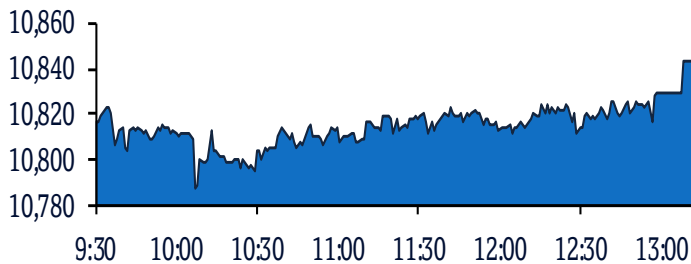


## QSE Intra-Day Movement



## Qatar Commentary

The QE Index rose 0.2% to close at 10,843.1. Gains were led by the Consumer Goods & Services and Industrials indices, gaining 0.6% each. Top gainers were Investment Holding Group and Qatari German Co. for Med. Devices, rising 6.0% and 3.6%, respectively. Among the top losers, Qatar Islamic Insurance Company fell 3.7%, while Ahli Bank was down 2.5%.

## GCC Commentary

**Saudi Arabia:** The TASI Index gained 0.5% to close at 11,208.8. Gains were led by the Health Care Equipment & Svc and Banks indices, rising 1.5% each. Eastern Province Cement Co. rose 5.7%, while Al Rajhi Co. for Co-Operative was up 5.5%.

**Dubai:** The DFM Index gained 0.2% to close at 2,795.7. The Services index rose 1.9%, while the Investment & Financial Services index gained 1.1%. Emaar Malls rose 2.1%, while Amanat Holdings was up 1.9%.

**Abu Dhabi:** The ADX General Index gained 0.4% to close at 7,433.4. The Insurance index rose 3.0%, while the Energy index gained 0.9%. Abu Dhabi National Insurance rose 7.9%, while Arkan Building Materials Co. was up 3.2%.

**Kuwait:** The Kuwait All Share Index gained marginally to close at 6,547.8. The Real Estate index rose 0.4%, while the Banks index gained 0.1%. First Takaful Insurance Co. rose 15.4%, while Al Bareaq Holding was up 14.3%.

**Oman:** The MSM 30 Index fell 0.2% to close at 3,999.3. Losses were led by the Financial and Industrial indices, falling 0.3% and 0.1%, respectively. Al Omaniya Financial Services declined 5.6%, while Al Batinah Power was down 1.9%.

**Bahrain:** The BHB Index gained 0.7% to close at 1,611.4. The Financials index rose 1.1%, while the Industrial index gained 0.6%. Ahli United Bank rose 2.5%, while Bahrain Commercial Facilities was up 1.1%.

Market Indicators	03 Aug 21	02 Aug 21	%Chg.
Value Traded (QR mn)	421.0	381.7	10.3
Exch. Market Cap. (QR mn)	626,101.4	624,684.6	0.2
Volume (mn)	223.0	192.7	15.7
Number of Transactions	10,777	10,223	5.4
Companies Traded	48	47	2.1
Market Breadth	30:14	38:8	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	21,464.57	0.2	0.8	7.0	18.0
All Share Index	3,437.24	0.2	0.6	7.4	18.5
Banks	4,543.34	0.1	0.3	7.0	15.0
Industrials	3,638.05	0.6	1.7	17.4	27.2
Transportation	3,406.15	(0.2)	(0.0)	3.3	19.1
Real Estate	1,788.40	0.5	2.1	(7.3)	16.5
Insurance	2,597.53	(1.5)	(1.6)	8.4	23.0
Telecoms	1,052.95	(0.3)	0.5	4.2	N/A
Consumer	8,176.08	0.6	0.7	0.4	24.1
Al Rayan Islamic Index	4,589.89	0.6	2.2	7.5	18.9

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Banque Saudi Fransi	Saudi Arabia	38.75	3.3	512.1	22.6
Dr Sulaiman Al Habib	Saudi Arabia	178.60	2.6	285.8	63.9
Mouwasat Medical Serv.	Saudi Arabia	191.80	2.6	108.1	39.0
Ahli United Bank	Bahrain	0.82	2.5	204.6	13.3
Bank Al Bilad	Saudi Arabia	37.00	2.5	3,726.0	30.5

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Bank Al-Jazira	Saudi Arabia	19.16	(3.7)	23,305.7	40.3
Emaar Economic City	Saudi Arabia	12.96	(3.6)	10,298.0	40.7
National Shipping Co.	Saudi Arabia	38.25	(1.9)	3,373.3	(5.7)
Almarai Co.	Saudi Arabia	57.40	(1.9)	1,209.8	4.6
National Industrialization	Saudi Arabia	21.72	(1.7)	3,159.6	58.8

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%
Investment Holding Group	1.14	6.0	58,267.5	90.7
Qatari German Co for Med. Dev.	2.93	3.6	6,645.2	31.0
Qatar Aluminum Manufacturing Co	1.65	3.4	24,364.3	70.6
Salam International Inv. Ltd.	0.94	3.0	55,178.1	44.2
Qatar Oman Investment Company	0.95	2.9	7,420.9	7.1

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Investment Holding Group	1.14	6.0	58,267.5	90.7
Salam International Inv. Ltd.	0.94	3.0	55,178.1	44.2
Qatar Aluminum Manufacturing Co	1.65	3.4	24,364.3	70.6
Mazaya Qatar Real Estate Dev.	1.10	2.5	11,934.6	(13.1)
Mesaleed Petrochemical Holding	1.96	(0.1)	7,680.7	(4.3)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatar Islamic Insurance Company	8.06	(3.7)	2.3	16.8
Ahli Bank	3.90	(2.5)	6.5	13.1
QLM Life & Medical Insurance	4.90	(1.9)	7.1	55.5
Qatar Insurance Company	2.44	(1.9)	461.1	3.1
Doha Bank	2.81	(1.3)	4,174.6	18.8

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Investment Holding Group	1.14	6.0	65,948.8	90.7
Salam International Inv. Ltd.	0.94	3.0	51,203.2	44.2
QNB Group	18.10	0.0	47,329.0	1.5
Qatar Aluminum Manufacturing	1.65	3.4	39,705.2	70.6
Industries Qatar	13.33	0.2	25,516.1	22.6

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*	10,843.10	0.2	0.8	0.8	3.9	114.50	168,421.3	18.0	1.6	2.7
Dubai	2,795.68	0.2	1.1	1.1	12.2	40.19	103,666.6	20.8	1.0	2.8
Abu Dhabi	7,433.38	0.4	1.6	1.6	47.3	349.09	355,194.8	23.7	2.2	2.9
Saudi Arabia	11,208.76	0.5	1.8	1.8	29.0	2,078.13	2,610,034.1	33.4	2.5	2.1
Kuwait	6,547.82	0.0	(0.5)	(0.5)	18.1	156.91	124,566.2	36.4	1.7	1.8
Oman	3,999.29	(0.2)	(0.8)	(0.8)	9.3	7.05	18,392.8	12.6	0.8	3.9
Bahrain	1,611.44	0.7	0.9	0.9	8.2	5.19	120,210.4	11.5	0.8	3.4

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 0.2% to close at 10,843.1. The Consumer Goods & Services and Industrials 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.
- Investment Holding Group and Qatari German Co for Med. Devices were the top gainers, rising 6.0% and 3.6%, respectively. Among the top losers, Qatar Islamic Insurance Company fell 3.7%, while Ahli Bank was down 2.5%.
- Volume of shares traded on Tuesday rose by 15.7% to 223mn from 192.7mn on Monday. Further, as compared to the 30-day moving average of 123.9mn, volume for the day was 80.1% higher. Investment Holding Group and Salam International Inv. Ltd. were the most active stocks, contributing 26.1% and 24.7% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	46.34%	46.17%	742,105.7
Qatari Institutions	12.47%	20.36%	(33,222,285.6)
<b>Qatari</b>	<b>58.82%</b>	<b>66.53%</b>	<b>(32,480,179.9)</b>
GCC Individuals	0.48%	0.70%	(935,201.4)
GCC Institutions	1.27%	0.20%	4,508,442.6
<b>GCC</b>	<b>1.75%</b>	<b>0.90%</b>	<b>3,573,241.2</b>
Arab Individuals	13.34%	16.10%	(11,625,322.9)
Arab Institutions	0.00%	0.00%	–
<b>Arab</b>	<b>13.34%</b>	<b>16.10%</b>	<b>(11,625,322.9)</b>
Foreigners Individuals	2.99%	3.91%	(3,893,613.3)
Foreigners Institutions	23.11%	12.56%	44,425,874.9
<b>Foreigners</b>	<b>26.10%</b>	<b>16.48%</b>	<b>40,532,261.6</b>

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

## Earnings Releases, Global Economic Data and Earnings Calendar

### Earnings Releases

Company	Market	Currency	Revenue (mn) 2Q2021	% Change YoY	Operating Profit (mn) 2Q2021	% Change YoY	Net Profit (mn) 2Q2021	% Change YoY
Saudi Automotive Services Co.	Saudi Arabia	SR	955.9	221.4%	26.1	88.3%	12.1	172.1%
National Shipping Company of Saudi Arabia	Saudi Arabia	SR	1,294.8	-63.3%	99.6	-89.1%	38.9	-94.9%
Saudi Public Transport Co.	Saudi Arabia	SR	246.4	100.7%	(24.8)	N/A	(41.4)	N/A
SABIC Agri-Nutrients Co.	Saudi Arabia	SR	1,839.0	98.0%	951.2	164.3%	836.1	132.4%
City Cement Co.	Saudi Arabia	SR	119.8	10.1%	50.4	31.7%	49.7	30.7%
Rak Ceramics	Abu Dhabi	AED	700.8	70.4%	–	–	87.8	N/A
Abu Dhabi Aviation Co.	Abu Dhabi	AED	357.0	3.4%	–	–	51.5	210.8%
Orient Insurance	Dubai	AED	510.4	31.1%	–	–	106.7	2.1%

Source: Company data, DFM, ADX, MSM, TASI, BHB.

### Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
03-08	EU	Eurostat	PPI MoM	Jun	1.40%	1.40%	1.30%
03-08	EU	Eurostat	PPI YoY	Jun	10.20%	10.30%	9.60%
03-08	Japan	Statistics Bureau of Japan	Tokyo CPI YoY	Jul	-0.10%	0.10%	0.00%
03-08	Japan	Bank of Japan	Monetary Base YoY	Jul	15.40%	–	19.10%
03-08	Japan	Bank of Japan	Monetary Base End of period	Jul	¥660.9t	–	¥659.5t

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

## Earnings Calendar

Tickers	Company Name	Date of reporting 2Q2021 results	No. of days remaining	Status
SIIS	Salam International Investment Limited	4-Aug-21	0	Due
AKHI	Al Khaleej Takaful Insurance Company	4-Aug-21	0	Due
DOHI	Doha Insurance Group	4-Aug-21	0	Due
QAMC	Qatar Aluminum Manufacturing Company	5-Aug-21	1	Due
GISS	Gulf International Services	5-Aug-21	1	Due
MPHC	Mesaieed Petrochemical Holding Company	5-Aug-21	1	Due
IQCD	Industries Qatar	5-Aug-21	1	Due
QATI	Qatar Insurance Company	8-Aug-21	4	Due
IHGS	INMA Holding Group	8-Aug-21	4	Due
DBIS	Dlala Brokerage & Investment Holding Company	9-Aug-21	5	Due
QISI	Qatar Islamic Insurance Group	9-Aug-21	5	Due
QGRI	Qatar General Insurance & Reinsurance Company	10-Aug-21	6	Due
AHCS	Aamal Company	10-Aug-21	6	Due
IGRD	Investment Holding Group	10-Aug-21	6	Due
QFBQ	Qatar First Bank	11-Aug-21	7	Due
MRDS	Mazaya Qatar Real Estate Development	11-Aug-21	7	Due
MCCS	Mannai Corporation	11-Aug-21	7	Due
BLDN	Baladna	11-Aug-21	7	Due
QOIS	Qatar Oman Investment Company	11-Aug-21	7	Due
MERS	Al Meera Consumer Goods Company	11-Aug-21	7	Due
QGMD	Qatari German Company for Medical Devices	12-Aug-21	8	Due
ZHCD	Zad Holding Company	12-Aug-21	8	Due

Source: QSE

## News

### Qatar

- **Disclosure about GWCS** – Gulf Warehousing Company (GWCS) would like to disclose the incorporation of Docusafe Solutions W.L.L, owned by GWCS 100%, for the purpose of software, data storage and documents. (QSE)
- **Woqod opens new Waterfront petrol station** – Qatar Fuel (QFLS, Woqod) opened its Waterfront petrol station at Lusail City, thus raising its network of fixed and mobile petrol stations to 108. The move is part of Woqod's ongoing expansion plans to be able to serve every area in Qatar. The new Waterfront petrol station is spread over an area of 8,350 square meters and has three lanes with six dispensers for light vehicles, which will serve Waterfront, Lusail City and its neighborhood. The Waterfront petrol station offers round-the-clock services to residents and includes Sidra convenience store, and sale of LPG cylinders 'Shafaf', in addition to providing all kinds of petroleum products for light vehicles. (Gulf-Times.com)
- **Official: QSE sees growing preference for direct listing among SMEs** – There is a growing trend among small and medium-sized enterprises (SME) in Qatar to prefer direct listing when selling their shares to the public, an official from the Qatar Stock Exchange (QSE) has said. Talking to The Peninsula on the sidelines of the successful debut of Mekdam Holding Group on the QSE Venture Market (QEVM) recently, Listing Director at QSE, Abdelaziz Nasser Al Emadi said there are already a number of SMEs currently finalizing their applications to get listed on the QSE Venture Market and most of them are eyeing direct listing. "We're receiving very positive response from the SME industry in Qatar. We receive a lot of calls and requests for meetings after Al Faleh Educational Holding, the first company to get listed. We're getting a very good reaction from the business community, and we see that many of the companies prefer direct listing without offering, which is the easier and faster route as well. And even recently, we saw in the US stock market that they approved direct listing as well. So it seems this

kind of requirement is preferred by companies internationally," said Al Emadi. In contrast to the initial public offering (IPO), direct listing, also called direct public offering, allows businesses to sell their shares directly to the public without the help of intermediaries. It does not involve any underwriters and there are no new shares issued. To date, two companies are already listed on the QSE Venture Market which has been recently launched particularly for SMEs in Qatar. Al Faleh Educational Holding and Mekdam Holding Group both went through the direct listing process. (Peninsula Qatar)

- **QCB issues QR600mn worth of treasury bills** – Qatar Central Bank (QCB) issued treasury bills with a value of QR600mn. A statement from Qatar Central Bank said that the treasury bills had maturities of three, six and nine months and were distributed as follows: QR300mn for three months at an interest rate of 0.30%. QR200mn for six months at an interest rate of 0.34%. QR100mn for nine months at an interest rate of 0.37%. The issuance is part of a series of issues executed by Qatar Central Bank on behalf of the Government of the State of Qatar and in accordance with the schedule prepared by both QCB and the Ministry of Finance. Treasury bills are issued through auction for banks operating in Qatar. (Peninsula Qatar)
- **PMI: Qatar's non-oil business economy improves in July** – Business conditions in Qatar have improved at the start of the second half of 2021, marked with gains in both new business and total activity, alongside rising backlogs and higher employment, according to the IHS Markit PMI survey. The PMI rose for the second month running from June's 54.6 to 55.9 in July, signaling the strongest overall improving in operating conditions for nearly a year. Moreover, it was the fourth-highest figure on record, with only October 2017 and July-August 2020 registering stronger readings. Trevor Balchin, Economics Director at IHS Markit, said: "The PMI signaled stronger underlying growth in the non-energy private sector economy in July, rising for the second straight month to 55.9, the fourth-

highest ever reading since the survey began in April 2017." Total business activity rose at the fastest rate since August 2020 and the third-strongest recorded to date. Although output growth broadly matched that for new work, the volume of outstanding business rose further in July, indicating sustained pressure from demand on operating capacity. "Output and new business both rose at the third-fastest rates on record, with only the post-lockdown bounce in July and August last year seeing stronger MoM growth rates for both metrics," Balchin said. Overall business expectations remained positive in July but remained below the pre-pandemic trend. (Zawya)

- Qatar Chamber report: Private sector exports exceed pre-pandemic levels** – Private sector trade in May 2021 exceeded QR2.57bn, showing a MoM increase of 24.20%, according to Qatar Chamber's monthly economic newsletter for July. Prepared by the chamber's Research & Studies Department, the newsletter stated that Qatar's private sector's trade stood at QR2.069bn in April 2021 based on the certificate of origin issued by the chamber. YoY, private sector trade increased by 321% over QR0.609bn recorded in May 2020. "This increase demonstrated that the national economy has recovered from the repercussions of the coronavirus pandemic and showed that Qatar's private sector has exceeded its pre-pandemic levels," the newsletter stated. In May 2021, private sector exports grew by 31.6% compared to QR1.953bn posted in February 2020, which registered the highest value of exports from the beginning of 2020; it increased by 349.3% compared to QR572mn in April 2020, which represented the lowest value during this period. "The increase in private sector's exports in May is attributed to the YoY increase compared to the same month last year through most of all certificate models except for exports through the GSP model, which decreased by 20.9%," the newsletter further stated. (Gulf-Times.com)
- Qatar's auto sector in overdrive in June as new registrations gather pace** – A robust double-digit growth in the new vehicles, especially personal use and private transport as well as heavy equipment, helped Qatar's automobile sector maintain a bullish trend in June this year, according to the official statistics. The new vehicles registration stood at 5,232; representing 34.2% and 11.4% YoY and MoM surge respectively in the review period; indicating demand generation in the economy, which is now showing signs of resilience. The registration of private vehicles shot up 32.8% YoY to 3,017 units this June. However, it witnessed a 4.3% monthly decline. Such vehicles constituted about 58% of the total new vehicles registered in the country in the review period. Of the new 5,232 vehicles registered this June, the registration of new private transport vehicles stood at 1,445; which constituted 28% of the total new vehicles. Such registrations saw 43.9% and 34% increase YoY and MoM respectively in June 2021. (Gulf-Times.com)
- Qatar registers QR33.2bn foreign merchandise trade in May** – Qatar's total value of foreign merchandise trade amounted to QR33.2bn in May 2021, showing a MoM increase of 14.1%, Qatar Chamber stated in its monthly economic newsletter for July. The chamber's monthly economic newsletter highlighted the most prominent trends in the Qatari economy, as well as statistics related to foreign trade and trade of the private sector in May 2021, according to certificates of origin issued by Qatar Chamber. The newsletter, prepared by the chamber's Research & Studies Department, cited figures from the Planning and Statistics Authority (PSA) for May 2021. It stated that the total value of foreign merchandise trade amounted to QR33.2bn, showing a 14.1% increase over April 2021, which amounted to QR29.1bn. In May 2021, the total exports of goods (including exports of goods of domestic origin and re-exports) amounted to

around QR24.9bn, showing an increase of 19.1% compared to QR20.9bn recorded in the previous month. The imports of goods in May 2021 amounted to around QR8.3bn, reflecting a slight growth of 1.2% compared to QR8.2bn in April. Therefore, the country's foreign merchandise trade balance, which represents the difference between total exports and imports, showed a surplus of QR16.6bn, or an increase of 29.9% compared to QR12.8bn in April. In May 2021, China topped the list of countries of destination for Qatar's exports with about QR5bn, or a share of 15.1% of the state's total foreign trade, the newsletter added. (Gulf-Times.com)

- PSA: Qatar's population shrinks by 290,000 people** – Over a span one year, Qatar saw its population shrinking by 290,000 people, according to the Planning and Statistics Authority (PSA). In the July edition of PSA's monthly report featuring statistics of June, the authority said the population reduced from 2.79mn in June, 2020, to 2.50mn by end of June, 2021. The report said the country recorded 1,932 live births in June, which also saw Qatari live births decreasing by 4.1% when compared to the previous month. On the other hand, 229 deaths were recorded in June, down 16.1% against May, 2021. While 421 couple got married in June, 216 divorces were finalized in the month, showing a monthly increase of 8.7% and an annual increase of 4.4%. While the total water consumption has reached 57714.3 Thousand metric cube during the same month attaining a monthly increase of 0.4% and an annual decrease of 3.8%. As for the Banking Sector; Total Broad Money Supply (M2) recorded about QR617.9bn during June 2021, an annual increase of 3.3% compared with June 2020. On the other hand, cash equivalents; including Commercial Bank Deposits, attained for QR960.6bn during June 2021. The figure has recorded an annual increase of 8.6% compared to June 2020, when deposits recorded approximately QR884.2bn. Regarding the data of buildings permits issued, the total number of permits has reached 734 permits during June 2021, recording a monthly increase of 110.9% and an annual rise of 28.3%. (Qatar Tribune)
- BCG: Qatar's financial wealth grows to \$263bn in 2020** – Qatar's financial wealth grew by a Compound Annual Growth Rate (CAGR) of 3.6% annually from 2015 to reach a high of \$263bn in 2020 – 76% of which is investable wealth – as Qatar showed resilience in the face of the COVID-19 pandemic, according to a report released by Boston Consulting Group (BCG). The report titled 'Global Wealth 2021: When Clients Take the Lead', reveals that despite the pandemic's enduring financial impact, global prosperity and wealth grew significantly throughout the crisis and are likely to continue to expand significantly over the next five years, in line with the emerging economic recovery. According to the report, 60% of Qatari wealth is owned by individuals whose net worth is more than \$5mn. "Examining the growth of Qatar's wealth in recent years, it has certainly been strong, despite the economic turbulence stemming from the pandemic. Heightened economic productivity has transpired as per the Qatar National Vision 2030, encouraging Qatari nationals to engage in a global economic landscape, which is a key factor behind the country's growth in wealth during a period of unprecedented difficulty," BCG Managing Director and Partner Harold Haddad said. Qatar, which represented 12% of the GCC financial wealth in 2020, is expected to witness strong growth of 3.1% CAGR to reach \$306bn by 2025, a \$43bn increase from 2020. (Qatar Tribune)
- Fitch Solutions: Qatar well-positioned to regain market share in low-carbon investments over coming decade** – Qatar is well-positioned to regain market share over the coming decade in low-carbon investments, according to Fitch Solutions. In the MENA region, natural gas will become an increasingly

important strategic focus over the longer term, in support of domestic climate targets, economic diversification and the creation of new revenue sources. Climate ambitions are creeping up the agenda of MENA's national oil corporations and will absorb a rapidly growing, albeit proportionally small, share of capex over the coming years, Fitch Solutions said. Spending and production outlooks will continue to diverge within the region, as the core GCC increasingly outperforms the rest of the region. The GCC – in particular Qatar, Saudi Arabia, the UAE and Kuwait – boast large and low-cost resource bases. "In light of spending pullbacks elsewhere, the four are well-positioned to regain global market share over the coming decade, driving robust spending growth. In light of peak oil demand, the calculus for these countries is shifting: resource depletion is less of a concern, while maximizing revenues to build up fiscal buffers and fund their economic diversification programs is gaining in importance," Fitch Solutions noted. Qatar is relatively unique, in that its gas projects are largely export-led, Fitch Solutions said. (Gulf-Times.com)

- **PwC: Qatar's PPP law expected to enhance opportunities in various sectors** – Qatar's Public Private Partnership Law, issued in May 2020, is expected to enhance opportunities in various sectors including education, healthcare, real estate, tourism, power and utilities, PwC has said in a report. Public sector procurement initiatives will also contribute to private sector development, including Qatar Petroleum's flagship Tawteen localization program. This comes as the private sector has been boosting its self-reliance recently, with success stories such as Baladna and QDB's work to develop small and medium enterprises, PwC said in its 'Qatar Economy Watch'. Qatar National Vision 2030 and the 2019 Economic Diversification and Private Sector Development (EDPSD) strategy have provided the framework for the government's efforts to diversify the economy, emphasizing productivity, competitiveness and private sector-led growth. Thirteen years later, Qatar has made concrete strides towards diversification, including through reforming the business environment and increased government spending on large-scale infrastructure development ahead of World Cup 2022. The creation of institutional bodies such as Qatar Financial Center, Qatar Free Zones Authority and Qatar Science and Technology Park (QSTP) together with the amendment of its laws surrounding foreign ownership have created new routes for investment. These efforts have been reflected in the 2019 World Economic Forum Global Competitive Report wherein Qatar ranks second in the region and 29th globally for its overall competitiveness. (Gulf-Times.com)

- **Saudi foreign minister: Ties with Qatar very good** – Saudi Foreign Minister Prince Faisal bin Farhan Al-Saud Tuesday said that his country's relations with Qatar are very good, adding that the two countries are working closely on a number of issues. "We continue to work together primarily to strengthen the GCC countries. We both believe that along with the other members of the Gulf Cooperation Council, this is an essential component of stability not only for the Arab Gulf but for the entire region," Prince Faisal said addressing a virtual gathering of the Aspen Security Forum. In a statement regarding the GCC relations, aljazeera.net quoted the Saudi foreign minister as saying that the Al Ula Agreement has led to resolving the disputes and proven its effectiveness in enhancing the GCC cooperation. "We will continue to work for that: reaping the fruits of that unity for the people of the region, " he told the US think tank in an online appearance. (Gulf-Times.com)

#### **International**

- **Solid US factory orders, business spending on equipment point to enduring manufacturing strength** – New orders for US-made goods increased more than expected in June, while

business spending on equipment was solid, pointing to sustained strength in manufacturing even as spending is shifting away from goods to services. The Commerce Department said on Tuesday that factory orders rose 1.5% in June after advancing 2.3% in May. Economists polled by Reuters had forecast factory orders increasing 1.0%. Orders soared 18.4% on a YoY basis. Demand pivoted towards goods during the COVID-19 pandemic as millions of Americans were cooped up at home, boosting manufacturing, which accounts for 11.9% of the US economy. But the surge in demand is straining the supply chain. "We expect a solid growth path for the factory data through 2021, capped by capacity constraints and supply chain problems," said Mike Englund, chief economist at Action Economics in Boulder, Colorado. The Institute for Supply Management reported on Monday that manufacturing activity grew at a slower pace in July for the second straight month as raw material shortages persisted. The survey, however, suggested that supply chain bottlenecks were starting to ease. Spending is rotating back to services as nearly half of the population has been fully vaccinated against COVID-19, allowing people to travel, frequent restaurants, visit casinos and attend sporting events among services-related activities that were curbed early in the pandemic. (Reuters)

- **US hiring may have slowed in July amid COVID surge -data** – High-frequency data indicate US hiring slowed in July - not held steady as widely expected - with particular softness among states that ended federal unemployment benefits and areas where the COVID-19 Delta variant is raging. Payroll firm UKG said growth in employees across a wide set of industries grew 1.1% from mid-June to mid-July, coinciding with the period when the federal government employment survey is conducted. That was about half the 2% rate of growth seen between May and June, ahead of a blockbuster June national jobs report showing 850,000 additional positions added to payrolls. Data on small business hiring from time management company Homebase also fell from mid-June to mid-July. Notably, a UKG analysis of data spanning the period when 26 states began halting federal unemployment benefits showed that growth in work shifts in those states was half of what it was elsewhere - 2.2% from May through July versus 4.1%. That adds to an accumulating body of evidence that the gamble a largely Republican group of governors made in halting the \$300 weekly stipends didn't parlay into more jobs. (Reuters)
- **Spanish jobless figures slump by record 5.5% in July** – The number of people registering as jobless in Spain fell by a record 5.47% in July from the previous month, labor ministry data showed on Tuesday, as eased COVID-19 restrictions spurred a recovery in hiring despite rising infections. The data marks the fifth consecutive month of falling jobless figures and the sharpest one-month reduction since the series began in 1996, breaking the previous two months' records, the ministry said. Labor Minister Yolanda Diaz said the data demonstrated that government support measures were working and an economic recovery was now in sight. "This great collective effort allows us today to speak of promising figures, but behind the unemployment data, however, there are people, families, lives," she tweeted. With 3.41mn people out of work compared with 3.01mn in July 2019, employment has yet to recover its pre-pandemic levels. Employment rose across all sectors, with the hard-hid services industry accounting for the bulk of the hiring, likely a result of the arrival of the summer tourism season. Separately on Tuesday, the National Statistics Institute said the number of foreign tourists visiting Spain jumped almost ten times to 2.2mn in June from a year ago, although it was still just a quarter of its June 2019 levels. Rising vaccination rates and looser COVID-19 restrictions have galvanized Spain's economy

in recent months, leading second quarter output to increase by a better-than-expected 2.8% in the second quarter. (Reuters)

- **PMI: Japan's service sector activity shrinks at faster pace in July** – Japan's services sector activity shrank at a faster pace in July to contract for the 18th consecutive month as curbs rolled out to combat a resurgence in coronavirus infections dealt a blow to business activity and confidence. Activity and new business inflows contracted at a faster pace as the spread of the coronavirus undermined the world's third-largest economy's recovery prospects by hurting both confidence and sales. The final au Jibun Bank Japan Services Purchasing Managers' Index (PMI) dropped to a seasonally adjusted 47.4 from the previous month's final 48.0 level, and compared with a 46.4 flash reading. The reading marked the 18th month that services activity came in below the 50.0 threshold that separates contraction from expansion, the longest such streak since a 27-month run through March 2010. (Reuters)
- **Caixin PMI: Growth in China's July services activity speeds up, but risks loom** – Growth in China's services sector accelerated in July, a private survey showed on Wednesday, although the spread of the COVID-19 Delta variant across the country threatens to undercut the recovery in the world's second-biggest economy. The Caixin/Markit services Purchasing Managers' Index (PMI) rose to 54.9 in July, the highest since May and up from 50.3 the previous month. The 50-point mark separates growth from contraction on a monthly basis. The better readings in the private survey, which focuses more on smaller firms in coastal regions, stood in contrast with findings in an official survey on Saturday which showed growth in the services sector retreat slightly in July. China's services sector has been slower to recover from the pandemic than manufacturing, but has been helped by a gradual improvement in consumption in recent months. A rise in domestic coronavirus infections, however, is threatening to hurt the economy's steady recovery. The July readings were buoyed by the successful containment of COVID-19 cases in southern China, said Wang Zhe, Senior Economist at Caixin Insight Group, although he warned that the impact from the latest round of outbreaks since late July was likely to hurt August's PMI readings. (Reuters)
- **India's female labor participation rate falls to 16.1% as pandemic hits jobs** – Female labor participation rate in India fell to 16.1% during the July-September 2020 quarter, the lowest among the major economies, a government report said, reflecting the impact of pandemic and a widening job crisis. The percentage of women in the labor force had fallen to a record low of 15.5% during the April-June 2020 quarter, when India imposed strict lockdown to curb the spread of COVID-19 virus, said the report, released late Monday by the Ministry of Statistics. According to World Bank estimates, India has one of the lowest female labor force participation rates in the world. Less than a third of women – defined in the report as 15 or older – are working or actively looking for a job. The female labor participation rate in India had fallen to 20.3% in 2019 from more than 26% in 2005, according to World Bank estimates, compared with 30.5% in neighboring Bangladesh and 33.7% in Sri Lanka. Most employed women in India are in low-skilled work, such as farm and factory labor and domestic help, sectors that have been hit hard by the pandemic. The unemployment rate among women touched 15.8%, compared with 12.6% among male workers during three months that ended in September 2020, the latest quarter for which data was released. Most economic activities have resumed in the country after state governments eased pandemic curbs in response to a decline in coronavirus infections from May peaks. That is likely to help create more jobs for all workers, government officials said. (Reuters)

- **Brazil's industrial output unchanged in June, masks underlying weakness** – Industrial production in Brazil was unchanged in June from the previous month, figures showed on Tuesday, meaning the sector expanded 12.9% in the first half of the year to stand slightly bigger than it was just before the COVID-19 pandemic. Statistics agency IBGE said, however, that output in June fell in three of the four main economic categories and in 14 of the 26 sectors surveyed, suggesting the underlying figures were weaker than the stability shown in the headline number. The no change on the month was exactly as predicted in a Reuters poll of economists, while the 12.0% increase from June last year was slightly higher than the 11.8% growth forecast in the poll. IBGE survey manager Andre Macedo said the effects of the second wave of the pandemic this year are still being felt across the sector. IBGE said 14 of the 26 sectors surveyed saw a fall in output in June, the biggest drag being a 3.8% fall in auto vehicles and parts production. Only one of the four major categories - capital goods - saw output rise in June, IBGE said. Compared to June last year, overall production rose 12.0% due to base effects. IBGE figures show, however, that the industrial sector is still 16.7% smaller than its peak in May 2011. (Reuters)

#### Regional

- **Riding the oil price rebound: Gulf states to accelerate asset sales** – Saudi Aramco and other Gulf oil producers are following in the footsteps of Abu Dhabi with plans to raise tens of billions of dollars through sales of stakes in energy assets, capitalizing on a rebound in crude prices to attract foreign investors. The moves, in a region traditionally possessive of its refineries, power plants and pipelines, highlight the pressure on petro states to raise funds to diversify their sources of revenue and to bolster national finances hit by a recent slump in oil prices and the coronavirus pandemic. After selling a significant minority stake in its oil pipelines to foreign investors for \$12.4bn in June, Saudi Aramco is weighing selling both downstream and upstream assets, two people familiar with the matter said. (Reuters)
- **PMI: Saudi non-oil sector expansion continues but at slower pace** – Saudi Arabia's non-oil private sector continued to expand in July but at a slower pace, according to a business survey, signaling that business conditions remain difficult as the largest Arab economy recovers from the coronavirus crisis. The seasonally adjusted IHS Markit Saudi Arabia Purchasing Managers' Index stood at 55.8 in July down from 56.4 in June, due to weaker growth in output, new orders, and employment compared to the previous month. "Whilst the Saudi Arabia PMI continued to signal strong growth in the non-oil economy in July, our survey data related to business capacity highlighted that challenging economic conditions prevailed", an economist at IHS Markit, David Owen said. (Reuters)
- **Saudi Arabia says sees an emboldened Iran around Middle East** – Saudi Arabia's foreign minister said on Tuesday he sees an emboldened Iran acting in a negative manner around the Middle East, endangering shipping, arming Yemen's Houthis and contributing to political deadlock in Lebanon. "All around the region, Iran continues to be emboldened," Saudi Foreign Minister Prince Faisal bin Farhan Al Saud told a US think tank in an online appearance, alluding to reports that Iranian-backed forces were believed to have seized an oil tanker off the coast of the United Arab Emirates. (Reuters)
- **Saudi Arabia sees record IPOs requests, 50% rise in managed assets, says CMA chief** – Saudi Arabia is seeing a record interests from companies to sell shares to the public, while the size of the assets under management by financial institutions increased by 50 percent to SR600bn over 3 years, the chairman of the country's capital market authority said. The

increase in the volume of assets under management (AUM) had impact on the financial market and has contributed to opening new investments areas such as the launch of financial derivatives market, which made a debut last year, Mohammed Elkuwaiz said in panel hosted by the Financial Academy. The authority received recently 30 requests to sell shares in initial public offerings and this is the highest number the authority, known as CMA, got since its establishment, he added. (Zawya)

- **Tanker Tracker: Saudi oil hike averts drop in global crude flows** – Saudi Arabia's boost to oil exports made the difference between global shipments rising and falling last month, a reminder of the nation's importance to the world's crude supplies. The kingdom loaded 6.38mn bpd onto ships in July, an increase of almost 640,000 compared with June. That upswing was enough to lift global flows by about 276,000 bpd. The second-biggest MoM gain was in North Sea flows as the region's output recovered from a period of heavy maintenance. (Bloomberg)
- **Saudi Foreign Minister hints kingdom won't join abraham accords** – Saudi Arabia's foreign minister indicated the kingdom has no current intention to join the Abraham Accords despite urging from Israel and other nations, reaffirming the kingdom's position that Palestinian statehood is the best way to achieve peace in the Middle East. The accords, signed by several Middle Eastern nations and Israel during the Trump administration, can be "viewed positively," and the world needs to build on the spirit of the agreements, Prince Faisal bin Farhan said Tuesday at the Aspen Security Forum. "The best way to build on that spirit is to find a path to solving the issue of the Palestinians and finding a path to a Palestinian state," Prince Faisal said. "Without solving the Palestinian-Israeli conflict in a sustainable long-term way, we're not going to have real sustainable security in the region." (Bloomberg)
- **PMI: UAE non-oil private sector expands at fastest pace in two years** – The UAE non-oil private sector expanded at its fastest pace in two years in July as demand rebounded from the COVID-19 pandemic, a business survey showed. The seasonally adjusted IHS Markit UAE PMI, which covers manufacturing and services, rose to 54.0 from 52.2 in June, its highest reading since July 2019. New orders increased sharply, leading to a spike in output to 57.1 in July from 53.6 in June. Firms continued to hire with the employment sub-index hitting its highest level since January 2019, though the month-on-month increase was marginal, to 50.7 from 50.6 in June. (Reuters)
- **UAE business conditions at two-year high as virus woes ease** – Business conditions in the United Arab Emirates last month rose to the highest level since 2019 as pandemic restrictions eased. A Purchasing Managers' Index compiled by IHS Markit rose to 54 in July from 52.2 in the previous month, remaining above 50, the mark that separates growth from contraction. The survey showed business activity improved in the non-oil sector. "Firms saw the sharpest rise in new orders for two years amid soaring domestic sales and strengthening market confidence," said David Owen, an economist at IHS Markit. "Output rose in line with this expansion, but was not enough to cover outstanding business which increased to the greatest extent for 16 months." (Bloomberg)
- **Dubai's trade with Korea reaches \$882mn in 1Q2021** – Dubai's external trade with Korea reached AED3.238bn in 1Q this year. Imports had the lion's share at AED2.551bn, followed by exports at AED549.782mn, and re-exports at AED137.473mn, Ahmed Mahboob Musabih, Director General of Dubai Customs said. "Boosting cooperation with the Korean diplomatic missions is very important to us. These efforts will help in developing trade between Dubai and Korea. We received Moon Byung-iun, Consul General of the Republic of

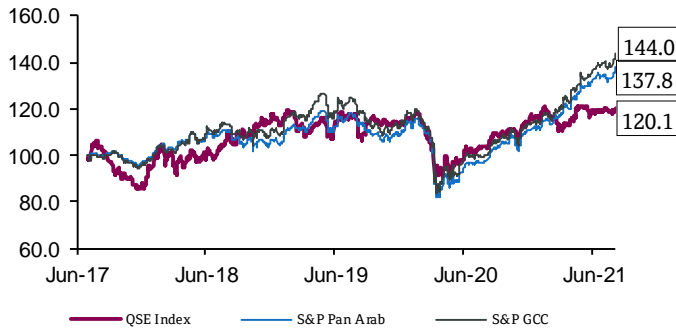
Korea and discussed with him means to augment volume and value of mutual trade," Musabih said. (Zawya)

- **Sources: Abu Dhabi National Energy Co nears deal to sell some Canadian assets to Blue Sky** – Abu Dhabi National Energy Company is nearing a deal to sell some light oil and natural gas-producing assets in Alberta and British Columbia to privately owned Blue Sky Resources Ltd, three sources familiar with the matter told Reuters. Abu Dhabi National Energy Company, also called TAQA, has reached an agreement on terms of the sale to Blue Sky and the deal is now awaiting approval from the Alberta Energy Board, one of the sources said. (Reuters)
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- **Adnoc trading shows Abu Dhabi's upper Zakum crude for September** – Adnoc Trading showed at least 500k bbls of Abu Dhabi's Upper Zakum crude for Sept. loading to at least three potential buyers, including two in Asia, according to traders who asked not to be identified. Cargoes of the medium-sour grade were shown on OSP-linked pricing to the potential buyers last week. Other sellers such as Exxon Mobil and Inpex also showed Upper Zakum for September-October loading. (Bloomberg)
- **UAE's Adnoc sells trial cargo of blue ammonia to japan firm** – The United Arab Emirates agreed to sell its first cargo of blue ammonia as the oil producer aims to boost supply of cleaner fuels to buyers in Asia. State-owned Abu Dhabi National Oil Co. will send the ammonia to Japan's Itochu Corp. for use in fertilizer production, Adnoc said in a statement, without disclosing financial terms. The UAE company will later ship more of the fuel to Japan, it said, without specifying quantities or a timeframe. "Starting with this trial of blue ammonia for fertilizer applications, we aim to create a wide range of ammonia value chains for existing industrial applications as well as future energy use," Masaya Tanaka, executive officer at Itochu, said in the statement. (Bloomberg)
- **Sohar Intl Bank seeks to raise \$133mn via rights issue** – The Omani lender get regulatory approvals to sell 555.6mn shares in a rights issue. Price set at 92 baiza per share. (Bloomberg)
- **Kuwait Finance House 2Q profit more than triples** – Kuwait Finance House, a Sharia-compliant bank, said on Tuesday net profit for the second quarter more than tripled due to a decrease in provisions and impairments. Net profit rose to KW52mn in the period ended June 30, from KW12.6mn in the year earlier period. The company plans to hold an analyst call on August 10, it said in a disclosure attached to its financial statements, published on the Kuwaiti bourse website. (Reuters)
- **Kuwait wealth fund KIA appoints new board of directors** – The Kuwait Investment Authority (KIA), the Gulf state's sovereign wealth fund, has appointed a new board of directors, according to a government official on Tuesday, confirming media reports. The move was approved by Kuwait's cabinet on Monday, the newspaper al-Qabas said. The newly appointed board members are Khaled Ali Al-Fadil, Sheikh Mishaal Jaber Al-Ahmad, Fahd Muhammad Al-Rashed, Faisal Abdullatif Yousef Al-Hamad and Ghanem Suleiman Saqr Al-Ghunaiman, al-Qabas said. (Zawya)

- **Boursa Kuwait H1 2021 net profit jumps 39% to \$26mn –** Boursa Kuwait reported a net profit of KW7.8mn for the six-month period ended June 30, 2021, a 39 percent increase compared to the year-earlier period. Earnings per share (EPS) came to 39.03 fills per share compared with 28.05 fills in the same period last year, the bourse operator said in a statement. The rise in net profit was partly due to the consolidation of the Kuwait Clearing Company since the third quarter of 2020. Other factors that led to the higher net profit include a rise in the total traded value by over 53 percent, and a doubling of trading volume over the prior period. (Zawya)
- **Kuwait sells KW240mn 91-day bills; bid-cover 10.63 –** Kuwait sold KW240mn of bills due Nov 2. Investors offered to buy 10.63 times the amount of securities sold. The bills have a yield of 1.125 percent and settled Aug 3. (Bloomberg)
- **Bahrain sells BHD150mn of 3.2% 2024 bonds; bid-cover 1.45 –** Bahrain sold BHD150mn of bonds due Aug 5, 2024. Investors offered to buy 1.45 times the amount of securities sold. The bonds will settle on Aug 5. (Bloomberg)
- **Bahrain sells BHD26mn182-day islamic sukuk; bid-cover 4.91 –** Bahrain sold BHD26mn of Islamic Sukuk due Feb 3, 2022. Investors offered to buy 4.91 times the amount of securities sold. The Sukuk will settle on Aug 5. (Bloomberg)

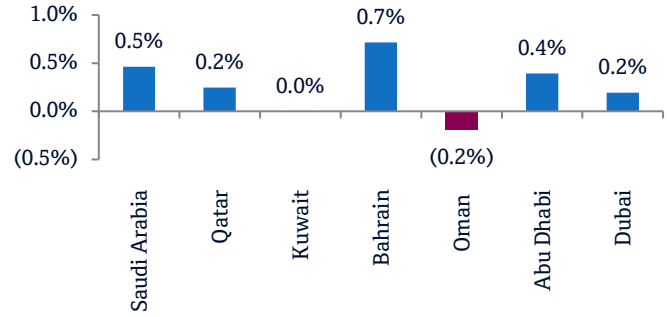


## Rebased Performance



Source: Bloomberg

## Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,810.44	(0.2)	(0.2)	(4.6)
Silver/Ounce	25.52	0.4	0.1	(3.3)
Crude Oil (Brent)/Barrel (FM Future)	72.41	(0.7)	(5.1)	39.8
Crude Oil (WTI)/Barrel (FM Future)	70.56	(1.0)	(4.6)	45.4
Natural Gas (Henry Hub)/MMBtu	3.98	0.0	1.8	67.2
LPG Propane (Arab Gulf)/Ton	109.00	(0.7)	(3.5)	44.9
LPG Butane (Arab Gulf)/Ton	124.13	(2.1)	(4.1)	78.6
Euro	1.19	(0.1)	(0.1)	(2.9)
Yen	109.04	(0.2)	(0.6)	5.6
GBP	1.39	0.2	0.1	1.8
CHF	1.11	0.1	0.1	(2.1)
AUD	0.74	0.5	0.7	(3.9)
USD Index	92.08	0.0	(0.1)	2.4
RUB	72.96	(0.1)	(0.3)	(2.0)
BRL	0.19	(0.5)	0.3	(0.1)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,092.51	0.5	0.8	15.0
DJ Industrial	35,116.40	0.8	0.5	14.7
S&P 500	4,423.15	0.8	0.6	17.8
NASDAQ 100	14,761.29	0.5	0.6	14.5
STOXX 600	465.38	0.2	0.9	13.2
DAX	15,555.08	(0.1)	0.1	9.5
FTSE 100	7,105.72	0.5	1.2	12.1
CAC 40	6,723.81	0.7	1.8	17.6
Nikkei	27,641.83	(0.3)	2.0	(4.6)
MSCI EM	1,294.18	0.1	1.3	0.2
SHANGHAI SE Composite	3,447.99	(0.6)	1.4	0.1
HANG SENG	26,194.82	(0.2)	0.8	(4.1)
BSE SENSEX	53,823.36	1.8	2.5	10.9
Bovespa	123,576.60	(1.3)	0.1	2.6
RTS	1,637.70	0.1	0.7	18.0

Source: Bloomberg (\*\$ adjusted returns)

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