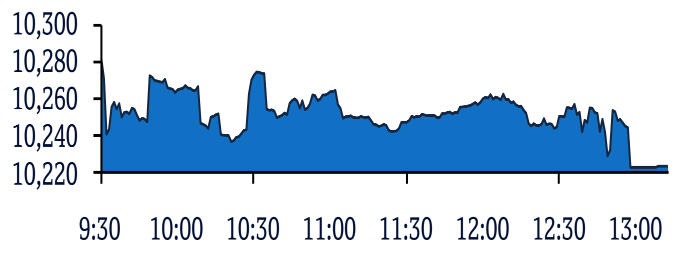
QNB FINANCIAL SERVICES

Daily Market Report

Sunday, 14 March 2021

QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.5% to close at 10,224.9. Losses were led by the Industrials and Consumer Goods & Services indices, falling 0.9% and 0.7%, respectively. Top losers were Qatar Industrial Manufacturing Company and Salam International Investment Limited, falling 5.0% and 2.7%, respectively. Among the top gainers, Vodafone Qatar gained 4.1%, while INMA Holding was up 3.7%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.1% to close at 9,587.8. Losses were led by the Consumer Durables & Apparel and Utilities indices, falling 1.5% and 1.3%, respectively. Middle East Specialized Cables Company declined 4.6%, while National Metal Manufacturing and Casting Company was down 4.3%.

Dubai: The DFM Index gained 1.0% to close at 2,573.5. The Investment & Financial Services index rose 2.4%, while the Banks index gained 1.9%. Almadina for Finance and Investment Company rose 9.5%, while Ekttitab Holding Company was up 5.4%.

Abu Dhabi: The ADX General Index gained 0.5% to close at 5,636.8. The Energy index rose 2.5%, while the Industrial index gained 0.8%. Fujairah Building Industries rose 14.4%, while Abu Dhabi National Company for Building Materials was up 13.0%.

Kuwait: Market was closed on March 11, 2021.

Oman: Market was closed on March 11, 2021.

Bahrain: The BHB Index gained 0.3% to close at 1,469.3. The Commercial Banks index rose 0.6%, while the other indices ended flat or in red. Ahli United Bank was up 1.1%.

Market Indicators	11 Mar 21	10 Mar 21	%Chg.
Value Traded (QR mn)	469.9	724.1	(35.1)
Exch. Market Cap. (QR mn)	594,129.9	594,907.8	(0.1)
Volume (mn)	306.1	449.1	(31.8)
Number of Transactions	11,466	13,559	(15.4)
Companies Traded	46	47	(2.1)
Market Breadth	21:21	32:12	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	20,138.34	(0.3)	2.8	0.4	19.0
All Share Index	3,229.79	(0.2)	3.1	0.9	19.6
Banks	4,201.41	(0.0)	2.9	(1.1)	15.1
Industrials	3,309.98	(0.9)	3.6	6.8	36.4
Transportation	3,537.10	0.9	3.9	7.3	23.9
Real Estate	1,843.77	0.2	1.3	(4.4)	17.8
Insurance	2,502.28	(0.1)	5.3	4.4	93.0
Telecoms	1,016.21	(0.0)	2.3	0.6	23.7
Consumer	7,979.71	(0.7)	3.1	(2.0)	27.7
Al Rayan Islamic Index	4,326.64	(0.2)	2.8	1.3	20.1

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Bank Al-Jazira	Saudi Arabia	15.26	5.8	24,603.4	11.7
Bank Al Bilad	Saudi Arabia	34.85	5.0	4,755.6	22.9
Alinma Bank	Saudi Arabia	17.42	3.1	35,311.2	7.7
Emirates NBD	Dubai	11.65	2.6	1,395.8	13.1
Sahara Int. Petrochemical	Saudi Arabia	20.02	2.5	7,658.7	15.6

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Saudi Industrial Inv.	Saudi Arabia	30.65	(2.7)	548.9	11.9
SABIC Agri-Nutrients	Saudi Arabia	94.00	(2.6)	433.1	16.6
Yanbu National Petro. Co.	Saudi Arabia	68.80	(2.0)	197.7	7.7
Industries Qatar	Qatar	11.88	(1.7)	422.1	9.3
Al Rajhi Bank	Saudi Arabia	97.30	(1.7)	5,520.5	32.2

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%
Vodafone Qatar	1.58	4.1	12,095.9	18.2
INMA Holding	5.14	3.7	3,899.3	0.5
Qatar Navigation	8.00	2.6	2,744.7	12.8
Ezdan Holding Group	1.58	2.3	17,531.1	(11.3)
Doha Insurance Group	2.04	2.0	186.2	46.5

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Investment Holding Group	0.81	0.0	121,460.4	34.4
Salam International Inv. Ltd.	0.66	(2.7)	48,175.7	0.9
Ezdan Holding Group	1.58	2.3	17,531.1	(11.3)
Alijarah Holding	1.27	1.0	15,570.3	2.3
Aamal Company	0.99	1.6	12,401.0	16.1

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatar Industrial Manufacturing	2.88	(5.0)	191.3	(10.2)
Salam International Inv. Ltd.	0.66	(2.7)	48,175.7	0.9
Industries Qatar	11.88	(1.7)	422.1	9.3
Ooredoo	6.78	(1.7)	2,156.6	(9.8)
Qatar Islamic Bank	16.10	(1.5)	369.6	(5.9)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Investment Holding Group	0.81	0.0	99,607.4	34.4
Salam International Inv. Ltd.	0.66	(2.7)	32,366.0	0.9
Ezdan Holding Group	1.58	2.3	27,611.7	(11.3)
QNB Group	17.33	0.2	24,497.7	(2.8)
Qatar Navigation	8.00	2.6	21,933.0	12.8

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*	10,224.92	(0.5)	2.2	0.8	(2.0)	127.15	160,236.8	19.0	1.5	2.9
Dubai	2,573.48	1.0	0.2	0.9	3.3	49.51	96,638.9	21.0	0.9	3.8
Abu Dhabi	5,636.83	0.5	(1.0)	(0.5)	11.7	244.53	217,136.5	22.5	1.5	4.4
Saudi Arabia	9,587.79	(0.1)	3.7	4.8	10.3	3,199.49	2,534,791.0	37.8	2.3	2.2
Kuwait#	5,741.47	0.1	1.6	1.6	3.5	122.26	108,010.9	51.9	1.4	3.4
Oman#	3,701.51	0.1	1.3	2.5	1.2	3.74	16,812.2	11.5	0.7	7.4
Bahrain	1,469.25	0.3	(0.3)	0.2	(1.4)	2.61	22,450.7	36.5	1.0	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; #Data as of March 10, 2021)

Qatar Market Commentary

- The QE Index declined 0.5% to close at 10,224.9. The Industrials and Consumer Goods & Services indices led the losses. The index fell on the back of selling pressure from Qatari and Arab shareholders despite buying support from GCC and Foreign shareholders.
- Qatar Industrial Manufacturing Company and Salam International Investment Limited were the top losers, falling 5.0% and 2.7%, respectively. Among the top gainers, Vodafone Qatar gained 4.1%, while INMA Holding was up 3.7%.
- Volume of shares traded on Thursday fell by 31.8% to 306.1mn from 449.1mn on Wednesday. However, as compared to the 30-day moving average of 205.6mn, volume for the day was 48.9% higher. Investment Holding Group and Salam International Investment Limited were the most active stocks, contributing 39.7% and 15.7% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	52.18%	53.41%	(5,796,155.7)
Qatari Institutions	13.86%	14.13%	(1,295,331.9)
Qatari	**66.04%**	**67.55%**	**(7,091,487.6)**
GCC Individuals	1.17%	0.50%	3,160,695.7
GCC Institutions	0.90%	0.37%	2,467,132.5
GCC	**2.07%**	**0.88%**	**5,627,828.2**
Arab Individuals	15.05%	17.24%	(10,298,837.1)
Arab Institutions	0.04%	–	200,509.2
Arab	**15.09%**	**17.24%**	**(10,098,328.0)**
Foreigners Individuals	3.55%	4.03%	(2,251,728.8)
Foreigners Institutions	13.26%	10.32%	13,813,716.1
Foreigners	**16.80%**	**14.34%**	**11,561,987.4**

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

Ratings, Earnings Releases, Global Economic Data and Earnings Calendar

Ratings Updates

Company	Agency	Market	Type*	Old Rating	New Rating	Rating Change	Outlook	Outlook Change
National Bank of Oman	Capital Intelligence	Oman	FLT	BB+	BB	↓	Negative	–
Bank Muscat	Capital Intelligence	Oman	FLT/FSR	BB+/–	BB/BBB	↓	Negative	–
Oman Arab Bank	Capital Intelligence	Oman	FLT	BB+	BB	↓	Negative	–

Source: News reports, Bloomberg (* FLT – Foreign Long Term, FSR- Financial Strength Rating)

Earnings Releases

Company	Market	Currency	Revenue (mn) 4Q2020	% Change YoY	Operating Profit (mn) 4Q2020	% Change YoY	Net Profit (mn) 4Q2020	% Change YoY
Astra Industrial Group*	Saudi Arabia	SR	2,047.9	9.7%	212.4	8.3%	115.4	288.8%
Saudi Fisheries Co.*	Saudi Arabia	SR	40.9	61.7%	(36.9)	N/A	(45.2)	N/A
Al Alamiya for Coop. Insurance Co.*	Saudi Arabia	SR	191.2	-13.1%	–	–	7.0	-26.9%
Sharjah Cement and Ind. Dev. Co.*	Abu Dhabi	AED	431.6	-25.6%	–	–	(70.6)	N/A
RAK Co. for White Cement & Const*	Abu Dhabi	AED	221.2	-6.5%	14.4	10.2%	12.7	-34.6%
Al Qudra Holding*	Abu Dhabi	AED	641.4	13.1%	286.4	12.3%	153.3	-15.3%
Nat. Corp. for Tourism & Hotels*	Abu Dhabi	AED	765.4	-0.3%	–	–	114.8	3.8%
United Gulf Holding Company*	Bahrain	USD	49.1	-54.1%	(32.2)	N/A	(70.3)	N/A

Source: Company data, DFM, ADX, MSM, TASI, BHB. (*Financial for FY2020)

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
03/11	US	Department of Labor	Initial Jobless Claims	06-Mar	712k	725k	754k
03/11	US	Department of Labor	Continuing Claims	27-Feb	4,144k	4,200k	4,337k
03/12	UK	UK Office for National Statistics	Industrial Production MoM	Jan	-1.5%	-1.0%	0.2%
03/12	UK	UK Office for National Statistics	Industrial Production YoY	Jan	-4.9%	-4.4%	-3.3%
03/12	UK	UK Office for National Statistics	Manufacturing Production MoM	Jan	-2.3%	-1.0%	0.3%
03/12	UK	UK Office for National Statistics	Manufacturing Production YoY	Jan	-5.2%	-3.7%	-2.5%
03/12	UK	UK Office for National Statistics	Monthly GDP (MoM)	Jan	-2.9%	-4.9%	1.2%
03/12	Germany	German Federal Statistical Office	CPI MoM	Feb	0.7%	0.7%	0.7%
03/12	Germany	German Federal Statistical Office	CPI YoY	Feb	1.3%	1.3%	1.3%
03/11	Japan	Bank of Japan	PPI YoY	Feb	-0.7%	-0.7%	-1.5%
03/11	Japan	Bank of Japan	PPI MoM	Feb	0.4%	0.5%	0.5%
03/12	India	India Central Statistical Organisation	CPI YoY	Feb	5.03%	5.0%	4.06%
03/12	India	India Central Statistical Organisation	Industrial Production YoY	Jan	-1.6%	1.0%	1.0%

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 4Q2020 results	No. of days remaining	Status
ERES	Ezdan Holding Group	15-Mar-21	1	Due
IGRD	Investment Holding Group	15-Mar-21	1	Due
MCCS	Mannai Corporation	16-Mar-21	2	Due
BLDN	Baladna	17-Mar-21	3	Due
QOIS	Qatar Oman Investment Company	22-Mar-21	8	Due
MRDS	Mazaya Qatar Real Estate Development	24-Mar-21	10	Due

Source: QSE

News

Qatar

- **DHBK to hire advisers for benchmark dollar bond –** According to sources, Doha Bank (DHBK) has hired banks including Barclays PLC, Deutsche Bank AG and Credit Suisse Group AG for a benchmark dollar bond. Other banks hired include JPMorgan Chase & Co. and ING Groep NV, and an announcement may be made this month. The Qatari bank's mandate would be its first since ties were normalized between Doha and neighboring Gulf states in January. Doha Bank, Barclays, JPMorgan and ING were not immediately available for comment. Deutsche Bank and Credit Suisse declined to comment. DHBK's Chief Executive Officer, Raghavan Seetharaman told Bloomberg this month that the restoration of ties was improving investor sentiment, and said the bank may borrow more than $500mn in a bond sale. Gulf sovereigns and corporate have so far issued $32.8bn in bond and Sukuk this year, according to data compiled by Bloomberg. (Bloomberg)
- **MoneyGram announces five-year extension to ORDS partnership for mobile wallet capability advances –** Digital money transfer service MoneyGram recently announced a five-year extension to its partnership with Ooredoo Qatar (ORDS). MoneyGram reported that the renewal enables its customers to continue to send money in near real-time to family and friends through Ooredoo Money Wallet, which is a virtual account that allows customers to easily deposit, access, or withdraw money. (Bloomberg)
- **QFBQ to hold its AGM and EGM on April 05** – Qatar First Bank (QFBQ) announced that the General Assembly Meeting AGM and EGM will be held on April 05, 2021, Online (ZOOM) at 04:30 pm. In case of not completing the legal quorum, the second meeting will be held on April 12, 2021, Online (ZOOM) at 03:30 pm. The agenda of the EGM includes (1) Discuss and approve the amended Articles of Association. (2) Authorize the Chairman to sign the approved amended Articles of Association in order to facilitate the registration of the amended Articles of Association with the relevant authorities including but not limited to Qatar Financial Centre, Qatar Financial Markets Authority, and Qatar Central Securities Depository. (QSE)
- **QGMD announces the closure of nominations for board membership** – Qatari German Company for Medical Devices (QGMD) announced the closure of the period for nomination for the membership of its board of directors for 2021 - 2024 on March 11, 2021 at 01:00 pm. (QSE)
- **ERES to holds its investors relation conference call on March 16** – Ezdan Holding Group (ERES) announced that the conference call with the Investors to discuss the financial results for the annual 2020 will be held on March 16, 2021 at 02:00 pm, Doha Time. (QSE)
- **Qatar resumes condensate exports to UAE after blockade lifted, data shows** – Qatar has resumed exports of condensate to the UAE after a three-year blockade was lifted, with a tanker offloading at the port of Dubai's Jebel Ali port this week, Refinitiv Eikon data showed. The Abu Dhabi III tanker, chartered

by the Emirates National Oil Company (ENOC), loaded 80,000 tons of condensate, which is a hydrocarbon liquid similar to crude oil, at Qatar's Ras Laffan port on March 4, the data showed. It discharged its cargo on March 7 at Jebel Ali, where ENOC operates an oil refinery, the data showed. ENOC did not immediately reply to request for comment. (Reuters)

- **FocusEconomics: $29bn NFE plan bodes well for Qatar energy sector –** Qatar's $29bn North Field Expansion (NFE) plan to boost LNG output by over 40% over the next several years bodes well for the future of its energy sector, researcher FocusEconomics said in its latest country report. Last month, Qatar Petroleum (QP) took the final investment decision for developing the $28.75bn North Field East Project (NFE), the world's largest LNG project, which will raise Qatar's LNG production capacity from 77mn tons per year (mtpy) to 110 mtpy by 2025. The project will also produce condensate, LPG, ethane, sulphur and helium. It is expected to start production in the fourth quarter of 2025 and total production will reach about 1.4mn barrels oil equivalent per day. The NFE project will be one of the energy industry's largest investments in the past few years, in addition to being the largest LNG capacity addition ever, and the most competitive LNG project in the world. This project will generate substantial revenues for Qatar and will have significant benefits to all sectors of the Qatari economy during the construction phase and beyond. FocusEconomics also sees Qatar's recent LNG supply deals with Bangladesh and Pakistan positive for Qatar's energy sector. Last month, QP entered into a new long-term sale and purchase agreement (SPA) with Pakistan State Oil Company (PSO) for the supply of up to 3 mtpy of LNG to Pakistan. Again in February, QP entered into an SPA with Vitol for the supply of 1.25mtpy of liquefied natural gas (LNG) to Vitol's final customers in Bangladesh. After a softer decline in economic activity in 3Q2020 thanks to a notably milder contraction in the non-energy sector, signs for Q4 were mixed, FocusEconomics said. While private-sector Purchasing Managers' Index (PMI) data suggested the non-energy sector was robust due to low Covid-19 cases and the lifting of restrictions in September, industrial production data pointed to a large contraction in the energy sector. (Gulf-Times.com)
- **Ezdan: Building sales generate QR266.5mn in a week –** Registered property sales in Qatar between February 28 and March 4 generated QR450.7mn, the latest Ezdan Real Estate (Ezdan) report has said, citing figures from the country's Real Estate Registration Department. Sales of buildings dominated these deals, generating QR266.5mn and making up 59.1% of the total sales value during the period. Sales of vacant land generated QR184.2mn, or 40.9% of the total, said the report said. Seven municipalities - Umm Salal, Al Khor, Al Thakira, Al Doha, Al Rayyan, Al Shamal, Al Daayen, and Al Wakra - saw property sales during the period. The deals included sale of vacant land lots, residences, multi-use buildings and multi-use land lots and residential buildings. Doha municipality came on top in terms of transaction value through the sale of a multi-use land lot in Old Airport area. The transaction generated QR64.3mn. The property is 5,903 square meters in area and was sold at a price of QR1,013 per square foot. (Qatar Tribune)
- **Education investment spurs diversified economic growth –** Qatar has started to witness the impact of its investment in education, leading to diversified economic growth in the country, a senior Qatar Foundation (QF) official has said. "There is an increase in the number of recent graduates working in the private sector or who have become involved in the field of entrepreneurship by establishing small and medium enterprises. This directly reflects on the strength and diversification of the economy, which makes it more sustainable and reduces its primary reliance on oil and gas revenues," said Director of Research and Content Development at the World Innovation Summit for Education (WISE), Asmaa Al-Fadala. According to Al-Fadala, this is evident in the number of students currently enrolled in Qatar Foundation's partner universities and Hamad Bin Khalifa University as well as other institutes. "University enrolment in Qatar has increased dramatically over the last five years, even as the admission and studying requirements in these universities have become more difficult. There has also been a significant increase in the number of graduates, confirming a qualitative change in the school educational system that paved the way for this outcome," she said. "And what I have seen recently is the growing interest of young people, both male and female, in fields like arts, sports, literature and the environment. These represent strengths in a diversified economy that include human and social aspects, as well as practical and professional aspects, and these fields provide investment opportunities and jobs," she added. (Gulf-Times.com)

International

- **WTO cautious after sharp services trade rebound –** Trade in services grew an accelerated pace at the end of last year, but momentum appears set to slow as spikes of COVID-19 cases bring a return of lockdowns, the World Trade Organization said (WTO). The WTO's services trade barometer rose to a record high of 104.7 in March after 95.6 in September and a low of 91.2 in March 2020, the Geneva-based trade body said. "World services trade appears to be in a recovery phase... However, continued weakness in some sectors and an uneven distribution of COVID-19 vaccines cast some doubt on the durability of the recovery," the WTO said. The WTO said that components of its "barometer" related to purchasing managers' indexes, container shipping, construction and financial services all rose above their medium-term trends. By contrast, IT services were weak, driven down by stricter US lockdowns weighing on computer services, and air transport was very weak. The WTO services trade barometer is a composite of published data and is designed to gauge momentum in global trade growth rather than to provide a specific short-term forecast. It dates back to 2000, with a reading of 100 marking the boundary between above and below trend growth. (Reuters)
- **IMF urges vigilance against rate spike as Biden stimulus juices US growth –** The International Monetary Fund (IMF) warned central banks to be vigilant against a sudden spike in interest rates that could spill over into emerging markets, even as a $1.9tn US stimulus package benefits most countries and aids recovery. IMF spokesman Gerry Rice told a regular news briefing that the Fund's preliminary forecasts show the American Rescue Plan Act passed on Wednesday would boost US GDP output by 5% to 6% over three years, but more analysis is needed to reach a final estimate. But exceptionally low dollar funding costs mean there is a risk of a sudden tightening of financial conditions, and

this "should be carefully managed," Rice added. "For the Federal Reserve and other central banks in advanced economies, this means continuing to communicate clearly, as they have been doing about their assessment of the economy, and their evolving views on asset purchases and interest rate policy to avoid any unwarranted tightening of financial market conditions," Rice said. His comments come amid concerns in financial markets that rising bond yields could slow recovery. The European Central Bank said it would accelerate bond purchases to stop any unwarranted rise in debt financing costs. Fed officials also have signaled they do not plan to change super-easy monetary policy for some time, expressing little concern over a rapid rise in US Treasury yields in recent weeks. Rice said emerging market and developing economies, especially those with financial vulnerabilities and weak trade ties to the US, should be ready with contingent policies. The IMF will update its global economic forecasts in its World Economic Outlook at the time of the April 5-11 IMF and World Bank Spring Meetings to be held virtually. IMF member countries at the Spring Meetings will discuss plans for a general allocation of IMF Special Drawing Rights that would provide them with newly created reserves to aid recovery, Rice said, but said the size of the potential allocation has not been determined. IMF Managing Director Kristalina Georgieva last week alluded to a $500bn potential SDR allocation, the same size that G20 chair Italy has advocated. Rice said IMF staff are working on a proposal to the G20 on the SDR allocation, and it will need to be first approved by the IMF's executive board with an 85% majority of the Fund's voting power. He declined to say when the proposal would be ready for consideration. (Reuters)

- **Officials: First US stimulus payments to hit bank accounts this weekend –** Americans will see the first direct deposits from President Joe Biden's $1.9tn COVID-19 relief package hit their bank accounts this weekend, Treasury and Internal Revenue Service officials said on Friday. A first tranche of $1,400 stimulus payments was processed Friday, with additional large batches of payments to be sent via direct deposits or through the mail as checks or debit cards in coming weeks, the officials said. That means a family of four earning up to $150,000 will receive $5,600. Unlike the first two payments, which were limited to children under 17, this round of checks will also go to all qualifying dependents, including college students, adults with disabilities, parents and grandparents, the officials said. They stressed that no action was required by taxpayers to receive the payments, which will be based on 2019 or 2020 tax returns, depending on which was the latest filed, or data supplied to the IRS last year by non-filers. The IRS will also automatically send payments to those who typically do not file tax returns, but received Social Security and Railroad Retirement Board benefits, Supplemental Security Income or Veteran benefits in 2020, they said. Beginning Monday, taxpayers can log onto the Get My Payment here tool on the IRS website to check the status of these payments. Officials urged people to file their tax returns electronically to ease the process, noting they could also qualify for other relief, including child tax credits. The Biden administration said stimulus payments and other measures will boost economic growth and help Americans hit by the COVID-19 pandemic, which is continuing to claim 1,400 lives in the US each day. Nearly 160mn US households will receive some $400bn in direct payments of $1,400 per person, helping individuals earning up to $75,000 annually and couples up to $150,000. Those earning more, but less than $80,000 per individual or $160,000 per couple, will receive reduced amounts. (Reuters)
- **US producer prices increase solidly in February –** US producer prices increased strongly in February, leading to the largest annual gain in nearly 2-1/2 years, but considerable slack in the labor market could make it harder for businesses to pass on the higher costs to consumers. The producer price index for final demand rose 0.5% last month, the Labor Department said on Friday. That followed a 1.3% jump in January, which was biggest advance since December 2009. In the 12 months through February, the PPI surged 2.8%, the most since October 2018. The PPI increased 1.7% YoY in January. Economists polled by Reuters had forecast the PPI gaining 0.5% in February and jumping 2.7% YoY. (Reuters)
- **US consumer sentiment rises in mid-March to highest in a year –** US consumer sentiment improved in early March to its strongest in a year as COVID-19 cases declined and the pace of vaccinations accelerated, a survey showed on Friday. The University of Michigan said its preliminary consumer sentiment index rose to 83.0 in the first half of this month from a final reading of 76.8 in February. Economists polled by Reuters had forecast the index rising to 78.5. The survey's barometer of current economic conditions jumped to a reading of 91.5 from 86.2 in February. Its measure of consumer expectations rose to 77.5 from 70.7. The survey's one-year inflation expectation decreased to 3.1% from 3.3%, while the survey's five-to-10-year inflation outlook was at unchanged at 2.7%. (Reuters)
- **US producer prices rise; consumers' inflation expectations ease –** US producer prices increased strongly in February, leading to the largest annual gain in nearly 2-1/2 years, but considerable slack in the labor market could make it harder for businesses to pass on the higher costs to consumers. That was supported by a survey on Friday showing an easing in consumers' near-term inflation expectations early this month, even as their confidence in the economy rose to a one-year high. Receding new COVID-19 cases, an acceleration in the pace of vaccinations and more pandemic relief money from the government are seen allowing wider economic re-engagement in the spring. Inflation is expected to accelerate in the coming months and exceed the Federal Reserve's 2% target, a flexible average, by April. Part of the anticipated spike would be the result of price declines early in the pandemic washing out of the calculations. Many economists, including Fed Chair Jerome Powell, do not expect the strength in inflation will persist beyond the so-called base effects. The producer price index for final demand rose 0.5% last month, with the costs of energy products and food surging, the Labor Department said. That followed a 1.3% jump in January, which was the biggest advance since December 2009. In the 12 months through February, the PPI accelerated 2.8%, the most since October 2018. The PPI increased 1.7% YoY in January. Last month's rise in the PPI was in line with economists' expectations. Manufacturing and services industries have been flagging higher production costs as the year-long pandemic gums up the supply chain. Surveys this month showed measures of prices paid by manufacturers and services industries in February racing to levels last seen in 2008. These inflation jitters

have boosted US Treasury yields. The government has provided nearly $6tn in relief since the pandemic started in the US in March 2020, with President Joe Biden on Thursday signing legislation for his $1.9tn package. At the same time, Fed is pumping in money through monthly bond purchases, raising fears in some quarters of the economy overheating. (Reuters)

- **UK-EU trade slumps in first month of new Brexit rules –** Trade between the UK and the European Union (EU) was hammered in the first month of their new post-Brexit relationship, with record falls in British exports and imports of goods as COVID-19 restrictions continued on both sides. British goods exports to the EU, excluding non-monetary gold and other precious metals, slumped by 40.7% in January compared to December, the Office for National Statistics (ONS) said. Imports fell by 28.8% - another record. The ONS said the COVID-19 pandemic, which left Britain under lockdown measures in January, made it hard to quantify the Brexit impact from new customs arrangements, and there were changes in the way data was collected too. But there were still signs of a Brexit hit. Trade in chemicals was especially weak, reflecting the winding-down of a rush to stockpile pharmaceuticals ahead of the end of the Brexit transition period, the ONS said. The ONS highlighted a 64% fall in exports of food and live animals to the EU - including shellfish and fish. It pointed to delays caused by red tape reported by the Scottish Seafood Association, with consignment sign-offs reportedly taking six times longer. Many companies stockpiled goods in late 2020 to avoid any disruption, deepening the fall in trade in January. The ONS said its separate business survey suggested that trade picked up towards the end of the month. Britain on Thursday delayed the introduction of a range of post-Brexit import checks on goods from the EU by around six months, saying businesses needed more time to prepare because of the impact of the pandemic. (Reuters)
- **BoE: UK public's inflation outlook holds at 4-year low –** The British public's expectations for inflation over the next 12 months held at their lowest level in more than four years, in sharp contrast to a recent rise in market expectations, Bank of England (BoE) data showed on Friday. Average expectations for inflation over the next 12 months remained at 2.7% - the joint-lowest reading since August 2016 alongside November's figure, based on a survey conducted between February 9 and February 22. Asked about inflation for the following year, the public saw it at 2.2%, compared with 2.1% in November, while longer-term inflation expectations held steady at 2.9%, just above a five-year low recorded in August 2020. Expectations for a move in BoE interest rates over the coming year were little changed from November. Some 35% expected a rise - a low proportion by the standards of recent years - 16% expected a cut and 35% expected rates to stay the same. BoE policymakers use the survey as a guide to whether there is likely to be pressure for bigger wage rises, something which would put upward pressure on prices across the economy. The focus tends to be on the trend in expectations - rather than the absolute level - as few members of the public have an accurate idea of the official consumer price inflation rate which currently stands at 0.7%. The BoE expects CPI to reach just over 1.5% by the middle of this year - as prices will be compared against depressed levels at the start of the COVID pandemic - and to hover just over its 2% target until early 2024. (Reuters)
- **Lockdown hits UK GDP less than feared, but Brexit pummels trade –** Britain's economy shrank by less than feared in January when the country went back into a coronavirus lockdown, but trade with the European Union was hammered as new post-Brexit rules kicked in. GDP was 2.9% lower than in December, the Office for National Statistics said. Economists polled by Reuters had expected a contraction of 4.9% and government bond prices fell as investors took the data as a sign that the Bank of England was less likely to pump more stimulus into the economy. Britain suffered its worst economic slump in three centuries last year when it shrank by 10%. It has also been hit with Europe's biggest COVID-19 death toll of over 125,000 people. But the country is racing ahead with vaccinations and, after Friday's figures, economists said they expected the economy would shrink by 2% in the first quarter of 2021, half the hit forecast by the BoE only last month. Many businesses are learning to cope with lockdowns, including retailers who have ramped up their online shopping operations and services firms that have tried to help workers to do their jobs from home. (Reuters)
- **Europe clears J&J's single-shot COVID-19 vaccine as roll-out falters –** Europe approved Johnson & Johnson's single dose COVID-19 vaccine on Thursday, paving the way for the first shots to be delivered in a month as the bloc seeks to speed up a stuttering inoculation campaign and boost its supplies. The COVID-19 shot is the fourth to be endorsed for use in the European Union after vaccines from Pfizer-BioNTech, AstraZeneca-Oxford University and Moderna, and is recommended for those over 18 years of age, the European Medicines agency (EMA) said. It's the first single-dose COVID-19 vaccine. The US, Canada and Bahrain have also approved the shot. South Africa is carrying out an expedited review. "With this latest positive opinion, authorities across the European Union will have another option to combat the pandemic and protect the lives and health of their citizens," EMA's Executive Director Emer Cooke said after the agency gave its conditional approval. The official nod came from the European Commission shortly after, the final step to allowing its use across the bloc. (Reuters)
- **German IWH institute cuts German 2021 GDP forecast –** Germany's IWH economic institute on Thursday cut its 2021 growth forecast for Europe's largest economy to 3.7% from 4.4% in December as the country risks a third wave of the coronavirus pandemic. "Especially for Germany, there is a danger that the steps decided at the beginning of March to open up (the economy) will trigger a third wave of infection," the Halle-based institute said. The institute was nonetheless more upbeat about the economy's prospects this year than the government, which is forecasting 2021 growth of 3%, after a 4.9% slump last year. Germany's Robert Koch Institute (RKI) has warned of the risk of a third wave of coronavirus infections in Germany. (Reuters)
- **Commerce Ministry: China January-February FDI up 31.5% YoY in Yuan terms –** Foreign direct investment (FDI) into China in January-February jumped 31.5% to 176.76bn Yuan ($27.21bn) compared with a year earlier, China's commerce ministry said on Friday. The data comes amid a low base last year when FDI into China fell 8.6% as a result of the coronavirus pandemic. (Reuters)

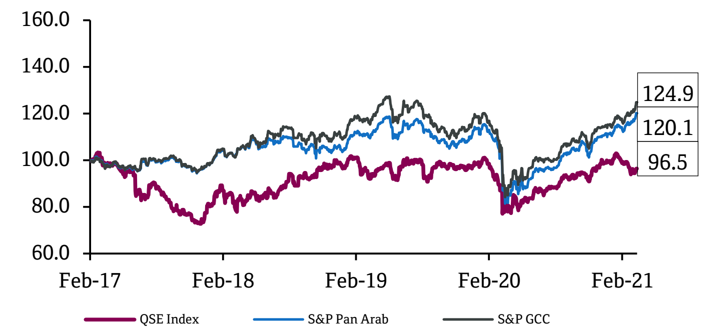
Regional

- **OPEC is pointing to a weaker market outlook as it keeps lid on supply –** OPEC downgraded the outlook for demand for its crude over the next two quarters, in keeping with the group's plans to keep a tight rein on supply. The OPEC trimmed estimates for the amount of crude it will need to pump in the second quarter by 690,000 bpd, amid a weaker picture for demand and stronger growth in rival supply. "Ongoing lockdown measures, voluntary social distancing and other pandemic-related developments" continue to weigh on economic activity, the group's Vienna-based research department said in its monthly report. Conditions should improve in the second half of 2020, it added. The wariness is consistent with last week's decision by Saudi Arabia and its fellow producers across the OPEC and its allies. The coalition surprised traders and propelled prices to a 14-month high above $70 a barrel by largely refraining from restoring any more of the production halted during the coronavirus. (Gulf-Times.com)
- **OPEC expects most of 2021 oil demand recovery in second half –** OPEC said on Thursday a recovery in oil demand will be focused on the second half of the year as the impact of the pandemic lingers as a headwind for the group and its allies in supporting the market. In a monthly report, the OPEC said demand will rise by 5.89mn bpd in 2021, or 6.5%, up slightly from last month. But the group cut its forecasts for the first half. "Total oil demand is foreseen to reach 96.3 million bpd with most consumption appearing in the second half," OPEC said in the report. "This year's demand growth will not be able to compensate for the major shortfall from 2020 as mobility is forecast to remain impaired throughout 2021." The latest forecasts could bolster cautious views among OPEC and its allies, known as OPEC+, on how quickly to unwind more of last year's record oil output cuts. OPEC+ last week decided to mostly extend current curbs into April. (Reuters)
- **Saudi Arabia to invest $3bn in Sudan investment fund –** Saudi Arabia has committed to investing $3bn in a joint fund for investments in Sudan, and to encouraging other parties to participate, Sudanese minister of Cabinet affairs Khalid Omer Yousif told Reuters on Friday. Earlier this week, Sudan had secured a recommitment from Saudi Arabia to a $1.5bn grant it had first announced in April 2019. The commitments came from Crown Prince, Mohammed bin Salman, Yousif said, during a visit by Sudanese Prime Minister, Abdalla Hamdok and other senior officials this week, seeking to boost cooperation as Sudan's transitional authorities struggle to tackle a long-running economic crisis. (Reuters)
- **Saudi cuts April crude for some Asian refiners, maintains India supply –** Top oil exporter Saudi Arabia has cut the supply of April-loading crude to at least four north Asian buyers by up to 15%, while meeting the normal monthly requirements of Indian refiners, refinery sources told Reuters on Friday. Saudi Arabia's reduction in supplies come as the OPEC and its allies, a group known as OPEC+, decided earlier this month to extend most of its supply cuts into April. Saudi Arabia has pledged to continue with an extra 1mn bpd voluntary output cut for a third month in April. (Reuters)
- **Bindawood says Patent infringement case against unit dismissed –** Bindawood Holding says Patent infringement case against its subsidiary Danube Co. for Foodstuffs & Commodities was dismissed by the Commercial Court of Jeddah on Wednesday. Arab Dalla Co. filed the case Bindawood says court dismissed the case based on grounds that "the plaintiff failed to establish its title over the patent and therefore lacks the capacity to pursue litigation. Bindawood is evaluating filing a countersuit against Arab Dallah, seeking damages from "the unsubstantiated and flippant claim." (Bloomberg)
- **Saudi Arabia to resume international flights from May 17 –** Saudi Arabia has confirmed that it will resume international travel and complete the opening of airports all over the Kingdom on May 17, local media reported. In a circular, the General Authority of Civil Aviation (GACA) informed all airlines operating from the Saudi airports about the change of the date mentioned in an earlier circular for allowing Saudi citizens to travel abroad, as well as the complete lifting of the suspension of international flights, and the opening of the Kingdom's airports. It also noted that the implementation of the decision to allow travel and return would not be applicable to countries that the committee decides to suspend travel or return due to the spread of the pandemic. (Bloomberg)
- **Saudi's City Cement to set up new subsidiary at SR500,000 –** The board of City Cement Company approved establishing a fully-owned LLC subsidiary in Riyadh at a capital of SR500,000, subject to obtaining the required approvals and licenses from relevant authorities. The new company will provide environmental solutions and services for waste treatment and recycling, according to a bourse statement on Thursday. Further details in this regard will be announced in due course, City Cement said. (Zawya)
- **Dubai to increase tourism capacity by 134% in 2040 –** Dubai government said on Saturday it plans to increase its tourism and hotel capacity by 134% over the next 20 years, part of a wider plan to make the Emirate more competitive as Gulf countries brace for the post-oil era. The Dubai-2040 plan forecasts 400% increase in beach capacity and 168 square km (65 square miles) of lands allocated to logistics and other businesses, a government statement said. The Emirate sees its population at 5.8mn in 2040, up from 3.3mn, it said. Dubai is increasingly facing pressure from other business hubs including Saudi Arabia, which is pressing foreign companies to setup regional headquarters in Riyadh. From 2024, the Saudi government will stop giving state contracts to companies and commercial institutions that base their Middle East hubs in any other country in the region. (Gulf-Times.com)
- **SHUAA Capital board proposes first cash dividend after merger –** SHUAA Capital said its board of directors has proposed a dividend of 3 fils per share totaling AED76mn to shareholders. The Dubai based asset management firm said in a statement this is the first dividend to be paid since the merger in 2019. (Zawya)
- **Masdar, Malaysia's PETRONAS sign deal to explore renewable energy opportunities –** Masdar, one of the world's leading renewable energy companies and Malaysia's PETRONAS, a global energy and solutions company, have signed a Memorandum of Understanding (MoU) to explore renewable energy opportunities across Asia and beyond. The two companies have agreed to explore joint participation in a range of areas, with a focus on utility-scale renewable energy, including ground-mounted and floating solar projects, as well as

offshore wind projects in Asia, Masdar, owned by Abu Dhabi's Mubadala Investment Co, said in a statement. In Malaysia, PETRONAS has embarked on solar rooftop solutions and has over 90MWp of capacity under development for commercial and industrial customers. Apart from Malaysia, the companies are also interested in countries in the region that have pledged to accelerate the development of renewable energy, including Vietnam and Taiwan. CEO of Masdar, Mohamed Jameel Al Ramahi said: "This agreement marks an important step on Masdar's journey to expand our presence in the Asian market, where we see tremendous potential given the region's rapid economic growth and potential renewable energy resources." (Zawya)

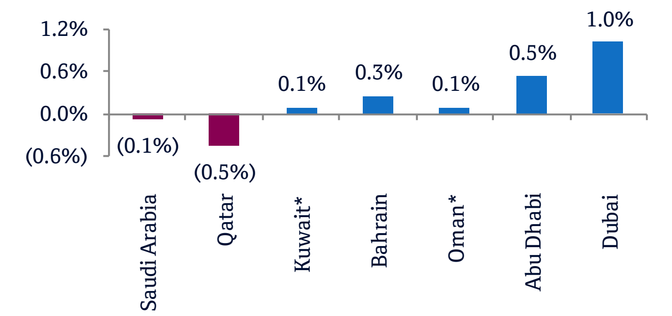
- **CBI seeks shareholder vote to boost capital –** UAE lender Commercial Bank International (CBI), which is partly owned by QNB Group, is seeking to increase its capital to comply with a regulation that its UAE shareholding should not be less than 60%. CBI, which holds a shareholder vote on March 22, plans to issue 430mn new shares at AED1 each to boost its outstanding shares to about 2.17bn shares, it said in a filing to the Abu Dhabi bourse. (Zawya)
- **Abu Dhabi's Masdar to develop 500 MW solar projects in Ethiopia –** Masdar Abu Dhabi Future Energy Co. plans to help Ethiopia generate 500 megawatts of solar energy in various parts of the African nation by 2022, according to a statement issued by the UAE's WAM news agency. The deal between state-owned Masdar and the Ethiopian government covers the design, development and financing of the projects, according to the statement Saturday. The project sites will be agreed during the development stage. (Bloomberg)
- **Kuwait shuts three ports in bad weather –** Kuwait's Port Authority has suspended cargos and containers at the Shuwaikh, Doha and Shuaiba ports because of bad weather, the state news agency Kuna reported on Friday. (Reuters)
- **Bahrain's borrowing reaches BHD13bn –** Bahrain's current government debt constitutes around 118% of its GDP, it has emerged. The Finance and National Economy Ministry told the Shura Council's financial and economic affairs committee that Bahrain's borrowing reached BHD13bn at the end of last year. The Shura Council in its weekly session on Sunday is set to debate a Royal Decree issued by His Majesty King Hamad during the National Assembly recess to amend the 1977 Bonds Law to increase the ceiling of borrowing to BHD15bn. "We need to borrow more to cover the deficit in the national budget besides repaying loans throughout the year," the ministry said. (Zawya)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg (*Data as of March 10, 2021)

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,727.11	0.3	1.6	(9.0)
Silver/Ounce	25.92	(0.8)	2.7	(1.8)
Crude Oil (Brent)/Barrel (FM Future)	69.22	(0.6)	(0.2)	33.6
Crude Oil (WTI)/Barrel (FM Future)	65.61	(0.6)	(0.7)	35.2
Natural Gas (Henry Hub)/MMBtu	2.60	0.0	(2.8)	9.4
LPG Propane (Arab Gulf)/Ton	94.50	1.1	(2.7)	25.6
LPG Butane (Arab Gulf)/Ton	106.63	1.6	(1.7)	53.4
Euro	1.20	(0.3)	0.3	(2.2)
Yen	109.03	0.5	0.7	5.6
GBP	1.39	(0.5)	0.6	1.9
CHF	1.08	(0.5)	0.2	(4.8)
AUD	0.78	(0.3)	1.0	0.9
USD Index	91.68	0.3	(0.3)	1.9
RUB	73.33	0.0	(1.2)	(1.5)
BRL	0.18	(0.3)	2.5	(6.4)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,807.21	0.0	2.9	4.4
DJ Industrial	32,778.64	0.9	4.1	7.1
S&P 500	3,943.34	0.1	2.6	5.0
NASDAQ 100	13,319.86	(0.6)	3.1	3.3
STOXX 600	423.08	(0.5)	3.8	3.6
DAX	14,502.39	(0.7)	4.5	2.8
FTSE 100	6,761.47	0.0	2.7	6.7
CAC 40	6,046.55	0.0	4.9	6.5
Nikkei	29,717.83	1.3	2.2	2.5
MSCI EM	1,348.20	(0.7)	0.7	4.4
SHANGHAI SE Composite	3,453.08	0.2	(1.6)	(0.3)
HANG SENG	28,739.72	(2.3)	(1.2)	5.4
BSE SENSEX	50,792.08	(0.9)	1.5	6.9
Bovespa	114,160.40	(1.4)	1.2	(11.0)
RTS	1,519.50	0.9	5.0	9.5

Source: Bloomberg (*$ adjusted returns)

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