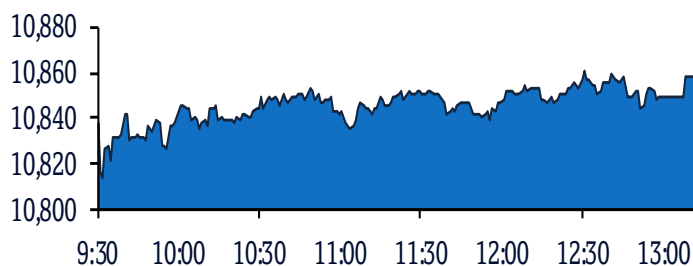


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.1% to close at 10,858.4. Gains were led by the Real Estate and Industrials indices, gaining 1.1% and 0.3%, respectively. Top gainers were Investment Holding Group and Salam International Inv. Ltd., rising 10.0% and 6.5%, respectively. Among the top losers, Al Khalij Commercial Bank fell 2.1%, while Al Khaleej Takaful Insurance Co. was down 1.1%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.4% to close at 11,162.4. Losses were led by the Food & Beverages and REITs indices, falling 3.0% and 1.6%, respectively. Savola declined 4.5%, while Swicorp Wabel Reit was down 3.9%.

Dubai: The DFM Index gained 0.6% to close at 2,813.2. The Services index rose 1.1%, while the Real Estate & Construction index gained 0.8%. Aan Digital Services Holding Co. rose 4.0%, while Dubai Islamic Bank was up 2.8%.

Abu Dhabi: The ADX General Index fell 0.4% to close at 7,405.1. The Banks and Consumer Staples indices declined 0.9% each. Abu Dhabi Ship Building Co. declined 2.8%, while Emirates Driving Company was down 2.4%.

Kuwait: The Kuwait All Share Index fell 0.1% to close at 6,542.5. The Insurance and Industrials indices declined 0.9% each. Kuwait Hotels declined 13.0%, while Al Bareeq Holding was down 6.6%.

Oman: The MSM 30 Index fell 0.1% to close at 3,993.8. The Financial index declined 0.1%, while the other indices ended flat or in green. Dhofar Generating Company declined 2.3%, while Oman Cement Company was down 2.1%.

Bahrain: The BHB Index fell 0.1% to close at 1,610.2. The Communications Services index declined 0.7%, while the Financials index fell 0.1%. Zain Bahrain declined 0.8%, while Bahrain Telecom Co. was down 0.7%.

Market Indicators	04 Aug 21	03 Aug 21	%Chg.
Value Traded (QR mn)	549.6	421.0	30.5
Exch. Market Cap. (QR mn)	630,170.2	626,101.4	0.6
Volume (mn)	339.0	223.0	52.0
Number of Transactions	11,748	10,777	9.0
Companies Traded	46	48	(4.2)
Market Breadth	34:8	30:14	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	21,494.90	0.1	1.0	7.1	18.0
All Share Index	3,445.98	0.3	0.9	7.7	18.6
Banks	4,552.17	0.2	0.5	7.2	15.0
Industrials	3,650.68	0.3	2.0	17.8	27.3
Transportation	3,406.65	0.0	(0.0)	3.3	19.1
Real Estate	1,808.62	1.1	3.2	(6.2)	16.7
Insurance	2,600.88	0.1	(1.5)	8.6	23.1
Telecoms	1,054.56	0.2	0.7	4.3	N/A
Consumer	8,192.35	0.2	0.9	0.6	24.2
Al Rayan Islamic Index	4,603.32	0.3	2.5	7.8	19.0

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Ezdan Holding Group	Qatar	1.67	5.4	17,772.5	(6.3)
Dubai Islamic Bank	Dubai	5.08	2.8	31,287.8	10.2
Dr Sulaiman Al Habib	Saudi Arabia	182.40	2.1	267.6	67.3
Mouwasat Medical Serv.	Saudi Arabia	195.00	1.7	104.0	41.3
Mesaieed Petro. Holding	Qatar	1.98	1.2	6,787.2	(3.1)

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Savola Group	Saudi Arabia	41.00	(4.5)	3,164.9	(3.5)
Rabigh Refining & Petro.	Saudi Arabia	24.88	(2.8)	2,378.4	80.0
Almarai Co.	Saudi Arabia	55.80	(2.8)	809.1	1.6
Gulf Bank	Kuwait	0.23	(2.1)	11,956.0	6.4
Saudi Arabian Fertilizer	Saudi Arabia	123.80	(1.7)	204.9	53.6

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	1.26	10.0	62,520.5	109.7
Salam International Inv. Ltd.	1.00	6.5	137,055.3	53.6
Ezdan Holding Group	1.67	5.4	17,772.5	(6.3)
Qatar Oman Investment Company	0.99	4.5	14,885.9	12.0
INMA Holding	5.22	3.0	1,471.1	2.0

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Salam International Inv. Ltd.	1.00	6.5	137,055.3	53.6
Investment Holding Group	1.26	10.0	62,520.5	109.7
Ezdan Holding Group	1.67	5.4	17,772.5	(6.3)
Qatar Aluminium Manufacturing Co	1.66	0.6	16,054.3	71.7
Qatar Oman Investment Company	0.99	4.5	14,885.9	12.0

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Al Khalij Commercial Bank	2.15	(2.1)	50.2	17.0
Al Khaleej Takaful Insurance Co.	4.64	(1.1)	783.1	144.4
Qatar Islamic Bank	17.20	(0.6)	495.3	0.5
Masraf Al Rayan	4.43	(0.4)	4,947.1	(2.2)
Qatar Fuel Company	17.80	(0.4)	197.7	(4.7)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Salam International Inv. Ltd.	1.00	6.5	135,442.3	53.6
Investment Holding Group	1.26	10.0	76,051.1	109.7
QNB Group	18.21	0.6	43,583.4	2.1
Ezdan Holding Group	1.67	5.4	29,108.7	(6.3)
Qatar Aluminium Manufacturing	1.66	0.6	26,607.2	71.7

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*	10,858.42	0.1	1.0	1.0	4.0	148.72	172,162.5	18.0	1.6	2.7
Dubai	2,813.20	0.6	1.7	1.7	12.9	74.29	103,870.4	20.9	1.0	2.8
Abu Dhabi	7,405.09	(0.4)	1.2	1.2	46.8	315.40	356,508.3	23.4	2.2	2.9
Saudi Arabia	11,162.38	(0.4)	1.4	1.4	28.5	1,762.00	2,600,887.8	33.5	2.5	2.1
Kuwait	6,542.51	(0.1)	(0.6)	(0.6)	18.0	197.12	124,588.4	36.2	1.6	1.8
Oman	3,993.76	(0.1)	(0.9)	(0.9)	9.2	9.08	18,405.5	12.6	0.8	3.9
Bahrain	1,610.22	(0.1)	0.8	0.8	8.1	5.47	25,873.5	11.4	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 0.1% to close at 10,858.4. The Real Estate 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 Salam International Inv. Ltd. were the top gainers, rising 10.0% and 6.5%, respectively. Among the top losers, Al Khalij Commercial Bank fell 2.1%, while Al Khaleej Takaful Insurance Co. was down 1.1%.
- Volume of shares traded on Wednesday rose by 52% to 339mn from 223mn on Tuesday. Further, as compared to the 30-day moving average of 128.5mn, volume for the day was 163.7% higher. Salam International Inv. Ltd. and Investment Holding Group were the most active stocks, contributing 40.4% and 18.4% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	56.94%	52.20%	26,058,046.6
Qatari Institutions	7.32%	15.67%	(45,920,609.9)
Qatari	64.26%	67.87%	(19,862,563.3)
GCC Individuals	0.95%	1.12%	(957,457.6)
GCC Institutions	2.91%	0.14%	15,210,517.0
GCC	3.86%	1.27%	14,253,059.4
Arab Individuals	17.14%	19.55%	(13,233,978.8)
Arab Institutions	0.00%	0.00%	–
Arab	17.14%	19.55%	(13,233,978.8)
Foreigners Individuals	4.18%	4.08%	563,886.3
Foreigners Institutions	10.56%	7.24%	18,279,596.4
Foreigners	14.75%	11.32%	18,843,482.7

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 Industrial Investment Group	Saudi Arabia	SR	2,456.0	74.6%	1,057.0	N/A	505.0	N/A
Saudi Arabian Mining Co.	Saudi Arabia	SR	6,101.5	51.9%	1,612.1	N/A	1,104.5	N/A
National Petrochemical Co.	Saudi Arabia	SR	2,456.0	74.6%	841.0	N/A	603.0	N/A
Eastern Province Cement Co.	Saudi Arabia	SR	212.0	45.2%	64.0	106.5%	62.0	106.7%
Northern Region Cement Co.	Saudi Arabia	SR	145.3	10.1%	26.6	10.2%	21.0	49.8%
Al Jouf Agricultural Development Co.	Saudi Arabia	SR	55.7	-22.6%	4.4	-78.0%	3.4	-71.0%
National Agricultural Development Co.	Saudi Arabia	SR	537.2	-11.6%	(7.0)	N/A	(17.4)	N/A
Savola Group	Saudi Arabia	SR	5,901.0	-1.8%	414.3	-29.1%	200.0	-51.2%
United Electronics Co.	Saudi Arabia	SR	1,328.8	-14.3%	108.1	-4.3%	100.5	11.2%
Najran Cement Co.	Saudi Arabia	SR	131.6	8.3%	35.1	-13.2%	32.7	-0.8%
Ras Al Khaimah Cement Co.	Abu Dhabi	AED	29.7	-17.6%	–	–	(3.5)	N/A
Al Mazaya Holding Company	Dubai	KD	3.6	-62.4%	1.3	95.0%	0.0	N/A
Takaful International Company	Bahrain	BHD	15.0	9.9%	–	–	0.7	34.8%
Bahrain Car Parks Company	Bahrain	BHD	0.4	25.2%	0.1	-25.6%	0.2	-40.5%
Bahrain Family Leisure	Bahrain	BHD	0.1	216.1%	–	–	(0.7)	N/A

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

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
04-08	US	Mortgage Bankers Association	MBA Mortgage Applications	30-Jul	-1.70%	-	7.00%
04-08	US	Markit	Markit US Services PMI	Jul	59.9	59.8	59.8
04-08	US	Markit	Markit US Composite PMI	Jul	59.9	-	59.7
04-08	US	Institute for Supply Management	ISM Services Index	Jul	64.1	60.5	60.1
04-08	UK	Markit	Markit/CIPS UK Services PMI	Jul	59.6	57.8	57.8
04-08	UK	Markit	Markit/CIPS UK Composite PMI	Jul	59.2	57.7	57.7
04-08	EU	Markit	Markit Eurozone Services PMI	Jul	59.8	60.4	60.4
04-08	EU	Markit	Markit Eurozone Composite PMI	Jul	60.2	60.6	60.6
04-08	Germany	Markit	Markit Germany Services PMI	Jul	61.8	62.2	62.2
04-08	Germany	Markit	Markit/BME Germany Composite PMI	Jul	62.4	62.5	62.5
04-08	France	Markit	Markit France Services PMI	Jul	56.8	57	57
04-08	France	Markit	Markit France Composite PMI	Jul	56.6	56.8	56.8
04-08	Japan	Markit	Jibun Bank Japan PMI Services	Jul	47.4	-	46.4
04-08	Japan	Markit	Jibun Bank Japan PMI Composite	Jul	48.8	-	47.7
04-08	China	Markit	Caixin China PMI Composite	Jul	53.1	-	50.6
04-08	China	Markit	Caixin China PMI Services	Jul	54.9	50.5	50.3
04-08	India	Markit	Markit India PMI Services	Jul	45.4	-	41.2
04-08	India	Markit	Markit India PMI Composite	Jul	49.2	-	43.1

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
QAMC	Qatar Aluminum Manufacturing Company	5-Aug-21	0	Due
GISS	Gulf International Services	5-Aug-21	0	Due
MPHC	Mesaieed Petrochemical Holding Company	5-Aug-21	0	Due
IQCD	Industries Qatar	5-Aug-21	0	Due
QATI	Qatar Insurance Company	8-Aug-21	3	Due
IHGS	INMA Holding Group	8-Aug-21	3	Due
DBIS	Dlala Brokerage & Investment Holding Company	9-Aug-21	4	Due
QISI	Qatar Islamic Insurance Group	9-Aug-21	4	Due
QGRI	Qatar General Insurance & Reinsurance Company	10-Aug-21	5	Due
AHCS	Aamal Company	10-Aug-21	5	Due
IGRD	Investment Holding Group	10-Aug-21	5	Due
QFBQ	Qatar First Bank	11-Aug-21	6	Due
MRDS	Mazaya Qatar Real Estate Development	11-Aug-21	6	Due
MCCS	Mannai Corporation	11-Aug-21	6	Due
BLDN	Baladna	11-Aug-21	6	Due
QOIS	Qatar Oman Investment Company	11-Aug-21	6	Due
MERS	Al Meera Consumer Goods Company	11-Aug-21	6	Due
ERES	Ezdan Holding Group	12-Aug-21	7	Due
QGMD	Qatari German Company for Medical Devices	12-Aug-21	7	Due
ZHCD	Zad Holding Company	12-Aug-21	7	Due

Source: QSE

News

Qatar

- **DOHI's net profit declines 3.8% YoY and 30.5% QoQ in 2Q2021** – Doha Insurance Group's (DOHI) net profit declined 3.8% YoY (-30.5% QoQ) to QR16.6mn in 2Q2021. The company's Net Premiums came in at QR131.4mn in 2Q2021, which represents an increase of 36.1% YoY (+4.7% QoQ). EPS remained flat YoY at QR0.03 in 2Q2021. (QSE)
- **AKHI posts net profit of QR11.2mn in 2Q2021** – Al Khaleej Takaful Insurance Company's (AKHI) net profit rose 114.3% YoY (but declined 48.7% on QoQ basis) to QR11.2mn in 2Q2021. The company's Total investment and other income came in at QR19.1mn in 2Q2021, which represents an increase of 39.7% YoY. However, on QoQ basis Total investment and other income fell 37.0%. EPS amounted to QR0.044 in 2Q2021 as compared to QR0.020 in 2Q2020 and QR0.086 in 1Q2021. (QSE)
- **SIIS's bottom line rises to QR20.9mn in 2Q2021** – Salam International Investment Limited (SIIS) reported net profit of QR20.9mn in 2Q2021 as compared to net loss of QR56.3mn in 2Q2020 and net profit of QR11.5mn in 1Q2021. The company's Revenue from contracts with customers came in at QR362.1mn in 2Q2021, which represents an increase of 54.5% YoY. However, on QoQ basis Revenue from contracts with customers fell 1.4%. The earnings per share amounted to QR0.028 in 6M2021 as compared to loss per share of QR0.075 in 6M2020. (QSE)
- **AKHI to hold its investors relation conference call on August 11** – Alkhaleej Takaful Insurance (AKHI) will hold the conference call with the Investors to discuss the financial results for the Semi-Annual 2021 on August 11, 2021 at 11:00am , Doha Time. (QSE)
- **QATI to hold its investors relation conference call on August 09** – Qatar Insurance (QATI) will hold the conference call with the Investors to discuss the financial results for the Semi-Annual 2021 on August 09, 2021 at 01:00pm, Doha Time. (QSE)
- **ERES to disclose its Semi-Annual financial results on August 12** – Ezdan Holding Group (ERES) will disclose its financial statement for the period ending June 30, 2021 on August 12, 2021. (QSE)
- **ERES to hold its investors relation conference call on August 15** – Ezdan Holding Group (ERES) will hold the conference call with the Investors to discuss the financial results for the Semi-Annual 2021 on August 15, 2021 at 02:00pm, Doha Time. (QSE)
- **Nakilat ties up with DNV to enhance vessel software** – Qatar Gas Transport Company Limited (QGTS, Nakilat), a global leader in energy transportation, Classification Society DNV and a group of leading yards and system suppliers have teamed up on a joint development project (JDP) to elevate software reliability and maintenance during operations. The JDP, which was initiated in 2020 by Nakilat, has resulted in the launch of a new DNV Recommended Practice (DNV-RP-0582), published in June 2021. Today, critical vessel functions rely heavily on computerized software-based systems that are becoming more complex, automated and integrated. Software failures or reliability issues can now result in significant safety risks, as well as lost revenue due to off-hire days. To help address these risks, DNV and Nakilat brought together shipyards with system suppliers – ABB, Honeywell, Kongsberg and Wartsila+ Hudong-Zhonghua, to contribute to the development of the RP. (Qatar Tribune, Gulf-Times.com)
- **QCB: Non-resident deposits in banks outpace total deposits** – The non-resident deposits in Doha's commercial

lenders were seen considerably outpacing the total deposits in the banking system in June this year, according to the Qatar Central Bank (QCB) data. The non-resident deposits with the domestic Islamic banks grew faster than the total non-resident deposits in the country's commercial lenders, said the central bank's latest monthly data. The non-resident deposits in the commercial banks witnessed a 28.67% YoY increase to QR271.72bn, which constituted about 16% of the total liabilities in the review period. The total deposits in Qatar's commercial banks were seen expanding 8.64% YoY to QR960.68bn in June this year. In the case of resident deposits, it was up 2.36% YoY to QR688.91bn or more than 38% of the total liabilities of the commercial banks in June this year. The non-resident deposits within the Qatari banks soared 28.65% YoY to QR270.49bn and those within foreign banks by 33.7% to QR1.23bn in June this year. Within the domestic lenders, non-resident deposits with the traditional banks expanded 19.84% YoY to QR219.52bn and those with the Islamic banks substantially shot up 88.29% to QR50.97bn in the review period. (Gulf-Times.com)

- **FocusEconomics: Qatar's GDP per capita forecast at \$60,898 in 2021** – Qatar's GDP per capita has been forecast at \$60,898 this year and may exceed \$70,000 by 2025, researcher FocusEconomics has said in a report. Next year, it has been forecast at \$63,978 and \$65,470 in 2023 and \$67,764 in 2024. The country's GDP, FocusEconomics said will exceed \$171bn this year, \$180bn (2022), \$185bn (2023), \$192bn (2024) and \$199bn (2025). Qatar may see its merchandise trade balance at \$41bn this year, \$41.3bn (2022), \$42.3bn (2023), \$45bn (2024) and \$49.4bn (2025). FocusEconomics forecasts Qatar's current account balance (as a percentage of GDP) will scale up to 7.3 in 2025 from 5.3 this year. Next year, it will be 5.2 and 4.8 (2023) and 6.0 (2024). Fiscal balance (as a percentage of GDP) will be 1.6 this year, 2.6 (2022), 2.3 (2023) and 2.1 (2024). The country's public debt (as a percentage of GDP) will fall to 55.4 in 2025 from 65.8 this year. Next year, it will be 61.5, 60 (2023) and 57.7 in 2024. Qatar's inflation has been forecast at 1.4 this year and 2.3 (2022), 1.7 (2023), 1.7 (2024) and 1.8 (2025). FocusEconomics noted the country's economy shrank 2.5% YoY in 1Q, a milder contraction than in 4Q, with the declines in both the energy and non-energy sectors moderating. (Gulf-Time.com)
- **Cabinet further eases COVID-19 restrictions under Phase 3 plan** – The Cabinet has further eased some of the restrictions under the Phase 3 plan of gradually lifting the COVID-19 curbs. The Cabinet, chaired by Prime Minister and Minister of Interior HE Sheikh Khalid bin Khalifa bin Abdulaziz Al Thani, took the decision on Wednesday after reviewing the report of the Supreme Committee for Crisis Management regarding the plan to gradually lift the restrictions. The decisions will come into force from August 6. As per the Cabinet decision, a maximum of 80% of employees in both the government and the private sector will be allowed to work from the office, with the rest working remotely or upon request depending on the circumstances. The exceptions are the military, security and health sectors. Meetings for employees and workers will be held with the attendance of no more than 15 people. Others can only attend the meeting remotely using modern technological means. (Qatar Tribune)
- **FIFA appoints Black Arrow as Qatari Cultural Gifts and Novelties licensee** – Football's world governing body FIFA has awarded the "Qatari Cultural Gifts and Novelties" license to Doha-based Black Arrow Gifts and Novelties Division to design, produce, and retail the official licensed products of the FIFA World Cup Qatar 2022. Black Arrow, a reputed Qatari company, has already assembled a creative and experienced team of

experts globally reputed for their quality gifts to develop a culturally inspired range of products, featuring more than 270 different SKUs of merchandise in different categories from traditional home accessories, gifting, fashion accessories, costume jewellery, Games & Cheer Gear bearing the FIFA World Cup Qatar 2022 design and branding. In addition, the licensee will be offering a range of collections available via multiple distribution channels, from mass markets to mid-tier department stores as well as corporate and high-end outlets. (Qatar Tribune)

International

- **US services sector growth accelerates despite supply constraints** – A measure of US services industry activity jumped to a record high in July, boosted by the shift in spending to services from goods, but businesses continued to pay higher prices for inputs because of supply constraints. The Institute for Supply Management survey on Wednesday also showed a rebound in a gauge of services industry employment last month. That eased worries of a sharp slowdown in job growth, which had been stoked by the ADP Employment Report showing the smallest gain in private payrolls in five months in July. The bounce back in the ISM services employment index followed a similar reading for the manufacturing sector. The economy is pushing ahead after fully recovering in the second quarter the sharp loss in output suffered during the very brief COVID-19 pandemic recession. The Institute for Supply Management said its non-manufacturing activity index raced to 64.1 last month, the highest reading since the series started in 2008, from 60.1 in June. A reading above 50 indicates growth in the services sector, which accounts for more than two-thirds of US economic activity. Economists polled by Reuters had forecast the index climbing to 60.5. All services industries reported growth, with anecdotes of pent-up demand as “companies begin to fully reopen and remote workers return to offices.” Demand 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 in favor of goods. (Reuters)
- **Yellen says monthly US inflation rates should subside by end-2021** – US Treasury Secretary Janet Yellen said on Wednesday she anticipates that monthly inflation rates will subside by the end of 2021, even as year-over-year inflation readings stay elevated due to lingering comparison effects from the coronavirus pandemic. Yellen, speaking to reporters after a tour of a social services agency in Atlanta, repeated her view that currently high inflation is a transitory effect from supply bottlenecks and shifts in spending demand caused by the pandemic and recovery. “Even if monthly (inflation) rates come down, we’ll see somewhat elevated year-over-year rates for some time. But my expectation is that by the end of the year, that monthly rates will come down to a pace consistent with the Fed’s interpretation of price stability,” Yellen said. (Reuters)
- **Bank of England set to keep stimulus pumping despite inflation rebound** – The Bank of England (BoE) is expected to keep its huge support for Britain’s economy running at full speed on Thursday, despite a strong recovery from its pandemic slump and a jump in inflation. However, the central bank might also start to lay out its plan for how it will eventually reverse its stimulus. With more than 70% of adults in Britain now fully vaccinated against COVID-19 and most social-distancing rules lifted, Britain’s economy has recouped much of its 10% crash of 2020 and is on course to match the United States and grow at the fastest pace among big rich nations this year. Inflation jumped to 2.5% in June and the BoE will say in a new set of forecasts that it is on course to rise even further about its 2%

target in the months ahead. But economists polled by Reuters expect the BoE will keep its benchmark interest rate at its all-time low of 0.1% and leave its bond-buying program on course to reach its 895bn-Pound (\$1.24tn) target size by the end of this year. Two policymakers have said the time is approaching for the removal of some of the BoE’s stimulus, echoing calls by some members of the US Federal Reserve which is facing an even sharper rise in inflation. But most of the BoE’s other rate-setters have said the acceleration in price growth is likely to prove transitory as economies around the world kick back into life. The bigger risks, they say, are that unemployment rises more sharply than expected as finance minister Rishi Sunak’s jobs subsidies are phased out by the end of September, and that the recovery buckles due to the spread of the Delta variant of the coronavirus. But with British gross domestic product likely to return to its pre-pandemic size by the end of this year or early in 2022, the BoE wants to start explaining how it will start to wean the economy off its unprecedented levels of support. (Reuters)

- **PMI data: UK private-sector growth slows to weakest since March** – British private-sector growth slowed sharply last month due to supply-chain bottlenecks and high worker absences prompted by COVID-19 isolation requirements, a closely watched survey indicated on Wednesday. Price pressures rose by the most since the survey began 25 years ago - a concern for the Bank of England as it finalizes new inflation forecasts due on Thursday. To date, the BoE has said higher inflation will be temporary. The IHS Markit/CIPS services Purchasing Managers’ Index (PMI) sank to 59.6 in July, its lowest reading since March, from 62.4 in June. The broader composite PMI, which includes Tuesday’s manufacturing PMI data, showed a similar drop, to 59.2 from 62.2. “More businesses are experiencing growth constraints from supply shortages of labor and materials, while on the demand side we’ve already seen the peak phase of pent-up consumer spending,” said IHS Markit’s economics director, Tim Moore. July’s final PMI readings were well above preliminary “flash” data, however. IHS Markit said this reflected a boost to services businesses from the lifting of most remaining COVID-19 restrictions in England on July 19. Britain’s economy is rebounding fast after suffering its biggest fall in output in more than 300 years in 2020, but most economists think the fastest growth probably came in the three months to June, when COVID rules eased most. (Reuters)
- **Eurozone business surged in July but price pressures and COVID weigh** – Eurozone business activity roared in July, expanding at its fastest pace in 15 years, as the lifting of more coronavirus restrictions and an accelerated vaccine drive injected life into the bloc’s dominant service industry, a survey showed. But supply chain disruptions and labor shortages meant input prices surged at the fastest rate in over two decades and fears of further curbs to contain the more infectious Delta variant of COVID-19 dented optimism. IHS Markit’s final composite Purchasing Managers’ Index (PMI), seen as a good gauge of economic health, climbed to 60.2 last month from June’s 59.5, its highest level since June 2006, well above the 50 mark separating growth from contraction, though slightly below a 60.6 “flash” estimate. With more of the services industry reopening, the sector’s PMI index rose to its highest final reading since June 2006. Services activity in Germany, Europe’s largest economy, expanded at a record pace. In France, the bloc’s second biggest economy, growth remained elevated but dipped slightly more than originally thought. Italy’s services sector grew in July at its fastest rate for 14 years and although Spain’s growth was off June’s highs it remained strong. (Reuters)

- **Chinese firms seek LNG cargoes as demand remains strong** – Two Chinese firms are seeking liquefied natural gas (LNG) cargoes for delivery over August to November as summer demand in the southern region remains strong and as companies prepare to meet winter demand, industry sources said. China's Shenzhen Energy is seeking two cargoes for delivery into Yuedong over August 19 to 27 and October 30 to 31, in a tender that closes on August 5, the sources said. Beijing Gas is also seeking cargoes for delivery over September, October and November in a separate tender that closes on August 4, they added. Last week, Guangdong Energy bought two cargoes for delivery into Zhuhai and Shenzhen in September, they said. Demand for LNG from China has been strong despite a surge in spot prices as buyers are stockpiling ahead of winter to prevent being caught in a similar situation as earlier this year, when a shortfall in supply sent spot prices surging to a record high. Firm demand in southern China, where several regions are experiencing peak summer demand, is also boosting gas demand, the sources said. (Reuters)
- **IHS Markit: Brazilian PMIs show fastest service sector growth since 2013** – Activity in Brazil's services sector expanded at its fastest pace in eight and a half years in July, a purchasing managers' survey showed on Wednesday, driven by a surge in domestic new business and record growth in orders from overseas. The rise in activity helped fuel the strongest employment growth in the sector in more than a decade, pointing to a solid second half of the year for Latin America's largest economy. IHS Markit's headline Brazil services purchasing managers index rose to 54.4 from 53.9 in June, the highest level since January 2013. That helped pull the composite PMI including manufacturing up to 55.2 from 54.6 in June, the highest since last October. A PMI reading above 50.0 signals expansion, and a reading below shows contraction. Services account for around 70% of all economic activity in Brazil. According to survey participants, the upturn stemmed from the easing of COVID-19 restrictions and optimism on vaccine progress. (Reuters)
- **Russia registers weekly deflation in week to August 2** – Russia has registered weekly deflation for the second time this year, data for the week to August 2 showed, pointing to a possible decline in the inflationary pressure that prompted its central bank to sharply raise rates last month. Russia's consumer price index declined 0.06% in the week to Aug. 2, mostly driven by a fall in the price of vegetables, the federal statistics service Rosstat said. Inflation data is closely monitored by the market and the central bank, which last month raised its key interest rate by 100 basis points to 6.5%, its sharpest increase since 2014, in an effort to curb rising consumer prices. Inflation is a sensitive issue in Russia ahead of September parliamentary elections as it eats into incomes already dented by the COVID-19 crisis and the weak Rouble. Annual consumer inflation, the central bank's main area of responsibility, exceeded the 4% target in November and climbed to 6.5% in June, its highest since August 2016. Analysts polled by Reuters had on average expected annual inflation to accelerate to 6.6% in July. Rosstat will publish monthly inflation data on Thursday. So far this year, the consumer price index rose 4.53%, Rosstat said on Wednesday. The central bank expects inflation to end this year at 5.7-6.2%, before returning to 4.0-4.5% in 2022. (Reuters)

Regional

- **GCC economies expected to grow 2.2% this year, says World Bank** – Economies of the GCC will likely grow at an aggregate 2.2% this year after a 4.8% contraction last year caused by the pandemic and lower oil prices, the World Bank said on Wednesday. "With recent progress made with the rollout

of the COVID-19 vaccine globally and with the revival of production and trade worldwide, the prospects for an economic recovery are firmer now than at the end of last year," it said in a research report. "Although downside risks remain, the forecast stands for an aggregate GCC economic turnaround of 2.2% in 2021 and an annual average growth of 3.3% in 2022–23." (Reuters)

- **Aramco: Saudi Arabia raises Sept crude official selling prices for Asia** – Top oil exporter Saudi Arabia raised the September official selling prices (OSPs) for the flagship Arab light crude to \$3 a barrel above the Oman/Dubai average for Asia, the country's state oil producer Aramco said on Wednesday. Saudi Arabia set its Arab Light OSP to northwest Europe at a discount of \$1.70 a barrel against ICE Brent for September and its OSP to the United States was at a premium of \$1.35 a barrel over Argus Sour Crude Index (ASCI). (Reuters)
- **Saudi venture capital market grows by 65%** – The first half of 2021 saw a record-setting volume of investment in Saudi startups that reached SR630mn, signalling a growth of 65% compared with the same period last year. According to MAGNiTT Venture Capital (VC) Investment Report, although 2020 was a "positive year" for venture capital investment in the kingdom, 2021 has been witnessing higher capital inflows with the value of startup investments during the first six months of this year equaling around 94% of the total value of investment in Saudi emerging ventures during last year, an SPA report said. The report was sponsored by the Saudi Venture Capital Company (SVC) of the General Authority for Small and Medium Enterprises 'Monshaat'. (Zawya)
- **Saudi Wealth Fund is said to hire Ex-HSBC executive as director** – Saudi Arabia's wealth fund appointed Omar Jahidi as its director of investments in the Middle East and North Africa, according to people familiar with the matter, the latest in a string of appointments to help expand its reach. Jahidi, previously the director for investment banking advisory at HSBC Holdings Plc in Saudi Arabia, will be joining the Public Investment Fund in the coming weeks, the people said, asking not to be identified because the appointment hasn't been made public. He will report to Eyas AlDossari, head of investment advisory within the MENA investments division, who was formerly in charge of investment banking for Saudi Arabia at Goldman Sachs Group Inc. and also worked at HSBC. (Bloomberg)
- **Saudi Aramco cuts crude oil OSPs from Sidi Kerir for September** – Saudi Aramco lowered Sept. official selling prices for grades from the Egyptian port of Sidi Kerir by between 65c and 95c/bbl, according to a list seen by Bloomberg News. Arab Light OSP set at \$1.10/bbl discount to ICE Brent, compared with a 15c/bbl discount for August. Arab Extra Light set at -10c/bbl vs +75c/bbl. Arab Medium set at -\$1.80 vs -95c/bbl. Arab Heavy at -\$2.50 vs -\$1.85/bbl. Prices of all four grades from Sidi Kerir are 60c more than those shipped from Ras Tanura in the Persian Gulf for customers in Mediterranean; they were 65c higher in August's price list. (Bloomberg)
- **Saudi Arabia's Tanmiah Food Company plans capacity expansion** – Tanmiah Food Company, a leader in the manufacturing and distribution of food and agricultural products, has aggressive expansion plans to invest over SR700mn between 2021 and 2023 to increase its poultry capacity. According to Al Rajhi Capital Research, this provides strong revenue visibility in medium to longer term as the company operates in a defensive sector with increasing growth opportunities led by young demographics, eating out culture and increasing number of regional and international QSRs (quick service restaurants) in the kingdom. "We like Tanmiah as the company has strong return metrics with sufficient reinvestment opportunities at such higher ROCE. We initiate coverage on

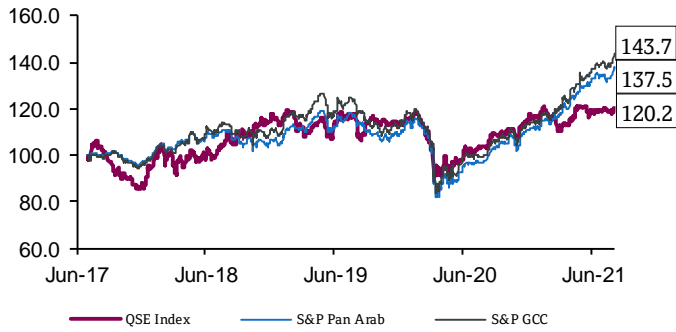
Tanmiah foods with a trading price of SR87/share," Al Rajhi said. (Zawya)

- **Saudi airports log 66.5% drop in international flights in 2020** – The number of international passenger flights from Saudi airports dropped 66.5% in 2020 compared to the previous year, according to the latest data of the General Authority of Civil Aviation (GACA). The GACA figures of 2019 and 2020 showed that the number of international flights in 2019 reached 159,795, while this number decreased to 53,537 flights in 2020, reported Saudi Gazette. Similar was the case with domestic flights during the period. The number of domestic flights fell by 46.6%, reaching 120,395 flights in 2020 against 225,721 flights in 2019. (Zawya)
- **SABB's reports net profit of SR919mn in 2Q2021** – The Saudi British Bank (SABB) recorded net profit of SR919mn in 2Q2021. Total operating profit fell 14.8% YoY to SR1,976mn in 2Q2021. Total income from special commissions/investments fell 19.3% YoY to SR1,644mn in 2Q2021. Total assets stood at SR272.9bn at the end of June 30, 2021 as compared to SR267.0bn at the end of June 30, 2020. Loans and advances stood at SR161.4bn (+5.6% YoY), while Client's deposits stood at SR186.8bn (-0.8% YoY) at the end of June 30, 2021. EPS came in at SR0.92 in 6M2021 as compared to loss per share of SR2.87 in 6M2020. (Tadawul)
- **ARNB's net profit falls 2.7% YoY to SR473mn in 2Q2021** – Arab National Bank (ARNB) recorded net profit of SR473mn in 2Q2021, registering decrease of 2.7% YoY. Total operating profit fell 6.1% YoY to SR1,381mn in 2Q2021. Total income from special commissions/investments fell 17.5% YoY to SR1,238mn in 2Q2021. Total assets stood at SR181.9bn at the end of June 30, 2021 as compared to SR187.3bn at the end of June 30, 2020. Loans and advances stood at SR117.8bn (+0.6% YoY), while Client's deposits stood at SR130.2bn (-2.7% YoY) at the end of June 30, 2021. EPS came in at SR0.7 in 6M2021 as compared to SR0.75 in 6M2020. (Tadawul)
- **Gulf buy now, pay later firm Tabby raises \$50mn, to speed up expansion** – Buy now, pay later firm Tabby will accelerate expansion plans into new Arab markets after raising \$50mn in its latest funding round, giving it a \$300mn valuation, it said on Wednesday. Tabby, whose investors include Abu Dhabi state fund Mubadala, is already available in Saudi Arabia and the UAE where consumers can use its services with over 2,000 merchants including with brands such as Adidas and Ikea. Chief Executive Hosam Arab told Reuters Tabby would be operational in Qatar, Kuwait, Oman and Bahrain in the next few months and would expand into North Africa "towards the beginning of next year." (Reuters)
- **Mubadala Capital's SPAC Blue Whale Acquisition prices IPO at \$10 per share** – Blue Whale Acquisition I, a blank check company formed by Abu Dhabi's Mubadala Capital targeting media and entertainment, announced the pricing of its initial public offering (IPO) of 20mn shares at \$10 per unit on Wednesday. The units will be listed on the Nasdaq Capital Market in the US and trade under the ticker symbol "BWCAU" beginning on August 4, 2021. Blue Whale is sponsored by Mubadala Capital, the asset management subsidiary of Mubadala Investment Company, the Abu Dhabi-based sovereign investor with over \$243bn of assets under management. (Zawya)
- **Kuwait's KFH eyes government projects in Saudi, plans new sukuk in 2022** – Kuwait Finance House (KFH), the Gulf nation's biggest Islamic lender, plans to finance government projects in Saudi Arabia, including in the NEOM business zone, its acting chief executive officer told Reuters. The lender is looking to contribute to the financing of Saudi government and

infrastructure projects in sectors including electricity and oil, said Abdulwahab Al-Roshood. "Saudi Arabia is a promising market ... KFH will have a share of financing these projects," Roshood said on Wednesday. (Reuters)

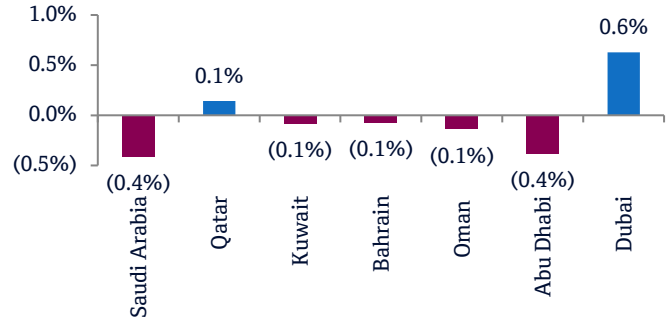
- **Kuwait Projects Co. to raise capital to \$879mn via rights issue** – Kuwait Projects Company, (KIPCO) said it plans to raise its issued and paid-up capital to KD264mn from KD200mn through a rights issue. The rights issue will be open to existing shareholders and will offer 640mn shares at a price of 125 fils per share (nominal value of 100 fils per share and the issuance premium of 25 fils). KIPCO's board of directors on Wednesday approved the rights issue, subject to completing procedures required by the regulatory authorities. The capital increase will be used to fund new investments and acquisitions, the company said in a statement. (Zawya)
- **Investcorp swings to profit, N.American PE fund raises \$1bn** – Manama-based Investcorp on Wednesday posted a net profit of \$124mn for its financial year ending June 30, rebounding from a loss a year earlier, citing strong activity across its core businesses that helped boost fee and asset-based income. The firm, which focuses on private equity, real estate, credit management and absolute return investments, said it had raised \$1bn for its North American private equity fund. It has also raised almost \$300mn for its Technology Fund V so far, out of a target of \$500mn. (Reuters)
- **AUB posts 13.9% YoY rise in net profit to \$138.9mn in 2Q2021** – Ahli United Bank (AUB) recorded net profit of \$138.9mn in 2Q2021, an increase of 13.9% YoY. Net interest income rose 11.3% YoY to \$214.7mn in 2Q2021. Operating income rose 1.7% YoY to \$261.2mn in 2Q2021. Total assets stood at \$40.5bn at the end of June 30, 2021 as compared to \$40.1bn at the end of December 31, 2020. Loans and advances stood at \$21.4bn (+3.2% YTD), while customers' deposits stood at \$24.4bn (-2.9% YTD) at the end of June 30, 2021. EPS came in at \$0.012 in 3Q2021 as compared to \$0.01 in 3Q2020. (Bahrain Bourse)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,811.74	0.1	(0.1)	(4.6)
Silver/Ounce	25.38	(0.6)	(0.4)	(3.9)
Crude Oil (Brent)/Barrel (FM Future)	70.38	(2.8)	(7.8)	35.9
Crude Oil (WTI)/Barrel (FM Future)	68.15	(3.4)	(7.8)	40.5
Natural Gas (Henry Hub)/MMBtu	3.99	0.0	2.3	67.9
LPG Propane (Arab Gulf)/Ton	107.75	(1.1)	(4.6)	43.2
LPG Butane (Arab Gulf)/Ton	122.38	(1.4)	(5.5)	76.1
Euro	1.18	(0.2)	(0.3)	(3.1)
Yen	109.48	0.4	(0.2)	6.0
GBP	1.39	(0.2)	(0.1)	1.6
CHF	1.10	(0.3)	(0.1)	(2.4)
AUD	0.74	(0.2)	0.5	(4.1)
USD Index	92.27	0.2	0.1	2.6
RUB	73.18	0.3	0.0	(1.7)
BRL	0.19	0.6	0.9	0.5

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,085.83	(0.2)	0.5	14.7
DJ Industrial	34,792.67	(0.9)	(0.4)	13.7
S&P 500	4,402.66	(0.5)	0.2	17.2
NASDAQ 100	14,780.53	0.1	0.7	14.7
STOXX 600	468.22	0.4	1.2	13.6
DAX	15,692.13	0.6	0.8	10.2
FTSE 100	7,123.86	0.1	1.3	12.3
CAC 40	6,746.23	0.1	1.8	17.7
Nikkei	27,584.08	(0.6)	1.4	(5.2)
MSCI EM	1,303.99	0.8	2.0	1.0
SHANGHAI SE Composite	3,477.22	0.9	2.3	1.1
HANG SENG	26,426.55	0.9	1.8	(3.2)
BSE SENSEX	54,369.77	1.1	3.6	12.1
Bovespa	121,801.20	(1.4)	(1.3)	1.2
RTS	1,640.30	0.2	0.9	18.2

Source: Bloomberg (*\$ adjusted returns)

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