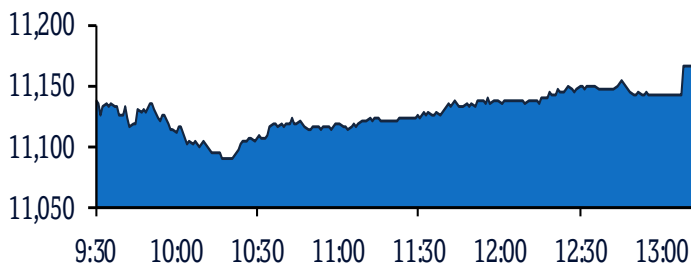


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.3% to close at 11,166.0. Gains were led by the Real Estate and Telecoms indices, gaining 1.6% and 0.4%, respectively. Top gainers were United Development Company and Al Khalij Commercial Bank, rising 2.6% and 2.3%, respectively. Among the top losers, Zad Holding Company fell 2.4%, while Mannai Corporation was down 2.3%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.7% to close at 11,141.0. Gains were led by the Pharma, Biotech & Life Science and Utilities indices, rising 2.1% and 1.7%, respectively. Saudi Cable Co. rose 4.8%, while Rabigh Refining and Petrochemical was up 4.3%.

Dubai: The DFM Index gained 0.6% to close at 2,904.1. The Services index rose 1.0%, while the Banks index gained 0.9%. Emirates Refreshments Co. and Ithmaar Holding rose 15.0% each, respectively.

Abu Dhabi: The ADX General Index fell marginally to close at 7,681.5. The Industrial index declined 1.5%, while the Telecommunication index fell 0.7%. Arkan Building Materials Co. declined 9.8%, while Umm Al Qaiwain General Investment was down 6.5%.

Kuwait: The Kuwait All Share Index gained 0.5% to close at 6,703.5. The Utilities index rose 3.9%, while the Insurance index gained 2.9%. Palms Agro Production Co. rose 39.4%, while Warba Capital Holding Co. was up 8.3%.

Oman: The MSM 30 Index fell 0.1% to close at 3,956.2. Losses were led by the Financial and Industrial indices, falling 0.2% and 0.1%, respectively. Muscat Thread Mills Company declined 8.3%, while Al Jazeera Steel Products Co. was down 4.1%.

Bahrain: The BHB Index gained 0.4% to close at 1,647.56. The Real Estate index rose 2.2%, while the Financials index gained 0.5%. Ithmaar Holding rose 5.9%, while Seef Properties was up 2.9%.

Market Indicators	24 Aug 21	23 Aug 21	%Chg.
Value Traded (QR mn)	374.3	430.4	(13.0)
Exch. Market Cap. (QR mn)	643,453.6	642,496.1	0.1
Volume (mn)	135.0	156.1	(13.5)
Number of Transactions	10,121	9,384	7.9
Companies Traded	45	47	(4.3)
Market Breadth	22:20	29:15	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	22,103.79	0.3	1.2	10.2	17.0
All Share Index	3,541.02	0.2	0.8	10.7	17.8
Banks	4,785.21	0.3	1.0	12.6	15.8
Industrials	3,624.54	(0.3)	0.6	17.0	19.4
Transportation	3,455.20	0.1	1.8	4.8	19.3
Real Estate	1,817.59	1.6	1.5	(5.8)	16.8
Insurance	2,617.74	0.3	0.7	9.3	17.3
Telecoms	1,043.67	0.4	0.1	3.3	N/A
Consumer	8,242.99	(0.6)	(0.1)	1.2	22.4
Al Rayan Islamic Index	4,656.81	0.4	1.2	9.1	17.6

GCC Top Gainers###	Exchange	Close#	1D%	Vol. '000	YTD%
Rabigh Refining & Petro.	Saudi Arabia	24.04	4.2	2,598.3	74.0
Saudi Arabian Mining Co.	Saudi Arabia	69.70	4.0	1,360.3	72.1
Almarai Co.	Saudi Arabia	56.70	2.3	415.9	3.3
National Industrialization	Saudi Arabia	20.36	2.3	6,011.1	48.8
Saudi Electricity Co.	Saudi Arabia	26.45	1.9	2,301.5	24.2

GCC Top Losers###	Exchange	Close#	1D%	Vol. '000	YTD%
Bank Nizwa	Oman	0.10	(1.0)	3,690.7	(1.0)
Mouwasat Medical Serv.	Saudi Arabia	196.20	(0.9)	45.1	42.2
Saudi British Bank	Saudi Arabia	33.40	(0.9)	342.1	35.1
Bank Dhofar	Oman	0.12	(0.8)	726.0	22.7
Qatar Electricity & Water	Qatar	16.90	(0.8)	181.4	(5.3)

Source: Bloomberg (# in Local Currency) (## GCC Top gainers/losers derived from the S&P GCC Composite Large Mid Cap Index)

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
United Development Company	1.55	2.6	14,961.2	(6.3)
Al Khalij Commercial Bank	2.27	2.3	547.9	23.3
Barwa Real Estate Company	3.12	1.2	2,037.2	(8.3)
The Commercial Bank	6.11	1.2	3,302.1	38.9
Qatar First Bank	1.80	1.1	1,574.5	4.5

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Investment Holding Group	1.20	(0.7)	30,190.7	100.2
United Development Company	1.55	2.6	14,961.2	(6.3)
Masraf Al Rayan	4.55	0.6	13,696.2	0.3
Salam International Inv. Ltd.	0.96	(0.9)	11,941.0	47.2
Qatar Aluminium Manufacturing Co	1.60	0.9	8,727.8	64.9

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Zad Holding Company	15.70	(2.4)	1.3	15.8
Mannai Corporation	3.87	(2.3)	7.1	28.9
QLM Life & Medical Insurance	4.91	(1.9)	100.1	55.9
Doha Insurance Group	1.90	(1.6)	875.2	36.5
Salam International Inv. Ltd.	0.96	(0.9)	11,941.0	47.2

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Masraf Al Rayan	4.55	0.6	62,205.4	0.3
QNB Group	19.10	(0.2)	46,075.2	7.1
Investment Holding Group	1.20	(0.7)	36,333.0	100.2
Qatar Islamic Bank	18.55	0.7	27,476.2	8.4
United Development Company	1.55	2.6	23,111.0	(6.3)

Source: Bloomberg (* in QR)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	11,166.01	0.3	1.2	3.8	7.0	101.77	173,861.2	17.0	1.6	2.6
Dubai	2,904.10	0.6	2.3	5.0	16.5	78.19	106,895.4	21.4	1.0	2.7
Abu Dhabi	7,681.53	(0.0)	0.8	5.0	52.3	445.31	369,346.6	23.6	2.2	3.0
Saudi Arabia	11,141.03	0.7	(0.5)	1.2	28.2	1,281.16	2,588,634.7	27.0	2.4	2.3
Kuwait	6,703.45	0.5	0.5	1.9	20.9	221.77	126,661.8	31.6	1.7	1.8
Oman	3,956.23	(0.1)	(0.7)	(1.8)	8.1	5.66	18,394.0	12.6	0.8	3.9
Bahrain	1,647.56	0.4	0.6	3.2	10.6	8.98	26,356.5	11.6	0.8	3.3

Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (** TTM; * Value traded (\$ mn) do not include special trades, if any)

Qatar Market Commentary

- The QE Index rose 0.3% to close at 11,166. The Real Estate and Telecoms indices led the gains. The index rose on the back of buying support from GCC and foreign shareholders despite selling pressure from Qatari and Arab shareholders.
- United Development Company and Al Khalij Commercial Bank were the top gainers, rising 2.6% and 2.3%, respectively. Among the top losers, Zad Holding Company fell 2.4%, while Mannai Corporation was down 2.3%.
- Volume of shares traded on Tuesday fell by 13.5% to 135mn from 156.1mn on Monday. Further, as compared to the 30-day moving average of 151.1mn, volume for the day was 10.6% lower. Investment Holding Group and United Development Company were the most active stocks, contributing 22.4% and 11.1% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	32.75%	40.43%	(28,757,379.4)
Qatari Institutions	20.30%	29.94%	(36,057,363.2)
Qatari	53.05%	70.37%	(64,814,742.6)
GCC Individuals	0.12%	0.67%	(2,047,049.8)
GCC Institutions	2.90%	1.65%	4,691,755.8
GCC	3.03%	2.32%	2,644,705.9
Arab Individuals	10.03%	11.73%	(6,375,799.1)
Arab Institutions	0.00%	0.00%	–
Arab	10.03%	11.73%	(6,375,799.1)
Foreigners Individuals	2.11%	2.48%	(1,379,986.9)
Foreigners Institutions	31.79%	13.11%	69,925,822.8
Foreigners	33.90%	15.58%	68,545,835.8

Source: Qatar Stock Exchange (*as a % of traded value)

Global Economic Data

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
08-24	Germany	German Federal Statistical Office	GDP SA QoQ	2Q	1.60%	1.50%	1.50%
08-24	Germany	German Federal Statistical Office	GDP NSA YoY	2Q	9.80%	9.60%	9.60%
08-24	Germany	German Federal Statistical Office	GDP WDA YoY	2Q	9.40%	9.20%	9.20%
08-24	Germany	German Federal Statistical Office	Private Consumption QoQ	2Q	3.20%	4.00%	-5.20%
08-24	Germany	German Federal Statistical Office	Government Spending QoQ	2Q	1.80%	0.90%	-0.70%
08-24	Germany	German Federal Statistical Office	Capital Investment QoQ	2Q	0.50%	1.40%	-0.70%

Source: Bloomberg (s.a. = seasonally adjusted; n.s.a. = non-seasonally adjusted; w.d.a. = working day adjusted)

News

Qatar

- **QSE: Cabinet nod up to 100% FOL in four major banks to drive more overseas funds** – The Qatar Stock Exchange (QSE), which is eyeing developed market status from the global index compilers, expects robust investment inflows into the listed companies, after the cabinet allowed up to 100% foreign ownership limit (FOL) in four major banks. "We value and welcome the cabinet's approval of increasing the percentage of FOL in (four) local banks to 100%, and this will contribute to increasing investment flows in listed Qatari companies," QSE Chief Executive Rashid bin Ali Al-Mansoori said in a tweet. The cabinet meeting, chaired by the Prime Minister HE Sheikh Khalid bin Khalifa bin Abdulaziz Al-Thani, had given approval to QNB Group, Qatar Islamic Bank, Commercial Bank and Masraf Al Rayan for enhancing the FOL up to 100%. These four banks together constitute more than 43% of the total market capitalization as on August 24, 2021. The approval has to be taken up before the shareholders at the extraordinary general assembly meeting in order to amend the Articles of Association. "The decision is expected to enhance the country's economic activity and attract overseas funds in efforts to diversify the economy," Al-Mansoori said, adding it will help attract more investments in the banking sector, which is already robust and profitable. Qatari banks ranked first in the Arab world in terms of profit indicators, he said, quoting the Arab Monetary Fund. (Gulf-Times.com)
- **GWCS: Al Wukair Logistics Park to attract, help MSMEs expand their businesses** – According to Gulf Warehousing Co.

(GWCS), the strategically located Al Wukair logistics park offers a one-stop-shop for leasing a warehouse or workshop, company formation formalities, including applications for necessary permits, and logistics operations. The Al Wukair Logistics Park will play a very pivotal role, as the main distribution hub during the World Cup, in assisting micro, small, and medium enterprises (MSMEs) with their deliverables, says GWCS, which is setting up the park. The Al Wukair Logistics Park is set up as part of GWCS's efforts to support MSMEs and enable them to thrive. This strategically positioned 1.5 kilometer square facility caters to a whole range of industries that require light industrial workshops, storage units and open yards; offering ideal platform for established companies and new market entrants. Al Wukair is one of several facilities attracting businesses to the country, along with Qatar's commitment to offering a simple company formation process – in which GWCS is able to support. According to GWCS, the strategically located Al Wukair logistics park offers a one-stop-shop for leasing a warehouse or workshop, company formation formalities, including applications for necessary permits, and logistics operations. (Gulf-Times.com)

- **QP awards NFE liquid products EPC contract to Spanish firm Tecnicas** – Qatar Petroleum (QP) announced the awarding of a major engineering, procurement, and construction (EPC) contract for its North Field Expansion Project to Tecnicas Reunidas, a Madrid-based contractor that provides EPC services to the energy industry. The Spanish company Tecnicas Reunidas will act as the EPC contractor for the expansion of

existing liquid products (condensate, propane and butane) storage and loading facilities and the expansion of import facilities for Mono-Ethylene Glycol within Ras Laffan Industrial City, as well as other ancillary facilities and pipelines serving the North Field Expansion Project. These new facilities will be utilized to handle liquid products from the four new LNG trains comprising the North Field East (NFE) project, which is scheduled to start up before the end of 2025. The facilities will also support two new LNG trains comprising the North Field South (NFS) project. Initial value for project estimated at over \$500mn. Commenting on this occasion, Minister of State for Energy Affairs and Qatar Petroleum President and CEO HE Saad Sherida Al Kaabi said, "The award of this major EPC contract is a part of the North Field Expansion Project that supports the further development of Qatar's substantial natural gas resources and reinforces our position as the world's largest LNG producer. The contract provides for the expansion of the existing infrastructure required to ensure the safe loading and on-time delivery of associated liquid products to our international customers. We look forward to working with Tecnicas Reunidas to deliver this important project in a safe, timely and successful manner." The award of this contract is the culmination of front-end engineering and design (FEED) work that began in early 2018, and represents another important milestone to deliver on Qatar Petroleum's commitment to significantly increase Qatar's LNG production capacity. When completed, the NFE project will increase Qatar's LNG production capacity from 77mn tons per annum (mtpa) to 110 mtpa, while the NFS project will further increase Qatar's LNG production capacity from 110 mtpa to 126 mtpa. Kaabi said, "The NFE project, with a capacity of 32 mtpa, is the largest LNG project ever to be undertaken. We are grateful to the wise leadership and directives of His Highness the Amir of the State of Qatar Sheikh Tamim bin Hamad Al Thani that place the greatest emphasis on the successful management and development of our natural resources in line with the Qatar National Vision 2030, while maintaining Qatar's strong global leadership in the LNG industry." (Bloomberg, Qatar Tribune)

- World Bank: Qatar's nominal GDP may scale up to \$197bn in 2023** – Qatar's nominal GDP may scale up to \$197bn in 2023 from \$167bn this year, according to a World Bank forecast. The country's nominal GDP next year has been forecasted at \$178bn. Qatar's real GDP, according to a World Bank forecast may grow 3% in 2021, 4.1% in 2022 and 4.5% in 2023. In its latest Gulf Economic Update, World Bank said Qatar is forecast to post a strong growth rebound among the GCC, with strong liquefied natural gas (LNG) demand in South and East Asia underpinning medium-term prospects, World Bank noted. For the world's largest natural gas exporter of the past two decades, growth will be spurred by construction work on the giant North Field Project, the first phase of which will boost the country's LNG production capacity from 77mn tons to 110mn tons a year by 2025 at a cost of \$28.8bn and the second phase of which will add another 16mn tons per year to capacity by 2027 at a cost of \$11.2bn. As the world's largest natural gas exporter, Qatar leaned on higher natural gas production to moderate the contraction of its hydrocarbon sector, World Bank noted. GDP growth fell 3.7% in 2020, largely driven by the non-oil sector, more than half the economy. The hydrocarbon sector still shrank; however, accounting for a more than one-third of the negative outturn, as a fall in natural gas prices, normally tracking oil prices, offset the effect of higher gas production and exports. Private consumption fell more than the overall economy, World Bank noted. Qatar, which quit the OPEC in December 2018 ostensibly to concentrate on gas development in the giant North Field, led a meeting of the Gas Exporting Countries Forum (GECF), the 11-member inter-governmental organization of the

world's largest gas exporters, in February 2020. Headlined at the Doha meeting, Global Gas Outlook 2050 forecasts gas to overtake oil as the world's largest energy source by 2050 (27% of the total). According to World Bank, Qatar's fiscal deficit of 3.6% of GDP in the year reversed a modest surplus of 1% of GDP in 2019. The government postponed \$8.2bn of unawarded contracts on capital expenditure projects, in a bid to balance its finances as gas prices declined in the year, crimping government revenues (hydrocarbon revenues account for 79% of government revenues). The first in the GCC to raise funds in the debt market in 2020, Qatar sold \$10bn in three tranches in April—\$2bn on a five-year bond at 300 basis points above US treasuries, \$3bn on a 10-year bond at 305 basis points over the same benchmark, and \$5bn on a 30-year bond at 4.4%. Although the final cost of the deal was 35 basis points below the initial offer rate, it was still 40 basis points above Qatar's existing bonds due in 2024, 2029, and 2049. The government received \$44bn in bids on the three-tranche sale. (Gulf-Times.com)

- Fintech to transform digital banking in Qatar** – Fintech, which provides opportunities for economic diversification, will transform the digital banking experience in Qatar, an official has said yesterday at the Qatar Fintech Summit. Speaking during the event, Digital Government Specialist at the Ministry of Transport and Communications (MoTC) Waleed Ali, who spoke on the topic 'Digital Transformation and the Future of Banks', said all the major banks around the globe now provide digital services through their websites or mobile applications. "Digital transformation is the adoption of innovative technologies to increase productivity, value creation, and social welfare. In 2020, when the COVID-19 hit, the global economy shrank by 5 percent. But on the other hand, the adoption of digital banking services increased due to lock downs and moving restrictions. Financial companies knew that working from home was the new normal, and they started building remote work models which accelerated the digital transformation agenda in the banking sector," he added. According to Ali, to understand the future of banking, one needs to look past at where companies like Amazon, Netflix, and Uber changed e-commerce, entertainment, and the transportation sector by using technology. The expert reiterated that technology giants like Apple and Google are providing financial and payment solutions at a fast pace. He explained how banks can transform and become digital by nature to compete and survive in this ecosystem by highlighting cloud technologies, APIs, Block Chain, AI, Big data analytics and others. (Peninsula Qatar)
- Locals urged to tap into Qatar's \$25bn import market** – Trade promotion agency, Zimtrade has called on locals to take advantage of existing direct flights to Qatar and tap into the Asian giant's \$25bn import economy. In a latest update, Zimtrade established that Qatar is classified as a high-income country and has one of the world's highest per capita income countries, indicating a high-spending power for the population. The economy of the country is largely dependent on oils and gas, which has created room for large imports of most products across all sectors. "The introduction of direct flights between Zimbabwe and Qatar celebrated through the inaugural flight by Qatar Airways into Harare recently, is expected to unlock export opportunities of local products into the Middle-Eastern country. "As Zimbabwe seeks to diversify its export markets, envisioned in the National Export Strategy - launched by President Mnangagwa in 2019 - Qatar presents a promising market for locally produced products and services," said Zimtrade. The opportunity also comes at a time when the Southern Africa nation has spearheaded relatively successful economic reforms, which have seen the emergence of a stable currency and

guaranteed foreign currency supply through the Reserve Bank of Zimbabwe foreign currency auction platform. (Bloomberg)

- **QDB incubator Scale7 opens application for 'Acceleration Program Wave 2'** – Scale7, the first fashion and design business incubator in Qatar founded by Qatar Development Bank (QDB), in partnership with M7, has announced that applications are now open for the 'Acceleration Program Wave 2'. The program is catering to both local and global fashion and design entrepreneurs and startups who are looking for a launchpad and a hub in Qatar to accelerate their growth. The 12-week long acceleration program will run from September 1, 2021 to November 24, 2021, giving participants a chance to interact with each other face-to-face. However, workshops and mentorship sessions will be held online. The program intends to provide specialized mentorship and ensure business development activities in order to grow the global presence and increase sales of the selected fashion startups. The focus of the program will be on capital generation and international development. (Gulf-Times.com)
- **Qatar set to deliver largest volunteer activation in FIFA World Cup history** – When the FIFA World Cup comes to the Middle East and Arab world for the first time in 2022, a crucial component to making this mega-event a success will be the role of our many volunteers. Since our launch in September 2018, the Supreme Committee for Delivery & Legacy's (SC) Volunteer Program has generated tremendous interest, with more than 371,000 people having registered to be part of the initiative. In that time, volunteers have engaged in a range of projects, including stadium launches and major football matches. As we focus on recruiting and deploying 20,000 volunteers for the FIFA World Cup Qatar 2022, our program is expected to be the largest activation and engagement of volunteers in Qatar's history. Such targets will have their challenges, but our journey to this stage has provided great encouragement in how Qatar's diverse communities have shown their commitment to engage and participate in our many football and non-football events. It is helping to shape volunteer culture in Qatar and positioning the country on a global volunteering scale. (Gulf-Times.com)
- **Government Contact Centre completes more than 9mn transactions** – While ensuring uninterrupted services for the public in various sectors, the Government Contact Centre (GCC) of the Ministry of Transport and Communications (MoTC) completed more than 9mn transactions in the last four years. A tweet by MoTC said the ministry achieved 90% first call solutions while offering support services through hotline 109. The ministry said the hotline marks at least 3mn transactions a year. Complying with the vision outlined in Qatar Digital Government 2020 Strategy and seeking to enrich Qatar residents with government e-services experience, the e-Government Steering Committee decided to apply a single sign-on platform for all government e-services and unify all e-services supported through QGCC to receive public inquiries and complaints 24x7. The hotline answers all public queries and issues related to government services. Services are available in eight languages and seven channels with 4 minute average call duration and 20 second average speed of answers. The project was introduced in a bid to provide support services to the public and communicate with customers and with government and semi-government entities in 2007. Also, the initiative was established to support the services provided on Qatar e-Government Portal - Hukoomi. (Gulf-Times.com)
- **QNA: Qatar OKs Booster Vaccines for Immunocompromised People** – Qatar's health ministry has approved booster Covid-19 vaccines for immunocompromised people, state-run QNA reported. The approval covers the Pfizer/BioNTech and Moderna shots. (Bloomberg)

International

- **US new home sales creep up; supply, prices remain constraints** – Sales of new US single-family homes increased in July after three straight monthly declines, but housing market momentum is slowing as surging housing prices amid tight supply sideline some first-time buyers from the market. Though the report from the Commerce Department on Tuesday showed a big increase in new housing inventory, the jump was driven by a record rise in homes that are yet to be built. Builders are taking longer to complete houses, hobbled by expensive raw materials as well as scarce land and workers. "While demand for new homes remains strong, high prices and backlogs in construction will temper sales in the months ahead," said Nancy Vanden Houten, a US economist at Oxford Economics in New York. "Homebuilders are reportedly turning away buyers as they attempt to reduce the backlog of sales." New home sales rose 1.0% to a seasonally adjusted annual rate of 708,000 units last month. June's sales pace was revised up to 701,000 units from the previously reported 676,000 units. Economists polled by Reuters had forecast new home sales, which account for 10.6% of US home sales, increasing to a rate of 700,000 units in July. Sales dropped 27.2% on a YoY basis in July. (Reuters)
- **CBI: UK retail sales surge in August, price pressures up too** – The Confederation of British Industry's measure of the volume of sales compared with a year earlier soared to +60, the highest since December 2014, from +23 in July. A Reuters poll of economists had pointed to a fall to +20. Alpesh Paleja, a CBI economist, said consumer demand was spurring an economic recovery from the coronavirus crisis but spending was expected to settle down later in the year. "Furthermore, there are signs of operational challenges still biting, with stock levels reaching another record low and import penetration falling," he said. "Disruption is being exacerbated by continued labor shortages, with many retailers reliant on younger employees currently awaiting their job." However, the relaxation of self-isolation rules for fully vaccinated people who had been in contact with others with COVID-19 had eased some of the staffing squeeze on many retailers. The Bank of England is watching how much Britons spend from savings they built up during the lockdown. It is also looking at whether bottlenecks in supply caused by the pandemic - such as dwindling stocks in the retail sector - will lead to longer-term inflation pressures. The CBI said retailers reported that selling prices in the three months to August increased at the fastest pace since November 2017 and the picture for the next quarter looked similar. Official data published last week showed an unexpectedly big fall in retail sales in July, suggesting a slowing of momentum in the country's recovery from lockdowns. (Reuters)
- **UK property sales halve after surging to beat tax break deadline** – The number of homes sold in the United Kingdom fell by more than half last month after the scaling-back of a tax break designed to encourage home purchases during the coronavirus crisis, official data showed. Britain's tax office said 73,740 homes were sold in July on a seasonally adjusted basis - 63% fewer than in June when buyers had rushed to complete sales before a COVID emergency tax break was reduced - although 4% more than in July 2020. Sales were down 24% compared with the same month in 2019, before the pandemic. British Finance Minister Rishi Sunak last year temporarily scrapped the stamp duty tax on the first 500,000 pounds (\$685,550) of property purchases in England and Northern Ireland. That full exemption expired at the end of June but buyers in England and Northern Ireland will benefit from a 250,000 pound exemption until the end of September. A tax exemption measure in Wales ended in June, while Scotland stopped a tax break there in March. Britain's housing market

has also been boosted by demand for bigger properties as more people work from home. (Reuters)

- **Shadow banks need tighter regulation, ECB's Schnabel says** – Non-bank financial firms, more commonly known as shadow banks, need tighter regulation as their increasing risk profile could impair central bank policy during periods of stress, European Central Bank board member Isabel Schnabel said on Tuesday. “To preserve financial stability and protect policy transmission, the current regulatory landscape needs to better reflect the fact that credit intermediation increasingly takes place outside the banking sector,” Schnabel, the head of the ECB’s market operations, told a conference. “Non-banks have taken on substantial duration, liquidity and credit risks on their balance sheets,” Schnabel said. “This also comes with new risks that may impair policy transmission in periods of financial stress”. (Reuters)
- **German consumers, state spending drive Q2 economic recovery** – The German economy grew more than expected in the second quarter as the easing of COVID-19 curbs spurred consumers to dip into record savings piled up during the winter lockdown and the state pressed on with a huge debt-financed stimulus push. GDP grew an adjusted 1.6% on the quarter, the Federal Statistic Office said on Tuesday, up from its previous estimate of 1.5% and following a revised first quarter contraction of 2%. On the year, Europe’s largest economy expanded by a calendar-adjusted 9.4% in the second quarter, leaving economic activity 3.3% below the pre-crisis levels of the fourth quarter of 2019. Private consumption grew by 3.2% between April and June, contributing 1.6% percentage points to overall growth and pushing the savings rate down to 16.3%. In the first quarter, when shops, bars and restaurants were closed under Germany’s lockdown, that rate hit a record high of 22%. Public consumption expanded 1.8%, contributing 0.4% to the overall growth rate. State spending to cushion the impact of the coronavirus crisis, financed with unprecedented new borrowing, blew a 80.9bn Euro (\$95bn) hole in the public finances in the first half of the year, the statistics office said. This equated to a public sector deficit of 4.7% of GDP, the largest in 26 years and what Carsten Brzeski from ING Bank termed “the downside of the rapid economic recovery.” The stimulus should help lift the economy back to pre-crisis levels before the end of 2021 but will leave the government that emerges from next month’s federal election with a heavy burden to shoulder, Brzeski said. Germany’s quarter-on-quarter GDP growth compared with a second quarter Eurozone average of 2% and growth of 0.9%, 2.7% and 2.8% respectively the bloc’s next biggest economies, France, Italy and Spain. (Reuters)
- **BOJ policymaker warns of uncertain recovery, pins hopes on pent-up demand** – Bank of Japan (BOJ) board member Toyoaki Nakamura warned of risks to the economic outlook from a recent resurgence in COVID-19 infections, but signaled hope that consumption will get a boost once households feel safe to start spending. Nakamura said the world’s third-largest economy is expected to recover as the pandemic’s impact fades, pointing to the boost to growth from robust global demand and a recovery in capital expenditure. The outlook was “highly uncertain” with risks skewed to the downside, the former corporate executive said, as state of emergency curbs to combat the pandemic hurt retailers. But Nakamura signaled hope that once vaccinations proceed, consumption may get a boost from pent-up demand with Japanese households having loaded up a record 1,056tn Yen (\$9.61tn) in cash and deposits. (Reuters)
- **China Central Bank increases short-term cash injection to meet month-end demand** – China’s Central Bank increased its short-term fund injection through open market operations to

meet higher cash demand towards the month-end. The People’s Bank of China (PBOC) said it offered 50bn Yuan (\$7.72bn) through seven-day reverse repos into the banking system, whereas it mostly only injected 10bn Yuan each day during the month. The central bank on its website said the move was to “maintain stable liquidity conditions at the end of the month”. With 10bn Yuan worth of reverse repos maturing on Wednesday, the central bank has injected 40bn Yuan on a net basis on the day. (Reuters)

- **Regulator: China’s critical data rules not aimed at firms planning foreign IPOs** – China’s coming rules for protecting critical information infrastructure are not aimed at firms planning overseas listings, and all companies must be involved in ensuring network security, a senior cyberspace regulatory official said. Sheng Ronghua, vice minister of the Cyberspace Administration of China (CAC), made the comments at a State Council briefing on Tuesday, when asked how the rules would affect such firms as well as those involved in foreign trade. The rules are to take effect on September 1, the day when the country’s new data security law will also be implemented. “The rules are published to protect the safety of critical information infrastructure and all companies, no matter what kind they are or where they are listed, must comply with the country’s laws and regulations,” he said. Chinese regulators have stepped up their oversight of internet platforms in recent months and have signaled that they want to sharpen their scrutiny of overseas listings. (Reuters)
- **India’s July oil imports hit 1-year low on refinery maintenance** – India’s July crude oil imports slumped to their lowest in a year, tanker arrival data from industry sources showed, and are likely to rebound in August as refiners are expected to boost runs after maintenance of units. Crude imports in July fell 12.5% MoM to 3.4mn barrels per day (bpd), but rose 12.8% YoY, as refiners shut units for maintenance and cut crude imports anticipating lower fuel demand during the monsoon season. Government data released on Tuesday showed India’s oil imports declined to about 15.02mn tons, about 3.5mn bpd. Data from trade sources include some cargoes that arrive in July and discharged in August, and differ from the government data. “Some refinery maintenance in July limited Indian imports. Lower fuel demand in April-May should have led to high oil and fuel stocks,” said Refinitiv analyst Ehsan Ul Haq. Some refiners including Chennai Petroleum, Mangalore Refinery and Petrochemical and Indian Oil Corp’s Gujarat and Mathura plant had cut crude runs due to low fuel demand, a government statement said. Some units were shut at Hindustan Petroleum’s Mumbai and Vizag refineries, IOC’s Barauni, Haldia and Paradip plants and Bharat Petroleum’s Kochi refinery for maintenance during the month, the statement said. Latin American supplies in July fell to their lowest since June last year as private refiners switched to cheaper Canadian heavy oil, the data showed. Haq said Latin American oil was replaced by heavier Canadian grades that traded at deep discount to West Texas Intermediate (WTI) crude futures. With Dubai-related crudes turning cheaper in comparison to Brent linked grades in July DUB-EFS-1M, Indian buyers shifted to buying more Middle East crude, Haq said. Middle East’s share in India’s overall imports rose to 64.7% from 59% in June, the data showed. That lifted the share of OPEC’s oil in India’s overall imports to 77.6% from 66.3% in June, although in April-July, the first four months of this fiscal year, the group’s share declined to the lowest. (Reuters)
- **Brazil Central Bank Chief says worsening inflation expectations 'obviously a concern'** – Brazil’s Central Bank Chief Roberto Campos Neto said that worsening inflation expectations were “obviously a concern,” with global trends and

a local drought likely to keep pressuring prices over the coming months. Speaking at the Expert XP event, he said the market's rise in inflation expectations for 2022 was not in line with the bank's projections, and it was a concern that analyst's views on 2022 prices were less bullish than the bank's. (Reuters)

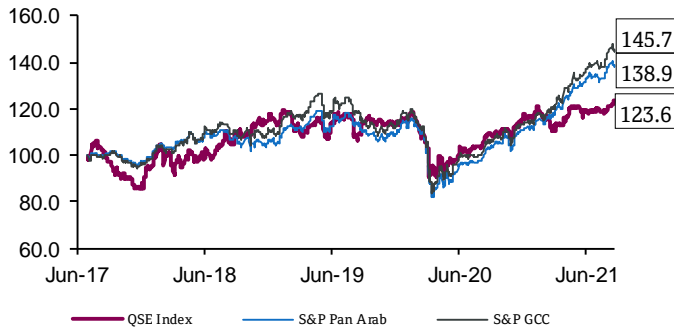
Regional

- **Saudi Arabia's June oil exports rise 123% to over SR61.5bn** – The value of Saudi Arabia's oil exports in June increased 123% to SR61.5bn from a year earlier while non-oil exports rose by around 41%, official data showed. Overall exports increased by nearly 92% in June compared to a year earlier when international trade was curbed by lockdowns and travel disruptions related to the coronavirus crisis, said the General Authority for Statistics. Oil exports accounted for 72% of total exports in June, up from 62% in June last year, it said. Saudi Arabia, the world's biggest oil exporter, was hit hard last year as oil prices plummeted and measures to contain the COVID-19 pandemic hurt its non-oil economy. But the country's GDP in the second quarter grew for the first time since the coronavirus crisis, on the back of the easing of restrictions and rebounding oil prices. (Reuters)
- **Saudi non-oil exports up by 40.5% YoY in June to SR23.6bn** – Saudi non-oil exports increased by 40.5% YoY in June 2021, rising to SR23.6bn from SR16.8bn in June of last year, official data revealed. Plastics and Rubber and Articles Thereof jumped by 68.0% and Products of the Chemical or Allied Industries increased by 49.2%, in June this year compared to the same period of last year, the General Authority for Statistics (GASTAT) reported. Non-oil exports increased by 7.2% equivalent to SR1.6bn in June, compared to the previous month of May 2021. Overall merchandise exports jumped by 91.8% in June of 2021 compared to the same period of last year, when international trade was impacted by Covid-related lockdowns and travel bans in numerous countries. (Zawya)
- **Saudi's The Red Sea Development Company awarded \$3.2bn contracts to local firms** – The Red Sea Development Company (TRSDC), the developer behind Saudi Arabia's flagship The Red Sea Project, said that local firms have been awarded more than 70% of the contracts in value terms. In a Facebook post, TRSDC said it has awarded, to date, more than 600 contracts worth \$4.5bn to international and local companies. "Over 70% of this value (\$3.2bn) has been awarded to Saudi firms, highlighting our commitment to the KSA economy as part of Saudi Vision 2030," the developer said. (Zawya)
- **Emirates scales up operations in Europe as travel demand surges** – Emirates is scaling up operations across Europe before the start of the winter season due to an "upsurge" in demand following the easing of travel restrictions. The UAE-based carrier intends to restart flights, as well as increase services and capacity on various routes, including the UK, Germany, Portugal, Spain, Switzerland, Belgium, Portugal and Italy. The UK has recently removed the UAE from its red list and classified it under the "amber" travel category, enabling passengers to enter the country without checking into a government-approved quarantine hotel. (Zawya)
- **Dubai property sales reach 8-year high as demand continues to surge** – Property purchases in Dubai over the past few months have reached levels not seen since almost a decade ago, underpinned by growing demand for bigger private space in the age of remote working and social distancing. Transaction volumes in the first half of 2021 were at the highest level since the second half of 2013 and increased by 69.2% and 46.4% compared to the same period in 2020 and 2019, respectively, said CBRE in its latest UAE Market Review.

However, apartment prices and rents have remained subdued. (Zawya)

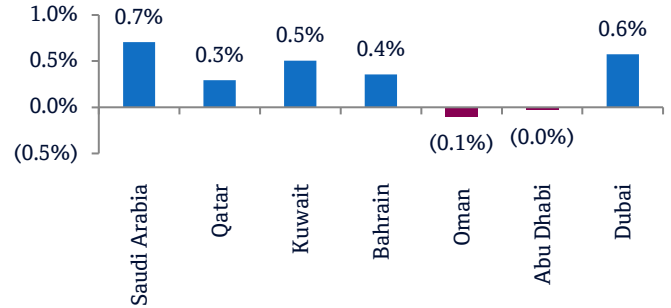
- **Dubai's Emirates NBD will see profitability returning to pre-pandemic levels by 2022** – Moody's Investors Service expects the profitability of Dubai's Emirates NBD to be more resilient than its peers, reflecting the benefits from the bank's strong ties with the Dubai government and large corporates, large retail franchise, geographical diversification in the region and large scale operations. Moody's has changed the outlook on long-term bank deposit and senior unsecured ratings of Dubai-based lender Emirates NBD to stable from negative. The stable outlook balances the rating agency's assessment that Emirates NBD will restore its strong profitability to the pre-pandemic levels by 2022. (Zawya)
- **Abu Dhabi conglomerate IHC eyes deals worth 'a few billion dollars', CEO says** – Abu Dhabi conglomerate International Holding Co is considering acquisitions worth a few billion dollars in total across several sectors, including a real estate developer in Abu Dhabi, its Chief Executive Syed Basar Shueb told Reuters. IHC, now the most valuable company on the Abu Dhabi bourse with a market capitalisation of \$72bn, is also considering a 2022 initial public offering (IPO) for its majority-owned healthcare firm Pure Health, Shueb said in an interview. Pure Health has played a pivotal role in screening for COVID-19 infections in the United Arab Emirates. Shueb also said the tightly held conglomerate, active in sectors from food to leisure, is close to acquiring a second-tier Abu Dhabi property developer, which would add to its indirect minority stake in Aldar Properties. He did not identify any targets, nor specify how much the real estate deal might be worth. (Zawya)
- **Bahrain awarded \$3.4bn in tenders during first half of 2021** – An increasing number of infrastructure, transport, and construction projects in Bahrain has spurred the value of tenders issued by the kingdom by 60% in the first half of 2021 compared to the same time last year. Bahrain awarded \$3.4bn worth of tenders in the first six months of the year, including 762 non-oil contracts worth \$1.6bn, according to new figures from the Tender Board. Aside from oil, the aviation sector secured the highest value of tenders, at \$476mn, followed by the construction industry, at \$413mn. (Zawya)
- **Bahrain sells BHD100mn 364-day bills; bid-cover 2** – Bahrain sold BHD100mn of bills due August 25, 2022. Investors offered to buy twice the amount of securities that the government sold. The bills were sold at a price of 98.296, have a yield of 1.71% and will settle on August 26. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,802.90	(0.1)	1.2	(5.0)
Silver/Ounce	23.86	1.0	3.6	(9.6)
Crude Oil (Brent)/Barrel (FM Future)	71.05	3.3	9.0	37.2
Crude Oil (WTI)/Barrel (FM Future)	67.54	2.9	8.4	39.2
Natural Gas (Henry Hub)/MMBtu	3.93	0.0	(0.5)	65.1
LPG Propane (Arab Gulf)/Ton	112.00	1.6	4.2	48.8
LPG Butane (Arab Gulf)/Ton	127.75	0.5	3.0	83.8
Euro	1.18	0.1	0.5	(3.8)
Yen	109.65	(0.0)	(0.1)	6.2
GBP	1.37	0.1	0.8	0.4
CHF	1.10	(0.0)	0.4	(3.1)
AUD	0.73	0.7	1.8	(5.7)
USD Index	92.89	(0.1)	(0.6)	3.3
RUB	73.73	(0.6)	(0.7)	(0.9)
BRL	0.19	2.5	2.5	(1.0)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,122.00	0.3	1.4	16.1
DJ Industrial	35,366.26	0.1	0.7	15.6
S&P 500	4,486.23	0.1	1.0	19.4
NASDAQ 100	15,019.80	0.5	2.1	16.5
STOXX 600	471.79	0.0	1.0	13.6
DAX	15,905.85	0.4	1.0	10.8
FTSE 100	7,125.78	0.2	1.2	10.9
CAC 40	6,664.31	(0.2)	1.0	15.4
Nikkei	27,732.10	0.9	2.8	(4.9)
MSCI EM	1,270.01	2.6	4.0	(1.6)
SHANGHAI SE Composite	3,514.47	1.2	3.0	2.1
HANG SENG	25,727.92	2.5	3.5	(5.9)
BSE SENSEX	55,958.98	0.7	1.3	15.5
Bovespa	120,210.80	4.7	4.5	(0.7)
RTS	1,660.90	0.7	2.3	19.7

Source: Bloomberg (*\$ adjusted returns)

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