

GCC Markets Performance – August 2016

GCC Markets

- GCC markets close in red for August, except QE and DFM
- Volatile oil market on talks of freeze in oil production
- Market capitalization drops 1.1%MoM

GCC markets close in red for August, except QE and DFM

GCC markets ended on a mixed note in August amid volatile oil prices due to talk of an oil production freeze. The QE (3.6%MoM) was the top gainer for the month, followed by the DFM (0.6%MoM). TASI (-3.5%MoM) was the top loser, followed by ADX (-2.3%MoM), MSM (-1.9%MoM), BSE (-1.2%MoM) and KSE (-0.6%MoM).

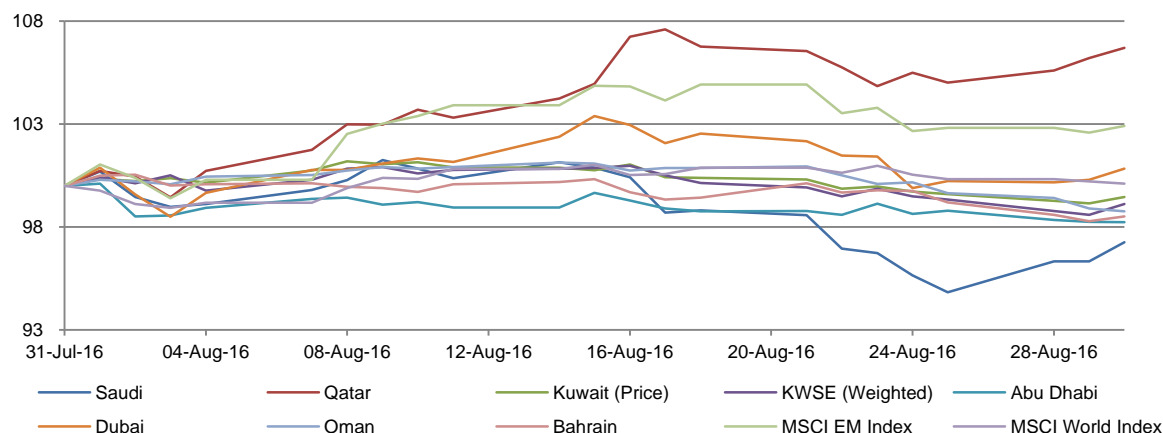
Combined market capitalization drops 1.1%MoM

The combined market capitalization of GCC bourses declined 1.1%MoM to USD832bn in August from USD841bn in July. The Saudi bourse contributed the most (USD378bn or 45.4%) to overall market capitalization, followed by the Qatari index (USD137bn or 16.4%), and the Abu Dhabi and Dubai markets (USD203bn or 24.4%). The Kuwaiti, Omani, and Bahraini exchanges contributed USD114bn (13.7%).

Trading rises

Trading activity rose in August, with the volume traded increasing 6.4%MoM to 10.4bn shares and value traded rising 17%MoM to USD22.9bn.

Market Performance in August 2016



Indices	% Chg (MoM)	% Chg (YTD)
QE Index	3.6%	5.4%
DFM Index	0.6%	11.2%
KSE Price Index	-0.6%	-3.5%
Bahrain All Share	-1.2%	-6.1%
MSM30 Index	-1.9%	6.1%
ADX Index	-2.3%	3.8%
Tadawul All Share Index	-3.5%	-12.0%

Source: Bloomberg & Global Research

GCC Aggregate Market Capitalization

Country	Market Cap (USDbn) August 2016	Market Cap (USDbn) July 2016	% Chg (MoM)	% of total August 2016
Kuwait	79.2	80.1	-1.1%	9.5%
Saudi Arabia	378.0	388.8	-2.8%	45.4%
Abu Dhabi	119.7	122.6	-2.4%	14.4%
Dubai	83.5	83.4	0.1%	10.0%
Qatar	136.9	131.0	4.4%	16.4%
Oman	16.9	17.2	-1.8%	2.0%
Bahrain	17.8	17.9	-0.7%	2.1%
Total GCC	832.0	841.2	-1.1%	100.0%

Source: Bloomberg & Global Research

GCC Aggregate Trading Activity

Country	August 2016			July 2016		
	Value traded (USDbn)	Volumes (mn)	As a % of total value traded	Value traded (USDbn)	Volumes (mn)	As a % of total value traded
Bahrain	0.04	75.4	0.2%	0.02	36.1	0.1%
Kuwait	0.50	1,430.2	2.2%	0.44	1,284.1	2.2%
Oman	0.13	227.5	0.6%	0.11	183.6	0.6%
Qatar	1.57	126.7	6.8%	0.80	67.9	4.1%
Saudi Arabia	18.04	3,480.4	78.8%	15.70	3,237.4	80.2%
UAE	2.62	5,014.0	11.4%	2.50	4,921.7	12.8%
GCC Total	22.90	10,354.2	100.0%	19.57	9,730.8	100.0%

Source: Bloomberg & Global Research

Talk of the month: Oil production freeze

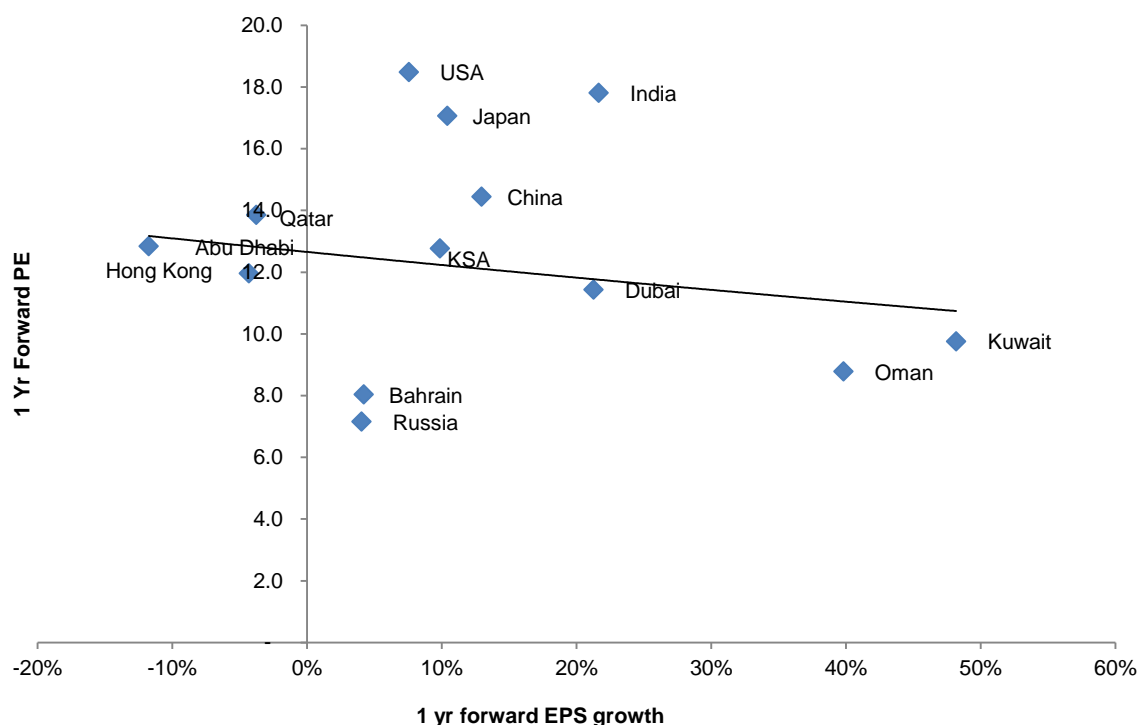
OPEC members and other oil-producing countries plan to meet yet again in Algeria in September 2016 to discuss a freeze in oil output. Back in April, when the OPEC nations met with Russia over this topic, Saudi Arabia had refused to agree to the deal – citing that it will not take part without Iran. There were several previous attempts made to reach a deal on freezing or cutting production at OPEC meetings held in November 2014, June 2015, December 2015 and June 2016. Unfortunately, all ended in failure. An attempt was also made between the major OPEC and non-OPEC exporters at the summit hosted by Qatar in April 2016 to reach an agreement but that too failed.

Oil prices have remained volatile during August, hit by the talk of a freeze in oil production. Prices rose mid-month for seven straight sessions, remaining in the bull market, with the Brent crude price rising above USD50/barrel for the first time in one and half months as the world's oil producers planned to discuss a possible freeze in production levels. Both benchmarks (Brent and US crude) rose more than 20% from an early August low. This rally was also motivated by short covering by speculators and was additionally supported after Russia conveyed its inclination to participate in these talks. Subsequent to this rally, oil prices dropped as much as 3%, on uncertainties about growing Chinese fuel exports, more rigs being added by US oil producers and increased crude shipments from Iraq and Nigeria. Crude prices ended lower in the last week of August on the rising concerns of a supply glut amid forecasts of higher US crude stockpiles.

Fed rate: Strengthened case for a hike

Fed Chair Janet Yellen, in her speech at the Fed's annual monetary policy conference, signaled that the case for a rate increase had strengthened. She mentioned that an improvement in the domestic labor market, with a forecast of further job gains and continued moderate economic growth, to act as catalyst for the Fed to raise borrowing costs. The change in interest rates will be decided by the Federal Open Market Committee when it meets on Sept. 20-21. There were mixed reactions from the global markets to this news.

GCC Market Valuation – 1-year forward PE



Source: Bloomberg & Global Research

Global markets perform mixed in August

Global markets registered mixed performance in August. Speculation of the Fed Reserve's rate hike, volatile oil prices due to production freeze speculation and disappointing economic data from the US contributed to market sentiment. Investors remained cautious as they kept an eye on oil prices after a hawkish statement from Federal Reserve officials over the possibility of an interest rate hike in the US in September.

US indices closed mixed after volatile crude oil prices and lingering uncertainty of a hike in interest rates after the speech by Federal Reserve Chair Janet Yellen. Oil prices remained volatile during the month on the assumption of oil production freeze through an agreement between OPEC nations and non OPEC members, and rising U.S. oil rig count. Likewise, the probability of a Fed rate hike had a mixed impact on the US markets.

European markets ended on a mixed note as traders reacted to Federal Reserve Chair Janet Yellen's speech on an interest rate hike. Volatility in oil prices and loss in metals weighed on the shares of mining companies. European markets declined due to losses in mining stocks during the month. Furthermore, financial results also impacted the market.

Asian markets ended in the positive territory in August. Asian markets surged as oil prices rose above USD50/barrel on the assumption of major oil producers reducing output. The Japanese market climbed up due to a stronger yen. The rally in crude prices was offset by hawkish comments from Federal Reserve officials, with markets indicating a mixed trend.

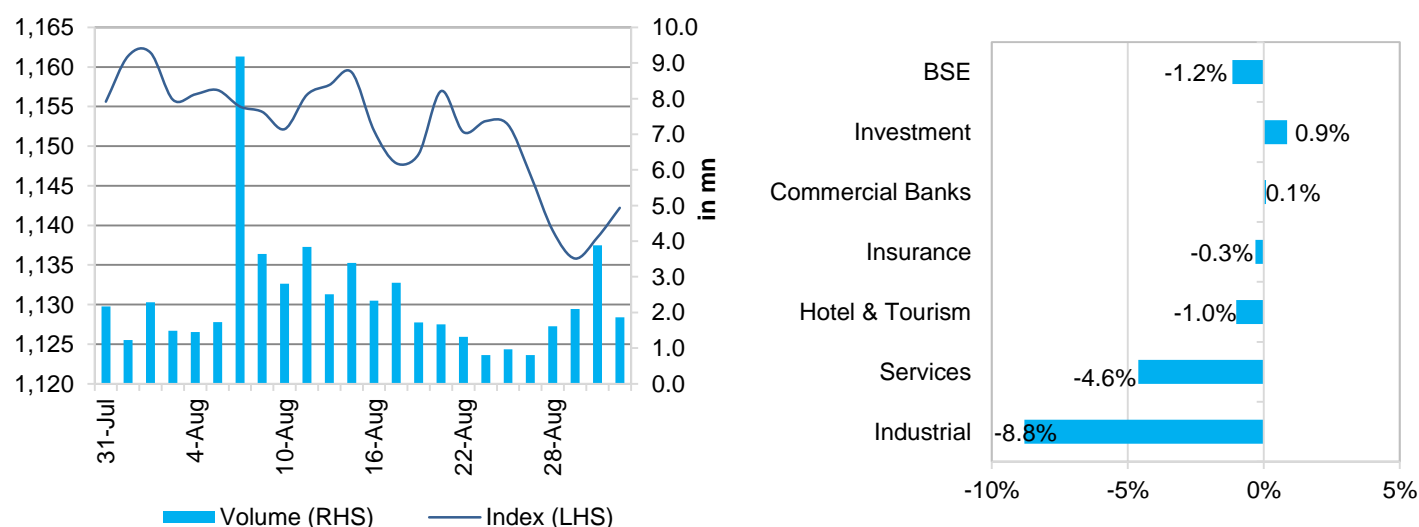
Bahrain

BSE declines 1.2%MoM in August

After a decent performance in July, the BSE lost 1.2%MoM in August. The market traded at 1,134–1,165 points during the month. The market commenced at a slow pace and, consequently, fell considerably during the month. On a YTD basis, the market fell 6.1%.

The Central Bank of Bahrain (CBB) declared that the monthly issue of Sukuk Al-Ijara has been fully subscribed. Subscriptions valued at BHD26mn were received for an issue of BHD26mn, with a maturity of 182 days. Organizers have confirmed that Bahrain will host the MENA Industrial Summit 2016 on September 20, 2016. The forum is planned by Bahrain Businesses in collaboration with its strategic partner, MENA Centre for Investment. Bahrain Mumtalakat Holding Company Mumtalakat ("Mumtalakat"), which is the investment arm of Bahrain, announced the acquiring of an equity stake in a UK-based specialized water treatment company, Envirogen Group S.A. ("Envirogen"). CPI inflation was 3.5%YoY for July, up from 3.3%YoY for June.

BSE – Index and Volume Performance and Sectoral Performance



Source: Bloomberg & Global Research

Sectoral performance

In August, two sectors closed in the green and four in the red. Investment (0.9%MoM) was the key gainer, followed by Commercial Banks (0.1%MoM). Industrial (-8.8%MoM) was the top loser, followed by Services (-4.6%MoM), Hotel & Tourism (-1.0%MoM) and Insurance (-0.3%MoM).

Investment recorded growth due to gains in Gulf Finance House (18.2%MoM) and Investcorp Bank (8.7%MoM). Banks recorded an increase due to gain in Ahli United Bank (1.6%MoM).

Industrial noted a decline during the month due to a fall in Aluminium Bahrain Bsc. (-9.1%MoM). Services recorded losses during the month, mainly due to fall in Bahrain Telecom Co. (-5.3%MoM), BMMI Bsc. (-2.8%MoM) and Bahrain Duty Free Complex (-7.3%MoM). Hotel & Tourism registered a decline due to Gulf Hotel Group (-1.5%MoM).

Trading rose in August

Trading on the BSE increased in August. The volume traded rose 108.8%MoM to 75mn shares from 36mn, while the trading value increased 66%MoM to USD0.04bn from USD0.02bn.

BSE Trading Statistics – Top 5

Top Gainers

Company	Close	% Chg MoM	52 wk High	52 wk Low	P/E	P/B	Value Traded (USDmn)	MCAP (USDbn)
Gulf Finance House Ec	0.26	18.2%	0.26	0.14	222.2	0.36	0.03	0.59
Ithmaar Bank Bsc	0.13	13.6%	0.17	0.10	NA	0.88	2.31	0.38
Investcorp Bank -\$US	7.50	8.7%	650.00	6.00	NA	NA	0.58	0.60
Ahli United Bank B.S.C	0.65	1.6%	0.71	0.60	8.0	1.28	18.73	4.40
Bahrain Commercial Facilitie	0.67	0.8%	0.77	0.65	5.9	0.98	1.17	0.29

Top 5 Losers

Company	Close	% Chg MoM	52 wk High	52 wk Low	P/E	P/B	Value Traded (USDmn)	MCAP (USDbn)
Nass Corp Bsc	0.11	-14.4%	0.16	0.09	4.6	0.41	1.57	0.06
Bahrain Ship Repair & Engin	1.60	-11.6%	1.81	1.60	16.8	1.27	0.09	0.08
Bahrain Islamic Bank	0.10	-10.0%	0.15	0.10	15.9	0.14	0.08	0.27
Aluminium Bahrain Bsc	0.32	-9.1%	0.47	0.28	35.3	0.47	0.93	1.20
Albaraka Banking Group	0.42	-7.8%	0.67	0.42	3.0	0.03	0.88	0.48

Top 5 Volume Traded

Company	Close	% Chg MoM	52 wk High	52 wk Low	P/E	P/B	Volume Traded (mn)	MCAP (USDbn)
Ahli United Bank B.S.C	0.65	1.6%	0.71	0.60	8.0	1.28	29.40	4.40
Ithmaar Bank Bsc	0.13	13.6%	0.17	0.10	NA	0.88	20.15	0.38
Al-Salam Bank	0.09	-3.3%	0.12	0.08	15.6	0.60	7.61	0.51
Nass Corp Bsc	0.11	-14.4%	0.16	0.09	4.6	0.41	5.03	0.06
BBK Bsc	0.34	-0.6%	0.44	0.31	6.6	1.05	3.19	0.98

Top 5 Value Traded

Company	Close	% Chg MoM	52 wk High	52 wk Low	P/E	P/B	Value Traded (USDmn)	MCAP (USDbn)
Ahli United Bank B.S.C	0.65	1.6%	0.71	0.60	8.0	1.28	18.73	4.40
BBK Bsc	0.34	-0.6%	0.44	0.31	6.6	1.05	2.92	0.98
Ithmaar Bank Bsc	0.13	13.6%	0.17	0.10	NA	0.88	2.31	0.38
Al-Salam Bank	0.09	-3.3%	0.12	0.08	15.6	0.60	1.83	0.51
Nass Corp Bsc	0.11	-14.4%	0.16	0.09	4.6	0.41	1.57	0.06

Source: Bloomberg, Gulfbase & Global Research, *Price data in USD

Market capitalization

The market capitalization of BSE-listed companies declined 0.7%MoM to USD17.8bn in August. The market capitalization of the top 10 listed companies dropped 0.8%MoM.

Largest 10 Listed Companies by Market Capitalization (in BHDbn)

Company	Aug-16	Jul-16	Aug-15	MoM%	YoY%
Ahli United Bank B.S.C	1.7	1.6	1.7	1.6%	-1.7%
National Bank Of Bahrain	0.7	0.7	0.8	-2.1%	-2.4%
Bahrain Telecom Co	0.5	0.5	0.5	-5.3%	-13.4%
Aluminium Bahrain Bsc	0.5	0.5	0.7	-9.1%	-31.8%
Arab Banking Corp	0.4	0.4	0.7	-5.6%	-45.6%
BBK Bsc	0.4	0.4	0.5	-0.6%	-20.9%
United Gulf Bank	0.3	0.3	0.3	0.0%	-0.5%
Investcorp Bank -\$US	0.2	0.2	0.2	8.7%	31.5%
Gulf Finance House Ec	0.2	0.2	0.2	18.2%	33.2%
Al-Salam Bank	0.2	0.2	0.2	-3.3%	-21.2%
Total Market Capitalization (Top 10 stocks)	5.0	5.1	5.7	-0.8%	-12.3%

Source: Bloomberg and Global Research

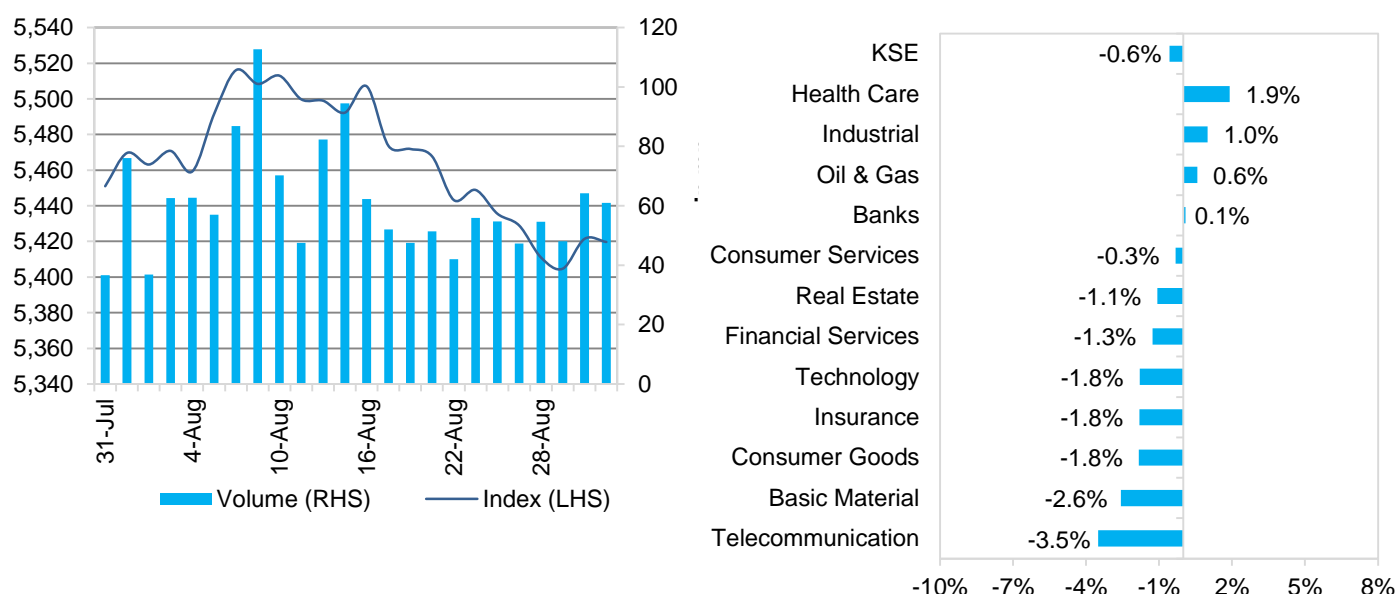
Kuwait

KSE retreats 0.6%MoM in August

The KSE declined 0.6%MoM in August, after recording an advance of 1.6% in the previous month. The market commenced at a stable pace and subsequently, the market fell considerably in the second half of the month. The market rose in the first half largely due to support from the growing purchasing operations made on many small-cap and leading stocks, particularly those that showed positive results in 2Q16. The index declined in the second half of the month, primarily due to the control of random selling operations over the trading activity.

S&P Global Ratings confirmed its 'AA/A-1+' long- and short-term foreign and local currency sovereign credit ratings on Kuwait with a stable outlook. During the month, final GDP numbers were released and growth increased to 1.8% in 2015 from 0.5% in 2014, boosted by record high investment. Also, Kuwait recorded a budget deficit of KWD4.6bn (USD15.3bn) in the fiscal year which ended on March 31. CPI inflation remained flat at 3.06%YoY for July.

KSE Index and Volume Performance and Sectoral Performance



Source: Bloomberg & Global Research

Sectoral performance

In August, four sectors closed higher, while eight ended in the red. A rise in Health Care (1.9%MoM) was followed by Industrial (1.0%MoM), Oil & Gas (0.6%MoM) and Banks (0.1%MoM). All other sectors recorded a decline. Telecommunications (-3.5%MoM), Basic Material (-2.6%MoM), Consumer Goods (-1.8%MoM), Insurance (-1.8%MoM), Technology (-1.8%MoM), Financial Services (-1.3%MoM), Real Estate (-1.1%MoM) and Consumer Services (-0.3%MoM) lost during the month.

The rise in Health Care can be attributed to gains in Safwan Trading and Contracting Co. (21.2%MoM). The growth in Industrials was mainly due to an increase in Human Soft Holding Co. (4.2%MoM) and ALAFCO Aviation Lease and Finance Co. (6.9%MoM). Telecommunications contracted primarily due to a fall in Mobile Telecommunications Co. (-3%MoM) and National Mobile Telecommunications Co. (-6.8%MoM). The fall in Basic Material was due to a decline in Boubyan Petrochemical Co. (-2%MoM).

Trading increased in August

Trading increased in August, with traded value rising 15.5% MoM to USD0.5bn and volume traded rose 11.4%MoM to 1.4bn shares.

KSE Index Trading Statistics – Top 5**Top 5 Gainers**

Company	Close	% Chg MoM	52 wk High	52 wk Low	P/E	P/B	Value Traded (USDmn)	MCAP (USDbn)
Real Estate Trade Centers Co	34.5	53.3%	35.0	88.0	112.0	0.19	0.03	0.01
Kuwait Cable Vision SAK	28.0	43.6%	35.0	17.5	NA	1.17	0.02	0.00
Safwan Trading and Contracting Co	400.0	21.2%	400.0	242.0	7.4	1.09	0.20	0.07
KIPCO Asset Management Co	128.0	20.8%	128.0	75.0	27.7	0.85	0.05	0.11
Aqar Real Estate Investments	70.0	20.7%	82.0	55.0	7.4	0.56	0.04	0.05

Top 5 Losers

Company	Close	% Chg MoM	52 wk High	52 wk Low	P/E	P/B	Value Traded (USDmn)	MCAP (USDbn)
Gulf Franchising Holding Co	22.5	-23.7%	100.0	22.0	NA	0.30	0.13	0.00
Ikarus Petroleum Industries Co	31.5	-20.3%	114.0	29.5	NA	0.34	0.69	0.08
YIACO Medical Co	198.0	-20.2%	248.0	116.0	NA	1.34	0.00	0.12
Equipment Holding Co	45.0	-19.6%	75.0	44.0	NA	0.36	2.82	0.02
Danah Al Safat Foodstuff	104.0	-16.1%	134.0	66.0	59.5	0.79	1.25	0.10

Top 5 Volume Traded

Company	Close	% Chg MoM	52 wk High	52 wk Low	P/E	P/B	Volume Traded (mn)	MCAP (USDbn)
Ithmaar Bank BSC	39.5	14.5%	53.0	29.0	NA	0.14	78.52	0.40
Al-Salam Group Holding Co	51.0	8.5%	54.0	25.0	NA	NA	74.75	0.05
Al Mal Investment Co KSCC	21.0	-12.5%	39.0	19.5	NA	0.62	68.10	0.05
Investors Holding Group Co	21.5	-6.5%	31.5	16.5	NA	0.29	60.79	0.04
Manazel Holding KSCC	28.5	15.9%	41.0	15.0	NA	0.66	55.14	0.04

Top 5 Value Traded

Company	Close	% Chg MoM	52 wk High	52 wk Low	P/E	P/B	Value Traded (USDmn)	MCAP (USDbn)
Mobile Telecommunications Co	320.0	-3.0%	405.0	320.0	7.9	0.84	53.32	4.59
National Bank of Kuwait SAK	580.0	-3.3%	860.0	550.0	11.8	1.01	46.53	10.83
Kuwait Finance House KSC	460.0	3.4%	600.0	435.0	13.0	1.36	40.94	7.99
Agility Public Warehousing	460.0	-2.1%	630.0	370.0	9.4	0.59	31.11	1.85
Boubyan Bank KSC	380.0	-2.6%	450.0	375.0	21.8	2.05	27.67	2.73

Source: Bloomberg & Global Research

Market capitalization

The market capitalization of KSE-listed companies fell 1.1%MoM to USD79.2bn in August, constituting 9.5% of the total GCC market capitalization. Furthermore, the market capitalization of the top 10 listed companies decreased 0.6%MoM.

Top 10 Listed Companies by Market Capitalization (in KWDbn)

Company	Aug-16	Jul-16	Aug-15	MoM%	YoY%
National Bank of Kuwait SAK	3.3	3.4	3.9	-3.3%	-16.8%
Kuwait Finance House KSC	2.4	2.3	2.8	3.4%	-12.8%
Mobile Telecommunications Co	1.4	1.4	1.6	-3.0%	-13.5%
Al Ahli United Bank	1.3	1.3	1.3	2.1%	0.0%
Kuwait Food Co SAK	1.0	1.0	0.9	-0.8%	14.0%
Boubyan Bank KSC	0.8	0.8	0.8	-2.6%	-0.3%
Kuwait Projects Company Holding KSCC	0.8	0.8	0.9	1.9%	-8.3%
Mabane Co SAKC	0.7	0.7	0.7	2.6%	-3.4%
Gulf Bank KSC	0.7	0.7	0.8	-3.4%	-16.3%
Ahli United Bank KSC	0.7	0.7	0.8	-1.3%	-20.1%
Total Market Capitalization (Top 10 stocks)	13.1	13.2	14.6	-0.6%	-10.4%

Source: Bloomberg & Global Research

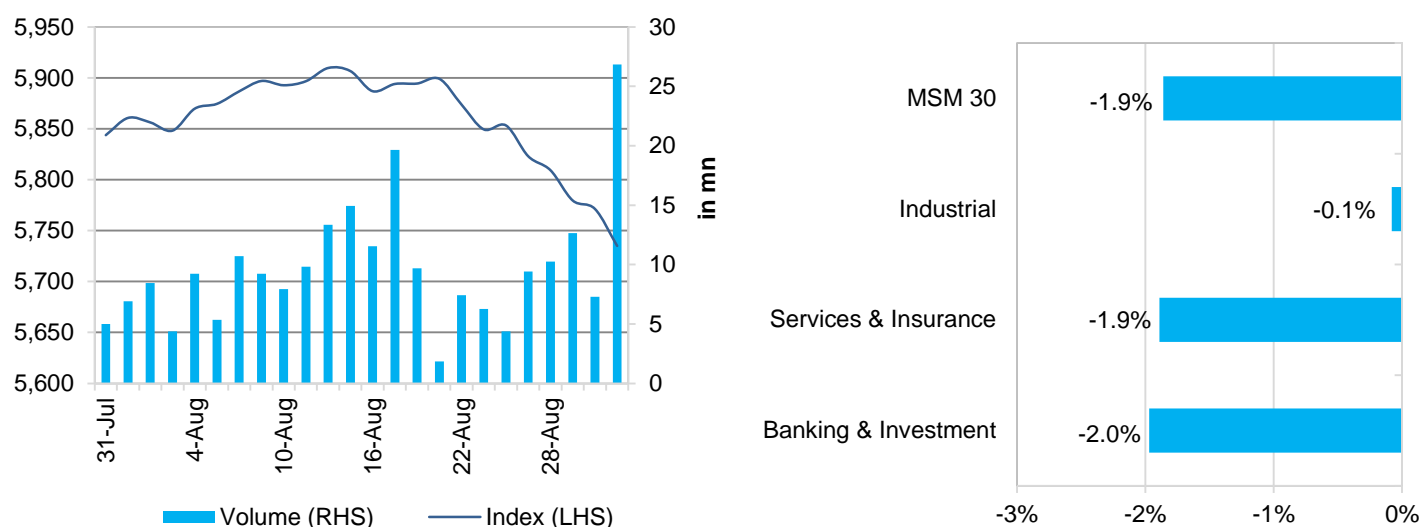
Oman

MSM 30 declines 1.9%MoM in August

The MSM 30 index declined 1.9%MoM in August after gaining 1.2%MoM in July. In August, the index remained flat to negative amid subdued trading volumes. It registered a gain of 6.1%YTD.

The government reported an 82% increase in budget deficit for 1H16 to OMR3.5bn (USD9.1bn) from OMR1.92bn recorded for 1H15. The increase was owing to a fall in export revenue due to weak oil prices. Consumer price inflation (CPI) growth decelerated to 1.3%YoY from 1.5%YoY in June 2016. At the end of June 2016, Oman's narrow money stock (M2) expanded 5.4%YoY (2.6%YTD).

MSM30 – Index & Volume and Sectoral Performance



Source: Bloomberg, Gulfbase, & Global Research

Sectoral performance

In August, all the three sectors ended in the red. Banking & Investment (-2%MoM) led the decliners, followed by Service & Insurance (-1.9%MoM) and Industrials (-0.1%MoM).

Banking & Investment fell on loss in Bank Muscat (-1.6%MoM), followed by Bank Dhofar (-4.6%MoM), National Bank of Oman (-2.7%MoM), Bank Sohar (-7.7%MoM), Dhofar International Development and Investment Holding (-12.2%MoM), A Sharqiya Investment Holding (-6.5%MoM), and Al Batinah Development & Investment Holding (-4.3%MoM).

Major contributors to the Services sector's negative performance for the month include Oman Telecommunications (-3%MoM), Oman Qatari Telecommunications (-4.2%MoM), Phoenix Power (-6.5%MoM), and Renaissance Services (-12.3%MoM).

Industrial stocks performed mixed, with Raysut Cement (6.1%MoM), Oman Flour Mills (5.3%MoM), National Gas Co (3.3%MoM), Areej Vegetable Oils & Derivatives (10.3%MoM), Packaging Co Ltd (277.8%MoM), and National Pharmaceutical Industries Co (10%MoM) leading gainers. Oman Cables Industry (-2.2%MoM), Oman Cement Co (-0.4%MoM), Oman Refreshment Co (-2.3%MoM), Al Jazeera Steel Products (-12%MoM), and Oman Chlorine (-6%MoM) ended in the red for the month.

Trading increases in August

In August, trading on the MSM30 rose, with overall volume traded increasing 23.9%MoM to 228mn shares and traded value gaining 23%MoM to USD0.13bn.

MSM30 Trading Statistics – Top 5

Top 5 Gainers

Company	Close	% Chg MoM	52 wk High	52 wk Low	P/E	P/B	Value Traded (USDmn)	MCAP (USDbn)
Packaging Co Ltd SAOG	2.01	277.8%	2.01	0.48	8.1	0.71	0.24	0.02
Global Financial Investments Hold	0.17	13.8%	0.21	0.10	19.1	1.00	1.80	0.09
Areej Vegetable Oils & Derivatives Co.	4.05	10.3%	5.51	4.05	20.0	2.15	0.05	0.07
National Pharmaceutical Industries Co SAOG	0.11	10.0%	0.11	0.10	4.7	0.82	0.00	0.01
Oman ORIX Leasing Co SAOG	0.12	6.2%	0.14	0.11	5.8	0.84	0.01	0.08

Top 5 Losers

Company	Close	% Chg MoM	52 wk High	52 wk Low	P/E	P/B	Value Traded (USDmn)	MCAP (USDbn)
Oman National Engineering and Investment Co SAOG	0.16	-17.1%	0.26	0.16	9.3	0.71	0.50	0.04
Renaissance Services SAOG	0.25	-12.3%	0.34	0.11	NA	0.39	3.35	0.19
Dhofar International Development and Investment Holding Co SAOG	0.36	-12.2%	0.43	0.36	8.4	0.84	0.00	0.26
Al Jazeera Steel Products Co SAOG	0.23	-12.0%	0.27	0.12	9.8	0.73	8.04	0.08
Oman Ceramics Co SAOG	0.40	-10.3%	0.45	0.40	11.2	0.66	0.02	0.00

Top 5 Volume Traded

Company	Close	% Chg MoM	52 wk High	52 wk Low	P/E	P/B	Volume Traded (mn)	MCAP (USDbn)
Bank Nizwa	0.08	-1.3%	0.08	0.06	NA	0.89	44.21	0.29
Bank Muscat SAOG	0.38	-1.6%	0.57	0.37	5.3	0.65	24.86	2.46
Alizz Islamic Bank	0.07	3.2%	0.08	0.05	NA	0.77	22.02	0.17
Phoenix Power Co.	0.15	-6.5%	0.16	0.13	7.1	1.74	20.59	0.55
Galfar Engineering and Contracting	0.10	-1.0%	0.12	0.05	NA	0.60	19.57	0.21

Top 5 Value Traded

Company	Close	% Chg MoM	52 wk High	52 wk Low	P/E	P/B	Value Traded (USDmn)	MCAP (USDbn)
Bank Muscat SAOG	0.38	-1.6%	0.57	0.37	5.3	0.65	25.39	2.46
Oman Qatari Telecommunications Co.	0.72	-4.2%	0.78	0.61	10.5	2.19	9.49	1.22
Bank Nizwa	0.08	-1.3%	0.08	0.06	NA	0.89	8.73	0.29
Bank Sohar SAOG	0.17	-7.7%	0.19	0.12	11.1	1.03	8.09	0.70
Phoenix Power Co.	0.15	-6.5%	0.16	0.13	7.1	1.74	8.02	0.55

Source: Bloomberg, Gulfbase, & Global Research

Market Capitalization

In August, the market capitalization of MSM30-listed companies declined 1.8%MoM to USD16.9bn. The market capitalization of the top 10 listed companies fell 1.7%MoM.

10 Largest Listed Companies by Market Capitalization (in OMRbn)

Company	Aug-16	Jul-16	Aug-15	MoM%	YoY%
Oman Telecommunications Co	1.2	1.2	1.3	-2.1%	-5.8%
Bank Muscat SAOG	0.9	1.0	1.2	-1.0%	-17.9%
Bank Dhofar SAOG	0.4	0.4	0.4	-2.1%	7.7%
National Bank of Oman SAOG	0.4	0.4	0.4	-4.3%	-11.9%
Oman International Development and Investment Co SAOG	0.3	0.3	0.3	-0.4%	33.5%
Raysut Cement Co SAOG	0.3	0.3	0.2	6.1%	24.8%
Bank Sohar SAOG	0.3	0.3	0.3	-8.7%	5.0%
Ahli Bank SAOG	0.3	0.3	0.3	1.1%	-6.5%
Sembcorp Salalah Power & Wat	0.2	0.2	0.2	1.3%	-5.9%
Phoenix Power Co.	0.2	0.2	0.2	-6.5%	-2.7%
Total Market Capitalization (Top 10 stocks)	4.5	4.6	4.7	-1.7%	-3.8%

Source: Bloomberg & Global Research

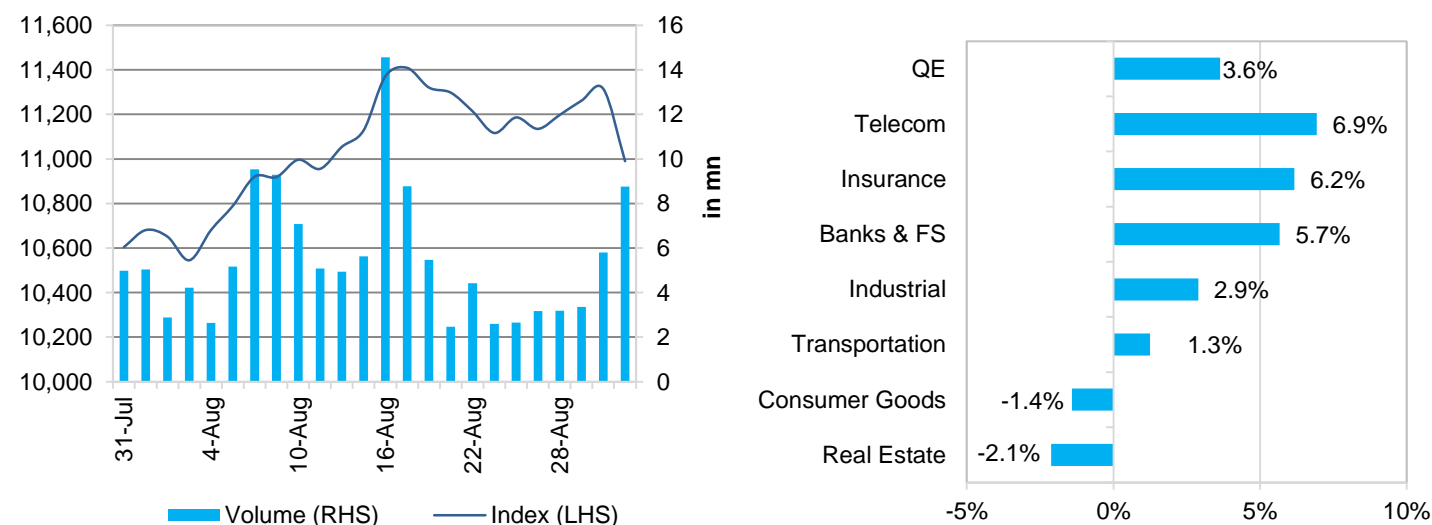
Qatar

QE rallies 3.6% MoM in August on FTSE inclusion

The Qatar Exchange (QE) extended gains in August to touch its 9-month high of 11,400; last seen in Nov 2015. The QE index registered gains for August after the FTSE announced that it was relaxing liquidity tests for Qatari stocks for inclusion in its widely tracked emerging markets index. The rally was driven by gains in heavyweights on prospects of an increase in foreign capital flows in those stocks, once the selected 22 Qatari stocks are included in the FTSE Russell's secondary emerging market index in September. The selected stocks are Aamal Company, Al Meera Consumer Goods Company, Barwa, Commercial Bank, Doha Bank, Ezdan Holding Group, Gulf International Services, Industries Qatar, Masraf Al Rayan, Medicare Group, Ooredoo, Qatar Electricity and Water, Nakilat, Qatar Insurance, QIIB, Qatar Islamic Bank, QNB, Milaha, Qatari Investors Group, Salam International Investment, United Development Company and Vodafone Qatar.

Inflation accelerated to 2.8%YoY in July from 2.5%YoY in June.

Qatar: Index, Volume, and Sectoral Performance



Source: Bloomberg & Global Research

Sectoral performance

In August, five of the seven sectors ended in the green. Telecom (6.9%MoM) was the best performer, followed by Insurance (6.2%MoM), Banks & Financial Services (5.7%MoM), Industrial (2.9%MoM), and Transportation (1.3%MoM). Real Estate (-2.1%MoM) and Consumer Goods (-1.4%MoM) ended in the red.

The surge in telecom stocks was due to a significant rise in Qatar Telecom (8.1%MoM) and Vodafone Qatar (2.5%MoM). Of insurance stocks, Qatar Insurance (10%MoM) was the only gainer for the month. However, as Qatar Insurance is a heavyweight with a weightage of approximately 74% in the sector index, it lifted the overall insurance index to close in the green.

Of banking stocks, Qatar National Bank (7.5%MoM) was the best performer, followed by Masraf Al Rayan (4.1%MoM), Qatar Islamic Bank (4.5%MoM), and Commercial Bank of Qatar (9.2%MoM). Dlala Brokerage and Investment Holding Co (-11.2%MoM) and Qatar First Investment Bank (-5.6%MoM) ended in the red.

Among sectors, Real estate declined the most due to a fall in Ezdan Holding Group (-4.4%MoM) with a weightage of approximately 68% in the sector index. All remaining real estate stocks ended in the positive for the month.

Trading increases in August

In August, trading on the QE rose, with overall volume traded increasing 86.7%MoM to 127mn shares and traded value gaining 94.9%MoM to USD1.57bn.

QE Index Trading Statistics – Top 5

Top 5 Gainers

Company	Close	% Chg MoM	52-wk High	52-wk Low	P/E	P/B	Value Traded (USDmn)	MCAP (USDbn)
Aamal Co QSC	15.37	14.4%	15.8	10.6	15.1	1.26	29.88	2.66
Qatar Insurance Co SAQ	87.00	10.0%	98.9	69.0	17.7	2.69	69.51	5.76
Commercial Bank of Qatar QSC	42.00	9.2%	57.4	35.3	20.1	0.95	45.03	3.77
Qatar Telecom QSC	102.70	8.1%	107.0	60.0	12.8	1.47	158.55	9.03
Qatar National Bank SAQ	163.00	7.5%	195.8	133.5	11.5	2.20	211.31	37.59

Top 5 Losers

Company	Close	% Chg MoM	52-wk High	52-wk Low	P/E	P/B	Value Traded (USDmn)	MCAP (USDbn)
Dlala Brokerage and Investment Holding Co QSC	22.91	-11.2%	26.4	11.0	NA	2.42	18.63	0.18
Medicare Group QSC	91.50	-6.4%	180.0	73.4	22.4	2.62	22.08	0.71
Zad Holding Co SAQ	85.00	-5.8%	95.4	65.5	11.2	1.34	2.45	0.31
Qatar First Investment Bank	11.40	-5.6%	NA	NA	NA	NA	NA	NA
Al Khaleej Takaful Group QSC	23.60	-5.6%	36.0	22.5	21.7	1.14	1.57	0.17

Top 5 Volume Traded

Company	Close	% Chg MoM	52-wk High	52-wk Low	P/E	P/B	Volume Traded (mn)	MCAP (USDbn)
Vodafone Qatar QSC	11.90	2.5%	15.5	9.7	NA	2.09	20.69	2.76
Ezdan Holding Group	18.80	-4.4%	NA	NA	NA	NA	16.10	NA
Masraf Al Rayan QSC	38.00	4.1%	45.5	28.6	13.5	2.42	13.28	7.83
Mazaya Qatar Real Estate Development QSC	14.61	2.8%	17.1	10.5	14.1	1.12	9.85	0.44
Qatar First Investment Bank	11.40	-5.6%	16.8	11.0	NA	NA	7.58	0.63

Top 5 Value Traded

Company	Close	% Chg MoM	52-wk High	52-wk Low	P/E	P/B	Value Traded (USDmn)	MCAP (USDbn)
Qatar National Bank SAQ	163.00	7.5%	195.8	133.5	11.5	2.20	211.31	37.59
Industries Qatar QSC	112.00	6.1%	135.0	88.0	17.0	2.08	210.34	18.61
Qatar Telecom QSC	102.70	8.1%	107.0	60.0	12.8	1.47	158.55	9.03
Masraf Al Rayan QSC	38.00	4.1%	45.5	28.6	13.5	2.42	138.66	7.83
Qatar Islamic Bank SAQ	110.80	4.5%	121.0	75.1	12.5	1.96	128.39	7.19

Source: Bloomberg & Global Research

Market capitalization

Combined market capitalization of QE-listed companies increased 4.4%MoM to USD136.9bn in August from USD131bn in July. Market capitalization of the top 10 listed companies increased 4.1%MoM.

Top 10 Listed Companies by Market Capitalization (QARbn)

Company	Aug-16	Jul-16	Aug-15	MoM%	YoY%
Qatar National Bank SAQ	136.9	127.3	125.3	7.5%	9.3%
Industries Qatar QSC	67.8	63.9	80.5	6.1%	-15.8%
Ezdan Holding Group	49.9	52.1	50.4	-4.4%	-1.0%
Qatar Telecom QSC	32.9	30.4	22.3	8.1%	47.8%
Masraf Al Rayan QSC	28.5	27.4	32.7	4.1%	-12.8%
Qatar Islamic Bank SAQ	26.2	25.0	26.7	4.5%	-1.9%
Qatar Electricity and Water Co QSC	23.8	24.6	24.1	-3.3%	-1.1%
Mesaieed Petrochemical Holding Co QSC	23.5	24.2	27.1	-3.2%	-13.3%
Qatar Insurance Co SAQ	21.0	19.1	18.1	10.0%	16.0%
Barwa Real Estate Co QSC	14.2	13.8	17.1	2.8%	-17.0%
Total Market Capitalization (Top 10 stocks)	424.5	408.0	424.1	4.1%	0.1%

Source: Bloomberg & Global Research

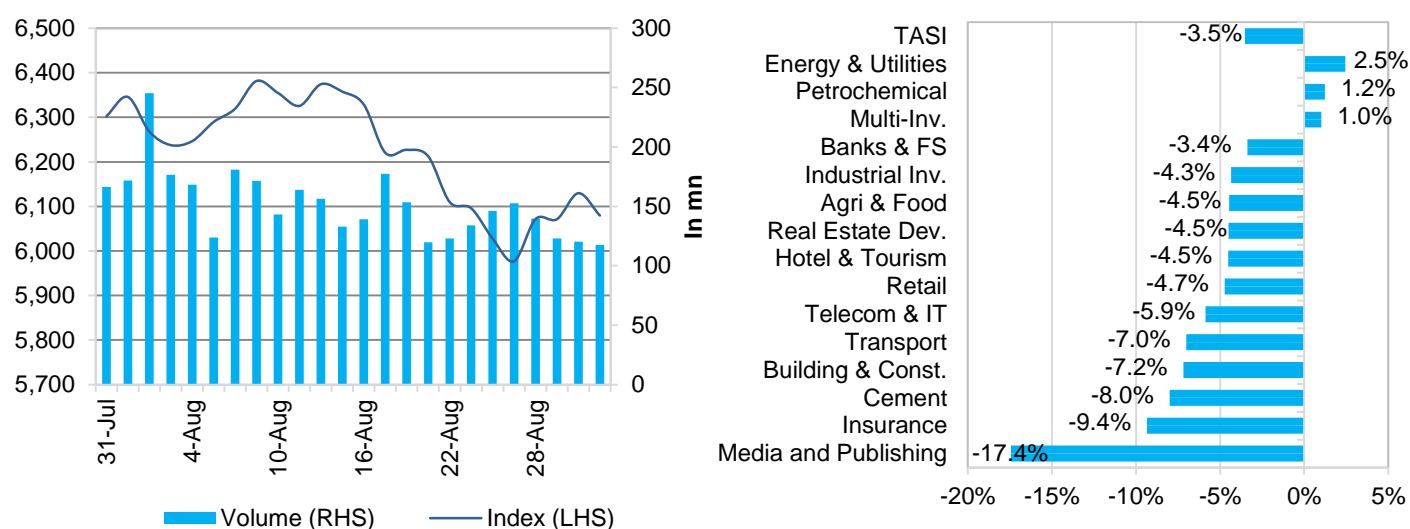
Saudi Arabia

TASI declines 3.5%MoM in August

The Tadawul All-Share Index (TASI) shed 3.5%MoM in August. The Saudi market gained in the beginning of the month, driven by positive global cues and bargain hunting. However, the market failed to sustain its positive momentum, as concerns over the willingness of oil producers to impose a production freeze continued to offset the positive influence of an increase in oil prices. Moreover, speculations about record-high production levels in August increased concerns about a glut. In the last week of August, the market turned cautious after the probability of a hike in US interest rates strengthened post US Federal Reserve Chair Janet Yellen's Jackson Hole speech.

The Emirates NBD Purchasing Managers' Index (PMI) for Saudi Arabia increased to of 56.0 in July from 54.4 in June, registering a seven-month high. Narrow money supply (M1, M2, and M3) decreased in July on YoY and YTD bases. Moreover, gross credit increased 8%YoY, but declined 0.5%MoM, to SAR1,428.9bn.

TASI: Index, Volume, and Sectoral Performance



Source: TASI, Gulfbase, & Global Research

Sectoral performance

In August, only three sectors ended in the positive territory, with the remaining twelve ending in the red. Energy & Utilities (2.5%MoM), Petrochemicals (1.2%MoM), and Multi-Investment (1%MoM) ended in the green. Media and Publishing (-17.4%MoM) declined the most, followed by Insurance (-9.4%MoM), Cement (-8%MoM), Building & Construction (-7.2%MoM), Transport (-7%MoM), Telecom & IT (-5.9%MoM), Retail (-4.7%MoM), Hotel & Tourism (-4.5%MoM), Real Estate Development (-4.5%MoM), Agriculture & Food (-4.5%MoM), Industrial Investment (-4.3%MoM), and Banking & Financial Services (-3.4%MoM).

Energy was lifted by a rise in Saudi Electricity Co (2.2%MoM). Gains in petrochemicals can be ascribed to Saudi Basic Industries Corp (1.5%MoM), followed by Saudi Arabian Fertilizers Co (10.2%MoM) and Yanbu National Petrochemical Co (2.4%MoM).

All the three stocks in the Media and Publishing sector ended in the red, with Saudi Research and Marketing Group (-21.3%MoM) being the top decliner, followed by Saudi Printing and Packaging Co (-10.7%MoM) and Tihama Advertising Public Relation (-13.5%MoM). Insurance losses can be ascribed to Bupa Arabia for Cooperative Insurance Co (-10.6%MoM), followed by The Company for Cooperative Insurance (-5.1%MoM) and Mediterranean and Gulf Cooperative Insurance and Reinsurance Co (-14%MoM).

Trading increases in August

In August, trading on the Tadawul bourse rose, with overall volume traded increasing 7.5%MoM to 3.4bn shares and traded value gaining 14.9%MoM to USD18.04bn.

TASI Index Trading Statistics – Top 5

Top 5 Gainers

Company	Close	% Chg MoM	52-wk High	52-wk Low	P/E	P/B	Value Traded (USDmn)	MCAP (USDbn)
United Cooperative Assurance Co	13.26	10.5%	15.4	7.3	NA	1.83	175.03	0.17
Saudi Arabian Fertilizers Co	66.66	10.2%	99.0	58.0	18.1	4.34	92.95	7.41
Saudi Industrial Services Co	15.16	10.1%	18.1	9.5	10.3	1.04	63.80	0.27
Saudi Public Transport Co	14.35	8.5%	22.7	9.3	21.1	1.20	62.38	0.48
Herfy Food Services Co Ltd	72.50	4.4%	109.0	61.8	16.3	4.36	18.61	0.89

Top 5 Losers

Company	Close	% Chg MoM	52-wk High	52-wk Low	P/E	P/B	Value Traded (USDmn)	MCAP (USDbn)
Tabuk Agriculture Development Co	10.78	-32.7%	16.6	8.2	NA	0.84	244.53	0.13
Malath Cooperative Insurance and Reinsurance Co	10.46	-28.1%	26.3	10.4	NA	2.71	106.22	0.08
Middle East Healthcare Co.	50.25	-25.6%	78.5	50.0	12.3	3.44	109.34	1.23
Saudi Marketing Co	29.26	-24.2%	72.5	27.3	13.5	2.19	50.00	0.35
Arabia Insurance Cooperative Co	10.33	-22.2%	14.6	5.3	NA	1.70	70.72	0.05

Top 5 Volume Traded

Company	Close	% Chg MoM	52-wk High	52-wk Low	P/E	P/B	Volume Traded (mn)	MCAP (USDbn)
Alinma Bank	12.46	-5.0%	19.6	11.8	12.0	1.02	972.88	4.98
Dar Al Arkan Real Estate Dev Co	5.64	-3.4%	7.5	4.3	25.1	0.34	514.72	1.62
Saudi Kayan Petrochemical Co	6.59	0.2%	10.3	4.4	NA	0.78	258.51	2.64
Saudi Basic Industries Corp	82.61	1.5%	92.8	59.5	14.7	1.54	135.45	66.08
Tabuk Agriculture Development Co	10.78	-32.7%	16.6	8.2	NA	0.84	75.01	0.13

Top 5 Value Traded

Company	Close	% Chg MoM	52-wk High	52-wk Low	P/E	P/B	Value Traded (USDmn)	MCAP (USDbn)
Alinma Bank	12.46	-5.0%	19.6	11.8	12.0	1.02	3,379.49	4.98
Saudi Basic Industries Corp	82.61	1.5%	92.8	59.5	14.7	1.54	2,992.71	66.08
Dar Al Arkan Real Estate Dev Co	5.64	-3.4%	7.5	4.3	25.1	0.34	825.24	1.62
Al Rajhi Banking and Invest Corp	56.51	-1.3%	62.8	44.7	11.9	1.87	567.03	24.49
Saudi Kayan Petrochemical Co	6.59	0.2%	10.3	4.4	NA	0.78	468.10	2.64

Source: Bloomberg, Gulfbase, and Global Research

Market capitalization

Market capitalization of companies listed on the TASI contracted 2.8%MoM to USD378bn in August from USD388.8bn in July. Market capitalization of the top 10 listed companies dropped 1.7%MoM in August.

Top 10 Listed Companies by Market Capitalization (SARbn)

Company	Aug-16	Jul-16	Aug-15	MoM%	YoY%
Saudi Basic Industries Corp	247.8	244.3	242.3	1.4%	2.3%
Saudi Telecom Co	116.1	122.9	120.0	-5.5%	-3.2%
Al Rajhi Banking and Invest Corp	91.8	93.1	87.2	-1.3%	5.4%
Saudi Electricity Co	80.3	78.5	68.7	2.2%	16.8%
National Commercial Bank	69.6	75.1	110.1	-7.4%	-36.8%
Jabal Omar Development Co	55.8	59.0	56.5	-5.5%	-1.3%
Almarai Co	42.4	44.5	50.4	-4.7%	-15.8%
Kingdom Holding Co	40.4	40.2	66.0	0.6%	-38.8%
Saudi Arabian Mining Co	40.4	40.9	35.7	-1.4%	13.3%
Samba Financial Group	36.6	36.7	46.6	-0.3%	-21.4%
Total Market Capitalization (Top 10 stocks)	821.3	835.3	883.4	-1.7%	-7.0%

Source: Bloomberg & Global Research

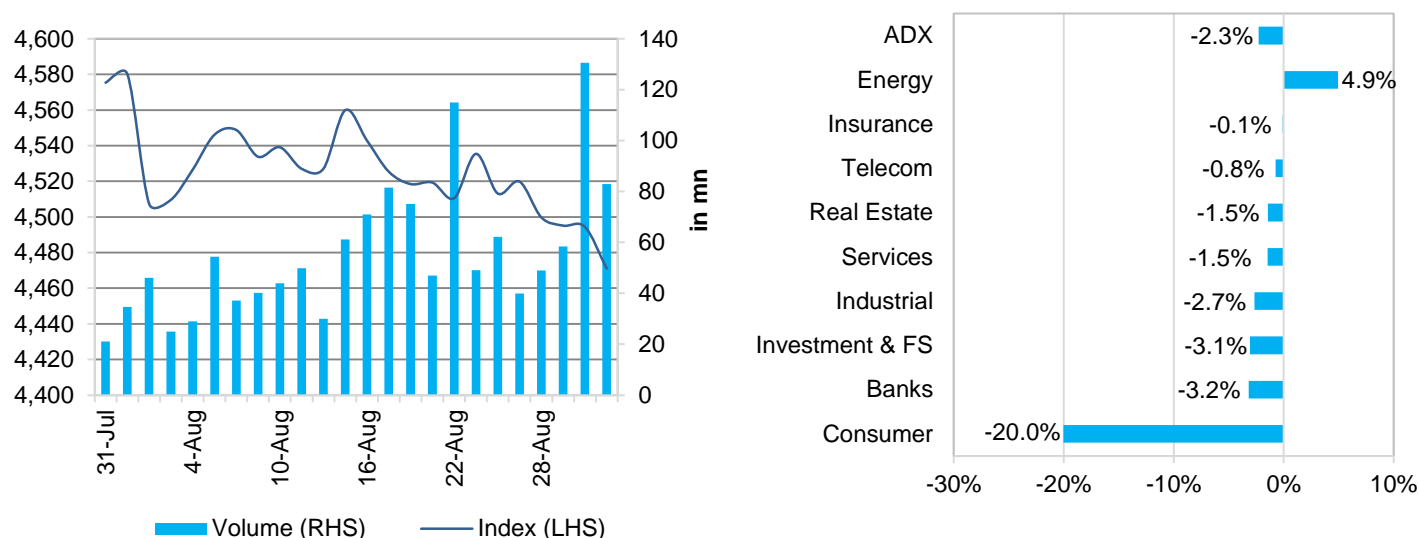
UAE – Abu Dhabi

ADX declines 2.3%MoM in August

The Abu Dhabi Securities Exchange (ADX) registered losses of 2.3%MoM for August after a rally of 7.6% over June–July. Profit-taking affected Abu Dhabi bourse amid the release of quarterly earnings, with oil markets substantially recovering from monthly lows. Moreover, talks about an oil production freeze and a high probability of a hike in US interest rates weighed on investor sentiment.

The Emirates NBD PMI for the UAE improved to 55.3 in July from 53.4 in June. In July 2016, M1 fell 2.3%MoM (2.8%YTD), M2 increased 0.9%MoM (0.4%YTD), and M3 ended flat (1.6%YTD). Gross credit declined 0.3%MoM to AED1,562bn in July 2016 from AED1,558bn in June 2016.

ADX: Index, Volume, and Sectoral Performance



Source: Bloomberg, Gulfbase, & Global Research

Sectoral performance

Of the nine sectors, only Energy (4.9%MoM) ended in the green in August. Consumer (-20%MoM) was the top loser, followed by Banks (-3.2%MoM), Investment & Financial Services (-3.1%MoM), Industrial (-2.7%MoM), Services (-1.5%MoM), Real Estate (-1.5%MoM), Telecom (-0.8%MoM), and Insurance (-0.1%MoM).

Energy stocks were lifted by Abu Dhabi National Energy Co (8.3%MoM) and Dana Gas Co (3.6%MoM).

Consumer staples recorded a steep fall due to a huge decline in Agthia Group (-23.3%MoM), followed by International Fish Farming Holding Co (-5.9%MoM) and Ras Al Khaimah Poultry and Feeding (-10%MoM).

In the banking space, losers were First Gulf Bank (-2.9%MoM), National Bank of Abu Dhabi (-4.1%MoM), Abu Dhabi Commercial Bank (-7%MoM), Union National Bank (-6.9%MoM), National Bank of Fujairah (-7.3%MoM), and United Arab Bank (-11.3%MoM). On the contrary, Bank of Sharjah (10.7%MoM) and National Bank of Ras Al Khaimah (3%MoM) were the monthly gainers. Waha Capital (-3.5%MoM) led decliners in the Investment & Financial Services sector, whereas Umm Al Qaiwain General Investments (5.9%MoM) ended in the green. Losses in Industrial can be ascribed to Ras Al Khaimah Ceramics (-2.5%MoM), Gulf Pharmaceutical Industries (-2.7%MoM), and Arkan Building Materials (-6.8%MoM).

Trading increases in August

In August, trading on the Abu Dhabi bourse rose, with overall volume traded increasing 9.2%MoM to 1.3bn shares and traded value gaining 7.9%MoM to USD0.86bn.

ADX Trading Statistics – Top 5

Top 5 Gainers

Company	Close	% Chg MoM	52-wk High	52-wk Low	P/E	P/B	Value Traded (USDmn)	MCAP (USDbn)
Eshraq properties Co.	0.81	11.0%	0.89	0.41	160.6	0.95	81.41	0.51
Bank of Sharjah PJSC	1.45	10.7%	1.70	1.14	12.9	0.69	2.27	0.86
Abu Dhabi National Insurance Co.	2.10	10.5%	3.51	1.60	11.7	0.48	0.52	0.21
Emirates Driving Co PJSC	8.00	10.3%	8.00	4.55	6.5	1.39	0.01	0.20
Abu Dhabi National Energy Co PJSC	0.52	8.3%	0.68	0.36	NA	2.81	5.30	0.88

Top 5 Losers

Company	Close	% Chg MoM	52-wk High	52-wk Low	P/E	P/B	Value Traded (USDmn)	MCAP (USDbn)
Agthia Group PJSC	5.95	-23.3%	9.01	5.90	14.2	2.23	35.78	0.97
Fujairah Cement Industries Co PSC	0.85	-16.7%	1.35	0.85	4.5	0.30	0.01	0.08
United Arab Bank PJSC	2.20	-11.3%	5.60	2.20	NA	1.14	1.30	0.82
Sudatel Telecom Group Ltd	0.52	-10.3%	NA	NA	NA	NA	NA	NA
Ras Al Khaimah Poultry and Feeding Co	2.52	-10.0%	2.80	1.60	11.4	0.49	0.01	0.06

Top 5 Volume Traded

Company	Close	% Chg MoM	52-wk High	52-wk Low	P/E	P/B	Volume Traded (mn)	MCAP (USDbn)
Eshraq properties Co.	0.81	11.0%	0.89	0.41	160.6	0.95	383.33	0.51
Aldar Properties PJSC	2.76	-3.2%	2.99	1.81	8.1	1.06	209.62	5.91
Dana Gas Co PJS	0.57	3.6%	0.61	0.37	7.8	0.38	145.70	1.08
RAK Properties PJSC	0.61	3.4%	0.66	0.42	7.0	0.33	130.94	0.33
Methaq Takaful Insurance Co PSC	0.89	2.3%	1.19	0.44	NA	1.66	116.03	0.04

Top 5 Value Traded

Company	Close	% Chg MoM	52-wk High	52-wk Low	P/E	P/B	Value Traded (USDmn)	MCAP (USDbn)
Aldar Properties PJSC	2.76	-3.2%	2.99	1.81	8.1	1.06	160.66	5.91
Emirates Telecommunication Corp Ltd	19.75	-0.8%	20.20	12.65	19.2	3.92	149.48	46.76
First Gulf Bank PJSC	11.70	-2.9%	14.35	9.90	9.1	1.74	119.51	14.33
Abu Dhabi Commercial Bank PJSC	6.42	-7.0%	8.00	5.20	7.6	1.36	103.98	9.78
Eshraq properties Co.	0.81	11.0%	0.89	0.41	160.6	0.95	81.41	0.51

Source: Bloomberg, Gulfbase, & Global Research

Market capitalization

In August 2016, combined market capitalization of companies listed on the ADX decreased 2.4%MoM to USD119.7bn. Market capitalization of the top 10 listed companies fell 2.5%MoM.

Top 10 Listed Companies by Market Capitalization (AED bn)

Company	Aug-16	Jul-16	Aug-15	MoM%	YoY%
Emirates Telecommunication Corp Ltd	171.8	173.1	111.8	-0.8%	53.7%
First Gulf Bank PJSC	52.7	54.2	64.6	-2.9%	-18.5%
National Bank of Abu Dhabi PJSC	47.5	49.8	54.2	-4.5%	-12.3%
Abu Dhabi Commercial Bank PJSC	35.9	38.6	44.8	-7.0%	-19.7%
Aldar Properties PJSC	21.7	22.4	18.3	-3.2%	18.5%
Abu Dhabi Islamic Bank PJSC	12.2	12.2	14.4	-0.3%	-15.8%
Union National Bank PJSC	11.5	12.4	16.4	-6.9%	-29.6%
National Bank of Ras Al Khaimah PSC	8.6	8.4	11.7	3.0%	-26.4%
National Bank of Umm Al Qaiwain PSC	6.2	6.2	5.5	0.0%	11.7%
National Bank of Fujairah PSC	5.6	6.1	5.5	-7.3%	2.4%
Total Market Capitalization (Top 10 stocks)	373.7	383.3	347.2	-2.5%	7.6%

Source: Bloomberg & Global Research

UAE – Dubai

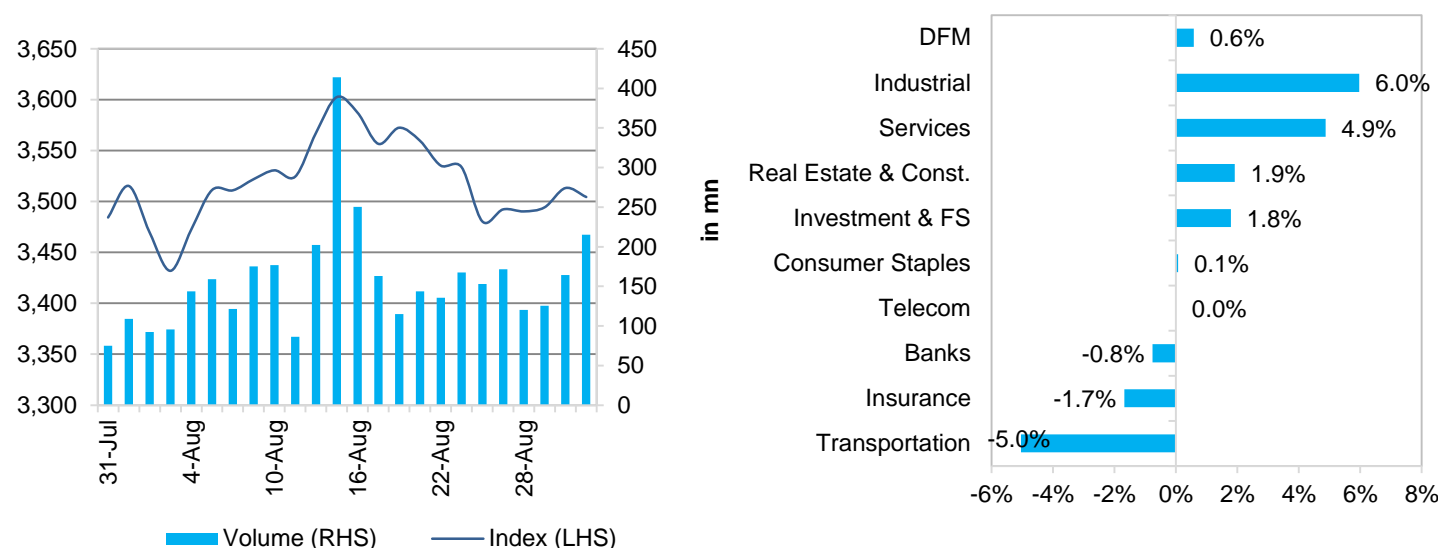
DFM registers 0.6%MoM gains for August

The Dubai Financial Market (DFM) gained 0.6%MoM (up 11.2%YTD) in August after rising 5.2% in July. During the month, profit-taking and the mixed performance of real estate and industrial heavyweights weighed on the DFM. However, a sharp recovery in oil prices helped the DFM end in the green.

The DFM and the QE were the only bourse to end in the green in August.

Real estate sales in Dubai declined to AED3,030mn in July from AED4,158mn in June. Meanwhile, real estate sales in Dubai in 2016 stood at AED25.3bn for the period for January–July.

DFM: Index, Volume, and Sectoral Performance



Source: Bloomberg & Global Research

Sectoral performance

In August, of the nine sectors, five ended in the green, three in the red, and Telecom flat. Industrial (6%MoM) was the top performer, followed by Services (4.9%MoM), Real Estate & Construction (1.9%MoM), Investment & Financial Services (1.8%MoM) and Consumer Staples (0.1%MoM). Transportation (-5%MoM) was the biggest loser, followed by Insurance (-1.7%MoM) and Banks (-0.8%MoM).

Industrial gains were led by a rise in National Cement Co (6%MoM). Among Services, Amanat Holdings (6.3%MoM) was the top gainer, followed by National Central Cooling Co (2%MoM). In the Real Estate space, Emaar Properties (4.1%MoM) was the top gainer, followed by DAMAC Properties Dubai Co (3.5%MoM) and Al Mazaya Holding Co (2.4%MoM). On the contrary, fall in Emaar Malls (-3.2%MoM) and Drake and Scull International (-7.4%MoM) restricted sector gains. Investment & Financial Services was lifted by Dubai Financial Market (1.5%MoM), followed by Dubai Investment (1.9%MoM) and Shuaa Capital (1.6%MoM).

Losses in transportation could be ascribed to Air Arabia (-6.9%MoM) and Aramex (-2.4%MoM), whereas heavyweight Agility Public Warehousing ended flat. The only gainer in this space was Gulf Navigation Holding (9.5%MoM). However, it failed to lift the sector due to negligible weightage.

Trading volume falls; trade value rises in August

In August, trading on the Dubai bourse was mixed, with overall volume declining 0.5%MoM to 3.7bn shares and traded value gaining 3.3%MoM to USD1.76bn.

DFM Trading Statistics – Top 5

Top 5 Gainers

Company	Close	% Chg MoM	52-wk High	52-wk Low	P/E	P/B	Value Traded (USDmn)	MCAP (USDbn)
Dubai National Insurance and Reinsurance Co PSC	2.50	11.6%	2.62	2.24	7.6	0.65	0.00	0.08
Gulf Navigation Holding PJSC	1.15	9.5%	1.18	0.37	25.2	1.95	28.32	0.17
Amanat Holdings PJSC	0.85	6.3%	0.92	0.66	29.2	0.84	26.44	0.57
National Cement Co PSC	3.20	6.0%	3.51	2.90	13.1	0.72	0.36	0.31
MARKA	1.17	4.5%	1.43	1.10	NA	1.44	0.29	0.16

Top 5 Losers

Company	Close	% Chg MoM	52-wk High	52-wk Low	P/E	P/B	Value Traded (USDmn)	MCAP (USDbn)
Dubai Islamic Insurance and Reinsurance Co PSC	0.58	-9.4%	0.69	0.41	NA	0.99	0.89	0.04
Takaful House	0.98	-9.3%	1.17	0.37	NA	2.00	11.78	0.03
Drake and Scull International	0.50	-7.4%	0.67	0.29	NA	0.58	73.95	0.34
International Financial Advisors KSCC	0.39	-7.1%	0.60	0.33	17.9	0.40	1.12	0.08
Air Arabia PJSC	1.35	-6.9%	1.49	1.09	12.1	1.28	69.54	1.72

Top 5 Volume Traded

Company	Close	% Chg MoM	52-wk High	52-wk Low	P/E	P/B	Volume Traded (mn)	MCAP (USDbn)
Drake and Scull International	0.50	-7.4%	0.67	0.29	NA	0.58	530.63	0.34
Dubai Parks & Resorts PJSC	1.64	0.0%	1.77	1.00	NA	1.70	470.53	3.62
Arabtec Holding PJSC	1.46	0.7%	2.00	0.93	NA	2.15	445.23	1.87
Union Properties PJSC	0.74	0.0%	1.01	0.55	5.9	0.54	274.79	0.81
Emaar Properties PJSC	7.10	4.1%	7.46	4.22	11.6	1.27	198.96	13.90

Top 5 Value Traded

Company	Close	% Chg MoM	52-wk High	52-wk Low	P/E	P/B	Value Traded (USDmn)	MCAP (USDbn)
Emaar Properties PJSC	7.10	4.1%	7.46	4.22	11.6	1.27	384.26	13.90
Dubai Parks & Resorts PJSC	1.64	0.0%	1.77	1.00	NA	1.70	216.53	3.62
Dubai Islamic Bank PJSC	5.46	1.1%	7.02	4.90	7.2	1.35	201.84	7.39
Arabtec Holding PJSC	1.46	0.7%	2.00	0.93	NA	2.15	200.47	1.87
Dubai Investment PJSC	2.14	1.9%	2.55	1.48	8.0	0.81	88.14	2.37

Source: Bloomberg, Gulfbase, & Global Research

Market capitalization

Combined market capitalization of companies listed on the DFM rose 0.1%MoM to USD83.5bn in August. Market capitalization of the top 10 listed companies increased 0.2%MoM.

Top 10 Listed Companies by Market Capitalization (AED bn)

Company	Aug-16	Jul-16	Aug-15	MoM%	YoY%
Emaar Properties PJSC	51.0	48.8	48.3	4.5%	5.6%
Emirates NBD Bank PJSC	46.6	48.7	48.9	-4.2%	-4.7%
Emaar Malls	35.9	37.1	37.1	-3.2%	-3.2%
Emirates Integrated Telecommunications Co PJSC	30.5	30.4	23.3	0.3%	30.8%
Dubai Islamic Bank PJSC	27.1	26.7	27.7	1.7%	-2.0%
Commercial Bank of Dubai PSC	14.9	14.9	17.9	0.0%	-16.9%
DAMAC Properties Dubai Co PJSC	14.6	14.0	18.9	4.3%	-22.4%
Dubai Parks & Resorts PJSC	13.3	13.1	7.2	1.2%	84.3%
Mashreqbank PSC	11.7	11.7	19.9	0.0%	-41.0%
Dubai Financial Market PJSC	10.8	10.6	13.8	2.3%	-21.5%
Total Market Capitalization (Top 10 stocks)	256.5	256.0	262.9	0.2%	-2.4%

Source: Bloomberg & Global Research

Appendix 1: MENA and Global market performance in August 2016

GCC Markets Indices	Up/Down	Close	% Chg (MoM)	% Chg (YTD)	P/E (x)	P/B (x)	Div Yield (%)
KSE Weighted Index	▼	347	-1.0%	-9.0%	14.7	1.0	4.3
KSE Price Index	▼	5,420	-0.6%	-3.5%	18.7	1.0	4.4
Tadawul All Share Index	▼	6,080	-3.5%	-12.0%	14.3	1.4	3.9
DFM Index	▲	3,504	0.6%	11.2%	12.5	1.3	4.3
ADX Index	▼	4,471	-2.3%	3.8%	11.9	1.4	5.4
Bahrain All Share	▼	1,142	-1.2%	-6.1%	9.3	0.4	4.9
QE Index	▲	10,990	3.6%	5.4%	15.3	1.7	3.7
MSM30 Index	▼	5,735	-1.9%	6.1%	10.0	1.1	5.1

Levant & North Africa Markets	Up/Down	Close	% Chg (MoM)	% Chg (YTD)	P/E (x)	P/B (x)	Div Yield (%)
Egypt - EGX30	▲	8,158	2.2%	16.4%	15.3	1.5	1.8
Egypt-- EGX70	▼	357	-1.1%	-5.6%	16.6	1.0	2.8
Jordan-- Amman Fr Flt Index	▼	2,077	-1.2%	-2.8%	16.2	1.2	3.7
Palestine - AlQuds Index	▼	508	-0.7%	-4.7%	9.0	NA	1.9
Lebanon - BLOM Stk Index*	▼	1,143	-0.9%	-2.3%	5.3	0.8	6.5
Morocco - CASA All Share index*	▼	9,861	-0.2%	10.5%	19.5	2.3	4.3
Tunisia - Tunisia Main Index*	▲	5,425	1.3%	7.6%	21.7	2.5	2.0

International Indices	Up/Down	Close	% Chg (MoM)	% Chg (YTD)	P/E (x)	P/B (x)	Div Yield (%)
DJ Average	▼	18,401	-0.2%	5.6%	17.7	3.2	2.5
NASDAQ Composite	▲	5,213	1.0%	4.1%	39.2	3.6	1.3
S&P500 Comp.	▼	2,171	-0.1%	6.2%	20.4	2.9	2.1
FTSE 100 - UK	▲	6,782	0.8%	8.6%	56.5	1.8	4.1
Extra DAX	▲	10,593	2.5%	-1.4%	24.1	1.7	2.9
CAC 40 - France	▼	4,438	0.0%	-4.3%	23.0	1.4	3.8

International Indices	Up/Down	Close	% Chg (MoM)	% Chg (YTD)	P/E (x)	P/B (x)	Div Yield (%)
Bovespa Index	▲	57,901	1.0%	33.6%	158.1	1.5	2.9
RTS Index	▲	950	2.4%	25.5%	7.5	0.8	4.5
Bombay SE SENSEX -India	▲	28,452	1.4%	8.9%	21.1	2.9	1.5
SSE Composite Index - Shanghai	▲	3,085	3.6%	-12.8%	17.8	1.7	1.9
NIKKEI 225 INDEX- Japan	▲	16,887	1.9%	-11.3%	21.1	1.6	1.9
Hang Seng - Hong Kong	▲	22,977	5.0%	4.8%	12.6	1.2	3.5

Source: Bloomberg and Global Research

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