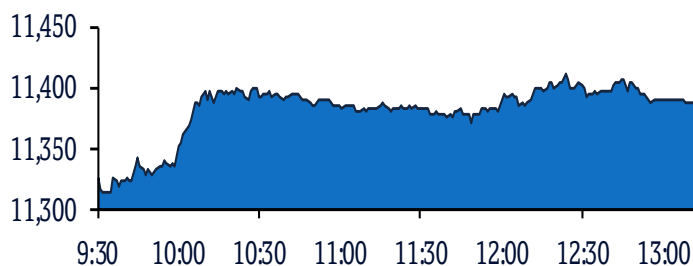


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.7% to close at 11,386.5. Gains were led by the Industrials and Consumer Goods & Services indices, gaining 2.0% and 0.4%, respectively. Top gainers were Industries Qatar and Gulf International Services, rising 3.6% and 2.3%, respectively. Among the top losers, Islamic Holding Group fell 1.9%, while Zad Holding Company was down 1.5%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.1% to close at 11,382.4. Gains were led by the Software & Services and Energy indices, rising 3.1% and 2.9%, respectively. Al Moammar Information System rose 3.8%, while Saudi Arabian Oil Co. was up 3.6%.

Dubai: The DFM Index gained 0.5% to close at 2,830.7. The Banks index rose 1.0%, while the Investment & Financial Services index gained 0.8%. Al Firdous Holdings rose 14.5%, while National International Holding Company was up 14.0%.

Abu Dhabi: The ADX General Index gained 0.1% to close at 7,756.3. The Banks and Services index were up 0.6% each. Gulf Cement Co. rose 11.1%, while Abu Dhabi National Takaful Co. was up 10.0%.

Kuwait: The Kuwait All Share Index gained 0.1% to close at 6,874.7. The Insurance index rose 0.8%, while the Basic Materials index gained 0.7%. National Consumer Holding Co. rose 16.3%, while Kuwait Real Estate Holding Co. was up 10.5%.

Oman: The MSM 30 Index gained 0.5% to close at 3,952.1. Gains were led by the Services and Industrial indices, rising 1.1% and 0.9%, respectively. Oman Fisheries Company rose 7.9%, while Al Madina Investment Company was up 7.1%.

Bahrain: The BHB Index gained 0.2% to close at 1,701.8. The Materials index rose 0.9%, while the Financials index gained 0.2%. Al-Salam Bank rose 1.2%, while Aluminum Bahrain was up 0.9%.

Market Indicators	28 Sept 21	27 Sept 21	%Chg.
Value Traded (QR mn)	624.1	447.4	39.5
Exch. Market Cap. (QR mn)	655,712.2	652,038.8	0.6
Volume (mn)	256.3	168.5	52.1
Number of Transactions	12,335	10,474	17.8
Companies Traded	46	46	0.0
Market Breadth	26:14	21:25	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	22,540.15	0.7	1.3	12.3	17.3
All Share Index	3,592.57	0.5	1.0	12.3	18.1
Banks	4,735.59	0.1	0.0	11.5	15.6
Industrials	4,015.30	2.0	4.1	29.6	21.5
Transportation	3,397.30	(0.3)	(0.1)	3.0	19.0
Real Estate	1,802.76	0.3	0.6	(6.5)	16.7
Insurance	2,569.35	0.0	(0.0)	7.2	17.0
Telecoms	1,068.05	(0.1)	1.3	5.7	N/A
Consumer	8,210.13	0.4	0.2	0.8	22.8
Al Rayan Islamic Index	4,777.09	0.6	1.4	11.9	18.1

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Industries Qatar	Qatar	15.02	3.6	4,923.6	38.2
Saudi Arabian Oil Co	Saudi Arabia	36.35	3.6	31,507.4	3.9
Yanbu National Petro. Co.	Saudi Arabia	71.30	1.9	3,154.1	11.6
Emirates NBD	Dubai	13.80	1.8	863.9	34.0
Oman Telecomm.	Oman	0.75	1.6	230.7	5.0

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Saudi Industrial Inv.	Saudi Arabia	38.50	(3.5)	6,285.9	40.5
Saudi Cement Co.	Saudi Arabia	61.70	(2.2)	227.1	0.3
Saudi Kayan Petrochem.	Saudi Arabia	20.50	(2.0)	18,928.1	43.4
Rabigh Refining & Petro.	Saudi Arabia	27.65	(1.8)	7,781.4	100.1
Saudi Telecom Co.	Saudi Arabia	124.60	(1.6)	2,137.6	18.5

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%
Industries Qatar	15.02	3.6	4,923.6	38.2
Gulf International Services	1.61	2.3	51,039.3	(6.1)
Qatari German Co for Med. Dev.	3.11	2.0	3,664.6	39.1
Mannai Corporation	4.05	1.7	4.3	35.0
Medicare Group	8.34	1.0	463.1	(5.7)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Investment Holding Group	1.43	0.6	62,980.4	138.6
Gulf International Services	1.61	2.3	51,039.3	(6.1)
Salam International Inv. Ltd.	0.95	0.6	31,569.9	46.2
Mesaieed Petrochemical Holding	2.26	(0.4)	13,888.5	10.5
Qatar Aluminum Manufacturing Co	1.88	0.6	9,110.0	94.8

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Inma Holding	5.03	(1.9)	1,075.7	(1.7)
Zad Holding Company	15.56	(1.5)	1.8	14.8
Al Khaleej Takaful Insurance Co.	4.47	(1.4)	87.5	135.3
Qatar National Cement Company	4.91	(0.7)	602.3	18.3
Mesaieed Petrochemical Holding	2.26	(0.4)	13,888.5	10.5

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Investment Holding Group	1.43	0.6	90,781.3	138.6
Gulf International Services	1.61	2.3	81,605.0	(6.1)
Industries Qatar	15.02	3.6	73,377.4	38.2
QNB Group	19.00	0.0	41,239.7	6.6
Mesaieed Petrochemical Holding	2.26	(0.4)	31,575.8	10.5

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*	11,386.45	0.7	1.3	2.6	9.1	170.01	178,419.3	17.3	1.7	2.6
Dubai	2,830.71	0.5	(0.3)	(2.5)	13.6	39.32	105,805.6	20.9	1.0	2.7
Abu Dhabi	7,756.31	0.1	(0.9)	0.9	53.7	347.78	363,551.2	24.1	2.4	3.0
Saudi Arabia	11,382.41	0.1	1.0	0.6	31.0	2,362.41	2,688,263.8	27.6	2.4	2.3
Kuwait	6,874.71	0.1	(0.0)	1.3	24.0	176.19	132,454.7	27.5	1.7	1.9
Oman	3,952.13	0.5	0.6	(0.4)	8.0	6.57	18,561.3	11.8	0.8	4.0
Bahrain	1,701.79	0.2	(0.0)	3.4	14.2	15.13	27,258.0	12.0	0.8	3.2

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 0.7% to close at 11,386.5. The Industrials and Consumer Goods & Services 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.
- Industries Qatar and Gulf International Services were the top gainers, rising 3.6% and 2.3%, respectively. Among the top losers, Islamic Holding Group fell 1.9%, while Zad Holding Company was down 1.5%.
- Volume of shares traded on Tuesday rose by 52.1% to 256.3mn from 168.5mn on Monday. Further, as compared to the 30-day moving average of 165.1mn, volume for the day was 55.2% higher. Investment Holding Group and Gulf International Services were the most active stocks, contributing 24.6% and 19.9% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	43.12%	41.55%	9,783,358.0
Qatari Institutions	24.67%	33.32%	(53,991,656.7)
Qatari	67.79%	74.87%	(44,208,298.8)
GCC Individuals	0.54%	0.58%	(247,755.6)
GCC Institutions	2.42%	2.11%	1,922,868.2
GCC	2.96%	2.69%	1,675,112.7
Arab Individuals	10.31%	9.64%	4,205,979.5
Arab Institutions	0.00%	0.00%	–
Arab	10.31%	9.64%	4,205,979.5
Foreigners Individuals	2.68%	2.27%	2,508,051.0
Foreigners Institutions	16.27%	10.53%	35,819,155.6
Foreigners	18.94%	12.80%	38,327,206.6

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

Global Economic Data and Earnings Calendar

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
09-28	US	U.S. Census Bureau	Wholesale Inventories MoM	Aug	1.20%	0.80%	0.60%
09-28	US	U.S. Census Bureau	Retail Inventories MoM	Aug	0.10%	0.50%	0.40%
09-28	US	Conference Board	Conf. Board Consumer Confidence	Sep	109.3	115	115.2
09-28	Germany	GfK AG	GfK Consumer Confidence	Oct	0.3	-1.5	-1.1
09-28	France	INSEE National Statistics Office	Consumer Confidence	Sep	102	100	99

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 3Q2021 results	No. of days remaining	Status
QNBK	QNB Group	10-Oct-21	11	Due
QNCD	Qatar National Cement Company	10-Oct-21	11	Due

Source: QSE

Qatar

- DHBK board of directors approve to increase the non-Qatari ownership threshold to 100%** – Doha Bank (DHBK) board of directors decided, during the meeting held on September 26, 2021, and in accordance with the laws and decisions applicable to foreign investment ownership in Qatar shareholding companies, approved the amendment of the Articles of Association to increase the percentage of non-Qatari ownership to 100% subject to the approval of the concerned official authorities. Once the approvals are earned, the bank will convene an extraordinary general assembly, at a day and time to be announced later. (QSE)
- Wasata Financial Services will start liquidity provision activity for Mekdam Holding from October 03** – Qatar Stock Exchange announced that Wasata Financial Services will start liquidity provision activity for Mekdam Holdings from October 03, 2021. (QSE)
- Qetaifan Projects, UK firms sign QR634mn MoU for school, hospital** – Qetaifan Projects, the master developer of Qetaifan Island North, signed a memorandum of understanding (MoU) and entered a partnership with leading companies in the UK for the development of two projects worth QR634mn (£1275mn) in Qatar. Qetaifan Projects managing director Sheikh Nasser bin Abdul Rahman Al-Thani signed the MoU with Aplomado Investments CEO Jeremy Bussey and James Van Den Heule, Director at Fenton Whelan, for the establishment of a British 5-star healthcare facility and British private school, which will be located on Qetaifan Island North. International Hospitals Group (IHG) is advising the partnership in identifying the operating partner for the healthcare facility. To contribute to the implementation and success of the new development partnership between British and Qatari companies, Aplomado Investments and Fenton Whelan are working with UK Export Finance, the UK government's export credit agency, which is providing an export credit loan to assist with project procurement and logistics. Located on a 6,010 square meters plot, the premiere healthcare center will provide 8,500 square meters of state-of-the-art medical facilities and cutting-edge healthcare services. (Gulf-Times.com)
- Qatar's OPEC decision will boost its energy independence** – Speaking at a Future of the Oil and Gas Industry conference, Pulitzer prize-winning author and global energy expert Daniel Yergin said that the Covid-19 pandemic has revealed that the global gas market is more resilient than its oil counterpart. According to McKinsey, the world is witnessing a new global energy transformation, in which liquefied natural gas (LNG) will not only show resilience but also be the fastest-growing fossil fuel between 2020 and 2035. When, one year before the pandemic in 2018, the world's largest exporter of LNG, Qatar, announced its decision to pull out of OPEC, it ended nearly 60 years of membership of the international oil producers' cartel. The withdrawal from OPEC membership did not mean that Qatar was getting out of the oil business altogether; it was simply withdrawing from an organization that governs oil markets. The decision came against the background of an oil price war between major OPEC member countries Saudi Arabia and Russia. Rather than become entangled in the disagreement, Qatar apparently decided to focus on the development of its own national energy resources. (Bloomberg)
- World-class projects key in attracting FDI to Qatar, says Qetaifan Projects official** – Ambitious undertakings, such as the QR634mn (£1275mn) British school and medical facility to rise in Qetaifan Island North, reflect the keenness of the Qatari government's bid to attract more foreign direct investments (FDI), an official of Qetaifan Projects said. Sheikh Nasser bin Abdul Rahman al-Thani, managing director of Qetaifan Projects, said the memorandum of understanding (MoU) and partnership he signed with UK specialist real estate developer, Fenton Whelan, and UK investment and development firm, Aplomado Investments Ltd, "shows the concerted efforts of government bodies and institutions in the country." Speaking at the signing ceremony, Sheikh Nasser said Qatari government bodies and institutions "have worked and are still working to provide an attractive investment environment for foreign investments. "And perhaps the most prominent of these efforts is starting to implement the freehold law for non-Qataris, which would provide the local market with international standards and options that work on developing and revitalizing sectors, such as tourism, hospitality, entertainment, and, of course, real estate development," he said. (Gulf-Times.com)
- CRA publishes results of Quality of Service audit of mobile networks 2020** – The Communications Regulatory Authority (CRA) published on September 28, on its website the summary results report of its extensive audit of mobile networks that was conducted from September to December 2020 aimed at assessing the improvements of the Quality of Service (QoS) levels offered by the telecom service providers in Qatar: Ooredoo Qatar (ORDS) and Vodafone Qatar (VFQS). The audit measured some of the Key Performance Indicators of the services provided by the Service Providers, which are in line with the standards and conditions of the licenses granted to them by the CRA and the applicable regulatory framework. The audit covered mobile voice calls, Short Message Service, and mobile Internet data services which include the service provided through the Fifth Generation (5G) network. The audit was conducted during the peak hours of working days on more than 55,000 samples that were collected from different areas in Qatar including main roads and highways, major pedestrian areas as well as several indoor locations. The CRA used its QoS systems in addition to the latest versions of devices and smartphones, to obtain results that reflect the experience of mobile telecom consumers in Qatar. (Gulf-Times.com)
- Qatar Airways increases shareholding in major international airlines despite Covid-19 pandemic** – Qatar Airways has increased its shareholding in two major international airlines despite the Covid-19 pandemic, which has hit global aviation hard. During the year under review, the national airline also participated in the restructuring plan of a major South American carrier. Despite the "unprecedented" challenges, 2020/21 saw Qatar Airways stand in support of its industry peers by increasing its shareholding in International Consolidated Airlines Group (IAG) and Cathay Pacific Airways as well as participating in the restructuring plan of LATAM Airlines Group, Qatar Airways said in its 'Annual Report 2021'. In July 2020, IAG announced its proposal to undertake a capital increase of €2.7bn by the issuance of right shares. Qatar Airways subscribed for 25.1% in proportion to its shareholding in the company, providing much-needed support to IAG during the most difficult times in the history of aviation. Cathay Pacific, Hong Kong's flag carrier, raised \$1.5bn from its shareholders, with Qatar Airways contributing by subscribing for shares in proportion to its shareholding of 9.99%. In May 2020, LATAM Airlines Group initiated a voluntary reorganization and restructuring of debt, under Chapter 11 protection in the United States, and Qatar Airways – one of its largest shareholders – supported the South American carrier by providing a cash injection of \$250mn. (Gulf-Times.com)
- Qatar Airways gets \$3bn state aid after huge loss** – Qatar Airways said it received \$3bn in state aid to weather the

coronavirus travel downturn and to offset losses it blamed on the cost of grounding aircraft. The airline reported an overall loss of \$4.1bn for the year to March 31, double the figure for the same period the year before. Without the cost of grounding its Airbus A380 and A330 aircraft, Qatar Airways reported an underlying operating loss for the year of \$228.3mn compared with \$310mn the previous year. (Bloomberg)

- **Qatar Airways named 'Airline of the Year' by Skytrax for record 6th time** – Qatar Airways has been announced as 'Airline of the Year' by the international air transport rating organization, Skytrax, in addition to securing five additional awards - World's Best Business Class, World's Best Business Class Airline Lounge, World's Best Business Class Airline Seat, World's Best Business Class Onboard Catering and Best Airline in the Middle East. The airline continues to stand alone at the top of the industry having now won the main prize for an unprecedented sixth time (2011, 2012, 2015, 2017, 2019 and now 2021), Qatar Airways said in a statement. (Gulf-Times.com)
- **Kamco Invest: Qatar project contracts surge 215% in 1H2021** – Qatar was the most active player among the GCC peers in the regional project market with Doha reporting 215% jump YoY in value during the first half of 2021, according to Kamco Invest. "Qatar recorded the biggest 1H2021 contracts awarded during 1H2020" Kamco said in its latest project update for the Gulf region. As per Qatar's 2021 budget document, Ashghal will sew new projects of QR47.5bn, which includes QR35.2bn for development of existing areas and new citizens lands; QR5.8bn for maintenance; QR4.9bn for drainage and estuaries; and QR1.6bn for roads and public place beautification projects. Qatar has identified new projects valued at QR54bn in the medium term; even as the Ministry of Finance, in cooperation with the Public Works Authority (Ashghal) is working on implementing a strategic plan by linking targeted performance indicators for new projects. (Gulf-Times.com)
- **Property Finder Qatar: Qatar real estate market to reach stable pricing index in 2022** – Qatar is expected to reach a stable pricing index in the coming year, despite the current price and supply fluctuations, according to Property Finder Qatar, the country's leading property platform. "The slowdown impact of the pandemic continues to significantly affect the market; however, sale transactions and rental deals are rising as investors and property buyers look to take advantage of lower market prices," says Property Finder Qatar, Country Manager, Afaf Hashem. The platform reports shifts in rental price; which have allowed many to upgrade their accommodation, and others to take advantage of affordable prices for smaller units, such as studios. According to the Ministry of Justice's Real Estate Bulletin; 2Q2021 saw 1,244 sales transactions, valued at over QR6bn. (Qatar Tribune)
- **Qatar to showcase mega projects, investment opportunities at Expo 2020** – Qatar will showcase mega projects that have been completed to host the FIFA World Cup 2022 and other investment opportunities as part of its diversification plans at the Expo 2020 Dubai, which is taking place from October 1 until March 31, 2022. (Gulf-Times.com)
- **Qatar Tourism participates in Seatrade Cruise Global 2021** – Qatar, represented by a delegation comprising of government and private agencies, and spearheaded by Qatar Tourism and Mwani Qatar, is participating in the Seatrade Cruise Global Exhibition and Conference. Taking place in Miami from September 28 to 30, this global platform brings together leaders from the cruise industry to explore the latest industry trends. With participants from 140 countries, Seatrade Cruise Global will have more than 700 exhibitors from sectors including ports and destinations, ship equipment and shipbuilding,

entertainment, environment and health, hospitality, information technology, and much more. (Gulf-Times.com)

- **Saudi Foreign Ministry's undersecretary meets Qatar's ambassador** – The Undersecretary of the Ministry of Foreign Affairs for Political and Economic Affairs in the Kingdom of Saudi Arabia Eid bin Mohammed Al Thaqafi met with HE the Ambassador of the State of Qatar to the Kingdom of Saudi Arabia Bandar bin Mohammed Al Attiyah. The meeting dealt with reviewing bilateral cooperation between the two countries. (Gulf-Times.com)
- **Two 2022 World Cup stadiums to be inaugurated in Qatar in November** – Two stadiums for the 2022 World Cup in Qatar will be inaugurated during the Arab Cup in November, organizers said. The Al Bayt stadium will welcome fans for the first time to host Qatar's opener against Bahrain, while the Ras Abu Aboud stadium will do the honors for the encounter between the UAE and Syria. The FIFA Arab Cup 2021 is set to kick off on November 30, with 16 teams from across the Arab world. Already in October, another World Cup stadium, Al Thumama, will have its curtain raiser when it hosts the 49th Amir Cup final between Qatar Stars League sides Al Rayyan and Al Sadd. The inauguration, scheduled for October 22, will mark the completion of the fifth stadium for the World Cup after Khalifa International, Al Janoub, Education City and Ahmad Bin Ali. The 40,000-seat arena will also be one of six Qatar 2022 venues to be featured during the FIFA Arab Cup later this year. All eight World Cup stadiums will be ready well in advance ahead of the tournament, which kicks off on November 21, 2022. The inauguration date of the Lusail Stadium, which will host the World Cup final, has yet to be announced. (Bloomberg)
- **Transport Engineering Conference & Exhibition to begin on October 4** – The Transport Engineering Conference and Exhibition will be held from October 4 to 6, at the Ritz-Carlton–Doha, the Organizing Committee announced at a press conference. The conference is being organized by the Qatar Society of Engineers under the patronage of the Ministry of Transport and Communications (MoTC). (Qatar Tribune)

International

- **US consumer confidence hits seven-month low as near-term economic outlook dims** – US consumer confidence fell to a seven-month low in September as a relentless rise in COVID-19 cases deepened concerns about the economy's near-term prospects, fitting in with expectations for a slowdown in growth in the third quarter. The survey from the Conference Board on Tuesday showed consumers less interested in buying a home and big-ticket items such as motor vehicles and major household appliances over the next six months. Consumers were also not as upbeat in their views of the labor market as in the prior month. Economic activity has cooled in recent months as the boost from pandemic relief money faded and infections flared up, driven by the highly contagious Delta variant of the coronavirus. Labor and raw material shortages have also chipped away at growth. "But given that wage seems to be cresting, there's hope confidence just hit its nadir," said Robert Frick, corporate economist at Navy Federal Credit Union in Vienna, Virginia. "Assuming predictions of Delta dropping hold true, this setback may be a three-month trough during the recovery rally." The Conference Board said its consumer confidence index dropped to a reading of 109.3 this month from 115.2 in August. The third straight monthly decline pushed the index to the lowest level since February. The measure, which places more emphasis on the labor market, has dropped 19.6 points from a peak of 128.9 in June. It was in contrast with the University of Michigan's survey of consumers, which showed sentiment stabilizing early this month. Economists polled by Reuters had forecast the consumer confidence index nudging

up to 114.5. "These back-to-back declines suggest consumers have grown more cautious and are likely to curtail spending going forward," said Lynn Franco, senior director of economic indicators at the Conference Board in Washington. Politicians in Washington bickering over extending the federal government's borrowing capabilities are also casting a cloud. Treasury Secretary Janet Yellen told lawmakers on Tuesday that the government could run out of cash by October 18 unless the US Congress raised the debt limit. (Reuters)

- **ECB's Lagarde, Panetta warn against tightening too soon** – European Central Bank President Christine Lagarde and board member Fabio Panetta on Tuesday urged patience before tightening the ECB's ultra-easy policy as the Eurozone economy emerges from a pandemic-induced slump. With price pressures steadily building on a slew of factors, from higher energy prices to supply bottlenecks, Eurozone borrowing costs have risen in recent weeks as investors bring forward their interest rate hike expectations. But Lagarde and Panetta stressed the ECB should not jump the gun. "The key challenge is to ensure that we do not overreact to transitory supply shocks that have no bearing on the medium term," Lagarde told an ECB conference. "We will only react to improvements in headline inflation that we are confident are durable and reflected in underlying inflation dynamics," she told the ECB Forum on Central Banking. "We see no signs that this increase in inflation is becoming broad-based across the economy." Panetta later added that the ECB should "effectively support aggregate demand, avoiding premature actions that could drive up bankruptcies". Overnight index swaps price in a 10-basis-point rate hike three years from now, compared with five or six years down the line as recently as late August. Inflation could rise as high as 4% by the end of this year, twice the rate of its target. But Lagarde argued that price growth will then quickly sink back below the bank's target and languish under its 2% objective for years to come. "The fact that inflation can move moderately above target for a transitory period allows us to be patient about tightening policy until we are certain that such improvement is sustained," she said. "We still need an accommodative monetary policy stance to exit the pandemic safely and bring inflation sustainably back to 2%." Adding to her case for patience, wage growth remains muted and unemployment is not expected to fall below its pre-crisis level until the second quarter of 2023. A big policy move is still expected in December, when the bank is likely to decide to end a 1.85tn Euro pandemic emergency stimulus scheme. The big question then will be whether more standard measures will be ramped up to pick up the slack. (Reuters)
- **GfK: German consumer morale brightens heading into October** – The mood among German consumers brightened unexpectedly heading into October to reach its highest level in a year and a half, a survey showed on Tuesday, in a sign that households continue to support the recovery in Europe's largest economy. The GfK institute said its consumer sentiment index, based on a survey of around 2,000 Germans, rose to 0.3 points for October, from a revised -1.1 points a month earlier. The reading compared with a Reuters forecast for -1.6. Both economic and income expectations improved significantly while the propensity to buy rose slightly, GfK said. Consumers became more optimistic in light of falling coronavirus infections that the fourth wave in the pandemic could be less pronounced than many feared, the survey showed. "That is why many consumers can once again see scope for restrictions to be eased further," GfK consumer expert Rolf Buerkl said in a statement. But Buerkl cautioned that even if consumer sentiment had almost reached its pre-crisis level, it was still too early for talk of a fundamental trend shift. "Instead, we must first see how the infection situation develops in the winter months

and if new restrictions become necessary," he added. Consumer spending drove a 1.6% economic expansion in Germany in the second quarter, providing support for an economy which is struggling with supply bottlenecks in manufacturing. The German government expects the economy to pick up steam in the third quarter but business activity is likely to cool again in the final three months of the year. (Reuters)

- **French consumer confidence stronger than expected in September** – French consumer confidence improved more than expected in September as households' concerns about unemployment eased, a monthly survey showed on Tuesday. The INSEE official statistics agency said its consumer confidence index rose to 102 from 99 in August, hitting its highest level since June. The improvement brought confidence back to pre-pandemic levels and beat the average forecast of 100 in a Reuters poll of 15 economists. With the economy rebounding strongly as the coronavirus crisis subsides, households' concerns about unemployment fell to their lowest level since February 2020, just before the outbreak began in France. The number of people registered as seeking work at unemployment agencies has fallen sharply since April, and the Labor Ministry said jobless claims dropped 51,100 in August to 3,308,700, just above the level seen before the crisis started. (Reuters)
- **Italy sets 2021 GDP target at 6%, deficit/GDP at 9.5%** – Italy forecasts economic growth of 6% this year following the record contraction of 8.9% in 2020, two government sources said on Tuesday, while the budget deficit is targeted at 9.5% of gross domestic product (GDP). The 6% GDP growth forecast is an upward revision from a projection of 4.5% set in April, while the new deficit goal of 9.5% is a sharp reduction from the previous 11.8% estimate. The lower deficit will drive Italy's debt-to-GDP ratio below the previous 159.8% goal, but it will still be above the 2020 level of 155.6% and mark a new post-war record, the sources said. They were not immediately able to give the new target, but said the debt would be targeted to follow a downward trend over the next few years. The new forecasts were agreed at a meeting of key coalition figures on Tuesday and will be formalized in the government's twice-yearly Economic and Financial Document (DEF) to be approved by the cabinet on Wednesday. The DEF will set new economic and public finance targets for 2021-2024. Economy Minister Daniele Franco told Tuesday's meeting the forecasts in the DEF would allow additional spending of up to 1 percent of GDP, or around 16 billion euros, between 2022 and 2024, sources present at the meeting said. The document will form the framework for Rome's 2022 budget to be presented in mid-October. The DEF will target GDP growth of more than 4.5% in 2022, one of the sources said. Rome set a 4.8% goal in April. (Reuters)
- **China will keep normal monetary policy as long as possible, says central bank governor** – China's central bank governor Yi Gang said China will stay with normal monetary policy settings for as long as possible, and that the yield curve can also maintain a normal and upward sloping shape. "China will prolong the time it implements normal monetary policy as much as possible," Yi said in an article published on the People's Bank of China website on Tuesday. China's potential economic growth rate is still expected to remain in the range of 5% to 6%, he said. China stood pat on its benchmark lending rate for corporate and household loans for the 17th straight month at its September fixing, matching market expectations. Some analysts expect another cut to the amount of cash banks must hold in reserve later this year, after a cut in July, although officials' comments earlier this month cooled expectations for imminent easing. The world's second-largest economy rapidly recovered from a pandemic-induced slump last year, but recent

data showed momentum weakening, with the vast manufacturing sector facing higher raw material costs and production bottlenecks, and more recently, electricity rationing. After gross domestic product (GDP) expanded a record 18.3% on year in the January-March period, growth slipped to 7.9% in the second quarter. China has set a GDP growth target of "over 6%" for 2021, one which analysts think it will meet comfortably. Goldman Sachs cut China's economic growth forecast for 2021 to 7.8% from 8.2% on Tuesday, citing downward pressures. (Reuters)

- **Brazil central bank eyed hiking rates more than 100 bps** – Brazil's central bank weighed accelerating the world's most aggressive monetary tightening, minutes from its last policy meeting showed on Tuesday, but uncertainty about a post-pandemic rebound led it to stay the course on 100-basis-point rate hikes. The minutes of the Sep. 21-22 meeting, when the bank raised its Selic policy rate to 6.25%, showed policymakers plan more increases of that size taking rates to "significantly restrictive" levels in order to hit their 2022 inflation target. The aggressive rate hikes have put Brazil on the front line of a global battle against climbing consumer prices, lifting its benchmark rate from a record-low 2.00% at the start of the year as 12-month inflation pushes into double digits. Still, the bank's rate-setting committee, known as Copom, conceded in Tuesday's minutes that their baseline scenario showed inflation "slightly above" the 2022 target for the first time, stirring debate about the need for even tougher policy. "Copom evaluated the costs and benefits of accelerating the pace of interest rate hikes," policymakers wrote in the minutes. Ultimately, they made another 100-basis-point hike last week and forecast the third in a row next month, citing "already effectively tightening monetary policy" and benefits of getting more data on Brazil's recovery before making bigger rate hikes. (Reuters)

Regional

- **OPEC sees oil demand rebounding then plateauing after 2035** – Demand for oil will grow sharply in the next few years as the global economy recovers from the pandemic, OPEC said, adding that the world needs to keep investing in oil production to avert a crunch even as the energy transition is under way. The view from the OPEC contrasts with others such as an International Energy Agency report, which in May said investors should not fund new oil projects if the world wants to reach net zero emissions. Oil use will rise by 1.7mn bpd in 2023 to 101.6mn bpd, OPEC said its 2021 World Oil Outlook, adding to robust growth already predicted for 2021 and 2022 OPEC, and pushing demand back above the pre-pandemic 2019 rate. (Zawya)
- **Mideast economy to recover to pre-pandemic levels this year** – The Middle East economy has almost recovered from pandemic losses, aided by higher oil output, progress in vaccination rollouts and easing of coronavirus related restrictions and is set to recover to pre-pandemic levels this year, a report said. Despite growing concerns globally and regionally over the delta variant, GDP in the Middle East is forecasted to grow by 2.6% this year, 0.2 percentage points (pp) higher than ICAEW's estimate last quarter, according to ICAEW's latest Economic Insight for the Middle East, compiled by Oxford Economics. An uptick in economic activity will see GDP growth accelerate further to 4.4% in 2022. (Zawya)
- **Saudi launches SR50bn plan to turn coastal region into tourism hub** – Saudi Arabia's crown prince Mohammed bin Salman launched a SR50bn strategy to develop the Aseer region on the Red Sea coast into a tourism hub that would attract 10mn visitors by 2030, state news agency SPA reported. (Reuters)

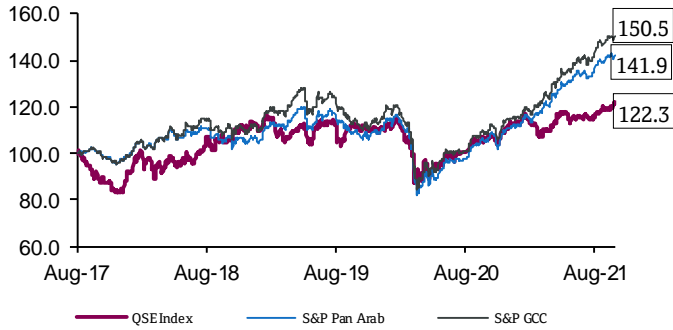
- **S&P affirms Saudi rating on expected rebound through 2024** – S&P Global Ratings affirmed Saudi Arabia's A- (minus) credit rating with a stable outlook, expecting a rebound in growth through 2024 driven by higher oil prices, eased OPEC production quotas and a large vaccine rollout in the kingdom. After the COVID-19 pandemic weighed on the economy, Saudi Arabia has returned to ambitious investment projects linked to its strategy of weaning the economy off oil, S&P said. Significant investments are being made by the Public Investment Fund, the kingdom's sovereign wealth fund, and other entities in both the oil and non-oil sectors. The rating agency sees Saudi Arabia's deficit dropping from 11.2% last year to 4.3% in 2021, while averaging 5.7% between this year and 2024. Real GDP growth is expected to average 2.4% in the same period after contracting 4.1% in 2020. (Reuters)
- **Saudi Arabia's SIIG and Petrochem plan merger through share exchange** – Saudi Industrial Investment Group (SIIG) and the National Petrochemical Company (Petrochem) have signed a non-binding agreement on a proposed merger, they said. The deal would involve a share exchange offer from SIIG to acquire the 50% of Petrochem it does not already own, the companies said in separate bourse statements. SIIG would pay Petrochem's shareholders by issuing new shares in SIIG and Petrochem would be delisted. Petrochem's shareholders would receive 1.27 shares in SIIG in exchange for each share they own in Petrochem. (Reuters)
- **Saudi energy firm ACWA sets IPO price at top end of range** – ACWA Power International, one of Saudi Arabia's main vehicles for building renewable energy projects, set the offer price for its initial public offering at the top of a range as investors flock to share sales in the kingdom. The power producer, which will be 44% owned by Saudi Arabia's sovereign wealth fund after the IPO, said it'll sell shares at SR56 apiece after institutional part of the offering ended. It will raise \$1.2bn for ACWA and value the company at \$10.9bn. Demand for stock offerings in Saudi Arabia has never been higher. Arabian Internet and Communications Services Co., also known as solutions by STC, attracted over SR471bn in orders for its IPO earlier this month. Plenty more are in the pipeline, including the stock exchange itself and the specialty chemicals business of Saudi Basic Industries Corp. (Bloomberg)
- **Saudi approves license for National Bank of Egypt branch, SPA reports** – Saudi Arabia's cabinet approved the license for the National Bank of Egypt to open a branch in the kingdom, Saudi state news agency SPA reported. (Reuters)
- **Saudi Petrochemical rivals merge to create \$11bn company** – Saudi Industrial Investment Group offered to take over all of National Petrochemical Co. and create one of the largest manufacturers of chemicals in the Middle East, just as prices soar. The all-share deal will merge two companies with a combined market capitalization of \$11.2bn and comes amid increasing consolidation among Saudi Arabia's industrial firms as they seek to build scale and improve profitability. Saudi Industrial Investment Group, known as SIIG, wants to swap 1.27 of its shares of each of National Petrochem's, according to a statement. The transaction will value National Petrochem at SR24bn. (Bloomberg)
- **Saudi's MAHARAH subsidiary signs MoU to acquire stake in medical company** – Saudi Arabia's Maharah Human Resources Co (MAHARAH) has announced that its subsidiary Growth Avenue Investment Company has signed a MoU to acquire an 85% stake in Alshifa Al Arabia Medical Company. The company specializes in home healthcare services and operating medical centers, the company said in a statement to Tadawul, the Saudi Stock Exchange. The MoU has a duration of six months. (Zawya)

- **Saudi Arabia's Red Sea giga project to develop luxury mountain resort** – Saudi Arabia's The Red Sea Development Company (TRSDC), which is backed by the kingdom's sovereign fund PIF, will develop a new luxury mountain resort as the giga project moves closer to welcoming its first guests in 2022. Desert Rock resort will comprise 60 keys and is designed by US-based Oppenheim Architecture. The 48 villas and 12 hotel rooms will offer visitors views of the wadi vistas in the western region of the kingdom – with some of the rooms to be built into mountain rock. (Zawya)
- **Solutions by STC to begin trading on Tadawul September 30** – Arabian Internet and Communications Services Co., also known as solutions by STC, will debut trading on the main market on September 30, Saudi Arabia's Tadawul exchange said a statement. (Bloomberg)
- **Saudi Arabia's August M3 money supply rises 7.9% from year ago** – Saudi Arabian Central Bank in Riyadh has published data on monetary aggregates for August on website. M2 money supply rises 5.2% from year ago. M1 money supply rises 5.7% from year ago. (Bloomberg)
- **Saudi Arabia official reserves rise to highest since November** – Official reserve assets of Saudi Arabia rose SR49.7bn, or 3%, from the previous month to SR1.71tn in August, according to Saudi Arabian Monetary Agency figures. Reserves unchanged from the same period last year. Gold unchanged YoY at SR1.62bn. Foreign currency reserves down 3.7% MoM, 25% YoY to SR475.7bn riyals. Special Drawing Rights (SDR) up 164% MoM, 166% YoY to SR82.3bn. IMF reserve position unchanged MoM, up 18% YoY to SR14.4bn. (Bloomberg)
- **Tribunal awards UAE's Dana Gas \$607mn in supply dispute with Iran's NIOC** – An international arbitral tribunal has awarded UAE-based energy firm Dana Gas \$607.5mn in damages in one of its gas supply dispute cases with the National Iranian Oil Company (NIOC). In a statement to the Abu Dhabi Securities Exchange (ADX) where its shares trade, Dana Gas said a second arbitration with a much larger claim is currently underway, with the final hearing fixed for October of next year (2022) in Paris, and for which a final award on damages is expected the following year in 2023. (Zawya)
- **Kuwait sells KWD240mn 182-day bills; bid-cover 11.54** – Kuwait sold KWD240mn of bills due March 29, 2022. Investors offered to buy 11.54 times the amount of securities sold. The bills have a yield of 1.25% and settled September 28. (Bloomberg)
- **Bahrain's balanced budget delay unlikely to deter debt investors** – Bahrain's delaying of its fiscal balance programme, which pushes a zero-deficit target by two years to 2024, is unlikely to deter investors from buying its debt, amid expectations of continued support from richer Gulf allies. The heavily indebted Gulf state said on Sunday that data from February 2020, before the impact of the COVID-19 pandemic, showed Bahrain had exceeded targets set in a medium-term fiscal plan aimed at balancing the budget by 2022. Due to the coronavirus crisis last year, however, it postponed the target year for a balanced budget to 2024, and announced plans to hike a value-added tax to boost state coffers. (Reuters)
- **Bahrain govt scraps NOGA, transfers control to oil ministry** – Bahrain's government has abolished the National Oil and Gas Authority (NOGA) and handed over all its functions to the country's oil ministry. According to a royal decree (No 99/2021) from His Majesty King Hamad bin Isa Al Khalifa all financial appropriations allocated for NOGA in the state budget and all its rights and obligations shall be transferred to the Ministry of Oil.

All NOGA's employees will also be transferred to the said ministry with the same rights and benefits. (Zawya)

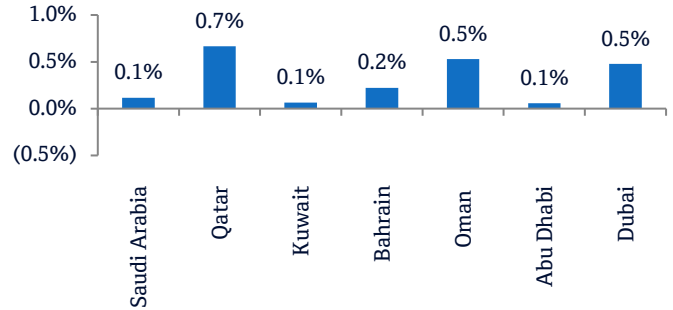
- **Bahrain Bourse suspends trading on United Paper Industries** – Bahrain Bourse said trading on United Paper Industries has been suspended from September 29. Bahrain Bourse cited preparation for delisting process on suspension in statement. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,734.01	(0.9)	(0.9)	(8.7)
Silver/Ounce	22.46	(0.8)	0.2	(14.9)
Crude Oil (Brent)/Barrel (FM Future)	79.09	(0.6)	1.3	52.7
Crude Oil (WTI)/Barrel (FM Future)	75.29	(0.2)	1.8	55.2
Natural Gas (Henry Hub)/MMBtu	5.93	7.8	17.9	148.1
LPG Propane (Arab Gulf)/Ton	143.25	4.6	7.3	90.4
LPG Butane (Arab Gulf)/Ton	155.88	2.6	3.2	124.3
Euro	1.17	(0.1)	(0.3)	(4.4)
Yen	111.50	0.5	0.7	8.0
GBP	1.35	(1.2)	(1.0)	(1.0)
CHF	1.08	(0.4)	(0.5)	(4.8)
AUD	0.72	(0.7)	(0.4)	(6.0)
USD Index	93.77	0.4	0.5	4.3
RUB	72.78	0.3	0.0	(2.2)
BRL	0.18	(0.8)	(1.8)	(4.4)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,032.70	(2.0)	(2.3)	12.7
DJ Industrial	34,299.99	(1.6)	(1.4)	12.1
S&P 500	4,352.63	(2.0)	(2.3)	15.9
NASDAQ 100	14,546.68	(2.8)	(3.3)	12.9
STOXX 600	452.35	(2.3)	(2.6)	8.3
DAX	15,248.56	(2.3)	(2.1)	5.7
FTSE 100	7,028.10	(1.8)	(1.4)	7.8
CAC 40	6,506.50	(2.3)	(2.3)	12.0
Nikkei	30,183.96	(0.6)	(0.8)	1.9
MSCI EM	1,260.89	(0.5)	(0.3)	(2.4)
SHANGHAI SE Composite	3,602.22	0.5	(0.2)	4.8
HANG SENG	24,500.39	1.2	1.3	(10.4)
BSE SENSEX	59,667.60	(1.2)	(1.2)	23.0
Bovespa	110,123.90	(4.4)	(4.6)	(12.0)
RTS	1,785.05	1.1	2.1	28.7

Source: Bloomberg (*\$ adjusted returns)

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