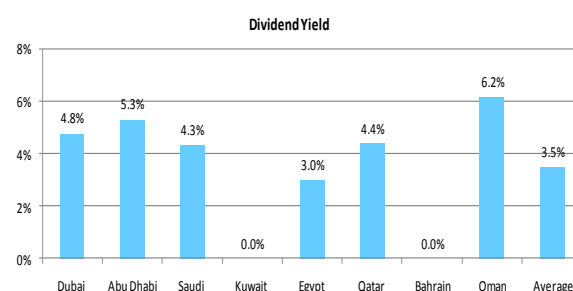
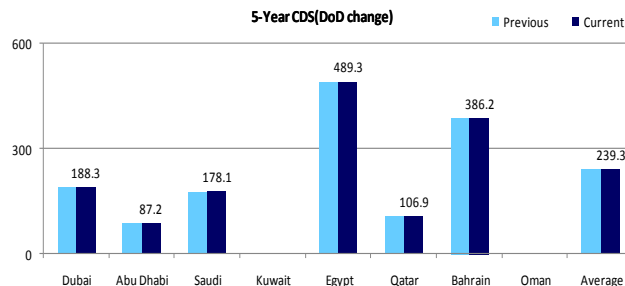
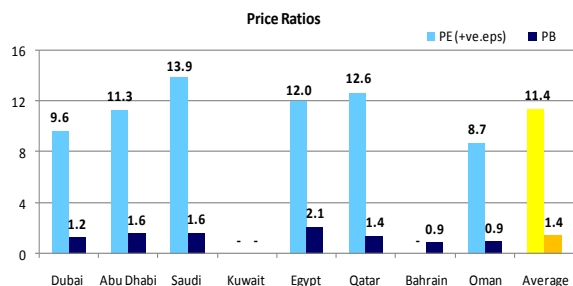
MENA Markets

Index	Last	DoD (%)	WTD (%)	MTD (%)	YTD (%)	ST Trend *	MT Trend *	LT Trend *
Dubai (DFMGI)	3,633.18	0.7%	0.7%	7.1%	2.9%	▲	▲	▼
Abu Dhabi (ADSMI)	4,566.15	-0.2%	-0.0%	3.2%	0.4%	▲	▼	▲
Saudi (SASEIDX)	7,094.17	-0.3%	-1.1%	-4.5%	-1.6%	▼	▲	▲
Kuwait (KWSE)	6,851.62	0.8%	0.7%	1.3%	19.2%	▲	▼	▲
Egypt (EGX30)	13,419.38	-0.5%	-1.4%	0.2%	8.7%	▲	▲	▲
Qatar (DSM)	9,406.06	-0.7%	-1.6%	4.2%	-9.9%	▲	▼	▼
Bahrain (BHSEIDX)	1,327.81	-0.3%	-0.6%	1.4%	8.8%	▲	▼	▲
Oman (MSM30)	5,024.24	-0.8%	-0.5%	-1.8%	-13.1%	▼	▼	▼

MENA Market Statistics

Index	Volume (mln)	3M Avg. Volume (mln)	6M Avg. Volume (mln)	Value (USD mln)	3M Avg. Value (USD mln)	6M Avg. Value (USD mln)	Market Cap (USD mln)
Dubai (DFMGI)	198	294	315	87	96	121	84,024
Abu Dhabi (ADSMI)	65	106	107	34	47	53	135,729
Saudi (SASEIDX)	110	166	174	739	795	855	450,569
Kuwait (KWSE)	63	84	252	41	55	88	75,578
Egypt (EGX30)	243	309	288	38	72	80	20,654
Qatar (DSM)	15	11	11	81	86	92	113,018
Bahrain (BHSEIDX)	1	3	4	1	2	2	20,503
Oman (MSM30)	11	14	17	8	6	9	13,958

Valuation and Performance Comparisons



Top Performers by Country (* indicates native currency; Latest data)

	Top Gainers					Top Losers				
	Close *	DoD %	Volume ('000)	Value (AED '000)	Close *	DoD %	Volume ('000)	Value (AED '000)		
Dubai	MARKA PJSC	0.71	2.11%	0	59	GULF NAVIGATION HOLDING PJSC	1.40	-3.57%	426	607
	DUBAI ISLAMIC BANK PJSC	5.97	1.84%	0	38,695	SHUAA CAPITAL PSC	1.35	-1.48%	992	1,350
	AMLAK FINANCE PJSC	1.12	1.79%	14,610	16,220	EMAAR MALLS GROUP PJSC	2.51	-1.20%	1,305	3,295
	EMIRATES NBD BANK PJSC	8.02	1.50%	20	159	AIR ARABIA PJSC	1.07	-0.93%	9,093	9,775
	DXB ENTERTAINMENTS PJSC	0.76	1.18%	19,772	14,998	NATIONAL CENTRAL COOLING CO PJSC	2.08	-0.48%	870	1,813
Abu Dhabi	ABU DHABI AVIATION	2.60	9.62%	73	181	ABU DHABI SHIP BUILDING PJSC	2.22	-6.33%	39	89
	NATIONAL BANK OF RAS AL KHAIMAH	4.74	5.33%	573	2,649	UNION CEMENT CO PSC	1.30	-3.85%	100	133
	UNION NATIONAL BANK PJSC	4.38	3.42%	762	3,282	ABU DHABI NATIONAL ENERGY CO	0.49	-2.00%	501	248
	BANK OF SHARJAH PJSC	1.18	1.69%	385	451	ABU DHABI NATIONAL FOR BUILDING	0.50	-1.96%	64	33
	AGTHIA GROUP PJSC	5.28	1.54%	98	514	SHARJAH ISLAMIC BANK PJSC	1.36	-0.74%	537	734
Saudi Arabia	MIDDLE EAST PAPER CO SJSC	14.30	9.93%	1,182	16,145	ARAB SEA INFORMATION SYSTEMS CO	13.90	-8.78%	19	280
	TOURISM ENTERPRISES CO SJSC	28.80	9.38%	1,934	53,317	MEDITERRANEAN AND GULF COOP	17.50	-7.54%	562	10,240
	ASH SHARQIYAH DEVELOPMENT CO	48.35	5.48%	3,393	159,788	SAUDI PRINTING AND PACKAGING CO	18.82	-5.63%	2,356	45,670
	NAMA CHEMICALS COMPANY SJSC	14.52	3.99%	217	3,087	AL JOUF AGRICULTURAL DEVELOP	29.00	-4.83%	157	4,669
	NATIONAL AGRICULTURE MARKETING	35.20	3.84%	1,530	52,879	MALATH COOPERATIVE INSURANCE	24.10	-4.32%	847	20,877
Kuwait	AL-MOWASAT HEALTHCARE CO	400.00	20.00%	1	0	AL DEERA HOLDING CO KPSC	33.00	-12.12%	2	0
	SANAM REAL ESTATE COMPANY KSCP	36.00	19.44%	0	0	AL MASSALEH REAL ESTATE CO KSCP	43.80	-6.39%	30	1
	NATIONAL INDUSTRIES COMPANY	160.00	15.63%	1	0	AJIAL REAL ESTATE ENTERTAINMENT	146.00	-6.16%	10	1
	WARBA INSURANCE COMPANY KSCP	78.10	13.70%	1	0	AJWAN GULF REAL ESTATE CO KSCP	71.00	-4.23%	51	4
	PALMS AGRO PRODUCTION CO KSCP	80.00	12.38%	0	0	KAMCO INVESTMENT CO KSCP	75.00	-4.00%	21	2
Egypt	SUEZ BAGS CO SAE	44.14	9.99%	3	145	SOUTH CAIRO AND GIZA MILLS	47.22	-9.21%	1	34
	BELTONE FINANCIAL HOLDING SAE	11.93	8.55%	1,629	18,669	CLEOPATRA HOSPITAL	24.78	-5.97%	1	26
	ACROWMISR FOR METALLIC SCAFF	100.34	8.36%	71	6,896	EAST DELTA FLOUR MILLS CO SAE	103.79	-5.94%	1	62
	INTERNATIONAL CO FOR AGRI	1.67	6.59%	2,272	3,677	NATIONAL CEMENT CO SAE	8.95	-4.25%	4	39
	INTERNATIONAL COMPANY	10.03	6.58%	10	100	DELTA CO FOR CONSTRUCTION	6.16	-4.22%	8	48
Qatar	VODAFONE QATAR QSC	8.94	3.80%	8,431	73,992	QATAR ISLAMIC INSURANCE CO QSC	59.50	-4.87%	10	593
	AHLI BANK QSC	30.60	3.76%	8	250	QATAR GENERAL INSURANCE	31.15	-3.69%	1	16
	GULF WAREHOUSING CO QSC	48.25	2.38%	45	2,148	DOHA BANK QSC	32.00	-3.13%	619	20,112
	GULF INTERNATIONAL SERVICES QSC	22.45	2.00%	1,261	28,027	INDUSTRIES QATAR QSC	98.50	-2.23%	176	17,503
	QATAR OMAN INVESTMENT CO QSC	8.66	1.62%	8	67	QATAR NATIONAL BANK SAQ	141.00	-2.13%	240	34,139

Top 30 MENA Stocks by Market Capitalization (* indicates native currency; Latest data)

	Company Name	Country	Market Cap (USD mln)	Close *	DoD %	YTD %	Volume ('000)	Value (USD '000)	52w High *	52w Low *	P/E	P/B	Div. Yield (T12M)
1	Saudi Basic Industries Corporation SJSC	SA	77,838	97.30	-1.6%	6.3%	3,892	1,00,998	105.40	76.00	15	1.8	6.2%
2	Emirates Telecommunications Group Co	AE	44,397	18.75	-0.3%	0.0%	1,078	5,505	20.00	17.10	19	3.7	4.3%
3	Saudi Telecom Company SJSC	SA	39,572	74.20	0.8%	0.0%	145	2,871	78.90	51.00	0	0.0	0.0%
4	Qatar National Bank SAQ	QA	35,017	138.00	-2.1%	-6.8%	240	9,031	157.27	121.70	10	1.7	2.3%
5	First Abu Dhabi Bank PJSC	AE	31,599	10.65	0.5%	7.1%	3,605	10,455	11.55	8.30	13	1.2	4.2%
6	Al Rajhi Banking & Investment Corp	SA	26,866	62.00	-0.5%	-1.6%	3,268	54,030	71.70	48.60	12	1.9	3.6%
7	Saudi Electricity Company SJSC	SA	26,488	23.84	-0.5%	6.4%	475	3,023	26.05	14.30	11	1.4	2.9%
8	National Commercial Bank SJSC	SA	26,426	49.55	-0.6%	16.3%	301	3,978	58.00	32.00	11	1.7	3.2%
9	DP World Ltd	AE	19,090	23.00	-0.6%	31.4%	448	2,805	23.85	15.53	20	2.2	1.7%
10	Almarai Co SJSC	SA	16,960	79.50	2.2%	16.1%	169	3,578	98.30	51.50	31	4.7	1.1%
11	Jabal Omar Development Co SJSC	SA	16,828	67.90	-1.0%	-9.2%	98	1,783	76.00	46.00	72	6.2	0.0%
12	Emaar Properties PJSC	AE	16,063	8.24	1.1%	15.6%	10,799	24,230	8.28	6.37	11	1.4	0.0%
13	Industries Qatar QSC	QA	16,006	96.30	-2.2%	-18.0%	176	4,623	122.00	91.10	18	1.8	4.2%
14	Saudi Arabian Mining Co SJSC	SA	14,909	47.85	1.3%	22.7%	452	5,767	53.80	27.80	792	2.2	0.0%
15	National Bank of Kuwait SAKP	KW	13,666	697.00	-0.9%	12.6%	1,323	3,065	723.81	533.33	14	1.3	4.1%
16	Samba Financial Group SJSC	SA	13,360	25.05	-1.0%	2.9%	402	2,684	27.10	15.90	10	1.2	3.8%
17	Emirates NBD Bank PJSC	AE	12,317	8.14	1.5%	-4.1%	20	44	9.00	7.60	7	0.8	4.9%
18	Abu Dhabi Commercial Bank PJSC	AE	10,261	7.25	-0.4%	5.1%	1,113	2,198	7.68	5.66	10	1.2	5.5%
19	Kuwait Finance House KSCP	KW	10,221	535.00	-2.4%	0.0%	5,773	10,268	572.73	409.09	16	1.7	2.9%
20	Saudi British Bank SJSC	SA	10,200	25.50	-3.4%	2.0%	206	1,404	28.40	16.40	10	1.2	2.7%
21	Kingdom Holding Co	SA	10,041	10.16	0.0%	-15.0%	72	194	12.95	9.80	70	1.3	4.9%
22	Banque Saudi Fransi SJSC	SA	9,803	30.50	1.7%	16.9%	164	1,335	33.20	18.00	11	1.2	0.0%
23	Ezdan Holding Group QSC	QA	9,510	13.05	0.5%	-13.6%	423	1,508	20.24	10.72	17	1.2	3.8%
24	Emirates Islamic Bank PJSC	AE	8,871	6.00	0.0%	0.0%	3	4	11.95	1.57	94	4.6	0.0%
25	Emaar Malls Group PJSC	AE	8,787	2.48	-1.2%	0.0%	1,305	881	2.97	2.38	17	1.9	0.0%
26	Masraf Al Rayan QSC	QA	8,613	41.80	1.6%	0.0%	463	5,283	45.40	33.05	15	2.6	0.0%
27	Riyad Bank SJSC	SA	8,464	10.58	-0.9%	-8.4%	1,115	3,146	11.80	8.55	11	0.9	6.1%
28	Ooredoo QSC	QA	8,430	95.80	-1.1%	-5.9%	57	1,492	116.10	88.20	17	1.4	3.7%
29	Yanbu National Petrochemicals Co SJSC	SA	8,250	55.00	0.0%	1.9%	155	2,275	61.75	39.90	14	2.0	5.5%
30	Dubai Islamic Bank PJSC	AE	8,181	6.08	1.8%	9.2%	6,541	10,828	6.29	5.01	10	1.2	7.4%
Total M-Cap; W. Avg Yield			567,032										3.2%

Data Source: Thomson Reuters

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