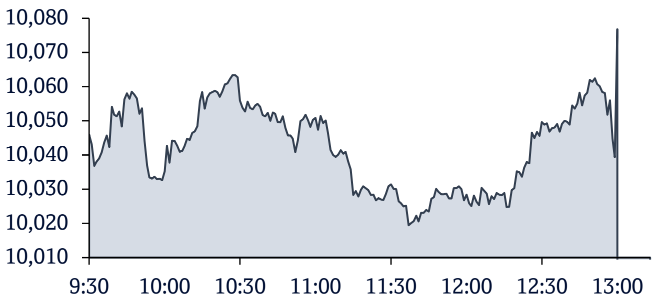
QSE Intra-Day Movement



Market Indicators	07 Aug 24	06 Aug 24	%Chg.
Value Traded (QR mn)	372.3	383.0	(2.8)
Exch. Market Cap. (QR mn)	580,993.3	578,988.3	0.3
Volume (mn)	167.8	141.4	18.7
Number of Transactions	13,854	15,539	(10.8)
Companies Traded	50	49	2.0
Market Breadth	35:12	31:12	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	22,821.53	0.3	(0.5)	(1.8)	11.4
All Share Index	3,555.12	0.3	(0.6)	(2.1)	12.2
Banks	4,309.10	0.3	(0.5)	(5.9)	9.2
Industrials	4,122.69	0.6	(0.5)	0.2	16.7
Transportation	5,518.77	(0.3)	(0.3)	28.8	26.6
Real Estate	1,470.50	0.9	(3.7)	(2.1)	12.5
Insurance	2,259.25	0.8	(0.7)	(14.2)	167.0
Telecoms	1,615.39	(0.5)	(1.6)	(5.3)	9.0
Consumer Goods and Services	7,552.57	0.8	(0.5)	(0.3)	235.6
Al Rayan Islamic Index	4,664.19	0.6	(0.9)	(2.1)	14.3

Qatar Commentary

The QE Index rose 0.3% to close at 10,076.8. Gains were led by the Real Estate and Consumer Goods & Services indices, gaining 0.9% and 0.8%, respectively. Top gainers were Widam Food Company and Qatar General Ins. & Reins. Co., rising 4.3% and 3.3%, respectively. Among the top losers, Al Faleh Educational Holding Co fell 2.2%, while Qatari Investors Group was down 1.2%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.4% to close at 11,729.7. Gains were led by the Pharma, Biotech & Life Science and Capital Goods indices, rising 3.5% and 2.9%, respectively. Rabigh Refining and Petrochemical Co. rose 10.0%, while Baazeem Trading Co. was up 9.9%.

Dubai: The DFM Index gained 1.5% to close at 4,197.7. The Real Estate index rose 2.3%, while the Consumer Discretionary index gained 1.9%. Unikai Foods rose 14.9%, while Amlak Finance was up 4.7%.

Abu Dhabi: The ADX General Index gained 1.1% to close at 9,179.7. The Consumer Staples index rose 7.9%, while the Real Estate index gained 3.1%. National Marine Dredging rose 12.3%, while Agthia Group was up 9.0%.

Kuwait: The Kuwait All Share Index gained 0.9% to close at 7,057.5. The Consumer Staples index rose 5.3%, while the Financial Services index gained 2.0%. Kuwait National Cinema Co. rose 8.9%, while UniCap Investment and Finance was up 8.0%.

Oman: The MSM 30 Index fell 0.1% to close at 4,643.9. Losses were led by the Industrial and Financial indices, falling 0.4% and 0.1%, respectively. The Financial Corporation Company declined 10.0%, while Acwa Power Barka was down 3.7%.

Bahrain: The BHB Index gained 0.1% to close at 1,931.3. Khaleeji Bank rose 5.0%, while Bahrain National Holding was up 2.2%.

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
National Marine Dredging	Abu Dhabi	25.88	12.3	1,632.3	(13.2)
Rabigh Refining & Petro.	Saudi Arabia	8.14	10.0	14,721.6	(21.3)
ADNOC Drilling	Abu Dhabi	4.57	5.1	36,101.8	20.9
Presight AI Holdings	Abu Dhabi	2.29	5.0	9,363.6	5.5
Phoenix Group	Abu Dhabi	1.65	3.8	17,282.0	(26.3)

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Americana Restaurants Int.	Abu Dhabi	2.69	(3.6)	11,938.8	(13.5)
Savola Group	Saudi Arabia	40.05	(3.4)	1,284.6	6.9
Saudi Logistics	Saudi Arabia	289.0	(3.0)	857.9	48.7
Power & Water Utility Co.	Saudi Arabia	59.40	(2.0)	337.3	(8.3)
ELM Co.	Saudi Arabia	921.2	(1.5)	149.2	13.0

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%
Widam Food Company	3.140	4.3	966.5	33.1
Qatar General Ins. & Reins. Co.	0.930	3.3	14.7	(36.7)
Inma Holding	4.095	3.3	231.8	(1.3)
Qatar Aluminum Manufacturing Co.	1.265	3.1	36,181.8	(9.6)
QLM Life & Medical Insurance Co.	2.070	2.7	156.1	(17.2)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Al Faleh Educational Holding Co	0.619	(2.2)	49.9	(26.9)
Qatari Investors Group	1.500	(1.2)	3,068.8	(8.7)
Ooredoo	10.35	(1.0)	1,135.5	(9.2)
Meeza QSTP	3.478	(0.9)	127.1	21.2
Gulf Warehousing Company	3.133	(0.5)	884.7	0.0

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatar Aluminum Manufacturing Co.	1.265	3.1	36,181.8	(9.6)
Lesha Bank	1.298	(0.2)	13,411.5	(1.9)
Mazaya Qatar Real Estate Dev.	0.596	1.9	11,975.5	(17.6)
Vodafone Qatar	1.656	1.3	9,518.6	(13.2)
Baladna	1.370	2.5	9,098.5	11.9

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Qatar Aluminum Manufacturing Co.	1.265	3.1	45,531.7	(9.6)
QNB Group	15.29	(0.1)	31,039.7	(7.5)
Gulf International Services	3.280	0.4	21,896.5	18.9
Dukhan Bank	3.700	1.3	18,854.4	(6.9)
Masraf Al Rayan	2.256	1.3	18,328.4	(15.0)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,076.81	0.3	(0.5)	(0.8)	(7.0)	102.99	159,308.4	11.0	1.3	5.3
Dubai	4,197.67	1.5	(1.9)	(1.6)	3.4	130.26	192,991.2	8.2	1.3	5.7
Abu Dhabi	9,179.74	1.1	(2.0)	(1.7)	(4.2)	348.76	692,365.7	16.6	2.7	2.1
Saudi Arabia	11,729.71	0.4	(2.6)	(3.1)	(2.0)	1,861.47	2,674,682.5	19.0	2.3	3.6
Kuwait	7,057.50	0.9	(2.2)	(2.5)	3.5	156.47	150,590.2	18.0	1.7	3.3
Oman	4,643.85	(0.1)	(0.5)	(0.4)	2.9	4.02	23,742.7	11.9	0.9	5.4
Bahrain	1,931.30	0.1	(2.0)	(2.0)	(2.0)	9.53	19,940.0	7.5	0.6	8.7

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

Qatar Market Commentary

- The QE Index rose 0.3% to close at 10,076.8. The Real Estate and Consumer Goods & Services indices led the gains. The index rose on the back of buying support from Arab shareholders despite selling pressure from Qatari, Foreign and GCC shareholders.
- Widam Food Company and Qatar General Ins. & Reins. Co. were the top gainers, rising 4.3% and 3.3%, respectively. Among the top losers, Al Faleh Educational Holding Co fell 2.2%, while Qatari Investors Group was down 1.2%.
- Volume of shares traded on Wednesday rose by 18.7% to 167.8mn from 141.4mn on Tuesday. Further, as compared to the 30-day moving average of 136.1mn, volume for the day was 23.3% higher. Qatar Aluminum Manufacturing Co. and Lesha Bank were the most active stocks, contributing 21.6% and 8.0% to the total volume, respectively.

Overall Activity	Buy%*	Sell%*	Net (QR)
Qatari Individuals	33.54%	36.31%	(10,301,981.95)
Qatari Institutions	28.89%	27.11%	6,607,411.14
Qatari	**62.43%**	**63.42%**	**(3,694,570.81)**
GCC Individuals	0.44%	0.20%	882,645.67
GCC Institutions	1.21%	3.75%	(9,452,352.49)
GCC	**1.65%**	**3.95%**	**(8,569,706.83)**
Arab Individuals	14.48%	10.56%	14,585,409.94
Arab Institutions	0.00%	0.00%	-
Arab	**14.48%**	**10.56%**	**14,585,409.94**
Foreigners Individuals	3.28%	2.48%	2,970,842.18
Foreigners Institutions	18.16%	19.58%	(5,291,974.47)
Foreigners	**21.44%**	**22.06%**	**(2,321,132.30)**

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

Earnings Calendar

Earnings Calendar

Tickers	Company Name	Date of reporting 2Q2024 results	No. of days remaining	Status
MRDS	Mazaya Qatar Real Estate Development	08-Aug-24	0	Due
ZHCD	Zad Holding Company	08-Aug-24	0	Due
QNCD	Qatar National Cement Company	11-Aug-24	3	Due
MHAR	Al Mahhar Holding	11-Aug-24	3	Due
QNNS	Qatar Navigation (Milaha)	12-Aug-24	4	Due
DOHI	Doha Insurance	12-Aug-24	4	Due
QCFS	Qatar Cinema & Film Distribution Company	12-Aug-24	4	Due
SIIS	Salam International Investment Limited	12-Aug-24	4	Due
WDAM	Widam Food Company	12-Aug-24	4	Due
GISS	Gulf International Services	14-Aug-24	6	Due
QATI	Qatar Insurance Company	14-Aug-24	6	Due
MCCS	Mannai Corporation	14-Aug-24	6	Due
QLMI	QLM Life & Medical Insurance Company	14-Aug-24	6	Due

Qatar

- **BEMA's bottom line rises 25.3% YoY and 52.5% QoQ in 2Q2024 -** Damaan Islamic Insurance Company's (BEMA) net profit rose 25.3% YoY (+52.5% QoQ) to QR24.6mn in 2Q2024. The company's total income came in at QR39.5mn in 2Q2024, which represents an increase of 17.9% YoY (+26.1% QoQ). EPS amounted to QR0.123 in 2Q2024 as compared to QR0.098 in 2Q2023. (QSE)
- **QE Index ETF discloses its financial statements as at and for the period from 01 January 2024 to 30 June 2024 -** QE Index ETF disclosed its financial statements as at and for the period ending 30 June 2024. The statements show that the net asset value as of 30 June 2024 amounted to QAR 391,147,243 representing QAR 9.631 per unit. In addition, QE Index ETF distributed dividends during the second quarter of 2024. (QSE)
- **Appointing the Deputy CEO of GWC -** We are pleased to inform you that Gulf Warehousing Company appointed Mr. Matthew Kearns as Deputy CEO of GWC, effective from 4th August 2024. Mr. Matthew bring more than 14 Years of diverse experience in communication, startups, and logistics industry providing innovative solutions to various business challenges. (QSE)
- **Qatar National Cement Co. to hold its investors relation conference call on August 12 to discuss the financial results -** Qatar National Cement Co. announces that the conference call with the Investors to discuss the financial results for the Semi-Annual 2024 will be held on 12/08/2024 at 12:30 PM, Doha Time. (QSE)
- **QIA invests $180mn in TechMet -** The Qatar Investment Authority (QIA) has made an initial $180mn investment in Ireland-based TechMet, a leading global critical minerals investment entity, reflecting the sovereign fund's commitment to securing the supply of responsibly sourced critical minerals. This investment aligns with QIA's ambition to invest in a broad range of areas in the industrials sectors such as critical minerals, which are required to advance the clean energy transition and to help address the growing demand in the global market for sustainable energy solutions. "A major sovereign investor coming in alongside the US government accelerates our ability to scale and expand the portfolio and build significant value across critical minerals supply chains. We also look forward to working closely with QIA on additional future opportunities," said Brian Menell, founder, chairman and chief executive off icer of TechMet, whose major shareholders include the US International Development Finance Corporation (DFC), S2G Ventures, and the global energy and commodity group Mercuria. Through this investment, QIA is supporting TechMet's mission to build projects across critical minerals supply chains. Funds will be used to develop both TechMet's existing assets and to continue to build its portfolio with strategic projects that scale production and refining of its target critical minerals, which include lithium, nickel, cobalt, and rare earths. The announcement sees TechMet – which is focused on building businesses across the critical minerals value chain, from extraction and processing to refining and recycling - meet its $300mn fundraising target, adding to a follow-on investment from S2G Ventures, bringing their total commitment to $50mn; and an additional $50mn from DFC. The latest DFC commitment takes the US government agency's total investment in TechMet to $105mn, following an initial investment in 2020. Now valued at well over $1bn, TechMet is one of the largest private investors in critical minerals supply chains.

Since inception, TechMet has invested more than $450mn into critical minerals projects in its existing portfolio of assets across North and South America, Europe and Africa, including Brazilian Nickel, Cornish Lithium, EnergySource Minerals, US Vanadium, Trinity Metals, Xerion Advanced Battery Corp, TechMet-Mercuria, Rainbow Rare Earths, REEtec, and Momentum Technologies. (Gulf Times)

- **Commercial realty industry amounts to approximately $17bn -** Qatar's commercial real estate sector is anticipated to reach $16.8bn (QR61.28bn) this year, leading to a whopping amount of $24.19bn (88.24bn) by 2029. In its latest report, Mordor Intelligence stated that the market is expected to grow at a compound annual growth rate of 7.56% during this forecast period. The country is one of the fastest-advancing economies in the world. Researchers state that some of the major factors driving the growth of commercial real estate in Qatar are rising construction activities, GDP growth, and the initiatives of diverse policies by the government. Most of the construction sector works in Qatar are for high-end residential towers, white-collar office spaces, luxury hotels, and shopping malls. Global events including the FIFA World Cup in 2022 attracted more than 1.5mn fans, which supported the demand for hotel rooms during the period. Analysts remark that this is envisioned to expand the hospitality market in the country, as Qatar currently has nearly 26,500 hotel rooms, and it is anticipated that the country may add 15,000 rooms in the years ahead. Over the past three years, the retail space also doubled and it is foreseen to increase by almost 50%, with many new malls scheduled to open in the upcoming years. Market experts explain that the country is also moving towards a shift in demand for infrastructure and logistics, and numerous ongoing international events are continuously driving engagement and drawing more spectators across the globe. The report said "Qatar's government has also introduced foreign ownership laws for various asset classes in the country, which has benefited the real estate market. As per this new law, all asset classes, including offices, shops, and residential villas, in a compound are legalized for freehold ownership." However, there is a significant increase in the number of market players in Qatar, primarily driven by infrastructure development and construction activities happening in the country, according to the industry leaders. "The Qatari real estate market is also witnessing innovations and improvements, such as increased public-private partnerships by the government, which is driving more companies to enter the country's real estate market," it added. (Peninsula Qatar)
- **QCB foreign reserves surge 3.89% in July -** The foreign currency reserves and foreign currency liquidity of the Qatar Central Bank (QCB) increased by 3.89% year-on-year to reach QR250.981bn in July 2024 compared to QR241.572bn in the same period of 2023. The figures released on Wednesday by the QCB showed an increase in its official reserves at the end of July 2024, compared to the end of the same month in 2023, by roughly QR9.038bn to reach QR192.157bn, owing to the increase in the QCB's balances of foreign bonds and treasury bills by around QR1.091bn, to reach QR138.697bn in July 2024. The reserves consist of key categories: bonds and foreign treasury bills, balances with foreign banks, gold, and Special Drawing Rights (SDR), and the State of Qatar's share at the International Monetary Fund (IMF). In addition to the official reserves, there are other liquid assets (foreign currency deposits), together constituting what is known as the total foreign reserves. Gold reserves increased, as of the end of July, by about QR8.551bn compared to July 2023 to reach QR30.682bn. Balances with foreign banks declined by nearly QR457mn, to the level of QR17.610bn at the end of July, compared to July 2023. The balance of SDR deposits from Qatar's share with the IMF decreased by QR147mn by the end of July, compared to July 2023, reaching QR5.166bn. (Gulf Times)
- **QIC Group announces 'strategic restructuring' of UK motor business -** Qatar Insurance Company (QIC) has announced a "strategic restructuring" of its UK motor business. This restructuring is in line with QIC Group's strategy to streamline loss-making and low margin businesses and to bring the international operations of the Group back to profitability. By successfully completing this restructuring, QIC Group is confident that its international business will continue reporting consistent profitability by focusing on less volatile lines of businesses. This restructuring positions the group for greater stability and profitability with controlled exposure to UK Motor as a reinsurer instead of direct insurer. As part of this decision, QIC Group will continue to own the Gibraltar-based subsidiaries, West Bay Insurance and Markerstudy Insurance Company. These companies will continue to service their existing customers in the normal course of business. The Group will therefore no longer classify the companies as a disposal group held for sale and discontinued operation. Commenting on the transaction update, Salem al-Mannai, QIC Group CEO, said: "This decision has been taken in accordance with the Group's approach to rebalance its international and regional operations. We are pleased with the outcome and we look forward to further implementing our strategy, which has, so far, brought us significant success and improved consistent profitability." (Gulf Times)
- **Kahramaa: Smart solutions to cut power use by households -** Qatar General Electricity and Water Corporation (Kahramaa) plans to introduce a smart home device to help reduce power consumption by electric appliances, especially air-conditioners which account for 70% of household electricity consumption during summer. "Now we are heading for smart home energy management systems to control air-conditioners," said Head of the Rationalization Technology Section in the Rationalization and Energy Efficiency Department at Kahramaa, Eng. Nasser Al Khuzaei. Speaking to Qatar TV recently, he said air-conditioners consume 70% of total electricity of household during summer. "The smart device alerts people, gives consumption rate and works as a remote controller, enabling users to switch off air-conditioner running unnecessarily," said Al Khuzaei. Smart home energy management systems perform certain actions automatically, in a way that is designed to reduce energy costs while being tailored to meet people's specific lifestyle needs. They also allow users to monitor their energy consumption and identify performance issues. "With urban development, the house space increased from ground floor to basement, ground floor, first floor and penthouse resulting in an increase in the number of air-conditioners which required a proper management to rationalize power consumption," said Al Khuzaei. He said Kahramaa has launched several initiatives to reduce power consumption in homes including awareness campaigns, issuance of guidelines for increasing the efficiency and best practices. "The National Program for Conservation and Energy Efficiency means optimal use of energy by implementing best practices to reduce the waste in a smart way," said Al Khuzaei. To a question about the energy efficient air-conditioners, he said a mandatory stars system like 7 stars, 9 stars was introduced to encourage people to use green air-conditioners to cut the energy consumption and reduce their bills. (Peninsula Qatar)
- **Qatar esports industry revenue projected at $125.7mn -** The esports industry in Qatar is experiencing a major boom and the market is projected to witness a revenue of up to $125.7mn in 2024, according to recent statistics from Statista, an online platform that specializes in data gathering and visualization. According to the report, this revenue is projected to show an annual growth rate (CAGR 2024–2027) of 6.75%, resulting in a projected market volume of $152.9mn by 2027. Additionally, the number of users in the esports market in Qatar is expected to exceed 436,000 by 2027, while the user penetration rate is projected to be 12.7% in 2024 and is expected to increase to 13.6% by 2027. Qatar Esports Federation (QESF) has been instrumental in fostering the growth of the esports ecosystem. With government backing, the QESF has been actively organizing tournaments, supporting local talent, and collaborating with international e-sports organizations. The country's robust infrastructure, including high-speed internet connectivity and world-class facilities, creates a conducive environment for esports to thrive. Investment in state-of-the-art e-sports arenas and training centers is further solidifying Qatar's position as a regional esports hub. Qatar's strategic shift towards economic diversification has positioned esports as a promising avenue for growth. Statista noted that among the different segments within the e-sports market, the largest market in Qatar is mobile games, with a market volume of $47.24m in 2024. "In a global comparison, the majority of revenue will be generated in China, with an estimated revenue of $94,490.00m in 2024. Furthermore, the average revenue per user (ARPU) in the esports market in Qatar is projected to amount to $323.20 in 2024. Qatar's esports market is rapidly expanding, driven by the increasing popularity of mobile gaming among the tech-savvy youth

population," Statista noted. In 2022, the global esports industry was worth $1.39bn, and is projected to expand by 16.7% annually from 2022 to 2030. The uptick in this projection offers a promising glimpse into the future of esports in the country. Executive Director of QESF, Khalifa Al Haroon said Qatar's commitment to the esports industry through infrastructure and talent development is a testament to its vision of positioning the state as a global hub for competitive gaming and digital innovation. (Peninsula Qatar)

International

- **US corporate bond issuance jumps after brief pullback -** US corporate borrowers flooded the market for new bond sales on Wednesday after sitting on the sidelines earlier in the week due to a spike in borrowing costs. At least 17 corporate issuers tapped the U.S. bond market on Wednesday, including multi-billion dollar deals for tech giant Meta Platforms (META.O), automaker BMW (BMWGC.UL) and for-profit healthcare provider HCA Inc (HCA.N). The strong Wednesday showing follows a dry spell earlier in the week as issuers digested a multi-day widening in credit spreads, the premium over Treasuries that borrowers pay for debt. Treasury yields fell as investors shifted to the safe haven of U.S. government bonds following last week's off-target economic data that stoked fears of a recession. Spreads for high-grade corporate bonds surged to 112 basis points on Monday, their highest since December, the ICE BofA U.S. Investment Grade Corporate Bond Index (MERC0A0), showed. Junk spreads rose to 393 basis points on Monday, the widest since November 2023, according to the ICE BofA U.S. High Yield Index (MERH0A0). High-grade spreads ticked slightly lower to 108 bp on Tuesday, while junk spreads tightened to 367 bps, according to the ICE BofA indexes. Wednesday's issuance spike was likely driven by pent-up supply from issuers planning to sell bonds before "heavy deal traffic" in September, according to Andrzej Skiba, head of the BlueBay U.S. Fixed Income team at RBC Global Asset Management. "(It) also goes without saying that corporates like the economics of locking in much lower Treasury yields ... only offset by a modest widening in spreads," Skiba said. HCA on Wednesday priced a $3bn three-part series of senior notes. Meanwhile, Meta Platforms sold a five-part series of senior unsecured notes worth $10.5bn, its biggest debt offering to date, and BMW priced $3.7bn worth of senior unsecured notes. No investment-grade or junk bond deals priced on Monday, the 13th day this year without a deal outside a Friday or a holiday, according to International Financing Review (IFR) data. Just seven high-grade bond offerings priced on Tuesday, while no junk deals came to market. The early week drought had some market participants lowering their forecasts for August issuance volume. But Wednesday's showing could cause a revision back up in forecasts, according to Skiba. "(We) expect at least $85bn and if enough issuers decide to shift supply from September, we could exceed $100bn," he said. Strong demand for Tuesday's deals likely contributed to Wednesday's high level of issuance, according to Michael Lorizio, senior fixed income trader at Boston-based Manulife Investment Management. "You have a lot of issuers who paused on Monday and even maybe held back yesterday just to make sure the coast was clear in terms of how risk assets are going to be received and now are coming to market today," Lorizio said. Lower concessions, the additional costs required by investors for debt, from Tuesday's issuers likely also led more borrowers to tap the market on Wednesday, according to Dana Burns, senior portfolio manager for investment-grade fixed income at PineBridge Investments. "Issuance had been slower on Tuesday because there were issuers who were concerned about how much of a concession they're going to have to give and they didn't necessarily want to be the first companies to come to market," said Burns. "We've had a bit of a correction here, and I think you're going to go back to more normalized issuance." (Reuters)

- **China's imports resume growth but tamer exports raise outlook concerns -** China's exports grew at their slowest pace in three months in July, missing expectations and adding to concerns about the outlook for the vast manufacturing sector, while a rush to boost chip supplies before expected U.S. tech curbs bumped up imports. Analysts say China's factories will likely face stiff pressure in the months ahead, hobbled by Western tariffs and demand woes while volatility in financial markets and U.S. recession fears raise fresh challenges for policymakers trying to bolster a fragile economic recovery. Outbound shipments climbed 7.0% in July from the year earlier, customs data on Wednesday showed, a slower pace of growth than June's 8.6% rise and missing forecasts of a 9.7% increase. "Due to base effect, China's exports may keep a single-digit growth in the near future, but considering the slowing external demand and tariffs, the outbound shipments in the second half of 2024 will face bigger pressure," said Lynn Song, chief economist for Greater China at ING. Imports rose at a robust 7.2% rate, reversing a 2.3% decline in June and marking the strongest performance in three months. It also beat analysts' expectations of a 3.5% rise. The brighter imports figures were underpinned by Chinese firms' rush to purchase chips ahead of expectations of further United States curbs on chips exports to the Asian giant, said Xing Zhaopeng, senior China strategist at ANZ. "Looking ahead, the upward trade cycle may have ended. Both imports and exports are expected to slow down in the third quarter." Imports of crude oil dropped in July to their lowest since September 2022, while those of iron ore and soybeans climbed from a year earlier. (Reuters)

Regional

- **Investments in oil and gas in Arab countries reach $406bn since 2003 -** The Arab nations have attracted $406bn in investments from 356 foreign and regional companies in the oil and gas sector over the past 22 years, according to recent data from the Arab Investment and Export Credit Guarantee Corp., also known as Dhaman. During this period, which spans from January 2003 to May 2024, the region has seen the execution of 610 projects. The US has emerged as the leading investor, with 85 projects representing approximately 14% of the total. In terms of investment costs, Russia has taken the lead, contributing $61.5bn, which constitutes about 15.2% of the total investment. The Middle East remains the largest holder of proven oil reserves globally. As of 2023, it accounts for approximately 55.5% of the world's known oil reserves, according to the global statistics platform Statista. However, the region's share has declined from nearly 63% in 1960 to less than 56% by 2020. Future projections indicate a continued decline in proven oil reserves in the Arab region. By 2024, reserves are expected to drop to 704bn barrels, or about 41.3% of the global total. This figure is anticipated to decrease further by 7% to 654.5bn barrels by 2030. Additionally, proven natural gas reserves in the region are forecasted to reach approximately 58tn cubic meters, accounting for 26.8% of the global total. This figure is expected to decline by 7.5% to 53.53tn cubic meters by 2030. Despite these anticipated reductions, the production of crude oil, compressed gas, and other liquids in Arab countries is projected to increase. Production is expected to rise by 6.4% to 28.7mn barrels per day in 2024, with an anticipated increase to around 33mn barrels per day by 2030. Dhaman, headquartered in Kuwait, provides guarantee services against commercial and non-commercial risks in Arab countries and is owned by the governments of Arab states along with four Arab financial institutions. (Qatar Tribune)

- **EIA: Global oil demand growth to cool as China slows -** The US government's energy-tracking agency added to a chorus of concerns about falling demand for oil next year caused by an economic slowdown in China, the world's largest crude importer. Global crude consumption will be about 104.5mn barrels a day in 2025, down 200,000 barrels a day from a previous forecast, cutting next year's projected demand growth rate to 1.6%, according to a monthly Energy Information Administration report on Tuesday. The downward revision was driven by concerns that China's economy has been slowing. China reported its weakest economic growth in five quarters last month, and traders and banks have flagged slowing demand in Asia as a bearish factor for crude. The concerns have helped keep oil prices restrained this year even as Opec and its allies dial back production and the conflict in the Middle East raises the risk of supply disruptions in the region. Despite signs of an economic slowdown across the Pacific, jet fuel remains a bright spot in US consumption. Increased air travel led to an upward revision in projected demand for the fuel this year, and next year's consumption is still expected to exceed pre-pandemic levels, the EIA said. The EIA also dialed back forecasts for US oil production growth amid a wave of corporate consolidation and efforts to boost output while using less gear. While the EIA still expects US production to increase this year and next, its forecasts were revised down from last month's report by 0.2% for this year and 0.6% for 2025. The figures are the latest sign the US shale patch is growing more modestly after last year's surprising pop in production that added more than 1mn barrels a day. Still, the expansion in annual US oil production — the EIA projects 2.3% growth this year to 13.23mn barrels a day and an additional 3.5% increase next year — shows producers are achieving the efficiency gains in drilling and fracking that allows them to grow output. "We are clearly doing more with less and becoming more operationally efficient each quarter," Diamondback Energy Inc, one of the biggest producers in the Permian Basin of West Texas and southeast New Mexico, wrote in a letter to stockholders this week. The Permian, which is the world's largest shale field, is forecast to add a modest 20,000 barrels a day through the end of this year and another 340,000 barrels of production next year, according to the latest EIA projections. (Gulf Times)

- **BCG: 85% of GCC firms rank innovation as a top priority -** Companies in the Gulf Cooperation Council (GCC) prioritize innovation more than ever with 85% of senior executives in the region ranking it among their organizations' top priorities, slightly above the global average. This strong commitment to innovation reflects the region's ambition to lead the global knowledge economy. A new report released by Boston Consulting Group (BCG) highlights this positive trend while noting opportunities for GCC firms to enhance their innovation readiness. For its annual innovation study, Innovation Systems Need a Reboot, BCG assessed companies' innovation maturity and surveyed senior innovation executives worldwide, including those in the GCC region. Innovation systems need reboot: While innovation continues to demonstrate value, the study shows that innovation systems globally need a reboot. Innovation priority remains at an all-time high, with 83% of global companies ranking it as a top three priority. However, innovation readiness has sharply declined worldwide, from 20% two years ago to 9% last year and just 3% this year globally. This global trend is even more pronounced in the GCC, where firms exhibit even lower innovation readiness than the global average. The study reveals that while GCC organizations prioritize innovation at a higher level than their global counterparts, they face greater challenges in translating that ambition into readiness. This aligns with global patterns where companies across various regions are struggling to match their innovation priorities with practical readiness, though the gap appears more significant in the GCC. "We are seeing GCC organizations prioritize innovation, with 85% of executives ranking it highly. However, converting this ambition into readiness remains a challenge," said Faisal Hamady, Managing Director and Partner at BCG. "To close this gap, it is crucial to strengthen the link between innovation and business strategy. Organizations must benchmark processes, align them with strategic goals, and leverage Generative AI while addressing talent constraints and rising capital costs." Talent challenges in a changing landscape: When GCC business leaders were asked to rank the challenges facing their innovation teams, talent pool constraints emerged as one of the top concerns, alongside the rising cost of capital. "The GCC is in flux when it comes to attracting top talent," noted Thibault Werle Managing Director and Partner at BCG "While Dubai, Abu Dhabi, and Riyadh have all ranked highly as cities of choice for global talent, the region is still in the nascent stages of building its talent pool. However, as we've seen with many initiatives in the GCC, if you build it, they will come. The rapid development of innovation ecosystems in these cities will likely accelerate talent attraction in the coming years." The study also highlighted the need for a broader ecosystem approach to innovation in the GCC, recognizing the crucial role of public sector leaders and national strategies in driving innovation alongside corporate efforts. (Zawya)

- **Saudi FDI balance records 6.1% growth in 1Q 2024 -** The foreign direct investment (FDI) balance in Saudi Arabia recorded a growth of 6.1% by the end of the first quarter of this year, compared to the same period last year. This indicates the confidence of foreign investors in the Kingdom's investment environment. According to a recent report issued by the Ministry of Investment, foreign direct investment flows achieved a growth of 0.6% during the first quarter of this year, compared to the same period last year. The report revealed that the number of investment licenses issued by the ministry reached 2,728 in the second quarter of 2024, on an annual basis, after excluding licenses related to the campaign to combat violators of the Commercial Concealment Law. This reflects the Kingdom's position as an attractive destination for investors, which enjoys strong competitive advantages represented by a stable and supportive environment for business. Total fixed capital formation achieved a growth of 7.9% during the first quarter of this year, compared to the same period in 2023. This is attributed to the increase in both fixed capital formation of the government and non-government sectors by 17.8% and 7.2% respectively during the same period. The report reveals positive growth in the rates of most economic activities in the first quarter of 2024, on an annual basis, as the wholesale and retail trade, restaurants and hotels activity achieved the highest growth rate of 5.9%, followed by transportation, storage and communications at 5%. The activity of collective, social and personal services and the activity of agriculture, forestry and fisheries achieved growth of 4.5% and 4.4% respectively. The Ministry of Investment, in cooperation with the Thai Investment Board and the Embassy of Thailand in Saudi Arabia, recently organized the Saudi-Thai Investment Forum in Riyadh, in the presence of Minister of Investment Eng. Khalid Al-Falih and Thai Minister of Foreign Affairs Maris Sangiampongsa. A number of officials and CEOs of major companies and representatives of the private sector from both the countries participated in the event. During the forum, the opening of an office for the Thai Investment Board in Riyadh was announced to confirm the strategic partnership, expand trade exchange and enhance economic relations between the Kingdom and Thailand. The forum also witnessed the signing of 11 agreements and memoranda of understanding in several fields such as agriculture, food, tourism, infrastructure, and energy, as well as to enhance trade cooperation and develop trade and investment relations between the two countries. (Zawya)

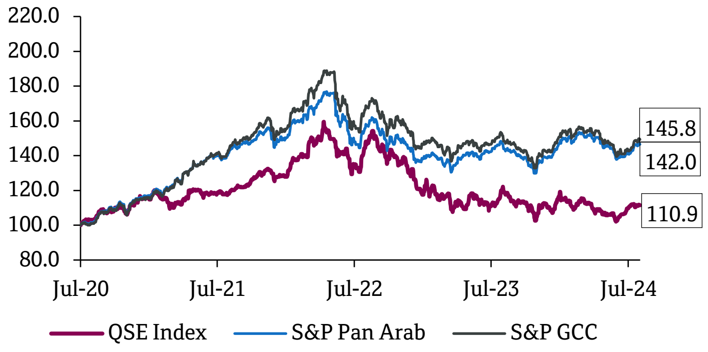
- **Aramco to buy stake in JV Petro Rabigh from Sumitomo Chemical -** Saudi Aramco will buy from Japan's Sumitomo Chemical a 22.5% stake in their petrochemical joint venture Petro Rabigh for $702mn, the companies said on Wednesday, as part of a turnaround plan for the loss-making venture. Under the deal, Aramco and Sumitomo Chemical will each provide $702mn in funding to Petro Rabigh and waive loans worth a total $1.5bn, they said. Petro Rabigh had racked up 8.871bn riyals ($2.36bn) of accumulated losses by the end of June, equivalent to over 53% of its share capital, it said on Wednesday. The Aramco-Sumitomo deal marks a turnaround effort as Petro Rabigh looks to abide by Saudi law, which says that if a joint-stock company's losses are half its issued capital, it must make recommendations to address them within 60 days. An extraordinary general meeting must also be called within 180 days to either take steps to resolve the losses or dissolve the company. The deal shrinks Sumitomo Chemical's stake in the venture to 15%, while increasing Aramco's share to 60%. The remaining 25% is owned by stock market investors. Petro Rabigh said in a second-quarter results filing that its accumulated losses were mainly due to "unfavorable market conditions which resulted in lower or negative margins of the refined and petrochemical products", as well as higher finance costs due to an increase in interest rates. The deal aligns with Aramco's expansion in downstream markets such as refining, and Sumitomo Chemical's move away from commodity chemicals toward specialty chemicals, they added. "While we had decided not to increase our exposure to Petro Rabigh, we came up with the idea to cash our stake and inject the cash to the JV," Sumitomo Chemical President Keiichi Iwata told reporters. "We believe this scheme was the best option." Asked if his company might further reduce its stake in Petro Rabigh, Iwata said: "No such plan at present." Sumitomo Chemical plans to book a pretax loss of ¥27bn ($183mn) in the July-September quarter as a result of the deal, but is sticking to its annual profit forecast announced in April, the company said. (Gulf Times)

- **Saudi: Misk boosts startup growth with Tamkeen procurement meeting -** Misk Entrepreneurship Pathway hosted the second Tamkeen Program procurement meeting yesterday at The City Hub in Misk City, Riyadh. The event aimed to bridge the gap between burgeoning startups and key procurement entities in both the public and private sectors. By facilitating 120 meetings between startups and procurement representatives, Tamkeen equipped entrepreneurs with essential tools to navigate the procurement landscape, expand their networks, and secure strategic partnerships. The program offered invaluable insights into procurement processes, empowering startups to compete and grow. This year's Tamkeen gathering reinforced its position as a pivotal platform for collaboration between the procurement sector and the startup ecosystem, fostering opportunities and knowledge sharing. (Zawya)

- **UAE-China Summit announced during ADGM's China Roadshow -** Abu Dhabi Global Market (ADGM) recently concluded a series of high-level engagements in China and participated in the Shanghai Investment Summit, organized by the Abu Dhabi Investment Office (ADIO) and attended by 200 industry and financial executives from China and Hong Kong. The roadshow covered Shanghai and Hong Kong, featuring the announcement of a new trade forum – 'The UAE-China Summit presented by HSBC', slated to be one of the sub-events of the upcoming edition of Abu Dhabi Finance Week (ADFW) in December. The UAE-China Summit presented by HSBC will mark 40 years of diplomatic relations between the UAE and China, which aim to explore bilateral trade and investment opportunities further and drive the cultural exchange between both countries. The series of roadshows, initially planned for three days, were extended to five days to accommodate the unprecedented demand for bilateral meetings and discussions. These meetings aimed to showcase Abu Dhabi's economic opportunities and investment potential as the 'Capital of Capital,' and ADGM's value proposition as the region's fastest-growing international financial center. Over 75 major financial institutions, including private equity firms, hedge funds, asset managers and family offices from Hong Kong and China actively engaged in strategic discussions with ADGM's Leadership, including representatives from the Financial Services Regulatory Authority (FSRA) of ADGM and other key ADGM executives. Discussions spanned cross-border regulatory cooperation with the Hong Kong Monetary Authority, expansion plans in Abu Dhabi for various Hong Kong and Chinese firms, and strategies to enhance liquidity in each other's capital markets. Arvind Ramamurthy, Chief of Market Development at ADGM, said, "The enthusiastic response we received during the China and Hong Kong roadshows underscores Abu Dhabi's growing international recognition. Along with ADGM, ADFW has been playing a pivotal role in carrying Abu Dhabi's 'Falcon Economy' across global borders. The demand in the Chinese subcontinent is unprecedented, and both Abu Dhabi and ADGM are ready to embrace these opportunities, further strengthening the 40-year diplomatic relations between our strategically important nations." Mohamed Al Marzooqi, Chief Executive Officer, UAE, HSBC Bank Middle East, said, "Over the last decade, bilateral investment between the UAE and China has reached billions of dollars, with the UAE's non-oil trade with China reaching $81bn in 2023. As Abu Dhabi's multi-year transformation plans accelerate and China's pro-business policies bolster its status as a giant in international trade, and a global leader in renewables, we foresee a surge in both inbound and outbound business opportunities along the corridor. Our long-standing presence in both countries, extensive expertise and international network position us well to support businesses and institutions seeking to capture investment and financial flows along these two dynamic markets." (Zawya)

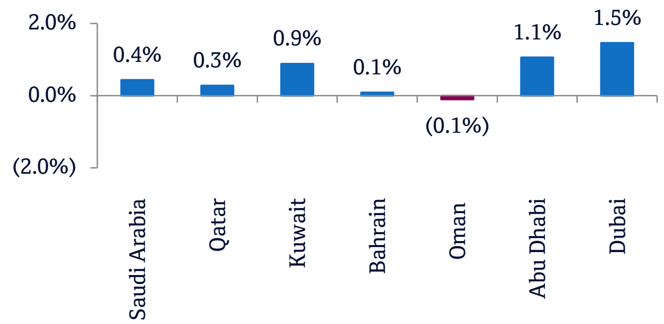
- **Dubai's DXB airport sees record year for passengers after 8% rise in H1 -** Dubai's main airport is on track to handle a record number of passengers this year after an 8% year-on-year increase in the first six months, operator Dubai Airports said on Wednesday. Dubai International Airport (DXB), the world's busiest airport for international traffic, welcomed 44.9mn passengers in the first half of the year, Dubai Airports said, noting strong demand from key markets such as India and the resurgence of China. Traffic from China, hit hard by restrictions during the COVID-19 pandemic, exceeded one million passengers, up 80% year-on-year and representing 90% of 2019 levels. "We have a very optimistic outlook for the remainder of the year, and we are on track to break records with 91.8mn annual guests forecasted for 2024," CEO Paul Griffiths said in a statement. In May, Griffiths forecast 91mn passengers for the year, surpassing the airport's previous annual record of 89.1mn in 2018. Dubai is a major tourism and trade hub in the Middle East, attracting a record 17.15mn international overnight visitors in 2023. Thousands of foreigners have flocked to the city, attracted by massive infrastructure spending, generous income tax policies and an open-door approach to immigration. In April, Dubai's ruler Sheikh Mohammed bin Rashid al-Maktoum approved a new passenger terminal at Al Maktoum International airport worth 128bn dirhams ($35bn). Al Maktoum International Airport will be the largest in the world with a capacity of up to 260mn passengers, and five times the size of DXB, the Sheikh said at the time, adding all operations at Dubai airport would be transferred to Al Maktoum in the coming years. DXB connects to 269 destinations across 106 countries. After India, Saudi Arabia, Britain and Pakistan were the top three countries by passenger numbers, Dubai Airports said. (Reuters)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	2,382.92	(0.3)	(2.5)	15.5
Silver/Ounce	26.61	(1.4)	(6.8)	11.8
Crude Oil (Brent)/Barrel (FM Future)	78.33	2.4	2.0	1.7
Crude Oil (WTI)/Barrel (FM Future)	75.23	2.8	2.3	5.0
Natural Gas (Henry Hub)/MMBtu	1.85	0.0	(2.1)	(28.3)
LPG Propane (Arab Gulf)/Ton	76.00	4.1	5.4	8.6
LPG Butane (Arab Gulf)/Ton	72.00	2.9	1.0	(28.4)
Euro	1.09	(0.1)	0.1	(1.1)
Yen	146.68	1.6	0.1	4.0
GBP	1.27	0.0	(0.9)	(0.3)
CHF	1.16	(1.2)	(0.3)	(2.4)
AUD	0.65	(0.0)	0.1	(4.3)
USD Index	103.20	0.2	(0.0)	1.8
RUB	110.69	0.0	0.0	58.9
BRL	0.19	0.8	0.8	(10.0)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,372.32	(0.3)	(2.2)	6.4
DJ Industrial	38,763.45	(0.6)	(2.5)	2.8
S&P 500	5,199.50	(0.8)	(2.8)	9.0
NASDAQ 100	16,195.81	(1.0)	(3.5)	7.9
STOXX 600	495.96	1.5	(0.3)	2.2
DAX	17,615.15	1.4	(0.2)	3.8
FTSE 100	8,166.88	1.8	(0.7)	5.2
CAC 40	7,266.01	1.9	0.3	(4.9)
Nikkei	35,089.62	(0.1)	(2.5)	0.3
MSCI EM	1,050.30	1.9	(1.0)	2.6
SHANGHAI SE Composite	2,869.83	(0.2)	(1.3)	(4.6)
HANG SENG	16,877.86	1.3	(0.3)	(0.8)
BSE SENSEX	79,468.01	1.1	(2.0)	9.1
Bovespa	126,266.70	2.6	1.5	(19.1)
RTS	1,151.93	(0.0)	0.0	6.3

Source: Bloomberg ($ adjusted returns if any)*

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