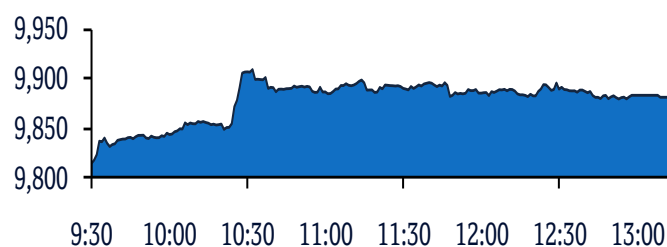


## QSE Intra-Day Movement



## Qatar Commentary

The QE Index rose 0.7% to close at 9,883.9. Gains were led by the Insurance and Real Estate indices, gaining 7.0% and 1.5%, respectively. Top gainers were Dlala Brokerage & Investment Holding Company and Qatar Cinema & Film Distribution Company, rising 10.0% each. Among the top losers, Ooredoo fell 2.1%, while Zad Holding Company was down 1.5%.

## GCC Commentary

**Saudi Arabia:** The TASI Index gained 0.5% to close at 8,334.7. Gains were led by the Media & Entertainment and Utilities indices, rising 4.9% and 2.8%, respectively. Amana Cooperative Insurance and Wataniya Insurance Co. were up 10.0% each.

**Dubai:** The DFM Index gained 0.7% to close at 2,261.5. The Insurance index rose 2.4%, while the Banks index gained 1.4%. Ektitab Holding Company and Almadina for Finance and Investment Company were up 14.9%, each respectively.

**Abu Dhabi:** The ADX General Index gained 0.1% to close at 4,492.2. The Investment & Financial Services index rose 2.9%, while the Real Estate index gained 0.4%. Gulf Cement Company rose 4.1%, while Abu Dhabi Islamic Bank was up 3.6%.

**Kuwait:** The Kuwait All Share Index fell 0.3% to close at 5,566.7. The Technology index declined 1.2%, while the Banks index fell 0.5%. Metal & Recycling Company declined 8.0%, while Al-Eid Food was down 6.0%.

**Oman:** The MSM 30 Index gained marginally to close at 3,621.4. The Financial index gained 0.1%, while the other indices ended in red. Oman Oil Marketing Company rose 19.8%, while Dhofar Insurance was up 10.0%.

**Bahrain:** The BHB Index fell 0.1% to close at 1,449.2. The Commercial Banks index declined 0.3%, while the Services index fell 0.1%. Bahrain Duty Free Complex declined 0.8%, while Ahli United Bank was down 0.6%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Dlala Brokerage & Inv. Holding Co.	1.90	10.0	4,198.7	211.5
Qatar Cinema & Film Distribution	3.92	10.0	11.7	78.2
Qatar General Ins. & Reins. Co.	2.20	9.4	1.9	(10.6)
Qatar Insurance Company	2.40	8.2	4,253.3	(24.1)
Mazaya Qatar Real Estate Dev.	1.21	5.9	47,835.9	67.7

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Investment Holding Group	0.61	0.8	66,646.0	7.8
Mazaya Qatar Real Estate Dev.	1.21	5.9	47,835.9	67.7
Salam International Inv. Ltd.	0.63	3.8	22,967.4	21.3
Qatar Aluminium Manufacturing	1.03	1.0	22,317.9	31.9
United Development Company	1.83	0.7	21,113.4	20.5

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	9,883.90	0.7	1.0	0.4	(5.2)	135.63	158,089.9	16.1	1.5	4.0
Dubai	2,261.49	0.7	0.4	0.7	(18.2)	85.54	86,132.0	8.6	0.8	4.3
Abu Dhabi	4,492.18	0.1	0.6	(0.6)	(11.5)	102.72	182,139.8	16.4	1.3	5.4
Saudi Arabia	8,334.65	0.5	1.2	5.0	(0.7)	4,049.64	2,470,640.9	30.4	2.0	2.5
Kuwait	5,566.72	(0.3)	(0.8)	5.1	(11.4)	127.72	105,427.5	29.9	1.4	3.5
Oman	3,621.41	0.0	(0.2)	(4.0)	(9.0)	3.05	16,361.7	10.8	0.7	6.8
Bahrain	1,449.16	(0.1)	(0.1)	4.9	(10.0)	5.22	22,111.2	13.5	0.9	4.8

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

Market Indicators	28 Sep 20	27 Sep 20	%Chg.
Value Traded (QR mn)	498.8	397.0	25.7
Exch. Market Cap. (QR mn)	582,068.7	577,258.4	0.8
Volume (mn)	300.7	241.1	24.7
Number of Transactions	10,614	7,211	47.2
Companies Traded	45	46	(2.2)
Market Breadth	35:7	26:15	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	19,001.47	0.7	1.0	(1.0)	16.1
All Share Index	3,046.01	0.9	1.2	(1.7)	16.8
Banks	4,041.27	0.8	1.2	(4.2)	13.5
Industrials	2,946.84	0.2	0.4	0.5	25.6
Transportation	2,796.35	1.2	1.3	9.4	13.2
Real Estate	2,052.66	1.5	1.8	31.2	16.8
Insurance	2,306.32	7.0	10.3	(15.7)	32.8
Telecoms	936.76	(1.5)	(2.6)	4.7	15.8
Consumer	7,896.05	0.6	0.6	(8.7)	24.8
Al Rayan Islamic Index	4,142.07	0.4	0.6	4.8	19.3

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Abu Dhabi Islamic Bank	Abu Dhabi	4.31	3.6	12,935.3	(20.0)
Rabigh Refining & Petro.	Saudi Arabia	14.96	3.2	23,391.9	(30.9)
Saudi Electricity Co.	Saudi Arabia	17.20	3.1	15,456.3	(14.9)
Dr Sulaiman Al Habib	Saudi Arabia	97.20	3.1	729.4	94.4
Saudi Kayan Petrochem.	Saudi Arabia	11.14	2.6	32,225.0	0.4

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Ooredoo	Qatar	6.85	(2.1)	1,818.0	(3.2)
Kingdom Holding Co.	Saudi Arabia	8.40	(1.1)	2,367.9	11.3
Ahli United Bank	Kuwait	0.29	(1.0)	539.8	(12.5)
Kuwait Finance House	Kuwait	0.68	(1.0)	13,625.6	(8.2)
Burgan Bank	Kuwait	0.21	(1.0)	4,072.6	(31.6)

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

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Ooredoo	6.85	(2.1)	1,818.0	(3.2)
Zad Holding Company	15.05	(1.5)	188.5	8.9
Qatar Islamic Insurance Company	6.22	(1.1)	10.0	(6.9)
Al Khaleej Takaful Insurance Co.	1.86	(0.5)	3,325.5	(7.0)
Qatar International Islamic Bank	8.22	(0.4)	555.7	(15.1)

QSE Top Value Trades	Close*	1D%	Vol. '000	YTD%
Mazaya Qatar Real Estate Dev.	1.21	5.9	57,296.0	67.7
QNB Group	17.70	1.4	46,548.4	(14.0)
Investment Holding Group	0.61	0.8	40,796.7	7.8
United Development Company	1.83	0.7	38,596.1	20.5
Baladna	2.22	3.1	27,583.7	121.9

Source: Bloomberg (\* in QR)

## Qatar Market Commentary

- The QE Index rose 0.7% to close at 9,883.9. The Insurance and Real Estate indices led the gains. The index rose on the back of buying support from Qatari, GCC and Arab shareholders despite selling pressure from Foreign shareholders.
- Dlala Brokerage & Investment Holding Company and Qatar Cinema & Film Distribution Company were the top gainers, rising 10.0% each. Among the top losers, Ooredoo fell 2.1%, while Zad Holding Company was down 1.5%.
- Volume of shares traded on Monday rose by 24.7% to 300.7mn from 241.1mn on Sunday. However, as compared to the 30-day moving average of 363.6mn, volume for the day was 17.3% lower. Investment Holding Group and Mazaya Real Estate Development were the most active stocks, contributing 22.2% and 15.9% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	47.43%	51.63%	(20,972,977.0)
Qatari Institutions	21.38%	12.32%	45,192,415.8
<b>Qatari</b>	<b>68.81%</b>	<b>63.95%</b>	<b>24,219,438.8</b>
GCC Individuals	1.00%	1.69%	(3,476,659.1)
GCC Institutions	1.99%	1.20%	3,907,782.7
<b>GCC</b>	<b>2.98%</b>	<b>2.90%</b>	<b>431,123.6</b>
Arab Individuals	14.03%	13.24%	3,987,974.9
<b>Arab</b>	<b>14.03%</b>	<b>13.24%</b>	<b>3,987,974.9</b>
Foreigners Individuals	2.78%	4.34%	(7,795,188.1)
Foreigners Institutions	11.39%	15.57%	(20,843,349.2)
<b>Foreigners</b>	<b>14.17%</b>	<b>19.92%</b>	<b>(28,638,537.3)</b>

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

## Ratings and Earnings Calendar

### Ratings Updates

Company	Agency	Market	Type*	Old Rating	New Rating	Rating Change	Outlook	Outlook Change
Oman Electricity Transmission Co	S&P	Oman	LT-LIC/LT-FIC	BB-/BB-	B/B	↓	Negative	–

Source: News reports, Bloomberg (\* LT – Long Term, FIC – Foreign Issuer Credit, LIC – Local Issuer Credit)

### Earnings Calendar

Tickers	Company Name	Date of reporting 3Q2020 results	No. of days remaining	Status
QNBK	QNB Group	11-Oct-20	12	Due
MARK	Masraf Al Rayan	11-Oct-20	12	Due
ERES	Ezdan Holding Group	14-Oct-20	15	Due
QGTS	Qatar Gas Transport Company Limited (Nakilat)	19-Oct-20	20	Due
QEWS	Qatar Electricity & Water Company	19-Oct-20	20	Due
QIGD	Qatari Investors Group	19-Oct-20	20	Due
DHBK	Doha Bank	27-Oct-20	28	Due
ORDS	Ooredoo	28-Oct-20	29	Due
UDCD	United Development Company	28-Oct-20	29	Due
AHCS	Aamal Company	29-Oct-20	30	Due

Source: QSE

**Qatar**

- **Changes in constituents of QE Index, QE Al Rayan Islamic Index and QE All Share from October 01** – The new index composition of QE Index, QE Al Rayan Islamic Index and QE All Share Index will come into effect from October 01, 2020. Baladna (BLDN) and Aamal Co. (AHCS) will replace Al Meera Consumer Goods Company (MERS) and Vodafone Qatar (VFQS) in the QE Index. BLDN and Mazaya Qatar (MRDS) will join the QE Al Rayan Islamic Index, while Zad Holding (ZHCD) is removed from the Index. BLDN will join QE All Share Index and QE Consumer Goods and Services Sector Index. (QSE)
- **ORDS to disclose 3Q2020 financial statements on October 28** – Ooredoo (ORDS) intends to disclose the 3Q2020 financial statements for the period ending September 30, 2020, on October 28, 2020. The company will also hold its investor relations conference call to discuss the financial results on October 29, 2020 at 2:00pm Doha time. (QSE)
- **ERES to disclose 3Q2020 financial statements on October 14** – Ezdan Holding Group (ERES) intends to disclose the 3Q2020 financial statements for the period ending September 30, 2020, on October 14, 2020. (QSE)
- **Moody's highlights 'exceptionally high per-capita income, hydrocarbon reserves' of Qatar** – Qatar's exceptionally high per-capita income and proved hydrocarbon reserves are among key credit strengths that underpin the sovereign's resilience to large economic and fiscal shocks, said Moody's, which recently affirmed Qatar's 'Aa3' rating, with a 'Stable' outlook. The rating affirmation is supported by a number of strengths embedded in Qatar's credit profile, which underpin the sovereign's resilience to shocks, including the current shock triggered by the coronavirus pandemic and lower global oil prices. In particular, these strengths include Qatar's exceptionally high level of per-capita income, its very large hydrocarbon reserves with low extraction costs, the government's very robust net asset position, and an established track record of macroeconomic policy effectiveness. The affirmation also reflects Moody's expectation that over the next few years the government will reduce its debt burden below 50% of GDP from an estimated peak of around 68% of GDP (in 2020) through the combination of announced fiscal consolidation measures and a planned debt reduction exercise, which will draw on the government's accumulated contingency reserves. The 'Stable' outlook balances elevated regional geopolitical risks and the risk that an extended period of depressed oil prices delays the anticipated reversal of the weakening in government debt and debt affordability metrics against the potential fiscal and economic upside stemming from the planned expansion of the liquefied natural gas (LNG) production capacity. Qatar's 'Aa3' rating is supported by several key credit strengths that underpin the sovereign's resilience to large economic and fiscal shocks such as the one imposed this year by the coronavirus pandemic. These strengths include Qatar's exceptionally high per-capita income and proven hydrocarbon reserves, which will buffer its economic strength even if non-hydrocarbon sector growth remains relatively weak in the coming years; its access to robust contingency financial buffers, which significantly exceed the level of government debt; and its capacity and policy

flexibility to reverse, over the medium term, the recent weakening of government debt and debt affordability metrics. (Gulf-Times.com)

- **Qatar Airways Cargo signs deal with SkyCell for hybrid pharma containers** – Qatar Airways Cargo and SkyCell have signed an agreement to lease SkyCell containers. The addition of these temperature-controlled hybrid containers will provide the cargo carrier's customers the choice of a wide range of containers in which to transport their pharmaceuticals across its extensive global network. (Qatar Tribune)
- **Qatari Diar, Kahramaa sign MoU to set up 10 EV charging stations** – Qatari Diar Real Estate Investment Company (Qatari Diar) and Qatar General Electricity and Water Corporation (Kahramaa) signed yesterday a Memorandum of Understanding (MoU) to set up 10 electric vehicles (EV) charging stations in Lusail City. The agreement ceremony was graced by the Minister of Transport and Communications, H E Jassim bin Saif Al Sulaiti. The MoU also comes in the framework of Kahramaa's electric vehicles policy, in cooperation with the Ministry of Transport and Communications. There are currently 11 charging stations in the country with plans for 30 more this year including the 10 new stations for Lusail. Commenting on the occasion, the Minister of Transport and Communications said that the MoU is part of the ministry's strategy of establishing an electric vehicle charging stations network. He noted that next year will see the operation of 100 chargers. (Peninsula Qatar)

**International**

- **Pandemic to keep Asia's growth at lowest since 1967, warns World Bank** – The coronavirus pandemic is expected to lead to the slowest growth in more than 50 years in East Asia and the Pacific as well as China, while up to 38mn people are set to be pushed back into poverty, the World Bank said in an economic update on Monday. The bank said the region this year is projected to grow by only 0.9%, the lowest rate since 1967. Growth in China was expected to come in at 2% this year, boosted by government spending, strong exports and a low rate of new coronavirus infections since March, but held back by slow domestic consumption. The rest of the East Asia and Pacific region was projected to see a 3.5% contraction, the World Bank said. The pandemic and efforts to contain its spread led to a "significant curtailment" of economic activity, the report said. The economic shock of the pandemic was also expected to lead to a jump in poverty, defined as income of \$5.50 a day, the bank said, adding that based on past experience and the latest gross domestic product forecasts, poverty could expand by 33mn to 38mn people to see its first rise in 20 years. (Reuters)
- **US income inequality narrowed slightly over last three years** – Income inequality in the US narrowed in the first three years of the Trump administration as rising wages and a low unemployment rate fueled gains for lower-income and less educated families, according to US Federal Reserve data released on Monday. Wealth inequality was largely unchanged, with the top 10% of families holding about 71% of family wealth in 2019, roughly the same as in 2016, the Fed found in its latest Survey of Consumer Finances, conducted every three

years. The survey provides a snapshot of how income, assets and debt are distributed across the population, and in this case how the benefits of the final years of a decade-long economic expansion had begun flowing to typically less advantaged parts of the population. (Reuters)

- **The \$4tn US government relies on individual taxpayers** – The US government’s over \$4tn annual budget, the world’s largest, relies heavily on individual wage earners whose taxes and retirement benefits are deducted from every paycheck, leaning particularly on the top 20% of income earners. Corporations pay just a fraction of what individuals do into the federal spending pool, which funds the military, transportation safety, veterans benefits, regulatory agencies and programs like NASA. Of the \$3.46tn in receipts taken in by the US Treasury during fiscal 2019, nearly half came from the \$1.72tn in individual income taxes collected. In addition, \$1.24tn in Social Security and Medicare taxes were paid by individuals, bringing their share to 85%. Taxes paid by corporations last year totaled \$230bn, or just 6.6% of the total in 2019. The remainder of federal revenues are made up from customs duties on imported goods, excise taxes such as those on gasoline, estate taxes and other miscellaneous taxes and fees. W2 wage earners - those with a regular paycheck from a business, government entity or non-profit - make up the largest share of tax revenue through income tax and social insurance withholdings, like the payroll tax that funds Social Security, the government retirement program. Those withholdings can reduce here Americans' take-home pay by nearly 40%, depending on income, and have made up about 73% of total revenue over the past two fiscal years through August. Despite high unemployment because of the coronavirus pandemic, withheld income taxes in 2020 have fallen less than 1% from 2019 levels, partly due to higher earnings early in the year and aid to small businesses that kept paychecks coming to many idled employees over the spring and summer months. (Reuters)
- **Bank of England's Ramsden sees floor for rates above zero** – Bank of England’s (BoE) Deputy Governor, Dave Ramsden said he thought the floor for the central bank’s key interest rate was 0.1% but the BoE was “duty-bound” to consider going below zero as part of its efforts to help the economy through its coronavirus crisis. “For me, I see the effective lower bound still at 0.1 which is where Bank Rate is at present,” Ramsden said in an interview with Britain’s Society of Professional Economists posted online. Sterling extended its rise against the dollar and the euro after his comments. The BoE said this month it would look at how it might be able to implement negative rates if they were needed, building on an announcement in August that the option was part of its toolbox. One of the BoE’s nine interest-rate setters, Silvana Tenreiro, said in a newspaper interview published on Saturday that the investigation into whether negative rates might help the economy had found “encouraging” evidence. Ramsden said in his interview with the SPE that there were some jurisdictions where negative rates appeared more effective than in the Eurozone and Japan, but their usefulness depended on the economic cycle and the structure of the banking system. (Reuters)
- **As Brexit talks intensify, banks see sharply higher risk of no-deal exit** – The chances of Britain leaving the European Union

(EU) without a trade deal have risen dramatically in the last three months, according to major investment banks, most of which now see the probability of such an outcome at 50% or higher. Britain left the EU in January but is currently in a status-quo transition period, which ends on December 31 irrespective of whether or not a deal is agreed. On Monday, the two sides started a decisive week of talks, with one diplomat noting an improvement in “mood music”. But all six banks which participated in a Reuters poll in June are more pessimistic, with most citing UK legislation that would breach parts of the withdrawal agreement signed with the EU in January. The move has drawn threats of legal action from the EU. The most dramatic re-assessment was by Societe Generale, which said the bill “gravely damaged” trust. The probability of no-deal now stands at 80%, according to the bank, which had assigned a 17% chance in June. (Reuters)

- **UK shopper numbers dented by new COVID-19 curbs** – Shopper numbers across all British retail destinations fell by 3% last week compared to the previous week, dented by the government imposing new curbs to stem the spread of COVID-19, market researcher Springboard said on Monday. It said although footfall in the week to Sept. 26 rose 1.1% and 0.9% in retail parks and shopping centers respectively, it was down 6.8% in high streets. Springboard said that following the government’s announcement on Tuesday to work from home where possible, footfall declined by an average of 11% from Wednesday to Saturday. On a YoY basis footfall across all retail destinations last week remained 28% lower than 2019. (Reuters)
- **Germany to issue 6bn Euros more debt than planned in fourth quarter due to coronavirus** – Germany plans to issue 6bn Euros (\$7bn) more debt in the fourth quarter than it originally planned, the German finance agency said on Monday, to fund spending to tackle the coronavirus pandemic that has battered the economy. Europe’s largest economy will issue a total of 50.5bn Euros in debt in the October-December period excluding inflation-linked debt, the agency said. That includes beefing up its issuance of money market instruments to 21.5bn Euros from its original plans to auction off 15.5bn Euros of the short-term debt. The debt agency said it would issue two inflation-linked bonds in the fourth quarter, without giving details on their issuance volume, but it said the total funds generated from such debt in 2020 would reach around 6bn Euros. (Reuters)
- **French 2021 budget to release first 42bn Euros of recovery plan** – The French government on Monday presented a 2021 budget plotting a path out of its worst post-war recession, with 42bn Euros pumped into the economy in the first year of its 100bn Euro two-year recovery plan. The government expects the Eurozone’s second-biggest economy to contract a record 10% this year following a nearly two-month coronavirus lockdown, plunging the country into one of the deepest recessions in Europe. Paris has mobilised more than 470bn Euros in tax breaks, state-subsidized furloughs and business loan guarantees to contain the crisis, blowing the public sector budget deficit out to a record 10.2% of GDP this year. The economy bounced back after the lockdown was lifted in May and the government forecasts it will surge 8% next year,

boosted by the first tranche of the 100bn Euro recovery plan. (Reuters)

- **Reuters poll: China's factory activity likely grew at slightly faster pace in September** – China's factory activity likely expanded at a slightly faster pace in September, a Reuters poll showed on Monday, as the economy extends a steady recovery from the coronavirus crisis. The official manufacturing Purchasing Manager's Index (PMI) is expected to pick up moderately to 51.2 in September from August's 51, according to the median forecast of 28 economists polled by Reuters. A reading above 50 indicates an expansion in activity on a monthly basis. China's vast industrial sector is steadily returning to the levels seen before the pandemic paralyzed huge swathes of the economy early this year. Pent-up demand, stimulus-driven infrastructure and surprisingly resilient exports have been the main drivers propelling the rebound. Consumption is also slowly recovering, despite signs of lagging spending among low-income groups. Profits at China's industrial firms extended their robust growth for the fourth month in August, official data showed on Sunday. China's manufacturing PMI indices may start to level off in September on softening industrial metals prices and with a survey by Standard Chartered showing new orders and output weakening for smaller companies, said Julian Evans-Pritchard, senior China Economist at Capital Economics, in a note. (Reuters)
- **China's leaders to endorse lower 2021-2025 growth target at key meeting** – China's leaders are poised to endorse a lower economic growth target for Beijing's next five-year plan compared with 2016-2020, as authorities navigate growing challenges fuelled by a deepening rift with the US, according to sources. President Xi Jinping and other leaders are expected to discuss and approve China's economic and social development blueprint for 2021-2025 at a key Communist Party conclave in October, the sources told Reuters. State news agency Xinhua said on Monday the meeting will be held from October 26-29. Policymakers believe that setting a five-year growth target is vital for steering the world's second-largest economy past the 'middle income trap', the sources said, after internal debate over whether it should abandon such targets to enable more flexibility. The target also keeps local governments focused on development goals at a time of a deepening rift between China and the US over a broad range of issues, they said. (Reuters)
- **RBI to keep rates on hold, provide economic forecasts** – The Reserve Bank of India (RBI) is expected to keep key rates unchanged at its upcoming monetary policy review, but may for the first time since February provide guidance on how the economy is performing amid the coronavirus pandemic. All 66 respondents in a Reuters poll expect the repo rate to remain unchanged at 4.0% and a large majority see no cuts until the January-March quarter. The RBI will then likely stay on hold until the end of 2021. The MPC which was scheduled to meet between September 29 to October 1 but will now meet at a later date which is yet to be announced, RBI said on Monday. The central bank must manage high retail inflation while keeping policy accommodative to support an economy which nosedived 23.9% last quarter, the weakest performance on record. It has so far slashed rates by 115 basis points in response to the COVID-19 pandemic since late March. (Reuters)

## Regional

- **Value of Saudi Arabia's oil exports fell 46% YoY in July** – The value of Saudi Arabia's oil exports fell 46.4% YoY in July and non-oil exports declined by 8.3% YoY falling to SR17,424mn, data from the Kingdom's General Authority of Statistics revealed. The Kingdom's merchandise imports declined by 30.5% in July. The value of imports amounted to SR37,661mn in July 2020 compared to SR54,181mn in July 2019. According to govt data, this decrease was due to the decrease in many sections, mainly: Vehicles and Associated Transport Equipment (-64.3%); Machinery and Mechanical Appliances; Electrical Equipment (-30.1%). Imports in July were reduced by 15.4% at SR6,860mn compared to the previous month. The ratio of non-oil exports to imports increased to 46.3% in July 2020 compared to 35.1% in July 2019. This is due to the fact that the decrease in non-oil exports (-8.3%) was more muted than the decrease in imports (-30.5%) during this period. (Zawya)
- **Saudi Arabia's August net foreign assets rise to SR1,682.7bn** – Saudi Arabian Monetary Authority (SAMA) published foreign assets and reserves data for August which showed that net foreign assets rise to SR1,682.7bn. Total reserve assets rose to SR1,700.39bn from SR1,680.bn in July. Investment in foreign securities rose to SR1,020.5bn from SR1,002.5bn in July. FX and deposits abroad rose to SR635.01bn from SR633.3bn in June. SAMA's net foreign assets stood at SR1,662.7bn at end of July. The M3 money supply rose 9.4% YoY, M2 money supply rose 10% YoY and M1 money supply rose 12% YoY. (Bloomberg)
- **Saudi Tourism Development Fund, banks sign deal for up to \$43bn of projects** – Saudi Arabia's Tourism Development Fund on Monday signed an agreement with Riyadh Bank and Banque Saudi Fransi to finance up to \$43bn of tourism projects in the Kingdom, state news agency SPA reported. The agreement will set up mechanisms to finance tourism projects across the kingdom as part of the government's efforts to develop the sector, a key pillar of Saudi Crown Prince, Mohammed bin Salman's ambitious reform strategy to reduce dependence on oil. The fund, founded in June with an initial \$4bn investment, is part of plans to diversify the economy in the face of the coronavirus pandemic and low oil prices. It is intended to launch investment vehicles to develop tourism in collaboration with private and investment banks. (Reuters)
- **Saudi Arabia's 2Q2020 tourism revenue falls 98%, most on record** – Income from foreign visitors to Saudi Arabia fell 98% to \$69.2mn in the second quarter of 2020 compared with the same period last year, according to data from Saudi Arabian Monetary Agency (SAMA). This is the third consecutive quarter of decrease. This is the lowest number on record. Revenue from tourism accounted for 6.1% of services exports, down from 66% a year earlier, and 0.2% of the country's total export of goods and services. In the same time, residents from Saudi Arabia spent \$1.45bn abroad, down 62% from last year. (Bloomberg)
- **Credit Agricole to build its own corporate and investment bank after stake sale** – Credit Agricole plans to build its own corporate and investment bank in Saudi Arabia after selling the final portion of its stake in Banque Saudi Fransi. The French lender sold its remaining 4% holding for \$387mn to two Saudi government-related institutional investors, Credit Agricole said

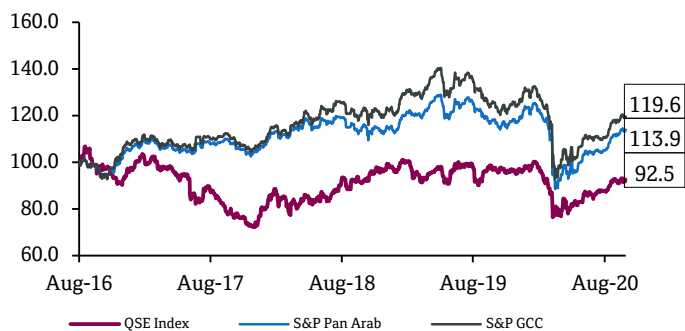
in a statement on Monday, without identifying the entities. The shares were sold at SR30 each and will help shore up Credit Agricole's capital. The disposal ends Credit Agricole's decades-long investment in one of the Kingdom's largest corporate banks. The French firm is plotting its own path in a region awash with mega-bond deals as well as stake sales by state-owned entities. (Bloomberg)

- **Mubadala unit Sanad signs AED1bn accord with Pratt & Whitney, IAE** – Sanad has signed a deal with Pratt & Whitney and International Aero Engines (IAE) for AED1bn, UAE's state-run WAM news agency reported. The agreement will see Sanad Aerotech providing IAE with expanded maintenance, repair and overhaul, MRO, services for its V2500 engine, which powers the Airbus A320 family of aircraft. IAE, the manufacturer of V2500 engines, will offload V2500 engines for MRO services to Sanad's facility in Abu Dhabi Airports Free Zone. (Bloomberg)
- **Abu Dhabi Commercial Bank to exit China, focus on home market** – Abu Dhabi Commercial Bank will exit China and focus on its home market. The approval has been obtained from China Banking and Insurance Regulatory Commission for closure of branch in Shanghai, Abu Dhabi Commercial Banks said. Branch was inherited through merger with Union National Bank in 2019. It does not see impact on the profitability. (Bloomberg)
- **S&P lowers Oman Electricity Transmission to 'B'; with Negative outlook** – S&P believes Oman Electricity Transmission Co.'s (OETC's) liquidity has deteriorated due to debt-financed capex and no tangible progress on refinancing its significant maturities due January 2021. Furthermore, extended delays in government subsidies to Oman's utility sector suggests that the regulatory framework for OETC is less robust than what we previously believed. S&P is therefore lowering to 'B' from 'BB-' S&P's long-term issuer credit and issue ratings on OETC and the notes issued by orphan special-purpose vehicle Lamar Funding Ltd. The negative outlook on OETC mirrors that on Oman, as well as the upcoming refinancing risks. OETC's markedly deteriorated liquidity, owing to the company's failure to refinance its January 2021 maturities in advance and delayed government subsidies to the sector, indicated a pronounced weakening in the company's credit quality. The company has bridge loan facilities of OMR100mn due January 2021. At the same time, OETC's cash flow is likely to be broadly neutral compared with 2019, and its current cash position is only OMR27mn due to delays in government subsidies to the utility sector until June 2020, which has since been addressed. OETC also relies on short-term financing to fund capital expenditure (capex) in 2020. The company therefore depends on access to bank or capital market financing in the coming months and government support. Our base case continues to be that, given OETC's close ties with the Omani government, in addition to potential support from its other shareholder State Grid International Development Ltd. (SGID; A/Stable/-), the company will be able to refinance or extend maturities over the coming months. For example, we understand that OETC has access to the cash reserve line from its immediate parent, Electric Holding Company (EHC), including group entities, which amounts to OMR192mn as of June 30, 2020. However, these funds are available to all EHC Group entities and not exclusively to OETC, creating questions on the company's

liquidity position. Although we understand that management is now taking the necessary steps to refinance, the lack of proactive liquidity management is not compatible with our 'BB-' rating. (Bloomberg)

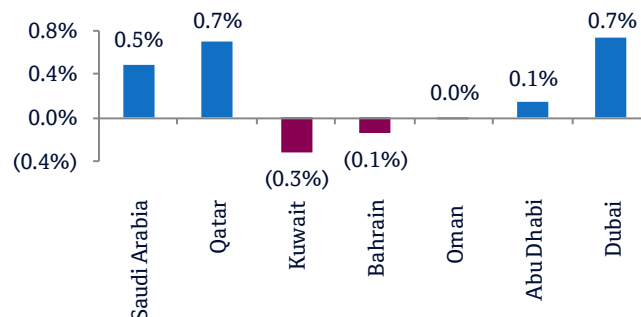
- **Oman sells OMR17mn 91-day bills at yield 0.803%** – Oman sold OMR17mn of 91-day bills due on December 30, 2020. The bills were sold at a price of 99.8, have a yield of 0.803% and will settle on September 30, 2020. (Bloomberg)
- **Bahrain's 2Q2020 real GDP falls 8.9% YoY** – Information & eGovernment Authority in Manama published Bahrain's second quarter preliminary GDP at constant and current prices by economic activity which showed that real GDP fell 8.9% YoY. The GDP stood at BHD2,989mn in 2Q2020 compared to BHD3,280mn in the same quarter a year ago. Crude petroleum and natural gas stood at BHD606mn compared to BHD587mn, Manufacturing at BHD429mn compared to BHD458mn, Construction stood at BHD234mn compared to BHD239mn, Financial services at BHD502mn compared to BHD533mn. (Bloomberg)
- **Bank ABC starts due diligence on BLOM Bank Egypt** – Bahrain-based Arab Banking Corporation (Bank ABC) began due diligence on BLOM Bank's asset in Egypt to submit an acquisition offer, sources told Shorouk News, as published on September 26. The due diligence step comes in line with the procedures taken by Emirates NBD for the same takeover offer, the sources added, noting that the UAE bank's review is expected to be completed in the beginning of October. A month ago, Bahrain's listed bank reportedly showed interest in acquiring the unit of the Lebanese bank in Egypt, a news that was confirmed by the Gulf bank on September 8. Emirates NBD, meanwhile, said last August that it entered preliminary negotiations with BLOM Bank Lebanon to purchase the latter's arm in Egypt. (Zawya)
- **Bahrain sells BHD70mn 91-day bills at yield 2.22%** – Bahrain sold BHD70mn of 91-day bills due on December 30, 2020. The bills were sold at a price of 99.441, have a yield of 2.22% and will settle on September 30, 2020. (Bloomberg)

## Rebased Performance



Source: Bloomberg

## Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,881.48	1.1	1.1	24.0
Silver/Ounce	23.68	3.4	3.4	32.6
Crude Oil (Brent)/Barrel (FM Future)	42.43	1.2	1.2	(35.7)
Crude Oil (WTI)/Barrel (FM Future)	40.60	0.9	0.9	(33.5)
Natural Gas (Henry Hub)/MMBtu	1.83	(3.7)	(3.7)	(12.4)
LPG Propane (Arab Gulf)/Ton	51.13	0.7	0.7	23.9
LPG Butane (Arab Gulf)/Ton	57.00	3.6	3.6	(13.0)
Euro	1.17	0.3	0.3	4.0
Yen	105.50	(0.1)	(0.1)	(2.9)
GBP	1.28	0.7	0.7	(3.2)
CHF	1.08	0.4	0.4	4.7
AUD	0.71	0.6	0.6	0.7
USD Index	94.28	(0.4)	(0.4)	(2.2)
RUB	79.07	1.1	1.1	27.5
BRL	0.18	(1.7)	(1.7)	(29.0)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,366.41	1.7	1.7	0.3
DJ Industrial	27,584.06	1.5	1.5	(3.3)
S&P 500	3,351.60	1.6	1.6	3.7
NASDAQ 100	11,117.53	1.9	1.9	23.9
STOXX 600	363.39	2.5	2.5	(9.3)
DAX	12,870.87	3.5	3.5	1.0
FTSE 100	5,927.93	2.6	2.6	(23.8)
CAC 40	4,843.27	2.7	2.7	(15.9)
Nikkei	23,511.62	1.4	1.4	2.5
MSCI EM	1,069.88	1.0	1.0	(4.0)
SHANGHAI SE Composite	3,217.54	0.1	0.1	7.8
HANG SENG	23,476.05	1.0	1.0	(16.3)
BSE SENSEX	37,981.63	1.5	1.5	(11.1)
Bovespa	94,666.40	(4.0)	(4.0)	(41.8)
RTS	1,166.86	0.2	0.2	(24.7)

Source: Bloomberg (\*\$ adjusted returns)

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