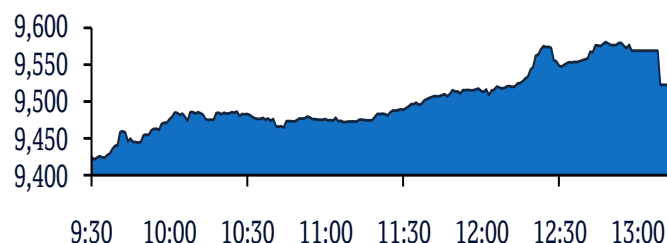


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 1.1% to close at 9,523.6. Gains were led by the Industrials and Consumer Goods & Services indices, gaining 2.7% and 1.9%, respectively. Top gainers were Aljjarah Holding and Qatar Cinema & Film Distribution Company, rising 6.1% each. Among the top losers, Qatar General Insurance & Reinsurance Company fell 9.7%, while INMA Holding was down 3.4%.

GCC Commentary

Saudi Arabia: The TASI Index gained 1.2% to close at 7,626.2. Gains were led by the Retailing and Commercial & Prof. Svc indices, rising 2.2% and 2.0%, respectively. Saudi Paper Manufacturing Co. and National Petrochemical Co. were up 9.9% each.

Dubai: The DFM Index gained 0.2% to close at 2,097.2. The Insurance index rose 0.5%, while the Services index gained 0.3%. Dubai Refreshments Company rose 5.6%, while Aan Digital Services Holding Co. was up 4.0%.

Abu Dhabi: The ADX General Index gained 0.3% to close at 4,368.2. The Investment & Financial Services index rose 2.8%, while the Real Estate index gained 2.7%. Abu Dhabi Ship Building rose 14.8%, while Al Qudra Holding was up 9.7%.

Kuwait: The Kuwait All Share Index gained 0.9% to close at 5,099.6. The Consumer Goods index rose 2.6%, while the Insurance index gained 1.4%. Fujairah Cement Industries rose 7.3%, while Energy House Holding Company was up 6.8%.

Oman: The MSM 30 Index fell 0.1% to close at 3,572.6. Losses were led by the Services and Financial indices, falling 0.3% and 0.1%, respectively. Renaissance Services declined 2.1%, while Al Anwar Holdings was down 1.4%.

Bahrain: The BHB Index gained 0.6% to close at 1,307.5. The Services index rose 1.0%, while the Commercial Banks index gained 0.7%. APM Terminals Bahrain rose 7.7%, while Khaleeji Commercial Bank was up 7.5%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Aljjarah Holding	0.98	6.1	43,922.0	38.7
Qatar Cinema & Film Distribution	3.51	6.1	1.2	59.6
Industries Qatar	8.58	5.3	4,597.3	(16.5)
Qatari Investors Group	2.38	3.3	8,767.8	32.8
Qatar Fuel Company	16.66	3.0	1,619.7	(27.2)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Aljjarah Holding	0.98	6.1	43,922.0	38.7
Qatar Aluminium Manufacturing	0.93	1.1	36,592.7	19.2
United Development Company	1.18	2.3	28,781.1	(22.5)
Salam International Inv. Ltd.	0.45	(2.8)	26,156.2	(12.2)
Investment Holding Group	0.51	(0.8)	23,348.3	(9.4)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	9,523.63	1.1	1.2	1.7	(8.7)	151.89	151,498.4	15.5	1.4	4.2
Dubai	2,097.23	0.2	(0.5)	2.3	(24.1)	62.49	80,852.8	7.4	0.7	4.6
Abu Dhabi	4,368.21	0.3	0.2	1.5	(13.9)	60.72	177,747.8	15.1	1.3	5.6
Saudi Arabia	7,626.23	1.2	1.7	2.2	(9.1)	2,048.38	2,259,258.8	25.0	1.8	3.4
Kuwait	5,099.57	0.9	1.8	2.6	(18.8)	125.07	95,032.2	17.0	1.2	3.9
Oman	3,572.62	(0.1)	0.1	0.1	(10.3)	2.37	16,150.6	5.2	0.4	13.9
Bahrain	1,307.47	0.6	1.4	1.3	(18.8)	5.15	19,811.0	12.2	0.8	5.5

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

Market Indicators	11 Aug 20	10 Aug 20	%Chg.
Value Traded (QR mn)	555.9	430.7	29.1
Exch. Market Cap. (QR mn)	555,142.5	550,705.2	0.8
Volume (mn)	310.2	244.5	26.9
Number of Transactions	11,688	10,022	16.6
Companies Traded	47	44	6.8
Market Breadth	32:12	22:18	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	18,308.86	1.1	1.2	(4.6)	15.5
All Share Index	2,966.63	0.8	0.8	(4.3)	16.4
Banks	4,085.32	0.2	(0.4)	(3.2)	13.7
Industrials	2,745.32	2.7	3.9	(6.4)	24.4
Transportation	2,889.35	0.8	1.3	13.1	13.7
Real Estate	1,603.26	1.2	1.4	2.4	13.1
Insurance	2,036.64	(1.4)	(0.1)	(25.5)	32.9
Telecoms	898.06	0.7	0.6	0.3	15.1
Consumer	7,667.13	1.9	2.6	(11.3)	23.3
Al Rayan Islamic Index	3,881.15	1.5	2.4	(1.8)	18.2

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
National Petrochemical	Saudi Arabia	26.85	9.9	962.6	13.1
Arabian Centres Co. Ltd	Saudi Arabia	25.90	6.7	5,321.3	(11.1)
Saudi Industrial Inv.	Saudi Arabia	20.50	6.3	5,337.7	(14.6)
Industries Qatar	Qatar	8.58	5.3	4,597.3	(16.5)
Rabigh Refining & Petro.	Saudi Arabia	13.16	3.6	7,092.4	(39.2)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Saudi Cement Co.	Saudi Arabia	56.50	(2.2)	699.2	(19.4)
Qatar Electricity & Water	Qatar	16.81	(0.5)	621.8	4.5
Ooredoo Oman	Oman	0.40	(0.5)	81.2	(23.3)
Emirates Telecom. Group	Abu Dhabi	16.54	(0.4)	774.9	1.1
QNB Group	Qatar	18.00	(0.2)	3,218.9	(12.6)

Source: Bloomberg (# in Local Currency) (** GCC Top gainers/losers derived from the S&P GCC Composite Large Mid Cap Index)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatar General Ins. & Reins. Co.	2.16	(9.7)	6.6	(12.4)
INMA Holding	3.99	(3.4)	2,128.0	110.0
Salam International Inv. Ltd.	0.45	(2.8)	26,156.2	(12.2)
Mannai Corporation	2.81	(2.3)	18.5	(8.7)
Qatar Oman Investment Co.	0.87	(2.0)	16,685.3	30.3

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	18.00	(0.2)	58,180.8	(12.6)
Aljjarah Holding	0.98	6.1	42,341.9	38.7
Industries Qatar	8.58	5.3	38,930.4	(16.5)
Qatari German Co for Med. Dev.	2.63	0.1	35,811.5	351.5
Qatar Aluminium Manufacturing	0.93	1.1	34,308.2	19.2

Source: Bloomberg (* in QR)

Qatar Market Commentary

- The QE Index rose 1.1% to close at 9,523.6. The Industrials and Consumer Goods & Services indices led the gains. The index rose on the back of buying support from non-Qatari shareholders despite selling pressure from Qatari and GCC shareholders.
- Alijarah Holding and Qatar Cinema & Film Distribution Company were the top gainers, rising 6.1% each. Among the top losers, Qatar General Insurance & Reinsurance Company fell 9.7%, while INMA Holding was down 3.4%.
- Volume of shares traded on Tuesday rose by 26.9% to 310.2mn from 244.5mn on Monday. Further, as compared to the 30-day moving average of 301.6mn, volume for the day was 2.8% higher. Alijarah Holding and Qatar Aluminium Manufacturing Company were the most active stocks, contributing 14.2% and 11.8% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	44.06%	49.19%	(28,520,796.4)
Qatari Institutions	25.66%	19.37%	34,985,117.3
Qatari	69.72%	68.56%	6,464,320.9
GCC Individuals	1.35%	1.21%	766,154.0
GCC Institutions	2.56%	0.29%	12,595,223.0
GCC	3.91%	1.51%	13,361,377.0
Arab Individuals	11.93%	12.40%	(2,605,036.3)
Arab	11.93%	12.40%	(2,605,036.3)
Foreigners Individuals	3.41%	5.14%	(9,585,965.5)
Foreigners Institutions	11.02%	12.40%	(7,634,696.2)
Foreigners	14.44%	17.53%	(17,220,661.6)

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

Earnings Releases, Global Economic Data and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 2Q2020	% Change YoY	Operating Profit (mn) 2Q2020	% Change YoY	Net Profit (mn) 2Q2020	% Change YoY
Arabian Shield Coop. Insurance Co.	Saudi Arabia	SR	73.0	-24.0%	-	-	2.3	-26.9%
Al Rajhi Co. for Coop. Insurance	Saudi Arabia	SR	669.0	22.8%	-	-	4.6	-34.7%
Jarir Marketing Co.	Saudi Arabia	SR	2,373.9	25.4%	227.0	19.1%	208.4	23.2%
Islamic Arab Insurance Company	Dubai	AED	254.1	-11.8%	-	-	26.3	50.7%
Amanat Holdings	Dubai	AED	46.8	5.8%	(5.2)	N/A	(5.2)	N/A
Dubai Nat. Insurance & Reinsurance	Dubai	AED	86.9	-19.2%	-	-	11.8	29.0%
Sharjah Cement and Ind. Dev. Co.	Abu Dhabi	AED	95.6	-30.9%	-	-	(15.3)	N/A
Emirates Driving Company	Abu Dhabi	AED	31.6	-29.3%	-	-	2.4	-89.8%
Insurance House	Abu Dhabi	AED	53.9	-15.7%	-	-	3.4	25.5%
Fujairah Building Industries	Abu Dhabi	AED	42.5	-16.6%	8.0	-30.8%	7.8	-25.4%
Umm Al Qaiwain General Inv. Co.	Abu Dhabi	AED	19.3	285.0%	-	-	17.5	364.5%

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

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
08/11	China	The People's Bank of China	Money Supply M0 YoY	Jul	9.9%	9.5%	9.5%
08/11	China	The People's Bank of China	Money Supply M1 YoY	Jul	6.9%	7.0%	6.5%
08/11	China	The People's Bank of China	Money Supply M2 YoY	Jul	10.7%	11.2%	11.1%
08/11	India	India Central Statistical Organisation	Industrial Production YoY	Jun	-16.6%	-21.0%	-33.9%

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 2Q2020 results	No. of days remaining	Status
MRDS	Mazaya Qatar Real Estate Development	12-Aug-20	0	Due
QOIS	Qatar Oman Investment Company	12-Aug-20	0	Due
QCFS	Qatar Cinema & Film Distribution Company	12-Aug-20	0	Due
MERS	Al Meera Consumer Goods Company	12-Aug-20	0	Due
GISS	Gulf International Services	12-Aug-20	0	Due
ERES	Ezdan Holding Group	13-Aug-20	1	Due
MPHC	Mesaieed Petrochemical Holding Company	13-Aug-20	1	Due

Source: QSE

Qatar

- **DBIS reports net loss of QR0.2mn in 2Q2020** – Dlala Brokerage and Investments Holding Company (DBIS) reported net loss of QR0.2mn in 2Q2020 as compared to net loss of QR4.8mn in 2Q2019 and net profit of QR2.5mn in 1Q2020. The company's 'Net brokerage commission income' came in at QR3.7mn in 2Q2020, which represents an increase of 6.3% YoY. However, on QoQ basis 'Net brokerage commission income' fell 8.2%. In 1H2020, DBIS posted net profit of QR2.3mn compared to net loss amounting to QR3.7mn for the same period of the previous year. The earnings per share amounted to QR0.008 in 1H2020 as compared to loss per share of QR0.013 in 1H2019. (QSE)
- **MCCS reports net loss of QR181.7mn in 2Q2020** – Mannai Corporation (MCCS) reported net loss of QR181.7mn in 2Q2020 as compared to net profit of QR37.9mn in 2Q2019 and net loss of QR21.1mn in 1Q2020. The company's Revenue came in at QR2,678.3mn in 2Q2020, which represents a decrease of 5.9% YoY. However, on QoQ basis Revenue rose 0.5%. In 1H2020, MCCS posted net loss of QR202.8mn compared to net profit amounting to QR87.4mn for the same period of the previous year. Loss per share amounted to QR0.44 in 1H2020 as compared to earnings per share of QR0.19 in 1H2019. (QSE)
- **Establishment of an energy exchange in Qatar will increase gas revenues** – Qatar is the largest exporter of liquefied natural gas, so it is appropriate to be a global reference point for the pricing of LNG in Asia, and the establishment of an energy exchange in Qatar to trade gas will increase revenues. Natural gas hubs tend to be at the heart of gas infrastructure networks such as pipelines and liquefied natural gas (LNG) terminals. The hub is used as a central pricing point for the network's natural gas, and in some cases, the financial derivative contract of the gas that is delivered at a point is also priced, for example, liquefied petroleum gas (LPG), petroleum condensate (condensates), Naphtha and others. A strong consumer base, with competing buying interests - for example, residential, energy and industrial consumers - is also seen as essential for developing the LNG market, as well as for the growth of major gas producers in Asia. Regulations that allow domestic and foreign participants to trade and access pipelines, storage facilities, gas tankers and production lines are also seen as essential to establishing a 'gas centre' and exchange. The increased supply of gas is also seen as necessary in the early stages of developing a market to allow the commodity to be traded in large quantities. (Gulf-Times.com)
- **Qatar Marine crude September OSP set at \$0.60 per barrel** – Qatar Petroleum has set the September official selling prices (OSP) for its Qatar Marine crude at \$0.60 a barrel above the average of Platts Oman and Dubai quotes, down 75 cents a barrel from the previous month, a pricing document seen by Reuters showed on Tuesday. The September OSP for Qatar Land crude was set at \$0.50 a barrel above the Platts Oman/Dubai average, down 80 cents a barrel from the previous month, the document showed. (Zawya)
- **QEERI develops new technology to remove oil from seawater** – Scientists at the Qatar Environment and Energy Research Institute (QEERI) at Hamad Bin Khalifa University (HBKU) have developed a new type of filtration technology which can

remove small oil droplets from seawater. A new type of membrane with unique chemical and physical properties makes it more efficient and fouling resistant during the oil/water separation process. The technology and membrane were developed by QEERI's Water Centre with support from the Computational-Materials & Processes Centre. Seawater desalination is the main water source in Qatar and provides up to 99% of potable water needs while supporting a broad range of commercial, industrial and agricultural activities. Although thermal desalination is extensively used, Qatar is slowly moving towards the construction of more energy-efficient reverse osmosis (RO) membrane desalination plants. However, desalination facilities, especially RO membranes, are vulnerable to oil contamination in seawater. (Gulf-Times.com)

International

- **White House's Kudlow: US-China trade deal in 'fine' shape** – China is continuing to buy US goods, particularly commodities, under its Phase 1 trade deal with the United States, despite rising tensions over Hong Kong and other issues, top White House economic adviser Larry Kudlow said on Tuesday. Asked if deteriorating ties between the world's two largest economies on other fronts could result in the trade deal being thrown out the window, Kudlow said, "No, no." "The one area we are engaging is trade," he told reporters at the White House. "It's fine right now." Top US and Chinese officials are due to meet for a "routine" video conference on Saturday to assess implementation of the Phase 1 agreement six months after the deal defused a trade war that hurt both nations and the global economy. Kudlow, the director of the White House's National Economic Council, said China was continuing to implement the deal, which called for Beijing to purchase \$77bn in additional US goods and services this year, and a total of \$200bn in additional purchases over two years. (Reuters)
- **Trump's COVID orders too little, too late to help US economy, experts say** – US President Donald Trump's weekend attempt to sidestep stalled congressional negotiations over the next coronavirus aid package will do little to boost the economy, experts said. Trump's executive order and presidential memoranda, introduced on Saturday, would temporarily extend enhanced unemployment benefits at a reduced amount of \$400 a week, defer payroll taxes for some workers, suspend federal student loan payments and potentially provide eviction relief. Even if he can overcome the legal questions surrounding his actions, the efforts may not pack much punch, economists say. Mark Zandi, the chief economist at Moody's Analytics, calculated the orders could provide just over \$400bn in total relief. JPMorgan Chase economist Michael Feroli wrote in an email note on Monday that the initiatives could contribute "less than \$100bn" in stimulus. That's versus the \$1tn aid package proposed by the Republican-led Senate or the more than \$3tn aid bill passed by the Democrat-led House of Representatives. Altogether, the president's orders would add up to 0.2% of GDP, a "negligible amount," according to estimates from Lydia Boussour, senior US economist for Oxford Economics. (Reuters)
- **UK job losses hit decade-high, worse seen ahead** – The number of people in work in Britain has suffered the biggest drop since 2009 and signs are growing that the coronavirus will take a

heavier toll on the labor market as the government winds down its huge job-protection scheme. Led by a record plunge in the self-employed, 220,000 fewer people were working in the three months through June, official figures showed on Tuesday. Separate tax data for July showed that the number of staff on company payrolls had fallen by 730,000 since March, sounding the alarm about a potentially much bigger rise in joblessness. Mounting job losses are expected as Britain winds down its job-retention scheme, which has covered around one in three private-sector jobs. It is due to close at the end of October. Finance minister Rishi Sunak said the government's support programs were working but job losses were inevitable. "I've always been clear that we can't protect every job, but ... we have a clear plan to protect, support and create jobs to ensure that nobody is left without hope," he said. The unemployment rate unexpectedly held at 3.9%. But that reflected more people who had given up looking for work and therefore were not considered unemployed, and 300,000 people who said they were working but getting no pay, the Office for National Statistics said. (Reuters)

- **German investor sentiment improves in August as recovery hopes rise** – Investor sentiment in Germany picked up more than expected in August, a ZEW survey showed on Tuesday, reflecting hopes that Europe's biggest economy is on the road to recovery after the devastation caused by the coronavirus pandemic. The ZEW survey of investors' economic sentiment rose to 71.5 from 59.3 points the previous month, far exceeding a forecast for 58.0 in a Reuters poll of economists. "Hopes for a speedy economic recovery have continued to grow," said ZEW President Achim Wambach. Experts were much more downbeat about current conditions, however. The index tracking those dropped to -81.3 points from -80.9 the previous month. That compared with a Reuters consensus forecast of -68.8 points. The German economy shrank by 10.1% in the second quarter, its steepest rate on record as consumer spending, company investment and exports collapsed at the peak of the COVID-19 pandemic, wiping out nearly 10 years of growth. Wambach said assessments from individual sectors showed that experts expect a general recovery, especially in domestic sectors. "However, the still very poor earnings expectations for the banking sector and insurers regarding the coming six months give cause for concern," he added. The government hopes its more than 130bn Euro (\$153.17bn) stimulus package will help a return to growth. It expects the economy to shrink by 6.3% this year and expand 5.2% in 2021. (Reuters)
- **Japan's service sector sentiment improves in July** – Japan's service sector sentiment index rose in July, a Cabinet Office survey showed on Tuesday, showing some improvement in business confidence although concerns persist over the impact of the COVID-19 pandemic. The survey of workers such as taxi drivers, hotel workers and restaurant staff - called "economy watchers" for their proximity to consumer and retail trends - showed their confidence about current economic conditions grew 2.3 points to 41.1 from June. The index hit a record low in April. The Cabinet Office, in its assessment, said the index is picking up but worries over the coronavirus have been growing. (Reuters)

- **China's new bank loans fall more than expected but broad credit growth quickens** – New bank lending in China fell more than expected in July from the previous month, but broad credit and liquidity growth quickened as the central bank sought to support a gradual economic recovery. Chinese banks extended 992.7bn Yuan (\$142.82bn) in new yuan loans in July, down sharply from 1.81 trillion yuan in June and falling short of analysts' expectations, according to data released by the People's Bank of China (PBOC) on Tuesday. Analysts polled by Reuters had predicted new yuan loans would fall to 1.20tn Yuan in July. The new loans were lower than 1.06tn Yuan a year earlier. Household loans, mostly mortgages, fell to 757.8bn Yuan in July from 978.8bn Yuan in June, while corporate loans dipped to 264.5bn Yuan from 927.8bn Yuan. A stronger-than-expected rebound in activity in the second quarter has reduced the urgency for the PBOC to ease policy further, but it will keep conditions accommodative to support the recovery, sources have told Reuters. The central bank has already rolled out a raft of easing steps since early February, including cuts in reserve requirements and lending rates and targeted lending support for virus-hit firms. (Reuters)
- **Reuters poll: India inflation likely edged up in July on higher food prices** – India's retail inflation edged up slightly in July due to higher food prices, remaining firmly above the RBI's medium-term target of 4% for a 10th straight month, a Reuters poll showed. Food prices, which account for nearly half the inflation basket, have soared since April due to supply-side disruptions caused by a nationwide lockdown imposed to contain the spread of the coronavirus which has infected more than 2mn people and killed over 44,000 in the world's second-most populous country. While the central government gradually eased restrictions in June, regional lockdowns in some major agricultural producing states continued to disrupt supplies of essential perishables like fruits and vegetables. The August 6-10 Reuters poll of over 45 economists showed Indian retail inflation rose to 6.15% last month from 6.09% in June. Forecasts for the data, scheduled to be released on Aug 12 at 1200 GMT, ranged from 5.00% to 6.55%. The government suspended the release of CPI inflation headline numbers for April and May due to insufficient data during the lockdown. The RBI kept interest rates on hold last week after reducing the repo rate by a total of 115 basis points since February - despite a recent rise in retail consumer prices - but said it would ensure inflation remains within target. According to the RBI's latest survey, household inflation expectations for the three-month and one-year horizons rose to over 10% in July, suggesting Asia's third-largest economy could enter a period of stagflation - a phase with lofty inflation, high unemployment and stagnant demand. (Reuters)
- **ILO: Jobless youth risk lifelong 'scarring' from pandemic** – Young people who have lost jobs or schooling during the COVID-19 pandemic risk carrying "scarring effects" throughout their working lives unless governments provide immediate support, the International Labor Organization (ILO) said on Tuesday. An ILO poll of 12,000 youths in 112 countries showed in May that more than one in six people under 24 had stopped working during the pandemic, while the UN agency said in its latest report that more than 70% of students had also seen closures of schools, universities and training centers. It urged

governments to help reintegrate jobless youth into labor markets, or provide educational training and unemployment insurance benefits. “The COVID-19 pandemic has a systematic, deep and disproportionate impact on young people,” Sangheon Lee, director of ILO’s employment policy department, told a news briefing. Evidence from previous crises suggests young people who lack access to job opportunities when entering the labor market face ongoing consequences throughout their working lives, he said. “That is what we call ‘scarring effects.’” Young women and youths in low-income countries are among the hardest hit, he said. “Unless urgent action is taken, young people are likely to suffer severe and long-standing impacts from the pandemic. We believe there is a genuine risk of the ‘lockdown generation’ who actually will be scarred throughout their working lives,” Lee said. The pandemic has left 1 in 8 young students without any access to education or training, although those in wealthier countries had more access to online classes, Lee said. (Reuters)

Regional

- **Middle East's merger and acquisition deals decline in 1H2020** – Overall Middle East merger and acquisition deal values and volumes dropped year-on-year by around 58% and 26% respectively, in the first-half of 2020, despite an uptick in the months of May and June. The regional decline in M&A deals is in line with the slump in global activity that saw total deal values dropping in the first six months by 41% from 1H2019, according to the latest report by global law firm, Baker McKenzie. Globally, M&A deal activity has slowed down significantly compared with 1H2019 due to the Covid-19 pandemic. The year started out a bit slow in January, but then picked up in February. However, when Covid-19 started to spread across the world in March, global deal volumes started a steep decline, which peaked in April with a 34% decline in volume and a 69% decline in value. Sovereign wealth funds including Abu Dhabi's Mubadala, ADIA and Saudi Arabia's Public Investment Fund have been deploying billions of dollars to buy stakes in companies ranging from India's Jio platform, and Facebook Inc, to Citigroup Inc. ADIA bought 1.16% in India's digital giant for \$752mn, and Mubadala Investment invested \$1.2bn to buy a 1.85% stake. The value of M&A deals in the Gulf states, including proposed deals, is up tenfold so far in June compared with the same period last year, according to data compiled by Bloomberg. That volume stands up well against the 44 per cent drop globally this month, the data show. (Zawya)
- **Full-year sovereign Sukuk issuance expected to rise by more than 40% to \$92bn** – A recovery in market conditions and an increase in the gross borrowing requirements of the world's largest sukuk sovereign issuers will fuel a rise in nominal Sukuk issuance this year that is greater than Moody's had expected in March, Moody's Investors Service said yesterday. The recovery will support a full-year increase in sovereign Sukuk issuance of around 40% to \$92bn in 2020. However, despite an increase in nominal issuance, Moody's still expects the proportion of Sukuk in the funding mix of major issuers will decline this year, Moody's noted in its report. “While YoY sovereign Sukuk issuance volumes remained flat in the first half of 2020 despite a significant increase in government financing requirements

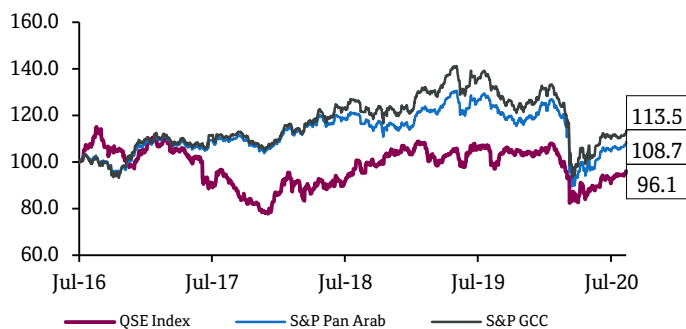
due to low oil prices and coronavirus related spending, we expect that issuance will bounce back over the rest of 2020 as market conditions normalize,” a Moody's Analyst and the report's Author, Thaddeus Best said. “Oil and gas exporters like Qatar and Saudi Arabia have seen their borrowing requirements increase the most since March, but Indonesia, Malaysia and Turkey will also see sizeable increases this year.” (Peninsula Qatar)

- **SoftBank lives the high life on yard sales** – SoftBank, the \$129bn group returned to profit in the last quarter following a dismal three months in the red, buoyed by the sale of T-Mobile shares and other investment gains. Asset sales fueled a jumbo share buyback plan that narrowed a wide conglomerate discount, and there are large exits to come from its Vision funds. They should carry Son over the current soft spot, provided equity markets stay buoyant. SoftBank surprised the market on Tuesday with a 1.3tn Yen net profit for the three months ending June 30, 60% higher than an average of analyst forecasts compiled by Refinitiv. The haul was partly due to an expected 736bn Yen pre-tax gain on the loss of its controlling interest in Sprint, following its April merger with T-Mobile US, and 422bn Yen booked from the sale of T-Mobile stock. The Vision Fund and other SoftBank-managed funds contributed another 297bn Yen in gains. More promisingly, 111bn Yen of those were generated from the sale of shares in four portfolio companies, as rebounding equity markets facilitated exits. (Reuters)
- **Dubai Purchasing Managers' Index rose to 51.7 in July from 50 in June** – Dubai's non-oil economy expanded in July for the first time since its downturn began when the coronavirus pandemic upended travel and commerce. Accompanying the improvement, however, were continuing job losses and a weaker outlook among businesses, according to IHS Markit. Its Dubai Purchasing Managers' Index rose to 51.7 last month, climbing from June's mark of 50 that separates growth from contraction. “July PMI data for the Dubai non-oil private sector signaled the start of a post-Covid-19 recovery,” Economist at IHS Markit, David Owen said in a report on Tuesday. Businesses in Dubai are benefiting from the lifting of lockdown restrictions, with foreign visitors allowed to enter the Middle East's commercial hub from July 7. The UAE, of which Dubai is a part, has kept contagion in check after easing many of the measures imposed to stop the disease. IHS Markit said the survey panel pointed to a pickup in consumer demand as restrictions came down. Companies also saw additional sales as international flights began to operate again and tourist venues reopened. Gains in output and new work were largely behind the first expansion in the non-oil economy in five months. (Bloomberg)
- **EIBANK's reports net loss of AED14.8mn in 2Q2020** – Emirates Investment Bank (EIBANK) recorded net loss of AED14.8mn in 2Q2020. Interest and Investment Income, Net fell 98.2% YoY to AED0.4mn in 2Q2020. Operating income fell 84.6% YoY to AED5.8mn in 2Q2020. Total assets stood at AED2,327.0mn at the end of June 30, 2020 as compared to AED3,120.4mn at the end of June 30, 2019. Shareholder's equity stood at AED452.6mn (-8.2% YTD), while customers' deposits stood at AED1,639.3mn (-0.4% YTD) at the end of June 30, 2020. Loss per share stood at

AED21.14 in 2Q2020 as compared to earning per share of AED17.03 in 2Q2019. (DFM)

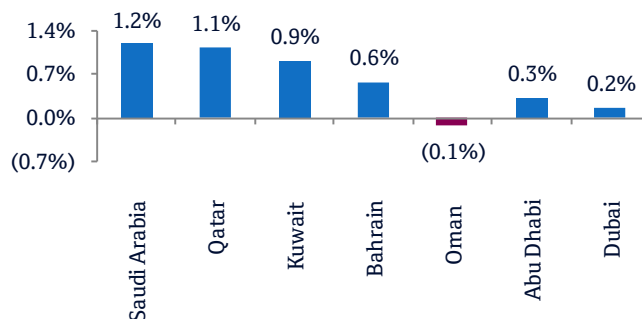
- **Abu Dhabi said to seek local investors for gas pipelines** – Abu Dhabi is considering bringing local investors into its natural-gas pipeline network, according to sources, just months after raising cash from foreign funds. State-owned Abu Dhabi National Oil Co. (ADNOC) is discussing moving its 51% holding in the pipelines into a special-purpose vehicle, according to sources. It would then sell about 20% of the vehicle to one or more local funds, giving them an indirect interest in the underlying assets, the sources said, asking not to be identified because the information is private. The company plans to do any deal at the same valuation as a transaction in June, when it sold a stake in the pipelines to international investors, valuing the asset at nearly \$21bn including debt, sources added. ADNOC would retain operational control of the pipeline network after the sale, according to sources. Abu Dhabi, the capital of the UAE, has been opening up its energy industry as it tries to generate additional sources of funding. The pipeline deals will bring in cash at a time when the Emirate is grappling with this year's plunge in crude prices and the coronavirus pandemic. (Bloomberg)
- **KUNA: Kuwait Oil Co. says dealing with limited oil leak** – Kuwait Oil Co. said it is dealing with limited oil leak. A limited oil leak occurred near the Seventh Round Road area in Kuwait, state-run KUNA reported citing the country's oil company. Emergency teams are dealing with the situation and working to isolate the source of the leak. (Bloomberg)
- **Kuwait Pension Fund plans to triple infrastructure investments** – Kuwait's \$112bn pension fund is looking to more than triple investments in infrastructure as part of its asset-allocation strategy over the next couple of years. "In infrastructure, we're looking to build up aggressively," Director General of the Public Institution for Social Security, Meshal Al-Othman said on Tuesday. "We're at 3% today. We're taking that up to roughly 10%." It will also "slightly increase" investments in hedge funds and real estate, he said. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,911.89	(5.7)	(6.1)	26.0
Silver/Ounce	24.79	(14.9)	(12.4)	38.9
Crude Oil (Brent)/Barrel (FM Future)	44.50	(1.1)	0.2	(32.6)
Crude Oil (WTI)/Barrel (FM Future)	41.61	(0.8)	0.9	(31.9)
Natural Gas (Henry Hub)/MMBtu	2.15	0.0	0.0	2.9
LPG Propane (Arab Gulf)/Ton	50.25	(0.5)	1.0	21.8
LPG Butane (Arab Gulf)/Ton	49.75	1.3	2.8	(24.0)
Euro	1.17	0.0	(0.4)	4.7
Yen	106.49	0.5	0.5	(2.0)
GBP	1.30	(0.2)	(0.0)	(1.6)
CHF	1.09	(0.1)	(0.5)	5.6
AUD	0.71	(0.1)	(0.2)	1.7
USD Index	93.63	0.0	0.2	(2.9)
RUB	73.14	(0.4)	(0.8)	18.0
BRL	0.19	1.8	1.0	(25.3)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,359.47	(0.1)	0.1	0.0
DJ Industrial	27,686.91	(0.4)	0.9	(3.0)
S&P 500	3,333.69	(0.8)	(0.5)	3.2
NASDAQ 100	10,782.82	(1.7)	(2.1)	20.2
STOXX 600	370.76	1.8	2.0	(6.5)
DAX	12,946.89	2.2	2.2	2.6
FTSE 100	6,154.34	1.8	2.4	(19.5)
CAC 40	5,027.99	2.6	2.8	(11.8)
Nikkei	22,750.24	1.4	1.4	(1.7)
MSCI EM	1,091.23	0.4	0.2	(2.1)
SHANGHAI SE Composite	3,340.29	(0.9)	(0.1)	9.8
HANG SENG	24,890.68	2.1	1.5	(11.3)
BSE SENSEX	38,407.01	1.0	1.6	(11.1)
Bovespa	102,174.40	(0.9)	(0.1)	(34.3)
RTS	1,296.01	2.2	1.9	(16.3)

Source: Bloomberg (*\$ adjusted returns)

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