QNB FINANCIAL SERVICES

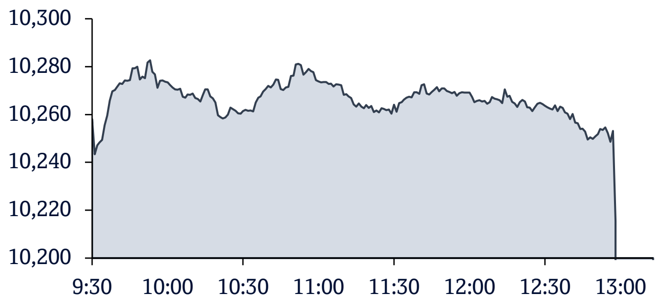
الخدمات المالية

Financial Services

Daily Market Report

Tuesday, 10 September 2024

QSE Intra-Day Movement



Market Indicators	9 Sep 24	8 Sep 24	%Chg.
Value Traded (QR mn)	255.5	194.6	31.3
Exch. Market Cap. (QR mn)	590,713.1	592,978.5	(0.4)
Volume (mn)	107.5	89.5	20.1
``Number of Transactions	11,371	7,139	59.3
Companies Traded	51	49	4.1
Market Breadth	20:28	11:36	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	23,275.53	(0.4)	(1.0)	0.1	11.4
All Share Index	3,627.39	(0.4)	(1.0)	(0.1)	11.9
Banks	4,398.12	(0.6)	(1.3)	(4.0)	9.6
Industrials	4,200.28	(0.4)	(1.0)	2.0	15.8
Transportation	5,446.99	0.5	0.0	27.1	13.9
Real Estate	1,530.53	(0.7)	(1.3)	1.9	22.1
Insurance	2,352.93	(0.3)	(0.6)	(10.6)	167.0
Telecoms	1,737.38	0.6	(0.6)	1.9	11.1
Consumer Goods and Services	7,611.20	(0.2)	(0.3)	0.5	17.3
Al Rayan Islamic Index	4,780.08	(0.3)	(0.8)	0.3	14.2

Qatar Commentary

The QE Index declined 0.4% to close at 10,215.6. Losses were led by the Real Estate and Banks & Financial Services indices, falling 0.7% and 0.6%, respectively. Top losers were Qatar Islamic Insurance Company and Meeza QSTP, falling 2.2% and 1.9%, respectively. Among the top gainers, Doha Bank gained 2.8%, while Estithmar Holding was up 1.3%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.2% to close at 11,962.9. Losses were led by the Diversified Financials and Insurance indices, falling 1.1% and 1.0%, respectively. Saudi Industrial Export Co. declined 9.8%, while East Pipes Integrated Company for Industry was down 4.2%.

Dubai: The DFM Index fell 0.3% to close at 4,359.1. The Real Estate index declined 2.0%, while the Financials index fell 0.2%. Dubai Refreshment Company declined 9.9%, while Agility the Public Warehousing Company was down 4.6%.

Abu Dhabi: The ADX General Index fell 1.0% to close at 9,355.3. The Real Estate index declined 3.3%, while the Consumer Discretionary index fell 2.7%. Al Buhaira National Insurance declined 10.0%, while Abu Dhabi National Co. For Building Materials was down 5.9%.

Kuwait: The Kuwait All Share Index gained marginally to close at 7,181.5. The Technology index rose 5.3%, while the Energy index gained 0.9%. The Energy House Holding Company rose 19.5%, while Egypt Kuwait Holding Co. was up 8.2%.

Oman: The MSM 30 Index fell 0.6% to close at 4,745. Losses were led by the Services and Financial indices, falling 1.2% and 0.5%, respectively. Sembcorp Salalah Power and Water Co. and Sembcorp Salalah Power and Water Co. were down 4.6% each.

Bahrain: The BHB Index fell 0.6% to close at 1,937.9. National Bank of Bahrain declined 2.4%, while Al Salam Bank was down 1.8%.

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
MBC Group	Saudi Arabia	44.25	4.7	649.7	0.0
Salik Co.	Dubai	3.83	2.7	8,242.1	23.2
Knowledge Economic City	Saudi Arabia	15.38	2.4	577.1	9.7
Ominvest	Oman	0.37	2.2	109.9	(12.4)
Saudi Industrial Inv. Group	Saudi Arabia	19.78	2.0	1,172.1	(10.9)

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
ADNOC Logistics	Abu Dhabi	5.28	(4.0)	7,011.9	37.9
Aldar Properties	Abu Dhabi	7.25	(3.8)	5,694.1	35.5
Americana Restaurants Int	Abu Dhabi	2.67	(3.3)	2,302.3	(14.1)
OQ Gas Network	Oman	0.14	(2.7)	7,858.7	(6.5)
Dar Al Arkan Real Estate	Saudi Arabia	13.90	(2.7)	2,015.3	(2.1)

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%
Doha Bank	1.646	2.8	7,884.8	(10.1)
Estithmar Holding	1.853	1.3	6,312.8	(11.6)
Inma Holding	4.188	1.3	80.6	1.0
Vodafone Qatar	1.798	1.2	8,980.5	(5.7)
Aamal Company	0.814	1.0	1,959.0	(3.7)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatar Islamic Insurance Company	8.163	(2.2)	680.4	(8.3)
Meeza QSTP	3.459	(1.9)	567.1	20.6
QLM Life & Medical Insurance Co.	2.180	(1.8)	207.4	(12.8)
The Commercial Bank	4.215	(1.6)	2,191.7	(32.0)
Qatar Electricity & Water Co.	15.53	(1.6)	555.2	(17.4)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Ezdan Holding Group	0.742	0.8	9,559.1	(13.5)
Vodafone Qatar	1.798	1.2	8,980.5	(5.7)
Doha Bank	1.646	2.8	7,884.8	(10.1)
Qatar Aluminum Manufacturing Co.	1.238	(0.2)	7,520.9	(11.6)
Masraf Al Rayan	2.350	(0.3)	6,519.6	(11.5)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	15.60	(0.6)	18,551.5	(5.6)
Vodafone Qatar	1.798	1.2	16,104.2	(5.7)
Masraf Al Rayan	2.350	(0.3)	15,348.7	(11.5)
Doha Bank	1.646	2.8	12,916.3	(10.1)
Industries Qatar	12.87	(0.8)	11,993.2	(1.6)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,215.55	(0.4)	(1.0)	0.1	(5.7)	70.47	161,973.5	11.3	1.3	4.2
Dubai	4,359.12	(0.3)	(0.3)	0.8	7.4	79.27	198,705.5	8.4	1.3	5.5
Abu Dhabi	9,355.30	(1.0)	(1.3)	0.8	(2.3)	258.52	702,716.9	17.0	2.6	2.1
Saudi Arabia	11,962.90	(0.2)	(1.1)	(1.5)	(0.0)	1,533.99	2,669,471.4	19.8	2.4	3.7
Kuwait	7,181.52	0.0	(0.1)	0.0	5.3	280.19	153,502.9	19.0	1.7	3.3
Oman	4,744.99	(0.6)	(0.3)	(0.0)	5.1	8.16	24,110.8	12.2	0.9	5.3
Bahrain	1,937.96	(0.6)	(0.4)	(1.0)	(1.7)	7.61	19,997.0	7.6	0.7	8.9

*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 declined 0.4% to close at 10,215.6. The Real Estate and Banks & Financial Services indices led the losses. The index fell on the back of selling pressure from Qatari shareholders despite buying support from non-Qatari shareholders.
- Qatar Islamic Insurance Company and Meeza QSTP were the top losers, falling 2.2% and 1.9%, respectively. Among the top gainers, Doha Bank gained 2.8%, while Estithmar Holding was up 1.3%.
- Volume of shares traded on Monday rose by 20.1% to 107.5mn from 89.5mn on Sunday. However, as compared to the 30-day moving average of 122.1mn, volume for the day was 11.9% lower. Ezdan Holding Group and Vodafone Qatar were the most active stocks, contributing 8.9% and 8.4% to the total volume, respectively.

Overall Activity	Buy%*	Sell%*	Net (QR)
Qatari Individuals	28.01%	29.22%	(3,088,308.43)
Qatari Institutions	35.72%	35.57%	387,153.00
Qatari	**63.74%**	**64.80%**	**(2,701,155.44)**
GCC Individuals	0.87%	0.74%	336,604.67
GCC Institutions	3.90%	3.75%	389,138.39
GCC	**4.77%**	**4.49%**	**725,743.06**
Arab Individuals	9.74%	9.29%	1,161,939.13
Arab Institutions	0.00%	0.00%	-
Arab	**9.74%**	**9.29%**	**1,161,939.13**
Foreigners Individuals	3.06%	2.04%	2,620,436.11
Foreigners Institutions	18.68%	19.39%	(1,806,962.86)
Foreigners	**21.75%**	**21.43%**	**813,473.25**

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

Global Economic Data

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
09-09	US	U.S. Census Bureau	Wholesale Inventories MoM	Jul F	0.20%	0.30%	0.30%
09-09	US	U.S. Census Bureau	Wholesale Trade Sales MoM	Jul	1.10%	0.30%	-0.30%
09-09	China	National Bureau of Statistics	PPI YoY	Aug	-1.80%	-1.50%	-0.80%
09-09	China	National Bureau of Statistics	CPI YoY	Aug	0.60%	0.70%	0.50%
09-09	Japan	Economic and Social Research I	GDP SA QoQ	2Q	0.70%	0.80%	0.80%
09-09	Japan	Economic and Social Research I	GDP Annualized SA QoQ	2Q	2.90%	3.20%	3.10%
09-09	Japan	Economic and Social Research I	GDP Nominal SA QoQ	2Q	1.80%	1.80%	1.80%

Qatar

- **Qatar Islamic Bank – $ 5-year RegS Sukuk – Mandate -** Qatar Islamic Bank, rated A1 by Moody's (stable outlook) / A by Fitch (stable outlook), the largest Islamic bank in Qatar, has mandated Bank ABC, Dukhan Bank, Emirates NBD Capital, HSBC, KFH Capital, Mashreq, Mizuho, QNB Capital, Q Invest, Standard Chartered Bank and The Islamic Corporation for the Development of the Private Sector as Joint Lead Managers and Joint Book runners to arrange a global investor call on Monday 9 September 2024. A USD-denominated Regulation S only 5-year benchmark size fixed rate, senior unsecured Sukuk offering issued by QIB Sukuk Ltd. (the "Issuer") under the Issuer's $5bn Trust Certificate Issuance Program (the "Program") will follow, subject to market conditions. FCA/ICMA stabilization applies. (QSE)
- **QatarEnergy to build 6 new QC-Max LNG vessels at China's Hudong-Zhonghua Shipyard -** QatarEnergy has signed an agreement with China State Shipbuilding Corporation (CSSC) for the construction of six additional state-of-the-art QC-Max vessels, bringing the total number of LNG vessels on order under its fleet expansion program to 128, including 24 QC-Max mega vessels. The QC-Max vessels, which will be built at China's Hudong-Zhonghua Shipyard, a wholly owned CSSC subsidiary, are the largest LNG vessels ever built with a capacity of 271,000 cubic metres each. The new advanced carriers are scheduled to be delivered between 2028 and 2031. The agreement was signed during a special ceremony held in Shanghai on Monday by HE the Minister of State for Energy Affairs, Saad bin Sherida al-Kaabi, also the President and CEO of QatarEnergy; Chen Jianliang, Chairman, Hudong-Zhonghua Shipbuilding (Group); and Hu Kai, President, China Shipbuilding Trading Company. The ceremony was attended by Sheikh Khalid bin Khalifa al-Thani, CEO, QatarEnergy LNG; Jia Haiying, Member of the Party Leadership Group and Chief Financial Officer of China State Shipbuilding Corporation (CSSC), a number of senior Chinese government officials, and senior executives from QatarEnergy, QatarEnergy LNG and CSSC. In his comments on this occasion, al-Kaabi said, "The signing of today's agreement is underscored by the strategic importance of QatarEnergy's historic LNG fleet expansion program and its commitment to maintaining a leadership position in the global LNG market." He added, "We are very pleased to expand our excellent working relationship with CSSC and Hudong-Zhonghua, one of the world's premier shipbuilders. We look forward to receiving these advanced LNG vessels and expanding our role in providing the world with the cleaner energy needed for a realistic and practical energy transition." The new ship order is a testament to QatarEnergy's focus on quality and reliability. The six new advanced vessels are in addition to 18 QC-Max vessels recently ordered from Hudong-Zhonghua Shipyard. This brings the total number of QC-Max vessels ordered by QatarEnergy to 24, with a total value of about $8bn. The QC-Max vessels, designed with cutting-edge technology, will enhance QatarEnergy's capacity to meet the growing global LNG demand while reinforcing its dedication to operational excellence and environmental sustainability. "With enhanced fuel efficiency and reduced emissions, these ships are engineered to meet the highest safety and environmental standards, representing a significant advancement in sustainable innovation," QatarEnergy said. (Gulf Times)
- **Vodafone Qatar signs five-year partnership agreement with Microsoft –** Vodafone Qatar has signed a landmark five-year partnership agreement with Microsoft, which will see the transformation of its network and customer service operations through the deployment of Microsoft Azure and Microsoft Azure OpenAI. The collaboration forms part of Vodafone Qatar's commitment to enhancing its service offering to both its consumer and enterprise customers and will see the telecommunications provider migrate its information technology capabilities to Microsoft Azure. Key benefits of the roll out are improved efficiency, scalability and increased security of Vodafone's data and applications. As part of the agreement, Vodafone Qatar will develop a generative AI center of excellence in Doha, leveraging Microsoft Azure OpenAI, with the aim of improving and augmenting generative AI capabilities in Vodafone's digital product offerings to its customers, Vodafone Qatar will also focus on upskilling and reskilling its workforce to be in a position to utilise latest innovations on Microsoft Azure cloud and Azure OpenAI: employees will be trained in new technologies and redeployed in strategic growth areas, ensuring they are equipped to handle the evolving demands of the digital landscape. From a customer experience point of view, Vodafone Qatar will be able to utilize Microsoft Cloud Stack to offer truly hyper personalized experiences across all its customer touchpoints. The new endeavor will also see Vodafone Qatar and Microsoft deliver a new partnership whereby

the telecommunications provider will be able to develop bespoke cloud and AI offerings for the Qatar enterprise market, earning Microsoft partner designations and certifications which will help Vodafone Qatar demonstrate its technical capabilities, and expand its reach to customers. Ramy Boctor, Chief Technology Officer at Vodafone Qatar, commented: "This exciting new partnership with Microsoft underscores our unwavering commitment to transform Vodafone Qatar from a Telco to a Tech-co through investments in cloud, Artificial Intelligence and digital transformation as well as our dedication to providing cutting-edge solutions to our customers while fostering a culture of continuous learning and development within our own workforce." Lana Khalaf, General Manager of Microsoft Qatar, commented: "We are very excited to announce our partnership with Vodafone Qatar which will digitally transform Vodafone's business and IT operations and enable Vodafone to provide cutting edge digital experiences built on Microsoft Azure and advanced AI to the consumer and enterprise customers. As part of this agreement, Microsoft will be working closely with Vodafone to accelerate the Generative AI skilling and adoption across the workforce to deliver on Vodafone Qatar vision of creating an innovative, modern and connected society." (QSE)

- **QCB foreign currency reserves rise 4% in August -** The Qatar Central Bank (QCB)'s international reserves and foreign currency liquidity recorded QR252.3bn in August 2024 with a 4% Y-o-Y rise. Data released by the QCB on Monday unveiled a 5.2% increase in official reserves at the end of August 2024 to reach QR193.417bn, up from QR9.541bn in the same period of the previous year, thanks to a QR389mn increase in foreign bonds and treasury bills to register QR139.682 in August 2024. Gold reserves at the end of August 2024 made a QR9.921bn Y-o-Y jump to reach QR31.861bn. Composed mainly of 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), the official reserves include other liquid assets (foreign currency deposits), to form the total foreign reserves. Meanwhile, balances with foreign banks saw a QR754mn decline at the end of August 2024 versus the same period last year, to hover around QR16.231bn. The balance of SDR deposits from Qatar's share with the IMF decreased by QR15mn by the end of August 2024, compared to QR5.252bn in August 2023. (Gulf Times)
- **Moody's: Qatar's H1 sukuk issuance outpaces GCC average -** Qatar's sukuk issuance during the first half (H1) of 2024 grew faster than the Gulf Co-operation Council or GCC average, even as corporate green sukuk in the region are set to expand this year, according to Moody's, an international credit rating agency. (The sukuk) issuance out of Qatar rose 258% to $4.57bn in the first half (of 2024). However, issuance in the GCC grew 138% year-on-year to $69.2bn in the review period, Moody's said in its latest report. Stressing that the sukuk issuance in the regional is expected to remain strong, it said "we expect the GCC issuance to remain strong as the region's governments continue to pursue strategies to diversify their economies away from oil." The GCC's strong first-half issuance was in large part driven by Saudi Arabia, which comprised 37% of total global sukuk issuance. Elsewhere in the GCC, the issuance in the UAE doubled to $8.6bn year-on-year on higher overall volumes, it said; adding higher financing needs in Oman and Bahrain also fueled issuance. The GCC corporate and bank issuance volumes rose to a combined $19.6bn in January-June 2024, up from $11.6bn a year earlier. Highlighting that corporate issuance rose to $9.6bn compared to $6.9bn last year, Moody's said, "We expect it to remain strong in the second half of the year. GCC companies dominated early 2024 dollar denominated corporate sukuk issuance, driven by high demand and market scarcity." "We expect the sukuk market to continue to hold significant growth potential in the coming years, supported by the entrance of new issuers that will meet the increasing demand for sukuk instruments," the report said. The pool of investors will continue to grow, thanks to the growing popularity of Islamic products beyond core Islamic markets, the rising demand for green and sustainable sukuk, and the increasing sophistication and diversity of Islamic instruments, according to Moody's. "Higher demand for sukuk also reflects the increasing appeal of the GCC region and growing investor confidence in the Gulf economies' prospects, which comes in tandem with the growing maturity of regional debt markets," it said. "We expect the full-year 2024 sukuk issuance volumes to exceed 2023, supported by strong sovereign issuance across the GCC and Southeast Asia and from Saudi Arabia and Malaysia in particular," it said. Green sukuk issuance will accelerate in the coming years, supported by both government and private-sector issuers as sustainability is becoming a key theme in public policy agendas, as well as investors' strategies, Moody's noted. Finding that green and sustainable sukuk issuance picked up again in the first half of 2024 to $6bn from $5.6bn a year earlier; the report said the issuance rose in Saudi Arabia and the UAE, where governments are actively promoting sustainable investments. Several companies and financial institutions in the GCC region have launched their first green sukuk this year, it said referring to Al Rajhi Bank's April sustainable sukuk and first time Additional Tier 1 capital sukuk in May. Qatar's QIIB tapped the market with $250mn of sustainable certificates in July. In March, Dubai Islamic Bank issued $1bn in sustainable sukuk and Aldar Investment Properties raised $500mn from its inaugural green sukuk. Also in May Emirates Islamic Bank issued $750mn in sustainable sukuk. "We expect green issuance to continue to expand this year as investor demand increases," Moody's said. (Gulf Times)
- **QNB Group signs 'GoGreen Plus' agreement with DHL Express -** In a significant stride towards environmental sustainability, QNB Group, the largest financial institution in the Middle East and Africa, has collaborated with DHL and signed an agreement to utilize sustainable aviation fuel (SAF) to enhance its shipping solutions. This collaboration underscores the bank's commitment to sustainability and aligns with the group's strategy to reduce carbon footprints by integrating more environmentally friendly sources into its operations. Through the 'GoGreen Plus' base contract, QNB pledges that its upcoming shipments will achieve a reduction of CO_2 emissions by 50% for all express shipments via air transport. This initiative not only supports its sustainability goals but also enables the bank to offer its clients climate-neutral shipping options that incorporate accurate CO_2 emissions calculations. Key benefits of the partnership with DHL also include SGS Certification to ensure compliance with the highest standards of sustainability, and eco-friendly transportation, a provision of an electric car exclusively for the bank during service provision, in addition to recycled materials through the utilization of envelopes and parcels made entirely from recycled supplies. Yousef Ali al-Darwish, Senior Executive Vice-President, QNB Group Projects & General Services Division, said, "We are excited to be the first company in Qatar to adopt SAF in collaboration with DHL, setting a precedent for other businesses to follow. This partnership allows us to provide sustainable services within Qatar during shipment delivery, highlighting our dedication to innovative and responsible business practices''. Ahmed Elfangary, country manager, DHL Express Qatar, said, "At DHL, we are committed to leading the way in sustainable logistics and environmental responsibility within our ESG framework. And now we are empowering our customers to inset carbon emissions within their supply chain by investing in SAF, accessible via our GoGreen Plus product. By integrating GoGreen Plus into its operations, QNB is also demonstrating its leadership in promoting eco-friendly practices within the financial sector. "We are happy to welcome them aboard our GoGreen Plus service. Together, we are driving positive environmental change in Qatar and beyond." (Gulf Times)
- **QDB, MoCI unveil 'SME Guidebook 2024' -** Qatar Development Bank (QDB), in collaboration with the Ministry of Commerce and Industry (MoCI), launched on Monday the 'SME Guidebook 2024' within the framework of its efforts to facilitate SMEs' access to information and to offer the necessary resources and support to enable Qatar-based entrepreneurs and business owners to succeed in kickstarting their business or scaling their operations. Leveraging this guide, QDB aims to establish a reliable source of information on the policies and procedures required to start, launch, and manage companies in Qatar. The guide features information of interest to business owners and entrepreneurs, including precise info on how to protect intellectual property throughout the various stages of the business cycle, as well as details about employment, import and export operations, and mergers and acquisitions. The guide also provides detailed information about the required procedures, necessary documents, and costs associated with each stage, making it a valuable tool for startups and established businesses alike. The ministry played a pivotal role in the project's development,

contributing valuable insights and key information to ensure that the guidebook covers all aspects of the business life cycle following applicable laws and regulations in Qatar. The guidebook is not only targeted at SME owners, but also investors and entrepreneurs seeking to establish businesses in Qatar, in addition to researchers, universities, and training institutions. The guidebook saves time and effort by allowing users to easily explore and access information according to the various stages of the business life cycle. Farha al-Kuwari, QDB executive director of Strategy and Business Development, said: “At Qatar Development Bank, we believe in the importance of enabling entrepreneurs and the private sector to access accurate and comprehensive information throughout the various stages of a business. “Thus, through this guide, we aim to empower entrepreneurs and SMEs by providing access to the necessary information to establish and manage their businesses in a practical and smooth manner, saving them time and effort at every stage of their journey.” She added: “Our co-operation with the Ministry of Commerce and Industry on this project reflects our shared commitment to fostering Qatar’s business environment. The ministry served as a strategic partner, contributing its extensive expertise to ensure that the guidebook is fully aligned with applicable regulations and procedures in Qatar. Our co-operation ensures that the guidebook is a reliable and comprehensive source of information that business owners can rely on.” Mohammed Hamad al-Nuaimi, director of the Single Window at MoCI, said: “The Ministry of Commerce and Industry recognizes the vital role that these companies play in achieving sustainable economic growth and promoting economic diversification. “Through this guide, we will work together to promote innovation, boost competitiveness and open new horizons for these companies to expand their activities and reach larger markets.” The guidebook offers practical guidance and essential tips that extend beyond legal and regulatory aspects to touch on the necessary steps to establish, expand, and manage businesses, which contributes to promoting best practices and ensuring business success and sustainability. (Gulf Times)

- **Qatar-Germany trade up 4.4% to QR7.1bn in 2023 -** Trade volume between Qatar and Germany increased 4.4% to reach QR7.1bn in 2023, Qatar Chamber chairman Sheikh Khalifa bin Jassim al-Thani has said. He made the statement during the joint meeting of the Arab-German Chamber of Commerce and Industry (Ghorfa) Executive Office and Board of Directors held on Monday in Berlin. The chamber’s delegation included board members Dr Khaled bin Klefeekh al-Hajri and Mohamed bin Ahmed al-Obaidli, who participated in the meeting, which discussed several issues related to the development of commercial and industrial co-operation between Germany and Arab countries, as well as ways to promote trade between both sides. Sheikh Khalifa, who is also the first vice-president of Ghorfa, commended the economic relations between Germany and Arab countries, noting rapid development within the past few years. He added that the Arab-German trade amounted to €60bn in 2023 compared to €51bn in 2022, registering a 20% increase. (Gulf Times)
- **Qatari investor to upgrade Kazakhstan's Atyrau airport at cost of $50 mln by 2026: CAC -** Qatari investor QazAir Investments LLC will complete construction of a new airport complex at Kazakhstan's Atyrau airport in 2026 at a cost of $50 million, the Kazakh Transport Ministry's Civil Aviation Committee (CAC) said in a press release. "The Qatari investor will start construction of a new airport complex as early as 2025 and will carry out the complete modernization and expansion of the infrastructure, as well as repairs to the current airport building," the press release said. According to CAC, the investment will amount to $50 million. The area of the new airport complex will cover 16,500 square meters. The investor will build three telescopic air bridges. Passenger throughput will rise 3.7-fold from 800,000 to 2.944 million per year. There are also plans to significantly expand the geographical coverage of flights. "First of all, new flights will be opened to popular tourist destinations in Europe and Asia. This will give passengers a wider choice of destinations and improve the region's international accessibility," the CAC press release says. The fact that the Qatari investor QazAir Investments LLC will become the owner of 100% of the shares of the Atyrau airport operator was reported in early August 2024, when Kazakh Prime Minister Olzhas Bektenov signed a decree authorizing the transfer of 100% of the shares of ATMA - Atyrau Airport and Transportation JSC, which services Atyrau Airport, to QazAir Investments. According to the Qatar Financial Centre (QFC) website, QazAir Investments LLC was registered on the territory of QFC in December 2023. The authorized share capital is $300,000. Abraham Daniel Danino is a significant shareholder of the company. The head of the company is Anna Guseva. Atyrau Airport has been in operation since 1979. Both domestic and international flights are operated from the airport - to Turkey, Egypt, Georgia, Russia, the Netherlands and a number of other countries. (Bloomberg)

International

- **UK government sets up board to tackle labor market inactivity -** Britain's Labor Party on Tuesday launched a new advisory board that will help address long-standing issues in the country's labor market, including reducing high levels of inactivity among working-age people. The "Get Britain Working" plan, aimed at getting more people back to work, is part of government plans to reach 80% employment rate and speed up economic growth. Paul Gregg, chair of the Labor Market Advisory board, said Britain's jobs market faced deep-seated challenges. "We have seen a sharp increase in economic inactivity and long-term sickness, most notably in our young people post-pandemic," Gregg said. "Further, real wage growth has been heavily suppressed for 15 years hitting living standards and government tax revenues. Reversing these trends will be key to ensuring the long-term prosperity of the UK's labor market." Britain's economy has been slower to recover from the hit of the COVID-19 pandemic than many other big, rich countries. Official figures showed 9.4mn working-age Britons were not in employment or looking for work and 2.8mn were not working because of long-term sickness as of mid-2024, something the government says also reflects long waiting times in the country's increasingly stretched national health service. Labor market data later on Tuesday is expected to show strong employment growth and a cooling in wage growth in July. The Labor Party, which has been in power since July, said it will overhaul job centers and devolve powers to local areas as part of its reform plan this autumn. (Reuters)
- **China's consumer prices rise in August, PPI stuck in deflation -** China's consumer inflation accelerated in August to the fastest pace in half a year but the uptick was due more to higher food costs from weather disruptions than a recovery in domestic demand as producer price deflation worsened. A sputtering start in the second half is mounting pressure on the world's second-largest economy to roll out more policies amid a prolonged housing downturn, persistent joblessness, debt woes and rising trade tensions. The consumer price index (CPI) rose 0.6% from a year earlier last month, versus a 0.5% rise in July, data from the National Bureau of Statistics (NBS) showed on Monday, but less than a 0.7% increase forecast in a Reuters poll of economists. Extreme weather this summer from deadly floods to scorching heat has pushed up farm produce prices, contributing to faster inflation. China's affected crops due to various natural disasters totaled 1.46mn hectares in August, state media reported on Monday. "The higher CPI in August was due to high temperatures and the rainy weather," NBS statistician Dong Lijuan said in a statement. Food prices jumped 2.8% on year in August from an unchanged outcome in July, while non-food inflation was 0.2%, easing from 0.7% in July. "But the rebound was softer than expected and did little to ease deflation concerns. Much of the improvement has been food reflation, which is susceptible to fluctuating weather conditions and capacity changes," said Junyu Tan, North Asia Economist at Coface. Core inflation, excluding volatile food and fuel prices, was 0.3% in August - the lowest in nearly three and a half years - down from 0.4% in July. The consumer inflation gauge was up 0.4% month-on-month, compared with a 0.5% increase in July and missing economists' expectations of a 0.5% gain. China's yuan dipped against the dollar on Monday as long-dated yields hit record lows after monthly inflation data added to economic worries and calls for fresh easing. China stocks (.CSI300), opens new tab ended morning trade lower. In unusually strong comments, China's ex-central bank governor Yi Gang urged efforts to fight deflationary pressure at the Bund Summit in Shanghai last week. A national campaign to earmark $41bn in ultra-long treasury bonds to support equipment upgrades and trade-in of consumer goods has proven lukewarm in spurring consumer confidence, with domestic car sales extending declines for a fourth month in July. "These policies will take time to filter through, so a demand-led reflation is obviously not yet on the horizon," Tan said. Meanwhile, the producer price

index (PPI) in August slid 1.8% from a year earlier, the largest fall in four months. That was worse than a 0.8% decline in July and below a forecast 1.4% fall. "The ongoing deflationary pressures boil down into a broader problem of production surplus, which is still outstripping demand," said Tan of Coface. "We think increased fiscal spending will drive an uptick in domestic demand over the coming months. But government policy is still too skewed toward investment, and so increased fiscal spending may ultimately exacerbate the overcapacity problem," said Gabriel Ng, assistant economist at Capital Economics. Faltering economic activity has prompted global brokerages to scale back their China 2024 growth forecasts to below the official target of around 5%. China has room to lower the amount of cash banks must set aside as reserves, a central bank official said on Thursday. (Reuters)

Regional

- **Middle East IPO flurry gathers pace with $2bn Oman deal -** Oman's state energy company OQ SAOC is looking to raise about $2bn by selling shares in its exploration and production business in an initial public offering that's set to be the Gulf country's biggest on record. The deal would value all of OQ Exploration & Production SAOG at about $8bn, according to two people with knowledge of the matter, who declined to be identified discussing confidential information. OQ plans to sell a 25% stake in OQEP, as the business is known, it said Monday, without disclosing details on valuation. A sale of that size would raise the most of any Gulf IPO so far in 2024 and would be the biggest since Adnoc Gas Plc's IPO last year. To help attract investors, the firm plans to pay out $600mn in annual dividends each year from 2024 through 2026. In 2025 and 2026, the company also plans to pay a performance-linked dividend equal to 90% of cash flow after investments, according to a statement. While the company is basing its budget on crude hovering between $70 a barrel and $80 a barrel, the dividend payments "will be sustained outside that range," said Chief Executive Off icer Ahmed al-Azkawi. "Our plans were tested against all the risks, including the oil prices at very low values," alAzkawi said in an interview. "Our debt capacity is big, so we don't see any risk in sustaining the dividends at the moment." The IPO and the promise of dividends comes as Brent crude last week fell to the lowest level since 2021 on concerns over global demand. Oman, Saudi Arabia and the United Arab Emirates are all members of the Opec+ producers' group which has been cutting production for several years to help prop up the market. Listings in the Middle East have picked up after a summer lull, and investor appetite has been strong. There have been a flurry of announcements over the past month across sectors, including a perfume maker, two flour millers, an oil services provider and a food delivery firm. In all, firms have raised just under $4bn via IPOs on Gulf exchanges so far this year, according to data compiled by Bloomberg. EFG Hermes has said it expects the boom to continue. Oman is also pursuing an ambitious privatization strategy of its own. OQ has hired Morgan Stanley and local banks to work on the IPO of its methanol and liquefied petroleum gas unit, Bloomberg News reported in March. That share sale is also slated for this year although timings may change, people familiar with the matter said at the time. Shares in OQEP will begin trading on the Muscat Stock Exchange in October, according to the statement. HSBC Holdings Plc, Natixis SA, Sohar International Bank SAOG and Oman Investment Bank are the joint global coordinator for the sale. The company plans to take on additional oil and gas projects within Oman before potentially expanding abroad over the next two to five years, al-Azkawi said. The country is developing projects like power and chemicals that require more gas supply, he said. OQEP's proposed performance dividend policies follows a similar formula adopted by Saudi Aramco, the world's most valuable oil company, which has also laid out a mechanism for distributing extra profit to investors. Last year, OQ floated its gas pipelines business in a $749mn IPO as well as its oil-drilling unit Abraj Energy Services SAOG. Meantime, Oman's wealth fund is planning several dozen listings over the next few years, including the state power utility and a logistics firm, Bloomberg News has reported. The Gulf nation is also chasing an upgrade to emerging market status by broadening its capital markets the Muscat Stock Exchange is among the smallest bourses in the region. (Gulf Times)
- **Indonesia, GCC start talks on free trade agreement -** Indonesia and the Gulf Cooperation Council, which includes Saudi Arabia and other Arab states, began negotiations on Monday for a free trade agreement, the Saudi state news agency reported. The first round of talks is taking place in Jakarta. Other members of the six-nation energy-rich GCC are Qatar, the United Arab Emirates, Bahrain, Kuwait and Oman. Indonesia and the UAE signed a bilateral trade agreement in 2022. (Reuters)
- **Saudi Arabia's non-oil GDP up 4.9% in second quarter -** Saudi Arabia's real gross domestic product (GDP) decreased by 0.3% in the second quarter of 2024 compared to the same quarter of 2023, while seasonally adjusted real GDP grew by 1.4% compared to the first quarter of 2024, according to estimates by the General Authority for Statistics (GASTAT). Non-oil activities increased by 4.9% Y-o-Y and 2.1% Q-o-Q. Government activities grew by 3.6% Y-o-Y and 2.3% Q-o-Q. In contrast, oil activities declined by 8.9% Y-o-Y, while increased by 0.9% Q-o-Q, it said. Government final consumption expenditure grew by 10.9% Y-o-Y and 4.3% Q-o-Q in Q2/2024. Gross fixed capital formation increased by 3.2% Y-o-Y, while declining by 4.5% Q-o-Q. Private final consumption expenditure increased by 2.8% Y-o-Y and 1.0% Q-o-Q. Imports decreased by 0.9% Y-o-Y and 1.7% Q-o-Q also exports declined by 5.8% Y-o-Y and 0.6% Q-o-Q. Most economic activities recorded positive growth rates on an annual basis. Electricity, gas, and water activities achieved the highest growth rate in Q2/2024, amounting to 8.9% Y-o-Y and 2.7% Q-o-Q, followed by financial services, insurance, and business services activities, which grew by 7.1% Y-o-Y and 1.8% Q-o-Q. Additionally, wholesale and retail trade, restaurants, and hotels activities grew by 6.8% Y-o-Y and 1.5% Q-o-Q, it said. (Zawya)
- **IMF report: Saudi Arabia surpasses Vision 2030 tourism target of attracting 100mn visitors -** The International Monetary Fund (IMF) has highlighted Saudi Arabia's tourism sector as a major contributor to the country's economic diversification in its 2024 Article IV Consultation report. The report acknowledges Saudi Arabia's success in exceeding the Vision 2030 target of attracting 100mn visitors annually by 2023, seven years ahead of schedule. Tourism revenues reached $36bn in 2023, with net tourism income increasing by 38%. The sector's direct and indirect contribution to GDP reached 11.5% in 2023, with expectations to grow to 16% by 2034. Central to this growth has been a combination of strong domestic demand and increased international arrivals. Non-religious tourism has surged, with increased leisure travel and visits to friends and relatives driven further by major international events such as Formula One, the 2027 Asian Cup, and the 2030 World Expo. The IMF report underscores the role of tourism in shifting Saudi Arabia's service balance to a surplus. This means that the Kingdom is now earning more from international visitors than it is spending on outbound tourism. By 2022, this shift resulted in a positive balance, and 2023 saw further gains through increased revenue from transportation and service exports. The report also notes that while outbound tourism spending by Saudi nationals declined, and expatriates in the Kingdom significantly increased their leisure spending post-COVID. Crucial to this transformation are the diverse linkages Saudi Arabia's tourism sector has created across industries, such as food, beverage, travel, cultural industries, and accommodation. These connections are helping to reduce the Kingdom's reliance on oil-intensive sectors. Major giga projects like Red Sea Global and Diriyah Gate are pivotal in this shift, as they focus on luxury tourism, culture preservation, and infrastructure improvements. Vision 2030 remains the Kingdom's comprehensive economic reform plan, with tourism at its core. IMF's recognition of Saudi Arabia's progress reflects the vast potential of its tourism sector and its capacity to drive sustainable economic growth in the years to come, it was pointed out. (Zawya)
- **FinTech fueling digital economy in Saudi Arabia and delivering on FSDP targets -** Saudi Arabia is delivering on its ambitions to become a global FinTech hub, as set out by Vision 2030's Financial Sector Development Program (FSDP). KPMG'S latest report, "Unlocking the future: An overview of the FinTech opportunity in Saudi Arabia," was launched in the finale of FinTech 24, the flagship event hosted by the Financial Sector Development Program, the Saudi Central Bank (SAMA), the Capital Market Authority (CMA), and the Insurance Authority (IA) and organized by FinTech Saudi. The event explores the Kingdom's rapidly expanding FinTech landscape, highlighting growth drivers, emerging trends, and strategic opportunities for investors and businesses. The report noted

that in the first half of 2024, the global FinTech market encountered significant challenges largely due to geopolitical uncertainty and persistently high interest rates. However, FinTech investment in Saudi Arabia continued to surge. Between September 2020 and December 2023, Saudi FinTechs attracted more than $1.14bn, with $791mn invested in 2023 alone – a 231% increase from the prior year. “Saudi Arabia’s strategic vision is fueling a FinTech revolution. The growth in digital payments and Buy Now Pay Later (BNPL) products marks the beginning of a financial transformation that will reshape the Kingdom’s economy,” said Antony Ruddenklau, Global Head of Financial Services Innovation and Fintech at KPMG International. The Kingdom's commitment to FinTech, propelled by the FSDP and FinTech Strategy Implementation Plan, has led to a surge in investments, startups, and digital payments adoption. The number of FinTech companies has risen from 89 in 2021 to over 226, exceeding FSDP targets. Regulatory bodies like the Saudi Central Bank (SAMA) and the Capital Markets Authority (CMA) have played a pivotal role, with initiatives such as regulatory sandboxes, a consistent direction and open dialogue between regulators and FinTech players. "Saudi Arabia has built a conducive ecosystem for FinTechs to flourish," said Ovais Shahab, Head of Financial Services at KPMG in Saudi Arabia. "Strong regulator-backed enablers, access to capital, and collaboration among banks, coupled with favorable demographics, make it a space to watch." Key growth drivers include the transition towards a cashless society, with non-cash payments surpassing 70% in 2023. Robust payment infrastructure like Mada and SADAD have proven to be pivotal. Developments in the sector have widened beyond payments and point of sales systems, now including across cybersecurity and data protection, RegTech, SME lending, trade finance, ClimateTech, open banking, capital markets and savings, investments and digital banking. Alternative financing options like bnPL and crowdfunding are also gaining traction, with bnPL customer numbers continuing to increase, from just 76,000 in 2020 to 10mn in 2022 and onwards. Similarly, debt crowdfunding is witnessing more than 2.5x year-on-year growth, highlighting the sector's potential. SAMA's proactive approach to open banking, including the launch of the Open Banking Lab in 2023, has further accelerated FinTech adoption. Meanwhile, with SMEs representing over 1.3mn businesses, B2B FinTech solutions are in high demand, addressing challenges in accessing credit, processing payments, and managing finances. Looking ahead, Saudi Arabia is investing in technologies like Web3, the metaverse, and augmented reality. The Kingdom's focus on clean energy innovation is driving investments in climate tech and sustainable finance, with $443mn invested between 2018 and 2023. The digital banking sector is also poised for growth and set to drive further innovation. At present, there are three digital banking licenses issued – of these SAMA has allowed two banks to operate with pre-selected customers to test their systems and operational effectiveness. They are expected to be prepared for a full public launch in the next few months. These trends present promising opportunities for investors, founders, and established organizations. “High-growth sectors like digital payments, alternative financing, open banking, and SME financing offer attractive returns. For founders, scaling opportunities abound, with successful examples like Tamara and Tabby achieving unicorn status in the bnPL space. Established organizations can leverage collaborations with FinTechs to access innovation, agility, and new customer segments,” Shahab concluded. (Zawya)

- **UAE's GDP hits $117.16bn in Q1 2024 -** Abdulla bin Touq Al Marri, Minister of Economy, said that the preliminary estimates of the UAE's GDP growth in the Q1 2024, issued by the Federal Competitiveness and Statistics Centre (FCSC), underline the resilience and vitality of the national economy and exemplify its ability to continue on the path of sustainable growth. He highlighted that the country's real GDP reached AED430bn in Q1 2024, recording a remarkable growth of 3.4% compared to the same period in 2023, while the non-oil GDP grew by 4% compared to the same period last year. "Under the guidance of President His Highness Sheikh Mohamed bin Zayed Al Nahyan, and the directives of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President, Prime Minister and Ruler of Dubai, the country adopted an innovative economic model that supports its future vision, along with effective national economic strategies, enhancing openness to the world, promoting partnerships, and transitioning towards an economic model based on flexibility and innovation," Bin Touq added. He emphasized that the national economy's positive results reinforce achieving the economic objectives of the "We the UAE 2031" vision, which includes raising the country's GDP to AED3tn by the next decade. Hanan Ahli, Managing Director of the Federal Competitiveness and Statistics Centre, said, "The financial and economic data and indicators endorsing the growth of the UAE's GDP Q1 2024 reflect the resilience of the country's vital economic sectors. It highlights the effectiveness of the concerted efforts to implement wise leadership's directives to enhance sustainable economic diversification, reduce dependence on oil, promote investments, and attract capital and innovative and emerging projects to the country." She added that the UAE's advanced rankings in multiple global economic competitiveness indicators can be attributed to several factors, including the stability of the financial system, the strength of the national economy, and the effectiveness of economic legislation and policies applied in the country, besides their ability to adapt to changes and face regional and global challenges. Based on the data released by the Federal Competitiveness and Statistics Centre, financial and insurance activities have emerged as the leading non-oil economic sector contributing to the UAE's GDP growth, with a remarkable growth of 7.9%. This growth can be attributed to the significant increase in the local credit granted to the private sector, which led to a 6% growth and positively impacted the rebound of non-oil economic activities. Following closely behind in the second place are transportation and storage activities, which grew 7.3%. This growth was driven by a notable increase in the number of travelers at the country's airports during the first three months of this year, reaching 36.5mn travelers, a growth rate of 14.7% compared to the same period last year. The UAE's ports have demonstrated exceptional performance during this time, with Dubai's international ports witnessing a 3.7% growth in the number of containers handled, while Abu Dhabi's ports experienced a 36% increase in cargo handling volume on an annual basis. Ranking third, construction and building activities experienced a growth rate of 6.2%, which aligns with the several development projects initiated by the UAE government in early 2024. They saw a substantial rise in the government's public capital expenditures, reaching AED4.8bn, compared to that of Q1 2023. The restaurant and hotel sector secured the fourth spot with a 4.6% growth during the first quarter of 2024 compared to the corresponding period in 2023. Moreover, the UAE emerged at the forefront of the global tourism landscape, attracting a substantial number of tourists from around the world. In particular, Dubai witnessed a remarkable influx of 5.18mn international tourists, representing an 11% increase compared to the corresponding period in 2023. Abu Dhabi also maintained its exceptional performance in key tourism indicators, including the average hotel occupancy rates and revenue per available rooms. Trade activities made the largest contribution to the non-oil GDP, accounting for 16.1%. Manufacturing activities come in second at 14.6%, with financial and insurance activities ranking third at a rate of 13.4%. Construction and building activities contribute 11.8%, followed by real estate activities with a contribution of 7.1%. (Zawya)

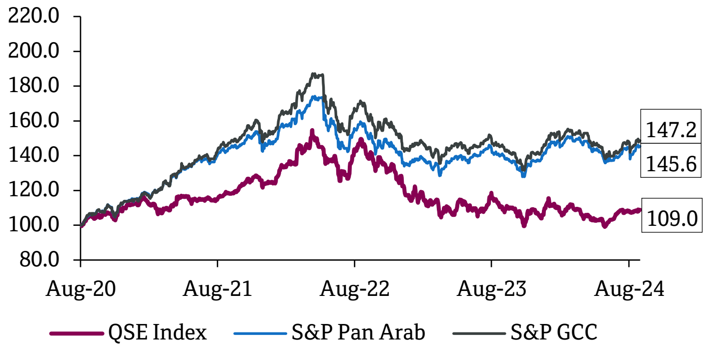
- **ADNOC to supply Indian Oil with LNG for 15 years -** The Abu Dhabi National Oil Company has agreed a 15-year deal to supply Indian Oil (IOC.NS), with 1mn metric tons per annum of liquefied natural gas, the Abu Dhabi Media Office said on Monday. The LNG will mainly come from ADNOC's Ruwais LNG project, the government media office said. ADNOC has big ambitions in gas and LNG, which along with renewable energy and petrochemicals it sees as pillars for its future growth, putting it in competition with regional rivals Qatar - one of the world's top LNG exporters - and Saudi Arabia, which also has LNG ambitions. ADNOC awarded Shell (SHEL.L), BP (BP.L), TotalEnergies (TTEF.PA), and Japan's Mitsui each a 10% stake in the Ruwais project, expected to begin output in late 2028. The project, which will run on clean power, will consist of two plants each producing 4.8mn tons per annum (mtpa) of LNG, which will more than double ADNOC's LNG capacity to 15 mtpa. ADNOC had already signed other agreements for LNG supply from Ruwais, including with Shell, Mitsui, Osaka Gas, China's ENN and Germany's EnBW and SEFE. (Reuters)

- **UAE Tourism: Boosting investments to drive GDP growth -** The UAE's tourism sector continues to record remarkable performance in international tourist arrivals and hotel bookings, aligning with the UAE

Tourism Strategy 2031, which aims to attract AED100bn in tourism investments and boost the sector's contribution to the GDP to AED450bn by 2031. In 2023, the tourism sector contributed 11.7% of the UAE's GDP, totaling AED220bn, and is expected to rise to 12% or AED236bn in 2024, according to figures from the World Travel and Tourism Council (WTTC). The WTTC projects the travel and tourism contribution to the UAE GDP to reach around AED275.2 by 2034, supported by the world-class infrastructure in the country, which includes airports and accommodations, but also thrilling tourist attractions. Dubai welcomed 10.62mn tourists in the first seven months of 2024, an 8% increase year-on-year (YoY), data showed. Meanwhile, Abu Dhabi's hotels saw over 2.87mn guests during the first half of 2024, generating AED3.6bn, a 19.5% growth YoY. These accomplishments highlight the success of the UAE's sustainable tourism policies and its strong infrastructure, diverse tourist destinations, and commitment to ongoing development under the National Tourism Strategy 2031. (Zawya)

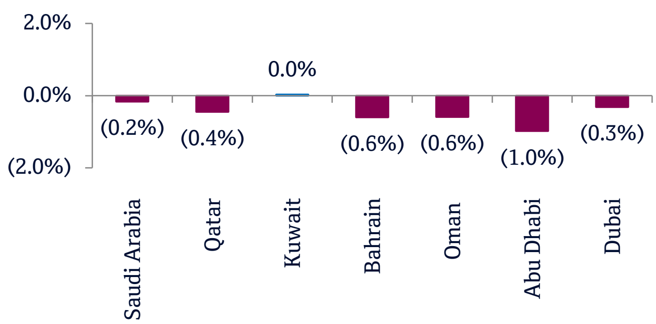
- **India's exports to Kuwait surged by 34.78%% Y-o-Y to $2.1bn -** India's trade with Kuwait has surged remarkably, with Indian exports to the Gulf nation reaching an impressive $2.10bn in the fiscal year 2023-24, as per the official data by Ministry of Commerce and Industry. The surge in trade marks a significant increase of 34.78% in FY-2023-24 compared to the $1.56bn reported in the previous fiscal year. This surge in exports also highlighted the robust trade relationship between the two countries, reflecting a substantial year-on-year growth. As per the data the key sectors driving this export growth include aircraft and spacecraft parts, cereals, and a diverse range of precious and semi-precious stones. Additionally, the export of imitation jewelry, coins, vehicles (excluding railway or tramway rolling stock), and pharmaceutical products have contributed to this impressive performance. Kuwait's economy, predominantly driven by its vast petroleum resources, has maintained its position as a significant trading partner for India. The country boasts estimated crude oil reserves of 101.5bn barrels, accounting for approximately 6% of the world's total reserves, and proven natural gas reserves of 1,784bn cubic meters, or about 63tn cubic feet, according to the latest OPEC data. The country also stands as the fourth-largest economy among the GCC (Gulf Cooperation Council) countries, trailing only the UAE, Saudi Arabia, and Qatar. This competitive and open market presents substantial opportunities for Indian exports, particularly in the consumer goods and project sectors. As per the official statement, historically, trade has been a cornerstone of India-Kuwait relations. India has consistently ranked among Kuwait's top trading partners. For the fiscal year 2023-24, the total bilateral trade between India and Kuwait reached $10.479bn. Of this, Indian exports constituted $2.10bn, reflecting a notable increase of 34.7% year-over-year. Furthermore, Kuwait continues to play an important role in meeting India's energy requirements. During the fiscal year 2023-24, Kuwait was the sixth-largest crude oil supplier to India, fulfilling approximately 3% of the country's total energy needs. (Zawya)
- **Bahrain's Bapco Energies plans to import heavy crude as it expands refining capacity -** Bahrain's state-owned Bapco Energies plans to import heavier crude after the expansion of its 267,000 barrel-per-day (bpd) refinery to 380,000 bpd, said its senior vice-president for business development and international and government relations. Bahrain gets about 220,000 bpd of oil from Saudi Arabia through a pipeline and uses 40,000 bpd of its local production for the refinery, Shaikh Ebrahim bin Khalid Al Khalifa, told the Asia Pacific Petroleum Conference (APPEC). He said that to meet the oil needs of the expanded refining capacity, Bahrain would need to import heavier grades. (Zawya)
- **Oman's OQ Exploration and Production to proceed with IPO on Muscat Stock Exchange -** Oman's OQ Exploration and Production (OQEP) intends to proceed with an initial public offering (IPO) and to list its ordinary shares on the Muscat Stock Exchange (MSX). The listing is expected to take place in October, with the subscription period commencing in September 2024, on receipt of required approval from the Financial Services Authority (FSA) of Oman. OQ SAOC intends to offer up to 25% of the shares in OQEP, with the company retaining the right to amend the size of the offering at any time before the end of the subscription period. The offering will be in two tranches to eligible investors in Oman and qualified institutional and other investors in several countries, the Category I Investors, representing 60% of the total offering. Category II or the Retail Tranche will represent 40% of the total offering for retail investors in Oman. The company said it has adopted a quarterly dividend distribution policy to pay dividends after the offering and expects to pay an annualized dividend payment of approximately OMR 230.7mn ($600mn). HSBC, Natixis, OIB and Sohar International have been appointed as joint global coordinators. Sohar International has been appointed as the issue manager. Speaking about the IPO, OQEP Chief Executive Officer, Ahmed Al-Azkawi, said: "Our strategic goals, aligned with Oman's Vision 2040, focus on monetizing the country's hydrocarbon resources while supporting the energy transition. Additionally, stimulating the local economy is central to our sustainability initiatives, which includes developing local talent and supporting our CSI projects to increase our contributions to In-Country Value." Plans to invest in Oman In a media call following the announcement, Al-Azkawi didn't commit to how much capital the company hoped to raise from the IPO, but revealed its plans to grow and invest further within Oman in the short-term. "I would say that the company has the capability and the potential of growing outside Oman, yet in the immediate term, we see more opportunities within the country, given the attractiveness of the petroleum agreements and the attractiveness of the investment profile in Oman, the stability, the local knowledge, and the fact that we have been very successful in attracting more investments within Oman," he said. When asked about potential regions earmarked for future expansion, Al-Azkawi told Zawya: "It's very difficult to answer that now, because the decision on which region we end up investing in would truly depend on the dynamics, the geopolitics of that region, the technical challenges involved, and so on that will dictate at that given time." OQEP's investment in Oman has contributed to approximately 14% of the sultanate's total oil, condensate and gas production in 2023 and represent approximately 40% of OQ Group's adjusted EBITDA in 2023. As of 30 June 2024, the company had a net external debt of minus $329mn. Since June 2024, the company also entered into two long-term financing facilities for a total of $1bn comprising a $500mn conventional bridge facility for a two-year term at US Dollar Term SOFR plus a fixed margin (85bps) and a $500mn Islamic financing facility for a seven-year term structured as a wakala bilistithmar, paying a variable return set by reference to US Dollar Term SOFR plus a fixed margin (125bps). (Zawya)
- **Oman oil exports reach 179mn barrels until end of July -** The total quantity of oil exports by the Sultanate of Oman until the end of July 2024 amounted to about 179.36mn barrels at an average price of $82.50 US per barrel. Preliminary statistics issued by the National Centre for Statistics and Information (NCSI) indicated that oil exports constituted 84.5% of the total oil production of 211.89mn barrels. Total oil exports by the end of July 2024 recorded a marginal increase of 0.05% to reach 178.95mn barrels. This was because of a decrease in production by 5.2% at 211.89mn barrels by the end of July 2024. Total crude oil production decreased by 7.1% to reach about 162.21mn barrels by the end of July 2024, while total oil condensate production increased by 1.6% to 49.68mn barrels. The average daily oil production reached 994,800 barrels until the end of July 2024. China topped the list of countries importing oil from the Sultanate of Oman, with total exports amounting to 171.78mn barrels, an increase of 4.8% compared to the end of July 2023, followed by Japan at 3.45mn barrels, a decrease of 40.9% and Korea at 2.50mn barrels, an increase of 28.1%. (Zawya)
- **Oman Central Bank issues treasury bills worth OR30mn -** Oman Central Bank (OCB) has announced that the total value of government treasury bills allocated for this week amounted to OR30m. The bank explained in a statement Monday, that the value of the bills allocated for a maturity period of 28 days recorded OR300 thousand, with an average acceptable price of OR99.650, and the lowest acceptable price reached OR99.650 per 100 riyals, while the average dis-count rate reached 4.56250%, and the average reached 4.57852%.It added that the value of the bills allocated for a maturity period of 91 days amounted to OR29,700,000 with an average acceptable price of OR98.780, and the lowest acceptable price reached 98.770 per 100 riyals, while the average discount rate reached 4.89199%, and the average return was 4.95239%. (Peninsula Qatar)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	2,506.38	0.4	0.4	21.5
Silver/Ounce	28.35	1.5	1.5	19.1
Crude Oil (Brent)/Barrel (FM Future)	71.84	1.1	1.1	(6.7)
Crude Oil (WTI)/Barrel (FM Future)	68.71	1.5	1.5	(4.1)
Natural Gas (Henry Hub)/MMBtu	2.02	(3.3)	(3.3)	(21.7)
LPG Propane (Arab Gulf)/Ton	62.50	(5.3)	(5.3)	(10.7)
LPG Butane (Arab Gulf)/Ton	70.50	(2.5)	(2.5)	(29.9)
Euro	1.10	(0.4)	(0.4)	(0.0)
Yen	143.18	0.6	0.6	1.5
GBP	1.31	(0.4)	(0.4)	2.7
CHF	1.18	(0.8)	(0.8)	(0.9)
AUD	0.67	(0.1)	(0.1)	(2.2)
USD Index	101.55	0.4	0.4	0.2
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	3,546.40	0.8	0.8	11.9
DJ Industrial	40,829.59	1.2	1.2	8.3
S&P 500	5,471.05	1.2	1.2	14.7
NASDAQ 100	16,884.60	1.2	1.2	12.5
STOXX 600	510.70	0.6	0.6	6.5
DAX	18,443.56	0.5	0.5	10.0
FTSE 100	8,270.84	0.9	0.9	9.8
CAC 40	7,425.26	0.7	0.7	(1.7)
Nikkei	36,215.75	(0.8)	(0.8)	6.7
MSCI EM	1,063.44	(1.1)	(1.1)	3.9
SHANGHAI SE Composite	2,736.49	(1.3)	(1.3)	(8.2)
HANG SENG	17,196.96	(1.4)	(1.4)	1.1
BSE SENSEX	81,559.54	0.5	0.5	11.9
Bovespa	134,737.21	0.1	0.1	(12.9)
RTS	1,151.93	(0.0)	0.0	6.3

Source: Bloomberg ($ adjusted returns if any)*

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