

GCC Market Snap Shot

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October 3, 2012

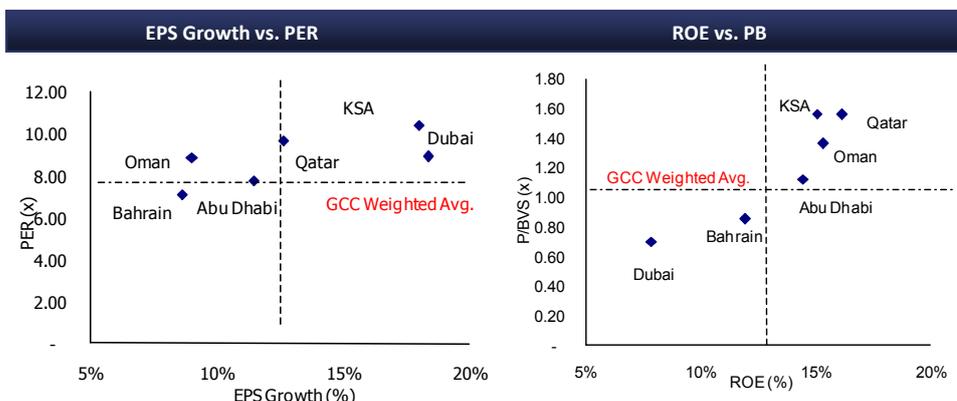
Global Development: More bad news are piling up on the China front, as the Chinese PMI services published by the govt. recorded 53.7 in September, compared to 56.3 in August, the lowest since November 2010, due to weak construction services and logistics. In another related news, the Asian Development Bank has cut the growth estimates of Asia, down to 6.1% in 2012 and 6.7% in 2013; for the two major economies, the growth forecasts have been 7.7% this year and 8.1% in 2013 for China, and 5.6% in 2012 and 6.7% next year for India. In Portugal, the country's debt agency said that it will sell 3-yr bonds maturing in October 2015 and will offer to buy September 2013 bonds worth € 10bn as it seeks to regain access to the debt markets as the yields of Portugal's 10 -yr bonds have come down to about 8.9%. In Japan, the composite PMI recorded a modest decline in September at 48.4 compared to 48.6 the previous month, and the Services PMI for the month recorded 48.9 compared to 49.3 in August. Australia released its merchandise trade figures for August, showing the deficit at AU\$ 2.03bn, up from AU\$ 1.53bn in August as the exports and imports were both down by 3.3% and 1.3% respectively, on month. In the morning session, the Asian markets were majorly down by 0.01% - 0.50% on continuous weak data from China and the euro-zone debt crisis, the only exception being Hang Seng which was up by 0.26%.

Global Markets Performance

| MENA | Index | DoD | WoW | MoM | YTD |
|---------------|--------|--------|-------|-------|-------|
| BASI | 1,079 | 0.05% | 0.0% | 0.6% | -5.6% |
| TASI | 6,896 | 0.20% | 0.3% | -3.3% | 7.5% |
| MSM | 5,602 | -0.05% | 0.7% | 1.7% | -1.6% |
| QE | 8,536 | 0.15% | 0.4% | 0.9% | -2.8% |
| ADX | 2,647 | 0.48% | 1.9% | 3.5% | 10.2% |
| DFM | 1,604 | -0.31% | 0.8% | 3.6% | 18.5% |
| KSE | 5,972 | -0.05% | 0.4% | 1.3% | 2.7% |
| EGX | 5,612 | -0.68% | -6.0% | 1.3% | 54.9% |
| US & Europe | | | | | |
| S&P | 1,446 | 0.09% | 0.9% | 2.8% | 15.0% |
| DJIA | 13,482 | -0.24% | 0.5% | 3.0% | 10.4% |
| NASDAQ | 3,120 | 0.21% | -0.5% | 1.7% | 19.8% |
| FTSE | 5,809 | -0.19% | 0.7% | 1.7% | 4.3% |
| DAX | 7,306 | -0.28% | 0.4% | 4.8% | 23.9% |
| Asia Pacific | | | | | |
| Hang Seng | 20,840 | 0.38% | 0.7% | 5.3% | 13.1% |
| Straits Times | 3,079 | 0.70% | 1.1% | 1.8% | 16.4% |
| ShanghaiComp | 2,086 | 1.45% | 2.6% | 0.6% | -5.1% |
| KOSPI | 1,996 | -0.01% | 0.2% | 3.5% | 9.3% |
| Nikkei | 8,786 | -0.12% | -1.4% | -2.2% | 3.9% |
| MSCI Indices | | | | | |
| MSCI EM | 1,006 | 0.11% | 1.6% | 6.2% | 9.8% |
| MSCI FM | 479 | 0.48% | 1.3% | 4.7% | 2.6% |

Source: Bloomberg (Closing as Last day)

GCC Valuations



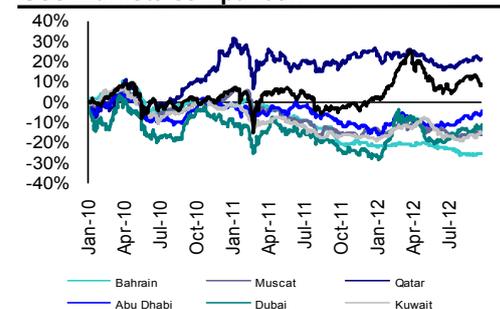
Source: Bloomberg (Valuation Based on Forward Consensus)

GCC Market Performance

| Indices | Mkt Cap (US\$ bn) | Index Closing | Volume (mn shares) | Turnover (US\$'000) | YTD | Relative to TASI | | |
|---------------------|-------------------|---------------|--------------------|---------------------|--------|------------------|-------|------|
| | | | | | | DoD | WoW | MoM |
| Bahrain (BASI) | 15.4 | 1,079 | 0.61 | 392 | -5.63% | -0.15% | -0.3% | 3.9% |
| Saudi Arabia (TASI) | 368.8 | 6,896 | 156.03 | 1,380,406 | 7.45% | 0.00% | 0.0% | 0.0% |
| Oman (MSM) | 15.0 | 5,602 | 12.75 | 1,112 | -1.63% | -0.25% | 0.4% | 5.0% |
| Qatar (QE) | 97.8 | 8,536 | 3.02 | 37,434 | -2.77% | -0.05% | 0.1% | 4.2% |
| Abu Dhabi (ADX) | 79.4 | 2,647 | 60.60 | 32,104 | 10.21% | 0.27% | 1.7% | 6.9% |
| Dubai (DFM) | 31.5 | 1,604 | 155.50 | 45,059 | 18.52% | -0.51% | 0.5% | 7.0% |
| Kuwait (KSE) | 105.7 | 5,972 | 39,990.09 | 122,104 | 2.71% | -0.25% | 0.2% | 4.6% |

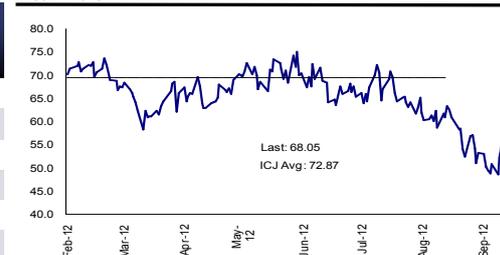
Source: Bloomberg /Stock Exchanges

GCC Markets Comparison



Source: Bloomberg

ICI Index



Source: Bloomberg

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Global Commodity Rates

| Commodities | Units | Current | DoD | WoW | MoM | YTD |
|------------------|------------|----------|--------|-------|-------|--------|
| TRJ-CRB | Pts | 303.74 | -0.97% | -1.0% | -1.1% | -0.5% |
| Nymex (WTI) | US\$/bbl. | 91.89 | -0.64% | 2.1% | -3.6% | -7.0% |
| ICE Brent | US\$/bbl. | 111.40 | -0.66% | 0.5% | -3.5% | 3.6% |
| N. Gas Henry Hub | US\$/Mmbt | 3.2 | 0.3% | 9.6% | 16.8% | 7.4% |
| Cotton | US\$/Pound | 80.85 | 0.50% | -1.3% | -6.8% | -15.5% |
| Gold | US\$/Tr.Oz | 1,774.70 | -0.03% | -0.1% | 4.9% | 13.5% |
| Sliver | US\$/Tr.Oz | 34.62 | -0.12% | 2.0% | 13.7% | 24.3% |
| Copper | US\$/MT | 8,325.25 | 0.30% | 2.5% | 9.5% | 9.7% |
| Platinum | US\$/Oz | 1,678.00 | -0.10% | 2.6% | 8.4% | 19.8% |

Source: Bloomberg

Global Long Term Govt. Treasury Rates / Yields

| Country | Price | Current Yield% | Previous Yield% | Dec End-11% | Dec End-10% | Chg +/- (bps) |
|-----------|--------|----------------|-----------------|-------------|-------------|---------------|
| USA | 100.04 | 1.620 | 1.625 | 1.876 | Mat. | -0.005 |
| UK* | 128.30 | 3.055 | 3.064 | 3.048 | 4.213 | -0.009 |
| Japan | 0.76 | 0.753 | 0.755 | 1.898 | Mat. | -0.002 |
| Australia | 2.98 | 2.970 | 2.974 | 3.660 | 5.545 | -0.004 |
| France | 106.91 | 2.185 | 2.184 | 3.126 | Mat. | 0.001 |
| Germany * | 104.47 | 2.295 | 2.260 | 2.360 | 3.411 | 0.035 |
| Italy | 104.20 | 5.008 | 5.056 | 6.950 | Mat. | -0.048 |
| Spain | 100.88 | 5.693 | 5.833 | 4.992 | Mat. | -0.140 |
| Greece | 28.42 | 18.776 | 18.923 | 28.389 | 11.404 | -0.147 |

Source: Bloomberg *All bonds maturity tenure 10YR (Except for UK & German 30YR)

International FX rates

| SPOT | Current | Previous | Chg +/- | YTD Chg% | Dec End-11 | Dec End-10 |
|--------------|----------|----------|---------|----------|------------|------------|
| Dollar Index | 79.744 | 79.824 | -0.080 | 0.78% | 79.127 | 79.028 |
| USD/JPY | 78.160 | 77.990 | 0.170 | -4.38% | 81.740 | 81.160 |
| EUR/USD | 1.292 | 1.289 | 0.003 | -3.30% | 1.336 | 1.339 |
| GBP/USD | 1.613 | 1.613 | 0.000 | 4.16% | 1.549 | 1.561 |
| AUD/USD | 1.027 | 1.036 | -0.009 | 0.97% | 1.017 | 1.023 |
| NZD/USD | 0.828 | 0.828 | 0.000 | 7.00% | 0.773 | 0.780 |
| CHF/USD | 0.936 | 0.938 | -0.002 | 0.31% | 0.933 | 0.935 |
| CAD/USD | 0.984 | 0.982 | 0.002 | -0.98% | 0.994 | 0.998 |
| USD/KRW | 1,112.68 | 1,114.99 | -2.310 | -1.06% | 1,125 | 1,125 |
| CNY/USD | 6.324 | 6.286 | 0.038 | -4.19% | 6.601 | 6.590 |

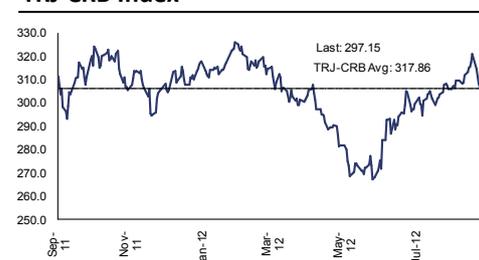
Source: Bloomberg (GMT 04:35am)

Economic Event Calendar

| Date | Time (GMT) | Country | Event | Period | Survey | Previous |
|-----------|------------|---------|--------------------------------|--------|--------|----------|
| 04-Oct-12 | 2:00 PM | UK | BOE Asset Purchase Target | Oct | 375B | 375B |
| | 2:00 PM | UK | BOE ANNOUNCES RATES | 4-Oct | 0.50% | 0.50% |
| | 2:45 PM | EC | ECB Deposit Facility Rate | 4-Oct | -- | 0 |
| | 2:45 PM | EC | ECB Announces Interest Rates | 4-Oct | 0.75% | 0.75% |
| | 8:30 PM | US | Initial Jobless Claims | 29-Sep | 370K | 359K |
| | 8:30 PM | US | Continuing Claims | 22-Sep | 3278K | 3271K |
| | 10:00 PM | CA | Ivey Purchasing Managers Index | Sep | 59.4 | 62.5 |
| | 10:00 PM | US | Factory Orders | Aug | -5.90% | 2.80% |

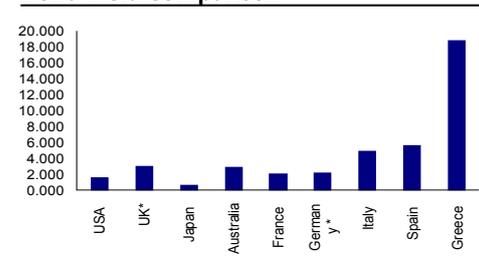
Source: Bloomberg

TRJ-CRB Index



Source: Bloomberg

Bond Yield Comparison



Source: Bloomberg

Dollar Index



Source: Bloomberg

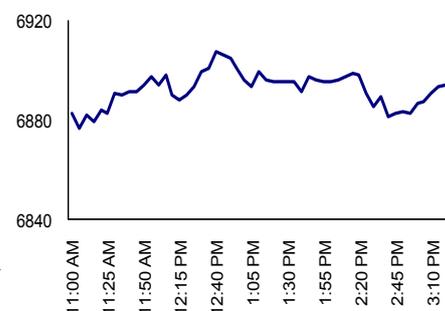
TASI Market Snap Shot

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The TASI went up by 0.20% yesterday, to close at 6,896.10 points on a volume of 168.36mn shares. Media and Publishing sector (+1.77%) was the top gainer, while Building & Construction sector (-0.47%) was the top decliner. Top stocks were SCCI (+9.74%), Walaa (+8.57%), and United Cooperative Assurance (+6.48%), while major decliners were Saudi ACIG (-10.00%), Allianz Saudi Fransi (-7.99%), and Arabia Insurance (-7.28%). Volumes were led by Zain Saudi Arabia, Alinma, and Dar Al Arkan.

TASI Intraday Movement



Source: Bloomberg

Major Headlines & Comments

- The Saudi Electricity Co. said it has signed five contracts worth SAR 1.85bn to build transfer stations and transmission networks in various parts of the Kingdom. (Source: Zawya)
- As per the IMF, the Saudi economy will continue to perform well in the coming few years, but he outlook is shrouded with uncertainty due to a possible fall in oil prices. (Source: Zawya)

TASI PE Band (x)



Source: Bloomberg

TASI Sector Indices

| SECTOR | Current | Previous | Chg% |
|-------------------------------|-----------|-----------|--------|
| Banks & Financial Services | 15,193.20 | 15,204.79 | -0.08% |
| Petrochemical Industries | 5,985.69 | 5,974.14 | 0.19% |
| Insurance | 1,481.02 | 1,469.21 | 0.80% |
| Cement | 5,851.19 | 5,839.75 | 0.20% |
| Telecom & Info. Technology | 2,051.83 | 2,041.41 | 0.51% |
| Retail | 7,483.92 | 7,402.76 | 1.10% |
| Agriculture & Food Industries | 6,765.90 | 6,780.20 | -0.21% |
| Building & Construction | 3,032.38 | 3,046.73 | -0.47% |
| Transport | 4,533.21 | 4,514.64 | 0.41% |
| Energy & Utilities | 4,763.76 | 4,761.46 | 0.05% |
| Industrial Investment | 6,339.99 | 6,257.41 | 1.32% |
| Real Estate Development | 3,450.42 | 3,445.18 | 0.15% |
| Media and Publishing | 2,841.95 | 2,792.59 | 1.77% |
| Hotel & Tourism | 7,386.59 | 7,383.06 | 0.05% |
| Multi-Investment | 3,366.05 | 3,361.78 | 0.13% |

Source: Bloomberg

Top-5 Gainers

| Stock | Price | Chg% |
|----------------------------|--------|-------|
| SCCI | 33.80 | 9.74% |
| Walaa | 34.20 | 8.57% |
| United Cooperative Assuran | 37.80 | 6.48% |
| Astra Industrial | 42.30 | 6.28% |
| Amana Insurance | 254.25 | 5.39% |

Top-5 Losers

| Stock | Price | Chg% |
|----------------------------|-------|---------|
| Saudi ACIG | 33.3 | -10.00% |
| Allianz Saudi Fransi | 66.25 | -7.99% |
| Arabia Insurance | 34.4 | -7.28% |
| Al Alamiya for Cooperative | 61.50 | -3.91% |
| TMSA | 88.50 | -3.54% |

Top-5 Volume Leaders

| Stock | Price | Volume |
|-------------------|-------|--------|
| Zain Saudi Arabia | 9.80 | 17.78 |
| Alinma | 13.2 | 12.83 |
| Dar Al Arkan | 9 | 9.33 |
| SITC | 25.70 | 7.06 |
| SCCI | 33.8 | 6.14 |

Source: Bloomberg

TASI Index Volatility



Source: Bloomberg

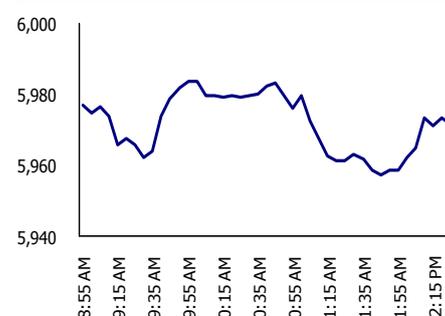
KSE Market Snap Shot

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The KSE went down by 0.05% yesterday, to close at 5,971.83 points on a volume of 401.18mn shares. Consumer Goods sector (+1.28%) was the top gainer, while Parallel Market sector (-2.52%) was the top decliner. Top shares were IFA Kuwait (+7.89%), First Dubai Real Estate (+7.89%) and IFC (+7.69%), while major decliners were Amar Finance and Leasing (-22.73%), Sokouk (-8.93%) and Al Safat Real Estate (-8.33%). Volume leaders were Sokouk, ADNEC, and Munshaat.

KSE Intraday Movement

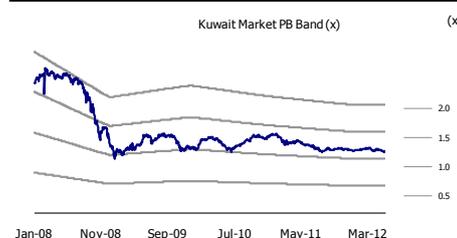


Source: Bloomberg

Major Headlines & Comments

- State run Kuwait National Petroleum Co. (KNPC) is expected to tender its new refinery and environmentally— friendly fuel projects in early 2013. (Source: Zawya)
- An IPO of Zain Iraq's shares could drag into the next year, even as the company considers settling for a single listing on the Iraqi Stock Exchange; Zain Iraq faces penalties for delaying its IPO—a key requirement under the 15-yr licenses awarded to Iraq's mobile phone operators in 2007. (Source: Zawya)

KSE PB Band (x)



Source: Bloomberg

KSE Sector Indices

| SECTOR | Current | Previous | Chg% |
|-------------|---------|----------|--------|
| Banking | 11,585 | 11,540 | 0.39% |
| Investment | 4,084 | 4,101 | -0.41% |
| Insurance | 2,688 | 2,685 | 0.10% |
| Real Estate | 2,500 | 2,527 | -1.08% |
| Industrial | 4,513 | 4,514 | -0.02% |
| Services | 14,757 | 14,689 | 0.47% |
| Food | 4,228 | 4,208 | 0.49% |

Source: Bloomberg

Top-5 Gainers

| Stock | Price | Chg% |
|-------------------------|-------|-------|
| IFA Kuwait | 0.04 | 7.89% |
| First Dubai Real Estate | 0.04 | 7.89% |
| IFC | 0.07 | 7.69% |
| AFCO | 0.14 | 7.69% |
| Equipment | 0.15 | 7.35% |

Top-5 Losers

| Stock | Price | Chg% |
|--------------------------|-------|---------|
| Amar Finance and Leasing | 0.05 | -22.73% |
| Sokouk | 0.05 | -8.93% |
| Al Safat Real Estate | 0.02 | -8.33% |
| ADNEC | 0.03 | -8.33% |
| KGMC | 0.13 | -7.25% |

Top-5 Volume Leaders

| Stock | Price | Volume |
|------------|-------|--------|
| Sokouk | 0.05 | 34.40 |
| ADNEC | 0.03 | 27.97 |
| Munshaat | 0.04 | 23.46 |
| GFH | 0.04 | 20.25 |
| Al Arabiya | 0.04 | 18.70 |

Source: Bloomberg

KSE Index Volatility



Source: Bloomberg

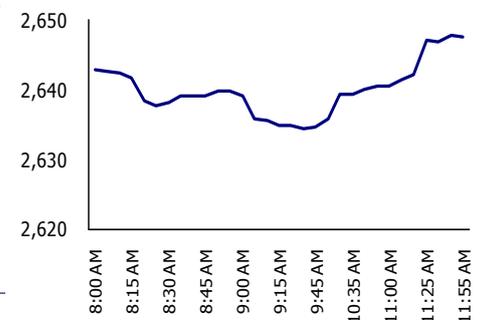
ADX Market Snap Shot

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Yesterday, the ADX went up by 0.48% to close at 2,647.44 on a volume of 60.60mn shares. Services sector (+1.00%) was the top gainer, while Consumer sector (-0.35%) was the top decliner. The top gainers included UCC (+5.81%), NBF (+5.66%), and ADNH (+4.17%), while Qtel (-7.83%) and ADSB (-7.34%) were the leading decliners. Volume leaders were Sorouh, ALDAR, and FGB.

ADX Intraday Movement



Source: Bloomberg

Major Headlines & Comments

- As per Reuters, the Abu Dhabi National Energy Co. plans to refinance up to US\$ 3bn syndicated loans and the banks are to submit proposals this week. (Source: Bloomberg)

ADX PER Band (x)



Source: Bloomberg

ADX Sector Indices

| SECTOR | Current | Previous | Chg% |
|----------------------------|---------|----------|--------|
| Banks | 4,542 | 4,523 | 0.43% |
| Investment & Fin. Services | 743 | 743 | 0.00% |
| Real Estate | 1,901 | 1,888 | 0.68% |
| Telecommunications | 2,204 | 2,188 | 0.72% |
| Insurance | 2,212 | 2,216 | -0.14% |
| Energy | 1,295 | 1,295 | 0.00% |
| Industrial | 1,552 | 1,553 | -0.07% |
| Consumer Supplies | 1,295 | 1,300 | -0.35% |
| Services | 2,302 | 2,279 | 1.00% |

Source: Bloomberg

Top-5 Gainers

| Stock | Price | Chg% |
|--------------------------|-------|-------|
| UCC | 0.91 | 5.81% |
| NBF | 5.60 | 5.66% |
| ADNH | 2.00 | 4.17% |
| Green Crescent Insurance | 0.30 | 3.45% |
| Watania | 0.99 | 1.02% |

Top-5 Losers

| Stock | Price | Chg% |
|-------------|-------|--------|
| Qtel | 106 | -7.83% |
| ADSB | 1.01 | -7.34% |
| SUDATEL | 1.02 | -1.92% |
| RAKCC | 0.71 | -1.39% |
| Arkan Group | 0.77 | -1.28% |

Top-5 Volume Leaders

| Stock | Price | Volume |
|--------|-------|--------|
| Sorouh | 1.25 | 25.76 |
| ALDAR | 1.32 | 19.05 |
| FGB | 10 | 2.96 |
| Eshraq | 0.33 | 2.54 |
| RAKCC | 0.71 | 2.31 |

Source: Bloomberg

ADX Index Volatility



Source: Bloomberg

DFM Market Snap Shot

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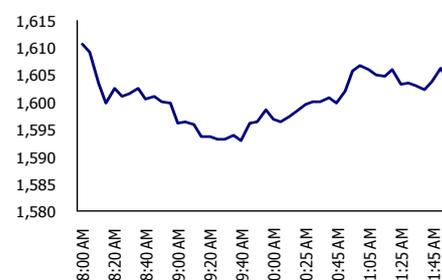
Yesterday, the DFM closed at 1,604.02 down by 0.31% on a volume of 164.14mn shares. Insurance sector (+1.40%) was the top gainer, while Investment & Financial Services sector (-1.66%) was the top decliner. National General Insurance (+14.29%) was the top stock, while Mazaya (-9.47%) was the leading decliner. Volume leaders were Gulfnav, Air Arabia and Ajman Islamic Bank.

Major Headlines & Comments

- Dubai Electricity and Water Authority (DEWA) plans to raise AED 4.5bn in debt next year, the utility's CEO said today. (Source: Gulf Base)

- Property developer Deyaar is predicting a profitable 2012, pinned on the recovery in the real estate market and increased revenues from sales, the company's CEO said yesterday. (Source: Zawya)

DFM Intraday Movement



Source: Bloomberg

DFM PB Band (x)



Source: Bloomberg

DFM Sector Indices

| SECTOR | Current | Previous | Chg% |
|--------------|---------|----------|--------|
| Banks | 863 | 862 | 0.20% |
| Fin/Invest. | 1,407 | 1,407 | 0.00% |
| Insurance | 2,744 | 2,707 | 1.40% |
| Realestate | 3,426 | 3,460 | -0.99% |
| Transport. | 436 | 433 | 0.72% |
| Cons.Staples | 605 | 605 | 0.00% |
| Telecomm. | 599 | 594 | 0.85% |
| Services | 463 | 470 | -1.54% |

Source: Bloomberg

DFM Index Volatility



Top-5 Gainers

| Stock | Price | Chg% |
|----------------------------|-------|--------|
| National General Insurance | 7.60 | 14.29% |
| Ajman Islamic Bank | 0.85 | 3.53% |
| Air Arabia | 0.68 | 2.88% |
| Dubai Islamic Insurance | 1.08 | 0.93% |
| EITC, du | 3.55 | 0.85% |

Top-5 Losers

| Stock | Price | Chg% |
|---------|-------|--------|
| Mazaya | 0.86 | -9.47% |
| GGICO | 0.37 | -3.42% |
| SHUAA | 0.6 | -3.06% |
| UP | 0.40 | -2.67% |
| Tamweel | 1.28 | -2.29% |

Top-5 Volume Leaders

| Stock | Price | Volume |
|--------------------|-------|--------|
| Gulfnav | 0.26 | 27.00 |
| Air Arabia | 0.68 | 20.31 |
| Ajman Islamic Bank | 0.85 | 17.18 |
| DEYAAR | 0.36 | 13.93 |
| Emaar Group | 3.57 | 13.49 |

Source: Bloomberg

QE Market Snap Shot

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The QE went up by 0.15% to close at 8,535.81 points on a volume of 3.91mn shares, yesterday. Top stock was GIS (+2.14%), while top decliner was Ahli Bank - Qatar (-6.47%). Volumes were led by GHCD, Qatar Meat and Livestock Company and GIS.

QE Intraday Movement



Source: Bloomberg

Major Headlines & Comments

- Qatar Islamic Bank plans to issue a benchmark sized 5-yr US dollar denominated Sukuk this week, with the price guidance being 190 bps over 5-yr midswaps; also, Fitch Ratings has assigned the bank's US\$ 1.5bn trust certificate issuance programme a final rating of 'A'. (Source: Zawya)

QE PER Band (x)



Source: Bloomberg

QE Sector Indices

| SECTOR | Current | Previous | Chg% |
|---------------------|---------|----------|--------|
| Banking & Financial | 13,923 | 13,925 | -0.02% |
| Industrial | 8,685 | 8,621 | 0.75% |
| Insurance | 7,266 | 7,266 | 0.00% |
| Services | 4,879 | 4,853 | 0.54% |

Source: Bloomberg

Top-5 Gainers

| Stock | Price | Chg% |
|----------------------------|-------|-------|
| GIS | 28.70 | 2.14% |
| Barwa Group | 29.90 | 0.84% |
| Qatar Navigation | 61.30 | 0.82% |
| Qatar Meat and Livestock | 74.10 | 0.82% |
| Al Khaliji Commercial Bank | 17.30 | 0.64% |

Top-5 Losers

| Stock | Price | Chg% |
|-------------------|-------|--------|
| Ahli Bank - Qatar | 56.4 | -6.47% |
| Doha Insurance | 29.9 | -2.29% |
| Islamic Holding | 37 | -1.73% |
| QIMCO | 55.20 | -1.43% |
| QOIC | 11.92 | -0.75% |

Top-5 Volume Leaders

| Stock | Price | Volume |
|-----------------------------|-------|--------|
| GHCD | 25.40 | 0.55 |
| Qatar Meat and Livestock Cr | 74.1 | 0.51 |
| GIS | 28.7 | 0.34 |
| QGMD | 14.79 | 0.29 |
| MAR | 27.1 | 0.28 |

Source: Bloomberg

QE Index Volatility



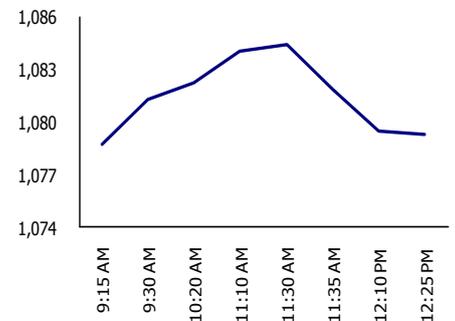
BASI Market Snap Shot

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October 3, 2012

The BASI went up by 0.05% yesterday, to close at 1,079.30 points on a volume of 0.61mn shares. Commercial Banks sector (+0.15%) was the sole gainer, while all other sectors closed flat. BISB (+2.27%) was the top gainer, while NBB (-1.92%) was the sole decliner. Volumes were topped by Ithmaar Banking Group, Alba, and Batelco.

BASI Intraday Movement



Source: Bloomberg

Major Headlines & Comments

- Bahrain Telecommunications said that the country should contribute towards the BHD 40mn estimated cost of building out of a nationwide fibre telecom network, the CEO of the company stated. (Source: Zawya)
- Fitch Ratings has assigned Bahrain Mumtalakat Holding Co.'s Malaysian Ringgit 3bn Sukuk programme a 'BBB' rating. (Source: Gulf Base)

BASI PB Band (x)



Source: Bloomberg

BASI Sector Indices

| SECTOR | Current | Previous | Chg% |
|------------------|---------|----------|-------|
| Commercial Bank | 1,699 | 1,696 | 0.15% |
| Investment | 689 | 689 | 0.00% |
| Insurance | 1,746 | 1,746 | 0.00% |
| Services | 1,239 | 1,239 | 0.00% |
| Industrial | 804 | 804 | 0.00% |
| Hotels & Tourism | 3,351 | 3,351 | 0.00% |

Source: Bloomberg

Top-5 Gainers

| Stock | Price | Chg% |
|-------|-------|-------|
| BisB | 0.09 | 2.27% |
| AUB | 0.55 | 0.92% |

Top-5 Losers

| Stock | Price | Chg% |
|-------|-------|--------|
| NBB | 0.51 | -1.92% |

BASI Index Volatility



Top-5 Volume Leaders

| Stock | Price | Volume |
|-----------------------|-------|--------|
| Ithmaar Banking Group | 0.17 | 0.19 |
| Alba | 0.5 | 0.11 |
| Batelco | 0.41 | 0.11 |
| AUB | 0.55 | 0.08 |
| BisB | 0.09 | 0.06 |

Source: Bloomberg

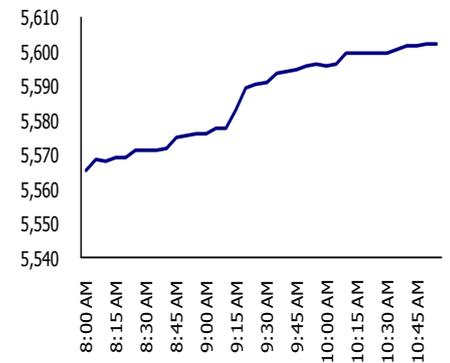
MSM Market Snap Shot

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October 3, 2012

Yesterday, the MSM went up by 0.71% to close at 5,602.29 on a volume of 19.89mn shares. All sectors closed up with Banking & Investment sector (+0.97%) being the top gainer. Top gainer was PSC (+4.77%), while decliners included Gulf Investment Services (-79.51%). Volume leaders were Gulf Investment Services, Bank Nizwa and Oman United Insurance.

MSM Intraday Movement



Source: Bloomberg

Major Headlines & Comments

- Oman Oil is seeking a partner to develop a US\$ 800mn petrochemical complex in Sohar, as per the undersecretary for the oil and gas industry. (Source: Bloomberg)

MSM PER Band (x)



Source: Bloomberg

MSM Sector Indices

| SECTOR | Current | Previous | Chg% |
|------------------|---------|----------|-------|
| Financial Index | 6,301 | 6,241 | 0.97% |
| Industrial Index | 7,138 | 7,079 | 0.83% |
| Services Index | 2,754 | 2,734 | 0.73% |

Source: Bloomberg

Top-5 Gainers

| Stock | Price | Chg% |
|---------------------------|-------|-------|
| Omani Packaging | 0.22 | 7.50% |
| Oman and Emirates Holding | 0.11 | 4.63% |
| OTH | 0.35 | 4.23% |
| ONICH | 0.27 | 3.79% |
| CMI | 0.06 | 3.45% |

Top-5 Losers

| Stock | Price | Chg% |
|---------------------------------|-------|--------|
| SPC | 1.5 | -3.10% |
| Dhofar International Holding Co | 0.35 | -0.86% |
| BD | 0.37 | -0.27% |

MSM Index Volatility



Top-5 Volume Leaders

| Stock | Price | Volume |
|--------------------------|-------|--------|
| Bank Nizwa | 0.11 | 3.73 |
| Gulf Investment Services | 0.09 | 2.38 |
| Oman United Insurance | 0.18 | 1.98 |
| OIFC | 0.19 | 1.74 |
| Bank Sohar | 0.14 | 1.26 |

Source: Bloomberg

GCC Market Snap Shot

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October 3, 2012

GCC Markets Coverage Cluster

| Company Name | Symbol | Currency | Current Price | 52Week High | 52Week Low | M.Cap (USD)Bn. | CYTD Change% | ROE% TTM | PBV (x) | EPS 2011A/E | EPS 2012E | PE(x) 2011E | PE(x) 2012E |
|---|----------|----------|---------------|-------------|------------|----------------|--------------|----------|---------|-------------|-----------|-------------|-------------|
| U.A.E (Abu Dhabi) Coverage Cluster | | | | | | | | | | | | | |
| Emaar Properties | EMAAR | AED | 3.24 | 3.49 | 2.41 | 5.37 | 26.07 | 5.85 | 0.64 | 0.29 | 0.32 | 11.17 | 10.29 |
| National Bank of Abu Dhabi | NBAD | AED | 7.73 | 8.83 | 7.20 | 6.04 | -2.29 | 17.84 | 1.24 | 0.96 | 1.29 | 8.08 | 6.00 |
| Air Arabia UAE | AIRARABI | AED | 0.74 | 0.77 | 0.57 | 0.93 | 25.43 | 5.71 | 0.64 | 0.06 | 0.08 | 12.74 | 9.19 |
| Aramex UAE Dubai | ARMX | AED | 1.78 | 1.96 | 1.69 | 0.71 | -0.94 | 12.23 | 1.47 | 0.14 | 0.18 | 12.34 | 9.91 |
| Dana Gas | DANA | AED | 0.65 | 0.71 | 0.34 | 1.17 | 44.44 | 5.60 | 0.54 | 0.08 | 0.07 | 8.49 | 9.42 |
| Dubai Financial Market Abu Dhabi | DFM | AED | 1.31 | 1.46 | 0.68 | 2.85 | 55.95 | 2.14 | 1.38 | 0.02 | 0.04 | NM | NM |
| Dubai Islamic Bank | DIB | AED | 2.00 | 2.18 | 1.78 | 2.07 | 9.28 | 12.37 | 0.81 | 0.27 | 0.38 | 7.52 | 5.31 |
| First Gulf Bank | FGB | AED | 7.98 | 10.25 | 6.62 | 3.26 | 8.74 | 16.44 | 0.91 | 1.25 | 1.50 | 6.40 | 5.32 |
| Union National Bank Abu Dhabi | UNB | AED | 2.99 | 3.71 | 2.69 | 2.03 | 8.65 | 13.03 | 0.63 | 0.60 | 0.66 | 4.95 | 4.54 |
| Bahrain Coverage Cluster | | | | | | | | | | | | | |
| Ahli United Bank Bahrain | AUB | BHD | 0.68 | 0.68 | 0.60 | 8.85 | 12.73 | 16.20 | 1.47 | 0.06 | 0.09 | 11.22 | 7.33 |
| Aluminium Bahrain | ALBH | BHD | 0.82 | 0.84 | 0.45 | 3.08 | 32.36 | 14.20 | 1.66 | 0.15 | 0.09 | 5.46 | 8.70 |
| Bahrain Telecommunication Co. | BATELCO | BHD | 0.44 | 0.46 | 0.37 | 1.68 | 17.69 | 14.80 | 1.25 | 0.06 | 0.06 | 7.90 | 7.70 |
| Nass Corp Bahrain | NASS | BHD | 0.16 | 0.16 | 0.11 | 0.09 | 32.79 | 10.80 | 0.68 | 0.02 | 0.03 | 7.86 | 5.23 |
| U.A.E (Dubai) Coverage Cluster | | | | | | | | | | | | | |
| Air Arabia Dubai | AIRARABI | AED | 0.74 | 0.77 | 0.57 | 0.93 | 25.43 | 5.71 | 0.64 | 0.06 | 0.08 | 12.74 | 9.19 |
| Aramex UAE (DFM) | ARMX | AED | 1.78 | 1.96 | 1.69 | 0.71 | -0.94 | 12.23 | 1.47 | 0.14 | 0.18 | 12.34 | 9.91 |
| Arabtec Holding Co. | ARTC | AED | 1.40 | 3.63 | 1.24 | 0.46 | -11.95 | 7.12 | 0.78 | 0.17 | 0.16 | 8.03 | 8.70 |
| Dubai Financial Market | DFM | AED | 1.31 | 1.46 | 0.68 | 2.85 | 55.95 | 2.14 | 1.38 | 0.02 | 0.04 | NM | NM |
| DP World Nasdaq | DPW | AED | 13.51 | 13.61 | 9.30 | 61.06 | 42.41 | 6.17 | 1.46 | 0.82 | 0.76 | 16.41 | 17.75 |
| Saudi Arabia Coverage Cluster | | | | | | | | | | | | | |
| Al Rajhi Bank | RJHI | SAR | 72.86 | 82.75 | 65.58 | 29.15 | 7.50 | 25.32 | 3.60 | 4.92 | 6.30 | 14.81 | 11.56 |
| Jabal Omar Development Co. | JOMAR | SAR | 13.71 | 20.15 | 11.10 | 2.46 | 12.87 | -0.69 | 1.57 | -0.05 | 0.05 | NM | NM |
| SAFCO | SAFCO | SAR | 174.96 | 200.00 | 164.33 | 11.67 | -0.59 | 48.73 | 6.13 | 16.44 | 14.99 | 10.64 | 11.67 |
| SAMBA Financial Group | SAMBA | SAR | 54.01 | 56.75 | 41.75 | 12.96 | 17.72 | 16.89 | 1.91 | 4.78 | 6.34 | 11.30 | 8.52 |
| Saudi Telecom Co. | STC | SAR | 36.64 | 40.80 | 32.60 | 19.54 | 9.73 | 16.57 | 1.63 | 3.86 | 4.51 | 9.48 | 8.13 |
| Saudi International Petrochemical Co. | SIPCHEM | SAR | 22.01 | 24.30 | 16.84 | 2.15 | 17.77 | 11.50 | 1.64 | 1.93 | 2.06 | 11.43 | 10.70 |
| Taiba Holding Co. | TIRECO | SAR | 15.72 | 26.04 | 15.11 | 0.63 | -17.51 | 6.60 | 0.82 | 1.58 | 0.93 | 9.95 | 16.91 |
| Emaar Economic City KSA | EMAAR | SAR | 6.85 | 13.60 | 6.20 | 1.55 | -6.80 | -3.22 | 0.80 | 0.10 | -0.12 | NM | NM |
| Ethiad Etisalat Co. | EEC | SAR | 49.47 | 68.25 | 47.58 | 9.24 | -2.75 | 26.98 | 2.22 | 7.26 | 8.07 | 6.81 | 6.13 |
| Kingdom Holding Co. | KINGDOM | SAR | 8.65 | 12.97 | 6.77 | 8.54 | -1.34 | 3.00 | 1.18 | 0.17 | 0.39 | 50.09 | 22.17 |
| National Industrialization Co. | NIC | SAR | 28.30 | 41.03 | 28.13 | 4.21 | -14.00 | 21.04 | 2.04 | 3.65 | 3.93 | 7.75 | 7.21 |
| Saudi Basic Industries Corp. | SABIC | SAR | 103.37 | 109.91 | 87.75 | 82.71 | 7.40 | 20.05 | 2.57 | 9.75 | 10.58 | 10.61 | 9.77 |
| Saudi Electricity Co. | SECO | SAR | 12.66 | 15.58 | 12.28 | 14.07 | -4.67 | 5.47 | 1.04 | 0.53 | 0.71 | 23.84 | 17.86 |
| SAVOLA | SAVOLA | SAR | 26.14 | 35.50 | 23.47 | 3.49 | -8.93 | 14.13 | 1.86 | 2.40 | 2.62 | 10.87 | 9.96 |
| Oman Coverage Cluster | | | | | | | | | | | | | |
| Bank Muscat SAOG | BKMB | OMR | 0.65 | 0.65 | 0.55 | 2.60 | 1.09 | 14.84 | 1.45 | 0.07 | 0.08 | 9.80 | 7.80 |
| Galfar Engineering & Contracting | GECS | OMR | 0.47 | 0.47 | 0.31 | 0.28 | 43.25 | 10.08 | 1.81 | 0.02 | 0.03 | 29.37 | 13.74 |
| Kuwait Coverage Cluster | | | | | | | | | | | | | |
| Ahli United Bank Kuwait | ALMUTAH | KWD | 0.70 | 0.94 | 0.69 | 2.88 | -5.06 | #N/A N/A | 3.05 | 0.03 | #N/A N/A | NA | NA |
| National Bank of Kuwait | NBK | KWD | 1.04 | 1.11 | 0.88 | 14.69 | 5.36 | 15.33 | 2.03 | 0.07 | 0.09 | 14.86 | 11.40 |
| National Mobile Telecom Co. Kuwait | NMTC | KWD | 1.76 | 2.23 | 1.76 | 3.20 | -7.22 | 11.89 | 1.75 | 0.72 | 0.22 | 2.44 | 7.86 |
| Mobile Telecommunication Co. | ZAIN | KWD | 1.09 | 1.11 | 0.69 | 16.98 | 30.78 | 16.41 | 1.59 | 0.07 | 0.10 | 14.86 | 11.34 |
| Qatar Coverage Cluster | | | | | | | | | | | | | |
| Barwa Real Estate Co. | BRES | QAR | 33.98 | 34.13 | 27.13 | 3.63 | 17.53 | 1.40 | 1.18 | 3.22 | 0.31 | 10.55 | 109.62 |
| Commerical Bank of Qatar | CBQK | QAR | 70.51 | 79.33 | 63.09 | 4.79 | -9.52 | 15.40 | 1.28 | 7.71 | 10.02 | 9.15 | 7.04 |
| Doha Bank | DHBK | QAR | 53.82 | 62.39 | 46.56 | 3.05 | -9.83 | 18.17 | 1.69 | 6.03 | 7.15 | 8.93 | 7.53 |
| Masraf Al Rayan | MARK | QAR | 23.90 | 27.85 | 22.08 | 4.92 | -12.53 | 18.04 | 2.52 | 1.88 | 2.35 | 12.73 | 10.19 |
| Qatar Shipping Co. | QSHS | QAR | 85.30 | 87.50 | 69.90 | 2.68 | 11.50 | 7.80 | 0.91 | 6.21 | 10.05 | 13.74 | 8.49 |
| Qatar Electricity and Water Co. | QEWS | QAR | 139.50 | 147.60 | 123.73 | 3.83 | 4.58 | 31.74 | 3.67 | 13.00 | 15.73 | 10.73 | 8.87 |
| Qatar Gas Transport Co. Nakilat | QGTS | QAR | 18.65 | 18.83 | 16.59 | 2.84 | 6.49 | 24.93 | 3.02 | 1.50 | 1.58 | 12.40 | 11.78 |
| Qatar Islamic Bank | QIB | QAR | 80.15 | 80.63 | 72.12 | 5.20 | 0.59 | 14.31 | 1.92 | 5.87 | 7.78 | 13.65 | 10.30 |
| Qatar National Bank | QNBK | QAR | 122.94 | 137.85 | 119.37 | 17.18 | -8.53 | 20.13 | 3.04 | 11.34 | 14.50 | 10.84 | 8.48 |
| Qatar Telecom | QTEL | QAR | 112.41 | 135.00 | 106.36 | 5.43 | 5.68 | 13.05 | 1.35 | 11.39 | 14.25 | 9.87 | 7.89 |
| Industries Qatar QSC | IQCD | QAR | 136.97 | 142.40 | 112.53 | 20.69 | 8.72 | 29.23 | 3.48 | 14.42 | 17.65 | 9.50 | 7.76 |

Source: Bloomberg Estimates

GCC Market Snap Shot

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October 3, 2012

Release Schedule

| Symbol | Company Name | Scheduled On | Time | To Consider | Source |
|-------------|---------------------------|--------------|------|------------------------------------|-------------------|
| JARIR AB | Jarir Marketing Co | 6-Oct-12 | NA | Financial Results for Q3-Sept 2012 | Source: Bloomberg |
| JOMAR AB | Jabal Omar Development Co | 7-Oct-12 | NA | Financial Results for Q3-Sept 2012 | Source: Bloomberg |
| CHEMANOL AB | Methanol Chemicals Co | 8-Oct-12 | NA | Financial Results for Q3-Sept 2012 | Source: Bloomberg |
| ALMARAI AB | Almarai Co Ltd | 8-Oct-12 | NA | Financial Results for Q3-Sept 2012 | Source: Bloomberg |
| JEERANH KK | Jeeran Holding Co SAKC | 4-Oct-12 | NA | Financial Results for Q1-Jun 2012 | Source: Bloomberg |
| QNBK QD | QNB Group | 6-Oct-12 | NA | Financial Results for Q3-Sept 2012 | Source: Bloomberg |
| NBB BI | National Bank Of Bahrain | 7-Oct-12 | NA | Financial Results for Q3-Sept 2012 | Source: Bloomberg |

Source: Bloomberg

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