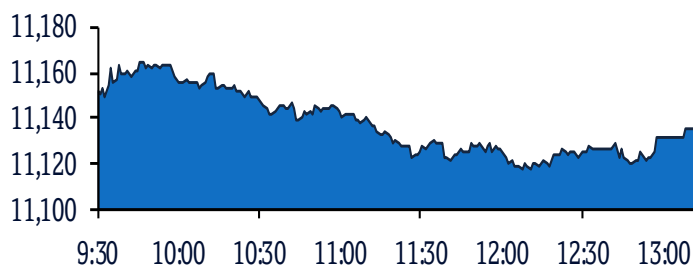


## QSE Intra-Day Movement



## Qatar Commentary

The QE Index declined 0.3% to close at 11,135.2. Losses were led by the Real Estate and Insurance indices, falling 1.3% and 0.7%, respectively. Top losers were Ahli Bank and Investment Holding Group, falling 9.7% and 2.2%, respectively. Among the top gainers, Qatari German Co for Med. Devices gained 4.8%, while Zad Holding Company was up 3.2%.

## GCC Commentary

**Saudi Arabia:** The TASI Index gained 0.1% to close at 11,156.6. Gains were led by the Transportation and Insurance indices, rising 2.1% and 0.8%, respectively. Batic Investments and Logistic rose 7.8%, while United International Transportation was up 5.7%.

**Dubai:** The DFM Index fell marginally to close at 2,902.7. The Investment & Financial Services index declined 1.2%, while the Real Estate & Construction index fell 0.3%. Ithmaar Holding declined 4.8%, while Al Salam Group was down 3.2%.

**Abu Dhabi:** The ADX General Index fell 0.2% to close at 7,665.2. The Consumer Staples index declined 1.0%, while the Telecommunication index fell 0.5%. National Takaful Company declined 10.0%, while Al Qudra Holding was down 9.8%.

**Kuwait:** The Kuwait All Share Index gained 1.0% to close at 6,768.4. The Banks index rose 1.4%, while the Consumer Discretionary index gained 0.7%. Investors Holding Group Co. rose 11.7%, while Kuwait Reinsurance Co. was up 9.2%.

**Oman:** The MSM 30 Index gained 0.1% to close at 3,958.9. Gains were led by the Industrial and Financial indices, rising 0.7% and 0.2%, respectively. Salalah Mills Company rose 9.8%, while Vision Insurance was up 3.9%.

**Bahrain:** The BHB Index gained 0.9% to close at 1,662.0. The Financials index rose 1.2%, while the Industrials index gained 0.3%. Arab Banking Corporation rose 2.8%, while Ahli United Bank was up 2.6%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatari German Co for Med. Dev.	2.89	4.8	8,171.2	29.3
Zad Holding Company	16.21	3.2	4.5	19.6
Mannai Corporation	3.92	1.3	53.6	30.6
Qatari Investors Group	2.59	1.0	2,144.0	43.1
Qatar National Cement Company	5.03	0.8	648.1	21.2

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Investment Holding Group	1.17	(2.2)	29,618.0	95.8
Salam International Inv. Ltd.	0.94	(2.0)	28,054.6	44.2
Qatar Aluminium Manufacturing	1.58	(0.9)	19,468.6	63.4
Baladna	1.62	0.2	14,333.5	(9.7)
United Development Company	1.53	(1.7)	11,737.8	(7.9)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	11,135.15	(0.3)	0.9	3.6	6.7	109.77	173,505.1	16.9	1.6	2.6
Dubai	2,902.65	(0.0)	2.3	5.0	16.5	73.01	107,062.0	21.4	1.0	2.7
Abu Dhabi	7,665.15	(0.2)	0.6	4.7	51.9	446.17	368,185.2	23.6	2.2	3.0
Saudi Arabia	11,156.63	0.1	(0.4)	1.3	28.4	1,356.05	2,588,904.8	27.0	2.4	2.3
Kuwait	6,768.35	1.0	1.5	2.8	22.0	316.29	127,263.2	31.9	1.7	1.8
Oman	3,958.92	0.1	(0.6)	(1.8)	8.2	6.11	18,389.2	12.6	0.8	3.9
Bahrain	1,661.99	0.9	1.5	4.1	11.6	17.16	26,450.1	11.7	0.8	3.3

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

Market Indicators	25 Aug 21	24 Aug 21	%Chg.
Value Traded (QR mn)	403.4	374.3	7.8
Exch. Market Cap. (QR mn)	641,186.7	643,453.6	(0.4)
Volume (mn)	169.7	135.0	25.6
Number of Transactions	9,767	10,121	(3.5)
Companies Traded	45	45	0.0
Market Breadth	13:29	22:20	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	22,042.70	(0.3)	0.9	9.9	16.9
All Share Index	3,535.26	(0.2)	0.7	10.5	17.7
Banks	4,783.76	(0.0)	0.9	12.6	15.7
Industrials	3,619.11	(0.1)	0.4	16.8	19.4
Transportation	3,436.69	(0.5)	1.3	4.2	19.2
Real Estate	1,793.10	(1.3)	0.2	(7.0)	16.6
Insurance	2,599.27	(0.7)	(0.0)	8.5	17.2
Telecoms	1,040.36	(0.3)	(0.2)	2.9	N/A
Consumer	8,253.66	0.1	0.1	1.4	22.4
Al Rayan Islamic Index	4,637.66	(0.4)	0.7	8.6	17.6

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Banque Saudi Fransi	Saudi Arabia	41.00	3.8	331.1	29.7
Riyad Bank	Saudi Arabia	27.30	2.8	1,817.8	35.1
Bupa Arabia for Coop. Ins	Saudi Arabia	167.00	2.7	167.6	36.7
Ahli United Bank	Bahrain	0.89	2.6	2,212.2	23.5
National Bank of Kuwait	Kuwait	0.93	2.2	7,329.0	16.8

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Ezdan Holding Group	Qatar	1.56	(1.8)	4,952.9	(12.4)
Jarir Marketing Co.	Saudi Arabia	207.40	(1.7)	115.5	19.6
Aluminium Bahrain	Bahrain	0.68	(1.3)	168.0	31.8
The Commercial Bank	Qatar	6.04	(1.1)	1,430.5	37.3
Abu Dhabi Comm. Bank	Abu Dhabi	7.42	(1.1)	4,787.4	19.7

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

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Ahli Bank	3.90	(9.7)	5.0	13.1
Investment Holding Group	1.17	(2.2)	29,618.0	95.8
Salam International Inv. Ltd.	0.94	(2.0)	28,054.6	44.2
Ezdan Holding Group	1.56	(1.8)	4,952.9	(12.4)
United Development Company	1.53	(1.7)	11,737.8	(7.9)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Masraf Al Rayan	4.55	0.1	43,126.6	0.4
QNB Group	19.18	0.4	39,623.8	7.6
Investment Holding Group	1.17	(2.2)	34,984.7	95.8
Qatar Aluminum Manufacturing	1.58	(0.9)	30,851.9	63.4
Salam International Inv. Ltd.	0.94	(2.0)	26,504.8	44.2

Source: Bloomberg (\* in QR)

## Qatar Market Commentary

- The QE Index declined 0.3% to close at 11,135.2. The Real Estate and Insurance indices led the losses. The index fell on the back of selling pressure from Qatari shareholders despite buying support from GCC, Arab and foreign shareholders.
- Ahli Bank and Investment Holding Group were the top losers, falling 9.7% and 2.2%, respectively. Among the top gainers, Qatari German Co for Med. Devices gained 4.8%, while Zad Holding Company was up 3.2%.
- Volume of shares traded on Wednesday rose by 25.6% to 169.7mn from 135mn on Tuesday. Further, as compared to the 30-day moving average of 152.8mn, volume for the day was 11.0% higher. Investment Holding Group and Salam International Inv. Ltd. were the most active stocks, contributing 17.5% and 16.5% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	40.48%	42.57%	(8,423,258.6)
Qatari Institutions	19.55%	22.65%	(12,478,650.2)
<b>Qatari</b>	<b>60.03%</b>	<b>65.22%</b>	<b>(20,901,908.8)</b>
GCC Individuals	0.42%	0.43%	(34,019.9)
GCC Institutions	2.13%	1.73%	1,636,900.8
<b>GCC</b>	<b>2.56%</b>	<b>2.16%</b>	<b>1,602,880.9</b>
Arab Individuals	11.68%	9.92%	7,090,515.8
Arab Institutions	0.00%	0.00%	–
<b>Arab</b>	<b>11.68%</b>	<b>9.92%</b>	<b>7,090,515.8</b>
Foreigners Individuals	3.09%	3.40%	(1,228,037.3)
Foreigners Institutions	22.64%	19.31%	13,436,549.3
<b>Foreigners</b>	<b>25.73%</b>	<b>22.71%</b>	<b>12,208,512.1</b>

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

## Ratings and Global Economic Data

### Ratings Updates

Company	Agency	Market	Type*	Old Rating	New Rating	Rating Change	Outlook	Outlook Change
Burgan Bank	Moody's	Kuwait	LT-LBD / LT FBD/ ST-CRR (Domestic)/ ST-CRR(Foreign)/ LT-CRR(Domestic)/ LT-CRR (Foreign)/ ABCA	Baa1/Baa1/P-2/ P-2/A3/A3/ba2	A3/A3/P-1/P- 1/A2/A2/ba1	↑	Stable	–

Source: News reports, Bloomberg (\* LT – Long Term, ST – Short Term, FBD – Foreign Bank Deposits, LBD – Local Bank Deposits, CRR – Counterparty Risk Rating)

### Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
25-08	US	Mortgage Bankers Association	MBA Mortgage Applications	20-Aug	1.60%	–	-3.90%

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

## Qatar

- BRES announces completion of the execution of the Sale Agreement of Janadriyah Land in Riyadh-KSA** – Barwa Real Estate Company (BRES) announced completion of the execution of the Sale Agreement of the plot of land owned by Wahat Al-Riyadh Real Estate Company (entirely owned by Barwa Group) and registration of the same to the buyer at the notary public in KSA, after fulfilling the terms and conditions of the sale agreement and paying the rest of the land price, where Wahat Al-Riyadh Real Estate Company received an amount of SR712,380,097 being the rest of the land price. As previously announced, the total sale price amounted to SR742,380,100 (seven hundred forty-two million, three hundred eighty thousand and one hundred Saudi Riyal), excluding the real estate tax which was borne by the buyer, and the company previously received an amount of SR30mn as a deposit for the transaction. It is noteworthy that the land in question was purchased in 2016 for the total area of 2,216,060 square meters and total value of SR659,277,850, and the company incurred other amounts spent on land development plans, in addition to the financing costs and expenses of the sale transaction. It is estimated that the net selling profit resulting from the transaction will amount to SR46mn. It is targeted that the sale price will enhance the cash position of Barwa Group so that it can meet its obligations and support development plans of the Group as well. It is to be noted that there is no conflict of interests between the contracting parties to this transaction. (QSE, Gulf-Times.com)
- BLDN welcomes Kazakh delegation as international expansion accelerates** – Baladna (BLDN) has welcomed an official delegation from Kazakhstan, which was visiting Qatar for the Qatar-Kazakh Business Council. Visitors included Kazakhstan's Vice Minister of Agriculture, Ruslan Manatayev, and representatives of Olzha Agro, Dina Group, and Kazakh Invest. The delegates were given a tour of Baladna's state-of-the-art processing plant and dairy farms, followed by a presentation on the company's remarkable growth. Kazakhstan is one of the many markets that has taken inspiration from Baladna's approach to food self-sufficiency. Further discussions between Baladna and the Kazakh government, Olzha Agro, and the Dina Group are expected to explore the possibility of developing fully integrated dairy farms (grass-to-glass) in Kazakhstan. In another sign of Baladna's increasing international recognition, global index provider FTSE Russell has this week announced that it will include Baladna under its Microcap category within the Global Equity Index Series in September 2021. The FTSE Global Equity Index Series covers securities in 49 different countries and represents the broadest global equity universe, targeting coverage of over 99% of investable market cap globally. (QSE, Gulf-Times.com)
- PSA: Robust exports help Qatar's trade surplus expand 213% YoY in July** – Qatar's trade surplus more than tripled YoY to QR19.59bn in July 2021 as total exports more than doubled amid a low single digit growth in imports, according to the official estimates. The rebound in the country's merchandise trade surplus has been on account of robust expansion in the shipments of hydrocarbons during the period in review, said the figures released by the Planning and Statistics Authority. The exports destinations were mainly the Asian countries, while imports came from diverse sources. Qatar's trade surplus showed a 15.5% MoM increase in July 2021. The total exports of goods (including exports of goods of domestic origin and re-exports) more than doubled YoY to QR27.47bn. It was up 8.7% MoM in the review period. In July this year, Qatar's shipments to China amounted to QR4.34bn or 15.8% of the total exports of the country, followed by South Korea QR3.88bn (14.13%),

Japan QR3.88bn (14.12%), India QR3.37bn (12.3%) and Singapore QR2.37bn (8.6%). On a yearly basis, Qatar's exports to Singapore more than tripled and those to South Korea and India more than doubled. In the case of Japan and China, the total exports were seen expanding 89.27% and 47.12% respectively in July 2021. On a monthly basis, Qatar's exports to South Korea registered an increase of 41.61%, China (30.33%), India (3.69%) and Japan (0.78%); whereas those to Singapore was down by a marginal 0.21% in July 2021. The exports of petroleum gases and other gaseous hydrocarbons more than doubled YoY to QR16.06bn and those of non-crude also more than doubled to QR2.89bn; while those of crude soared 92% to QR4.44bn and other commodities by 89.3% to QR3.3bn in the review period. On a monthly basis, the exports of non-crude shot up 25.6%, petroleum gases and other gaseous hydrocarbons by 13.3% and crude by 1.1%; while those of other non-specified commodities shrank 2.1% in July 2021. Petroleum gases constituted 60.15% of the exports of domestic products in July 2021 compared to 59.86% a year ago period, crude 16.67% (17.81%), non-crude 10.82% (8.98%) and other commodities 12.35% (13.43%). Qatar's total imports (valued at cost insurance and freight) increased 7.1% YoY to QR7.87bn this July. However, it had seen 5.3% shrinkage on a monthly basis. (Gulf-Times.com)

- Real estate trade crosses QR265mn in one week between August 15-19** – The volume of real estate trading in sales contracts registered by the Real Estate Registration Department at the Ministry of Justice during the period from August 15 to August 19 reached QR265.758mn. The weekly bulletin issued by the department said that the list of real estate traded for sale included vacant land, housing, apartment buildings and a tower. Sales operations were concentrated in the municipalities of Al Rayyan, Doha, Al Daayen, Al Wakra, Umm Salal, Al Khor, Al Dakhira, and Al Shamal. (Qatar Tribune)
- Report: 100% of Qatar customers are digital converts to e-commerce** – Since the pandemic, 100% of customers in Qatar have become digital converts and now want to keep buying everything online, Sitecore, the global leader in digital experience management software, announced. The research, conducted by YouGov MENA, surveyed more than 650 IT decisionmakers across 12 countries in the Gulf Cooperation Council, the Levant, and Egypt. Boosted by the stay-at-home economy of COVID-19, the Middle East's e-commerce market reached \$12.1bn in 2020, representing 53.8% year-over-year growth, according to a recent report by MarketLine. Electronics and retail accounted for \$5.2bn or 42.5% of the total market. As e-commerce continues to grow, customers are placing greater emphasis on the customer experience. Since the pandemic, 100% of Qatar's IT decision-makers said their customers will navigate away from a site and choose an alternative if they can't find what they need in just a few clicks. Furthermore, 88% of Qatar respondents agreed that their customers have less patience with slow or poorly functioning websites. "With 100% of Qatar customers being digital converts to e-commerce, the country is seeing a rapid transition from bricks and mortar stores to hybrid and e-commerce models," said Mohammed Alkhotani, Area Vice President – Middle East and Africa, Sitecore. "Millennials and Generation Z customers have quickly shifted their significant spending power online. Pressure will continue to mount on retailers until they can deliver an experience that delights." Brands in Qatar are taking a variety of actions to improve the shopping experience. The majority, 63%, ranked an online app or website that works well on mobile devices as among their top three choices. (Peninsula Qatar)

- **MEEZA partnership with Commvault to accelerate cloud-first agenda** – Commvault, a global enterprise software leader in the management of data across cloud and on-premises environments, has expanded its partnership with Qatar's MEEZA, an established end-to-end managed IT Services & Solutions provider, as the country gears up for the transformation of its IT sector. Together, Commvault and MEEZA are furthering Qatar's vision to become a smarter digital nation and driving the sustainable economic agenda set forward by Qatar's Vision 2030. The country is driving investments in the digital sector to build a knowledge-based economy, with technology giants such as Cisco, HPE and Microsoft, also expanding their cloud service offerings to Qatar. MEEZA, a Qatar Foundation joint venture, aims to accelerate the adoption of Cloud growth of the country and the region through the provision of world-class Managed IT Services and Solutions. (Gulf-Times.com)
- **World Cup projects continue to drive FDI despite Covid-19 impact** – Projects related to Qatar's hosting of the 2022 FIFA World Cup have played a key role in attracting foreign direct investment (FDI) inflow despite the impact Covid-19 had on world economies. According to Managing Partner of Crowell & Moring, Charbel Maakaron, while the pandemic "slowed down" FDI inflow globally, "the influx of foreign investments into Qatar did not stop." "Like any sensible investor, foreign investors coming to Qatar paused and waited because the investment climate is different and there was a lot of uncertainty. But now we're seeing that there is movement towards Qatar again," Maakaron told Gulf Times. He said, "It is moving at a rapid pace on two considerations: First, for some investors this movement is driven by the World Cup – it is a deadline that has to be met on time, so for businesses that are supporting the World Cup they need to accelerate their investment and operations to be on the ground in Qatar in time for the event." "Second, for businesses that held back a little, they're seeing that the market is moving and they want to make sure that they're catching up; they don't want to miss out on opportunities or on potential growth and projects." Citing businesses in Qatar's retail sector, Maakaron said investors shifted and adjusted their operations "to continue their success in Qatar" amid the consequences of the pandemic, such as the closure of shops, malls, and similar enterprises, which were implemented for a certain period to curb the spread of Covid-19 infections. (Gulf-Times.com)
- **Geneva Motor show organizers to add Qatar event as soon as 2022** – The organizers of the Geneva International Motor Show have partnered with Qatar Tourism to hold an event in Doha every two years starting in 2022 or 2023, spokesman Christoph Wolnik says. The Qatar show will supplement, not replace, the show in Geneva. (Bloomberg)
- **FM, Saudi acting FM sign protocol to set up Qatari-Saudi council** – Deputy Prime Minister and Minister of Foreign Affairs HE Sheikh Mohammed bin Abdulrahman Al Thani met with Minister of State, Member of the Cabinet and Acting Foreign Minister of Saudi Arabia Dr Musaed bin Mohammed Al Aiban in the Saudi City of Neom. The meeting reviewed the distinct bilateral relations between the two brotherly countries, in addition to regional and international issues of mutual concern. The meeting witnessed the signing of the amended protocol for the establishment of the Qatari-Saudi Coordination Council, which is co-chaired by the Amir His Highness Sheikh Tamim bin Hamad Al Thani and Crown Prince, Deputy Prime Minister and Minister of Defense of Saudi Arabia HRH Prince Mohammed bin Salman bin Abdulaziz Al Saud, and includes the membership of high-ranking officials from the two countries. The Qatari-Saudi Coordination Council constitutes a mechanism to advance bilateral relations and the partnership of the two countries to

broader horizons in a way that achieves Qatar National Vision 2030 and the Kingdoms Vision 2030 and meets the aspirations of the leaderships of the two countries to achieve the interests of their peoples. (Qatar Tribune)

#### International

- **US core capital goods orders flat in July; shipments increase** – New orders for key US-made capital goods were steady in July, but an acceleration in shipments suggested business investment in equipment could offset an anticipated slowdown in consumer spending and keep the economy on a solid growth path in the third quarter. The Commerce Department said on Wednesday that the unchanged reading in orders for non-defense capital goods excluding aircraft, a closely watched proxy for business spending plans, last month followed a 1.0% increase in June. Economists polled by Reuters had forecast core capital goods orders climbing 0.5%. Shipments of core capital goods rose 1.0% after increasing 0.6% in June. Core capital goods shipments are used to calculate equipment spending in the government's GDP measurement. Business spending on equipment helped to power the economy's recovery from a short and sharp COVID-19 pandemic recession, driven by strong demand for goods, thanks to record low interest rates and massive fiscal stimulus. The momentum, which has persisted despite supply chain bottlenecks, is welcome amid signs that consumer spending is cooling as the Delta variant of the coronavirus causes a resurgence in new infections across the country. (Reuters)
- **MBA: US mortgage applications rise as mortgage rates edge down** – Mortgage applications increased last week, as purchasing applications posted their largest increase since early July while mortgage rates edged down. The Mortgage Bankers Association (MBA) said on Wednesday its average contract interest rate for traditional 30-year mortgages declined to 3.03% from 3.06% in the week ending Aug. 20. The seasonally adjusted market composite index tracking mortgage applications rose 1.6% from a week earlier, reflecting a 0.9% increase in applications to refinance existing loans. Purchase applications rose 3.0%, the MBA said. After hitting record lows late last year below 2.9%, mortgage rates climbed in the first part of this year and peaked in the spring. Rates had been drifting lower since, held down in large part by the US Federal Reserve's extraordinary stimulus measures aimed at helping the economy rebound from the coronavirus pandemic, but ticked higher last week after data showed a hiring surge last month. Existing home sales climbed for the second consecutive month in July, a report from the National Association of Realtors showed. New home sales also increased in July after three consecutive monthly declines, the Commerce Department said Tuesday. However, momentum in the housing market appears to be slowing down as housing prices have continued to surge this year amid tight supply. (Reuters)
- **UK car output falls to lowest July level since 1950s** – British car output fell to its lowest July level since 1956 as a global shortage of semi-conductor chips and staff having to self-isolate due to COVID-19 hit the sector, a trade industry body said. Volumes dropped by an annual 37.6% to 53,438 vehicles last month, according to the Society of Motor Manufacturers and Traders (SMMT), which also blamed the timing of summer factory shutdowns. As cases rose last month, hundreds of thousands of people were being "pinged" by the National Health Service's contact-tracing app and instructed to self-isolate, although it has since been tweaked to reduce the numbers contacted. "While the impact of the 'pingdemic' will lessen as self-isolation rules change, the worldwide shortage of semi-conductors shows little sign of abating," said SMMT Chief Executive Mike Hawes. (Reuters)

- German business morale falls as rising COVID cases cloud outlook** – German business morale fell for the second month running in August as companies took a dimmer view about the coming months in Europe's largest economy due to rising numbers of COVID-19 cases and supply bottlenecks, a survey showed. The Ifo institute said its business climate index dipped to 99.4 from a downwardly revised reading of 100.7 in July. A Reuters poll of analysts had pointed to an August reading of 100.4. "The mood in the German economy has clouded over again," Ifo President Clemens Fuest said in a statement. "Supply bottlenecks for intermediate products in manufacturing and worries about rising infection numbers are putting a strain on the economy." (Reuters)
- Japan's service prices sustain rise as demand weathers COVID hit** – The prices Japanese companies charge each other for services rose for a fifth straight month in July, data showed on Thursday, a sign the economy was holding up despite the hit from a resurgence in COVID-19 cases and curbs to combat the pandemic. But the annual pace of increase slowed for two straight months and paled in comparison to a recent jump in wholesale inflation, underscoring the pain the pandemic has inflicted on the country's service sector. "Companies' pricing behavior is fundamentally different in Japan," said Atsushi Takeda, chief economist at Itochu Economic Research Institute. "Companies have imprinted the idea that if they raise prices, the customer will go away." The services producer price index rose 1.1% in July from a year earlier after a revised 1.3% gain in June, Bank of Japan data showed. The increase was driven by a 1.4% rise in transportation fees with international freight costs jumping 24.6%, highlighting the cost pressure companies are facing amid robust global demand. Hotel service fees rose 10.8% to mark the biggest annual increase in nearly six years, reflecting a boost to demand from the Tokyo Olympics during July 23 to August 8, the data showed. Robust exports have helped Japan's economy emerge from last year's doldrums, though stop-and-go state of emergency curbs have weighed on consumption and dashed policymakers' hope of a sharp rebound in July-September growth. Rising commodity prices are also pinching margins for firms, many of which remain cautious about passing on higher costs to customers due to weak household spending. Japan's wholesale prices spiked 5.6% in July from a year earlier to mark the fastest annual increase in 13 years. By contrast, core consumer prices fell 0.2% in July to mark a 12th straight month of declines on weak domestic demand. (Reuters)
- Japan MOF to seek \$275bn for debt servicing for FY2022-23** – Japan's Ministry of Finance is set to seek about \$275bn in debt servicing for the fiscal year from next April, up for a fourth consecutive year on a budget-request basis, a ministry draft reviewed by Reuters showed. The budget request for debt redemption and interest payments would total 30.2362tn Yen, marking a 27.3% increase from the current fiscal year ending in March, according to the draft, which was confirmed by two sources with direct knowledge of the matter. It would exceed 30tn Yen on initial budget basis for the first time, highlighting a struggle for the heavily indebted government to finance growing debt that is more than twice the size of Japan's \$4.9tn economy. (Reuters)
- China Central bank increases cash injections to soothe tightening worries** – China's central bank increased short-term fund injections into the financial system on Wednesday, in a bid to soothe market worries over tightening liquidity. Primary interbank money rates eased after hitting multi-month highs earlier this week, caused by mounting investor concerns over accelerating local government bond supply and higher month-end cash demand. On Wednesday, the People's Bank of China (PBOC) said it offered 50bn Yuan (\$7.72bn) through seven-day reverse repos into the banking system, whereas it mostly only injected 10bn Yuan each day during the month. The central bank on its website said the move was to "maintain stable liquidity conditions at the end of the month". (Reuters)
- India's new LNG plant starts next year, to boost import capacity by 12%** – India will boost liquefied natural gas (LNG) imports from next year as private firm Swan Energy starts its floating terminal, raising the country's capacity to ship in the super chilled fuel by 12% to 47.5mn tons per annum (mtpa). New demand for LNG from India is expected to support Asian gas prices LNG-AS which rose to record highs earlier this year, partly aided by the transition from coal or oil to gas in developing countries. The 5-mtpa floating storage and regasification unit (FSRU), located at Jafrabad in western Gujarat state, will be commissioned in April, said P Sugavanam, Director at Swan Energy and chairman of Swan LNG Ltd, which is developing the project. The FSRU was initially expected to be commissioned in the first quarter of last year, but the pandemic and two cyclones have delayed construction of a breakwater, needed to make it an all weather facility, Sugavanam told Reuters. India, the world's fourth largest LNG importer, wants to raise the share of natural gas in its energy mix to 15% by 2030, from the current 6.2% to cut emissions. Companies are investing billions of dollars in India to build gas infrastructure as Prime Minister Narendra Modi wants to raise the share of cleaner fuel in India's energy mix to 15% by 2030 from the current 6.2%. Swan is setting up a jetty and will build more tanks to eventually double the LNG import capacity, he said. State-run gas importers Indian Oil Corp and Bharat Petroleum Corp, and exploration firm Oil and Natural Gas Corp have leased 1 mtpa capacity each at Swan's terminal. (Reuters)
- Russia's inflation jumps to 5-year high as central bank meeting looms** – Russia has registered marginal weekly inflation that pushed annual inflation to a five-year high, keeping pressure on the central bank which sharply raised rates last month to combat stubbornly rising consumer prices. Inflation is on the radar of both the central bank and the market as Russia tries to rein in rising prices that eat into incomes already dented by the COVID-19 crisis and a weak Rouble. Russia's consumer price index rose 0.01% in the week to Aug. 23 after declining by the same extent the preceding week, the federal statistics service Rosstat said. In YoY terms, inflation accelerated to 6.68% as of Aug. 23, its highest reading since August 2016, up from around 6.5% a week earlier, the economy ministry data showed. Consumer inflation may tick higher in the near term after President Vladimir Putin last weekend, one month before a September parliamentary election, announced one-off social payments to pensioners and soldiers. So far this year, the consumer price index has risen 4.58% compared with 2.95% in the same period of 2020, Rosstat said. VTB Capital said it decided to raise its year-end inflation forecast to 6.1% from 5.9% after Wednesday's data. The central bank, which targets annual inflation of 4%, will hold its next rate-setting meeting on September 10 where it can opt for hiking rates for the fifth time so far this year. Higher rates make bank deposits more attractive and lending more expensive, which should support the Rouble and tame inflation but is negative for growth. (Reuters)

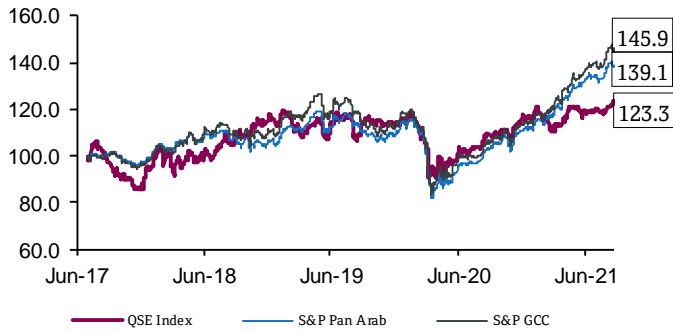
#### Regional

- Fintech funding across Middle East, Africa, Europe surges to \$39.1bn in 6 months** – Fintech investment across the Middle East, Africa and Europe climbed to \$39.1bn in the first half of the year, underpinned by growing interest in digitalization, a report showed. The combined funding for the EMEA region, which accounted for 39% of the total deals made globally, is 50% higher compared to the \$26bn recorded during the whole

of 2020, global consultancy KPMG said in its latest "Pulse of Fintech" report. (Zawya)

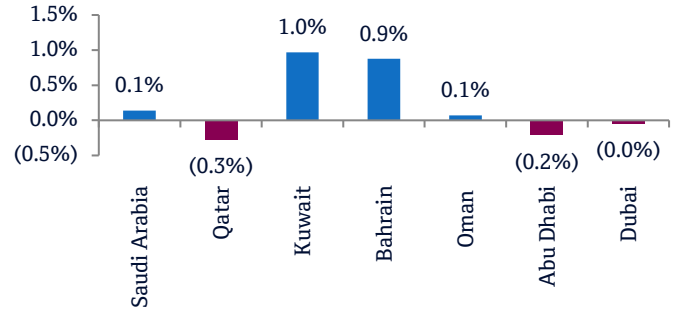
- **Saudi Vision 2030 leads to projects worth nearly \$1tn –** Several projects, with a combined value of nearly \$1tn, have been unveiled across Saudi Arabia since 2016, thanks to the government's Vision 2030 strategy, according to analysis by property consultant Knight Frank. Knight Frank said nearly \$300bn of the total spend is dedicated to new infrastructure which will include passenger rail networks and an airport in Riyadh, estimated at \$147bn and expected to be the home base for a new national airline. (Zawya)
- **Aramco Trading to join Platts oil pricing process in Asia –** Aramco Trading Company (ATC) will be participating in S&P Global Platts' price assessment process for crude cargoes in Asia, the price reporting agency said on Wednesday. Platts said in a notice that it had reviewed the trading arm of the world's top oil exporter Saudi Aramco, and would consider information from ATC in the Asia Market on Close (MOC) price assessment process for Asia crude cargoes. Some industry players have raised concerns about a potential conflict of interest as ATC is wholly-owned by Saudi Aramco and the Platts Dubai crude market structure is used by the world's top oil exporter to set monthly prices for barrels of Saudi crude sold in Asia. (Reuters)
- **UAE's Mubadala joins consortium to buy nearly 50% stake in Korean botox maker –** Abu Dhabi's Mubadala Investment Company has joined a group of Asian companies to acquire nearly half of the stake in South Korean botox maker Hugel from Bain Capital. The sovereign wealth fund is part of a consortium led by Singapore-based healthcare investment firm CBC Group that signed on Wednesday a definitive agreement to own equity interest in the medical aesthetics company. The transaction is estimated to cost around AED1.7tn won and will involve the transfer of the 46.9% stake held by the US private equity firm, according to media reports. (Zawya)
- **Dubai Crude for November to be priced at \$0.20 per barrel below Oman –** Dubai has set its official differential to Oman futures for November at a discount of \$0.20 per barrel, the Dubai Department of Petroleum Affairs said on Wednesday. The differential will be applied to the average of daily settlements for the front month November Oman contract at the end of September to set Dubai's OSP for November-loading crude. (Reuters)
- **CEO: Abu Dhabi conglomerate IHC eyes investment opportunities in Turkey –** Abu Dhabi conglomerate International Holding Co is seeking investment opportunities in Turkey in sectors including healthcare, industrial and food processing, its chief executive Syed Basar Shueb said. The move comes as relations between the UAE and Turkey show signs of improvement following Ankara's move to ease tensions with several Arab powers. Turkey's President Tayyip Erdogan held talks with UAE National Security Adviser Sheikh Tahnoun bin Zayed al-Nahyan last week in a meeting which also focused on economic cooperation. Tahnoun is chairman of IHC, which in recent months has become Abu Dhabi's most valuable stock on the bourse. (Reuters)
- **Bahrain sells BHD35mn 182-day bills; Bid-cover 2.78 –** Bahrain sold BHD35mn of bills due on February 27, 2022. Investors were offered to buy 2.78 times the amount of securities sold. The bills were sold at a price of 99.254, have a yield of 1.49% and will settle on August 29. (Bloomberg)

## Rebased Performance



Source: Bloomberg

## Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,788.20	(0.8)	0.4	(5.8)
Silver/Ounce	23.70	(0.7)	2.9	(10.2)
Crude Oil (Brent)/Barrel (FM Future)	71.15	0.1	9.2	37.4
Crude Oil (WTI)/Barrel (FM Future)	67.41	(0.2)	8.2	38.9
Natural Gas (Henry Hub)/MMBtu	4.00	0.0	1.5	64.4
LPG Propane (Arab Gulf)/Ton	111.50	(0.4)	3.7	48.2
LPG Butane (Arab Gulf)/Ton	127.75	0.0	3.0	83.8
Euro	1.18	(0.0)	0.5	(3.8)
Yen	109.95	0.3	0.2	6.5
GBP	1.37	(0.0)	0.7	0.4
CHF	1.09	(0.1)	0.4	(3.1)
AUD	0.73	(0.0)	1.8	(5.7)
USD Index	92.96	0.1	(0.6)	3.4
RUB	73.99	0.4	(0.4)	(0.6)
BRL	0.19	(0.3)	2.3	(1.2)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,122.00	0.0	1.4	16.1
DJ Industrial	35,383.91	0.0	0.8	15.6
S&P 500	4,491.20	0.1	1.1	19.6
NASDAQ 100	15,042.16	0.1	2.2	16.7
STOXX 600	471.52	(0.0)	1.0	13.6
DAX	15,874.20	(0.2)	0.8	10.6
FTSE 100	7,144.77	0.3	1.5	11.2
CAC 40	6,677.87	0.2	1.2	15.6
Nikkei	27,724.80	(0.2)	2.5	(5.1)
MSCI EM	1,270.01	0.0	4.0	(1.6)
SHANGHAI SE Composite	3,540.38	0.6	3.7	2.7
HANG SENG	25,693.95	(0.1)	3.5	(6.0)
BSE SENSEX	55,944.21	(0.1)	1.3	15.4
Bovespa	119,560.90	(0.6)	3.9	(1.3)
RTS	1,649.88	(0.7)	1.6	18.9

Source: Bloomberg (\*\$ adjusted returns)

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