

TOP NEWS

details in
PAGE 1

- OPEC oil production climbing as Saudi Arabia pumps near record
- Saudi cabinet approving higher committee for hydrocarbons
- Saudi banks' deposits shrinking as government pulls back funds
- Egypt to repay \$6.3 billion in foreign debt by end-2018: paper
- Bahrain government rejecting parliament's subsidy reform plan
- Bahrain getting breather as reserves reach highest level of 2018
- Saudi stock exchange revenue jumping 74% as reforms draw investors
- CEO confirms Credit Suisse seeking Saudi banking license
- London court rules DP World Djibouti contract "valid and binding" - Dubai govt
- Saudi Prince Alwaleed's firm taking \$266.7 million stake in Deezer
- TPG, KKR leading contenders to manage Abraaj's healthcare fund: sources
- Kuwait's Kufpec signing \$1.1 billion finance deal - CEO
- Qatar telco Ooredoo's Q2 profit plunging on challenges in Indonesia, Algeria
- UAE's Tabreed H1 2018 net profit increases 10%

MARKETS

- Gulf stock markets closed mixed this week amid global trade concerns and slump in oil prices.
- Qatari index continued to outperform while posting its 6th weekly gain in a row. The index hit its highest level in 14 month. After trailing every major stock indexes except Pakistan's in 2017, Qatar is among the world's biggest gainers this year.
- Saudi index dropped for the second week pressured by a number of blue chips and led by banks and petrochemicals.
- Abu Dhabi index ended the week down after hitting a 3-year high on Wednesday.
- Egyptian index recovered from 4 consecutive weekly losses.

EQUITIES

	Price	% 1 W
Saudi Arabia	8253.54	-1.36%
Abu Dhabi	4811.42	-0.68%
Dubai	2973.94	0.85%
Qatar	9981.22	3.89%
Oman	4326.67	-0.21%
Egypt	15806.38	3.99%
Kuwait	5349.33	-0.54%
Bahrain	1349.17	-1.37%
Jordan	2028.30	0.25%

more data in PAGE 2

FX Rates

	vs USD	vs EUR
SAR	3.75	4.35
AED	3.67	4.26
QAR	3.65	4.23
OMR	0.385	0.446
EGP	17.886	20.722
KWD	0.303	0.351
BHD	0.378	0.439
JOD	0.710	0.822

more data in PAGE 3

LEBANON

BEIRUT S.E.

	Price*	% 1 W
SOLIDERE A	7.22	-2.83%
SOLIDERE B	6.99	-7.05%
BANK OF BEIRUT	18.80	-
BoB Priority	21.00	-
BANK AUDI	5.11	0.59%
BLOM BANK	10.10	-0.59%
BYBLOS BANK	1.48	-
BLC BANK	0.93	-
BEMO BANK	1.55	-

* August 3, 2018

BONDS

	Mat	YTM*
LEB 5.45	Nov-19	7.47
LEB 6.15	Jun-20	8.06
LEB 6.10	Oct-22	9.23
LEB 6.65	Apr-24	9.48
LEB 6.60	Nov-26	9.47
LEB 6.75	Nov-27	9.51
LEB 6.65	Feb-30	9.36
LEB 7.05	Nov-35	9.30
LEB 7.25	Mar-37	9.26

*MID Value

more data in PAGE 3

BANK OF BEIRUT FUNDS

NAME	CY	NAV*	YTD (%)	SINCE INCEPTION
BEIRUT PREFERRED FUND II	USD	929.16	-1.87%	21.34%
OPTIMAL INVESTMENT FUND	LBP	100,003.02	4.83%	64.11%
BOB LBP GROWTH FUND A	LBP	132,694.05	6.22%	32.69%
BOB LBP GROWTH FUND B	LBP	100,174.05	5.96%	27.82%

* NAV as of August 2, 2018

(click for more details)

TOP NEWS

OPEC oil production climbing

OPEC's crude output increased last month as Saudi Arabia pumped near-record volumes to make good on a pledge to consumers that demand would be met. The kingdom's oil production grew by 230,000 barrels a day in July, to 10.65 million barrels per day. This is just shy of an all-time peak reached in 2016, according to a Bloomberg survey of analysts, oil companies and ship-tracking data. Kingdom pumps near record to reassure consumers. Higher crude output from the Saudis, along with Nigeria and Iraq, pushed up total production from the Organization of Petroleum Exporting Countries by 300,000 barrels a day, offsetting losses from a spiraling economic collapse in Venezuela, political clashes in Libya and the onset of U.S. sanctions against Iran. The group's 15 members, which now include Congo, collectively produced 32.6 million barrels per day. Saudi Arabia's production increase shows it's delivering on promises to prevent prices from damaging the global economy after Brent crude reached a three-year high above \$80 a barrel earlier this summer. The kingdom has been under acute pressure from President Donald Trump to open the taps as he chokes off exports from Saudi's political rival, Iran.

Saudi cabinet approving higher committee for hydrocarbons

Saudi Arabia said on Tuesday it would form a higher committee for hydrocarbons to be headed by Crown Prince Mohammed bin Salman, the state news agency SPA said. The decision was approved in a cabinet meeting chaired by King Salman. The Higher Committee for Hydrocarbon Affairs will include as members the energy minister as well as the ministers of trade, finance and economy, the statement said. "The committee will be a reference for all hydrocarbon issues and everything relating to them and a representative of the state's rights linked to them," the statement on SPA said.

Saudi banks' deposits shrink as government pulls back funds

Deposits at Saudi Arabian banks have shrunk as the government withdraws emergency funds injected when oil prices slumped, although weak loan demand makes a liquidity crunch unlikely. Eight of the top 12 Saudi banks reported lower deposits in their Q2 earnings, released over the past couple of weeks. Deposits at Alawaal Bank tumbled 19% from a year ago to 66.2 billion riyals (\$18 billion), the bank said on Monday. Deposits at Bank Aljazira fell 3% to 47.8 billion riyals. Bucking the trend was the country's biggest lender, National Commercial Bank, with a 1% rise in deposits to 317.7 billion riyals, while major Islamic bank Alinma saw a 4% increase. In 2016, the government placed deposits in the banking system to counter a shortage of funds due to low oil prices, which was pushing funding costs up sharply. Oil prices have now partially recovered, however, and the central bank wants to avoid capital outflows by having Saudi interest rates rise in line with U.S. rates.

Egypt to repay \$6.3 billion in foreign debt by end-2018: paper

(Reuters) Egypt will repay \$6.3 billion in foreign debt in the second half of 2018, financial newspaper al-Mal reported on Monday. Egypt's foreign debt reached \$82.9 billion at the end of December, according to central bank data released in May. The central bank was not immediately available for comment. Al-Mal also reported that Egypt had secured an extension on \$4 billion worth of deposits by the United Arab Emirates which were due to mature in 2018. The deposits are now subject to interest rates of up to 3.5%, with the earliest payment tranche due in April 2019, the paper said. Since 2013, Saudi Arabia and the UAE have given Egypt some \$8 billion in aid, including deposits with the Central Bank of Egypt (CBE) worth \$2 billion apiece. Egypt's foreign reserves were \$44.258 billion at the end of June, having climbed steadily since the country secured a \$12 billion, three-year IMF loan in 2016 as part of an effort to lure back foreign investors and revive the economy.

Bahrain government reject parliament's subsidy reform plan

Bahrain's government has rejected parliament's proposals to reform allowances paid to Bahrainis squeezed by years of austerity on the grounds that they would break government spending caps, lawmakers said. After oil prices fell in 2014, pressuring state finances, Bahrain cut subsidies and raised taxes and fees to control its deficit. But the austerity has angered some Bahrainis and prompted a backlash in parliament. Bahrain, which lacks the ample oil reserves of fellow Gulf states, has held off on fresh austerity measures, such as the introduction of value-added tax, until parliament agrees on a new system to compensate low- and middle-income citizens for increases in the cost of living. The proposal submitted by parliament would have required an increase in government spending at a time when Bahrain is struggling with a current account gap and a large deficit, which have dragged down prices of its bonds and weighed on the dinar.

Bahrain get breather as reserves reach highest level of 2018

Bahrain's foreign-exchange reserves jumped 22% in June to the highest level this year, a temporary relief for the cash-strapped kingdom as it awaits a much-anticipated bailout from its wealthy neighbors. Reserves climbed to 818.1 million dinars (\$2.17 billion) in June from 668.6 million dinars in May, according to data from the central bank. The regulator didn't explain the jump. Bahrain, whose economy was battered by the swings in oil prices, is in talks with Saudi Arabia, the United Arab Emirates and Kuwait for support that would help reduce ballooning debt and shore up foreign-exchange reserves. Aid

is necessary to maintain the Bahraini dinar's peg to the dollar, whose fall would raise questions about the ability of other Gulf nations to sustain their own currency policies.

Saudi exchange revenue jump 74% as reforms draw investors

The Saudi Arabian stock exchange posted a 74% jump in revenue last year as reforms aimed at opening up the market and attracting more foreign investors bore fruit. Revenue for the Tadawul, as the bourse is known, climbed to 545.4 million riyals (\$145 million), the highest since at least 2013, according to the exchange's first-ever annual report. The increase helped the Riyadh-based exchange swing to 129.8 million riyals in net income, from a loss of 29.3 million riyals in 2016. The Saudi market regulator and the exchange have pursued reforms in the past few years aimed at increasing liquidity and easing rules to attract foreign investors - part of a broader plan to diversify the economy away from oil. Earlier this year, MSCI Inc. and FTSE Russell announced they will include the country in their emerging-market equity benchmarks starting in 2019, a move that should lead to billions of dollars in inflows.

CEO confirms Credit Suisse seeking Saudi banking license

Credit Suisse Chief Executive Tidjane Thiam personally travelled to Saudi Arabia to apply for a banking license, he said on Tuesday, confirming Reuters information the Swiss bank is seeking a full banking license in the Middle East's biggest economy. "I have been to Riyadh, I met the head of SAMA (the Saudi Arabian Monetary Authority), I made the application myself," Thiam said in response to a query during the bank's Q2 news conference. An increasing number of western banks and fund managers are looking to expand in the kingdom since the government unveiled a transformation plan aimed at privatising vast swathes of the economy.

London court rules DP W Djibouti contract "valid and binding"

Dubai's government said on Thursday the London Court of International Arbitration (LCIA) has ruled DP World's port container terminal contract in Djibouti was valid and binding. The government of Djibouti seized the Doraleh Container Terminal from DP World in February over a dispute dating back to at least 2012. Dubai government-controlled DP World has called the seizure illegal. "The LCIA Tribunal has ruled that Doraleh Container Terminal's Concession Agreement 'remains valid and binding'," Dubai's government media office said in a statement, which did not state when the ruling was made.

Saudi Prince Alwaleed's firm take \$266.7 mn stake in Deezer

Prince Alwaleed bin Talal's Kingdom Holding has completed a 1 billion Saudi riyal deal to buy newly issued shares in the French music streaming service Deezer, the company said in a statement on Thursday. Shares in Deezer will be bought through Kingdom Holding and Rotana Group, a Saudi-based entertainment company wholly owned by the Saudi billionaire which produces a series of channels covering music, cinema, religion, news and drama. The statement did not provide any further details on the stake or the number of shares acquired.

TPG, KKR lead contenders to manage Abraaj healthcare fund

(Reuters) Buyout firms TPG and KKR & Co have emerged as leading contenders to run Dubai-based private equity firm Abraaj's troubled \$1 billion healthcare fund, three sources familiar with the matter said. The two firms have access to the healthcare fund's virtual data room and are about to start due diligence, with offers expected in the next few weeks, two of the three sources said. They have emerged as frontrunners from an initial list of six bidders, two of the sources said, adding that some had been told investors wanted a potential manager with a large balance sheet and the ability to handle multiple regulators. One of the sources said TPG is trying to do the deal through its Rise Fund, its \$2 billion impact investment vehicle which counts Irish rock star Bono among its founders.

Kuwait's Kufpec signing \$1.1 billion finance deal - CEO

Kuwait Foreign Petroleum Exploration Company (Kufpec) has signed a \$1.1 billion finance deal with a number of banks to help it expand its oil and gas operations, the company's chief executive said on Tuesday. Japan's Sumitomo Mitsui Banking Corporation (SMBC), First Abu Dhabi Bank, Societe Generale, Japan's Mizuho and Scotiabank are the banks involved in the transaction, according to a company statement. Kufpec, a subsidiary of state-owned Kuwait Petroleum Corporation (KPC), aims to boost its output to 150,000 barrels of oil equivalent per day (boed) by 2020 from 119,000 boed now, Sheikh Nawaf al-Sabah told a news conference in Kuwait City.









Qatar telco Ooredoo's Q2 profit

Qatar-based telecommunications group Ooredoo reported a 60% decline in Q2 profit on Sunday, citing challenging conditions in Indonesia, Algeria, and Myanmar. Ooredoo, which operates in 10 countries in the Middle East, North Africa and Southeast Asia, made a net profit attributable to shareholders of 203 million riyals (\$55.8 million) compared to 513 million riyals in the same period a year ago. It was the second consecutive quarterly profit decline for the company.

UAE's Tabreed H1 2018 net profit increases 10%

National Central Cooling Company, Tabreed, today released its consolidated financial results for the first half of 2018. The company continues to meet the region's growing demand for district cooling and deliver solid performance and growth. Tabreed has reported a net profit of ten% to AED211.9 million in H1 2018, compared to the corresponding 2017 figure of AED192.7 million. Group revenue increased by two% to AED650.7 million, compared to AED639.2 million in H1 2017. Core chilled water revenue increased by two% to AED617.3 million from AED602.3 during the same period last year.

EQUITIES

			Price	As at	Δ 1 W NET	Δ 1 W %	High	Low
	TADAWUL ALL SH INDEX	SA	8253.54	02-Aug	-114.16	-1.36%	8,372.34	8,232.36
	ADX GENERAL INDEX	UA	4811.42	02-Aug	-32.77	-0.68%	4,862.86	4,803.06
	DFM GENERAL INDEX	UA	2973.94	02-Aug	25.14	0.85%	2,986.36	2,936.65
	QE Index	QA	9981.22	02-Aug	373.33	3.89%	9,987.20	9,556.31
	MSM30 Index	OM	4326.67	02-Aug	-9.24	-0.21%	4,347.86	4,316.12
	EGX 30 INDEX	EG	15806.38	02-Aug	607.09	3.99%	15,812.53	15,199.29
	KUWAIT PREMIER Index	KW	5349.33	02-Aug	-29.29	-0.54%	5,390.86	5,286.39
	BB ALL SHARE INDEX	BH	1349.17	02-Aug	-18.73	-1.37%	1,373.26	1,343.31
	AMMAN SE GENERAL INDEX	JO	2028.30	02-Aug	5.07	0.25%	2,029.41	2,002.11

TOP MOVERS

GAINERS			
1	METAL & RECYCLING CO	KU	47.80%
2	NATIONAL CONSUMER HOLDING CO	KU	34.62%
3	EZDAN HOLDING GROUP	QA	23.04%
4	AJWA FOR FOOD INDUSTRIES CO	EG	19.91%
5	JORDAN MASAKEN FOR LAND & IN	JO	18.54%
6	JORDANIAN REAL ESTATE FOR DE	JO	17.50%
7	AXA COOPERATIVE INSURANCE	SR	15.68%
8	SANAM REAL ESTATE CO KSCC	KU	15.63%
9	BBK BSC	BJ	13.33%
10	CANAL SHIPPING AGENCIES CO	EG	13.20%

LOSERS			
1	MENA REAL ESTATE CO	KU	-52.18%
2	KUWAIT REMAL REAL ESTATE CO	KU	-38.67%
3	ALBARAKA BANKING GROUP	BJ	-27.65%
4	SALBOOKH TRADING CO KSCP	KU	-23.92%
5	UNITED REAL ESTATE COMPANY	KU	-22.49%
6	DALLAH HEALTHCARE CO	SR	-15.99%
7	RAS AL KHAIMAH WHITE CEMENT	UA	-15.73%
8	WAFI INSURANCE	SR	-15.28%
9	NAMA CHEMICALS CO	SR	-14.22%
10	MASAFAT FOR SPECIALIZED TRAN	JO	-13.33%

TOP MARKET CAPS

1	SAUDI BASIC INDUSTRIES CORP	SR	-0.92%
2	SAUDI TELECOM CO	SR	-0.58%
3	QATAR NATIONAL BANK	QA	8.61%
4	EMIRATES TELECOM GROUP CO	UA	-1.17%
5	AL RAJHI BANK	SR	-2.35%
6	NATIONAL COMMERCIAL BANK	SR	-0.75%
7	SAUDI ELECTRICITY CO	SR	-7.75%
8	INDUSTRIES QATAR	QA	3.25%
9	DP WORLD LTD	UA	-2.22%
10	SAUDI ARABIAN MINING CO	SR	0.00%

TOP TRADING VOLUMES (WEEKLY AVG)

(in MILLIONS)			
1	AIR ARABIA PJSC	UA	44.74
2	ALINMA BANK	SR	36.34
3	ORASCOM TELECOM MEDIA AND TE	EG	26.73
4	CITADEL CAPITAL SAE	EG	25.15
5	PORTO HOLDING SAE	EG	24.15
6	DAR AL ARKAN REAL ESTATE DEV	SR	11.57
7	KUWAIT INTERNATIONAL BANK	KU	10.70
8	DANA GAS	UA	10.69
9	FINANCE HOUSE	UA	10.64
10	PALM HILLS DEVELOPMENTS SAE	EG	10.20

TOP SECTORS MOVERS (where index is officially priced)

SAUDI ARABIA		ABU DHABI	
Tadawul Media	4.31%	ADX Industrial	0.39%
Tadawul Cons Dura & App	1.07%	ADX Real Estate	-0.02%
Tadawul Food & Beverages	0.49%	ADX Insurance	-0.03%
Tadawul Utilities (L2)	-7.27%	ADX Consumer Staples	-2.99%
Tadawul HC Equip & Svc	-6.31%	ADX Energy	-1.25%
Tadawul Food & Stapl Ret	-5.16%	ADX Telecommunication	-1.17%

CURRENCIES

Cross Rates



USD



EUR



GBP



AUD



JPY*



CHF

	Saudi Riyal	SAR	3.75	4.35	4.88	2.76	29.77	3.77
	UAE Dirham	AED	3.67	4.26	4.78	2.70	30.40	3.69
	Qatari Riyal	QAR	3.65	4.23	4.75	2.69	30.58	3.67
	Omani Riyal	OMR	0.385	0.446	0.501	0.283	290.08	0.387
	Egyptian Pound	EGP	17.886	20.722	23.263	13.160	6.25	17.956
	Kuwaiti Dinar	KWD	0.303	0.351	0.394	0.223	368.50	0.304
	Bahraini Dinar	BHD	0.378	0.439	0.493	0.279	294.99	0.380
	Jordanian Dinar	JOD	0.710	0.822	0.923	0.522	157.37	0.715

- Thursday's closing prices are used to calculate the cross rates
- USD/EUR/GBP/AUD/CHF are base currencies

BONDS

Sovereign Eurobonds (USD)

LEBANON

Maturity Range (yrs)	Maturity	YTM
0 - 1	Nov-18	5.26
	May-19	6.81
1 - 2	Nov-19	7.47
	Mar-20	7.91
	Apr-20	8.03
	Jun-20	8.06
2 - 4	Apr-21	9.01
	Oct-22	9.23
4 - 7	May-23	9.45
	Apr-24	9.48
	Nov-24	9.52
	Dec-24	9.55
	Feb-25	9.56
	Jun-25	9.50
	Nov-26	9.47
	Mar-27	9.57
7 - 10	Nov-27	9.51
	May-29	9.59
	Feb-30	9.36
10 - 30	Apr-31	9.50
	Mar-32	9.39
	Nov-35	9.30
	Mar-37	9.26

GULF

Maturity Range (yrs)	Country	Maturity	YTM
0 - 1	DUBAI	Dec-18	2.78
	DUBAI	Feb-19	2.84
	ABU DHABI	Apr-19	2.59
	QATAR	Apr-19	2.63
1 - 2	QATAR	Jan-20	3.13
	2 - 4	DUBAI	Oct-20
ABU DHABI		May-21	3.32
QATAR		Jun-21	3.45
DUBAI		Jun-21	3.75
4 - 7	QATAR	Jan-22	3.56
	ABU DHABI	Oct-22	3.48
	QATAR	Jan-23	3.58
	DUBAI	Mar-25	4.45
7 - 10	ABU DHABI	May-26	3.83
	QATAR	Jun-26	3.95
10 - 30	ABU DHABI	Oct-27	3.91
	QATAR	Jun-30	4.46
	QATAR	Jan-40	4.80
	QATAR	Jan-42	4.80
	DUBAI	Jan-43	5.49
QATAR	Jun-46	4.71	
ABU DHABI	Oct-47	4.48	

Yields are MID values and shown strictly for information purpose and subject to change at any time

DISCLAIMER

This document is for information purposes only and does not take account of the specific circumstances of any recipient. The information contained herein does not constitute the provision of investment advice. It is not intended to be and should not be construed as a recommendation, offer or solicitation to acquire, or dispose of, any of the financial instruments mentioned in this document and will not form the basis or a part of any contract or commitment whatsoever.

*The information in this document is based on data obtained from sources believed by Bank of Beirut to be reliable and in good faith, but **no representations, guarantees or warranties are made by Bank of Beirut with regard to accuracy, completeness or suitability of the data.** The opinions and estimates contained herein reflect the current judgment of the author (s) on the data of this document and are subject to change without notice. The opinions do not necessarily correspond to the opinions of Bank of Beirut. Bank of Beirut does not have an obligation to update, modify or amend this document or to otherwise notify a reader thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.*

The past performance of financial instruments is not indicative of future results. No assurance can be given that any opinion described herein would yield favorable investment results. Any forecasts discussed in this document may not be achieved due to multiple risk factors including without limitation market volatility, sector volatility, corporate actions, the unavailability of complete and accurate information and/or the subsequent transpiration that underlying assumptions made by other sources relied upon in the document were inapposite.

Neither Bank of Beirut nor any of its respective directors, officers or employees accepts any responsibility or liability whatsoever for any expense, loss or damages arising out of or in any way connected with the use of all or any part of this document.

BANK OF BEIRUT GROUP

Lebanon

www.bankofbeirut.com

Australia

www.banksyd.com.au

United Kingdom

www.bankofbeirut.co.uk

Germany

www.bankofbeirut.de

Sultanate of Oman

www.bankofbeirut.com.om

For more info about:

Local Subsidiaries

[Click here](#)

Local Network

[Click here](#)

Overseas

[Click here](#)

For further inquiries, comments, and trading services, please contact:

GLOBAL MARKETS DIVISION

Phone:

+961 1 960501

Email:

treasury@bankofbeirut.com

fm.research@bankofbeirut.com