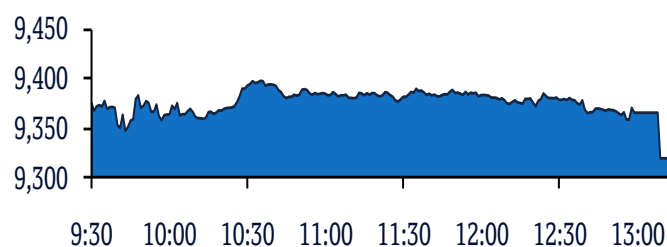


QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.5% to close at 9,322.0. Losses were led by the Insurance and Telecoms indices, falling 1.8% and 1.4%, respectively. Top losers were Qatar General Insurance & Reinsurance Company and Aamal Company, falling 9.4% and 4.2%, respectively. Among the top gainers, Qatar First Bank gained 10.0%, while Qatari Investors Group was up 5.6%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.1% to close at 7,470.3. Gains were led by the Software & Services and Pharma, Biotech & Life Science indices, rising 3.7% and 2.4%, respectively. Nama Chemicals Company rose 10.0%, while Saudi Arabia Refineries Company was up 9.9%.

Dubai: The DFM Index gained marginally to close at 2,079.4. The Services index rose 0.5%, while the Telecommunication index gained 0.4%. Almadina for Finance and Investment Company rose 3.8%, while Amanat Holdings was up 2.0%.

Abu Dhabi: The ADX General Index fell 0.3% to close at 4,305.9. The Energy index declined 2.0%, while the Industrial index fell 1.2%. Eshraq Investments and Commercial Bank International were down 4.9% each.

Kuwait: The Kuwait All Share Index gained 0.2% to close at 5,012.2. The Basic Materials index rose 1.3%, while the Real Estate index gained 1.1%. Gulf Petroleum Investment rose 7.3%, while Mabane Company was up 4.3%.

Oman: Market was closed on August 5, 2020.

Bahrain: The BHB Index gained 0.1% to close at 1,292.4. The Services index rose 0.8%, while the Commercial Banks index gained 0.1%. Bahrain Duty Free Complex rose 1.8%, while Bahrain Telecom Company was up 1.3%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar First Bank	1.48	10.0	12,653.3	80.8
Qatari Investors Group	2.31	5.6	8,815.4	29.2
Baladna	1.81	4.9	24,301.4	80.5
Al Khalij Commercial Bank	1.60	3.2	1,730.6	22.1
Qatar Navigation	6.04	3.1	5,226.5	(0.9)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Baladna	1.81	4.9	24,301.4	80.5
United Development Company	1.16	(1.0)	12,882.5	(23.9)
Qatar Aluminium Manufacturing	0.86	1.2	12,809.6	9.5
Qatar First Bank	1.48	10.0	12,653.3	80.8
Aamal Company	0.74	(4.2)	12,455.8	(9.3)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	9,321.96	(0.5)	(0.5)	(0.5)	(10.6)	137.55	149,133.7	15.2	1.4	4.3
Dubai	2,079.39	0.0	1.4	1.4	(24.8)	84.17	80,471.8	7.1	0.7	4.6
Abu Dhabi	4,305.92	(0.3)	0.0	0.0	(15.2)	35.91	175,103.7	14.9	1.2	5.7
Saudi Arabia	7,470.26	0.1	0.1	0.1	(11.0)	1,424.61	2,236,762.5	23.5	1.8	3.4
Kuwait	5,012.18	0.2	0.9	0.9	(20.2)	83.21	93,155.3	16.2	1.2	4.0
Oman [#]	3,568.10	0.3	0.1	1.5	(10.4)	4.55	16,088.4	10.4	0.8	6.7
Bahrain	1,292.44	0.1	0.1	0.1	(19.7)	4.42	19,557.0	9.8	0.8	5.5

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 July 29, 2020)

Market Indicators	05 Aug 20	29 Jul 20	%Chg.
Value Traded (QR mn)	503.7	417.0	20.8
Exch. Market Cap. (QR mn)	545,877.3	547,678.9	(0.3)
Volume (mn)	202.9	220.0	(7.7)
Number of Transactions	13,370	8,967	49.1
Companies Traded	45	45	0.0
Market Breadth	21:19	16:27	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	17,921.16	(0.5)	(0.5)	(6.6)	15.2
All Share Index	2,914.08	(0.3)	(0.3)	(6.0)	16.0
Banks	4,057.17	(0.2)	(0.2)	(3.9)	13.6
Industrials	2,595.58	(0.6)	(0.6)	(11.5)	23.0
Transportation	2,882.16	0.6	0.6	12.8	13.7
Real Estate	1,579.82	0.4	0.4	0.9	12.9
Insurance	1,999.67	(1.8)	(1.8)	(26.9)	32.7
Telecoms	899.52	(1.4)	(1.4)	0.5	15.2
Consumer	7,433.99	(0.1)	(0.1)	(14.0)	21.7
Al Rayan Islamic Index	3,754.78	(0.1)	(0.1)	(5.0)	17.6

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Mabane Co.	Kuwait	0.64	4.2	746.2	(25.3)
Arabian Centres Co Ltd	Saudi Arabia	24.08	3.4	2,879.4	(17.4)
Saudi Arabian Mining Co.	Saudi Arabia	37.00	2.4	1,149.6	(16.7)
Barwa Real Estate Co.	Qatar	3.22	1.7	4,478.9	(9.0)
Gulf Bank	Kuwait	0.20	1.5	10,893.3	(34.7)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Qatar Electricity & Water	Qatar	16.39	(3.0)	856.1	1.9
Mouwasat Medical Serv.	Saudi Arabia	106.20	(2.6)	350.0	20.7
Ooredoo	Qatar	6.55	(2.2)	2,024.1	(7.5)
Banque Saudi Fransi	Saudi Arabia	29.60	(1.8)	1,074.2	(21.9)
Samba Financial Group	Saudi Arabia	25.40	(1.6)	2,013.2	(21.7)

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

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatar General Ins. & Reins. Co.	2.01	(9.4)	2.0	(18.3)
Aamal Company	0.74	(4.2)	12,455.8	(9.3)
Qatar Electricity & Water Co.	16.39	(3.0)	856.1	1.9
Ooredoo	6.55	(2.2)	2,024.1	(7.5)
Qatari German Co for Med. Dev.	2.34	(1.3)	3,479.7	301.5

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	18.00	0.0	71,965.8	(12.6)
Baladna	1.81	4.9	43,543.1	80.5
Masraf Al Rayan	3.91	(0.7)	39,246.5	(1.2)
Qatar Navigation	6.04	3.1	30,278.8	(0.9)
Qatar Gas Transport Co. Ltd.	2.78	(0.7)	23,148.1	16.3

Source: Bloomberg (* in QR)

Qatar Market Commentary

- The QE Index declined 0.5% to close at 9,322.0. The Insurance and Telecoms indices led the losses. The index fell on the back of selling pressure from GCC and Foreign shareholders despite buying support from Qatari and Arab shareholders.
- Qatar General Insurance & Reinsurance Company and Aamal Company were the top losers, falling 9.4% and 4.2%, respectively. Among the top gainers, Qatar First Bank gained 10.0%, while Qatari Investors Group was up 5.6%.
- Volume of shares traded on Wednesday fell by 7.7% to 202.9mn from 220.0mn on last week's Wednesday. Further, as compared to the 30-day moving average of 309.8mn, volume for the day was 34.5% lower. Baladna and United Development Company were the most active stocks, contributing 12.0% and 6.3% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	33.24%	29.81%	17,249,977.5
Qatari Institutions	23.47%	11.60%	59,795,474.5
Qatari	56.71%	41.41%	77,045,452.0
GCC Individuals	0.99%	0.83%	828,351.0
GCC Institutions	0.47%	0.76%	(1,473,543.4)
GCC	1.46%	1.59%	(645,192.4)
Arab Individuals	9.57%	7.51%	10,368,000.8
Arab	9.57%	7.51%	10,368,000.8
Foreigners Individuals	2.91%	2.76%	770,207.6
Foreigners Institutions	29.36%	46.74%	(87,538,468.0)
Foreigners	32.27%	49.50%	(86,768,260.4)

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

Earnings Releases, Global Economic Data and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 2Q2020	% Change YoY	Operating Profit (mn) 2Q2020	% Change YoY	Net Profit (mn) 2Q2020	% Change YoY
Saudi Re For Coop. Reinsurance Co.	Saudi Arabia	SR	131.3	59.8%	-	-	9.1	-31.3%
Saudi Ground Services Co.	Saudi Arabia	SR	115.1	-82.2%	(196.1)	N/A	(197.9)	N/A
Halwani Bros. Co.	Saudi Arabia	SR	272.4	36.1%	35.9	488.5%	25.9	N/A
Walaa Cooperative Insurance Co.	Saudi Arabia	SR	298.1	0.0%	-	-	3.3	-29.3%
Aramex	Dubai	AED	1,331.8	4.2%	133.4	-16.8%	94.4	-23.4%

Source: Company data, DFM, ADX, MSM, TASI, BHB.

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
08/05	US	Mortgage Bankers Association	MBA Mortgage Applications	31-Jul	-5.10%	-	-0.80%
08/05	US	US Census Bureau	Trade Balance	Jun	-\$50.7bn	-\$50.2bn	-\$54.8bn
08/05	US	Markit	Markit US Services PMI	Jul	50	49.6	49.6
08/05	US	Markit	Markit US Composite PMI	Jul	50.3	-	50
08/05	US	Institute for Supply Management	ISM Services Index	Jul	58.1	55	57.1
08/05	UK	Markit	Markit/CIPS UK Services PMI	Jul	56.5	56.6	56.6
08/05	UK	Markit	Markit/CIPS UK Composite PMI	Jul	57	57.1	57.1
08/05	EU	Markit	Markit Eurozone Services PMI	Jul	54.7	55.1	55.1
08/05	EU	Markit	Markit Eurozone Composite PMI	Jul	54.9	54.8	54.8
08/05	EU	Eurostat	Retail Sales MoM	Jun	5.70%	6.10%	20.30%
08/05	EU	Eurostat	Retail Sales YoY	Jun	1.30%	-0.20%	-3.10%
08/05	Germany	Markit	Markit Germany Services PMI	Jul	55.6	56.7	56.7
08/05	Germany	Markit	Markit/BME Germany Composite PMI	Jul	55.3	55.5	55.5
08/05	France	Markit	Markit France Services PMI	Jul	57.3	57.8	57.8
08/05	France	Markit	Markit France Composite PMI	Jul	57.3	57.6	57.6
08/05	Japan	Markit	Jibun Bank Japan PMI Services	Jul	45.4	-	45.2
08/05	Japan	Markit	Jibun Bank Japan PMI Composite	Jul	44.9	-	43.9
08/05	China	Markit	Caixin China PMI Composite	Jul	54.5	-	55.7
08/05	China	Markit	Caixin China PMI Services	Jul	54.1	58	58.4
08/05	India	Markit	Markit India PMI Composite	Jul	37.2	-	37.8
08/05	India	Markit	Markit India PMI Services	Jul	34.2	-	33.7

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 2Q2020 results	No. of days remaining	Status
DOHI	Doha Insurance Group	9-Aug-20	3	Due
QGMD	Qatari German Company for Medical Devices	9-Aug-20	3	Due
IGRD	Investment Holding Group	10-Aug-20	4	Due
SIIS	Salam International Investment Limited	10-Aug-20	4	Due
DBIS	Dlala Brokerage & Investment Holding Company	11-Aug-20	5	Due
MCCS	Mannai Corporation	11-Aug-20	5	Due
MRDS	Mazaya Qatar Real Estate Development	12-Aug-20	6	Due
QOIS	Qatar Oman Investment Company	12-Aug-20	6	Due
QCFS	Qatar Cinema & Film Distribution Company	12-Aug-20	6	Due
MERS	Al Meera Consumer Goods Company	12-Aug-20	6	Due
GISS	Gulf International Services	12-Aug-20	6	Due
ERES	Ezdan Holding Group	13-Aug-20	7	Due
MPHC	Mesaieed Petrochemical Holding Company	13-Aug-20	7	Due

Source: QSE

News

Qatar

- BLDN records net profit of QR44.2mn corresponding to 22% of revenue in 2Q2020** – Baladna (BLDN) disclosed its interim reviewed financial statements for the period from December 2, 2019, the establishment date, to June 30, 2020 (approximately 7 months). The statements showed a net profit of QR83.9mn, equivalent to 19% of revenue (7 month revenue: QR441.9mn). Earnings per Share (weighted average) amounted to QR0.046. Retained earnings balance on June 30, 2020 is QR74.2mn after distributing the first interim dividend of QR40.0mn in April 2020. These figures confirm the strong financial and commercial performance of the company. In terms of 2Q2020, BLDN recorded net profit of QR44.2mn corresponding to 22% of revenue (2Q2020 revenue: QR205.0mn). Second quarter's results strengthen by 55% versus first quarter. Despite the challenging external environment, BLDN's revenue growth is up 13% versus the first quarter. In 2Q2020, EPS stood at QR0.023. BLDN will hold a conference on Investor Relations by telephone to discuss the financial results of the first half 2020, on August 10, 2020 at 12:00pm. (QSE, Peninsula Qatar)
- AKHI posts 22.1% YoY increase but 67.7% QoQ decline in net profit in 2Q2020** – Al Khaleej Takaful Insurance Company's (AKHI) net profit rose 22.1% YoY (but declined 67.7% on QoQ basis) to QR5.2mn in 2Q2020. The company's 'Total investment and other income' came in at QR13.7mn in 2Q2020, which represents a decrease of 10.7% YoY (-45.4% QoQ). EPS amounted to QR0.020 in 2Q2020 as compared to QR0.017 in 2Q2019 (1Q2020: QR0.063). In 1H2020, AKHI posted net profit of QR21.41mn compared to QR18.67mn for the same period of the previous year. EPS amounted to QR0.084 for the period ended June 30, 2020 as compared to QR0.073 for the same period of the previous year. The company has decided to hold the Investor Relations Phone Conference to disclose the financial statements for the period ended on June 30, 2020 on August 12, 2020 at 11:00 pm. (QSE)
- Qatar's July Financial Center PMI rises to 59.8** – IHS Markit released Qatar's July financial center purchasing managers' index. The index rose to 59.8 from 42.1 in June 2020. This is the highest reading since series began in April 2017. Further, output

also rose to 69.9 versus 42.1 in June, this is also highest since series began. (Bloomberg)

- Brisk activities at Qatari ports point to buoyant maritime sector** – Hamad, Doha and Al Ruwais ports have reported brisk activities in July compared to June, indicating normalcy being restored in Qatar's maritime sector despite COVID-19 challenges. More ships called on these ports and there was a robust month-on-month expansion in the handling of building materials, livestock and automobiles (RORO), while general cargo movement saw a healthy double-digit yearly expansion; indicating the smooth flow of trade, according to performance statistics by Mwani Qatar, which is responsible for managing the nation's sea-ports and shipping terminals. The number of ships calling on these ports stood at 276 in July this year, representing a 15.97% growth on a monthly basis, while it declined 26.79% on a yearly basis. As many as 1,785 ships called on the ports during the first seven months of this year against 2,308 the year-ago period. Hamad Port's strategic geographical location offers opportunities to create cargo movement towards the upper Gulf, supporting countries such as Kuwait and Iraq, and south towards Oman, QTerminals' Chief Executive, Neville Bissett had earlier said. A dozen mobile cranes are expected to reach Hamad Port later this month, which comes as part of operationalizing the 403,500 square meters container terminal 2 (CT2) by 4Q2020. The three ports handled 28,980 livestock in July this year, which witnessed a stupendous 46.27% surge on a monthly basis. Nevertheless, it fell 50.27% year-on-year. The three ports had seen a cumulative figure of 334,484 heads during January-July 2020 compared to 483,251 in the corresponding period of 2019. (Gulf-Times.com)
- Doha Bank partners with Bank of Singapore for wealth solutions** – Doha Bank has underscored its relationship with Bank of Singapore, which it considers as a partner in offering wealth solutions to clients worldwide, during a recently-held webinar titled 'Investment Opportunities'. "We fully understand the importance of wealth preservation, steady asset creation, and tailoring investment solutions to suit the needs and the risk appetite of our clients. And for that, we selected the Bank of Singapore, Asia's global private bank, to be our trusted partner," said Slim Bouker, Head of Private Banking at Doha Bank. During the webinar, Doha Bank's CEO, R Seetharaman

shared insights on economic and banking trends in Qatar, focusing on both hydrocarbon and non-hydrocarbon sectors. Seetharaman highlighted the investment reforms in Qatar, and provided an update on the performance of the Qatar Stock Exchange and the opportunities from Qatar Exchange Traded Fund (QETF). (Gulf-Times.com)

- **Air Products to supply Qatargas with LNG technology** – Air Products, the world’s leader in liquefied natural gas (LNG) technology and equipment, has been selected to provide its proprietary AP-X Natural Gas Liquefaction Process technology and equipment to Qatargas for the first phase of Qatar Petroleum’s massive LNG production expansion project, commonly known as the North Field East (NFE) Project, in Ras Laffan, the State of Qatar. Each of the four new LNG process units, the largest LNG production trains in the world, will have a production capacity of 7.8mn tons per year. When these mega LNG trains become operational in 2025 liquefying natural gas from Qatar’s North Field, regarded as the largest offshore non-associated natural gas field in the world, Qatar will maintain its position as the world’s number one LNG producer. Air Products’ Chief Operating Officer, Samir J. Serhan said, “The truest sign of a satisfied customer is one that comes back and places another order, and Air Products is both pleased and proud that our premier technology was selected again for the newest phase of this massive LNG expansion project in Qatar. Our AP-X liquefaction technology sets the standard for the industry and offers the largest LNG process trains in the world, satisfying our customer’s desire to reduce capital cost per ton of LNG produced via economy of scale. These immense AP-X units have a process production capacity that is 50% larger than any other LNG train in operation and positions Air Products well for any customer requiring larger LNG process trains.” (Bloomberg)

International

- **US job market recovery appears to be slowing, services sector powering ahead** – US private employers hired far fewer workers than expected in July as companies exhausted loans to help with wages and new COVID-19 infections flared up across the country, supporting the view that the nascent economic recovery was faltering. While other data on Wednesday showed activity in the vast services sector gained momentum in July as new orders raced to a record high, hiring declined. The reports, together with a recent rise in applications for unemployment benefits, suggest job growth pulled back sharply in July. The Labor Department will publish July’s employment report on Friday. The ADP National Employment Report showed private payrolls increased by 167,000 jobs last month after jumping by 4.314mn in June. Economists polled by Reuters had forecast private payrolls would increase by 1.5mn in July. Hiring weakened across the board last month. Payrolls for medium-sized businesses with 50 to 499 employees fell 25,000. The sharp step-down in hiring was attributed to the expiration of the US government’s Paycheck Protection Program (PPP) and the resurgence in coronavirus cases. The PPP was part of a historic fiscal package worth nearly \$3tn that gave businesses loans that can be partially forgiven if used for employee pay. New cases of the respiratory illness have exploded, especially in the densely-populated South and West

regions where authorities in hard-hit areas are closing businesses again and pausing reopenings. (Reuters)

- **US services sector activity hits 16-month high in July** – US services industry activity gained momentum in July as new orders jumped to a record high, but hiring declined, supporting views that the labor market recovery was faltering amid a resurgence in new COVID-19 infections across the country. The Institute for Supply Management (ISM) said on Wednesday its non-manufacturing activity index increased to a reading of 58.1 last month, the highest since March 2019, from 57.1 in June. The index slumped to 41.8 in April, which was the lowest reading since March 2009. A reading above 50 indicates growth in the services sector, which accounts for more than two-thirds of US economic activity. Economists polled by Reuters had forecast the index increasing to a reading of 55 in July. The report followed the ISM’s manufacturing survey on Monday showing factory activity racing to a 16-month high in July. The upbeat ISM surveys are, however, at odds with high frequency data such as weekly applications for unemployment benefits that have suggested the economic recovery that started in May, with the reopening of businesses, was slowing. (Reuters)
- **Britain’s banks brace for \$22bn loan losses as outlook darkens** – Britain’s banks took a gloomier view than almost all their European peers in their second quarter earnings, as coronavirus fears, Brexit and low interest rates caused them to bake tougher “worst-case” scenarios into their risk models. Investors had expected a torrid set of half-year results, but Barclays, Standard Chartered, Lloyds, NatWest Group and HSBC fell short of these low expectations. Provisions for potential loan losses across the five banks topped \$22bn, blowing past analyst forecasts and increasing selling pressure on shares already hammered by the pandemic this year. By contrast, France’s BNP Paribas and Credit Suisse beat analyst forecasts, benefiting from bumper trading volumes as well as relatively modest provisions. HSBC and Lloyds were punished for poor results, with shares in both banks plumbing their lowest levels in 11 and 8 years respectively. All five UK banks have under-performed, falling by between 42% and 55% this year compared to a 36% fall in the European banking index. (Reuters)
- **REC: UK’s labor market slump eases in July, but outlook grim** – The downturn in Britain’s labor market eased further in July as more of the economy reopened following the coronavirus lockdown, but the outlook remains bleak as employers expect a wave of redundancies to follow, a survey showed on Thursday. The figures from the Recruitment and Employment Confederation (REC) and accountants KPMG underscore the challenge facing authorities as they grapple with an uneven economic recovery from the impact of COVID-19. The Bank of England will release its latest quarterly economic outlook at 0600 GMT, having previously warned of a sharp rise in unemployment later this year to rates higher than those in the 2008-09 financial crisis. REC said demand for staff continued to fall and at 43.4 in July - up from 34.3 a month before - the survey’s index of demand for staff remained well below the 50 level that represents an increase in hiring. The survey, based on the responses of up to 400 recruiters, is one of the gauges of the labor market watched by BoE officials. (Reuters)

- **Eurozone retail sales return to pre-pandemic levels** – The volume of retail sales in the Eurozone rebounded in June to levels recorded in February before lockdowns, official estimates showed on Wednesday, completing a recovery that began in May after record drops in March and April. Sales in the 19-country currency bloc rose by 5.7% in June from May, according to Eurostat, the European Union’s statistics office. Spending on clothing and car fuel drove the gains. The increase in sales was smaller than the 5.9% forecast by economists polled by Reuters, but that was largely offset by an upward revision of May sales. Eurostat said on Wednesday the volume of shopping leaped by 20.3% in May for the month, revising its earlier estimate of a 17.8% increase, which was already the steepest increase since euro zone records began in 1999. The two consecutive increases in sales fully offset the record declines in March and April, when many Eurozone countries imposed lockdowns to prevent the spread of the novel coronavirus.
- **BOJ’s Kuroda warns of renewed constraints on Japan economy from pandemic** – Bank of Japan (BOJ) Governor Haruhiko Kuroda warned that economic activity could be constrained “significantly” again if strict public health measures are reinstated to prevent a further spread of the coronavirus pandemic. But he said that Japan was not slipping into deflation and that the central bank would continue with its efforts to achieve its elusive 2% inflation target. “We’re not in deflation, in the sense of sustained periods of price declines. It certainly took more time than we hoped for, but I’m sure we will achieve the target,” Kuroda told an online seminar hosted by Columbia University on Wednesday. Kuroda reiterated the BOJ’s readiness to ramp up monetary stimulus “without hesitation” if needed to combat the hit to the economy from the pandemic. “Despite extremely high uncertainties, the Japanese and overseas economies are likely to improve gradually from the second half of this year,” Kuroda said. “But the pace of improvement is expected to be only moderate, since preventive measures (to contain the virus) will constrain economic activity,” he said. Kuroda rejected criticism by some analysts that the BOJ was threatening its independence from government interference by monetizing public debt through aggressive bond purchases. “Given the impact of COVID-19 (on the economy), the BOJ has purchased government bonds to maintain stability in the bond market and keep the entire yield curve at low levels,” he said. “This is monetary policy ... I don’t think this kind of policy mix, or coordination (with the government) would make the central bank less independent,” he added. Kuroda also said Japan’s financial system was “quite safe and stable,” countering concerns that the fallout from COVID-19 could trigger a banking-sector crisis. (Reuters)
- **Japan’s Nishimura: Free trade will be important for economic recovery** – Japanese Economy Minister Yasutoshi Nishimura said on Wednesday this week’s TPP-11 meeting would be a good opportunity to tell the world that promoting free trade will be an important part of the economic recovery from the coronavirus crisis. Ministers from the 11-member Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) are due to hold a video conference on Thursday, Japan time. Nishimura said he believed that strengthening supply chains and implementing digitalization would also be important in the recovery. (Reuters)
- **PMI: India’s services activity contracted for fifth straight month in July** – India’s dominant services industry, a key driver of economic growth, shrank for a fifth straight month in July as restraining measures to stop the spread of the coronavirus hurt business activity and led to record job cuts, a survey showed. India has recorded the third highest number of coronavirus cases globally, behind only the US and Brazil, with over 1.8mn confirmed infections and more than 38,000 deaths, according to a Reuters tally. That has forced state and central governments to impose strict lockdown measures to curb the spread of the virus, keeping people at home and businesses closed, stifling demand and cementing fears of a deep recession. The Nikkei/IHS Services Purchasing Managers’ Index increased to 34.2 in July from 33.7 in June, however, it was still well below the 50-mark separating growth from contraction. July was the fifth straight month the index was sub-50, the longest such stretch since a 10-month run to April 2014. “The coronavirus pandemic and subsequent introduction of lockdown measures continued to weigh heavily on the Indian service sector in July. Business activity and new orders dropped again, with the rates of decline remaining rapid overall,” Lewis Cooper, an economist at IHS Markit, said in a release. “Panelists frequently reported temporary company closures and weak demand as a result of the pandemic.” (Reuters)
- **Brazil central bank cuts rates, sees little or no room for more** – Brazil’s central bank cut its benchmark interest rate by 25 basis points to a record-low 2.00% on Wednesday, but warned there was little or no room for further monetary stimulus to support an economy ravaged by the coronavirus pandemic. That marked the smallest rate cut since COVID-19 hit Brazil and was widely expected after policymakers said in recent weeks that further easing could threaten financial market stability. Although policymakers said again that financial stability concerns could prevent further rate cuts, they did not close the door completely, underscoring the extreme uncertainty about a recovery amid the world’s second-biggest coronavirus outbreak. Policymakers said recent economic indicators in Brazil point to a “partial recovery,” but noted that uncertainty remains high, especially around the end of the year when emergency fiscal stimulus is expected to wind down. Brazil’s economy is expected to shrink this year at the fastest pace on record, with forecasts ranging from the government’s -4.7% to the International Monetary Fund’s -9.1%. Central bank President Roberto Campos Neto has said the bank’s own forecast of -6.4% now looks too pessimistic. (Reuters)

Regional

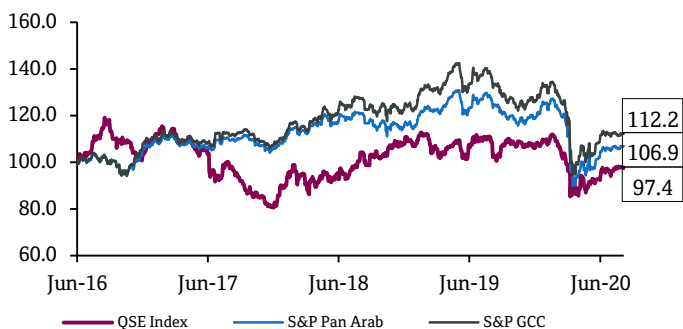
- **GCC equity markets mostly positive in 2Q2020** – GCC equity markets staged a strong recovery in the latter part of 2Q20, reversing a large part of the prior losses induced by the coronavirus and its associated lockdowns and restrictions. The recovery was underpinned by rising oil prices and a gradual reopening of regional economies which helped boost optimism for a swift economic recovery. NBK’s update on equity markets, noted the MSCI GCC index gained 11% QoQ, lifted by strong gains in some regional markets. Meanwhile, Kuwait lagged behind, though still up a solid 6.4% QoQ, supported in part by the confirmation by MSCI of the markets upgrade to EM status in November, thereby curbing some uncertainty about upgrade-

related portfolio (passive) inflows which could be worth \$2bn-\$3bn. This has reignited active foreign inflows, which were relatively dormant for most part of the year, reverting to positive net flows of KD3.6mn in June and reflecting renewed foreign investor interest in Kuwaiti stocks. Oman (2%) and Bahrain (-5%), underperformed, likely affected by high uncertainty about the economic outlook amid the coronavirus shock given their smaller reserves and fiscal buffers. (Peninsula Qatar)

- **PMI: Saudi Arabia's non-oil private sector stable in July** – Saudi Arabia's non-oil private sector stabilized in July after four months of contraction, a survey showed on Wednesday, suggesting the worst of the disruption caused by the coronavirus pandemic may be over. The seasonally adjusted IHS Markit Saudi Arabia Purchasing Managers' Index (PMI) rose to 50.0 from 47.7 in June, settling at the mark that separates growth from contraction. "The latest figure is the highest since February but well below the long-run trend level of 57.1," Economics Director at survey compiler IHS Markit, Tim Moore said. "Indicators for output, new orders and jobs all rose in July but fell short of the 50.0 mark, meaning that the PMI would have remained below 50.0 were it not for a solid rise in stocks of purchases and longer suppliers' delivery times." (Reuters)
- **Saudi Aramco plans to release September crude pricing today** – Saudi Aramco plans to release pricing for September's crude shipments today, after delaying the decision earlier this week, according to sources. (Bloomberg)
- **SAMBA posts 2.1% YoY rise in net profit to SR955mn in 2Q2020** – Samba Financial Group (SAMBA) recorded net profit of SR955mn in 2Q2020, an increase of 2.1% YoY. Total operating profit rose 8.7% YoY to SR2,359mn in 2Q2020. Total revenue for special commissions/investments fell 13% YoY to SR1,816mn in 2Q2020. Total assets stood at SR279.3bn at the end of June 30, 2020 as compared to SR235.6bn at the end of June 30, 2019. Loans and advances stood at SR148.1bn (+28.7% YoY), while customer deposits stood at SR187.3bn (+11.3% YoY) at the end of June 30, 2020. EPS came in at SR1.11 in 1H2020 as compared to SR1 in 1H2019. (Tadawul)
- **ALINMA's net profit falls 15.4% YoY to SR572mn in 2Q2020** – Alinma Bank (ALINMA) recorded net profit of SR572mn in 2Q2020, registering decrease of 15.4% YoY. Total operating profit fell 1.3% YoY to SR1,346mn in 2Q2020. Total revenue for special commissions/investments fell 2.0% YoY to SR1,338mn in 2Q2020. Total assets stood at SR142.2bn at the end of June 30, 2020 as compared to SR123.5bn at the end of June 30, 2019. Loans and advances stood at SR103.2bn (+17.7% YoY), while customer deposits stood at SR107.4bn (+15.7% YoY) at the end of June 30, 2020. EPS came in at SR0.47 in 1H2020 as compared to SR0.66 in 1H2019. (Tadawul)
- **PMI: UAE growth again positive but subdued in July** – The UAE's non-oil private sector grew for only the second month this year in July, helped by the easing of coronavirus restrictions, a survey showed on Wednesday. The seasonally adjusted IHS Markit UAE Purchasing Managers' Index (PMI), which covers manufacturing and services, rose to 50.8 in July from 50.4 in June. A number below 50 indicates a contraction. "The rate of growth remained marginal and represented only a mild recovery from the downturn experienced by UAE businesses," the report said of the improvement in the past two months. The UAE's oil-producing Abu Dhabi and tourism and trade-reliant Dubai had instituted coronavirus lockdowns earlier this year and were also impacted by falling oil prices. Output rose to its highest level since September 2019, with businesses reporting new projects and increased demand as drivers. The index marked a record low of 36.9 in April. (Reuters)
- **UAE plots new stimulus measures to bolster virus-hit economy** – The UAE will deliver a three-stage "flexible package" of measures to bolster the economy, including steps to support the labor market and encourage investment, state-run WAM reported on Wednesday. Economy Minister, Abdullah bin Touq Al-Marri said the proposals would provide "studied" stimulus packages. The Central Bank of the UAE (CBUAE) had provided more than AED256bn of stimulus by March to aid businesses amid the coronavirus pandemic. The minister did not provide further details. (Bloomberg)
- **GP Global hires financial restructuring experts after lenders pull back** – GP Global, an oil trader based in the UAE enmeshed in an employee fraud investigation, has appointed restructuring experts as part of its "ongoing restructuring exercise", the company said in a statement on Wednesday. GP Global said it hired FTI Consulting's Rod Sutton as its Chief Restructuring Officer and hired UK-based financial restructuring specialist firm Quantuma. Sutton and Quantuma will engage with the company's stakeholders "to protect the commercial interests" of the group and will help transform it into a "strong, financially prudent" business "with enhanced transparency", the statement said. On July 20, GP Global said that it had undertaken a financial restructuring exercise after it failed to "get full support from a few financial institutions recently." (Reuters)
- **ADX lists \$4bn Mamoura Diversified Global Holding notes** – Abu Dhabi Securities Exchange (ADX) has announced that it has listed \$4bn Fixed Rate Notes issued by MDGH GMTN BV and guaranteed by Mamoura Diversified Global Holding (MDGH). MDGH is the debt issuing entity of Mubadala Investment Company, and the MDGH bonds have their primary listing on the London Stock Exchange. On the listing CEO, Khalifa Al Mansouri said: "Today we extend a warm welcome to Mubadala as it joins ADX. The listing of its MDGH bonds is further evidence of ADX's appeal to a broader base of investors and issuers and is in line with our strategy of increasing the number of products available to them. When we see global investment, companies decide to list their debt securities on ADX, it sends a powerful message to markets all around the world that Abu Dhabi can support the capital requirements and growth ambitions of any business. As we add more products to the exchange and invest in our trading infrastructure, we also become more attractive to investors looking for better and more flexible ways to manage their wealth in a stable, low risk environment," he noted. (Zawya)
- **RAKBANK posts 46.6% YoY fall in net profit to AED152.1mn in 2Q2020** – The National Bank of Ras Al-Khaimah (RAKBANK) recorded net profit of AED152.1mn in 2Q2020, a fall of 46.6% YoY. Net interest income fell 8.3% YoY to AED557.2mn in

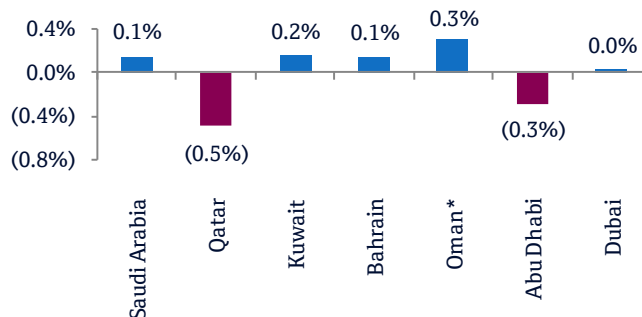
2Q2020. Operating profit before provisions for credit loss fell 5.5% YoY to AED564.1mn in 2Q2020. Total assets stood at AED54.3bn at the end of June 30, 2020 as compared to AED57.1bn at the end of June 30, 2019. Loans and advances, net stood at AED32.6bn (-5.8% YTD), while deposits from customers stood at AED35.1bn (-4.8% YTD) at the end of June 30, 2020. EPS came in at AED0.09 in 2Q2020 as compared to AED0.17 in 2Q2019. (ADX)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg (*Data as of July 29, 2020)

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	2,038.12	0.9	3.2	34.3
Silver/Ounce	26.96	3.7	10.5	51.0
Crude Oil (Brent)/Barrel (FM Future)	45.17	1.7	4.3	(31.6)
Crude Oil (WTI)/Barrel (FM Future)	42.19	1.2	4.8	(30.9)
Natural Gas (Henry Hub)/MMBtu	2.17	20.8	20.8	3.8
LPG Propane (Arab Gulf)/Ton	50.25	0.0	(0.5)	21.8
LPG Butane (Arab Gulf)/Ton	48.50	(3.0)	0.5	(26.0)
Euro	1.19	0.5	0.7	5.8
Yen	105.60	(0.1)	(0.2)	(2.8)
GBP	1.31	0.3	0.2	(1.1)
CHF	1.10	0.5	0.5	6.5
AUD	0.72	0.4	0.7	2.4
USD Index	92.87	(0.6)	(0.5)	(3.7)
RUB	72.89	(0.9)	(2.0)	17.6
BRL	0.19	(0.1)	(1.4)	(24.1)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,355.94	0.8	2.2	(0.1)
DJ Industrial	27,201.52	1.4	2.9	(4.7)
S&P 500	3,327.77	0.6	1.7	3.0
NASDAQ 100	10,998.40	0.5	2.4	22.6
STOXX 600	365.16	1.3	3.2	(7.2)
DAX	12,660.25	1.3	3.5	1.2
FTSE 100	6,104.72	1.6	3.7	(19.9)
CAC 40	4,933.34	1.7	3.8	(12.7)
Nikkei	22,514.85	(0.1)	4.0	(1.8)
MSCI EM	1,103.03	1.2	2.2	(1.0)
SHANGHAI SE Composite	3,377.57	0.7	2.6	11.2
HANG SENG	25,102.54	0.6	2.1	(10.5)
BSE SENSEX	37,663.33	0.2	0.2	(13.1)
Bovespa	102,801.80	2.2	(1.8)	(32.5)
RTS	1,295.27	2.8	4.9	(16.4)

Source: Bloomberg (*\$ adjusted returns)

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