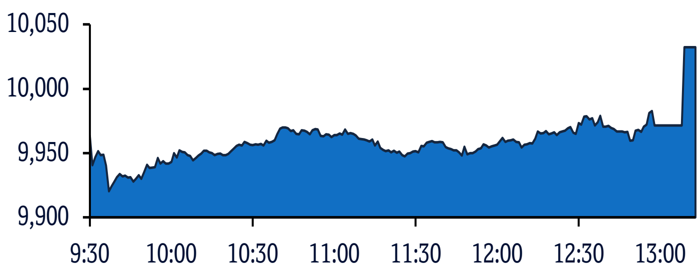
Daily Market Report

Sunday, 11 October 2020

QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 1.0% to close at 10,032.1. Gains were led by the Industrials and Real Estate indices, gaining 1.8% and 1.0%, respectively. Top gainers were Salam International Investment Limited and Industries Qatar, rising 6.2% and 3.4%, respectively. Among the top losers, Qatar Islamic Insurance Company fell 1.7%, while Doha Insurance Group was down 1.4%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.6% to close at 8,412.6. Gains were led by the Health Care Equipment and Food & Staples Retailing indices, rising 4.0% each. Anaam Int. Holding rose 10.0%, while Mouwasat Medical Services was up 9.2%.

Dubai: The DFM Index gained 0.1% to close at 2,214.3. The Consumer Staples and Disc. index rose 2.4%, while the Investment & Financial Services index gained 0.7%. Al Salam Group Holding rose 2.7%, while DXB Entertainments was up 2.6%.

Abu Dhabi: The ADX General Index gained 0.4% to close at 4,512.5. The Services and Consumer Staples indices rose 7.2% each. Agthia Group rose 8.5%, while Arkan Building Materials Company was up 3.5%.

Kuwait: The Kuwait All Share Index gained 0.6% to close at 5,724.8. The Technology index rose 2.9%, while the Telecom. index gained 1.0%. Burgan Co For Well Drilling rose 5.3%, while Kuwait & Middle East Fin Inv was up 4.6%.

Oman: The MSM 30 Index fell 0.1% to close at 3,604.2. The Services index fell 0.2%, while the Financial index fell marginally. Al Madina Investment Company declined 4.0%, while Dhofar Generating Company was down 2.6%.

Bahrain: The BHB Index gained 0.6% to close at 1,458.4. The Services index rose 2.6%, while the Commercial Banks index gained 0.3%. Bahrain Telecommunication Company rose 4.1%, while United Paper Industries was up 2.1%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD %
Salam International Inv. Ltd.	0.69	6.2	77,986.8	33.5
Industries Qatar	9.94	3.4	1,335.9	(3.3)
Ezdan Holding Group	2.10	3.1	21,219.9	241.5
The Commercial Bank	4.10	2.4	2,472.2	(12.8)
Investment Holding Group	0.66	2.2	105,333.1	16.1

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD %
Investment Holding Group	0.66	2.2	105,333.1	16.1
Salam International Inv. Ltd.	0.69	6.2	77,986.8	33.5
Qatar First Bank	1.89	(0.6)	39,956.8	130.8
Ezdan Holding Group	2.10	3.1	21,219.9	241.5
Mazaya Qatar Real Estate Dev.	1.25	0.8	10,823.5	74.0

Market Indicators	08 Oct 20	07 Oct 20	%Chg.
Value Traded (QR mn)	557.2	745.9	(25.3)
Exch. Market Cap. (QR mn)	595,664.7	588,372.4	1.2
Volume (mn)	351.6	438.0	(19.7)
Number of Transactions	11,734	11,884	(1.3)
Companies Traded	44	47	(6.4)
Market Breadth	33:10	14:33	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	19,286.45	1.0	0.3	0.5	16.2
All Share Index	3,106.82	1.0	0.7	0.2	17.1
Banks	4,165.83	0.9	0.7	(1.3)	13.9
Industrials	2,975.09	1.8	0.9	1.5	25.8
Transportation	2,832.05	0.1	0.3	10.8	13.4
Real Estate	2,068.11	1.0	(0.3)	32.1	16.3
Insurance	2,182.23	0.9	(0.4)	(20.2)	32.8
Telecoms	935.26	0.6	1.9	4.5	15.8
Consumer	8,111.11	0.1	0.6	(6.2)	24.5
Al Rayan Islamic Index	4,204.20	0.6	0.5	6.4	18.5

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Mouwasat Med. Services	Saudi Arabia	142.00	9.2	129.9	61.4
Bupa Arabia for Coop. Ins	Saudi Arabia	131.60	4.3	423.8	28.5
Bahrain Telecom. Co.	Bahrain	0.51	4.1	774.6	31.8
Saudi Basic Ind. Corp.	Saudi Arabia	91.90	3.5	6,784.1	(2.1)
Industries Qatar	Qatar	9.94	3.4	1,335.9	(3.3)

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Abu Dhabi Nat. Oil Co.	Abu Dhabi	3.39	(2.9)	9,127.6	14.5
Jabal Omar Development	Saudi Arabia	34.90	(2.4)	2,958.8	28.5
Banque Saudi Fransi	Saudi Arabia	32.55	(1.2)	674.4	(14.1)
BBK	Bahrain	0.50	(0.6)	80.0	(9.3)
Al Rajhi Bank	Saudi Arabia	66.40	(0.6)	4,032.4	1.5

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

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatar Islamic Insurance Company	6.28	(1.7)	29.5	(6.0)
Doha Insurance Group	1.18	(1.4)	528.1	(1.8)
Qatari Investors Group	1.95	(0.7)	4,740.2	8.8
Qatar First Bank	1.89	(0.6)	39,956.8	130.8
Widam Food Company	7.24	(0.6)	21.6	7.2

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Qatar First Bank	1.89	(0.6)	76,241.3	130.8
Investment Holding Group	0.66	2.2	69,010.5	16.1
Salam International Inv. Ltd.	0.69	6.2	53,437.9	33.5
Ezdan Holding Group	2.10	3.1	44,171.1	241.5
QNB Group	18.17	1.2	44,059.6	(11.8)

Source: Bloomberg (* in QR)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,032.13	1.0	0.3	0.4	(3.8)	150.87	161,663.4	16.2	1.5	3.9
Dubai	2,214.32	0.1	(2.3)	(2.6)	(19.9)	31.04	84,804.1	8.4	0.8	4.4
Abu Dhabi	4,512.51	0.4	0.5	(0.1)	(11.1)	87.63	184,136.6	16.5	1.3	5.4
Saudi Arabia	8,412.55	0.6	1.4	1.4	0.3	3,010.24	2,449,772.8	30.3	2.0	2.4
Kuwait	5,724.75	0.6	5.1	5.1	(8.9)	238.47	108,476.7	30.7	1.4	3.4
Oman	3,604.21	(0.1)	(0.3)	(0.3)	(9.5)	2.56	11,034.8	10.7	0.7	6.8
Bahrain	1,458.42	0.6	1.8	1.7	(9.4)	12.17	22,255.2	13.6	0.9	4.6

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

Qatar Market Commentary

- The QE Index rose 1.0% to close at 10,032.1. The Industrials and Real Estate indices led the gains. The index rose on the back of buying support from GCC and Foreign shareholders despite selling pressure from Qatari and Arab shareholders.
- Salam International Investment Limited and Industries Qatar were the top gainers, rising 6.2% and 3.4%, respectively. Among the top losers, Qatar Islamic Insurance Company fell 1.7%, while Doha Insurance Group was down 1.4%.
- Volume of shares traded on Thursday fell by 19.7% to 351.6mn from 438.0mn on Wednesday. Further, as compared to the 30-day moving average of 368.6mn, volume for the day was 4.6% lower. Investment Holding Group and Salam International Investment Limited were the most active stocks, contributing 30% and 22.2% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	50.45%	58.46%	(44,636,910.2)
Qatari Institutions	13.83%	11.23%	14,489,253.5
Qatari	**64.28%**	**69.69%**	**(30,147,656.7)**
GCC Individuals	1.04%	1.38%	(1,867,373.5)
GCC Institutions	0.73%	0.20%	2,949,362.2
GCC	**1.77%**	**1.58%**	**1,081,988.8**
Arab Individuals	12.17%	13.00%	(4,582,511.6)
Arab Institutions	0.00%	0.00%	-
Arab	**12.17%**	**13.00%**	**(4,582,511.6)**
Foreigners Individuals	3.04%	3.07%	(134,247.0)
Foreigners Institutions	18.74%	12.67%	33,782,426.6
Foreigners	**21.78%**	**15.74%**	**33,648,179.5**

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

Global Economic Data and Earnings Calendar

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
10/08	US	Department of Labor	Initial Jobless Claims	03-Oct	840k	820k	849k
10/08	US	Department of Labor	Continuing Claims	26-Sep	10,976k	11,400k	11,979k
10/09	UK	UK Office for National Statistics	Monthly GDP (MoM)	Aug	2.1%	4.6%	6.4%
10/09	UK	UK Office for National Statistics	Industrial Production MoM	Aug	0.3%	2.5%	5.2%
10/09	UK	UK Office for National Statistics	Industrial Production YoY	Aug	-6.4%	-4.7%	-7.4%
10/09	UK	UK Office for National Statistics	Manufacturing Production MoM	Aug	0.7%	3.0%	6.9%
10/09	UK	UK Office for National Statistics	Manufacturing Production YoY	Aug	-8.4%	-5.9%	-10.1%
10/09	France	INSEE National Statistics Office	Industrial Production MoM	Aug	1.3%	1.7%	3.8%
10/09	France	INSEE National Statistics Office	Industrial Production YoY	Aug	-6.2%	-5.7%	-8.4%
10/09	France	INSEE National Statistics Office	Manufacturing Production MoM	Aug	1.0%	2.4%	4.5%
10/09	France	INSEE National Statistics Office	Manufacturing Production YoY	Aug	-7.0%	-5.5%	-8.7%
10/09	China	Markit	Caixin China PMI Composite	Sep	54.5	–	55.1
10/09	China	Markit	Caixin China PMI Services	Sep	54.8	54.3	54.0
10/10	China	The People's Bank of China	Money Supply M0 YoY	Sep	–	9.5%	9.4%
10/10	China	The People's Bank of China	Money Supply M1 YoY	Sep	–	8.5%	8.0%
10/10	China	The People's Bank of China	Money Supply M2 YoY	Sep	–	10.4%	10.4%

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

Earnings Calendar

Tickers	Company Name	Date of reporting 3Q2020 results	No. of days remaining	Status
QNBK	QNB Group	11-Oct-20	0	Due
MARK	Masraf Al Rayan	11-Oct-20	0	Due
QIBK	Qatar Islamic Bank	14-Oct-20	3	Due
ERES	Ezdan Holding Group	14-Oct-20	3	Due
IHGS	INMA Holding Group	18-Oct-20	7	Due
QGTS	Qatar Gas Transport Company Limited (Nakilat)	19-Oct-20	8	Due
QEWS	Qatar Electricity & Water Company	19-Oct-20	8	Due
QIGD	Qatari Investors Group	19-Oct-20	8	Due
MCGS	Medicare Group	20-Oct-20	9	Due
WDAM	Widam Food Company	21-Oct-20	10	Due
QNNS	Qatar Navigation (Milaha)	21-Oct-20	10	Due
ABQK	Ahli Bank	21-Oct-20	10	Due

KCBK	Al Khalij Commercial Bank	22-Oct-20	11	Due
QGMD	Qatari German Company for Medical Devices	22-Oct-20	11	Due

Earnings Calendar

Tickers	Company Name	Date of reporting 3Q2020 results	No. of days remaining	Status
CBQK	The Commercial Bank	25-Oct-20	14	Due
QCFS	Qatar Cinema & Film Distribution Company	25-Oct-20	14	Due
VFQS	Vodafone Qatar	26-Oct-20	15	Due
QIIK	Qatar International Islamic Bank	26-Oct-20	15	Due
DBIS	Dlala Brokerage & Investment Holding Company	26-Oct-20	15	Due
BLDN	Baladna	26-Oct-20	15	Due
QIMD	Qatar Industrial Manufacturing Company	27-Oct-20	16	Due
IQCD	Industries Qatar	27-Oct-20	16	Due
QISI	Qatar Islamic Insurance Group	27-Oct-20	16	Due
DHBK	Doha Bank	27-Oct-20	16	Due
QOIS	Qatar Oman Investment Company	28-Oct-20	17	Due
MPHC	Mesaieed Petrochemical Holding Company	28-Oct-20	17	Due
SIIS	Salam International Investment Limited	28-Oct-20	17	Due
DOHI	Doha Insurance Group	28-Oct-20	17	Due
QFBQ	Qatar First Bank	28-Oct-20	17	Due
MERS	Al Meera Consumer Goods Company	28-Oct-20	17	Due
ORDS	Ooredoo	28-Oct-20	17	Due
UDCD	United Development Company	28-Oct-20	17	Due
GISS	Gulf International Services	29-Oct-20	18	Due
NLCS	Alijarah Holding	29-Oct-20	18	Due
ZHCD	Zad Holding Company	29-Oct-20	18	Due
AKHI	Al Khaleej Takaful Insurance Company	29-Oct-20	18	Due
AHCS	Aamal Company	29-Oct-20	18	Due

Source: QSE

Qatar

- **IQCD to disclose 3Q2020 financial statements on October 27 and to hold conference call on November 02 –** Industries Qatar (IQCD) intends to disclose the 3Q2020 financial statements for the period ending September 30, 2020, on October 27, 2020. The company will hold its investor relations conference call to discuss the financial results for 3Q2020 on November 02, 2020 at 1:30pm, Doha Time. (QSE)
- **CBQK to disclose 3Q2020 financial statements on October 25 and to hold conference call on October 26 –** The Commercial Bank (CBQK) intends to disclose the 3Q2020 financial statements for the period ending September 30, 2020, on October 25, 2020. The company will hold its investor relations conference call to discuss the financial results for 3Q2020 on October 26, 2020 at 1:00pm, Doha Time. (QSE)
- **GISS to disclose 3Q2020 financial statements on October 29 and to hold conference call on November 04 –** Gulf International Services (GISS) intends to disclose the 3Q2020 financial statements for the period ending September 30, 2020, on October 29, 2020. The company will hold its investor relations conference call to discuss the financial results for 3Q2020 on November 04, 2020 at 1:30pm, Doha Time. (QSE)
- **KCBK to disclose 3Q2020 financial statements on October 22 –** Al Khalij Commercial Bank (KCBK) intends to disclose the 3Q2020 financial statements for the period ending September 30, 2020, on October 22, 2020. Furthermore, a conference call with the Investors to discuss the financial results for 3Q2020 will be held on October 26, 2020 at 2:00pm Doha Time. (QSE)
- **MARK to hold conference call on October 15 –** Masraf Al-Rayan (MARK) will hold its investor relations conference call to discuss the financial results for 3Q2020 on October 15, 2020 at 11:30am, Doha Time. (QSE)
- **WDAM to disclose 3Q2020 financial statements on October 21 –** Widam Food Company (WDAM) intends to disclose the 3Q2020 financial statements for the period ending September 30, 2020, on October 21, 2020. (QSE)
- **QOIS to disclose 3Q2020 financial statements on October 28 –** Qatar Oman Investment Company (QOIS) intends to disclose the 3Q2020 financial statements for the period ending September 30, 2020, on October 28, 2020. (QSE)
- **QIMD to disclose 3Q2020 financial statements on October 27 –** Qatar Industrial Manufacturing Company (QIMD) intends to disclose the 3Q2020 financial statements for the period ending September 30, 2020, on October 27, 2020. (QSE)
- **VFQS to disclose 3Q2020 financial statements on October 26 –** Vodafone Qatar (VFQS) intends to disclose the 3Q2020 financial statements for the period ending September 30, 2020, on October 26, 2020. (Peninsula Qatar)
- **Mohammed Abdullah Ali Al-Mannai resigns as a member of GISS' board of directors –** Gulf International Services (GISS) announced that Mohammed Abdullah Ali al-Mannai, has resigned from his position as (individual) Director in GISS' board of directors with effect from October 05, 2020. Given that the GISS elected directors were appointed by acclamation starting from March 06, 2018, and in accordance with the relevant legislation, the board will continue with the current number of directors till the end of its current term. (QSE)
- **Qatar sets land crude price at 75 cents per barrel discount for November –** Qatar Petroleum set the official selling price differential of Qatar Land crude at a discount of 75 cents a barrel to Oman-Dubai benchmark for November sales, according to a price sheet seen by Bloomberg. That compares with 90 cents-a-barrel discount for October. Qatar Marine OSP differential set at a discount of 60 cents for November versus 75-cents discount for October. (Bloomberg)
- **FocusEconomics: Qatar's GDP may scale up to $208bn in 2024 –** Qatar's GDP may scale up to $208bn in 2024 from $162bn this year, researcher FocusEconomics has said in a report. Next year, Qatar's GDP is projected to reach $174bn, followed by $185bn (2022) and $196bn in 2023. Qatar's international reserves are expected to total $37.9bn by 2024, FocusEconomics said. The country's international reserves are projected at $36bn this year, $35.7bn (2021), $36.3bn (2022) and $37.1bn in 2023. Qatar's merchandise trade balance, which is the difference in value between imported and exported goods, is expected to reach $39.7bn in 2024, latest country forecast by FocusEconomics has showed. This year, the country's merchandise trade balance has been forecast to total $26.2bn, followed by $30.7bn (in 2021), $33.4bn (2022) and $36.4bn (2023). The report said Qatar's fiscal balance as a percentage of GDP is set to rise to 3.3% in 2024 from an estimated -7.4% this year. According to FocusEconomics, Qatar's public debt (as a percentage of GDP) has been forecast at 71% this year. GDP per capita, FocusEconomics said, has been estimated to reach $74,550 in 2024 from $58,649 this year. GDP per capita next year will be $62,745, followed by $66,615 in 2022 and $70,593 in 2023. Qatar's economic growth in terms of nominal GDP will reach 5.9% in 2024 from -11.8% by the year-end. Next year, economic growth in terms of nominal GDP will be 7.2%, 6.4% in 2022 and 6.2% in 2023. The current account balance (as a percentage of GDP) will be 1.6 in 2024 compared with -4.1 in 2020, -0.4 (2021), 1.4 (2022) and 1.5 in 2023. The country's inflation, the report noted, will be -1.8% this year, 1.2% (2021), 1.7% (2022), 1.8% (2023) and 1.9% in 2024. Qatar's unemployment rate (as a percentage of active population) will remain a meagre 0.1% in 2024, from 0.4% this year. Next year it will be 0.3%, 0.2% in 2022 and 2023, FocusEconomics said. (Gulf-Times.com)
- **Building permits issued in September show robust growth –** The lifting of COVID-19 restrictions had a profound impact on the outlook of Qatar's construction sector in September as the building permits showed a robust double-digit growth compared to those in August 2020, according to the Planning and Statistics Authority (PSA). In its latest data, the PSA also found a double-digit MoM increase in the building completion certificates issued in the review period. The total number of new building permits issued were 757, of which Al Rayyan constituted 24% or 182 permits, Doha (22% or 170), Al Daayen (16% or 124), Umm Slal (8% or 58), Al Khor (6% or 46), Al Shahaniya (3% or 25) and Al

Shamal (2% or 16). On a monthly basis, at the national level, the number of building permits issued rose 31% with Al Shahaniya witnessing more than doubled permits, Al Daayen (43% growth), Umm Slal (35%), Doha (33%), Al Wakra (28%), Al Rayyan (24%) and Al Khor (18%); while there was a 6% decline in Al Shamal. The building permits data is of particular importance as it is considered an indicator for the performance of the construction sector which in turn occupies a significant position in the national economy. The PSA data indicates that the new building permits (residential and non-residential) constituted 43% (327 permits) of the total building permits issued this September, additions 52% (392 permits) and fencing 5% (38 permits). (Gulf-Times.com)

- **Fuel optimization initiatives of Qatar Airways ensure efficiency boost, carbon cut –** Qatar Airways' fuel optimization initiatives have helped the national airline to work towards improved efficiency and carbon reduction in addition to its investments in the most advanced aircraft technology. The national carrier has aligned with the international aviation industry's climate change goals. With a young fleet of fuel efficient aircraft, including the Airbus A350 and the Boeing 787, Qatar Airways continues to offer passengers a sustainable solution for their travel, according to the airline's Annual Report Fiscal 2020. "We remain compliant to the European Union's Emissions Trading System and are currently monitoring carbon emissions for the baseline year of ICAO's Carbon Offsetting and Reduction Scheme for International Aviation – CORSIA," Qatar Airways noted. (Gulf-Times.com)
- **Office to help non-Qataris buy real estate launched –** The Ministry of Justice and the Ministry of Interior on Thursday launched an office for Non-Qatari Real Estate Ownership at The Pearl-Qatar, to provide single-window real estate ownership and utilization services for investors. The office provides all the requirements for the sale and purchase of real estate, residential units and offices in areas covered by Cabinet Resolution No 28 of 2020, specifying the areas in which non-Qataris may own and benefit from real estate and the conditions, controls, benefits and procedures for their ownership. The office enables the beneficiaries to obtain the title deed in less than an hour. It also provides, through an automated system developed by the Ministries of Interior and Justice, the issuance of residency upon completion of ownership or usufruct procedures, in case the property of the owner or the beneficiary is in the category whose value is not less than QR730,000, so that the owner of the property from this category obtains a residence permit for himself and his family without a recruiter for the duration of his ownership of the property. (Gulf-Times.com)
- **Prime Minister releases 'Building Requirements Guide in Qatar' –** Prime Minister and Minister of Interior, HE Sheikh Khalid bin Khalifa bin Abdulaziz Al Thani, released yesterday, the "Building Requirements Guide in the State of Qatar." The guide contains planning and design requirements for state buildings, building permit requirements and procedures for issuing them. The guide, which is available in electronic and paper versions, will make it easier for citizens and investors to know all transactions and procedures, and will help stimulate the economic environment for the construction sector. The launching ceremony was attended by Minister of Municipality and Environment, Abdulla bin Abdulaziz bin Turki Al Subaie, and a number of ministry officials. (Peninsula Qatar)

International

- **FAO: World food price index rise 5% YoY in September –** World food prices rose for a fourth month running in September, led by strong increases for cereals and vegetable oils, the United Nations food agency said on Thursday. The Food and Agriculture Organization's (FAO) food price index, which measures monthly changes for a basket of cereals, oilseeds, dairy products, meat and sugar, averaged 97.9 points last month versus a downwardly revised 95.9 in August. The August figure was previously given as 96.1. The Rome-based FAO also said in a statement that worldwide cereal harvests remained on course to hit an annual record in 2020, even though it slightly trimmed its previous forecasts. The agency's cereal price index rose 5.1% in September from the month before and 13.6% above its value a year earlier. "Higher wheat price quotations led the increase, spurred by brisk trade activity amid concerns over production prospects in the southern hemisphere as well as dry conditions affecting winter wheat sowings around Europe," FAO said. Maize, sorghum and barley prices rose, while rice fell 1.4% as fresh demand slowed. The vegetable oil price index climbed 6.0% MoM, thanks largely to rising palm, sunflower seed and soy oil quotations, reaching an 8-month high. The dairy index was little changed on the month, with moderate increases in price quotations for butter, cheese and skim milk powder offset by a fall in those of whole milk powder. (Reuters)
- **US weekly jobless claims inch lower, but remain stubbornly high –** The number of Americans filing new claims for jobless benefits inched down last week, signaling the US labor market is making little fresh headway in getting millions of people back on the job after being out of work due to COVID-19 disruptions. Initial claims for state unemployment benefits totaled a seasonally adjusted 840,000 for the week ended October 3, compared with an upwardly revised 849,000 in the prior week, the Labor Department said on Thursday. Economists polled by Reuters had forecast 820,000 applications in the latest week. While last week's level of new claims was the lowest since March, they have stalled at historically high levels after dropping below 1 million in August as the government changed the way it strips seasonal fluctuations from the data. They are above their 665,000 peak during the 2007-09 Great Recession, though filings have dropped from a record 6.867mn at the end of March. The data on new claims for the past two weeks has been distorted by California taking a two-week hiatus in reporting its numbers because of problems with a backlog of filings and indications of fraud. (Reuters)
- **Trump's stimulus proposal draws opposition from congressional Democrats and Republicans –** A new $1.8tn economic stimulus proposal from the Trump administration drew criticism from congressional Democrats and Republicans on Saturday, diminishing hopes for a coronavirus relief deal before the November 3 election. In a weekly letter to Democratic colleagues, Pelosi said the Trump administration's proposal lacked a "strategic plan to crush the virus" and gave President Donald Trump too much discretion to decide how funds were allocated. "At this point, we still have disagreement on many priorities, and Democrats are awaiting language from the

Administration on several provisions as the negotiations on the overall funding amount continue," Pelosi's letter said. On a conference call on Saturday morning with Treasury Secretary Steven Mnuchin and White House chief of staff Mark Meadows, multiple Republican senators criticized the price tag of the Trump administration's proposal, a source familiar with the matter said. Mnuchin floated the $1.8tn proposal in a 30-minute Friday afternoon phone conversation with Pelosi, according to the White House. The new White House package was higher than an earlier $1.6tn Mnuchin offer and closer to the $2.2tn the Democratic-controlled House of Representatives passed last week. (Reuters)

- **Trump steel tariffs bring job losses to swing state Michigan –** President Donald Trump promised a new dawn for the struggling US steel industry in 2016, and the lure of new jobs in Midwestern states including Michigan helped him eke out a surprise election win. Four years later, Great Lakes Works - once among the state's largest steel plants - has shut down steelmaking operations and put 1,250 workers out of a job. A year before the June layoffs, plant owner United States Steel Corp called off a plan to invest $600mn in upgrades amid deteriorating market conditions. Trump's strategy centered on shielding US steel mills from foreign competition with a 25% tariff imposed in March 2018. He also promised to boost steel demand through major investments in roads, bridges and other infrastructure. But higher steel prices resulting from the tariffs dented demand from the Michigan-based US auto industry and other steel consumers. And the Trump administration has never followed through on an infrastructure plan. Michigan's heavy reliance on the steel and auto industries puts Trump's trade policy in sharp focus ahead of the November 3 presidential election in this battleground state. Democrats say they aim to recapture the votes of blue-collar workers they lost to Trump four years ago - one key factor in his victory over Hillary Clinton. Trump won Michigan by less than one percent of the statewide vote total. The competition for the votes of often-unionized manufacturing workers - who historically have voted Democratic - will be just as fierce in the battleground states of Wisconsin and Pennsylvania, political analysts say. (Reuters)
- **Fed's Kaplan sees US economy shrinking just 2.5% this year –** Dallas Federal Reserve President Robert Kaplan on Thursday said he expects the U.S. economy to contract 2.5% this year, an upgrade from just over a week ago when he forecast a 3% contraction this year. But, he also said in a virtual event held by the San Antonio Chamber of Commerce, people will likely need to continue to wear masks through all of next year, delaying until 2022 and 2023 any economic rebound in currently "depressed" sectors that depend on person-to-person contact and large groups. (Reuters)
- **US wholesale inventories revised to +0.4% in August –** US wholesale inventories rose less than initially estimated in August, suggesting inventories were likely to build slowly after sliding in the early months of the coronavirus pandemic. The Commerce Department said on Friday that wholesale inventories increased 0.4% in August, instead of rising 0.5% as estimated last month. Stocks at wholesalers fell 0.2% in July. The component of wholesale inventories that goes into the calculation of gross domestic product was unchanged in August. August inventories were down 5.2% from a year earlier. GDP declined at a record 31.4% annualized rate in the second quarter, with inventories subtracting 3.5 percentage points, the most in 32 years. GDP is expected to bounce back strongly in the third quarter but growth is seen slowing substantially in the last quarter of this year. Stocks of motor vehicles and parts rose 4.3% in August. Sales at wholesalers increased 1.4% in August after rising 4.8% in July. Economists had forecast a 2.0% rise in sales. At August's sales pace it would take wholesalers 1.31 months to clear shelves, down from 1.32 months in July. (Reuters)
- **US oil-export projects stall as output slips, opposition builds –** The coronavirus pandemic has stalled a once-furious race among energy companies to build deep-water oil export terminals off the Texas coast, amid permitting delays and rising environmental opposition. Only three out of an initial dozen offshore US Gulf Coast oil export proposals remain before federal maritime regulators. They are being slow-walked as the coronavirus slashed global fuel demand and the gusher from US shale fields ebbed, said analysts. "While these projects may be on the drawing board, they are more or less in a state of limbo given that in the current crude oil price environment, there's more than ample export capacity already available," said Andrew Lipow, president of consultancy Lipow Oil Associates. US oil production has declined 18% and crude prices CLC1 have tumbled 35% this year, lessening demand for new export ports. Daily US crude exports slowed to 8% gain through July, down from 46% last year, according to US data. (Reuters)
- **UK economy stumbles in August, setting back recovery from COVID-19 slump –** Britain's economy struggled to grow in August, setting back its recovery from the coronavirus lockdown, and finance minister Rishi Sunak was due to announce more help to slow a rise in jobs losses as a second wave of COVID-19 infections hits. GDP rose by 2.1% from July, official data showed, not even half the median forecast in a Reuters poll of economists and the slowest increase since the economy began to recover in May from a record slump. Much of what growth there was in August was down to a one-off government restaurant subsidy program. Finance Minister Rishi Sunak was due to announce later on Friday a plan to support jobs in businesses that may be ordered to close to slow a resurgence of COVID-19 infections. Economists said the data also raised the chance of more stimulus from the Bank of England. "The sharp slowdown in growth indicates that the recovery may be running out of steam, with output still well below pre-crisis levels," Suren Thiru, head of economics at the British Chambers of Commerce said. "The increase in activity in August largely reflects a temporary boost from the economy reopening and government stimulus, including the Eat Out to Help Out Scheme, rather than proof of a sustained 'V'-shaped recovery." More than half of the economy's growth in August came from accommodation and food, where output surged by 71.4% thanks to the government's one-month meals subsidies, more people taking holidays in Britain and the easing of lockdown restrictions. (Reuters)
- **UK economy grows by 2.1% in August, lower than expected –** Britain's economy expanded by a lower-than-expected 2.1% in August from July, the fourth consecutive month of growth as the country tries to recover from its record slump during the coronavirus lockdown, official data showed on Friday.

Economists polled by Reuters had expected growth of 4.6% in August, according to the median forecast. (Reuters)

- **UK urges businesses to prepare for end of Brexit transition –** Britain's government on Sunday urged businesses to prepare for the end of the Brexit transition period, saying that they need to take action whether or not a trade deal with the European Union is clinched. Prime Minister Boris Johnson has said Britain will not extend the transition period, which ends on December 31, and that progress must be made to bridge significant gaps between the two sides in the coming days if a deal is to be struck. The business ministry argues that most of what businesses need to do is the same regardless of the outcome of the negotiations and has planned a series of sector specific webinars in October. "With just 81 days until the end of the transition period, businesses must act now to ensure they are ready for the UK's new start come January," said business minister Alok Sharma, who will write to businesses regarding the changes. "There will be no extension to the transition period, so there is no time to waste." Businesses needed to do things like ensure staff register for residency rights and prepare for customs procedures when trading with the EU, the government said. The UK formally left the EU on January 31, but more than four years since voting 52%-48% for Brexit in a 2016 referendum, the two sides are haggling over a trade deal to take effect when informal membership ends on December 31. (Reuters)
- **CBI: UK financial services firms turn cautiously optimistic –** Financial services firms in Britain turned more optimistic for the first time this year as a drop in business bottomed out, but big uncertainties remained about COVID-19 and a post-Brexit trade deal, according to a survey published on Thursday. A drop in profits for banks, finance companies and building societies was partly offset by growth in earnings from insurance and investment management, the quarterly survey by the Confederation of British Industry showed. "While it is reassuring to see business volumes begin to stabilize in a sector so vital for the UK's recovery, financial services isn't out of the woods just yet," Rain Newton-Smith, the CBI's chief economist, said. Staff numbers fell less severely than in the previous three-month period and the decline was expected to slow again. Investment excluding technology was likely to fall in the year ahead, weighed down by the deepest demand uncertainty in eight years caused by COVID-19 and unresolved trade talks between Britain and the European Union. Non-performing loans grew but at a slower pace than earlier in 2020. The survey was conducted between Sept. 1 and Sept. 19 and 133 firms replied. (Reuters)
- **Spain's house sales, mortgages grow 7% YoY in August –** The number of houses sold in Spain in August grew 6.8% YoY and new mortgages rose 6.5%, data from the College of Notaries showed on Thursday, pointing to a flurry of deals resuming after the coronavirus pandemic paralyzed the market. Transactions had dropped dramatically since Spain entered its nationwide lockdown in March, which ended in June, and the new data suggest Spaniards are now more inclined to change homes. Signs of the economically troubled times were evident however in a 7.3% drop in the average house price, a trend borne out in the monthly data collected by Spain's three largest property portals. A combination of lower prices, reduced buyer solvency, and heightened risk aversion from lenders also caused the average mortgage value to drop some 3.4% from August 2019. Spain has been one of the European countries hardest hit by the coronavirus, with 835,901 cases and 32,562 deaths to date. It lost 18% of its GDP in the second quarter, and early indicators anticipate a weak recovery in the third quarter. (Reuters)
- **Italy business lobby sees 10% GDP contraction this year, "partial" rebound in 2021 –** Italy's business lobby Confindustria said on Saturday it saw just a "partial" rebound for the country's gross domestic product (GDP) in 2021 after an expected 10% contraction this year, as the coronavirus epidemic still loomed. Confindustria's research unit CSC said a recent spike in new COVID-19 cases was a source of uncertainty and a cause for expected economic weakness in the last quarter of this year. "A recovery of GDP should restart in a gradual fashion from start-2021, on the condition that the COVID-19 spread is contained in an effective way," it said. CSC estimates Italian GDP to grow 4.8% next year. However, such projection does not include the effects of Rome's next budget manoeuvre and resources made available by the European union, it said. Daily new coronavirus infections on Friday topped 5,000 for the first time since March. Italian GDP, hit by one of the world's strictest coronavirus lockdowns between March and May, shrank by 13% in the second quarter from the previous three months, the steepest GDP fall since national statistic bureau ISTAT's current series began in 1995. Italy's government expects its coronavirus-hit economy to shrink by 9% this year and to grow 6% in 2021, according to its latest macroeconomic and public finance projections issued last month. (Reuters)
- **BOJ offers brighter view on regional Japan, signals policy status quo –** The Bank of Japan (BOJ) raised its economic assessment for most of the country's nine regions to say they were starting to pick up, underscoring the central bank's growing conviction the economy is emerging from the worst hit of the coronavirus pandemic. BOJ Governor Haruhiko Kuroda also said the world's third largest economy was likely to continue recovering thanks in part to the boost from fiscal and monetary stimulus measures. The upbeat view reinforces market expectations the BOJ will hold off ramping up stimulus for now, and focus on pumping money into the economy with existing lending programs. "Once the impact of the coronavirus pandemic subsides globally, Japan's economy is likely to continue improving further as overseas economies resume steady growth," Kuroda said in a speech to a quarterly meeting of the BOJ's branch managers on Thursday. In a report released after the meeting, the central bank raised its assessment for eight of Japan's nine areas including regions home to major manufacturing hubs such as Osaka and Nagoya. It maintained its assessment for the remaining region. "While economic conditions remain severe in many regions due to the pandemic, they are starting to rebound or show signs of a pick-up as business activity gradually resumes," it said. The BOJ next meets for a rate review on October 28-29, when it also releases fresh quarterly economic and price projections. (Reuters)
- **Japan's household spending, real wages extend COVID-driven declines –** Japan's household spending fell for an 11th straight month in August and real wages marked half a year of declines, as consumers struggled to return to their pre-pandemic purchasing habits. Analysts see the economy picking up from

the slump caused by the coronavirus but weak spending and wage figures highlight the challenges new Prime Minister Yoshihide Suga faces as he works to revive the economy. Household spending declined 6.9% in August from a year earlier, government data showed on Friday, matching a median forecast in a Reuters poll. A year-on-year decline in the household spending in August would mark the 11th straight of falls, the longest period of contraction since a 15-month stretch to May 2017. However, the pace of decline has slowed after hitting a record 16.2% in May, when people stayed at home to prevent the virus infection under the nationwide shutdown. The government lifted the emergency measures in late May and business activity has gradually resumed. Compared with the previous month, household spending rose 1.7% in August after a 6.5% decline in July. (Reuters)

- **Japan's real wages fall for sixth straight month as pandemic bites –** Japan's inflation-adjusted real wages fell for the sixth straight month in August, reflecting a big drop in overtime pay due to the impact on the labor market from the COVID-19 pandemic, government data showed on Friday. Labor ministry data showed real wages, a key barometer of households' purchasing power, dropped 1.4% in August from a year earlier, following a downwardly revised 1.8% decline in July. Wage earners' nominal total cash earnings fell 1.3% to 273,263 yen ($2,578.68) in August from a year earlier, the fifth consecutive month of declines. The drop in overtime pay and summer bonuses added to a modest decline in regular pay as the economic blow from the coronavirus crisis prompted companies to cut costs. Overtime pay, a key gauge of strength in corporate activity, dropped 14.0% in the year to August, following a downward revision to a 17.1% drop and down for a full straight year. Regular pay - or base salary, which makes up most of total cash earnings - slipped 0.1% in August, down for the first time since June 2019. Special payments, which predominantly consists of one-off bonuses, fell 4.0% in the year to August, the data showed. Wage earners' cash earnings fell about 1% during the January-August period compared with the same period a year ago. (Reuters)
- **Caixin PMI: China's services sector recovery gathers pace in September –** The recovery in China's service sector activity extended into a fifth straight month in September, an industry survey showed on Friday, with hiring increasing for the second month in a row. The Caixin/Markit services Purchasing Managers' Index (PMI) rose to 54.8 from August's 54.0, the highest reading since June and staying well above the 50-mark that separates monthly growth from contraction. The services sector, which accounts for about 60% of the economy and half of urban jobs, had initially been slower to return to growth than large manufacturers, but the recovery has gathered pace in recent months as COVID-19 restrictions on public gatherings lifted. Firms hired more for the second month in a row, although at a still modest rate, indicating some recovery in a labor market that has been hit by sharp falls in demand and epidemic restrictions earlier in the year. Domestic demand drove new orders, with the survey showing new export businesses received by Chinese services firms slipping further into contraction in September. (Reuters)
- **RBI holds rates steady, sees economic recovery taking root –** The Reserve Bank of India (RBI) left key interest rates unchanged on Friday as widely expected, while keeping policy accommodative to help pull the coronavirus-ravaged economy out of its worst slump in four decades. India's economy has been the worst hit by the pandemic among major countries and new infections continue to climb, but RBI Governor Shaktikanta Das said there were some encouraging signs of a business turnaround and activity could return to growth in the January-March quarter. As expected, the monetary policy committee (MPC) kept the repo rate, its key lending rate, at 4.0%, while the reverse repo rate or the key borrowing rate stayed at 3.35%. The RBI has slashed the repo rate by 115 basis points (bps) since late March to cushion the shock from the coronavirus crisis and sweeping lockdowns to check its spread. The RBI sees India's real GDP contracting by 9.5% in the current fiscal year, Das said in a webcast after the MPC meeting. "The MPC is of the view that revival of the economy from an unprecedented COVID-19 pandemic assumes the highest priority in the conduct of monetary policy," he said. "The MPC decides to maintain status quo on the policy rate in this meeting and await the easing of inflationary pressures to use the space available for supporting growth further." August inflation, at 6.69%, held above the top end of the RBI's medium-term target range of 2-6% for the fifth consecutive month amid supply disruptions. (Reuters)
- **Brazil retail sales hit record high in August, but momentum slowing –** Brazilian retail sales rose to their highest on record in August, official figures showed on Thursday, the fourth monthly increase in a row as economic activity continued to recover from the worst of the nationwide lockdown measures earlier this year. The 3.4% rise from July was more than the 3.1% median forecast in a Reuters poll of economists, and lifted the total seasonally adjusted volume of sales beyond the previous all-time high of October 2014, according to statistics agency IBGE. While policymakers will welcome the new record, momentum is slowing. July's increase of 5.2% was revised down to 5.0%, and August's rise was easily the smallest of the four consecutive monthly increases. Retail sales excluding autos and construction materials rose 6.1% in August compared with the same month last year, IBGE said, less than 7.0% rise economists in the Reuters poll had expected. Alberto Ramos, head of Latin American research at Goldman Sachs, noted that the strong recovery since April has been supported by large government transfers to millions of low-income families and a gradual relaxation of lockdown measures. (Reuters)

Regional

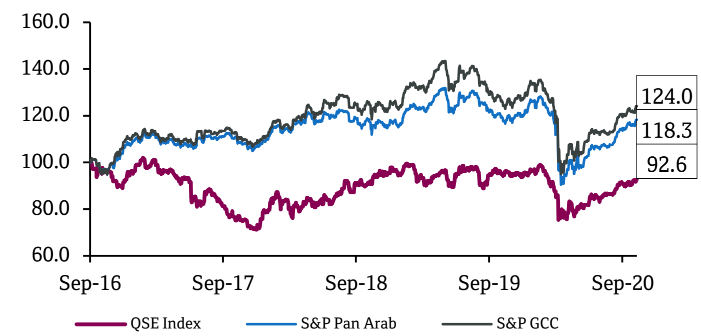
- **Frost & Sullivan: GCC economies expected to rebound in 2022 after contraction this year –** GCC economies are expected to rebound in 2022 after contraction this year, researcher Frost & Sullivan has said in a report. "They are expected to witness impressive growth through 2030, driven by global and regional mega trends," Frost & Sullivan said in a recent regional analysis. According to Frost & Sullivan, the pandemic and diminishing oil prices caused the contraction in 2020. However, in the optimistic scenario, there will be signs of economic recovery by Q2, 2021. This will be due to Qatar and other member nations of the council emphasizing economic diversion from the oil sector to non-oil sectors and strategy implementation to encourage private enterprises to invest in and develop projects across all major sectors of the economy. Advancement in technologies such as

5G, shift towards digital platforms and marketplaces will pave the way for new business models. The business environment in the region will experience a transformation that will have a far-reaching impact on economic trends and social dynamics. Further, with the surge in digital penetration in the next decade, the GCC's non-oil sectors – retail, healthcare, education, mega-event projects, and renewable energy – will continue to dominate the economy, which will lead to the emergence of "mega themes", creating future opportunities in the region. "Besides increasing mobile and internet penetration, several digital initiatives to improve city governance to citizens' lifestyles will be the highlight of the region," visionary innovation group consulting Analyst at Frost & Sullivan, Malabika Mandal said. (Gulf-Times.com)

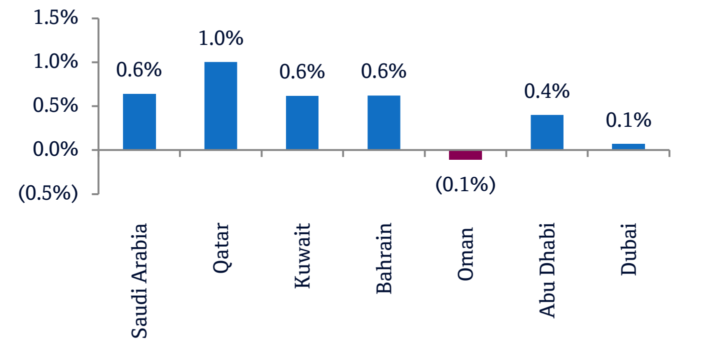
- **Saudi finance chiefs welcome Moody's Sukuk rating –** Saudi finance chiefs have welcomed the latest ratings agency stamp of approval for the Kingdom's Sukuk program. Moody's this week assigned a top rating to the government's Riyal-denominated Islamic bond program. Such ratings are used by investors to gauge the creditworthiness of countries and companies. Moody's issued a provisional (P) A1 senior unsecured MTN global scale rating and Aaa.sa senior unsecured national scale rating to the government's Sukuk program. Finance Minister, Mohammed Al-Jadaan said the rating reflected "the strength, flexibility and capability of the Kingdom's economy in facing global economic challenges." (Zawya)
- **JP Morgan sees Saudi Arabia offering deeper oil cuts –** A worsening global oil demand outlook will prompt OPEC to reverse a planned easing of oil cuts in 2021 with Saudi Arabia offering deeper cuts below its current quota, JP Morgan said in a research note. "Against relatively bearish investor sentiment on the near-term demand outlook as COVID-19 potentially accelerates infections into winter, we highlight the potential for Saudi to drive incremental cuts at the November 30 OPEC meeting," Analysts including Christyan Malek said in a note. "Our base case is a reversal of the 1.9mn bpd output increase slated for 2021 with an upside scenario of a deeper cut whereby Saudi reduces its own quotas even lower (in the event of a worsening demand outlook)," JP Morgan said. (Reuters)
- **Moody's assigns national scale ratings to four Saudi lenders –** Moody's Investors Service has assigned national scale ratings (NSRs) for the long-and-short term deposit ratings and counterparty risk ratings (CRRs) of four Saudi banks. These banks are Bank AlJazira, Riyad Bank, Samba Financial Group, and Saudi British Bank (SABB), according to a recent press release. NSRs provide a measure of relative creditworthiness within a single country and are derived from global scale ratings (GSRs) using country-specific maps. Moody's assigned A3.sa/SA-2 national scale deposit ratings and A2.sa/SA-1 national scale CRRs to Bank AlJazira. These ratings reflect the bank's standalone baseline credit assessment (BCA) of baa3 and two notches of government support uplift. The A3.sa is the higher of two NSR categories corresponding to the bank's local currency deposit global scale rating. Moody's assigned Aa2.sa/SA-1 national scale deposit ratings and Aa1.sa/SA-1 national scale CRRs to Riyad Bank. These ratings are underpinned by the bank's global scale long-term deposit rating of A2. The credit rating agency assigned Aa1.sa/SA-1 national scale deposit ratings and Aa1.sa/SA-1 national scale CRRs to Samba. The Aa1.sa is the second-highest NSR that can be achieved by any entity in Saudi Arabia and the highest currently assigned to any bank. Moody's assigned Aa1.sa/SA-1 national scale deposit ratings and Aa1.sa/SA-1 national scale CRRs to SABB, capturing the bank's standalone BCA of a3 and two notches of government support uplift. (Zawya)
- **Saudi Arabia's Advanced Petrochemical Company adds Isopropanol capacity to JV with SK Gas –** Saudi Arabia's Advanced Petrochemical Company said on Thursday that it is planning to add a 70,000 tons per annum capacity Isopropanol (IPA) plant as part of its joint venture project in Jubail Industrial City. In March, Advanced had announced that its subsidiary Advanced Global Investment Company (AGIC) has signed an shareholders' agreement with Singapore-headquartered SK Gas Petrochemical (SKGP), a subsidiary of South Korea's SK Gas Co, to set up Advanced Polyolefins Company to manufacture propylene and polypropylene. In its statement to the Saudi stock exchange, Advanced said that the shareholders agreement between AGIC and SKGP has been amended to include IPA plant. The statement said the new plant would cost an estimated $80mn, adding that the total cost of the entire project, comprising of PDH, PP and IPA facilities, is currently estimated to be approximately $1.88bn. (Zawya)
- **Aramex to book $15mn provision on Beirut, Casablanca incidents –** Aramex stated it has insurance to cover incidents in Beirut and Casablanca. It has appointed assessor to manage both claims with the respective insurance companies. The provisions will be booked in 3Q2020 results which includes $2.74mn related to damage of entire warehouse facility in Beirut as a result of the explosion that occurred in Beirut Port in August, $12.4mn related to partial damage in three storage chambers of a warehouse facility in Casablanca as a result of a fire outbreak in September. (Bloomberg)
- **Tel Aviv, Abu Dhabi bourses in early talks for cooperation –** The Tel Aviv Stock Exchange said on Thursday it has started discussions with the Abu Dhabi Securities Exchange (ADX) to examine cooperation between the parties. This is a further sign of economic collaboration after Israel and the UAE last month signed an historic agreement to normalize ties. "The parties are conducting discussions for entering into a memorandum of understanding for the structuring of an agreed framework designed at examining possible regional cooperation in various fields of activities," the exchange said in a statement. It said this is only a preliminary stage for the examination of possible cooperation and that no MOU has been executed yet and no agreements have been formulated. The exchange did not provide further details. (Reuters)
- **Agility subscribes to 6.15mn shares in Hyliion at KD12mn –** Agility has subscribed to 6.15mn shares in Hyliion at KD12mn. The investment is part of KD20mn pact with Colle Capital, Kuwait's Agility stated. (Bloomberg)
- **Oman offers spot LNG cargo for mid-November delivery to North Asia –** Oman LNG is offering a cargo on a DES basis for mid-November delivery to North Asia, according to traders with knowledge of the matter. (Bloomberg)
- **Moody's assigns B2 rating to drawdown from Bahrain's Sukuk issuance program –** Moody's Investors Service, has assigned a B2

senior unsecured rating to the $1bn 7-year Sukuk (trust certificate) instrument issued on September 16, 2020 under the Trust Certificate Issuance Program established by CBB International Sukuk Program Company, a single person limited liability company incorporated in the Kingdom of Bahrain whose proprietor is the Central Bank of Bahrain (CBB) and whose debt and trust certificate issuances are, in Moody's view, ultimately the obligation of the Government of Bahrain (B2 Stable). The rating was initiated by Moody's Investors Service and was not requested by the rated entity. The B2 Sukuk instrument rating mirrors the Government of Bahrain's B2 issuer rating. Bahrain's issuer rating is supported by the sovereign's high per capita income levels and a relatively well diversified economy compared to the regional peers and constrained by high and increasing government debt burden and significant government liquidity and external vulnerability risks. Bahrain benefits from demonstrated financial support from its neighbors, which has helped the sovereign to retain access to confidence-sensitive funding markets. The payment obligations associated with the Sukuk instrument are considered by Moody's to represent direct obligations of the Government of Bahrain, ranking pari passu with all other unsecured indebtedness of the Government of Bahrain and the holders of the Sukuk are therefore effectively exposed to Bahrain's senior unsecured credit risk. Moody's notes that its instrument rating does not express an opinion on the structure's compliance with Shari'ah law. As an oil exporter, Bahrain's environmental risks are predominantly derived from carbon transition. Under a scenario similar to the International Energy Agency's (IEA) stated policies scenario of a gradual slowdown and eventually fall in hydrocarbon demand, Bahrain's credit profile would face downward pressure. Bahrain is also one of the world's ten most arid states susceptible to material water risk. The majority of Bahrain's water is produced by desalination plants, which are highly energy intensive. (Bloomberg)

Rebased Performance	Daily Index Performance



Source: Bloomberg



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,930.40	1.9	1.6	27.2
Silver/Ounce	25.15	5.5	6.0	40.9
Crude Oil (Brent)/Barrel (FM Future)	42.85	(1.1)	9.1	(35.1)
Crude Oil (WTI)/Barrel (FM Future)	40.60	(1.4)	9.6	(33.5)
Natural Gas (Henry Hub)/MMBtu	1.49	0.0	6.4	(28.7)
LPG Propane (Arab Gulf)/Ton	52.50	(0.7)	8.2	27.3
LPG Butane (Arab Gulf)/Ton	61.25	(0.4)	8.9	(7.7)
Euro	1.18	0.6	0.9	5.5
Yen	105.62	(0.4)	0.3	(2.8)
GBP	1.30	0.8	0.8	(1.7)
CHF	1.10	0.8	1.1	6.3
AUD	0.72	1.0	1.1	3.1
USD Index	93.06	(0.6)	(0.8)	(3.5)
RUB	76.78	(0.7)	(1.8)	23.9
BRL	0.18	1.2	2.7	(27.4)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,447.76	0.8	3.6	3.8
DJ Industrial	28,586.90	0.6	3.3	0.2
S&P 500	3,477.13	0.9	3.8	7.6
NASDAQ 100	11,579.94	1.4	4.6	29.1
STOXX 600	370.35	1.1	3.0	(6.2)
DAX	13,051.23	0.6	3.8	3.9
FTSE 100	6,016.65	1.3	2.6	(21.7)
CAC 40	4,946.81	1.3	3.4	(12.9)
Nikkei	23,619.69	0.2	2.2	2.9
MSCI EM	1,122.51	0.5	3.8	0.7
SHANGHAI SE Composite	3,272.08	3.1	3.1	11.6
HANG SENG	24,119.13	(0.3)	2.8	(14.0)
BSE SENSEX	40,509.49	1.3	5.0	(4.2)
Bovespa	97,483.30	0.6	6.1	(38.8)
RTS	1,164.34	0.5	1.4	(24.8)

Source: Bloomberg (*$ adjusted returns)

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