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Dun & Bradstreet

INSIGHT: GCC Stock Markets

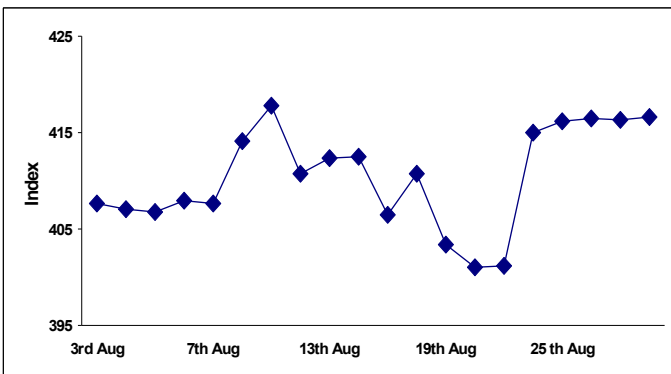
September 2009

Markets end in green despite high volatility

On the back of positive economic data which points towards possible global economic recovery, major world stock market indices ended the month in positive territory. However, high volatility was seen returning to the markets as investors were clueless after a continuous selling pressure was witnessed in the Chinese market which took the benchmark index down 23.1% from its current year's peak. This correction ignited concerns about the growth prospects of the economy. The DJIA continued to surge during the beginning of the month after government data showed that job cuts in the non-farm sector during July were far lesser than expected and it was the smallest such cut in a year. Adding to the momentum was the insurance giant, American International Group, which posted its first quarterly profits in seven quarters. The Institute for Supply Management in its monthly report indicates that the index for manufacturing activity in the US rose to 48.9 in July, its highest level since August 2008. However, a surprise decline in the preliminary assessment of the US consumer confidence index to 63.2 from 66.0 in July turned the investors' mood cautious, which led to profit booking in the US markets and dragged the other international markets lower.

This reignited the fears of a sluggish economic recovery as consumer spending accounts for around 70% of US economic activity. On the Asian front, a Chinese government report showed that the foreign direct investment in July fell 35.7% to US\$ 5.36 bn, a fall for 10 consecutive months. The announcement sparked a massive sell off on international bourses as China is at the forefront of the global economic recovery and has been relatively resilient to the global financial crisis. However, the tumbling investors' confidence was balanced by a 7.2% gain in existing home sales in the US in July, the highest such gain in two years. Regional markets mimicked the performance of their international peers with the lack of a positive catalyst to take the markets higher during the ongoing summer lull. With the exception of the SSE, all other regional markets ended the month in green with MSM leading the pack with 8.53% gains. Worldwide, stock markets of majority of the countries have touched their current year highs on hopes of a global economic recovery. However, the upcoming quarterly earnings data is going to be the litmus test for investors and will determine further direction for the markets.

MSCI GCC Index



GCC Indices

Market	31 Aug	31 Jul	%MTD	Mkt Cap (US\$bn)*
ADXGI	2,897.18	2,800.81	3.44	75.44
BASI	1,517.02	1,502.23	0.98	17.00
DFMGI	1,914.28	1,818.34	5.28	39.02
DSM20	7,117.25	6,707.73	6.11	83.67
KSEMI	7,914.30	7,679.50	3.06	115.13
MSM30	6,345.06	5,846.22	8.53	17.48
TASI	5,660.89	5,778.14	-2.03	292.75

* - As on 31 August 2009

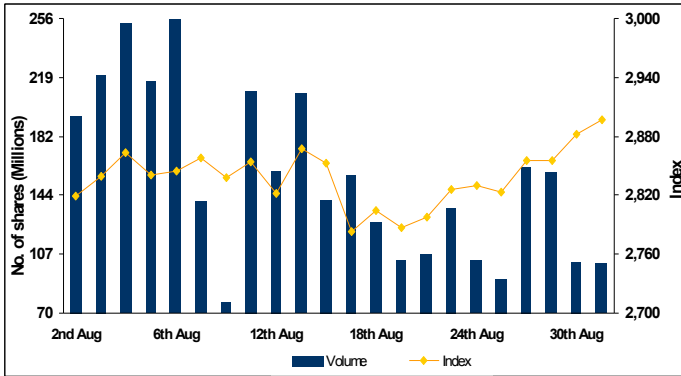
Commodities

US\$ per barrel	31 Aug	31 Jul	%MTD	%YTD
OPEC Basket	70.37	66.42	5.95	97.78
US\$ per ounce			%MTD	%YTD
Gold	954.20	953.10	0.12	7.99
US\$ per tonne			%MTD	%YTD
Aluminium	1,913	1,887	1.36	27.86
Copper	6,500	5,708	13.88	121.45
Steel	455	415	9.64	35.82

World Indices

Market	31 Aug	31 Jul	%MTD	%YTD
DJIA	9,496.28	9,171.61	3.54	8.20
FTSE	4,908.90	4,608.36	6.52	10.71
KOSPI	1,591.85	1,557.29	2.22	41.56
NASDAQ	2,009.06	1,978.50	1.54	27.40
NIFTY	4,662.10	4,636.45	0.55	57.55
NIKKEI	10,492.53	10,356.83	1.31	18.43
SSE Composite	2,667.75	3,412.06	-21.81	46.51

ADX General Index



Insight

In line with international peers, the Abu Dhabi exchange saw a volatile trading month with the index ending up by 3.44%. Broad based buying was witnessed on realty stocks with Aldar Properties gaining 21.25%, followed by Sorouh Real Estate which surged 10.84%. Aabar Investments advanced 23.14% on the back of news that the company signed a deal with the Algerian government to set up factories in the country to produce four wheel drive vehicles and engines in a joint venture with five German firms including Aabar's affiliate Daimler AG. The shares of Abu Dhabi National Energy Company added 7.05% on account of news that the company's subsidiary Taqa Energy B.V. acquired a 15% stake in North Sea assets from the L11b Group. Arkan Building Materials Company slipped 15.14% as the company announced a net loss of AED 34 mn for the first half of the year, down 73.4% from the same period last year.

Recent News

- Foodco Holding reported earnings of AED 5.54 mn in its interim results for Q2 2009; earnings for the comparable period stood at AED 22.63 mn.
- Dana Gas announced its interim earnings of AED 392 mn for the quarter ended 30 June 2009 compared to AED 34 mn in Q2 2008.

Sectoral Trends

Sector	31 Aug	31 Jul	%MTD	%YTD
General index	2,897.18	2,800.81	3.44	21.22
Bank & Fin Svcs	4,051.12	4,054.35	-0.08	27.85
Construction	3,198.03	3,423.28	-6.58	-28.15
Consumer	1,466.20	1,428.97	2.61	24.78
Energy	225.64	205.31	9.90	84.78
Health Care	1,310.65	1,165.82	12.42	-3.98
Industrial	2,392.19	2,296.84	4.15	8.96
Insurance	3,004.45	2,998.48	0.20	-14.15
Real Estate	579.28	499.79	15.90	14.25
Telecommunication	2,210.59	2,087.76	5.88	30.51

Recent News (Contd.)

- Abu Dhabi National Energy Company posted earnings of AED 136 mn in its interim results for the quarter ended 30 June 2009; earnings for the comparable period were AED 472 mn.
- Al Ain Ahlia Insurance Company reported interim earnings of AED 9.85 mn for Q2 2009 as against earnings of AED 41.27 mn for the same period in the previous year.
- A joint venture has been announced by Abu National Insurance Company with Talbot Underwriting Company- a fully owned subsidiary of Validus Holdings, to establish a general managing agency in the Dubai International Financial Centre under the name of Underwriting Risk Services Middle East (URSME).
- Fujairah Cement Industries posted earnings of AED 31.83 mn for the three months ended 30 June 2009 as against AED 41.31 mn for the previous period.
- First Gulf Bank bank announced that it has bought back 0.0145% (200,000 shares) of its outstanding shares at a price of AED 16.15 per share.

Top Gainers

Company	31 Aug	31 Jul	Change	%Chg
Gulf Medical Proj	3.20	2.55	0.65	25.49
Agthia Group	2.08	1.68	0.40	23.81
Aabar Investments	2.82	2.29	0.53	23.14
Nat Bk Ras Al-Khaimah	4.60	3.75	0.85	22.67
Aldar Prop	4.85	4.00	0.85	21.25

Most Active by Volume

Company	Volume	CMP (AED)	%Chg
RAK Prop	870,174,468	0.74	2.78
Dana Gas	806,897,794	1.15	0.00
Aabar Investments	398,673,580	2.82	23.14
Sorouh Real Est	329,947,509	3.17	10.84
Aldar Prop	243,796,113	4.85	21.25

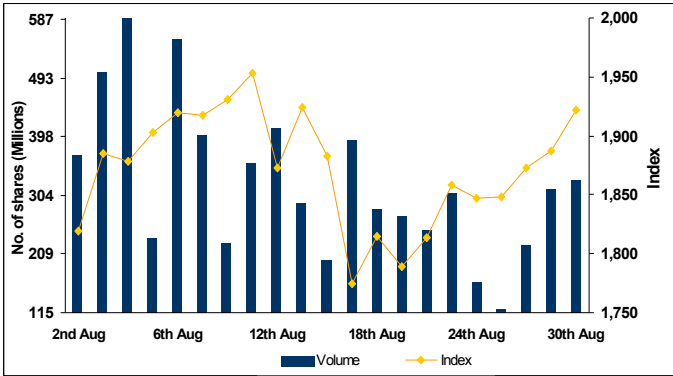
Top Losers

Company	31 Aug	31 Jul	Change	%Chg
Arkan Bldg Mat	3.42	4.03	-0.61	-15.14
Union Cement	1.74	2.04	-0.30	-14.71
Abu Dhabi Aviation	2.89	3.35	-0.46	-13.73
Int Fish Farm Hldg	19.85	22.90	-3.05	-13.32
Union Ins	3.42	3.80	-0.38	-10.00

Most Active by Value

Company	Value (AED)	CMP (AED)	%Chg
Aabar Investments	1,074,416,082	2.82	23.14
Aldar Prop	1,071,178,826	4.85	21.25
Sorouh Real Est	999,825,179	3.17	10.84
Dana Gas	961,723,797	1.15	0.00
RAK Prop	657,481,094	0.74	2.78

DFM General Index



Insight

The Dubai Financial Market advanced 5.28% with renewed buying interest witnessed in the real estate sector which gained 15.02%. Emaar Properties announced that its Indian subsidiary Emaar MGF plans to go public for the second time after abandoning its US\$ 1.6 bn initial public offering bid 18 months ago. The shares of Emaar Properties closed the month up 26.64% and helped the broader general index to post decent gains for the month. Shuaa Capital gained 24.53% as the company reported net profit of AED 92 mn for the first half of the year, up 37% from last year's figure. The company also announced that it will convert the existing AED 1,500 mn convertible notes held by Dubai Banking Group into 515 million shares which represent a 48.4% stake in Shuaa Capital. Arabtec Construction, which announced the award of a contract worth AED 686 mn to build the Onyx Towers in Dubai, surged 7.33%.

Recent News

- Union Properties has reported a second-quarter net loss of AED 228 mn (US\$ 62.1 mn) as the value of its investments took a hit and it struggled to deliver properties. The company lost AED 304 mn on valuation of investment properties in the first six months of the year and net loss for the first half

Sectoral Trends

Sector	31 Aug	31 Jul	%MTD	%YTD
General Index	1,914.28	1,818.34	5.28	16.99
Banking	1,073.41	1,065.10	0.78	-2.13
Investment	2,701.12	2,592.09	4.21	11.14
Insurance	3,822.92	3,812.61	0.27	14.59
Real Estate	3,498.44	3,041.61	15.02	47.25
Transportation	511.64	510.14	0.29	35.11
Materials	151.11	154.81	-2.39	-38.93
C Staples	501.00	478.00	4.81	26.52
Telecom	449.84	448.22	0.36	28.11
Utilities	1,640.62	1,694.71	-3.19	75.00

Recent News (Contd.)

stood at AED 198 mn.

- Air Arabia's second quarter net profit rose 10% from a year earlier as it reported a net profit of AED 90 mn (US\$ 24.5 mn) for Q2 2009 from AED 82 mn in the corresponding period of the previous year.
- National Central Cooling Co.(Tabreed) has said that it will focus on project delivery and long-term financing after the company posted a 22% fall in Q2 2009 earnings. Net profit for the period slipped to AED 25.7 mn (US\$ 6.9 mn) from AED 33 mn a year earlier, while first-half net profit fell 4% to AED 47.4 mn mainly due to finance costs.
- Tamweel PJSC has posted second-quarter net loss of AED 35 mn (US\$ 9.5 mn) and has made impairment provisions of AED 89 mn. The company's Islamic financing and investing assets were AED 10.5 bn, excluding a securitized asset book of AED 353 mn that has been taken off balance sheet.
- Dubai Holding announced the merger of the property portfolio of its three troubled real estate units ahead of a planned merger with Emaar Properties. The company said it has merged the project portfolio of Dubai Properties LLC, Sama Dubai LLC and Tatweer LLC.

Top Gainers

Company	31 Aug	31 Jul	Change	%Chg
EMAAR Prop	3.47	2.74	0.73	26.64
SHUAA Capital	1.98	1.59	0.39	24.53
Emirates Nat Bk of Dubai	3.74	3.25	0.49	15.08
Takaful Emarat	1.74	1.55	0.19	12.26
Arab Ins Grp	2.00	1.80	0.20	11.11

Most Active by Volume

Company	Volume	CMP (AED)	%Chg
EMAAR Prop	1,311,122,538	3.47	26.64
Union Prop	832,359,219	0.93	-12.26
Dubai Fin Mkt	771,773,158	1.83	6.40
Air Arabia	611,519,754	1.02	2.00
Drake & Scull Int	588,968,044	0.89	1.14

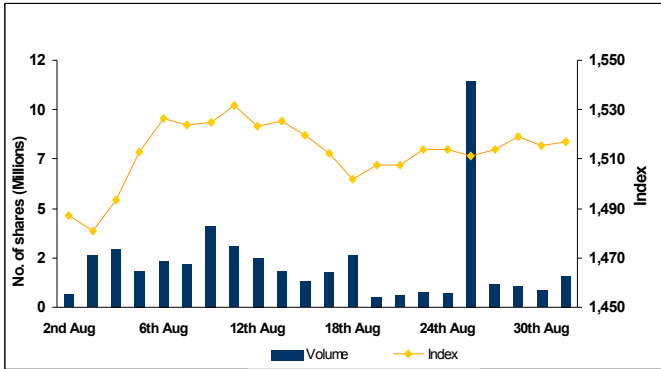
Top Losers

Company	31 Aug	31 Jul	Change	%Chg
Al Mazaya Hldg	2.92	4.38	-1.46	-33.33
Dubai Refreshments	9.97	14.45	-4.48	-31.00
Mashreqbank	86.15	117.00	-30.85	-26.37
ACICO Inds	5.14	6.00	-0.86	-14.33
Global Inv House	1.69	1.97	-0.28	-14.21

Most Active by Value

Company	Value (AED)	CMP (AED)	%Chg
EMAAR Prop	4,142,460,990	3.47	26.64
Arabtec Hldg	1,657,463,935	2.93	7.33
Dubai Fin Mkt	1,369,834,659	1.83	6.40
Union Prop	859,670,877	0.93	-12.26
Air Arabia	619,193,626	1.02	2.00

BSE General Index



Insight

The Bahrain All Share Index ended the month only marginally up by 0.98% due to mixed corporate earnings and volatility witnessed in the international markets. Ahli United Bank was the biggest gainer, up 13.83% despite reporting a 37.85% dip in its net profit for the second quarter as compared to the previous quarter. In a related news, the company also announced repaying a US\$ 400 mn loan facility. United Gulf Bank tumbled 22.94% as the company reported a net profit of US\$ 5.7 mn for the second quarter of the year as opposed to a net profit of US\$ 11 mn in the first quarter, indicating a 50% dip in profits. Gulf Finance House which reported a net loss of US\$ 54.4 mn for the first half of 2009 fell 18.87%. During the month, the volume of shares traded on the bourse increased by 82.47% to reach a total of 47.01 million shares.

Recent News

- General Trading and Food Processing Company has announced acquisition of the remaining 50% stake in Bahrain Fresh Fruits Company and has now fully acquired the same.
- Ithmaar Bank reported losses of US\$ 33.83 mn in its interim results for the quarter ended 30 June 2009; earnings for the comparable period last year stood at US\$ 48.54 mn.

Sectoral Trends

Sector	31 Aug	31 Jul	%MTD	%YTD
General Index	1,517.02	1,502.23	0.98	-15.91
Commercial Banks	1,848.94	1,721.40	7.41	-12.66
Investment	1,222.58	1,286.75	-4.99	-22.75
Insurance	1,912.73	1,877.23	1.89	-15.96
Services	1,509.43	1,462.35	3.22	-7.87
Industrial	1,179.04	1,179.04	0.00	-7.45
Hotels & Tourism	2,980.01	3,012.02	-1.06	4.61

Recent News (Contd.)

- Bahrain Islamic Bank has announced the signing of a four year US\$ 70 mn credit facility with Gulf Air to finance the purchase of new Airbus A320 planes by the latter.
- Takaful International Company posted earnings of BHD 40,324 for the quarter ended 30 June 2009 as against BHD 12,223 for the previous comparable period.
- Al-Baraka Bank-Syria – a subsidiary of Al Baraka Banking Group will offer 35% of its shares through an IPO starting 4 October 2009 at a price of US\$ 10.85 per share.
- Khaleeji Commercial Bank posted interim earnings of BHD 3 mn for the quarter ended 30 June 2009 as compared to BHD 13.6 mn for Q2 2008.
- Bahrain Maritime and Mercantile International approved the distribution of cash dividends of BHD 0.02 per share for the half year ended 30 June 2009.
- Bahrain Family Leisure declared losses of BHD 313,005 for the quarter ended 30 June 2009; earnings for the previous comparable period stood at BHD 321,241.
- Bahrain Middle East Bank has reported interim losses of US\$ 13.97 mn for the quarter ending 30 June 2009 compared to losses of US\$ 269,000 in the previous comparable period.

Top Gainers

Company	31 Aug	31 Jul	Change	%Chg
Ahli United Bank	\$0.535	\$0.470	0.065	13.83
Bahrain Com Facili	0.466	0.410	0.056	13.66
Nass Corporation	0.268	0.236	0.032	13.56
Nat Bk of Bahrain	0.595	0.550	0.045	8.18
Ithmaar Bank	\$0.220	\$0.205	0.015	7.32

Most Active by Volume

Company	Volume	CMP (BHD)	%Chg
Ahli United Bank	16,367,935	\$0.535	13.83
Al Salam Bank	8,682,216	0.110	-1.79
Ithmaar Bank	6,173,500	\$0.220	7.32
Nass Corporation	2,788,660	0.268	13.56
Khaleeji Commercial Bank	2,519,401	0.135	-2.88

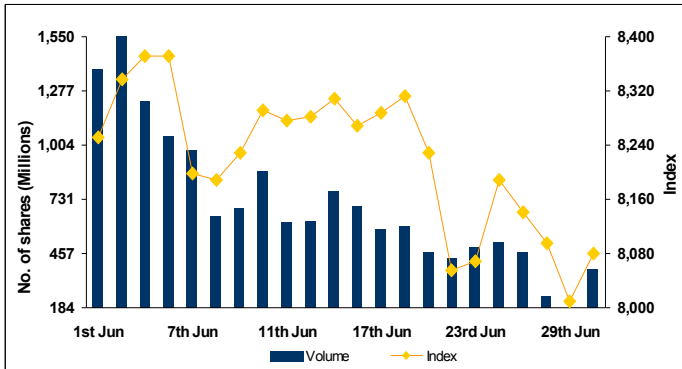
Top Losers

Company	31 Aug	31 Jul	Change	%Chg
United Gulf Bank	0.420	0.545	-0.125	-22.94
Gulf Finance House	\$0.645	\$0.795	-0.150	-18.87
Bahrain Cinema	0.750	0.800	-0.050	-6.25
Banader Hotels	0.067	0.071	-0.004	-5.63
Bahrain Islamic Bank	0.204	0.214	-0.010	-4.67

Most Active by Value

Company	Value (BHD)	CMP (BHD)	%Chg
Ahli United Bank	3,304,939	\$0.535	13.83
Bahrain Telecom	1,354,699	0.575	3.60
Al Salam Bank	987,580	0.110	-1.79
Nass Corporation	777,070	0.268	13.56
Ithmaar Bank	521,163	\$0.220	7.32

KSE General Index



Insight

The Kuwait Stock Exchange reversed last month's loss and advanced 3.06% with better than expected corporate earnings. The shares of National Investments Company jumped a whopping 110.17% as the company announced a net profit of KWD 5.3 mn for the second quarter of this year as opposed to a net loss of KWD 3.9 mn in the first quarter. This was followed by Coast Investment & Development Company, which gained 58.62% on the back of the company announcing a net profit of KWD 12.06 mn after reporting a net loss in the previous quarter. Zain gained 20.63% on account of news that the company was in talks with three international telecom groups to sell all or part of its African assets. Towards the end of the month, the company also abolished restrictions on share ownership which limited an individual investor to hold not more than 2% of the company's shares.

Recent News

- International Investment Group announced their quarterly earnings of KWD 1.4 mn for Q2 2009 as compared to KWD 4.1 mn for Q2 2008.
- Global Investment House announced losses of KWD 29.1 mn for Q2 2009 as compared to earnings of KWD 47.6 mn for Q2 2008.

Sectoral Trends

Sector	31 Aug	31 Jul	%MTD	%YTD
General Index	7,914.30	7,679.50	3.06	1.69
Banking	8,839.70	8,754.40	0.97	-9.35
Insurance	2,828.00	2,906.00	-2.68	-14.72
Investment	6,684.60	6,555.60	1.97	-10.58
Real Estate	3,078.00	3,176.60	-3.10	-10.73
Industrial	6,388.30	5,506.90	16.01	25.59
Services	16,291.30	15,970.20	2.01	5.69
Food	4,982.20	4,538.30	9.78	44.12
Non Kuwaities	8,387.00	8,439.00	-0.62	6.03

Recent News (Contd.)

- AREF Investment Group announced losses of KWD 20.5 mn for Q2 2009 as compared to earnings of KWD 14 mn for Q2 2008.
- National Petroleum Services Company was awarded a KWD 2.5 mn tender offer for the supply of drill pipes for Kuwait Oil Company, for a period of 18 months.
- The Kuwait Central Bank has approved the merger of Kuwait Invest Holding Company with International Finance Company and Jeezan Holding.
- Al Safat Real Estate Company announced earnings of KWD 267,706 for Q2 2009 as compared to earnings of KWD 193,133 for Q2 2008.
- Ahli United Bank announced that it has received the approval from the Central Bank of Iraq to increase its stake in Commercial Bank of Iraq from 49% to 75%.
- Hits Telecom Holding Company announced that it has increased its stake in Hits Spain from 51% to 63% for a total value of KWD 611,277 (EUR 1.5 mn).
- Al Aman Investment Company announced losses of KWD 3.5 mn for Q2 2009 as compared to earnings of KWD 1.8 mn for Q2 2008.

Top Gainers

Company	31 Aug	31 Jul	Change	%Chg
National Inv	0.620	0.295	0.325	110.17
Coast Inv & Dev	0.184	0.116	0.068	58.62
Kuwait Syrian Hldg	0.112	0.072	0.040	55.56
Contractg & Mar Serv	0.570	0.375	0.195	52.00
Gulf Cable	1.940	1.300	0.640	49.23

Most Active by Volume

Company	Volume	CMP (KWD)	%Chg
Investors Hldg	794,680,000	0.059	5.36
Mobile Telecomm	572,635,000	1.520	20.63
Kuwait Real Est	508,000,000	0.095	-1.04
Int Fin Advisors	500,240,000	0.138	-4.17
Al-Deera Hldg	437,560,000	0.114	14.00

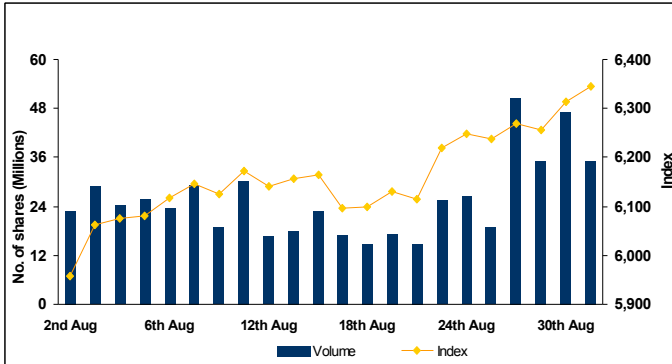
Top Losers

Company	31 Aug	31 Jul	Change	%Chg
Ajial Real Est	0.136	0.202	-0.066	-32.67
Equipment Hldg	0.069	0.095	-0.026	-27.37
Nafais Hldg	0.094	0.126	-0.032	-25.40
Aref Investment	0.158	0.204	-0.046	-22.55
Al-Madar Fin & Inv	0.068	0.087	-0.019	-21.84

Most Active by Value

Company	Value (KWD)	CMP (KWD)	%Chg
Mobile Telecomm	798,560,350	1.520	20.63
Publ Warehsing	172,868,650	1.260	8.62
Kuwait Fin Hs	127,094,000	1.280	3.23
National Ind Grp	105,013,600	0.480	3.23
Nat Bk Kuwait	89,448,850	1.260	3.28

MSM General Index



Insight

The Muscat Securities Market emerged the top gainer last month, up 8.53% and added 4.06% to its capitalization which stood at US\$ 17 bn as of August end. The performance was somewhat supported by positive global cues and the announcement that the country has increased its oil production by 6.6% in the first six months of the current year as compared to the same period last year. This increase in production will provide additional revenues to the government and will support the local economy during the ongoing global financial crisis. The industrial sector posted gains of 16.5% and was closely followed by the banking and investment sector which gained 15.7%. Massive buying was witnessed in the shares of Gulf International Chemicals which emerged as the top most gainer last month after the company's Board proposed an interim cash dividend and an issue of bonus shares.

Recent News

- Al Anwar Holdings announced that it has sold 1 million shares in National Aluminium Products Company for a value of OMR 428,921, realizing a profit of OMR 176,228
- Oman and Emirates Investment Holding Company reported earnings of OMR 2.16 mn in its interim results for quarter ended 30 June 2009; as against

Sectoral Trends

Sector	31 Aug	31 Jul	%MTD	%YTD
General Index	6,345.06	5,846.22	8.53	16.61
Banking & Investment	9,257.20	7,998.64	15.73	39.82
Industry	7,447.17	6,388.76	16.57	72.32
Service & Insurance	2,608.70	2,467.28	5.73	3.20

Recent News (Contd.)

a loss of OMR 394,177 for the previous comparable period.

- The BOD of Oman Flour Mills Company has approved the distribution of 20% cash dividend for the year ended 30 June 2009.
- Al Hasaan Engineering Company was awarded a US\$ 47 mn letter of intent from Petrofac to start construction work on the Kauther Gas Project for Petroleum Development Oman (PDO). The project is expected to be completed within a 30-month period.
- Oman Hotels and Tourism Company has announced its interim earnings of OMR 933,997 for half year ended 30 June 2009 as compared to earnings of OMR 2.10 mn in the previous comparable period.
- Oman International Development and Investment Company posted interim earnings of OMR 6.84 mn for the half year ended 30 June 2009. Earnings stood at OMR 15.844 mn in the previous comparable period.
- Al Batinah Development and Investment Holding Company announced interim earnings of OMR 90,000 for the half year ended 30 June 2009 compared to earnings of OMR 396,000 in the previous period.
- Cement Gypsum Products Company announced interim earnings of OMR 356,339 for the half year ended 30 June 2009 compared to OMR 2,884 in the previous period.

Top Gainers

Company	31 Aug	31 Jul	Change	%Chg
Gulf Int Chemicals	0.365	0.179	0.186	103.91
Nat Aluminium Prods	0.554	0.369	0.185	50.14
ONIC Holding	0.502	0.361	0.141	39.06
Oman United Ins	0.253	0.185	0.068	36.76
Oman Cables Ind	1.530	1.167	0.363	31.11

Most Active by Volume

Company	Volume	CMP (OMR)	%Chg
Al Anwar Holding	52,172,940	0.271	23.74
ONIC. Holding	40,593,525	0.502	39.06
Al Jazeera Services	34,262,340	0.288	20.00
Oman Fisheries	31,799,067	0.147	12.21
Oman & Emirates Inv	30,229,210	0.249	13.70

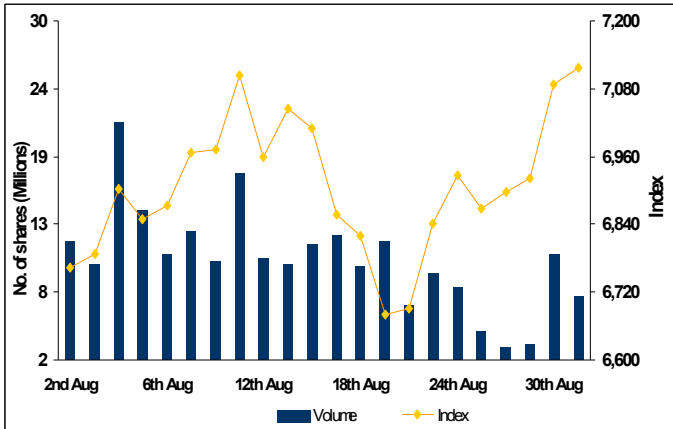
Top Losers

Company	31 Aug	31 Jul	Change	%Chg
Al Ahlia Convertg	0.200	0.368	-0.168	-45.65
Tageer Finance	0.266	0.295	-0.029	-9.83
Nat Mineral Water	0.158	0.175	-0.017	-9.71
Oman Chromite	2.000	2.199	-0.199	-9.05
Oman Int Bank	0.305	0.318	-0.013	-4.09

Most Active by Value

Company	Value (OMR)	CMP (OMR)	%Chg
Bank Muscat	19,987,188	0.819	12.35
ONIC Holding	18,122,040	0.502	39.06
Al Anwar Holding	13,010,036	0.271	23.74
Oman Cement	12,069,666	0.738	11.82
Nat Aluminium Prods	11,426,625	0.554	50.14

DSM General Index



Insight

The DSM20 gained 6.11% with all its four sectoral indices ending the month in green. The shares of Zad Holding advanced 21.43% as the company reported a net profit of QAR 29.9 mn for the second quarter of 2009 which is up 81.9% from the previous quarter. Barwa Real Estate which announced plans to build a US\$ 9.04 bn project in Egypt through its subsidiary was up 12.86%. Additionally, the company also announced that it has increased its stake in Kuwait's Al Imtiaz Investment to 24.5%. Qatar Islamic Bank surged 11.45% on the back of news that the company reported a net profit of QAR 462.4 mn for the second quarter of the year, a 32% increase from the previous quarter. During the month, 28 advancers stacked up against 15 decliners. Market capitalization was up by 12.8% and stood at US\$ 83.67 bn at the end of August.

Recent News

- Industries Qatar said its first half net profit fell 43% to QAR 2.6 bn (US\$ 714 mn) from QAR 4.6 bn a year earlier. Earnings per share during the period fell to QAR 4.78 from QAR 8.35 a year earlier.
- Qatar Telecom has posted a 59% rise in second-quarter earnings with the net profit for the period

Sectoral Trends

Sector	31 Aug	31 Jul	%MTD	%YTD
General Index	7,117.25	6,707.73	6.11	3.36
Banking	10,277.50	9,545.82	7.66	-0.41
Insurance	4,169.40	3,968.28	5.07	-15.95
Industry	6,911.30	6,779.48	1.94	6.47
Services	5,258.95	4,989.32	5.40	12.85

Recent News (Contd.)

- rising to QAR 1 bn (US\$ 274.6 mn) from QAR 658.5 mn a year earlier, while first-half net profit surged 38% to QAR 1.6 bn. The second-quarter revenues rose 30% to QAR 5.9 bn, while revenue for the first six months of the year rose 42%.
- Qatar Fuel Co has reported a 16% rise in first half 2009 net profit to QAR 407.8 mn (US\$ 111.9 mn), from QAR 351.3 mn a year earlier. Earnings per share for the period increased to QAR 12.95 from QAR 11.71 a year earlier. Subsequently the company also said that sales of aircraft fuel plunged 47% in the first half of year due to weakening global airline activity. The company's aircraft fuel sales totaled QAR 828.46 mn (US\$ 227.6 mn) in the first half of 2009 compared with QAR 1.55 bn a year earlier.
- Qatar Islamic Bank's (QIB) CEO Mr. Salah Jaidah has announced its 2009 first half results revealing a net profit of QAR 812.6 mn. QIB's financing and investment portfolios revealed record growth with the financing portfolio climbing 29.6% from H1 2008 to QAR 19.7 bn.
- Barwa Real Company has posted a first-half net profit of QAR 374.2 mn (US\$ 102 mn), a 34% rise from QAR 278.7 mn in the year earlier period. Its EPS for the period under review was QAR 1.43, up from QAR 1.13 a year ago. In related news the company's Chief Executive Nasser Kamal has announced that the company has earmarked up to QAR 50 bn (US\$ 13.7 bn) for three of its projects in Egypt and Qatar.

Top Gainers

Company	31 Aug	31 Jul	Change	%Chg
Ezdan Real Est	35.60	20.20	15.40	76.24
Zad Hldg	51.00	42.00	9.00	21.43
Qatar Nat Bk	150.20	128.50	21.70	16.89
Doha Ins	20.90	18.30	2.60	14.21
Barwa Real Est	35.10	31.10	4.00	12.86

Most Active by Volume

Company	Volume	CMP (QAR)	%Chg
Barwa Real Est	35,657,533	35.10	12.86
Vodafone Qatar	32,901,703	8.90	-14.42
Qatar Gas Trans	29,517,473	25.30	4.12
Masraf Al Rayan	25,226,786	12.10	0.83
Gulf Int Ser	18,854,187	31.60	7.12

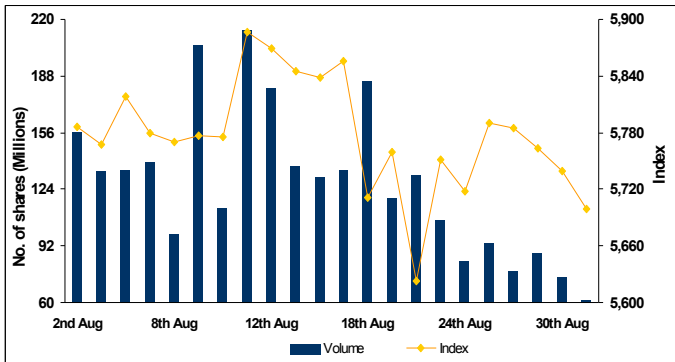
Top Losers

Company	31 Aug	31 Jul	Change	%Chg
Qatar Cin Film	33.00	38.80	-5.80	-14.95
Vodafone Qatar	8.90	10.40	-1.50	-14.42
Al Khalij Comm Bk	14.90	16.60	-1.70	-10.24
Qatar Elec Water	103.30	113.20	-9.90	-8.75
Nat Leasing Hldg	17.50	18.40	-0.90	-4.89

Most Active by Value

Company	Value (QAR)	CMP (QAR)	%Chg
Barwa Real Est	1,212,802,603	35.10	12.86
Inds Qatar	995,524,517	108.00	2.86
Qatar Gas Trans	734,825,852	25.30	4.12
Gulf Int Ser	578,361,940	31.60	7.12
Comm Bk of Qatar	549,716,591	73.00	6.41

ADX General Index



Insight

The Tadawul All Share benchmark index was the only market to end the month in red, down 2.03%. The hotel & tourism industry led the downturn dipping 10.89% after the Government imposed a ban on children & elderly people from undertaking the holy pilgrimage of Hajj in an effort to curb the spread of H1N1 virus. Newly listed National Petrochemical Company (Petrochem) was the biggest gainer for the month surging 38%. SABB Takaful gained a massive 30.3% as the company announced a rights issue at SAR 12.5 per share which was oversubscribed by 14.5%. The shares of SABIC touched its current year high of SAR 74 after it was announced that the company has signed a joint venture agreement with Japan's Mitsubishi Rayon to set up a US\$ 1 bn venture to produce 250,000 tons of methyl methacrylate monomers. However, led by the weakness in international equities, the share of SABIC closed the month down 1.08%.

Recent News

- Middle East Specialized Cables Company announced that it has signed agreements with contractors to supply cables for a total value of SAR 95 mn in Algeria, KSA, Qatar and UAE.
- Saudi Electricity Company announced its plan to

Sectoral Trends

Sector	31 Aug	31 Jul	%MTD	%YTD
Genl Index / TASI	5,660.89	5,778.14	-2.03	17.86
Banks & Fin Svcs	14,746.00	15,197.33	-2.97	8.46
Petrochemical Inds	4,615.55	4,576.88	0.84	45.56
Cement	3,810.87	3,759.80	1.36	24.73
Retail	4,412.86	4,363.60	1.13	18.21
Energy & Utilities	3,619.58	3,590.27	0.82	5.99
Agri & Food Inds	4,443.66	4,520.56	-1.70	15.10
Telecom & Info Tech	1,740.30	1,816.05	-4.17	5.70
Insurance	949.70	997.10	-4.75	55.79
Multi-Investment	2,342.14	2,475.15	-5.37	14.10
Industrial Inv	4,148.41	4,423.27	-6.21	26.10
Bldg & Constrctn	3,902.75	4,147.81	-5.91	-0.45
Real Estate Dev	3,393.89	3,524.33	-3.70	5.59
Transport	3,300.19	3,382.98	-2.45	11.87
Media and Publshg	2,005.20	2,127.92	-5.77	12.41
Hotel & Tourism	5,578.25	6,260.30	-10.89	39.92

Recent News (Contd.)

add 32,000 megawatt of power, link the country's regional networks, and increase electricity reserves to 10% within the next two years.

- Saudi Telecom announced that it has acquired the US\$ 240 mn third mobile license in Bahrain and plans to invest US\$ 100 mn on its infrastructure development. The company expects to launch its network by the end of 2009 or early 2010
- Saudi Hotels and Resort Areas Company approved the distribution of SAR 0.6 per share cash dividend for the six month period ended 30 June 2009 (H1 2009).
- Makkah Construction and Development Company approved distribution of SAR 1.5 per share cash dividend for the year ended 25 April 2009.

Top Gainers

Company	31 Aug	31 Jul	Change	%Chg
Petrochem	13.80	10.00	3.80	38.00
SABB Takaful	46.10	35.40	10.70	30.23
Sagr Insurance	68.25	53.00	15.25	28.77
SArabian Co-op Ins	83.50	68.00	15.50	22.79
Saudi Ind Inv Grp	22.50	19.00	3.50	18.42

Most Active by Volume

Company	Volume	CMP (SAR)	%Chg
Petrochem	429,009,704	13.80	38.00
Alinma Bk	308,640,414	12.50	-4.58
SABIC	228,279,991	68.50	-1.08
MA'ADEN	108,330,916	14.10	-9.03
Saudi Steel Pipe	84,052,636	29.00	NA

Top Losers

Company	31 Aug	31 Jul	Change	%Chg
Alahli Takaful	104.50	157.75	-53.25	-33.76
Ace Arabia Co-op Ins	55.50	76.25	-20.75	-27.21
Fitaihi Group	17.00	22.00	-5.00	-22.73
Saudi Export	35.10	42.00	-6.90	-16.43
Al-Baha Inv & Dev	16.75	19.90	-3.15	-15.83

Most Active by Value

Company	Value (SAR)	CMP (SAR)	%Chg
SABIC	16,206,808,330	68.50	-1.08
Petrochem	6,076,278,025	13.80	38.00
Alinma Bk	4,019,645,647	12.50	-4.58
Saudi Steel Pipe	2,788,597,562	29.00	NA
Al Rajhi Bk	2,542,219,482	67.00	0.75



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Economic Analysis Group, Dun & Bradstreet South Asia Middle East, Dubai - International Financial Center, P.O. Box 506511, Dubai, UAE. Tel. +971 4 3695700,
Email: eag@dnbsame.com

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