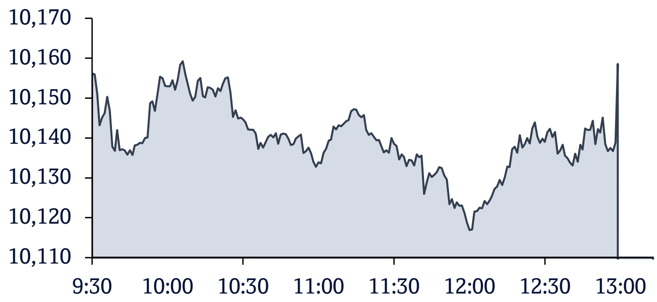
QSE Intra-Day Movement



Market Indicators	20 Aug 24	19 Aug 24	%Chg.
Value Traded (QR mn)	272.1	224.7	21.1
Exch. Market Cap. (QR mn)	587,936.4	587,767.3	0.0
Volume (mn)	101.8	95.3	6.8
Number of Transactions	11,948	10,032	19.1
Companies Traded	50	51	(2.0)
Market Breadth	29:18	25:20	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	23,041.99	0.0	0.3	(0.9)	11.2
All Share Index	3,591.06	0.0	0.2	(1.1)	11.6
Banks	4,352.13	(0.0)	(0.3)	(5.0)	9.4
Industrials	4,172.15	(0.1)	0.7	1.4	15.8
Transportation	5,435.40	0.1	0.4	26.8	13.9
Real Estate	1,477.26	0.8	2.1	(1.6)	22.1
Insurance	2,282.17	0.0	(0.1)	(13.3)	167.0
Telecoms	1,713.48	0.4	2.2	0.5	11.1
Consumer Goods and Services	7,598.34	0.2	(0.2)	0.3	17.3
Al Rayan Islamic Index	4,716.20	0.2	0.9	(1.0)	14.2

Qatar Commentary

The QE Index rose marginally to close at 10,158.6. Gains were led by the Real Estate and Telecoms indices, gaining 0.8% and 0.4%, respectively. Top gainers were Al Faleh Educational Holding Company and Barwa Real Estate Company, rising 9.9% and 1.7%, respectively. Among the top losers, QLM Life & Medical Insurance Co. fell 1.9%, while Qatar International Islamic Bank was down 1.5%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.7% to close at 12,103.8. Gains were led by the Food & Staples Retailing and Banks indices, rising 1.9% and 1.6%, respectively. Red Sea International Co. rose 10.0%, while Zamil Industrial Investment Co. was up 9.9%.

Dubai: The DFM Index gained 0.4% to close at 4,254.9. The Communication Services index rose 1.4%, while the Industrials index gained 0.7%. SHUAA Capital rose 14.8%, while National International Holding Company was up 13.6%.

Abu Dhabi: The ADX General Index gained 0.1% to close at 9,316.8. The Telecommunication index rose 1.7%, while the Energy index gained 0.4%. Gulf Cement rose 12.5%, while Apex Investments was up 9.9%.

Kuwait: The Kuwait All Share Index fell 0.1% to close at 7,117.7. The Insurance index declined 5.0%, while the Consumer Staples index fell 2.7%. Kuwait Hotels declined 10.9%, while Gulf Insurance Group was down 10.1%.

Oman: The MSM 30 Index gained 0.4% to close at 4,693.1. Gains were led by the Financial and Industrial indices, rising 0.5% and 0.2%, respectively. Voltamp Energy rose 2.9%, while Bank Nizwa was up 1.9%.

Bahrain: The BHB Index gained marginally to close at 1,935.9. GFH Financial Group rose 1.5%, while Inovest was up 1.4%.

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Nahdi Medical	Saudi Arabia	133.80	4.9	1,076.6	(2.3)
Savola Group	Saudi Arabia	43.00	3.7	1,208.8	14.8
Phoenix Group	Abu Dhabi	1.73	3.0	15,439.8	(22.8)
Saudi Arabian Mining Co.	Saudi Arabia	42.05	2.8	5,184.6	(13.4)
Al Rajhi Bank	Saudi Arabia	86.50	2.7	12,478.3	0.0

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Saudi Research & Media Gr.	Saudi Arabia	250.80	(2.4)	79.2	46.3
Aldar Properties	Abu Dhabi	7.00	(1.8)	6,097.9	30.8
Saudi British Bank	Saudi Arabia	36.00	(1.8)	2,753.1	(5.0)
Qatar Int. Islamic Bank	Qatar	10.83	(1.5)	748.8	1.3
Abu Dhabi Commercial Bank	Abu Dhabi	8.72	(1.5)	3,240.2	(5.0)

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%
Al Faleh Educational Holding Company	0.676	9.9	6,247.7	(20.2)
Barwa Real Estate Company	2.642	1.7	2,206.3	(8.7)
Damaan Islamic Insurance Company	3.914	1.7	1.1	(1.9)
Qatar Electricity & Water Co.	15.71	1.6	403.5	(16.4)
Medicare Group	4.160	1.5	1,524.4	(24.2)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
QLM Life & Medical Insurance Co.	2.060	(1.9)	27.3	(17.6)
Qatar International Islamic Bank	10.83	(1.5)	748.8	1.3
Gulf International Services	3.209	(1.5)	2,494.0	16.3
Salam International Inv. Ltd.	0.686	(1.0)	1,132.2	0.4
The Commercial Bank	4.060	(0.9)	2,135.2	(34.5)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatar Aluminum Manufacturing Co.	1.243	0.3	12,879.2	(11.2)
Mazaya Qatar Real Estate Dev.	0.561	(0.5)	9,717.9	(22.4)
United Development Company	1.099	0.1	6,698.3	3.2
Mesaieed Petrochemical Holding	1.627	(0.2)	6,289.4	(7.5)
Al Faleh Educational Holding Company	0.676	9.9	6,247.7	(20.2)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Industries Qatar	12.83	(0.5)	26,510.5	0.5
Ooredoo	11.00	0.3	25,276.9	(3.5)
QNB Group	15.69	0.0	23,361.8	(5.1)
Dukhan Bank	3.784	0.4	22,430.1	(4.8)
Qatar Aluminum Manufacturing Co.	1.243	0.3	16,043.7	(11.2)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,158.57	0.0	0.3	0.0	(6.2)	76.98	161,212.2	11.3	1.3	4.5
Dubai	4,254.87	0.4	0.9	(0.3)	4.8	70.83	195,039.2	8.2	1.3	5.6
Abu Dhabi	9,316.79	0.1	0.9	(0.2)	(2.7)	251.15	699,464.4	16.7	2.6	2.1
Saudi Arabia	12,103.82	0.7	1.6	(0.0)	1.1	2,331.28	2,734,462.2	20.0	2.4	3.5
Kuwait	7,117.68	(0.1)	0.1	(1.7)	4.4	146.62	151,989.7	18.7	1.7	3.3
Oman	4,693.07	0.4	(0.0)	0.7	4.0	3.89	23,889.5	12.1	0.9	5.3
Bahrain	1,935.87	0.0	(0.1)	(1.7)	(1.8)	18.07	19,982.7	7.3	0.7	8.9

*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 marginally to close at 10,158.6. The Real Estate and Telecoms indices led the gains. The index rose on the back of buying support from Qatari and GCC shareholders despite selling pressure from Foreign and Arab shareholders.
- Al Faleh Educational Holding Company and Barwa Real Estate Company were the top gainers, rising 9.9% and 1.7%, respectively. Among the top losers, QLM Life & Medical Insurance Co. fell 1.9%, while Qatar International Islamic Bank was down 1.5%.
- Volume of shares traded on Tuesday rose by 6.8% to 101.8mn from 95.3mn on Monday. However, as compared to the 30-day moving average of 126.4mn, volume for the day was 19.4% lower. Qatar Aluminum Manufacturing Co. and Mazaya Qatar Real Estate Dev. were the most active stocks, contributing 12.6% and 9.5% to the total volume, respectively.

Overall Activity	Buy%*	Sell%*	Net (QR)
Qatari Individuals	29.18%	31.37%	(5,946,744.88)
Qatari Institutions	32.93%	26.39%	17,793,182.46
Qatari	**62.11%**	**57.76%**	**11,846,437.58**
GCC Individuals	0.16%	0.54%	(1,039,526.19)
GCC Institutions	5.21%	3.96%	3,397,993.36
GCC	**5.36%**	**4.50%**	**2,358,467.18**
Arab Individuals	12.18%	12.79%	(1,665,677.76)
Arab Institutions	0.00%	0.01%	(17,070.00)
Arab	**12.18%**	**12.80%**	**(1,682,747.76)**
Foreigners Individuals	3.52%	2.83%	1,871,025.95
Foreigners Institutions	16.83%	22.12%	(14,393,182.95)
Foreigners	**20.35%**	**24.95%**	**(12,522,157.00)**

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

Global Economic Data

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
08-20	EU	Eurostat	Construction Output MoM	Jun	1.70%	NA	-0.90%
08-20	EU	Eurostat	Construction Output YoY	Jun	1.00%	NA	-2.10%
08-20	EU	Eurostat	CPI MoM	Jul	0.00%	0.00%	0.00%
08-20	EU	Eurostat	CPI YoY	Jul	2.60%	2.60%	2.50%
08-20	EU	Eurostat	CPI Core YoY	Jul	2.90%	2.90%	2.90%
08-20	Germany	German Federal Statistical Office	PPI MoM	Jul	0.20%	0.20%	0.20%
08-20	Germany	German Federal Statistical Office	PPI YoY	Jul	-0.80%	-0.80%	-1.60%

Qatar

- **Qatar Energy, Kuwait Petroleum in LNG supply deal talks -** Qatar Energy is in talks with Kuwait Petroleum Corporation for a new long-term supply of liquefied natural gas, Reuters reports, citing five unidentified trading and industry sources. Deal would see Qatar provide Kuwait with 3mn metric tons of LNG per year over 15 years from its North Field project, which is expected to start operation in 2026. Qatar Energy and Kuwait Petroleum didn't immediately respond to Reuters request for comment. (Bloomberg)
- **Standard Chartered: Qatar's economy expected to double by 2031 -** Qatar's economy is expected to double in size by 2031, aided by the country's ability to restore government revenues to pre-2014 oil price shock levels, according to Standard Chartered, a leading international banking group. The primary drivers behind this recovery include higher hydrocarbon prices and a surge in global demand for energy, particularly within the LNG or liquefied natural gas market. Terming Qatar's return to pre-2014 government revenue levels as a "significant" milestone in its economic journey, Standard Chartered, Qatar chief executive officer Muhannad Mukahall, said, this was neither coincidental or accidental "but in fact strategically driven by a combination of higher hydrocarbon prices, increased global demand for LNG, and substantial economic diversification efforts within sectors such as manufacturing, tourism, and finance." Currently, Qatar ranks as the sixth-largest gas producer in the world and holds the third-largest gas reserves, allowing the Gulf state to leverage rising hydrocarbon prices effectively. Qatar's strategic expansion of LNG capacity, set to increase output at the North Field by 85% by 2025, is poised to further boost revenues. Notably, this expansion is expected to nearly double natural gas output by the end of 2030 from the current 77mn tonnes per year (mtpy) with the bank's recent Global Focus Economic Outlook Q2-2024 forecast pointing towards a 'calm before the upsized gas boom'. The bank's research team expects Qatar's gas production to last for a period of 140 years as per the current rate. The global oil market has experienced significant changes since the 2014 oil price shock. While the bank acknowledges a recovery in previously low oil prices, these remain volatile due to geopolitical risks, production level adjustments, and shifts in global demand. Despite recent price volatility driven by geopolitical factors and demand fluctuations, robust demand persists, particularly during the summer months, with Brent crude forecasted to hit around $100 per barrel by year-end. Such dynamics, combined with technological advancements and a shifting geopolitical landscape, continue to shape the global oil market within the broader context of an ongoing energy transition. Qatar's economic diversification efforts are anchored by the Third National Development Strategy (2023-30), which plays a crucial role in the recovery of its government revenues, reducing economic dependence on hydrocarbons and enhancing resilience to price fluctuations, it said. Qatar's non-oil economy comprises two-thirds of Qatar's GDP (gross domestic product) and has seen significant contributions from sectors such as real estate and construction, financial services, trade, manufacturing, logistics, and tourism. Such sectors have not only created new revenue streams but also provided employment opportunities, supported by substantial infrastructure investments. The LNG sector has been a major revenue contributor, accounting for about 70% of total government revenue and 80% of export receipts. Investments in downstream industries have bolstered the manufacturing and petrochemical sectors, adding value to Qatar's hydrocarbon sector. The construction and real estate sectors have also seen growth, driven largely by infrastructure projects and real estate development, particularly those related to the World Cup and Qatar National Vision 2030 development plan. The report made special note of the role of international financial institutions and foreign investment, both of which have supported Qatar's diversification strategy, particularly in non-oil sectors such as tourism, manufacturing, finance, and logistics. Qatar has implemented a series of reforms to improve the investment climate, including easing restrictions on foreign ownership, establishing free zones, and enhancing the legal and regulatory framework for businesses - all of which have successfully attracted significant infrastructure and energy sector investments from around the world. (Gulf Times)
- **Qatar sell sukuks of varying sizes and tenors on Aug 19 – (1)** QR475mn ($130.25mn) due Aug. 19, 2031, returns 5.5%, **(2)** QR475mn ($130.25mn) due Aug. 19, 2029, returns 4.4%, **(3)** QR350mn ($95.97mn) due Aug. 19, 2027, returns 4.4%, **(4)** QR500mn ($137.1mn) due Aug. 19, 2026, returns 4.5%. (Bloomberg)
- **Qatar sell bonds of varying sizes and tenors on Aug 19 – (1)** QR525mn ($143.96mn) due Aug. 19, 2031, coupon rate of 4.5%, **(2)** QR525mn ($143.96mn) due Aug. 19, 2029, coupon rate of 4.4%, **(3)** QR650mn

($178.23mn) due Aug. 19, 2027, coupon rate of 4.4%, **(4)** QR600mn ($164.52mn) due Aug. 19, 2026, coupon rate of 4.5%. (Bloomberg)

- **Qatar's IMUVI sees growth in Q2 2024 -** Qatar's quarterly Import Unit Value Index (IMUVI) for the second quarter of 2024 rose to 108.93 points, marking a 0.85% increase compared to the first quarter of 2024. However, when compared year-on-year (Y-o-Y) to the second quarter of 2023 (Q2-2023), the index showed a slight decline of 0.09%. The IMUVI, released by the National Planning Council, measures the changes in the prices of imported goods. It is divided into ten primary groups classified based on the Standard International Trade Classification (SITC). An analysis of the quarter-on-quarter (Q-o-Q) comparison between Q2-2024 and Q1-2024 revealed that six key groups experienced price increases. The largest increase was seen in "Commodities and transactions not classified elsewhere in SITC," which surged by 12.13%. This was followed by a rise in the index for "Crude materials, inedible, except fuels" by 8.14%, "Animal and vegetable oils, fats and waxes" by 4.26%, "Miscellaneous manufactured articles" by 3.85%, "Food and live animals" by 2.34%, and "Manufactured goods classified chiefly by material" by 2.12%. On the other hand, four groups registered decreases in the Q2-2024 index. "Machinery and transport equipment" fell by 2.03%, "Mineral fuels, lubricants, and related materials" dropped by 1.42%, "Beverages and Tobacco" declined by 0.75%, and "Chemicals and related products" saw a slight decrease of 0.74%. In a year-on-year comparison of Q2-2024 with Q2-2023, the general index saw a decrease of 0.09%. This decline was driven primarily by reductions in five groups: "Animal and vegetable oils, fats, and waxes" fell by 7.21%, "Mineral fuels, lubricants, and related materials" dropped by 5.1%, "Food and live animals" decreased by 1.79%, "Manufactured goods classified chiefly by material" declined by 1.65%. (Qatar Tribune)
- **HIA marks July 2024 as busiest month in history -** Building on the dynamic growth observed in the first half of 2024, Hamad International Airport (HIA) announced that July 2024 has become the busiest month in its operational history, serving a remarkable 4.73mn passengers. This milestone represents a significant 10.2% increase compared to July of the previous year, solidifying the airport's status as a leading global aviation hub. This surge in passenger numbers can be attributed to several key factors: The airport's airline partners have increased their flight frequencies to cater to the heightened demand during the summer travel season. Additionally, Qatar Airways, the national carrier, expanded its network of destinations and introduced seasonal summer operations, further enhancing the airport's connectivity. Total aircraft movement at HIA in July increased by 3.9% compared to the previous month. The load factor, which measures how full flights are, stood at 82.8%, indicating a high occupancy rate for flights operating at HIA. This high load factor reflects the efficient utilization of capacity. The previous record for the busiest month was set in January 2024, when HIA served 4.5mn passengers. The top destinations in July were London, Bangkok, Dubai, Riyadh and Jeddah; whereas the top countries are India, USA, UK, Saudi Arabia and Kaethe airport served 4.73mn passengers in a month. (Qatar Tribune)
- **Qatar Airways acquires 25% stake in Southern Africa's Airlink -** Qatar Airways Group has acquired a 25% stake in Southern Africa's premier independent regional carrier, Airlink. The announcement is a continuation of the national airline's ambition to further develop its operations across the African continent. The investment in Airlink, which flies to more than 45 destinations in some 15 African countries will enhance a code-sharing partnership between the two airlines. The deal will bolster Qatar Airways' Africa growth strategy and cement its role as a key driver to the continent's economic success. Speaking to reporters after an agreement-signing in Doha yesterday, Qatar Airways Group Chief Executive Officer Badr Mohamed al-Meer said: "Our investment in Airlink further demonstrates how integral we see Africa being to our business' future. This partnership not only demonstrates our confidence in Airlink as a company that is resilient, agile, financially robust and governed on sound principles, but also in Africa as a whole, showing huge potential that I am delighted we are able to help start realizing." Airlink Chief Executive Rodger Foster said: "Having Qatar Airways as an equity partner is a powerful endorsement of Airlink and echoes our faith in the markets we currently serve and plan to add to our network "This transaction will unlock growth by providing efficiencies of scale, increasing our capacity and expanding our marketing reach. By bolstering Airlink and its business, this investment will strengthen all of the existing airline partnerships Airlink has nurtured over the years." Both the executives did not disclose the value of the investment and al-Meer said, "We are working on obtaining the regulatory approvals and our teams are busy paving the road for the way forward." The partnership between Qatar Airways and Airlink seeks to align both carriers' loyalty programs - Qatar Airways Privilege Club and Airlink Skybucks. Qatar Airways currently flies to some 29 destinations in Africa, and there's been strong growth in the market with new destinations added to the Qatar Airways network on the continent since December 2020. According to the national airline, Abidjan, Abuja, Accra, Harare, Kano, Luanda, Lusaka, and Port Harcourt are the African cities newly added to the extensive Qatar Airways network, while Cairo and Alexandria were resumed. Airlink was established in 1992 and is Southern Africa's premier privately-owned regional airline. With its fleet of over 65 modern jetliners, Airlink serves these cities and other destinations throughout Southern Africa as well as Madagascar and St Helena Island. (Gulf Times)
- **Key retail outlets see stronger-than-expected demand -** Qatar's retail industry witnessed a robust demand in prime areas, while the market experienced an oversupply from April to June. According to a report by Cushman and Wakefield, the surge in travelers flowing to the country also contributed to a reported increase in footfall across Qatar's main malls during the first three months. Hence, the same has reportedly been maintained during the second quarter of the year. Mall managers across the country have also indicated that there will be an increase in spending in 2024 compared with last year. No significant new retail enhancements were introduced in the quarter, however, market analysts confirm that Doha Mall will open fully next month, following the opening of its anchor tenant Lulu in the first quarter of 2024. The report said: "Organized retail supply in Qatar's malls is approx. 1.6mn sq m. This supply is supplemented by more than 400,000 sq m of leasable space in 'open-air' retail/F&B destinations, which includes The Pearl, Souq Waqif, Souq Al Wakra, Msheireb Downtown, Katara, Doha Port, and Lusail Boulevard." Similar to the office realty market, occupancy rates vary between some of the main localities and the wider market. In the second quarter, Doha Festival City joined Villaggio Mall in registering full occupancy rates after leases were agreed on the remaining available units. However, newly introduced malls such as Place Vendome continue to draw retailers with resilient "pent-up" demand for ground floor units and from luxury retailers as the project increases its footfall. The report further mentioned "In the wider retail market, the overall increase in supply in the past five years has led to a number of malls struggling to attract footfall, with vacancy rates growing. Cushman and Wakefield estimate that approx. 20% of retail units within organized malls are currently vacant." Likewise, open-air developments, that are exposed to reduced footfall during the summer period are increasingly permitting flexible lease terms and rental incentives to attract and retain tenants in an increasingly competitive market. The data noted "Standard line units of approx. 120 – 250 sq m in Doha's main malls typically rent for between QR220 and QR280 per sq m per month. Smaller-sized outlets in prime locations usually command between QR300 and QR400 per sq m per month." Analysts stressed that Qatar's retail shops which witnessed footfall drop following the opening of Doha's super-regional malls, have vastly reduced their rent to below QR200 per sq m per month for line units. Outside of the organized retail malls, retail showrooms are typically available to lease for between QR80 and QR140 per sq m per month. "Restaurants and cafés in some of Qatar's most popular outdoor destinations, typically generate rental incomes between QAR 130 and QAR 180 per sq m per month," it added. On the other hand, mini retail marts and grocery stores in residential areas are significantly given for rent between QR4,000 and QR10,000 per month, according to their unit sizes. (Peninsula Qatar)

International

- **Fed officials uneasy about job market as they get ready for Jackson Hole -** Federal Reserve officials gathering at the annual central banking conference in Jackson Hole, Wyoming, this week can take some satisfaction that the U.S. unemployment rate, at 4.3%, remains low by historical standards. But it usually is: The U.S. experience of unemployment since the late 1940s has involved jobless rates that far more often than not are below the 5.7% long-run average, until they rise fast and far above it, a phenomenon Fed official are worried about repeating. Federal Reserve officials gathering at the annual central banking conference in Jackson Hole, Wyoming, this week can take some satisfaction that the U.S. unemployment rate, at 4.3%, remains low by historical standards. But it usually is: The U.S. experience of unemployment since the late 1940s has involved jobless rates that far more often than not are below the 5.7% long-run average, until they rise fast and far above it, a phenomenon Fed official are worried about repeating. In recent days, however, Fed officials have become more explicit that a potential weakening of the job market has them ready to cut interest rates after keeping the U.S. central bank's benchmark policy rate in the 5.25%-5.50% range for more than a year. The current level is the highest in a quarter of a century. In recent days, however, Fed officials have become more explicit that a potential weakening of the job market has them ready to cut interest rates after keeping the U.S. central bank's benchmark policy rate in the 5.25%-5.50% range for more than a year. The current level is the highest in a quarter of a century. In recent days, however, Fed officials have become more explicit that a potential weakening of the job market has them ready to cut interest rates after keeping the U.S. central bank's benchmark policy rate in the 5.25%-5.50% range for more than a year. The current level is the highest in a quarter of a century. (Reuters)

- **Japan's July exports growth lags expectations, volumes fall again -** Japan's exports rose at a slightly slower pace than expected in July and shipment volumes extended their declines, data showed on Wednesday, adding to some doubts about the outlook for an economy that has only just started to pick up the recovery pace. The outcome follows separate data last week that showed Japan's economy rebounded strongly in the second quarter on robust consumption, backing the case for the central bank to continue its monetary policy tightening campaign. Japanese exports rose 10.3% year-on-year in July, up for an eighth straight month, data from the Ministry of Finance showed, less than a median market forecast for an 11.4% increase. The sales were boosted by a weaker yen and compared with a rise of 5.4% in June. Overall shipment volumes, however, fell 5.2% last month from the year-ago period, the sixth consecutive month of declines. The downturn in volumes suggested the weaker yen was masking underlying softness in global demand, said Takeshi Minami, chief economist at Norinchukin Research Institute. Japanese exports rose 10.3% year-on-year in July, up for an eighth straight month, data from the Ministry of Finance showed, less than a median market forecast for an 11.4% increase. The sales were boosted by a weaker yen and compared with a rise of 5.4% in June. Overall shipment volumes, however, fell 5.2% last month from the year-ago period, the sixth consecutive month of declines. The downturn in volumes suggested the weaker yen was masking underlying softness in global demand, said Takeshi Minami, chief economist at Norinchukin Research Institute. Imports grew 16.6% in July from a year earlier versus a 14.9% increase expected by economists. The trade balance stood at a deficit of 621.8bn yen ($4.28bn), compared with a forecast deficit of 330.7 billion yen. (Reuters)

Regional

- **Saudi's Bahri signs almost $1bn deal for nine oil tankers -** The National Shipping Company of Saudi Arabia (Bahri) (4030.SE), has signed a purchase agreement to acquire nine Very Large Crude Carriers (VLCCs) from Capital Maritime and Trading Corporation for approximately 3.75bn Saudi riyal ($999mn), the company announced on Tuesday. The purchase is part of a modernization drive and will enable the company to start phasing out older vessels, Bahri said in a statement issued via Saudi Arabia's stock exchange. The ships will be delivered before the end of the first quarter of 2025, with Bahri paying for 10% of the purchase upon signing and the remainder upon delivery. Bahri stated the purchase will be financed by a combination of banking facilities and internally generated funds. Saudi Arabia is the world's largest oil exporter and possesses around 17% of the world's oil reserves. Bahri operates 40 VLCCs, each with a capacity of 2.2mn barrels, and are the largest fleet in the world according to the company's website. (Reuters)
- **Saudi fund's prudence pivot is only half complete -** Among the world's major sovereign wealth vehicles, Saudi Arabia's Public Investment Fund (PIF) has always had an unusually local flavor. That idiosyncrasy is growing. Spending more money in the kingdom makes sense given the PIF's goal of helping to diversify the country away from oil. But many of the local projects seem speculative. The fund's 2023 annual report, released on Monday, showed that assets under management rose almost a third last year to $766bn, with 76% of the total haul invested at home compared with 68% in 2022 and 51% in 2021. The local proportion is probably even higher now, after Saudi transferred 8% of state oil giant Aramco to the PIF earlier this year, helping to swell the fund's assets to $925bn. Boosting the share of money spent at home seems reasonable, since one of the vehicle's goals is to help forge a future for the country beyond oil – a key plank of Crown Prince Mohammed bin Salman's (MbS) agenda. It's hard to see how past international forays, such as giving $45bn to SoftBank's Vision Fund, helped with that aim. Instead, PIF is focusing increasingly on boosting domestic growth by investing $40bn a year in the economy. At the end of 2023, the biggest component of the fund's assets under management was what it calls Saudi sector development, which comprised $251bn of investments designed to establish and promote the growth of "high-priority sectors". The relevant section of the annual report mentions agreements with Hyundai Motor Company and Pirelli to set up local manufacturing sites. The local investment boost is partly born of necessity. With oil below $80 per barrel, well below the government's fiscal breakeven price of around $96 according to the International Monetary Fund, the Saudi state seems destined to keep running fiscal deficits. PIF is therefore one of the few pots of money available to sustain MbS's pet projects. But for every sensible-looking local growth initiative, there seem to be many possible misadventures. There's little evidence that the Saudi soccer league, for example, has grabbed much international attention despite signing stars including Cristiano Ronaldo. PIF's so-called giga-projects, typically giant construction efforts designed to boost growth, will come with a monumental and still-uncertain bill. Saudi said it had delayed and downscaled some of the big construction projects including the Line, a planned 170-kilometre-long city, Reuters reported. As well as putting its own money at risk with some of the more speculative investments, PIF is also arguably making it harder to attract foreign investment – another key aim for MbS. International backers are likely to prefer a steady suite of predictable investment opportunities, rather than a raft of passion projects. Having a more cautious PIF would help. The Public Investment Fund's (PIF) investments in the domestic market surged by 45% compared with 2022, in U.S. dollar terms, to $585bn, whereas international holdings rose by 14% to $156bn. Saudi accounted for 76% of AUM on Dec. 31, 2023, excluding treasury assets, compared with 68% a year earlier. Debt also rose, by 45% to $124bn, equating to 16% of AUM compared with 14% at the end of 2022. Since the end of 2023, PIF's AUM has risen by around $160bn to a total of around $925bn, according to its website, following the transfer of an 8% stake in national oil champion Saudi Aramco to the wealth fund in the first quarter of 2024. (Reuters)
- **Saudi Fund eyes Boeing, Airbus jets for new cargo airline -** Saudi Arabia's Public Investment Fund is in talks to procure jets from Boeing 777 (BA.N), and Airbus 350 (AIR.PA), for a new cargo airline, Bloomberg News reported on Tuesday, citing people familiar with the matter. The cargo-hauling operation would serve flag-carrier Saudia and startup Riyadh Air, the report said. (Reuters)
- **Saudi Chambers and Uruguay exporters Association sign deal to establish joint business council -** The Saudi-Uruguayan joint committee established under Article 7 of the General Cooperation Agreement held its first meeting on Monday at the Ministry of Foreign Affairs in the capital, Montevideo. The meeting was chaired by the Undersecretary of the Saudi Ministry of Agriculture, Eng. Ahmed Al-Khamshi, and from the Uruguayan side by the Deputy Foreign Minister of the Oriental Republic of Uruguay, Dr. Nicolas Albertoni. The Uruguayan Vice Minister of Livestock, Agriculture, and Fisheries, Eng. Juan Ignacio Buffa and the Saudi Ambassador to Uruguay, Eyad bin Ghazi Hakim, also attended the meeting. On the sidelines of the meeting, a Memorandum of Understanding (MoU) was signed to establish a Joint Business Council

between the Federation of Saudi Chambers and the Uruguay Exporters Association. (Zawya)

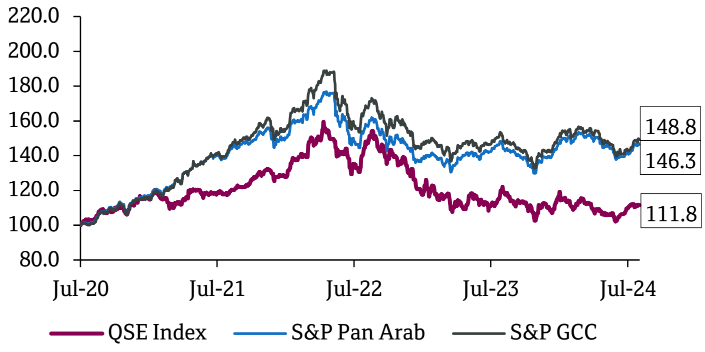
- **Women's T20 World Cup moved to UAE from strife-torn Bangladesh -** The Women's T20 World Cup scheduled for October has been moved to the United Arab Emirates from Bangladesh, which has been rocked by political turmoil and violence in recent weeks. World cricket's governing body the ICC said on Tuesday that a number of participating countries had issued travel advisories for Bangladesh, effectively preventing the country from hosting the tournament. Bangladesh's prime minister Sheikh Hasina fled the country earlier this month amid the protests, and an interim government led by Muhammad Yunus has taken charge. "It is a shame not to be hosting the Women's T20 World Cup in Bangladesh as we know the Bangladesh Cricket Board would have staged a memorable event," ICC chief executive Geoff Allardice said in a statement. "Travel advisories from the governments of a number of the participating teams meant that wasn't feasible. However, they will retain hosting rights. We look forward to taking an ICC global event to Bangladesh in the near future," he added. The Women's T20 World Cup, scheduled for Oct. 3 to 20, will be the ninth edition of the global championship, with 10 countries involved. (Reuters)

- **Abu Dhabi Chamber reports 23.8% YoY increase in issuing certificates of origin -** The Abu Dhabi Chamber of Commerce and Industry, in cooperation with Etihad Credit Insurance (ECI), has developed a research paper, which revealed a 23.8% year-on-year (YoY) increase in the number of certificates of origin issued between January and May 2024, compared to the same period in 2023. In a press release on Tuesday, the chamber said that this significant growth reflects Abu Dhabi's expanding exports and underscores local efforts to boost trade opportunities and enhance the UAE's global trade footprint. The paper highlighted the top 10 regional and global markets targeted for exports by Abu Dhabi Chamber members, which are, respectively: Saudi Arabia, Kuwait, Oman, Qatar, USA, Egypt, Bahrain, Jordan, Iraq, and India. The study indicated that the chamber's efforts contributed to an increase in local commercial activity compared to 2023, coinciding with a rise in the number of new industrial companies registered with the Abu Dhabi Chamber. The transportation and storage sector witnessed a remarkable 78% increase between January and May 2024 compared to the same period in 2023. Additionally, the paper observed that by the end of 2023, the total value of the UAE's non-oil foreign trade with countries with which it has signed Comprehensive Economic Partnership Agreements (CEPA), both those implemented and those nearing conclusion, surpassed AED390bn. The paper also confirmed that the CEPAs have significantly contributed to driving the UAE's economic growth, enhancing the access of Emirati businessmen to new foreign markets, expanding Abu Dhabi's export portfolio, and facilitating the entry of Emirati exports into several major markets in the world, most notably India, Indonesia, Turkey, Korea, and Malaysia. This includes a variety of products such as electronic equipment, machinery, metals, medicine, vegetable oils, and others. The paper revealed that the patterns of exporting non-oil goods from the UAE now encompass a diverse global scope, with Asia emerging as the leading export destination, followed by the European Union and North America. Other notable regions include the European Free Trade Association (EFTA) and Africa, along with significant growth in the UAE's exports to South America, Eastern Europe, Oceania, and Central America. As of July 2024, the UAE has signed 12 CEPAs with countries at regional and global levels, with ongoing discussions to establish new agreements with promising and vital markets. (Reuters)

- **Bahrain's non-oil national products exports rise 4% to $894.4mn -** Bahrain's non-oil exports of products of national origin rose 4% to reach BD337mn ($894.4mn in July 2024 compared to BD323mn for same month in 2023. The top 10 countries for national origin product exports accounted for 68% of the export value. Saudi Arabia ranked first among countries for non-oil exports (national origin) with BD61mn (18%). The US was second with BD28mn (8%) and the UAE third with BD25mn (7%), according to the Information & eGovernment Authority (iGA), which released its July 2024 Foreign Trade report. Agglomerated iron ores and concentrates alloyed worth BD83mn (25%) were the top products exported in July 2024 followed by unwrought aluminum alloys with BD77mn (23%) and unwrought aluminum not alloyed with BD18mn (5%). Re-exports rise 22pc: The total value of non-oil re-exports increased by 22% to reach BD61mn, compared to BD50mn for same month in 2023. The top 10 countries for re-exports accounted for 84% of the re-exported value. The UAE ranked first with BD21mn (34%) followed by Saudi Arabia with BD18mn (30%) and Germany with BD3mn (5%). As per the report, private cars worth BD9mn (15%) were the top product re-exported from Bahrain followed by gold ingots BD6mn (10%) and smartphones BD3mn (5%). The value of non-oil imports has increased by 5% reaching BD464mn in July 2024 in comparison with BD441mn for same month in 2023. The top 10 countries for imports recorded 70% of the total value of imports. Most imports from China China ranked first for imports to Bahrain, with a total of BD73mn (16%), followed by Australia with BD65mn (14%) and Brazil with 37mn (8%). Other aluminum oxide worth BD66mn (14%) was the top product imported to Bahrain followed by non-agglomerated iron ores and concentrates with BD42mn (9%) and private cars with BD14mn (3%). As for the trade balance, which represents the difference between exports and imports, the deficit recorded was BD66mn in July 2024 compared to BD68mn in July 2023. (Zawya)

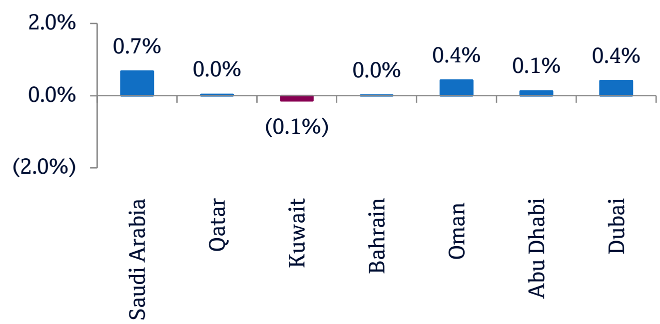
- **National Bank of Bahrain increases its shareholding in Sico to 21.07% -** The National Bank of Bahrain (NBB) has announced that it has increased its shareholding in Sico from 12.51% to 21.07%. The NBB Group continues to seek strategic opportunities that contribute to elevating its position as a leading financial institution in Bahrain, with a growing presence in the region, a bank release said. (Zawya)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	2,513.99	0.4	0.2	21.9
Silver/Ounce	29.44	(0.0)	1.6	23.7
Crude Oil (Brent)/Barrel (FM Future)	77.20	(0.6)	(3.1)	0.2
Crude Oil (WTI)/Barrel (FM Future)	74.04	(0.4)	(3.4)	3.3
Natural Gas (Henry Hub)/MMBtu	2.18	0.6	5.5	(15.5)
LPG Propane (Arab Gulf)/Ton	78.00	1.2	1.6	11.4
LPG Butane (Arab Gulf)/Ton	79.60	0.3	0.3	(20.8)
Euro	1.11	0.4	0.9	0.8
Yen	145.26	(0.9)	(1.6)	3.0
GBP	1.30	0.3	0.7	2.4
CHF	1.17	1.0	1.4	(1.5)
AUD	0.67	0.2	1.1	(1.0)
USD Index	101.44	(0.4)	(1.0)	0.1
RUB	110.69	0.0	0.0	58.9
BRL	0.19	0.8	0.8	(10.0)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,615.77	(0.1)	0.9	14.1
DJ Industrial	40,834.97	(0.2)	0.4	8.3
S&P 500	5,597.12	(0.2)	0.8	17.3
NASDAQ 100	17,816.94	(0.3)	1.1	18.7
STOXX 600	512.27	(0.1)	1.2	7.4
DAX	18,357.52	0.0	1.2	10.1
FTSE 100	8,273.32	(0.7)	0.3	9.2
CAC 40	7,485.73	0.2	1.5	(0.3)
Nikkei	38,062.92	2.6	1.8	10.2
MSCI EM	1,104.45	0.1	1.0	7.9
SHANGHAI SE Composite	2,866.66	(0.8)	(0.0)	(4.0)
HANG SENG	17,511.08	(0.3)	0.6	3.0
BSE SENSEX	80,802.86	0.6	0.5	11.1
Bovespa	136,087.41	(1.2)	1.4	(10.1)
RTS	1,151.93	(0.0)	0.0	6.3

Source: Bloomberg ($ adjusted returns if any)*

Contacts

QNB Financial Services Co. W.L.L.
Contact Center: (+974) 4476 6666
info@qnbfs.com.qa
Doha, Qatar

Saugata Sarkar, CFA, CAIA
Head of Research
saugata.sarkar@qnbfs.com.qa

Shahan Keushgerian
Senior Research Analyst
shahan.keushgerian@qnbfs.com.qa

Phibion Makuwerere, CFA
Senior Research Analyst
phibion.makuwerere@qnbfs.com.qa

Roy Thomas
Senior Research Analyst
roy.thomas@qnbfs.com.qa

Dana Saif Al Sowaidi
Research Analyst
dana.alsowaidi@qnbfs.com.qa