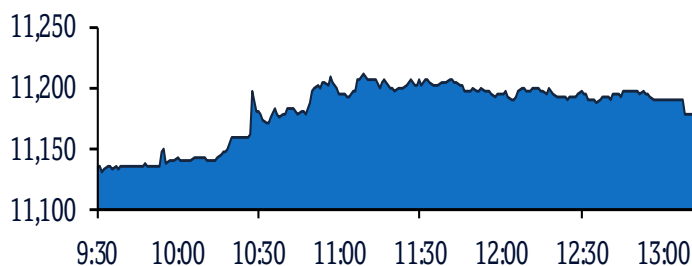


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.3% to close at 11,177.5. Gains were led by the Industrials and Telecoms indices, gaining 1.0% and 0.2%, respectively. Top gainers were Qatar Industrial Manufacturing Co and Industries Qatar, rising 2.3% and 2.1%, respectively. Among the top losers, Mesaieed Petrochemical Holding fell 1.6%, while Djala Brokerage & Inv. Holding Co. was down 1.3%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.4% to close at 11,270.6. Losses were led by the Banks and Utilities indices, falling 0.9% and 0.8%, respectively. National Co for Learning & Education and Ash-Sharqiyah Development Co. were down 2.0% each.

Dubai: The DFM Index gained 0.2% to close at 2,843.8. The Services index rose 3.1%, while the Banks index gained 0.4%. Tabreed rose 4.8% while Amlak Finance was up 3.1%.

Abu Dhabi: The ADX General Index gained 0.4% to close at 7,781.8. The Services index rose 3.2%, while the Banks index gained 1.0%. National Marine Dredging Co. and ESG Emirates Stallions Group rose 12.8% each.

Kuwait: The Kuwait All Share Index gained marginally to close at 6,845.3. The Basic Materials index rose 0.5%, while the Insurance index gained 0.3%. Hayat Communications rose 8.6%, while Kuwait Business Town Real Estate was up 6.3%.

Oman: The MSM 30 Index fell 0.1% to close at 3,917.2. The Financial index declined 0.4%, while the other indices ended in green. A'Saffa Foods declined 9.9%, while HSBC Bank Oman was down 2.4%.

Bahrain: The BHB Index gained 0.4% to close at 1,692.6. The Financials index rose 0.8%, while the Consumer Discretionary index gained 0.5%. Zain Bahrain rose 1.6%, while Gulf Hotels Group was up 1.5%.

Market Indicators	22 Sept 21	21 Sept 21	%Chg.
Value Traded (QR mn)	327.6	301.9	8.5
Exch. Market Cap. (QR mn)	645,211.7	643,192.9	0.3
Volume (mn)	123.6	114.3	8.1
Number of Transactions	7,830	7,650	2.4
Companies Traded	44	44	0.0
Market Breadth	24:16	8:35	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	22,126.58	0.3	(0.0)	10.3	17.0
All Share Index	3,539.64	0.3	(0.3)	10.6	17.8
Banks	4,715.72	0.1	(1.1)	11.0	15.5
Industrials	3,809.35	1.0	1.9	23.0	20.4
Transportation	3,384.95	0.1	(0.3)	2.7	19.0
Real Estate	1,795.25	0.2	(0.3)	(6.9)	16.6
Insurance	2,577.42	(0.1)	(0.3)	7.6	17.0
Telecoms	1,048.77	0.2	1.3	3.8	N/A
Consumer	8,178.77	(0.0)	(0.6)	0.5	22.8
Al Rayan Islamic Index	4,694.57	0.3	0.3	10.0	17.8

GCC Top Gainers###	Exchange	Close#	1D%	Vol. '000	YTD%
Sahara Int. Petrochemical	Saudi Arabia	38.65	3.2	4,900.5	123.2
Industries Qatar	Qatar	13.90	2.1	3,562.3	27.9
Saudi Industrial Inv.	Saudi Arabia	38.15	1.6	2,613.8	39.2
Advanced Petrochem. Co.	Saudi Arabia	72.90	1.5	550.5	8.8
Qatar Aluminum Manufac.	Qatar	1.77	1.3	14,999.2	82.7

GCC Top Losers###	Exchange	Close#	1D%	Vol. '000	YTD%
HSBC Bank Oman	Oman	0.09	(2.2)	1,147.9	(1.1)
GFH Financial Group	Dubai	0.71	(1.8)	10,480.9	18.9
Saudi Arabian Mining Co.	Saudi Arabia	78.00	(1.6)	449.1	92.6
Mesaieed Petro. Holding	Qatar	2.24	(1.6)	13,524.4	9.3
Bank Al Bilad	Saudi Arabia	40.00	(1.2)	628.4	41.1

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%
Qatar Industrial Manufacturing Co	3.05	2.3	56.2	(5.0)
Industries Qatar	13.90	2.1	3,562.3	27.9
QLM Life & Medical Insurance	4.90	1.3	28.3	55.6
Qatar Aluminum Manufacturing Co	1.77	1.3	14,999.2	82.7
Gulf Warehousing Company	5.10	1.0	292.6	0.0

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatar Aluminum Manufacturing Co	1.77	1.3	14,999.2	82.7
Mesaieed Petrochemical Holding	2.24	(1.6)	13,524.4	9.3
Salam International Inv. Ltd.	0.94	(1.1)	11,199.7	44.2
Mazaya Qatar Real Estate Dev.	1.04	0.3	9,155.7	(17.4)
Investment Holding Group	1.38	(0.4)	7,459.3	129.5

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Mesaieed Petrochemical Holding	2.24	(1.6)	13,524.4	9.3
Djala Brokerage & Inv. Holding Co	1.51	(1.3)	5,591.7	(16.0)
Salam International Inv. Ltd.	0.94	(1.1)	11,199.7	44.2
The Commercial Bank	5.92	(0.9)	814.2	34.5
Qatari Investors Group	2.51	(0.6)	548.2	38.7

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Industries Qatar	13.90	2.1	49,490.2	27.9
Mesaieed Petrochemical Holding	2.24	(1.6)	30,619.2	9.3
Qatar Aluminum Manufacturing	1.77	1.3	26,379.4	82.7
Qatar Islamic Bank	17.98	0.1	24,725.0	5.1
Masraf Al Rayan	4.45	(0.0)	24,474.5	(1.8)

Source: Bloomberg (* in QR)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	11,177.53	0.3	(0.0)	0.8	7.1	89.94	175,175.0	17.0	1.6	2.6
Dubai	2,843.83	0.2	(2.0)	(2.0)	14.1	34.73	106,159.7	21.0	1.0	2.7
Abu Dhabi	7,781.83	0.4	(1.3)	1.3	54.2	383.27	365,124.4	24.1	2.4	3.0
Saudi Arabia	11,270.57	(0.4)	(1.3)	(0.4)	29.7	1,317.10	2,607,407.9	27.3	2.4	2.3
Kuwait	6,845.34	0.0	(0.4)	0.9	23.4	140.91	129,792.2	30.1	1.7	1.8
Oman	3,917.21	(0.1)	(0.5)	(1.2)	7.1	7.17	18,408.1	11.7	0.8	4.0
Bahrain	1,692.56	0.4	0.8	2.9	13.6	10.49	27,077.5	11.9	0.8	3.3

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

Qatar Market Commentary

- The QE Index rose 0.3% to close at 11,177.5. The Industrials and Telecoms indices led the gains. The index rose on the back of buying support from GCC, Arab and foreign shareholders despite selling pressure from Qatari shareholders.
- Qatar Industrial Manufacturing Co and Industries Qatar were the top gainers, rising 2.3% and 2.1%, respectively. Among the top losers, Mesaieed Petrochemical Holding fell 1.6%, while Dlala Brokerage & Inv. Holding Co. was down 1.3%.
- Volume of shares traded on Wednesday rose by 8.1% to 123.6mn from 114.3mn on Tuesday. However, as compared to the 30-day moving average of 169.6mn, volume for the day was 27.1% lower. Qatar Aluminum Manufacturing Co. and Mesaieed Petrochemical Holding were the most active stocks, contributing 12.1% and 10.9% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	42.46%	46.87%	(14,441,376.7)
Qatari Institutions	18.05%	25.52%	(24,470,707.1)
Qatari	60.51%	72.39%	(38,912,083.9)
GCC Individuals	0.22%	0.16%	187,844.1
GCC Institutions	5.11%	2.57%	8,330,298.4
GCC	5.34%	2.74%	8,518,142.5
Arab Individuals	12.93%	10.82%	6,906,168.7
Arab Institutions	0.00%	0.00%	–
Arab	12.93%	10.82%	6,906,168.7
Foreigners Individuals	2.77%	2.09%	2,218,708.3
Foreigners Institutions	18.46%	11.97%	21,269,064.4
Foreigners	21.23%	14.06%	23,487,772.7

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

Ratings and Global Economic Data

Ratings Updates

Company	Agency	Market	Type*	Old Rating	New Rating	Rating Change	Outlook	Outlook Change
Saudi Telecom Co	Moody's	Saudi Arabia	BCA/LT- Rating	A2/A1	A1/A1	↑	Negative	–

Source: News reports, Bloomberg (* LT – Long Term, ST – Short Term, FSR- Financial Strength Rating, FCR – Foreign Currency Rating, LCR – Local Currency Rating, IDR – Issuer Default Rating, SR – Support Rating, LC –Local Currency, FBD – Foreign Bank Deposits, LBD – Local Bank Deposits, CRA – Counterparty Risk Assessment, BCA – Baseline Credit Assessment, ABCA – Adjusted Baseline Credit Assessment)

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
09-22	US	Mortgage Bankers Association	MBA Mortgage Applications	17-Sep	4.90%	–	0.30%
09-22	EU	European Commission	Consumer Confidence	Sep A	-4	-5.9	-5.3

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

Qatar

- QFBQ EGM approves increasing paid-up nominal share capital to QR1.12bn** – Qatar First Bank (QFBQ) extraordinary general assembly yesterday approved increasing QFBQ's paid-up nominal share capital to QR1.12bn from QR700mn, representing a growth of 60%. The extraordinary general assembly meeting was held via Zoom, and was chaired by QFBQ's Chairman Sheikh Faisal bin Thani Al-Thani with the attendance of bank's board members, shareholders, and senior management team. The increase in QFBQ's paid-up nominal share capital was achieved by way of a rights issue and related actions necessary to execute the share capital increase. The bank's chairman was authorized by the extraordinary general assembly meeting to execute the increase in the paid-up share capital. In order to execute the increase in the paid-up share capital, the extraordinary general assembly meeting also discussed and approved the amendment (of Article No. 2) of the bank's articles of association, to reflect the impact of the share capital increase on the bank's total issued share capital. (QSE, Gulf-Times.com)
- Baladna, MME, CMC meet to resolve residents' complaint** – The departments concerned at the Ministry of Municipality and Environment's (MME) Environment Affairs Sector met Wednesday with officials of Baladna Food Industries Company in the presence of the project consultant, and the Central Municipal Council (CMC) members for Al Khor and Al Thakhira in response to the complaints of Al Khor area residents about the unpleasant odors from Baladna Farm. CMC members Abdulla Maqlad Al-Muraikhi and Ali Mohamed Al-Mohannadi reviewed a presentation by Baladna on the measures and procedures taken by the company to resolve the issue in the short, medium and long terms, it was explained in a statement from the MME. The company further affirmed that it has taken several steps and maintained co-ordination with the technical specialists to determine the sources of the bad odors and reduce them accordingly. The company also pointed out that a comprehensive and detailed study is being prepared to determine the causes of these odors and suggest the best technical solutions, assess and evaluate them and test the measures already taken to confirm their effectiveness. This is to arrive at the best possible ways to avoid any repetition of the problem, including a number of options such as modifying the design and using modern technology. (Gulf-Times.com)
- Ooredoo explores importance of social impact for businesses** – Ooredoo has participated in Dell Technologies Forum Middle East 2021. The event explored the growing importance for businesses to engage on social and environmental issues, both from a business perspective and as a contributor to human development. Ooredoo director CSR, Sponsorship and Media Strategy, Moza Al-Muhannadi, took part in the main forum discussion, which had a central theme on social impact for this year's event. The panel discussion featured regional industry experts sharing insights on CSR and sustainability, and their role in driving human progress. They explored how business can drive social impact to create long-term value both for industries and for society. Al-Muhannadi discussed various aspects of the company's CSR and ESG strategy, its approach, priorities, and campaigns, among others. (Gulf-Times.com)
- Moody's: Merger of Indosat Ooredoo, PT Hutchison credit positive for Ooredoo** – The proposed merger of Indosat Ooredoo and PT Hutchison 3 Indonesia is "credit positive" for Ooredoo as it will result in a slight decrease in its net debt to EBITDA (earnings before interest taxes, depreciation and amortization), according to Moody's, a global credit rating agency. At the same time, however, Ooredoo will no longer consolidate Indosat in its financial accounts and the transaction would result in Ooredoo having to share control of its Indonesian operations, the second-highest contributor to the group's Ebitda, after Ooredoo Qatar, the rating agency said in a note. On completion of the transaction, Ooredoo will have joint control alongside CK Hutchison of Ooredoo Hutchison Asia, which itself will be the majority owner of Indosat Ooredoo Hutchison with a 65.6% stake, it said, adding Ooredoo would also receive \$387mn in cash from CK Hutchison as part of the transaction. The landmark telecom transaction in Asia with a total transaction value of about \$6bn would consolidate the merged company as a stronger second operator in Indonesia with annual revenue of approximately \$3bn, Ooredoo had said. Ooredoo Group currently has a controlling 65% shareholding in Indosat Ooredoo through Ooredoo Asia, a wholly-owned holding company. The merger of Indosat and H3I will result in CK Hutchison receiving newly issued shares in Indosat Ooredoo amounting to 21.8% and PT Tiga Telekomunikasi Indonesia amounting to 10.8% of the merged Indosat Ooredoo Hutchison business. (Gulf-Times.com)
- UDCD's subsidiary opens 'Shirvan Mëtisse Doha' at The Pearl-Qatar** – Hospitality Development Company (HDC), a wholly owned subsidiary of United Development Company (UDCD), a leading Qatari shareholding company and master developer of The Pearl-Qatar and Gewan Island, hosted a ribbon-cutting ceremony for the grand opening of Shirvan Mëtisse Doha, their newest fine gastronomy restaurant at The Pearl-Qatar. The restaurant introduces an entirely new fusion concept to Doha inspired by Old Silk Road food cultures and curated by Michelin-Star Chef Akrame Benallal. Set in an elegant and lively ambience, Shirvan Mëtisse Doha offers both indoor and outdoor dining experiences enhanced by the air-cooled terrace with views of Porto Arabia marina. (Peninsula Qatar)
- Al Meera, KidZania Doha launch kid-sized supermarket** – KidZania Doha and Al Meera Consumer Goods Company (Al Meera), have announced the launch of a kid-sized supermarket inside the city of KidZania Doha. Administration Affairs & Human Resources Director of Al Meera, Saeed Al-Nabet and board member of Qatar Entertainment (Tasali), Ali Abdulla Al-Mutawaa, which holds the exclusive license to KidZania Doha, led the signing and ribbon-cutting ceremony in front of the supermarket, marking its official inauguration. The collaboration between the two organizations aims to educate the children of Qatar about the importance and essentiality of the retail industry in providing the daily needs of society. (Gulf-Times.com)
- Property sales last week crossed QR661mn** – Property sales in Qatar between September 12 and September 16, 2021, reached QR661.388mn, Ministry of Justice's Real Estate Registration Department said. The weekly bulletin issued by the Department shows that the list of real estate properties traded for sale included vacant lands, houses, residential buildings, multi-purpose vacant Lands, multi-purpose building, and commercial building. Sales were concentrated in Al Rayyan, Doha, Al Daayen, Al Khor and Al Dakhira, Al Wakrah, Umm Salal, and Al Shamal municipalities. The volume of real estate trading during the period from August 29 to September 2 reached QR414.740mn. (Qatar Tribune)
- KPMG: Marked rise in tenant movement in Qatar mid, high-end residential categories in 1H** – Driven mainly by increased

affordability in the mid and high-end categories, there has been a marked rise in tenant movement in Qatar's residential segment in first (1Q) and second quarters (2Q) of this year, KPMG has said in a report. Interestingly, the second quarter experienced signs of recovery on the rental index. This is positive news for a sector that has witnessed a constant decline since the beginning of 2016. "This positive trend is driven by increased affordability in the mid and high-end categories coupled with increasing demand for larger living spaces, convenient access to recreational amenities, and private outdoor spaces. As per our research, centrally-located districts continue to be popular with tenants keen on upscale properties," KPMG said. While the mid and affordable segment continues to experience stable asking rentals, the high-end segment registered a marginal decline of 1.4% on the rental index. The decline for the high-end category was primarily driven by the apartments category (nearly 2%) located towards the north of Doha. While the asking rentals for villas in the high-end category continue to remain stable, the mid and affordable segment villas experienced a further correction of close to 2%, KPMG noted. (Gulf-Times.com)

- **Electric vehicle strategy prepared by MoTC set in motion** – The Public Works Authority (Ashghal) and Qatar General Electricity & Water Corporation (Kahramaa) have officially begun the execution of the electric vehicle (EV) strategy prepared by the Ministry of Transport and Communications (MoTC) in association with other bodies concurred. Several executive bodies alongside Mowasalat (Karwa) and other national companies with contributions to the strategy are all set to put the strategy in motion according to the timetables. The coming days will see the signing of contracts for EV charging units, the ministry has said in a statement. (Gulf-Times.com)

- **Access to digital infrastructure, Internet seen vital to online journey of Qatar SMEs** – Qatar's small and medium-sized enterprises (SMEs) stand to gain from today's wide range of technological advancements, especially those available within the country, according to an official of the Ministry of Transport and Communications (MoTC). "The availability of digital infrastructure in Qatar, deploying the Internet on a large scale, and consumers' relying on technology, such as social media and smartphones, are all factors that help SMEs enter the digital world and benefit by enhancing their potential," said MoTC Assistant Undersecretary, Digital Society Development, Reem Mohamed Al-Mansoori. Al-Mansoori's made the statement in light of the ministry's sixth virtual forum held yesterday, in collaboration with Qatar Development Bank (QDB), to support Qatar's SMEs. (Gulf-Times.com)

- **Tourists to soon rent residential houses for accommodation** – Ever wondered what it feels like to live in a Qatari house? Tourists coming to Qatar especially during the World Cup next year may take a step closer to immersing themselves in the local culture. According to the Assistant Undersecretary for Municipal Affairs at the Ministry of Municipality and Environment (MME) Mansour Abdullah Al Mahmoud, discussions are currently ongoing between the Qatar Tourism and MME to include Qatari houses as additional option for holiday accommodation for the tourists. Speaking to The Peninsula on the sidelines of the Build Your House 2021 exhibition which concluded at the Qatar National Convention Centre (QNCC) yesterday, Al Mahmoud said: "The Qatar Tourism is making a new regulation to let the (Qatari) people rent their houses to tourists on short-term basis. There are current discussions between the Ministry of Municipality and Environment and the Qatar Tourism to make a regulation regarding this. Tourists also come for investments. And I think there will be (Qatari) people who will be willing to rent their houses for the upcoming World Cup". Once approved, World Cup visitors may opt to stay in the Qatari houses, in addition to a

plethora of accommodation options including hotels, onboard cruise ships, luxury campsites, and other regulated holiday homes. (Peninsula Qatar)

- **Further support for international business in Qatar's free zones** – As part of Qatar's strategy to attract international business and financial services to Qatar, the jurisdiction of the Qatar International Court and Dispute Resolution Centre (QICDRC) has been expanded to include the Qatar Free Zones and the Qatar Free Zones Authority (QFZA) as well as matters referred to the Court or Regulatory tribunal by any Law in the State. QICDRC CEO Faisal Al-Sahouti said: "Our expansion to support the Qatar Free Zones Authority will build on Qatar's role as a global business destination and highlights QICDRC's contribution to the international legal community and international justice. Our support for the free zone adds to the benefits of the free zones ensuring further investments with the security of a functioning legal dispute resolution mechanism." QICDRC (also known as the Civil and Commercial Court of the Qatar Financial Centre), was established by Qatar to support the development of a world-class international financial centre backed by a court renowned for its independence, impartiality, integrity, and proprietary. (Zawya)

- **Electric buses to be used for key services during 2022 World Cup** – Electric buses will be used for key services during the FIFA World Cup Qatar 2022 to become the first championship that uses electric mass transit buses, making it the first ecofriendly, carbon-neutral event, he noted. Setting the strategy in motion, he said, affirms MoTC's efforts to providing an integrated, world-class, multimodal transit system with reliable, trustworthy and environmentally conscious services in line with the pillars of the Qatar National Vision 2030. By 2022, 25% of the public transit bus fleet in Qatar will have become electric. (Qatar Tribune)

International

- **US home sales fall, house price inflation cooling** – US home sales fell in August as supply remained tight, but there are signs the surge in house prices and the COVID-19 pandemic-fueled demand have probably run their course. Still, prices remain high enough to keep some potential buyers from a hot housing market. The report from the National Association of Realtors on Wednesday showed the smallest share of first-time homebuyers in more than 2-1/2 years and houses continuing to be snapped up typically after only 17 days on the market. "The recent moderation in existing home sales reflects some easing of the buying frenzy that carried over into early 2021," said Mark Vitner, a senior economist at Wells Fargo in Charlotte North Carolina. "The frantic race for space sent prices soaring. We continue to expect the housing market to move back into balance over the next couple of years." Existing home sales dropped 2.0% to a seasonally adjusted annual rate of 5.88mn units last month. Sales fell in all four regions, with the densely populated South posting a 3.0% decline. Economists polled by Reuters had forecast sales would decline to a rate of 5.89mn units in August. Single-family sales fell 1.9%, while condo/co-op sales dropping 2.8%. The decrease in sales coincided with a recent change in consumer attitudes towards buying a home. Home resales, which account for the bulk of US home sales, fell 1.5% on a YoY basis. The annual comparison was distorted by the pandemic-driven surge in sales in August 2020. Sales are up 16% so far this year compared to the same period in 2020 and remain well above their pre-pandemic level. The housing market boomed early in the coronavirus pandemic amid an exodus from cities as people worked from home and took classes online, which fueled demand for bigger homes in the suburbs and other low-density areas. The surge, which was skewed towards the single-family housing market segment, far outpaced supply. Expensive building materials as well as land and labor shortages have made it harder

for builders to boost production. At the same time, some homeowners are reluctant to sell because of concerns they might not find something affordable, keeping inventory tight. Government data on Tuesday showed single-family homebuilding fell for a second straight month in August. (Reuters)

- **Fed policymakers see upward march in interest rates starting next year** – Half of US Federal Reserve policymakers now expect to start raising interest rates next year and think borrowing costs should increase to at least 1% by the end of 2023, reflecting a growing consensus that gradually tighter policy will be needed to keep inflation in check. The swifter pace of interest rate hikes compared to the central bank's last set of projections in June comes as the economy continues its rapid recovery after a brief recession last year and robust debate at the Fed about balancing its maximum employment and 2% average inflation goals. It also shows that policymakers continue to see the Delta variant of the coronavirus, which has dented economic activity, as having a short-lived effect on the recovery despite the current turbulence and uncertainty it is causing. The Fed on Wednesday kept its benchmark overnight lending rate in the current target range of 0% to 0.25%, where it has remained since March 2020 when the economy cratered at the onset of the COVID-19 pandemic, but signalled its bond buying taper will begin "soon." The new economic projections released alongside the policy statement showed nine of 18 Fed policymakers now foresee a liftoff in interest rates next year, compared to seven in June. All but one saw at least one interest rate hike needed by the end of 2023, and nine saw the need to target rates at least as high as between 1% and 1.25% by then. At a press conference following the meeting, Fed Chair Jerome Powell said the latest set of forecasts showed a growing convergence of views on the rate-setting committee that the economy will continue to strengthen, and pointed to fewer people now seeing rates as needing to stay on hold beyond 2023 as evidence. (Reuters)
- **Bank of England expected to keep rates steady as inflation risks mount** – Britain's central bank looks set to keep interest rates steady later on Thursday as it approaches the end-point of its 895 billion pound (\$1.22tn) asset purchase programme and casts a wary eye over surging inflation pressures. Investors will be keen to see if more Monetary Policy Committee (MPC) members join external member Michael Saunders who voted in August to halt the current year-long programme of asset purchases, which the Bank of England committed to last November. The BoE is ahead of other major central banks in planning to stop quantitative easing by the end of this year, and half its policymakers judged in August that some preconditions for an interest rate rise had already been met. Late on Wednesday, the US Federal Reserve cleared the way to reduce its monthly bond purchases and signalled interest rate increases may follow more sooner than expected, with half of its policymakers projecting borrowing costs would rise in 2022. In August the BoE revised up its forecast for inflation at the end of this year to 4%, reflecting higher energy prices and post-COVID-19 bottlenecks which have intensified this month. Natural gas prices have surged across Europe in recent weeks, with knock-on impacts on household energy bills, industrial chemicals and even food supplies. Key for the timing of policy tightening is whether the BoE starts to doubt that these price rises are temporary. A particular concern is if rising inflation pushes up longer-term inflation expectations among the general public, leading to firms and workers factoring above-target inflation into future pricing decisions and wage demands. A monthly survey from Citi on Tuesday showed the sharpest monthly rise in year-ahead inflation expectations in more than 15 years after August consumer price inflation hit a nine-year high of 3.2%. (Reuters)

- **Germany's Ifo institute slashes 2021 GDP growth forecast to 2.5%** – Germany's Ifo economic institute has cut its growth forecast for Europe's largest economy for this year as supply chain disruptions and a scarcity of chips and other intermediate goods are slowing down the recovery from the COVID-19 pandemic. The institute now sees Germany's gross domestic product (GDP) growing 2.5% this year, down 0.8 percentage points from its previous forecast, and 5.1% next year, up 0.8 points. The weaker-than-expected rebound in 2021 follows a plunge of overall economic output by 4.6% in 2020 caused by coronavirus restrictions on public life and business activities to contain the spread of the highly infectious disease. The reduced growth forecast also shows that Germany's next coalition government will inherit a still-fragile recovery from Chancellor Angela Merkel who is stepping down following a Sept. 26 election, after 16 years in power. "The strong recovery from the coronavirus crisis, originally expected for the summer, is further postponed," Ifo chief economist Timo Wollmershaeuser said. "Industrial production is currently shrinking as a result of supply bottlenecks for important intermediate goods. At the same time, service providers are recovering strongly from the coronavirus crisis," Wollmershaeuser added. In a separate forecast, Germany's association of private sector banks (BdB) gave a more optimistic growth outlook for 2021. It expects GDP growth of 3.3% this year and 4.6% next year. The government, which so far has been forecasting growth of 3.5% for this year and 3.6% for next, will update its estimates in October. (Reuters)
- **BOJ more downbeat on exports, output even as recovery seen on track** – The Bank of Japan on Wednesday offered a bleaker view on exports and output as Asian factory shutdowns caused supply bottlenecks, but maintained its optimism that robust global growth will keep the economic recovery on track. Bank of Japan Governor Haruhiko Kuroda also brushed aside fears that the debt problems of China Evergrande Group 3333.HK could disrupt the global financial system, saying it was still "an individual company's problem and that of China's real estate sector." "We need to keep an eye out on whether this affects global markets. But for now, I don't see this turning into a global, bigger problem," Kuroda told a briefing, when asked about market jitters over the fate of Evergrande. As widely expected, the BOJ maintained its short-term interest rate target at -0.1% and that for 10-year bond yields around 0% at its two-day rate review that ended on Wednesday. The BOJ also decided on the details of its green finance scheme, which will begin disbursing loans in December. While the central bank stuck to its view the economy is picking up as a trend, it offered a bleaker view on exports and output as Asian factory shutdowns caused by the coronavirus pandemic forced some manufacturers to slash production. "Exports and factory output continue to increase, although they are partly affected by supply constraints," the BOJ said in a statement. That was a gloomier view than in July, when it said exports and output "continued to increase steadily." The supply chain disruption adds to woes for Japan's fragile recovery, which has been hobbled by weak consumption as state of emergency curbs to combat the pandemic keep households from boosting spending. Kuroda said there was uncertainty on how long the supply constraints could last. He also said the weakness in consumption in July through August, when infection cases surged, was "somewhat unexpected." But he stressed that continued strength in U.S. and Chinese growth, as well as steady progress in inoculations, will help Japan's economy recover from the pandemic-induced slump. (Reuters)
- **Russian Central bank says rate hikes will return inflation to near 4% target in H2 2022** – The Russian central bank's current monetary policy will bring inflation back to near its 4% target in the second half of 2022, Governor Elvira Nabiullina said on

Wednesday, adding that it was important not to let rising consumer prices get out of control. The central bank has hiked its key rate five times this year, most recently by 25 basis points this month to 6.75%, as it tries to rein in price growth. Inflation reached an annual 6.84% in mid-September and inflationary risks increased on Tuesday after officials said Russia would spend around 2.5 trillion roubles (\$34 billion) from its National Wealth Fund (NWF) in the next three years to help revive economic growth after the pandemic. "Taking ongoing monetary policy into account, inflation will return to the 4-4.5% level in the second half of next year," Nabiullina said in a speech in the Federation Council, the upper house of parliament. "Inflation has already accelerated to double digits in some developing countries and is not yet slowing, because tweaks to the key rate lag behind the growth in inflation expectations." Nabiullina said. "We must reduce inflation and inflation expectations as soon as possible, without allowing an inflationary spiral to unfold," she added. Nabiullina was more hawkish last week, when she said the central bank would consider further interest rate hikes at its upcoming board meetings. The bank has previously warned of inflationary risks if authorities spend too freely from the NWF, which accumulates Russia's oil revenues and stood at \$190.5 billion as of Sept. 1. Nabiullina also touched on the deterioration in consumer credit standards, saying the central bank was talking to banks to highlight the social and financial stability risks of borrowers not being able to repay loans. "Using the tools we have, we are now cooling down the market," she said. (Reuters)

- Brazil raises interest rates, signals third big hike next month** – Brazil's central bank on Wednesday raised interest rates by 100 basis points and flagged a third straight hike of that size in October as it battles surging inflation with the world's most aggressive monetary tightening. The bank's rate-setting committee, known as Copom, decided unanimously to raise its benchmark rate to 6.25% as forecast by most economists in a Reuters poll. The move puts Brazil on the front line of a global battle against climbing consumer prices, lifting its benchmark rate from a record-low 2.00% at the start of the year as 12-month inflation flirts with double digits. Copom outlined in its accompanying statement plans "to advance the process of monetary tightening further into the restrictive territory" with another full percentage point rate increase next month. "This pace (of rate increases) is the most appropriate to guarantee inflation convergence to the target at the relevant horizon and, simultaneously, allow the Committee to obtain more information regarding the state of the economy and the persistence of shocks," policymakers wrote in their statement. A weakening currency and doubts about Brazil's fiscal outlook have forced the central bank to take a hardline approach, many economists say. Growing expectations of a rate hike next year by the U.S. Federal Reserve have added to pressure on emerging markets. read more Although 25 of the 35 economists polled by Reuters had predicted the 100-basis-point increase on Wednesday, there were nine predicting an even more aggressive rate hike. "I think the central bank was only slightly hawkish. I expected more," said economist Joao Leal of Rio Bravo Investimentos in Sao Paulo. However, some warn the sharp tightening in Brazil will choke off an economic rebound in Latin America's biggest economy, killing growth and encouraging more populist policies from President Jair Bolsonaro as he seeks re-election in 2022. (Reuters)

Regional

- Saudi imports from UAE drop 33% in July after new trade rules** – The value of Saudi Arabia's imports from the UAE in July fell by 33% month on month, official data showed on Wednesday, after the kingdom imposed new rules in July on imports from other Gulf countries. Imports from neighboring UAE fell to SR3.1bn in July from 4.6bn riyals in June, according to data from the General

Authority for Statistics. On an annual basis, UAE imports declined by about 6%. In July, Saudi Arabia amended its rules on imports from other GCC countries to exclude goods made in free zones or using Israeli input from preferential tariff concessions, a move seen as a challenge the UAE's status as the region's trade and business hub. (Reuters)

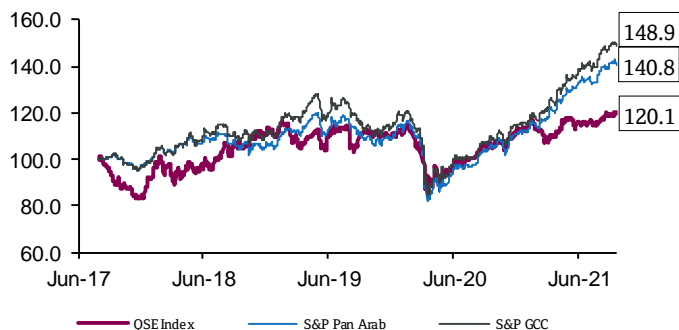
- Saudi Arabia records \$12.26bn trade balance surplus in July** – Saudi Arabia has achieved a trade balance surplus of SR46.13bn in July this year, compared to SR10.78bn in the same month in 2020, according to official data on Wednesday. The trade balance surplus was also higher in the first seven months of 2021 compared to SR19.85bn in December 2020. The Kingdom has exported goods worth SR91.76bn in July 2021, a surge of 79.6% compared to SR51.08bn in the same month last year when international trade was affected by the COVID-19 pandemic. (Zawya)
- Saudi Telecom's tech business locks in SR3.624bn from IPO** – Saudi Telecom Company has completed the retail and institutional subscription to the initial public offering of Arabian Internet and Communications Services Co, raising SR3.624bn, STC said on Wednesday. The telecoms company last week priced the IPO at the top of an indicative range for its technology business, also known as Solutions by STC. The proceeds are before deducting fees, expenses and related costs, STC said in an exchange filing. Last week the company priced shares of Solutions by STC, final allocations and refunds of which have yet to come, at SR151 each, implying a market capitalization of about \$4.8bn. (Reuters)
- Saudi wealth fund PIF to issue green debt soon, says governor** – Saudi Arabia's sovereign wealth fund plans to announce soon its first green debt deal, with borrowing linked to sustainability, the Public Investment Fund's governor told a virtual event. "We will be the first sovereign wealth fund in the world to announce this green issuance," Governor Yasir al-Rumayyan told an event on Tuesday held alongside the United Nations General Assembly. (Reuters)
- Moody's upgrades STC's BCA to a1 from a2; affirms A1 issuer rating** – Moody's Investors Service ("Moody's") has today upgraded Saudi Telecom Company's (STC) baseline credit assessment (BCA) to a1 from a2 and affirmed STC's A1 long-term issuer rating. Moody's also affirmed STC Sukuk Company Limited's A1 senior unsecured rating. The outlook on all ratings remains negative. (Bloomberg)
- India, UAE plan to lift bilateral trade to \$100bn in 5 years via new pact** – India and UAE plan to conclude a Comprehensive Economic Partnership Agreement (CEPA) by the end of the year with the aim to lift trade between the two countries by 70% in five years, trade ministers of both countries said. India's Trade Minister Piyush Goyal said on Wednesday both countries would also aim to sign an "early harvest" trade deal soon, before concluding the CEPA, which is likely to be implemented by March 2022. (Reuters)
- Central bank: UAE economy to grow 2.1% this year and 4.2% next** – The UAE' economy will grow 2.1% this year and 4.2% in 2022, the central bank said on Wednesday, as the Gulf state rebounds from the coronavirus downturn. "Economic activity in the UAE continued its recovery in the second quarter, with growth reaching almost pre-COVID-19 levels," the central bank said in its quarterly economic review. It forecast real non-hydrocarbon growth - adjusted for inflation and excluding the oil sector - of 3.8% this year and 3.9% next year, though it cautioned that projections were susceptible to lingering uncertainties amid the pandemic. (Reuters)
- UAE central bank: Real estate prices rise in Abu Dhabi, drop in Dubai in 2Q 2021** – The residential real estate market in the

UAE kept continued to improve in 2Q 2021, with prices in Abu Dhabi registering YoY gains for the second consecutive quarter in more than five years, while real estate prices in Dubai declined albeit at a slower pace, the UAE Central Bank said in its quarterly economic review. In 2Q 2021, residential real estate prices marked a second quarter of significant YoY increase in Abu Dhabi, but slightly declining QoQ, after three consecutive positive quarters of QoQ growth. (Zawya)

were sold at a price of 99.2816, have a yield of 1.43% and will settle on September 26. (Bloomberg)

- **GAIL keen to explore energy market partnerships with UAE's Adnoc** – GAIL India Ltd.'s marketing director E.S. Ranganathan met up with senior officials of Adnoc Group and expressed desire to explore future opportunities in energy market and expand business horizons, the Indian state-run gas utility said in a Twitter post. (Bloomberg)
- **Dubai approves AED65bn to provide housing for citizens** – Dubai has approved a budget of AED65bn to provide housing for UAE citizens. The huge outlay will be spent over the next 20 years through the citizens' housing programme, Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and ruler of Dubai announced on Twitter on Wednesday. The Dubai ruler said they have also adopted an integrated housing policy and that they intend to multiply the number of beneficiaries fourfold. "Decent housing is a dignity and a right for all... A decent life for the people of the country is the first priority for the government," the Dubai ruler said. (Zawya)
- **ADNOC boosts size of drilling unit IPO to \$1.1bn** – State oil giant Abu Dhabi National Oil Co (ADNOC) has increased to 11% of share capital the size of the initial public offering (IPO) of its drilling unit, ADNOC Drilling, because of oversubscription, the firm said on Wednesday. ADNOC had previously targeted a minimum stake of 7.5% in the IPO of ADNOC Drilling, at AED2.3 per share. In a statement it said the price had not changed but the number of ordinary shares offered was raised to 1.76bn from 1.2bn, which would correspond to a \$1.1bn transaction, according to Reuters calculations. (Reuters)
- **Sandfire buys Matsa from Trafigura, Mubadala for \$1.865bn** – Sandfire in a binding sale and purchase agreement with Trafigura and Mubadala Investment to acquire 100% of Minas De Aguas Teñidas for a total consideration of \$1.865bn. Transaction funded through a combination of a \$650mn syndicated and underwritten debt facility secured by MATSA, an A\$1.248b fully underwritten equity raising, A\$297mn from cash reserves and the drawdown of A\$200mn corporate debt facility. (Bloomberg)
- **Oman said to consider sale of \$3bn German chemicals unit** – Oman's state energy company OQ SAOC is weighing a sale of its German chemicals business as the Persian Gulf sultanate seeks ways to steady its finances, according to people familiar with the matter. The Muscat-based group is speaking with potential advisers as it explores options for OQ Chemicals, formerly known as Oxea, the people said, asking not to be identified discussing confidential information. The business could be valued at about \$3bn in any sale, the people said. (Bloomberg)
- **Kuwait's IFA to invest AED37.69mn in Yotel on Dubai's Palm Jumeirah** – Kuwait-based investor International Financial Advisors Holding (IFA) will invest \$10mn in a branch of smart hotel brand Yotel in Dubai's Palm Jumeirah. In a bourse filing, the company said its investment of AED37.69mn would be a 10.5% share of equity and had been approved by its Risk Management Committee. Yotel is a UK-based smart hotel brand, which currently has 20 listed properties in the UK, Europe, Singapore and the USA. (Zawya)
- **Bahrain sells BHD35mn 182-day bills; bid-cover 1.28** – Bahrain sold BHD35mn of bills due March 27, 2022. Investors offered to buy 1.28 times the amount of securities sold. The bills

Rebased Performance

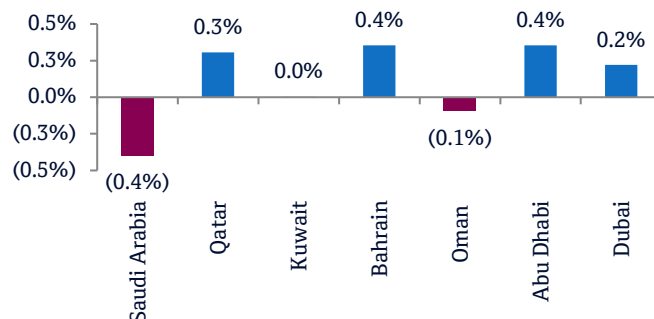


Source: Bloomberg

Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,768.16	(0.4)	0.8	(6.9)
Silver/Ounce	22.70	0.9	1.4	(14.0)
Crude Oil (Brent)/Barrel (FM Future)	76.19	2.5	1.1	47.1
Crude Oil (WTI)/Barrel (FM Future)	72.23	2.4	0.4	48.9
Natural Gas (Henry Hub)/MMBtu	4.89	0.0	(7.0)	105.7
LPG Propane (Arab Gulf)/Ton	133.38	0.5	0.1	77.2
LPG Butane (Arab Gulf)/Ton	148.50	0.8	(1.0)	113.7
Euro	1.17	(0.3)	(0.3)	(4.3)
Yen	109.78	0.5	(0.1)	6.3
GBP	1.36	(0.3)	(0.9)	(0.4)
CHF	1.08	(0.3)	0.6	(4.5)
AUD	0.72	0.2	(0.2)	(5.8)
USD Index	93.46	0.3	0.3	3.9
RUB	73.04	(0.1)	0.2	(1.8)
BRL	0.19	(0.4)	0.0	(1.8)

Daily Index Performance



Source: Bloomberg

Source: Bloomberg (*\$ adjusted returns, #Market was closed as on September 22, 2021))

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,074.36	0.8	(0.7)	14.3
DJ Industrial	34,258.32	1.0	(0.9)	11.9
S&P 500	4,395.64	1.0	(0.8)	17.0
NASDAQ 100	14,896.85	1.0	(1.0)	15.6
STOXX 600	463.20	1.0	0.4	11.4
DAX	15,506.74	1.1	0.2	7.9
FTSE 100	7,083.37	1.4	1.0	9.7
CAC 40	6,637.00	1.3	1.1	14.8
Nikkei	29,639.40	(1.0)	(2.5)	1.7
MSCI EM	1,262.79	0.1	(1.3)	(2.2)
SHANGHAI SE Composite	3,628.49	0.5	0.5	5.5
HANG SENG#	24,221.54	-	(2.9)	(11.4)
BSE SENSEX	58,927.33	(0.3)	(0.4)	22.1
Bovespa	112,282.30	2.0	0.8	(7.6)
RTS	1,747.31	2.1	0.1	25.9

Contacts

QNB Financial Services Co. W.L.L.

Contact Center: (+974) 4476 6666

info@qnbfs.com.qa

Doha, Qatar

Saugata Sarkar, CFA, CAIA

Head of Research

saugata.sarkar@qnbfs.com.qa

Shahan Keushgerian

Senior Research Analyst

shahan.keushgerian@qnbfs.com.qa

Mehmet Aksoy, PhD

Senior Research Analyst

mehmet.aksoy@qnbfs.com.qa

Disclaimer and Copyright Notice: This publication has been prepared by QNB Financial Services Co. W.L.L. ("QNBFS") a wholly-owned subsidiary of Qatar National Bank (Q.P.S.C.). QNBFS is regulated by the Qatar Financial Markets Authority and the Qatar Exchange. Qatar National Bank (Q.P.S.C.) is regulated by the Qatar Central Bank. This publication expresses the views and opinions of QNBFS at a given time only. It is not an offer, promotion or recommendation to buy or sell securities or other investments, nor is it intended to constitute legal, tax, accounting, or financial advice. QNBFS accepts no liability whatsoever for any direct or indirect losses arising from use of this report. Any investment decision should depend on the individual circumstances of the investor and be based on specifically engaged investment advice. We therefore strongly advise potential investors to seek independent professional advice before making any investment decision. Although the information in this report has been obtained from sources that QNBFS believes to be reliable, we have not independently verified such information and it may not be accurate or complete. QNBFS does not make any representations or warranties as to the accuracy and completeness of the information it may contain, and declines any liability in that respect. For reports dealing with Technical Analysis, expressed opinions and/or recommendations may be different or contrary to the opinions/recommendations of QNBFS Fundamental Research as a result of depending solely on the historical technical data (price and volume). QNBFS reserves the right to amend the views and opinions expressed in this publication at any time. It may also express viewpoints or make investment decisions that differ significantly from, or even contradict, the views and opinions included in this report. This report may not be reproduced in whole or in part without permission from QNBFS.

COPYRIGHT: No part of this document may be reproduced without the explicit written permission of QNBFS