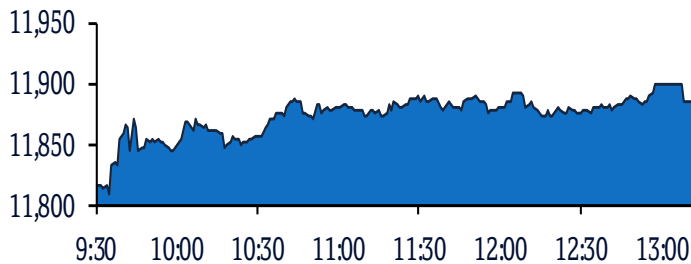


## QSE Intra-Day Movement



## Qatar Commentary

The QE Index rose 0.5% to close at 11,885.9. Gains were led by the Real Estate and Transportation indices, gaining 0.8% and 0.7%, respectively. Top gainers were Gulf International Services and Aamal Company, rising 4.6% and 2.6%, respectively. Among the top losers, Dlala Brokerage & Inv. Holding Co. fell 1.2%, while Qatar Cinema & Film Distribution was down 1.0%.

## GCC Commentary

**Saudi Arabia:** The TASI Index fell 0.6% to close at 11,685.7. Losses were led by the Consumer Services and Media & Entertainment indices, falling 2.3% and 2.2%, respectively. Mediterranean & Gulf Insurance declined 4.0%, while Saudi Electricity Co. was down 3.8%.

**Dubai:** The DFM Index gained 3.8% to close at 3,109.4. The Investment & Financial Services index rose 10.3%, while the Real Estate & Construction index gained 6.7%. Dubai Financial Market rose 14.9%, while GFH Financial Group was up 10.2%.

**Abu Dhabi:** The ADX General Index fell 0.1% to close at 7,966.4. The Services index declined 1.8%, while the Banks index fell 1.0%. Zee Store declined 10.0%, while National Corp Tourism & Hotel was down 9.9%.

**Kuwait:** The Kuwait All Share Index fell marginally to close at 7,171.5. The Basic Materials index declined 1.5%, while the Banks index fell 0.3%. Wethaq Takaful Insurance Co. declined 14.4%, while Kuwait Hotels was down 7.9%.

**Oman:** The MSM 30 Index gained 0.2% to close at 4,061.4. However, all indices ended in red. National Aluminium Products Co. rose 6.4%, while Construction Materials Industries & Contracting was up 2.9%.

**Bahrain:** The BHB Index gained 0.3% to close at 1,774.6. The Financials index rose 0.4%, while the Communications Services index gained marginally. GFH Financial Group rose 10.0%, while Khaleeji Commercial Bank was up 6.6%.

Market Indicators	03 Nov 21	02 Nov 21	%Chg.
Value Traded (QR mn)	755.2	600.9	25.7
Exch. Market Cap. (QR mn)	685,730.9	682,822.9	0.4
Volume (mn)	258.1	218.4	18.2
Number of Transactions	15,879	13,015	22.0
Companies Traded	47	45	4.4
Market Breadth	29:13	32:12	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	23,528.84	0.5	0.7	17.3	16.6
All Share Index	3,758.69	0.4	0.6	17.5	17.1
Banks	5,014.83	0.3	0.8	18.1	15.5
Industrials	4,207.61	0.7	0.4	35.8	17.4
Transportation	3,573.73	0.7	1.1	8.4	17.8
Real Estate	1,832.37	0.8	0.8	(5.0)	15.7
Insurance	2,621.61	0.3	1.0	9.4	15.6
Telecoms	1,037.06	(0.3)	(0.1)	2.6	N/A
Consumer	8,274.98	0.5	(0.7)	1.6	22.0
Al Rayan Islamic Index	4,882.53	0.6	0.3	14.4	19.2

GCC Top Gainers###	Exchange	Close#	1D%	Vol. '000	YTD%
GFH Financial Group	Dubai	0.96	10.2	43,269.1	62.4
Emaar Properties	Dubai	4.71	7.8	102,533.8	33.4
Emaar Malls	Dubai	2.31	6.5	48,290.8	26.2
Banque Saudi Fransi	Saudi Arabia	44.20	3.3	532.1	39.9
Dubai Islamic Bank	Dubai	5.42	2.7	24,604.3	17.6

GCC Top Losers###	Exchange	Close#	1D%	Vol. '000	YTD%
Saudi Electricity Co.	Saudi Arabia	28.00	(3.8)	4,689.3	31.5
Saudi Kayan Petrochem.	Saudi Arabia	19.06	(3.7)	13,116.1	33.3
National Industrialization	Saudi Arabia	24.00	(3.6)	6,613.6	75.4
Saudi Industrial Inv.	Saudi Arabia	34.05	(3.5)	3,650.6	24.3
National Petrochemical	Saudi Arabia	43.10	(2.3)	307.9	29.6

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%
Gulf International Services	2.05	4.6	61,001.7	19.2
Aamal Company	1.18	2.6	20,732.4	38.0
Masraf Al Rayan	4.93	2.2	15,813.5	8.7
Qatari Investors Group	2.43	2.0	4,358.0	34.2
United Development Company	1.57	1.8	4,407.3	(5.4)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Gulf International Services	2.05	4.6	61,001.7	19.2
Salam International Inv. Ltd.	0.95	0.4	24,058.9	45.9
Aamal Company	1.18	2.6	20,732.4	38.0
Investment Holding Group	1.35	(0.1)	19,694.4	124.7
Masraf Al Rayan	4.93	2.2	15,813.5	8.7

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Dlala Brokerage & Inv. Holding Co	1.52	(1.2)	1,012.1	(15.2)
Qatar Cinema & Film Distribution	3.56	(1.0)	39.8	(10.8)
Qatar General Ins. & Reins. Co.	2.08	(1.0)	32.3	(21.8)
Qatar Islamic Bank	18.18	(0.7)	1,239.5	6.3
Ooredoo	6.91	(0.6)	2,660.6	(8.1)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Gulf International Services	2.05	4.6	123,542.3	19.2
QNB Group	20.60	0.0	102,869.0	15.5
Masraf Al Rayan	4.93	2.2	76,998.3	8.7
Qatar Navigation	7.65	(0.0)	69,022.4	7.8
Doha Bank	2.88	1.3	39,828.9	21.7

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*	11,885.89	0.5	0.7	1.0	13.9	206.98	187,616.0	16.6	1.8	2.5
Dubai	3,109.36	3.8	8.7	8.6	24.8	361.08	113,183.0	22.3	1.1	2.5
Abu Dhabi	7,966.40	(0.1)	1.2	1.3	57.9	448.39	384,212.9	23.4	2.4	2.8
Saudi Arabia	11,685.66	(0.6)	(0.6)	(0.2)	34.5	1,625.86	2,788,080.8	25.9	2.5	2.2
Kuwait	7,171.50	(0.0)	1.0	0.9	29.3	368.67	137,930.2	27.1	1.7	1.9
Oman	4,061.43	0.2	(0.0)	(0.3)	11.0	1.97	18,951.5	11.4	0.8	3.8
Bahrain	1,774.56	0.3	1.9	1.8	19.1	12.90	28,393.2	10.1	0.9	3.1

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 0.5% to close at 11,885.9. The Real Estate 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.
- Gulf International Services and Aamal Company were the top gainers, rising 4.6% and 2.6%, respectively. Among the top losers, Dlala Brokerage & Inv. Holding Co. fell 1.2%, while Qatar Cinema & Film Distribution was down 1.0%.
- Volume of shares traded on Wednesday rose by 18.2% to 258.1mn from 218.4mn on Tuesday. Further, as compared to the 30-day moving average of 200.5mn, volume for the day was 28.7% higher. Gulf International Services and Salam International Inv. Ltd. were the most active stocks, contributing 23.6% and 9.3% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	36.43%	42.63%	(46,795,185.2)
Qatari Institutions	29.94%	34.52%	(34,544,871.7)
<b>Qatari</b>	<b>66.38%</b>	<b>77.15%</b>	<b>(81,340,056.9)</b>
GCC Individuals	0.43%	0.52%	(659,282.8)
GCC Institutions	1.15%	0.63%	3,873,447.8
<b>GCC</b>	<b>1.58%</b>	<b>1.15%</b>	<b>3,214,165.1</b>
Arab Individuals	9.94%	9.34%	4,471,424.9
Arab Institutions	0.00%	0.00%	(413.0)
<b>Arab</b>	<b>9.94%</b>	<b>9.34%</b>	<b>4,471,011.9</b>
Foreigners Individuals	1.67%	1.97%	(2,319,092.2)
Foreigners Institutions	20.44%	10.38%	75,973,972.2
<b>Foreigners</b>	<b>22.11%</b>	<b>12.36%</b>	<b>73,654,880.0</b>

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

## Earnings Releases and Global Economic Data

### Earnings Releases

Company	Market	Currency	Revenue (mn) 3Q2021	% Change YoY	Operating Profit (mn) 3Q2021	% Change YoY	Net Profit (mn) 3Q2021	% Change YoY
Saudi Fisheries Co.	Saudi Arabia	SR	12.0	24.2%	(17.8)	N/A	(18.5)	N/A
Al Rajhi Company for Cooperative Insurance	Saudi Arabia	SR	507.0	-17.3%	-	-	43.9	-52.0%
SABB Takaful Co.	Saudi Arabia	SR	44.4	-2.6%	-	-	0.8	N/A
Saudi Industrial Services Co.	Saudi Arabia	SR	223.3	-14.0%	54.1	-41.0%	4.0	-85.8%
AlKhaleej Training & Education	Saudi Arabia	SR	211.2	14.8%	16.3	6.1%	7.9	21.5%
Bupa Arabia For Cooperative Insurance Co.	Saudi Arabia	SR	3,458.8	12.4%	-	-	169.4	-18.2%
Astra Industrial Group	Saudi Arabia	SR	612.0	41.1%	60.3	104.0%	45.4	136.3%
Al Kathiri Holding Co.	Saudi Arabia	SR	41.5	56.2%	5,440.0	113.5%	4,541.7	72.2%
Tabuk Cement Co.	Saudi Arabia	SR	48.0	-32.9%	2.6	-81.6%	8.5	-10.5%
Arkan Building Materials Co	Abu Dhabi	AED	173.1	-10.6%	-	-	(5.9)	N/A
Insurance House	Abu Dhabi	AED	42.3	52.6%	-	-	1.7	8.3%
Aldar Properties	Abu Dhabi	AED	2,087.4	-0.3%	-	-	473.2	11.0%
Bahrain Cinema Company	Bahrain	BHD	0.8	203.8%	0.0	138.1%	(0.0)	N/A
Takaful International Company*	Bahrain	BHD	19.9	7.8%	-	-	(2.9)	N/A

Source: Company data, DFM, ADX, MSM, TASI, BHB. (\*Financials for 9M2021)

### Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
03-11	US	Mortgage Bankers Association	MBA Mortgage Applications	29-Oct	-3.30%	--	0.30%
03-11	US	Markit	Markit US Composite PMI	Oct	57.6	--	57.3
03-11	US	Markit	Markit US Services PMI	Oct	58.7	58.2	58.2
03-11	US	Institute for Supply Management	ISM Services Index	Oct	66.7	62	61.9
03-11	UK	Markit	Markit/CIPS UK Services PMI	Oct	59.1	58	58
03-11	UK	Markit	Markit/CIPS UK Composite PMI	Oct	57.8	56.8	56.8
03-11	EU	Eurostat	Unemployment Rate	Sep	7.40%	7.40%	7.50%
03-11	China	Markit	Caixin China PMI Composite	Oct	51.5	--	51.4
03-11	China	Markit	Caixin China PMI Services	Oct	53.8	53.1	53.4
03-11	India	Markit	Markit India PMI Services	Oct	58.4	--	55.2
03-11	India	Markit	Markit India PMI Composite	Oct	58.7	--	55.3

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

## Qatar

- IPA Qatar, Qatar Stock Exchange partner to bolster market attractiveness for foreign investment** – The Investment Promotion Agency Qatar (IPA Qatar) and Qatar Stock Exchange (QSE) jointly announced the signing of a Memorandum of Understanding (MoU) today, which represents a launchpad for diverse collaborations between the two organizations, with the aim of further boosting the attractiveness of the Qatari market for foreign investments. The MoU was signed at Qatar Stock Exchange headquarters in the presence of Mr. Rashid bin Ali Al Mansoori, CEO of QSE, and Sheikh Ali Alwaleed Al-Thani, CEO, IPA Qatar. Serving the common goal of showcasing Qatar as a thriving investment destination, the MoU sets the framework for IPA Qatar and QSE to join efforts in promoting the State's conducive business landscape and attracting new investors to set up their business in the market. Additionally, the two organizations will collaborate on advancing the breadth of investment and trading opportunities for businesses, as well as advancing foreign inflows into QSE. According to the terms of agreement, the new partnership envisages exchanging knowledge, conducting cross-promotional activities, and hosting joint events with the aim of promoting the Invest Qatar brand across the global investment community, while highlighting the opportunities offered by QSE. (QSE)
- Indosat Ooredoo and Cisco ink deal to bring 5G to Indonesia** – Indosat Ooredoo and Cisco have announced their partnership and signed a memorandum of understanding (MoU) on a potential collaboration to develop next-generation connectivity solutions for businesses of all sizes and across various industries. The two companies plan to develop applications that enable new services for digital transformation across various industries. This proves to be another milestone for both Indosat Ooredoo and Cisco as they strive to bring the newest world-class technology to Indonesia. The MoU states Cisco's intention to work closely with Indosat Ooredoo on its vision to provide secure agile connectivity solutions for businesses of all sizes and to strengthen Indosat Ooredoo's mobile and fiber network for more commercial launches of 5G and high-speed connectivity services. (Bloomberg)
- Milaha to hold its EGM on November 08** – Qatar Navigation (QNNS, Milaha) board of directors will hold the Extraordinary General Assembly Meeting (EGM) electronically at 4:30 PM on November 08, 2021 at the Company's Head Office located in Ain Khaled (No. 523, Industrial Area, Area 56, Zone E). The registration will begin at 3:30 PM (in person) one hour before the meeting, and the meeting shall begin at 4:30 PM (via Zoom app) after the registration is completed, to discuss the matters contained in the attached agenda. If there is no quorum, the meeting will be postponed to November 14, 2021 at the same place and time. The agenda Approval to initiate the retirement of treasury shares of QR9.08mn and consequently, to reduce the capital of Milaha to be reduced from QR1.145bn share of QR1 each to QR1.126bn divided into 1.126bn shares of QR1 each, among others. (Gulf-Times.com)
- Qatar's non-energy sector sees record expansion in October, says QFC survey** – The latest Purchasing Managers' Index (PMI) survey data from Qatar Financial Centre (QFC) signaled a successive record improvement in operating conditions in the non-energy economy at the start of the fourth quarter. Output and new work both increased at the fastest rates since the survey began in April 2017, with activity growth especially marked in financial services and construction. The buoyant mood in the economy comes at a time of COVID-

restriction loosening and record global LNG prices. The Qatar PMI indices are compiled from survey responses from a panel of nearly 450 private sector companies. The panel covers the manufacturing, construction, wholesale, retail, and services sectors, and reflects the structure of the non-energy economy according to official national accounts data. The headline IHS Markit Qatar PMI is a composite single-figure indicator of non-energy private sector performance. It is derived from indicators for new orders, output, employment, suppliers' delivery times and stocks of purchases. The PMI increased to a new record high for the second month running at 62.2 in October, from 60.6 in September. This indicated the strongest overall improvement in non-energy sector business conditions since the survey began four-and-a-half years ago. The headline figure has now risen for five consecutive months, also a survey record. Since operating conditions began to improve again in July 2020, as the economy emerged from lockdown, the PMI has trended at 55.1, compared with a long-run average of 50.7 since April 2017. The new record high set by the PMI reflects movement in the two largest components by weight – new orders (30%) and output (25%). Both these indicators ascended to new series peaks in October, with faster growth even than during the post-lockdown bounce in July 2020. Output was boosted by surging demand for goods and services in October, with the rate of expansion surpassing the previous record set in July 2020. The level of outstanding business rose for the thirteenth consecutive month, despite a concurrent increase in employment in the non-energy private sector (Qatar Tribune)

- FocusEconomics: Qatar's economy rebounds in 2Q** – Qatar's economy rebounded in year-on-year terms in the second quarter of 2021, spearheaded by a solid expansion in the non-energy sector, FocusEconomics has said in its latest report. According to FocusEconomics Consensus Forecast-Middle East and North Africa for November report, Qatar's non-energy PMI averaged markedly higher relative to the second quarter thanks to the rollback of COVID-19 restrictions. The report, however, said that Qatar's energy sector growth in the second quarter of 2021 was mild and in the third quarter, the economic picture was mixed. "However, energy output was down in annual terms in July and August. Moving to the fourth quarter, the government implemented the final phase of its lockdown easing plan in early October, which involved loosening capacity restrictions on public venues and should be supporting services activity in the period. In other news, Qatar Energy recently signed a 15-year LNG supply deal with a Chinese firm," the report said. This is one of a number of long-term supply agreements inked this year that should provide greater stability to the energy sector ahead, it said. "Qatar's GDP growth should accelerate next year, on looser restrictions aiding domestic activity. The FIFA World Cup scheduled for late 2022 should also have a positive impact thanks to higher visitor arrivals, as will ongoing gas sector investment and improved relations with Gulf neighbors," the report said. A potential snapback of restrictions due to new COVID-19 variants remains a key risk, it said. FocusEconomics panelists see a 4% rise in Qatar's GDP in 2022, which is up 0.1 percentage points from last month's forecast, and 2.4% growth in 2023. Inflation ticked down to 2.7% in September from 3% in August. Price pressures are expected to be fairly moderate in 2022 as global supply chain disruptions ease and energy markets stabilize, with the possible implementation of a VAT a key upside risk ahead. FocusEconomics panelists see inflation in Qatar averaging 2.4% in 2022, which is unchanged from last month's forecast, and 1.7% in 2023. (Qatar Tribune)



- **Great opportunities to deepen Qatar-Austria relations** – Austrian Federal Minister for European and International Affairs Michael Linhart said that the Qatari-Austrian relations are excellent, and that there are great opportunities to deepen them in various areas of common interest. In an exclusive interview with Al-Raya newspaper, published Wednesday, Linhart said that Doha and Vienna value the multilateral diplomacy as an important tool for addressing global challenges, and often act as platforms for international dialogue. On the bilateral relations, the minister expressed his aspiration to strengthen the two countries' economic and investment relations and the exchange of experiences in quality sectors such as sustainable tourism, smart cities and renewable energy, referring to an Austrian initiative to attract investments and encourage businesses in his country, as a stable and innovative place in the heart of Europe. He also underlined the need to strengthen the relations of the Qatari and Austrian peoples in sectors such as tourism and culture, noting that Austria is a favorite destination for many Qataris. (Gulf-Times.com)
- **Cabinet highlights Qatar's interest in climate change issues** – HE the Prime Minister and Minister of Interior Sheikh Khalid bin Khalifa bin Abdulaziz Al-Thani chaired the Cabinet's regular meeting at the Amiri Diwan. Following the meeting, HE the Minister of State for Cabinet Affairs Mohamed bin Abdullah Al-Sulaiti issued the following statement: At the outset of the meeting, the Cabinet praised the participation of His Highness the Amir Sheikh Tamim bin Hamad Al-Thani in the COP26 UN Climate Change Conference in Glasgow, Scotland. This is in the context of His Highness the Amir's interest in the issue of climate change and the need to rush and mobilize international efforts to adapt to it, mitigate its effects, and address it. The Cabinet commended the intensive meetings held by His Highness the Amir with a number of heads of brotherly and friendly countries, and heads of delegations participating in the conference. (Gulf-Times.com)
- **QC: Qatar, Brazil trade exchange stood at QR2.2bn last year** – Total trade volume between Qatar and Brazil reached QR2.2bn last year, indicating that Brazil is one of Qatar's most important trade partners, while Qatar is an important market for Brazilian products, according to Qatar Chamber (QC) First Vice-Chairman Mohamed bin Ahmed bin Towar Al Kuwari. Speaking at a meeting between the QC and a Brazilian trade mission led by the Arab Brazilian Chamber of Commerce's Business Director Daniella Ribeiro Leite at the Chamber's headquarters yesterday, Al Kuwari paid tribute to the close friendly relations linking Qatar and Brazil, citing these are evident in the active partnerships between both countries that serve aspirations of both countries and their peoples at all fields, especially at trade and investment aspects. (Peninsula Qatar)
- **Qatar Chamber, Arab-Brazilian Chamber seek robust cooperation ties** – Qatar Chamber and the Arab-Brazilian Chamber recently held a meeting to discuss ways to strengthen cooperation relations and boost mutual investments, as well as spur growth in bilateral trade ties. During the meeting, Qatar Chamber first vice chairman Mohamed bin Towar Al-Kuwari lauded the "close, friendly relations" of Qatar and Brazil, saying this is evident in the active partnerships between both countries, especially in trade and investments. Al-Kuwari received a Brazilian trade mission led by Daniella Ribeiro Leite, the business director of the Arab Brazilian Chamber of Commerce at the chamber's headquarters in Doha. (Gulf-Times.com)
- **Qatar Airways Cargo to replace entire ULD fleet** – Qatar Airways Cargo is the first cargo carrier to adopt Safran Cabin's new Fire Resistant Container (FRC) solution, having taken delivery of the initial batch of containers on September 29 in Doha, Qatar. Over the next five years, the cargo airline will

replace its entire fleet of more than 10,000 ULDs with this unique container design, aiming to exchange 70% of the units during 2022. Qatar Airways Cargo's decision to invest in Safran Cabin's newly developed Fire Resistant Containers, stems from the airline's interest in preventing safety issues related to the increasing risk posed by lithium battery shipments: a concern that Guillaume Halleux, Chief Officer Cargo at Qatar Airways, recently also raised in a key note presentation to the air cargo industry at IATA's World Cargo Symposium in Dublin, Ireland. (Peninsula Qatar)

#### International

- **Strong US services sector, private payrolls boost economy as 4Q starts** – A measure of US services industry activity surged to a record high in October likely as declining COVID-19 cases boosted demand, but businesses remained burdened by snarled supply chains and the resulting exorbitant prices. The significantly improved public health picture appears to be lifting the labor market, with other data on Wednesday showing an acceleration in private payrolls growth last month. The reports suggested the economy was regaining momentum early in the fourth quarter after being restrained by the Delta variant of the coronavirus and shortages last quarter. "The recovery is continuing in the fourth quarter, but supply-chain disruptions and hiring difficulties will continue to constrain growth," said Gus Faucher, chief economist at PNC Financial in Pittsburgh, Pennsylvania. "Labor supply should pick up in the months ahead, but it will take months for supply chains to return to normal." The Institute for Supply Management said its non-manufacturing activity index vaulted to a reading of 66.7 last month. That was the highest since the series started in 1997 and followed a 61.9 reading in September. 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 that the index would edge up to 62.0. The summer wave of infections driven by the Delta variant has subsided, encouraging more consumption of services like air travel and dining out. The ISM survey's measure of new orders received by services businesses soared to a record last month. Spending is shifting from goods to services. Strengthening demand for services boosted hiring in the leisure/hospitality sector, leading to a pick-up in private payrolls. Private employment increased by 571,000 jobs last month after advancing by 523,000 in September, the ADP National Employment Report showed. Businesses in the leisure/hospitality industry added 185,000 jobs. Manufacturing employment increased by 53,000 jobs, while construction hiring rose by 54,000. (Reuters)
- **US factory orders unexpectedly rise in September** – New orders for US-made goods unexpectedly rose in September, though manufacturing remains constrained by input shortages. The Commerce Department said on Wednesday that factory orders increased 0.2% in September. Data for August was revised down to show orders rising 1.0% instead of 1.2% as previously reported. Economists polled by Reuters had forecast factory orders unchanged. Orders gained 17.6% on a YoY basis. Manufacturing, which accounts for 12% of the economy, is being driven by still-strong demand for goods despite spending shifting back to services. Businesses are rebuilding depleted inventories, but shortages of labor and raw materials stemming from the COVID-19 pandemic remain challenges. The widespread shortages restrained economic growth to its slowest pace in more than a year in the third quarter. An Institute for Supply Management survey on Monday showed manufacturing activity slowed in October, with all industries reporting record-long lead times for raw materials. The rise in factory goods orders in September was led by machinery, primary metals and fabricated metal products. But orders for computers and electronic products,

transportation equipment as well as electrical equipment, appliances and components fell, likely because of a global chip shortage. Shipments increased 0.6% after gaining 0.1% in August. Inventories at factories shot up 0.8% in September. Unfilled orders at factories increased 0.7% after rising 0.9% in August. (Reuters)

- **ISM survey: US service sector index hits record high in October; shortages worsening** – A measure of US services industry activity surged to a record high in October likely as declining COVID-19 cases boosted demand, but businesses remained burdened by snarled supply chains and the resulting exorbitant prices. The Institute for Supply Management said on Wednesday its non-manufacturing activity index vaulted to a reading of 66.7 last month. That was the highest since the series started in 1997 and followed a 61.9 reading in September. 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 edging up to 62.0. The summer wave of coronavirus infections driven by the Delta variant has subsided, encouraging more consumption of services like air travel and dining out. The survey's measure of new orders received by services businesses soared to a record 69.7 last month from 63.5 in September. Spending is shifting from goods to services, thanks to vaccinations against the coronavirus. Part of the better-than-expected services sector index reading reflected longer delivery times. The survey's measure of supplier deliveries accelerated to a reading of 75.6 from 68.8 in September. A reading above 50 indicates slower deliveries. A lengthening in suppliers' delivery times is normally associated with a strong economy and increased customer demand, which would be a positive contribution to the ISM non-manufacturing index. In this instance, however, slower supplier deliveries indicate perennial pandemic-related shortages. (Reuters)
- **Britain to set out how finance can help meet net-zero goals** – British finance minister Rishi Sunak will tell companies on Wednesday to set out plans by 2023 for a transition to a low-carbon economy, as part of steps to make Britain the world's first net-zero financial centre. These plans must include targets to mitigate climate risk, interim goals between now and 2050, and measures to meet them, the finance ministry said ahead of a speech by Sunak to the UN COP26 climate conference in Glasgow. However, there will be no mandatory net-zero commitments for firms or a ban on investments in carbon intensive activities, the ministry said. Instead, investors would have to determine if companies' plans were adequate or credible. "There will be new requirements for UK financial institutions and listed companies to publish net zero transition plans that detail how they will adapt and decarbonize as the UK moves towards to a net zero economy by 2050," the ministry said. A new task force will offer a model for transition plans in an attempt to avoid 'greenwashing'. Britain will also publish next year proposals setting out how the financial sector should transition to net zero by 2050. Sunak welcomed a planned announcement from the Glasgow Financial Alliance for Net Zero that over \$130tn of private capital, equivalent to 40% of the world's financial assets, would now be aligned to climate goals of limiting global warming to 1.5 degrees Celsius, the ministry said. This would help "rewire the entire global financial system for net zero", Sunak said in an extract of his speech. The alliance is a grouping of more than 160 financial firms chaired by former Bank of England Governor Mark Carney. Britain will seek to address barriers to finance faced by developing countries with a series of new green initiatives, including 100mn Pounds (\$136mn) to help developing countries get funding for climate plans, the ministry added. Sunak expects a \$100bn climate finance target for the most vulnerable countries will be met by 2023, aided by a new financing mechanism to boost

investment in clean energy like solar and wind power in developing countries. (Reuters)

- **Japan's service sector activity grows for first time during pandemic** – Japan's services sector activity grew for the first time in 21 months in October as consumer sentiment picked up after the coronavirus pandemic subsided, giving a broad-based boost to demand. The government in September ended state of emergency curbs imposed to contain the health crisis, as new cases and deaths came down rapidly that month and the burden on the medical system eased. "Japanese service sector firms reported that activity returned to expansion territory for the first time in nearly two years," said Usamah Bhatti, economist at IHS Markit, which compiled the survey. "Firms continued to build capacity in anticipation of a gradual recovery in demand, despite the rate of job creation easing to a three-month low." The final au Jibun Bank Japan Services Purchasing Managers' Index (PMI) rose to a seasonally adjusted 50.7 from the previous month's 47.8, matching a flash reading. That meant services sector activity stayed above the 50.0 threshold that separates contraction from expansion for the first time since January 2020, before the economy went through its deep COVID-19 slump. The 20 months of decline was the longest such streak since a 27-month run through March 2010, during the global financial crisis. Some economists hope a stronger recovery in service sector sentiment will offset a slowdown in output and exports, which are being hit by a persistent global chip and parts supply shortage. The PMI survey showed the services sector saw the biggest jump in input prices since November 2019, while new and outstanding business remained in contraction despite the expansion in overall business activity. The composite PMI, which is calculated using both manufacturing and services, expanded for the first time in six months, rising to 50.7 from September's final of 47.9. (Reuters)
- **India's October services growth strongest in over a decade, input costs surge** – India's dominant services industry expanded at the fastest pace in more than a decade on improved domestic demand despite high inflation, driving firms to take on staff at a rate not seen since the onset of the pandemic, a private survey showed. The IHS Markit Services Purchasing Managers' Index accelerated to 58.4 last month from 55.2 in September, above the 50-mark separating growth from contraction for a third straight month. The survey showed Asia's third-largest economy was on a sustained recovery path but rising prices could prompt the Reserve Bank of India to hike interest rates earlier than expected, putting the brakes on growth. "A substantial rise in prices charged for the provision of services in India had no detrimental impact on demand, as companies signaled the strongest monthly expansion in new business in over a decade," said Pollyanna De Lima, economics associate director at IHS Markit. Input prices rose sharply last month on higher fuel and material costs, pushing companies to pass on some of the extra cost burden to customers. Prices charged rose at the sharpest rate since July 2017, suggesting inflation will remain elevated, with the biggest upturn in transport and storage costs as a consequence of the recent surge in global crude prices to near \$85 a barrel. Despite demand increasing at the strongest pace in 10 years, business confidence remained muted. "Service providers were concerned that persistent inflationary pressures could deter growth in the coming year," De Lima said. The central bank is expected to hike interest rates at the beginning of the next financial year, according to a Reuters poll taken last month. (Reuters)

## Regional

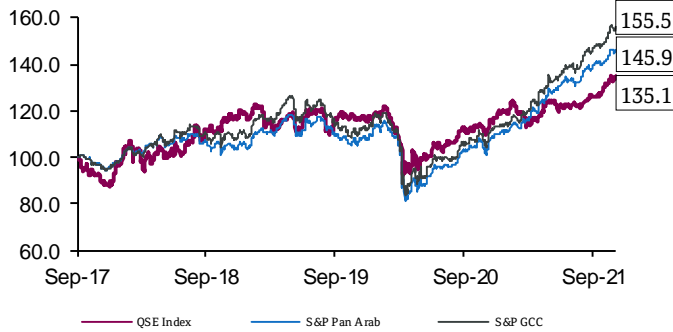
- **OPEC+ heads for geopolitical showdown as Biden demands more oil** – OPEC+ is heading for a politically consequential showdown with President Joe Biden, as Saudi Arabia and its allies must choose whether to heed American demands for more oil. If the cartel rebuffs the request, it's headed for a bare-knuckle fight with the White House, which is worried that inflation caused by high energy prices could derail its economic agenda. Bowing to the pressure and opening the taps would keep Saudi Arabia's closest ally onside, at the expense of the hard-won crude-price recovery that has swelled the kingdom's coffers. (Bloomberg)
- **PMI: Saudi non-oil private sector output highest in nearly four years** – Saudi Arabia's non-oil private sector notched a 14th month of consecutive growth in October as output expanded at the fastest rate since December 2017, signaling the sector's continued strengthening, a survey showed on Wednesday. The seasonally adjusted IHS Markit Saudi Arabia Purchasing Managers' Index (PMI) fell to 57.7 in October from 58.6 in September but remained well above the 50.0 mark that separates growth from contraction. It was also above the series average of 56.9 and with the exception of the September reading was the fastest pace of growth since November 2019. The output sub-index rose to 62.1 in October from 61.2 in November. (Reuters)
- **Real estate: Saudi apartment prices up 17% in 12 months** – Apartment sales prices in Saudi Arabia rose at their fastest rate in five years - 17% over 12 months – with 45,000 transactions during the third quarter of 2021, Knight Frank said in a report. Price increases were highest in the capital Riyadh (17%) followed by Jeddah (12%). Knight Frank attributed the increase to government initiatives to increase home ownership - Wafi and Sakani - with 160,000 households benefitting from them in the first half of 2021. (Zawya)
- **Saudi sovereign wealth fund applies for QFII license in China** – China's top securities regulator received application documents from the Public Investment Fund on Nov. 2 for Qualified Foreign Institutional Investor (QFII) qualification, according to information published on the regulator's Website. Information on the website of China Securities Regulatory Commission shows a notice of application acceptance was issued on the same day. (Bloomberg)
- **Saudi Bourse Tadawul ends IPO wait, plans to list 30% stake** – Saudi Arabia's bourse Tadawul won approval for its long-awaited initial public offering in what could be one of the biggest in the exchange sector since Euronext NV's \$1.2bn listing. The kingdom's markets regulator has signed off on the exchange's offering of 36mn of shares, according to a statement on Wednesday. The planned issue represents 30% of the share capital of Saudi Tadawul Group Holding. The offering could value it at between \$3bn and \$4bn, people familiar with the matter said last month. (Bloomberg)
- **Saudi Arabia's CMA approves listing of bourse's shares** – Saudi Arabia's Capital Markets Authority said on Wednesday it has approved an initial public offering of Saudi Tadawul Group, the kingdom's stock exchange. The market regulator said it approved an application for an offering of 36mn shares, which represents 30% of Tadawul's share capital. (Reuters)
- **Saudi's Herfy Foods appoints CEO** – Saudi Arabia's Herfy Food Services Company (Herfy Foods) has appointed Sam Bader as CEO, after he served as acting CEO. In a statement to the Saudi Stock Exchange (Tadawul) the company said: "The board of directors of Herfy Food Services Co extends its appreciation and gratitude for the efforts made by Mr Sam Bader during his term of acting CEO, which was reflected in the company's good performance." (Zawya)
- **MBC Group-backed Al Arabia retail offering 1,480% oversubscribed** – Advertising and promotions company The Arabian Contracting Services saw its IPO 1,480% oversubscribed, according to Argaam. Retail investors started buying on October 26, subscribing to 1.5mn shares of the company, known as Al Arabia, at SR100 a share. The company, which is partly owned by the Middle East Broadcasting Company, had originally set the price range for its initial public offering at SR90 to SR100 per share, according to a stock exchange filing last month. A total of 650,000 retail investors subscribed to 1.5mn shares at a total value of SR2.223bn. (Zawya)
- **SRC to buy \$300m real estate portfolio from bank Al Jazira** – Saudi Real Estate Refinance Co., wholly owned by the Public Investment Fund, signs pact to buy the portfolio from Bank Al Jazira. (Bloomberg)
- **PMI: Expo boosts UAE non-oil private sector growth to fastest since June 2019** – The UAE's non-oil private sector expanded at the fastest pace since June 2019 in October, recording its 11th straight month of growth as the Expo world fair began in commercial hub Dubai, a survey showed on Wednesday. The seasonally adjusted IHS Markit UAE Purchasing Managers' Index (PMI), leapt to 55.7 in October from 53.3 in September on the back of higher spending and tourism. It was above the 50.0 mark that separates expansion from contraction and the first reading since the start of the pandemic that was above the series average, now at 54.1. (Reuters)
- **UAE's Agthia expects to have about AED1bn for M&A in 2022, CEO said** – UAE fast-moving consumer goods firm Agthia will likely have AED1bn of "firepower" for acquisitions next year, as it seeks to become an industry leader in the region by 2025, its chief executive said on Wednesday. Agthia has made five acquisitions since the fourth quarter of last year, the latest being healthy snacks maker BMB Group, which has yet to be finalized. "When we look at our comfort, shall we say, around ratios, then AED1bn is what we feel that we have available for 2022," CEO Alan Smith told Reuters in an interview. (Zawya)
- **Property rents in Abu Dhabi start falling again over new supply** – Residential rents in Abu Dhabi have pulled back from their recent gains to reach similar levels of last year, according to new data released by real estate consultancy ValuStrat. Average rental values for apartments and villas in the emirate dropped by 3.4% in the third quarter compared to the previous three months. So far, the decline is the biggest this year, with rents previously registering a 4.3% quarterly jump in 2Q 2021 and 1.8% in the third quarter of 2020. (Zawya)
- **Biggest Abu Dhabi developer is shopping for large property deals** – Aldar Properties has built up a cash war chest and is "actively" considering investments in large real estate portfolios as Abu Dhabi's biggest developer seeks to grow its management business, a senior executive said. The company, armed with AED6.8bn in capital, has the resources to make purchases both in its home market and around the United Arab Emirates, Chief Financial Officer Greg Fewer said on a conference call Wednesday. (Bloomberg)
- **Burgan Bank 3Q net income beats estimates** – Burgan Bank reported net income for the third quarter that beat the average analyst estimate. Net income KWD16.3mn, +65% YoY, estimate 11.1mn. Operating revenue KWD54.6mn, -4.2% YoY. Operating profit KWD29.3mn, -16% YoY. (Bloomberg)
- **Al Salam Bank reports 101% jump in net profit** – Al Salam Bank reported net profit attributable to shareholders of BHD5.6mn in the third quarter of 2021 compared with BHD1m in the third quarter of 2020, reflecting an increase of 472%. The increase in net profit was driven by higher returns from the bank's fixed income portfolio along with lower provision charges

compared with the previous period. Earnings per share stood at 2.4 fils for the third quarter of 2021 compared with 0.4 fils for the same period in 2020, reflecting an increase of 500%. Total operating income for the quarter stood at BHD27.6m, a 15% increase from the BHD24.1m recorded in 3Q-2020. (Zawya)

- **GFH invests in logistics warehouses portfolio leased to amazon** – GFH Financial Group says it made the investment in partnership with Preylock Holdings and a group of multi-national institutional investment firms in the US. It says transaction is currently valued at more than \$2bn. Portfolio comprises 14 logistics assets located in 11 states and is fully leased on a long-term basis to Amazon. (Bloomberg)
- **Bahrain sells BHD35mn 182-day bills; bid-cover 1.14** – Bahrain sold BHD35mn of bills due May 8, 2022 on November 3. Investors offered to buy 1.14 times the amount of securities sold. The bills were sold at a price of 99.2712, have a yield of 1.45% and will settle on November 7. (Bloomberg)

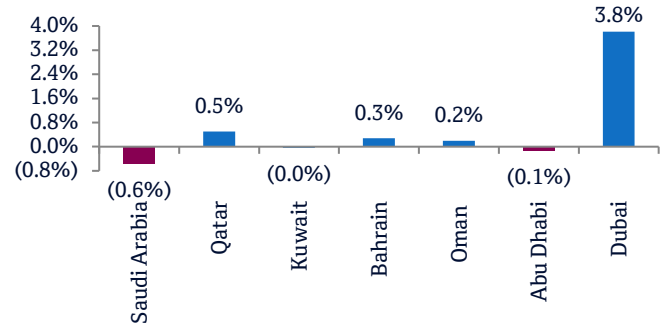


## Rebased Performance



Source: Bloomberg

## Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,769.84	(1.0)	(0.8)	(6.8)
Silver/Ounce	23.52	(0.1)	(1.6)	(10.9)
Crude Oil (Brent)/Barrel (FM Future)	81.99	(3.2)	(2.8)	58.3
Crude Oil (WTI)/Barrel (FM Future)	80.86	(3.6)	(3.2)	66.7
Natural Gas (Henry Hub)/MMBtu	5.55	4.1	2.4	132.2
LPG Propane (Arab Gulf)/Ton	138.25	(1.8)	2.1	83.7
LPG Butane (Arab Gulf)/Ton	164.00	(1.8)	(1.9)	136.0
Euro	1.16	0.3	0.5	(4.9)
Yen	114.01	0.0	0.1	10.4
GBP	1.37	0.6	0.0	0.1
CHF	1.10	0.3	0.4	(3.0)
AUD	0.74	0.3	(0.9)	(3.2)
USD Index	93.86	(0.2)	(0.3)	4.4
RUB	71.76	0.3	1.2	(3.6)
BRL	0.18	2.3	1.5	(6.5)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,212.35	0.5	1.2	19.4
DJ Industrial	36,157.58	0.3	0.9	18.1
S&P 500	4,660.57	0.6	1.2	24.1
NASDAQ 100	15,811.58	1.0	2.0	22.7
STOXX 600	481.22	0.4	1.6	14.3
DAX	15,959.98	0.0	2.1	9.7
FTSE 100	7,248.89	(0.1)	0.1	12.3
CAC 40	6,950.65	0.3	2.2	18.6
Nikkei	29,520.90	-	2.4	(2.5)
MSCI EM	1,262.46	(0.1)	(0.2)	(2.2)
SHANGHAI SE Composite	3,498.54	(0.3)	(1.4)	2.6
HANG SENG	25,024.75	(0.3)	(1.5)	(8.5)
BSE SENSEX	59,771.92	(0.4)	1.3	22.6
Bovespa	105,616.90	1.0	2.4	(18.4)
RTS	1,826.65	(1.3)	(0.9)	31.7

Source: Bloomberg (\*\$ adjusted returns)

## Contacts

### QNB Financial Services Co. W.L.L.

Contact Center: (+974) 4476 6666

[info@qnbfs.com.qa](mailto:info@qnbfs.com.qa)

Doha, Qatar

### Saugata Sarkar, CFA, CAIA

Head of Research

[saugata.sarkar@qnbfs.com.qa](mailto:saugata.sarkar@qnbfs.com.qa)

### Shahan Keushgerian

Senior Research Analyst

[shahan.keushgerian@qnbfs.com.qa](mailto:shahan.keushgerian@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