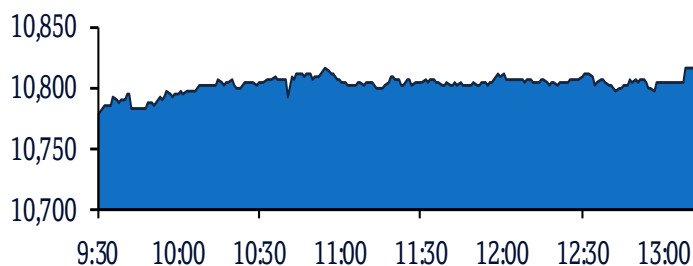


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.8% to close at 10,816.6. Gains were led by the Industrials and Transportation indices, gaining 1.2% and 0.8%, respectively. Top gainers were Qatar Aluminum Manufacturing Co. and Mesaieed Petrochemical Holding, rising 4.9% and 3.1%, respectively. Among the top losers, Qatar Cinema & Film Distribution fell 4.7%, while Qatar General Ins. & Reins. Co. was down 1.0%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.8% to close at 11,157.0. Gains were led by the Utilities and Banks indices, rising 2.3% and 2.1%, respectively. National Gas & Industrialization rose 8.5%, while Abdul Mohsen Al-Hokair Touri was up 6.4%.

Dubai: The DFM Index gained 0.3% to close at 2,790.3. The Transportation index rose 1.3%, while the Banks index gained 1.0%. Dubai National Insurance rose 14.8%, while Agility the Public Warehousing Company was up 5.8%.

Abu Dhabi: The ADX General Index gained 0.2% to close at 7,404.3. The Banks and Materials indices rose 0.9% each. National Bank of Ras Al-Khaimah rose 4.9%, while Abu Dhabi Commercial Bank was up 1.4%.

Kuwait: The Kuwait All Share Index fell 0.4% to close at 6,547.7. The Technology index declined 1%, while the Basic Materials index fell 0.7%. Metal & Recycling Co. declined 9.8%, while Kuwait Hotels was down 9.6%.

Oman: The MSM 30 Index fell 0.8% to close at 4,007.2. Losses were led by the Industrial and Financial indices, falling 1.0% and 0.8%, respectively. Oman Cables Industry declined 4.6%, while Al Anwar Holdings was down 4.1%.

Bahrain: The BHB Index gained 0.4% to close at 1,600.0. The Materials index rose 4.3%, while the Financials index gained 0.2%. Aluminum Bahrain rose 4.3%, while Arab Banking Corp was up marginally.

Market Indicators	02 Aug 21	01 Aug 21	%Chg.
Value Traded (QR mn)	381.7	270.5	41.1
Exch. Market Cap. (QR mn)	624,684.6	619,994.3	0.8
Volume (mn)	192.7	121.9	58.2
Number of Transactions	10,223	6,590	55.1
Companies Traded	47	47	0.0
Market Breadth	38:8	27:20	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	21,412.11	0.7	0.6	6.7	18.0
All Share Index	3,430.92	0.7	0.4	7.2	18.5
Banks	4,537.76	0.6	0.2	6.8	15.0
Industrials	3,616.46	1.2	1.1	16.7	27.2
Transportation	3,413.61	0.8	0.2	3.5	19.1
Real Estate	1,779.13	0.7	1.6	(7.8)	16.4
Insurance	2,637.03	0.6	(0.1)	10.1	23.4
Telecoms	1,056.00	0.8	0.8	4.5	N/A
Consumer	8,123.81	0.5	0.1	(0.2)	24.0
Al Rayan Islamic Index	4,562.19	1.1	1.6	6.9	18.8

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Aluminum Bahrain	Bahrain	0.70	4.3	1,662.0	36.1
Al Rajhi Bank	Saudi Arabia	117.00	3.4	5,626.2	59.0
Mesaieed Petro. Holding	Qatar	1.96	3.1	10,665.2	(4.2)
Kingdom Holding Co.	Saudi Arabia	10.98	2.4	2,572.5	38.1
Banque Saudi Fransi	Saudi Arabia	37.50	2.0	802.9	18.7

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Sahara Int. Petrochemical	Saudi Arabia	32.75	(2.8)	6,772.9	89.1
Boubyan Bank	Kuwait	0.77	(2.5)	4,043.6	41.6
National Bank of Oman	Oman	0.18	(2.2)	791.0	11.9
Emaar Malls	Dubai	1.93	(2.0)	4,010.8	5.5
Ahli Bank	Oman	0.11	(1.8)	530.0	(13.4)

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 Aluminum Manufacturing Co	1.60	4.9	40,649.1	65.0
Mesaieed Petrochemical Holding	1.96	3.1	10,665.2	(4.2)
Salam International Inv. Ltd.	0.91	2.7	44,486.9	40.1
Qatari German Co for Med. Dev.	2.83	2.7	4,252.5	26.4
Baladna	1.58	2.7	16,941.8	(11.7)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Salam International Inv. Ltd.	0.91	2.7	44,486.9	40.1
Qatar Aluminum Manufacturing Co	1.60	4.9	40,649.1	65.0
Baladna	1.58	2.7	16,941.8	(11.7)
Investment Holding Group	1.08	2.3	15,979.3	79.8
Mesaieed Petrochemical Holding	1.96	3.1	10,665.2	(4.2)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatar Cinema & Film Distribution	3.80	(4.7)	31.7	(4.8)
Qatar General Ins. & Reins. Co.	2.08	(1.0)	25.0	(21.8)
QLM Life and Medical Insurance	5.00	(1.0)	28.4	58.73
Widam Food Company	4.05	(0.6)	906.3	(35.9)
Qatar Islamic Insurance Company	8.37	(0.4)	50.0	21.2

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Qatar Aluminum Manufacturing	1.60	4.9	65,287.3	65.0
Salam International Inv. Ltd.	0.91	2.7	40,393.8	40.1
QNB Group	18.10	0.6	37,735.4	1.5
Baladna	1.58	2.7	26,712.4	(11.7)
Mesaieed Petrochemical Holding	1.96	3.1	20,674.3	(4.2)

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*	10,816.60	0.8	0.6	0.6	3.6	115.22	168,040.2	18.0	1.6	2.7
Dubai	2,790.30	0.3	0.9	0.9	12.0	39.04	103,585.2	20.8	1.0	2.8
Abu Dhabi	7,404.33	0.2	1.2	1.2	46.8	389.48	356,422.1	23.5	2.1	2.9
Saudi Arabia	11,157.02	0.8	1.3	1.3	28.4	2,206.35	2,597,843.2	33.4	2.5	2.1
Kuwait	6,547.70	(0.4)	(0.5)	(0.5)	18.1	207.30	125,122.2	37.4	1.7	1.8
Oman	4,007.18	(0.8)	(0.6)	(0.6)	9.5	3.79	18,402.9	12.6	0.8	3.9
Bahrain	1,599.98	0.4	0.2	0.2	7.4	15.67	120,112.5	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 0.8% to close at 10,816.6. The Industrials and Transportation 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 Aluminum Manufacturing Co. and Mesaieed Petrochemical Holding were the top gainers, rising 4.9% and 3.1%, respectively. Among the top losers, Qatar Cinema & Film Distribution fell 4.7%, while Qatar General Ins. & Reins. Co. was down 1.0%.
- Volume of shares traded on Monday rose by 58.2% to 192.7mn from 121.9mn on Sunday. Further, as compared to the 30-day moving average of 121.9mn, volume for the day was 58.0% higher. Salam International Inv. Ltd. and Qatar Aluminum Manufacturing Co. were the most active stocks, contributing 23.1% and 21.1% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	40.10%	51.97%	(45,296,847.2)
Qatari Institutions	14.89%	16.13%	(4,742,561.4)
Qatari	54.99%	68.10%	(50,039,408.7)
GCC Individuals	0.39%	0.58%	(728,862.7)
GCC Institutions	2.94%	1.09%	7,048,972.1
GCC	3.33%	1.68%	6,320,109.4
Arab Individuals	15.11%	14.99%	457,549.5
Arab Institutions	0.00%	0.00%	–
Arab	15.11%	14.99%	457,549.5
Foreigners Individuals	3.72%	4.22%	(1,928,068.4)
Foreigners Institutions	22.85%	11.01%	45,189,818.2
Foreigners	26.57%	15.23%	43,261,749.8

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
Middle East Paper Co.	Saudi Arabia	SR	250.5	29.4%	49.9	196.9%	43.1	276.6%
Makkah Construction and Development Co.	Saudi Arabia	SR	33.0	450.0%	(3.0)	N/A	(4.0)	N/A
Saudi Telecom Co.	Saudi Arabia	SR	15,899.0	6.6%	3,250.0	6.1%	2,821.0	3.6%
Dubai Insurance Co.	Dubai	AED	268.4	33.2%	–	–	15.6	44.0%
National Industries Group Holding	Dubai	AED	27.3	42.5%	–	–	24.5	106.9%

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

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
02-08	US	Markit	Markit US Manufacturing PMI	Jul	63.4	63.1	63.1
02-08	US	Institute for Supply Management	ISM Manufacturing	Jul	59.5	61	60.6
02-08	UK	Markit	Markit UK PMI Manufacturing SA	Jul	60.4	60.4	60.4
02-08	EU	Markit	Markit Eurozone Manufacturing PMI	Jul	62.8	62.6	62.6
02-08	Germany	Markit	Markit/BME Germany Manufacturing PMI	Jul	65.9	65.6	65.6
02-08	France	Markit	Markit France Manufacturing PMI	Jul	58	58.1	58.1
02-08	Japan	Markit	Jibun Bank Japan PMI Mfg	Jul	53	–	52.2
02-08	Japan	Economic and Social Research I	Consumer Confidence Index	Jul	37.5	36.9	37.4
02-08	China	Markit	Caixin China PMI Mfg	Jul	50.3	51	51.3
02-08	India	Markit	Markit India PMI Mfg	Jul	55.3	–	48.1

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
SIIS	Salam International Investment Limited	4-Aug-21	1	Due
AKHI	Al Khaleej Takaful Insurance Company	4-Aug-21	1	Due
DOHI	Doha Insurance Group	4-Aug-21	1	Due
QAMC	Qatar Aluminum Manufacturing Company	5-Aug-21	2	Due
GISS	Gulf International Services	5-Aug-21	2	Due
MPHC	Mesaieed Petrochemical Holding Company	5-Aug-21	2	Due
IQCD	Industries Qatar	5-Aug-21	2	Due
QATI	Qatar Insurance Company	8-Aug-21	5	Due
IHGS	INMA Holding Group	8-Aug-21	5	Due
DBIS	Dlala Brokerage & Investment Holding Company	9-Aug-21	6	Due
QISI	Qatar Islamic Insurance Group	9-Aug-21	6	Due
QGRI	Qatar General Insurance & Reinsurance Company	10-Aug-21	7	Due
AHCS	Aamal Company	10-Aug-21	7	Due
IGRD	Investment Holding Group	10-Aug-21	7	Due
QFBQ	Qatar First Bank	11-Aug-21	8	Due
MRDS	Mazaya Qatar Real Estate Development	11-Aug-21	8	Due
MCCS	Mannai Corporation	11-Aug-21	8	Due
BLDN	Baladna	11-Aug-21	8	Due
QOIS	Qatar Oman Investment Company	11-Aug-21	8	Due
MERS	Al Meera Consumer Goods Company	11-Aug-21	8	Due
QGMD	Qatari German Company for Medical Devices	12-Aug-21	9	Due
ZHCD	Zad Holding Company	12-Aug-21	9	Due

Source: QSE

News

Qatar

- **MRDS to disclose its semi-annual financial results on August 11** – Mazaya Qatar Real Estate Development (MRDS) will disclose its financial statement for the period ending June 30, 2021 on August 11, 2021. (QSE)
- **QGMD to disclose its semi-annual financial results on August 12** – Qatari German Company for Medical Devices (QGMD) will disclose its financial statement for the period ending June 30, 2021 on August 12, 2021. (QSE)
- **QFBQ to disclose its semi-annual financial results on August 11** – Qatar First Bank (QFBQ) will disclose its financial statement for the period ending 30th June 2021 on 11/08/2021. (QSE)
- **BLDN to hold its investors relation conference call on August 18** – Baladna (BLDN) will hold the conference call with the Investors to discuss the financial results for the Semi-Annual 2021 on August 18, 2021 at 12:00pm, Doha Time. (QSE)
- **MCCS to hold its investors relation conference call on August 12** – Mannai Corporation (MCCS) will hold the conference call with the Investors to discuss the financial results for the Semi-Annual 2021 on August 12, 2021 at 02:00pm, Doha Time. (QSE)
- **Mekdam shares rise 46% on debut** – Mekdam Holding Group Monday shot up as much as 50% upon debut but finally closed 45.64% higher when its 5.6mn shares came up for trading, thus becoming the second entity in the venture market (QEVN) of the Qatar Stock Exchange (QSE). Using the direct listing option, the shares of Mekdam got listed with the symbol "MKDM". Its entry was marked by the customary bell ringing by Mekdam Chairman Sheikh Mohamed bin Nawaf bin Nasser Al-Thani in the presence of senior officials of the both the company and the bourse. (Gulf-Times.com)
- **Microsoft, Ooredoo Qatar Launch Smart City Solution on Azure Cloud** – Microsoft Qatar alongside a global consortium of

partners led by Ooredoo to bring to life the TASMU Platform, a one-of-a-kind smart city solution. Built on Microsoft's highly available, scalable, and secure Azure cloud infrastructure, TASMU Platform's advanced and intelligent services will evolve the country's digital ecosystem for all enterprises, start-ups, entrepreneurs, and citizens. The platform functions as a digital marketplace that streamlines the coordination of public services across all five sectors, thus driving the adoption of smart solutions for service providers and service consumers across Qatar. (Bloomberg)

- **Qatar sovereign fund discloses 4.69% stake in Quantumscape Corp** – Sovereign wealth fund Qatar Investment Authority (QIA) holds a 4.69% stake in Quantumscape Corp, which is developing batteries for electric cars, a Securities and Exchange Commission filing by the company showed. QIA was an early investor in the company before its IPO and had a stake of 6.5% as of November last year, based on a previous filing. However the new filing does not show any change in the number of shares it owns, but a dilution in its stake due to an increase in the number of shares outstanding. QIA's stake in Quantumscape is worth around \$446mn at the company's current market value of \$9.5bn, according to Refinitiv Eikon data. Quantumscape was listed last year after a merger with a special purpose acquisition company (SPAC). (Bloomberg)
- **CRA approves wholesale charges for telecom networks services and products for 2021, 2022, 2023** – The Communications Regulatory Authority (CRA) issued an order to direct Ooredoo Qatar and Vodafone Qatar to implement specific wholesale charges for 2021, 2022, and 2023. Wholesale charges are the price that telecom service providers pay to each other to interconnect and access their networks, for example, termination services, interconnection link services, transmission link services, and duct products. The CRA issued the order with the aim of maintaining a competitive, fair, and developing

telecom sector in Qatar. Under this order, the telecom service providers started implementing the set wholesale charges from June 1, 2021. The CRA's order will remain in effect until the CRA issues another order amending the wholesale charges. The new charges supersede the previous ones and are applicable for telecom service providers' Reference Offers approved by the CRA. (Gulf-Times.com)

- **Qatar Tanker Tracker: Exports at 3-month low as condensates dip** – Qatar's oil exports slipped to a 3-month low in July due to a sharp decline in condensate shipments, coupled with a plunge in flows to India. Total observed crude and condensate exports dropped to 892k barrels per day last month, the lowest since April. That compared with a revised 999k b/d in June, when flows hit an eight-month high, according to tanker-tracking data compiled by Bloomberg. Condensates exports, which emerge from Ras Laffan, dropped by 26% to 247k b/d, the lowest since February; crude exports slipped by 3% to 645k b/d. Exports to India more than halved to 32k b/d, while flows to South Korea shrank by 35% to 129k b/d; destinations of about 118k b/d are still unknown. (Bloomberg)
- **QMC launches new platform for Shura Council candidates** – The Media Support Committee for the Shura Council Elections of Qatar Media Corporation (QMC) has launched a new website <https://shuraelections.gov.qa> that allows candidates to appear in the media through multiple media platforms with fair and equal opportunities; aiming at assisting candidates wishing to nominate themselves for the membership in the upcoming Shura Council to present themselves and their programs to the electorate in the electoral districts through Qatar Media Corporation. The new website will provide a number of services including personal photography, filming an introductory video for the candidate and his electoral program, audio recording, graphic design, a television interview and a radio interview. (Gulf-Times.com)
- **PTSC secures Gallaf Batch 3 deal in Qatar** – PTSC Mechanical & Construction (PTSC M&C) has signed a contract for Gallaf Batch 3 Project – EPCI05 (Package 5) with North Oil Company, a joint-venture between Qatar Petroleum and Total Energies. The contract signing ceremony was held online due to Covid-19 restrictions with the participation of senior representatives from all sides. Gallaf Batch 3 is the next developmental phase of the Al Shaheen oil field, Qatar's largest offshore oil field and one of the largest offshore oil fields in the world. The oil field is operated by North Oil Company. The EPCI05 package is part of the Gallaf Batch 3 Project including two wellhead platforms with a total weight up to 19,000 tons. PTSC M&C has been awarded the main EPCIC contract for Package 5, which involves detailed design, procurement, construction, pre-commissioning, commissioning, load-out, sea-fastening, transportation and installation, hook-up and offshore commissioning. All onshore works will be carried out at PTSC M&C's fabrication yard in Vung Tau City, southern of Vietnam. This contract will take three years to complete. (Bloomberg)
- **Doha Metro to operate on August 6** – Qatar Railways Company (Qatar Rail) has announced the operation of Doha Metro services on August 6 (Friday) from 2pm to 11.59pm to support the movement of people during the temporary road closure along the Corniche between August 6 and 10. Metro services will be suspended again on two Fridays (August 13 and 20) to allow for system upgrades to take place, a tweet explained. (Gulf-Times.com)
- **FIFA Arab Cup Qatar 2021 tickets to go on sale today** – FIFA Arab Cup Qatar 2021 tickets will go on sale on Tuesday, the Supreme Committee for Delivery and Legacy (SC) has announced. The first FIFA pan-Arab football tournament, featuring 16 teams from across the Arab world, is scheduled

from November 30 to December 18, 2021. Starting at 12noon today, Visa cardholders will have an exclusive opportunity to apply for tickets via FIFA.com during the Visa Presale for the FIFA Arab Cup Qatar 2021, it was explained in a SC statement yesterday. (Gulf-Times.com)

- **Qatar Airways, RwandAir new partnership gives customers access to 160+ destinations in combined networks** – Qatar Airways new partnership with Rwanda's flag carrier, RwandAir will leverage its global network, increase access to African destinations, and integrate respective loyalty programs' benefits. As a part of the strategic partnership, the extensive interline agreement will give customers access to the networks of both airlines, providing a seamless travel experience and enhanced customer service including in the frequent flyers programs. Customers can pick and choose from more than 160 destinations in the combined networks of both airlines, which are connected via their home hubs of Doha and Kigali. This latest agreement follows the airlines' recent loyalty partnerships announcement, giving RwandAir Dream Miles and Qatar Airways Privilege Club loyalty members, access to each other's destinations with the opportunity to 'earn and burn' points across their reciprocal route networks. (Gulf-Times.com)
- **Stunning Al Bayt Stadium to hold FIFA Arab Cup Qatar 2021 opening match** – The FIFA Arab Cup Qatar 2021 will be hosted in six striking stadiums and will offer fans the chance to attend more than one match per day during the group stage, while getting a glimpse of what to expect one year later at the FIFA World Cup Qatar 2022. During the first FIFA pan-Arab football tournament, spectators and competitors alike will experience the welcoming hospitality of Qatar as 16 teams from across the Arab world take the pitch between Tuesday, 30 November and Saturday, 18 December 2021. (Peninsula Qatar)
- **Phase 4 of lifting Covid restrictions in September likely** – The fourth phase of lifting Covid-19 restrictions could start by September if the situation continued to improve and remained under control, Hamad General Hospital's medical director Dr Yousef Al-Maslamani told Qatar TV yesterday. "It was decided to delay the fourth phase and continue with the ongoing third phase during August due to the recent increase in the numbers of new cases of infection," he pointed out. "The number of Covid-19 cases in the community had remained low and stable until eight days after the Eid holidays but they started to climb soon with more than 100 infections per day," Dr Al-Maslamani recalled. (Gulf-Times.com)

International

- **Resilient factories battling with delays, rising costs** – Factories across the world are suffering from supply bottlenecks which sent prices skyrocketing in July, while a new wave of coronavirus infections in Asia demonstrated the fragile nature of the global recovery. Business surveys on Monday highlighted the divergence in the global economy on the pace of recovery from the pandemic, which led the International Monetary Fund to downgrade this year's growth forecast for emerging Asia. Although manufacturers largely remained open throughout lockdowns, the loosening of some restrictions designed to limit infections has driven a flurry of demand - but factories are suffering from staff shortages and supply chain problems. Eurozone and British manufacturing continued to expand at a blistering pace in July as the reopening of economies led to soaring demand, as it did in export powerhouses Japan and South Korea. However, growth in Chinese factory activity slipped sharply. (Reuters)
- **US manufacturing growth cooling; bottlenecks starting to abate** – US manufacturing activity grew at a slower pace in July for the second straight month as raw material shortages

persisted, though there are signs of some easing in supply-chain bottlenecks. The survey from the Institute for Supply Management (ISM) on Monday showed a measure of prices paid by manufacturers fell by the most in 16 months, while the supplier deliveries index retreated further from a 47-year high touched in May. Timothy Fiore, Chair of ISM's manufacturing business survey committee, noted that "supply and demand dynamics appear to be moving closer to equilibrium for the first time in many months." Part of that could be because spending is rotating back to services from goods. "Manufacturing is slowing from unsustainable boom to sustainable strength," said Chris Low, chief economist at FHN Financial in New York. "Moderation in supplier deliveries and prices paid indicate bottlenecks are alleviating, but both remain high enough to indicate supply-side problems persist. Still, from a markets and policy perspective, progress is important." The ISM's index of national factory activity fell to 59.5 last month, the lowest reading since January, from 60.6 in June. A reading above 50 indicates expansion in manufacturing, which accounts for 11.9% of the US economy. Economists polled by Reuters had forecast the index would be little changed at 60.9. (Reuters)

- **ISM: US manufacturing sector growth slowing** – US manufacturing continued to grow in July, though the pace slowed for the second straight month as spending rotates back to services from goods and shortages of raw materials persist. The Institute for Supply Management (ISM) said on Monday its index of national factory activity fell to 59.5 last month, the lowest reading since January, from 60.6 in June. A reading above 50 indicates expansion in manufacturing, which accounts for 11.9% of the US economy. Economists polled by Reuters had forecast the index little changed at 60.9. Nearly half of the population has been fully vaccinated against COVID-19, allowing Americans to travel, frequent restaurants, visit casinos and attend sporting events among services-related activities that were curbed early in the pandemic. Government data last week showed spending on services accelerated sharply in the second quarter, helping to lift the level of gross domestic product above its peak in the fourth quarter of 2019. Though spending on goods remains strong, the pace is cooling because of the back in vogue services as well as shortages of long-lasting manufactured goods such as motor vehicles and some household appliances. A global shortage of semiconductors is weighing on the production of motor vehicles. The ISM survey's forward-looking new orders sub-index fell to a reading of 64.9 last month from 66.0 in June. That was the second straight monthly decline. But with inventories at factories remaining lean and business warehouses almost empty, the moderation in new orders growth is likely to reverse or remain minimal. (Reuters)
- **US construction spending inches higher in June** – US construction spending rose by 0.1% in June, the Commerce Department said on Monday, as an increase in private projects was offset by a fall in public sector building. Construction spending, which accounts for less than 4% of US gross domestic product, increased by 8.2% on a YoY basis in June after falling 0.2% in May, data showed. Economists polled by Reuters had forecast construction spending rising by 0.4% in June. Spending on private construction projects climbed 0.4%, with outlays on residential projects increasing 1.1%. Single-family homebuilding spending surged 1.8%, after outlays on residential projects rose 0.3% in May. The government reported last week that residential spending contracted in the second quarter, weighed down by lower broker commissions and other ownership transfer costs because of a decline in home sales. Although demand for housing remains robust, a rise in the cost of building materials, especially framing lumber, are constraining builders' ability to ramp up construction and close an inventory

gap, driving up home prices and crimping sales. Investment in private non-residential construction like gas and oil well drilling fell 0.7% in June. Business spending on non-residential structures fell in the second quarter led by declines in commercial and healthcare structures. Private construction outlays was unchanged in May. Spending on public construction projects dropped 1.2% in June, after declining 0.8% in May. (Reuters)

- **NIESR forecasts: UK inflation to hit 3.9% in early 2022** – British consumer price inflation will reach 3.9% early next year, almost double the Bank of England's target, but should fall back to 2% the year after if the BoE begins to raise interest rates, a leading think tank forecast on Monday. The National Institute of Economic and Social Research (NIESR) also revised up its growth forecast for 2021 by 1.1 percentage points to 6.8% - broadly in with the most recent forecasts from the BoE and the International Monetary Fund. After suffering its biggest economic slump in over 300 years in 2020 due to the coronavirus pandemic, Britain's economy has been recovering rapidly this year. But a sharp rise in oil prices and bottlenecks in supply chains have pushed up inflation in Britain and most other Western economies, with NIESR's forecast suggesting British inflation is on course to hit its highest since late 2011. The BoE's Monetary Policy Committee should emphasize that policy tightening would be gradual, to avoid a sudden tightening of financing conditions that could derail recovery, she added. Unemployment was likely to rise by 150,000 to 5.4% of the workforce after the government's furlough program stopped at the end of September, NIESR said. (Reuters)
- **PMI: Eurozone factory growth raced in July despite raw material shortages** – Manufacturing activity across the euro zone continued to expand at a blistering pace in July as the reopening of the economy led to rocketing demand, but supply bottlenecks sent input costs soaring, a survey showed on Monday. The upbeat survey follows official data on Friday which showed the bloc's economy grew faster than expected in the second quarter, pulling out of a recession caused by the COVID-19 pandemic as curbs to stop the virus were eased. Although factories largely remained open throughout pandemic lockdowns the loosening of restrictions designed to quell the spread of coronavirus infections has driven a flurry of demand. IHS Markit's final manufacturing Purchasing Managers' Index (PMI) dipped to 62.8 in July from June's record high of 63.4 but was above an initial 62.6 "flash" estimate. An index measuring output, which feeds into a composite PMI due on Wednesday and seen as a good guide to economic health, fell from June's 62.6 to 61.1. Anything above 50 indicates growth. (Reuters)
- **PMI: German factories humming, supply shortages constrain growth** – Faster growth in new orders and employment boosted Germany's manufacturing sector in July, when an expansion gained pace after briefly losing momentum in May, a survey showed. IHS Markit's final Purchasing Managers' Index (PMI) for manufacturing, which accounts for about a fifth of the economy, rose to 65.9 in July from 65.1 in June. The July reading was the third highest since the survey began in 1996. The industrial sector in Europe's largest economy has been humming along during the pandemic almost undisturbed by COVID-19 restrictions and helped by generous state support measures. High demand from abroad has led to filled order books, but supply shortages for semiconductors and other intermediate goods have been holding back production. Indices on input and output prices both rose faster, with input price inflation accelerating to a new survey record high. The cost pressures are feeding through to consumer prices. Germany's annual consumer price inflation accelerated by more than expected to hit a 13-year high in July, leading services sector

trade union Verdi to immediately demand “strong wage increases”. (Reuters)

- **Tokyo core consumer prices marks 1st annual rise in a year** – Core consumer prices in Tokyo marked their first annual increase in a year in July, data showed on Tuesday, heightening the chance nationwide inflation will perk up in coming months on rising energy costs and a rebound in domestic demand. The core consumer price index (CPI) for Japan’s capital, which includes oil products but excludes fresh food prices, rose 0.1% in July from a year earlier, compared with a median market forecast for flat growth, government data showed. It was the first YoY increase since July last year, when the index rose 0.4%, the data showed. The rise in the Tokyo index, which is considered a leading indicator of nationwide price trends, was driven largely by increases in gasoline and electricity bills reflecting higher crude oil costs. But prices of household appliances and amusement park fees also rose, due partly to the base effect of last year’s slump caused by the coronavirus pandemic, the data showed. Years of heavy money printing has failed to fire up inflation to the Bank of Japan’s 2% target as weak consumption keeps companies from translating higher costs to households. Nationwide consumer inflation has barely risen even as other major economies, such as the US, begin to fret about the risk of too-high inflation as their economies re-open from pandemic-induced lockdowns. (Reuters)
- **Brazil posts \$7.4bn trade surplus in July, less than expected** – Brazil posted a \$7.4bn trade surplus in July, figures showed on Monday, less than the consensus forecast in a Reuters poll for a \$8.7bn surplus and down slightly from a \$7.6bn surplus in the same month last year. The overall surplus was narrower than all 10 economists in the Reuters poll had predicted and down from the previous month’s record \$10.4bn surplus. Exports in July totaled \$25.5bn and imports were \$18.1bn, the ministry said, both sharply higher from a year ago. That brings the January-July surplus to \$44.1bn, up 49% from a \$29.9bn surplus from the same period a year ago. International trade is expected to be a net contributor to economic growth this year. The Economy Ministry last month revised up its 2021 trade surplus forecast to \$105.3bn, up 16% from its previous outlook of \$89.4bn previously. The ministry now expects 2021 exports of \$307.5bn, up 46.5% from last year, and imports to rise 27.3% from last year to \$202.2bn. (Reuters)
- **Economy Ministry: Brazil July exports total \$25.5bn, imports \$18.1bn** – Brazil posted a \$7.4bn trade surplus in July, figures showed on Monday, less than the consensus forecast in a Reuters poll for a \$8.7bn surplus and down slightly from a \$7.6bn surplus in the same month last year. Exports in July totaled \$25.5bn and imports were \$18.1bn, the ministry said, both sharply higher from a year ago. That brings the January-July surplus to \$44.1bn, up 49% from a \$29.9bn surplus from the same period a year ago. (Reuters)
- **IHS Markit: Brazil manufacturing PMI rises to 5-month high in July** – Growth in Brazil’s manufacturing sector picked up in July to its fastest rate in five months, a survey of purchasing managers’ activity showed on Monday, led by the strongest new orders this year and a record rate of input buying across the sector. Employment growth slowed, however, and input prices dipped to their lowest in a year although they remained strong by historical standards, IHS Markit data showed. IHS Markit’s headline purchasing managers index (PMI) rose to 56.7 in July from 56.4 in June, the highest level since February. A reading above 50.0 marks expansion, while a reading below signifies contraction. The series was launched in 2006. According to IHS Markit, Brazilian manufacturers ramped up the pace of input and materials purchases in July to the fastest since the data series began in February, 2006. Expectations of strong demand and

growing COVID-19 vaccine coverage point to an encouraging outlook for the second half of the year, IHS Markit said. Brazil’s Economy Ministry recently raised its 2021 economic growth forecast to 5.3% from 3.5%, and the central bank expects the industrial sector to expand by 6.6%. (Reuters)

Regional

- **MENA hotel occupancy rates see some signs of recovery, says Colliers** – Hotel occupancy in the MENA region continues to improve, with ‘controlled and consistent growth’ key to recovery, said Colliers. “As we move through 2021, we begin to observe several markets build on recovery began in Q4 2020. Ongoing monitoring of the COVID-19 pandemic by government entities and other key touristic stakeholders has informed how markets open and close. While travel restrictions are easing, controlled and consistent growth is key to recovering, and in the future, improving on the hospitality performance in the key markets,” Colliers said. In its August 2021 MENA Hotels monthly market forecast, the real estate consultancy firm said the emirate of Sharjah achieved a 4% per month average increase of occupancy over the last 12 months. (Zawya)
- **Tanker Tracker: Gulf OPEC boosts oil flows but not everyone can** – Saudi Arabia, Kuwait and the UAE, three core OPEC members, boosted crude shipments to multi-month highs in July, underscoring a return of their crude to an uncertain global market. Several other major suppliers didn’t follow suit, despite a pact among producers allowing them to do so. Saudi shipments reached 6.4mn bpd, an increase of 640,000 from June and the highest since December, according to tanker-tracking data compiled by Bloomberg. Kuwait’s daily loadings advanced by 276,000 barrels MoM, reaching the largest outflow since April 2020. The UAE put the most oil on tankers since August of last year. The OPEC and allied producers are in the throes of boosting production with Brent crude trading near \$75 a barrel as inventories shrink. While some are adding output, there are questions about others’ capacity to ramp up. (Bloomberg)
- **House prices may have bottomed in the Middle East, KAMCO says** – Prices for residential real estate in the six-member GCC may have bottomed and total transaction value for the year is on track to eclipse 2019 levels, Kuwait’s Kamco Investment said. “Dubai real estate witnessed opportunistic buying from investors, especially at the higher end of the apartment and villa market,” Kamco said. “Saudi Arabia real estate prices recovered, driven by government support in the form of mortgage financing and housing initiatives.” The GCC includes Saudi Arabia, Kuwait, the UAE, Qatar, Bahrain, and Oman. Transactions in the first half of 2021 reached \$64.9bn, compared to \$90.5bn for 2020 and \$96.5bn in 2019, the firm said. A higher average value per transaction in the first six months of the year, when compared to pre-pandemic levels of the first half of 2019, indicated “the investment appetite for attractively priced real estate,” Kamco said. (Bloomberg)
- **Saudi CMA approves Emaar EC’s \$756mn capital increase** – Saudi’s Emaar the Economic City has had its capital increase approved by the kingdom’s Capital Market Authority, it said in a statement to the Saudi Stock Exchange Tadawul. The company announced the proposed increase in May, to convert debt and owe SR2.833bn to the Saudi Public Investment Fund. (Zawya)
- **Saudi Arabia’s June M3 money supply rises 9.1% from year ago** – Saudi Arabian Central Bank in Riyadh has published data on monetary aggregates for June on website. M2 money supply rises to 6.3% from year ago. M1 money supply rises to 8.2% from year ago. (Bloomberg)
- **Arabian Centres affirmed at BB+ by Fitch** – Arabian Centres’s long-term issuer default rating was affirmed by Fitch at

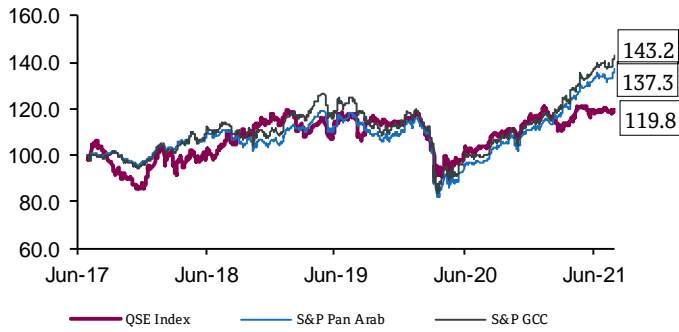
BB+. Senior Unsecured Debt Rating was affirmed by Fitch at BB+. Outlook to remains negative. (Bloomberg)

- **BJAZ posts 51.5% YoY rise in net profit to SR251.2mn in 2Q2021** – Bank AlJazira (BJAZ) recorded net profit of SR251.2mn in 2Q2021, an increase of 51.5% YoY. Total operating profit rose 4.9% YoY to SR828.4mn in 2Q2021. Total income for special commissions/investments fell 9.0% YoY to SR722.6mn in 2Q2021. Total assets stood at SR95.9bn at the end of June 30, 2021 as compared to SR91.9bn at the end of June 30, 2020. Loans and advances stood at SR56.9bn (+5.9% YoY), while Client's deposits stood at SR70.7bn (+11.0% YoY) at the end of June 30, 2021. EPS came in at SR0.7 in 6M2021 as compared to SR0.42 in 6M2020. (Tadawul)
- **Sources: Average Dubai crude oil price rises in July to \$72.903/bbl** – Middle East crude benchmark Dubai, as quoted by price-reporting agency S&P Global Platts, rose to an average of \$72.903 a barrel in July, trade sources said on Monday, the highest since October 2018. The monthly averages for June for Dubai and Oman as quoted by Platts are indicated in the table. Middle East producers set their monthly official selling prices at premiums or discount to these averages. Saudi Aramco changed the benchmark for setting its official selling prices to Asia starting from October 2018 to the average of Platts Dubai and DME Oman crude futures. (Zawya)
- **Abu Dhabi reduces new business set-up requirements by 71%** – The Abu Dhabi Department of Economic Development (ADDED) announced that the Abu Dhabi Government reduced the requirements for starting a new commercial business by 71%. In April 2021, a special task force, led by ADDED and launched as part of the department's Investor Journey Program, coordinated with more than 20 government entities and the private sector to achieve the reduction. Through several discussions led by ADDED, the Abu Dhabi Government identified and removed duplicate requirements and modified existing requirements to facilitate the process of starting a business while not compromising public safety and security. (Zawya)
- **Abu Dhabi's Aldar sells out exclusive land plots at Al Gurm waterfront** – Abu Dhabi's Aldar Properties has sold out land plots in the second phase of Al Gurm development, a luxurious beachfront community in the emirate. All 71 plots, available exclusively to UAE nationals, were sold with each ranging in size from 900 to 4,400 sqm, the developer said in a statement Monday on the Abu Dhabi Securities Exchange where its shares trade. (Zawya)
- **BDT Capital Partners, Mubadala complete acquisition of Culligan International** – BDT Capital Partners and Abu Dhabi sovereign wealth fund Mubadala Investment Company and its asset management subsidiary Mubadala Capital, said on Monday they have completed an acquisition of water treatment company Culligan International. BDT Capital Partners has bought a majority interest in Culligan from Advent International and Centerbridge Partners in a deal first announced in May. Mubadala provided a significant capital commitment as an anchor partner in the transaction. Advent will also retain a minority stake in Culligan going forward. (Reuters)
- **Warba bank gets approval to issue up to \$500mn sukuk** – Warba Bank gets Kuwait central bank approval for issuance that's part of the lender's \$2bn sukuk program. (Bloomberg)
- **Oman adjusts electricity tariffs to ease burden on citizens** – Oman has adjusted its electricity tariffs structure to offer consumers on lower rates more supply, a government official said on Monday, following consumer complaints about steep summer bills. Household energy costs are sensitive in a country that recently saw protests over unemployment. The government

also wants to keep the public onside as the Gulf state's ruling sultan, who assumed power last year, continues to push through reforms to ease pressure on public finances in the debt-burdened state. They include a value-added tax, introduced in April, and overhauling an expensive subsidies system. (Zawya)

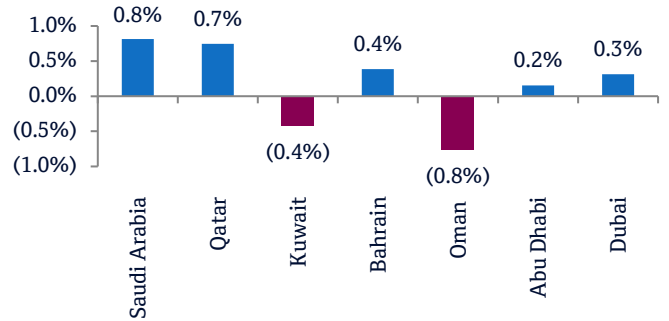
- **Oman sells OM192mn 28-day bills at yield 0.642%** – Oman sold OM192mn of bills due Sep 1. The bills were sold at a price of 99.951, have a yield of 0.642% and will settle on Aug 4. (Bloomberg)
- **Non-oil sector set to fuel recovery for Bahrain** – Bahrain's non-oil sector is set to drive the nation's economic recovery this year, according to a new report. The Economy, Strategy and Finance Centre Gulf Economic Outlook (Q3 2021) said non-oil economic activities in the six-nation GCC have started to show signs of recovery on the strength of improved consumer and business confidence, and a positive oil outlook. Released by US-based research group The Conference Board's newly-launched Gulf Centre in Kuwait, the report added that the ongoing high vaccination rate in the GCC will help in the turnaround. (Zawya)
- **Bahrain sells BHD70mn 91-day bills; bid-cover 1.12** – Bahrain sold BHD70mn of bills due Nov 3. Investors offered to buy 1.12 times the amount of securities sold. The bills were sold at a price of 99.633, have a yield of 1.46% and will settle on Aug 4. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,813.47	(0.0)	(0.0)	(4.5)
Silver/Ounce	25.41	(0.3)	(0.3)	(3.8)
Crude Oil (Brent)/Barrel (FM Future)	72.89	(4.5)	(4.5)	40.7
Crude Oil (WTI)/Barrel (FM Future)	71.26	(3.6)	(3.6)	46.9
Natural Gas (Henry Hub)/MMBtu	3.97	1.5	1.5	66.1
LPG Propane (Arab Gulf)/Ton	109.75	(2.9)	(2.9)	45.8
LPG Butane (Arab Gulf)/Ton	126.75	(2.1)	(2.1)	82.4
Euro	1.19	0.0	0.0	(2.8)
Yen	109.31	(0.4)	(0.4)	5.9
GBP	1.39	(0.2)	(0.2)	1.6
CHF	1.10	0.0	0.0	(2.2)
AUD	0.74	0.2	0.2	(4.3)
USD Index	92.05	(0.1)	(0.1)	2.3
RUB	73.04	(0.2)	(0.2)	(1.9)
BRL	0.19	0.8	0.8	0.5

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,077.11	0.3	0.3	14.4
DJ Industrial	34,838.16	(0.3)	(0.3)	13.8
S&P 500	4,387.16	(0.2)	(0.2)	16.8
NASDAQ 100	14,681.07	0.1	0.1	13.9
STOXX 600	464.45	0.7	0.7	13.0
DAX	15,568.73	0.2	0.2	9.6
FTSE 100	7,081.72	0.7	0.7	11.6
CAC 40	6,675.90	1.0	1.0	16.8
Nikkei	27,781.02	2.3	2.3	(4.3)
MSCI EM	1,293.11	1.2	1.2	0.1
SHANGHAI SE Composite	3,464.29	2.0	2.0	0.8
HANG SENG	26,235.80	1.1	1.1	(3.9)
BSE SENSEX	52,950.63	0.7	0.7	9.0
Bovespa	122,515.70	1.4	1.4	3.9
RTS	1,635.90	0.6	0.6	17.9

Source: Bloomberg (*\$ adjusted returns)

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