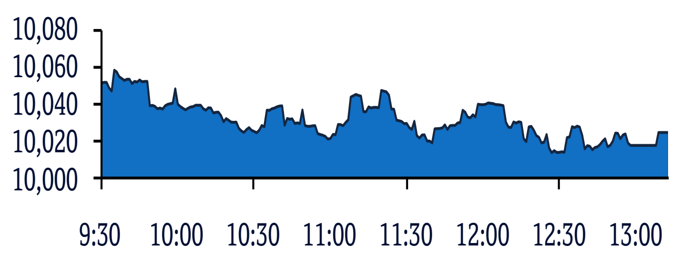
Daily Market Report

Thursday, 15 October 2020

QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.3% to close at 10,026.0. Losses were led by the Insurance and Banks & Financial Services indices, falling 1.8% and 0.4%, respectively. Top losers were Dlala Brokerage & Investment Holding Company and Qatar Insurance Company, falling 2.8% and 2.3%, respectively. Among the top gainers, Salam International Investment Limited gained 3.0%, while Qatar First Bank was up 0.6%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.1% to close at 8,592.1. Losses were led by the Health Care Equip. and Insurance indices, falling 1.1% and 0.9%, respectively. Tourism Enterprise declined 3.2%, while Gulf Gen. Cooperative Ins. was down 3.1%.

Dubai: The DFM Index fell 0.9% to close at 2,218.2. The Services index declined 2.5%, while the Telecommunication index fell 1.3%. Union Properties declined 4.8%, while National Central Cooling Co. was down 4.2%.

Abu Dhabi: The ADX General Index gained 0.6% to close at 4,573.0. The Banks index rose 1.2%, while Consumer Staples index rose 1.0%. Ras Al Khaimah Ceramics rose 3.7%, while Abu Dhabi Commercial Bank was up 2.1%.

Kuwait: The Kuwait All Share Index fell 0.2% to close at 5,747.6. The Oil & Gas index declined 1.0%, while the Real Estate index fell 0.9%. Ream Real Estate Company declined 52.0%, while Kuwaiti Syrian Holding Co was down 10.5%.

Oman: The MSM 30 Index fell marginally to close at 3,593.8. The Industrial index declined 0.8%, while Financial index fell marginally. Al Hassan Engineering Company declined 33.3%, while Gulf Investments Services was down 8.8%.

Bahrain: The BHB Index fell 0.4% to close at 1,476.6. The Commercial Banks index declined 0.7%, while the Services index fell marginally. Bahrain Cinema Company declined 1.9%, while Ahli United Bank was down 1.7%.

Market Indicators	14 Oct 20	13 Oct 20	%Chg.
Value Traded (QR mn)	428.5	479.0	(10.6)
Exch. Market Cap. (QR mn)	597,636.5	599,246.8	(0.3)
Volume (mn)	182.5	252.6	(27.7)
Number of Transactions	6,958	9,042	(23.0)
Companies Traded	47	47	0.0
Market Breadth	9:36	22:23	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	19,274.73	(0.3)	(0.1)	0.5	16.4
All Share Index	3,103.36	(0.3)	(0.1)	0.1	17.4
Banks	4,143.50	(0.4)	(0.5)	(1.8)	14.3
Industrials	2,965.87	(0.0)	(0.3)	1.2	25.7
Transportation	2,819.92	(0.4)	(0.4)	10.3	13.3
Real Estate	2,086.43	(0.2)	0.9	33.3	16.4
Insurance	2,274.42	(1.8)	4.2	(16.8)	32.9
Telecoms	934.27	0.1	(0.1)	4.4	15.7
Consumer	8,177.95	0.2	0.8	(5.4)	24.7
Al Rayan Islamic Index	4,210.83	(0.3)	0.2	6.6	18.5

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Saudi British Bank	Saudi Arabia	26.10	2.2	1,783.7	(24.8)
Abu Dhabi Comm. Bank	Abu Dhabi	5.95	2.1	11,352.1	(24.9)
Arab National Bank	Saudi Arabia	20.90	1.9	570.3	(23.7)
Jarir Marketing Co.	Saudi Arabia	190.00	1.6	142.6	14.7
First Abu Dhabi Bank	Abu Dhabi	11.38	1.4	10,334.8	(24.9)

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Bupa Arabia for Co. Ins.	Saudi Arabia	123.60	(3.0)	133.5	20.7
Saudi Kayan Petrochem.	Saudi Arabia	11.24	(2.8)	14,311.8	1.3
Saudi Arabian Fertilizer	Saudi Arabia	83.60	(2.1)	425.0	7.9
Mouwasat Medical Serv.	Saudi Arabia	137.60	(1.7)	213.7	56.4
Ahli United Bank	Bahrain	0.83	(1.7)	904.3	(13.6)

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%
Salam International Inv. Ltd.	0.72	3.0	24,432.5	38.3
Qatar First Bank	1.82	0.6	4,747.8	122.6
Qatar Industrial Manufacturing Co	3.37	0.6	154.9	(5.6)
Qatar Electricity & Water Co.	16.90	0.6	353.0	5.0
Zad Holding Company	15.10	0.5	21.9	9.3

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Salam International Inv. Ltd.	0.72	3.0	24,432.5	38.3
Qatar Aluminium Manufacturing	1.09	(0.4)	24,077.4	39.6
Investment Holding Group	0.64	(0.6)	23,583.3	14.0
Ezdan Holding Group	2.21	(0.5)	15,946.5	259.3
Mazaya Qatar Real Estate Dev.	1.22	(1.5)	11,370.0	69.1

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Dlala Brokerage & Inv. Holding Co	2.17	(2.8)	6,601.6	254.8
Qatar Insurance Company	2.29	(2.3)	1,839.9	(27.5)
Qatar Islamic Insurance Company	6.30	(2.3)	40.8	(5.7)
INMA Holding	4.37	(2.1)	318.5	130.1
Qatar Oman Investment Co.	0.87	(1.7)	2,084.2	30.3

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	18.06	(0.2)	64,391.7	(12.3)
Ezdan Holding Group	2.21	(0.5)	35,322.7	259.3
Qatar Aluminium Manufacturing	1.09	(0.4)	26,092.8	39.6
Qatar Islamic Bank	16.50	(0.6)	23,839.0	7.6
Medicare Group	9.13	(1.0)	23,544.9	8.1

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*	10,026.04	(0.3)	(0.1)	0.4	(3.8)	116.13	161,780.2	16.4	1.5	3.9
Dubai	2,218.21	(0.9)	0.2	(2.4)	(19.8)	86.94	84,752.8	8.0	0.8	4.4
Abu Dhabi	4,573.00	0.6	1.3	1.2	(9.9)	172.17	186,288.1	16.7	1.3	5.4
Saudi Arabia	8,592.10	(0.1)	2.1	3.5	2.4	3,262.15	2,454,316.5	31.0	2.1	2.3
Kuwait	5,747.64	(0.2)	0.4	5.6	(8.5)	209.42	105,077.6	31.6	1.4	3.4
Oman	3,593.84	(0.0)	(0.3)	(0.6)	(9.7)	2.75	16,306.2	10.6	0.7	6.9
Bahrain	1,476.61	(0.4)	1.2	2.9	(8.3)	5.87	22,644.6	13.7	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 declined 0.3% to close at 10,026.0. The Insurance and Banks & Financial Services indices led the losses. The index fell on the back of selling pressure from GCC and Arab shareholders despite buying support from Qatari and Foreign shareholders.
- Dlala Brokerage & Investment Holding Company and Qatar Insurance Company were the top losers, falling 2.8% and 2.3%, respectively. Among the top gainers, Salam International Investment Limited gained 3.0%, while Qatar First Bank was up 0.6%.
- Volume of shares traded on Wednesday fell by 27.7% to 182.5mn from 252.6mn on Tuesday. Further, as compared to the 30-day moving average of 352.2mn, volume for the day was 48.2% lower. Salam International Investment Limited and Qatar Aluminium Manufacturing Company were the most active stocks, contributing 13.4% and 13.2% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	31.79%	34.05%	(9,693,623.5)
Qatari Institutions	23.07%	17.77%	22,717,680.8
Qatari	**54.86%**	**51.82%**	**13,024,057.3**
GCC Individuals	1.28%	0.55%	3,124,197.9
GCC Institutions	0.44%	1.58%	(4,904,638.5)
GCC	**1.72%**	**2.14%**	**(1,780,440.7)**
Arab Individuals	8.31%	11.08%	(11,866,963.6)
Arab	**8.31%**	**11.08%**	**(11,866,963.6)**
Foreigners Individuals	2.19%	2.51%	(1,361,860.2)
Foreigners Institutions	32.93%	32.46%	1,985,207.2
Foreigners	**35.12%**	**34.97%**	**623,347.0**

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

Earnings Releases, Global Economic Data and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 3Q2020	% Change YoY	Operating Profit (mn) 3Q2020	% Change YoY	Net Profit (mn) 3Q2020	% Change YoY
Sohar Power Co.*	Oman	OMR	21.2	-51.8%	–	–	1.6	31.4%
National Finance Co.*	Oman	OMR	33.2	1.5%	–	–	5.6	11.4%
Salalah Beach Resort*	Oman	OMR	0.5	-73.6%	–	–	(0.6)	N/A
Al Madina Investment Co.#	Oman	OMR	(1.8)	N/A	–	–	(437.1)	N/A
Ubar Hotels & Resorts*	Oman	OMR	1.5	-47.4%	(0.6)	N/A	(0.6)	N/A
Al Batinah Dev. & Inv. Holding#*	Oman	OMR	74.9	-58.4%	–	–	(520.0)	N/A
Dhofar Tourism#*	Oman	OMR	453.8	4.5%	–	–	368.9	514.3%
Dhofar Insurance Co.*	Oman	OMR	38.2	5.9%	–	–	3.2	39.9%
Raysut Cement Co.*	Oman	OMR	65.2	5.0%	–	–	(10.4)	N/A
Oman Fisheries Co.*	Oman	OMR	9.5	-15.4%	–	–	(0.9)	N/A
Gulf Mushroom Products Co.*	Oman	OMR	4.4	-22.3%	–	–	0.2	-55.4%
Oman Chlorine*	Oman	OMR	11.9	4.3%	1.2	-13.5%	(0.9)	N/A
Al Anwar Holding*	Oman	OMR	0.9	-16.4%	–	–	(0.4)	N/A
Oman Packaging Co.*	Oman	OMR	8.5	-8.3%	–	–	0.9	12.7%
Shell Oman Marketing Co.*	Oman	OMR	277.0	-29.0%	–	–	1.4	-82.7%
United Power Co.*	Oman	OMR	1.3	-64.5%	–	–	(0.6)	N/A
Vision Insurance*	Oman	OMR	18.0	-4.7%	–	–	1.2	0.1%
Muscat Thread Mills*	Oman	OMR	1.9	-31.6%	–	–	(0.1)	N/A
Gulf Hotels Co. Ltd*	Oman	OMR	2.2	-60.9%	–	–	(0.8)	N/A
Gulf Stones Co.	Oman	OMR	1.7	-25.3%	–	–	(0.5)	N/A
Computer Stationery Industry*	Oman	OMR	0.8	-31.2%	–	–	(0.2)	N/A
The National Detergent Co.	Oman	OMR	16.6	8.5%	–	–	1.0	135.2%
National Mineral Water Co.*	Oman	OMR	5.6	3.2%	–	–	0.05	-73.6%
Salalah Port Services*	Oman	OMR	58.7	21.9%	–	–	12.8	278.3%
Oman Ceramic Co.*	Oman	OMR	1.3	-17.4%	–	–	(0.5)	N/A
Al Madina Takaful Insurance	Oman	OMR	–	–	–	–	2.9	-11.9%

Source: Company data, DFM, ADX, MSM, TASI, BHB. (# – Values in Thousands, *Financial for 9M2019)

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
10/14	US	Mortgage Bankers Association	MBA Mortgage Applications	09-Oct	-0.7%	–	4.6%
10/14	EU	Eurostat	Industrial Production SA MoM	Aug	0.7%	0.8%	5.0%
10/14	EU	Eurostat	Industrial Production WDA YoY	Aug	-7.2%	-7.0%	-7.1%
10/14	Japan	Ministry of Economy Trade and Industry	Industrial Production YoY	Aug F	-13.8%	–	-13.3%
10/14	Japan	Ministry of Economy Trade and Industry	Industrial Production MoM	Aug F	1.0%	–	1.7%
10/14	China	The People's Bank of China	Money Supply M0 YoY	Sep	11.1%	9.3%	9.4%
10/14	China	The People's Bank of China	Money Supply M1 YoY	Sep	8.1%	8.5%	8.0%
10/14	China	The People's Bank of China	Money Supply M2 YoY	Sep	10.9%	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
IHGS	INMA Holding Group	18-Oct-20	3	Due
QGTS	Qatar Gas Transport Company Limited (Nakilat)	19-Oct-20	4	Due
QEWS	Qatar Electricity & Water Company	19-Oct-20	4	Due
QIGD	Qatari Investors Group	19-Oct-20	4	Due
QNCD	Qatar National Cement Company	20-Oct-20	5	Due
GWCS	Gulf Warehousing Company	20-Oct-20	5	Due
MCGS	Medicare Group	20-Oct-20	5	Due
WDAM	Widam Food Company	21-Oct-20	6	Due
QNNS	Qatar Navigation (Milaha)	21-Oct-20	6	Due
ABQK	Ahli Bank	21-Oct-20	6	Due
QAMC	Qatar Aluminum Manufacturing Company	22-Oct-20	7	Due
KCBK	Al Khalij Commercial Bank	22-Oct-20	7	Due
QGMD	Qatari German Company for Medical Devices	22-Oct-20	7	Due
CBQK	The Commercial Bank	25-Oct-20	10	Due
QCFS	Qatar Cinema & Film Distribution Company	25-Oct-20	10	Due
MCCS	Mannai Corporation	26-Oct-20	11	Due
VFQS	Vodafone Qatar	26-Oct-20	11	Due
QIIK	Qatar International Islamic Bank	26-Oct-20	11	Due
DBIS	Dlala Brokerage & Investment Holding Company	26-Oct-20	11	Due
BLDN	Baladna	26-Oct-20	11	Due
BRES	Barwa Real Estate Company	27-Oct-20	12	Due
QGRI	Qatar General Insurance & Reinsurance Company	27-Oct-20	12	Due
IGRD	Investment Holding Group	27-Oct-20	12	Due
QIMD	Qatar Industrial Manufacturing Company	27-Oct-20	12	Due
IQCD	Industries Qatar	27-Oct-20	12	Due
QISI	Qatar Islamic Insurance Group	27-Oct-20	12	Due
DHBK	Doha Bank	27-Oct-20	12	Due
MRDS	Mazaya Qatar Real Estate Development	28-Oct-20	13	Due
QOIS	Qatar Oman Investment Company	28-Oct-20	13	Due
MPHC	Mesaieed Petrochemical Holding Company	28-Oct-20	13	Due
SIIS	Salam International Investment Limited	28-Oct-20	13	Due
DOHI	Doha Insurance Group	28-Oct-20	13	Due
QFBQ	Qatar First Bank	28-Oct-20	13	Due
MERS	Al Meera Consumer Goods Company	28-Oct-20	13	Due
ORDS	Ooredoo	28-Oct-20	13	Due
UDCD	United Development Company	28-Oct-20	13	Due
AHCS	Aamal Company	28-Oct-20	13	Due
GISS	Gulf International Services	29-Oct-20	14	Due
NLCS	Alijarah Holding	29-Oct-20	14	Due
ZHCD	Zad Holding Company	29-Oct-20	14	Due
AKHI	Al Khaleej Takaful Insurance Company	29-Oct-20	14	Due

Source: QSE

News

Qatar

- **QIBK's net profit remains almost flat YoY and up 6.9% QoQ in 3Q2020, in-line with our estimate –** Qatar Islamic Bank's (QIBK) net profit remained almost flat YoY (rose 6.9% on QoQ basis) to QR790.02mn in 3Q2020 (3Q2019: QR 790.05mn), in line with our estimate of QR762.5mn (variation of +3.6%). 'Total net income from financing and investing activities' increased 4.3% YoY in 3Q2020 to QR1,807.0mn. However, on QoQ basis 'Total net income from financing and investing activities' declined 1.3%. The company's 'Total income' came in at QR1,989.6mn in 3Q2020, which represents an increase of 0.7% YoY. However, on QoQ basis Total income fell 1.9%. EPS remained flat YoY at QR0.33 in 3Q2020 (2Q2020: QR0.31). The bank's total assets stood at QR170.0bn at the end of September 30, 2020, up 9.8% YoY (+2.6% QoQ). Financing assets were QR113.2bn, registering a rise of 5.7% YoY (+0.8% QoQ) at the end of September 30, 2020. Customers' current accounts rose 6.2% YoY to reach QR16.1bn at the end of September 30, 2020. However, on QoQ basis customers' current accounts fell 1.1%. Total shareholders' equity of the bank has reached QR17.7bn, which is up 7.8% YoY. In 9M2020, QIBK has reported net profit of QR2.22bn, which is in line with the performance during the same period in 2019. Total income grew 4.4% YoY to QR5.96bn with income from financing and investing expanding 4.9% to QR5.36bn, reflecting a healthy performance in its core operating activities despite the support provided to the customers impacted by COVID-19 pandemic. Total operating expenses for the nine months' period ended September 30 decreased to QR821.9mn from QR827.8mn for the same period in 2019. EPS remained flat YoY at QR0.94 in 9M2020. Strict cost controls, supported by higher operating revenues, enabled further enhancement of efficiencies with cost-to-income ratio improving from 23.4% to 20.5%, which is considered the best in the Qatari banking sector. QIBK was able to contain the ratio of non-performing financing assets to total financing assets at 1.3%; reflecting the quality of the bank's financing assets portfolio. QIBK continues to pursue the conservative impairment provisioning policy and has more than doubled the financing impairment charges to QR960.6mn in January-September 2020 and continues to maintain 100% coverage ratio for non-performing financing assets. Total capital adequacy of the bank under Basel III guidelines is 18.3% as of September 2020, higher than the minimum regulatory requirements stipulated by the Qatar Central Bank and the Basel Committee. (QNB FS Research, QSE, Gulf-Times.com)
- **QFLS posts 51.0% YoY decrease but 259.7% QoQ increase in net profit in 3Q2020, above our estimate –** Qatar Fuel Company's (QFLS, WOQOD) net profit declined 51.0% YoY (but rose 259.7% on QoQ basis) to QR158.6mn in 3Q2020, above our estimate of QR95.9mn (variation of +65.3%). In 9M2020, QFLS' net profit stood at QR428.73mn as compare to QR871.80mn in 9M2019. EPS amounted to QR0.43 in 9M2020 as compared to QR0.88 in 9M2019. WOQOD's Managing Director & CEO, Saad Rashid Al-Muhannadi explained that WOQOD Group's net profits and overall sales volumes witnessed a considerable increase in 3Q2020 over the second quarter of this year. Al-Muhannadi also explained that WOQOD Group's QR429mn net profit in 3Q2020 (excluding minority rights) witnessed a 51% decrease rate, or QR443mn over the QR872mn achieved in the same period last year. The decrease in net profits and earnings per share for the period were partly attributed to the market slowdown prompted by the COVID-19 outbreak. Al-Muhannadi said the company's overall sales of petroleum products decreased by 23% compared to the same period of last year driven by the negative impact of the COVID-19 pandemic. Diesel, super gasoline, and premium gasoline sales decreased by 11%, 14%, and 9%, respectively, while jet fuel volumes decreased by 34% driven by the reduced operations of airlines due to the suspension of air traffic in most countries globally. Bitumen sales have decreased by 64% driven by macro-economic factors, COVID-19 pandemic, and the completion of the major projects. LPG sales decreased by 3% compared to the same period of 2019. Refined petroleum products retail sales from petrol stations decreased by 3% compared to the same period of last year driven by micro-economic factors, as well as the negative impact of COVID-19. On the other hand, he explained that bunkering fuel 'HFO' increased by 18%, natural gas sales increased by 9% compared to the same period in 2019, and retail non-fuel revenue, including Sidra sales, increased by 11% as compared to the same period of the last year driven by the opening of new stations. In the field of the petrol stations project, Al-Muhannadi said petrol stations operated by WOQOD as of October 15, 2020, reached a total of 106 stations. The company intends to add five more stations by the end of 2020, he said. "Despite the impact and challenges of the coronavirus, WOQOD, being the sole downstream oil and gas company responsible for securing a continuous and sustainable supply of petroleum products and gas to all sectors within the State of Qatar, was left with no choice but to implement a flexible and effective business plan to ensure the continuity of the supply activities throughout the country on a regular basis and in line with the health safety, security, and environmental sanitation procedures and standards for the time being in force in the petroleum products industry, where the group is persistently communicating and co-coordinating with entities of competent jurisdiction to implement the best standards and measures issued in this regard," he said. (QNB FS Research, QSE, Gulf-Times.com)
- **ERES' net profit declines 59.1% YoY and 33.4% QoQ in 3Q2020 –** Ezdan Holding Group's (ERES) net profit declined 59.1% YoY (-33.4% QoQ) to QR36.2mn in 3Q2020.The company's Rental Income came in at QR288.68mn in 3Q2020, which represents a decrease of 7.5% YoY (2Q2020: QR288.76mn). In 9M2020, ERES posted net profit of QR208.6mn as compared to QR509.2mn in 9M2019. EPS amounted to QR0.008 in 9M2020 as compared to QR0.019 in 9M2019. The group generated operating revenues of QR1.078bn during the first nine months of the year compared to QR1.264bn in the same period a year earlier. The decrease was mainly driven from a drop in revenues and operating profit of the hotels sector and the malls sector. (QSE, Peninsula Qatar, Gulf-times.com)
- **Qatari second-quarter GDP drops to lowest since 2012 on pandemic –** Qatar's economy performed its worst since at least 2012 during the second quarter amid lockdown measures to combat the coronavirus. The gas-rich nation's GDP fell 6.1% in the April-to-June period on an annual basis, according to

estimates by the Planning and Statistics Authority. The economy contracted 1% in the same period of 2019. Transportation, warehousing, retail trade, accommodation, and leisure services in the world's biggest shipper of liquefied natural gas were especially hit by the COVID-19 pandemic. The International Monetary Fund projects Qatar's GDP to fall 4.5% this year, the smallest contraction among Arab Gulf states. (Bloomberg)

- **QIA CEO says sovereign wealth fund is 'very optimistic' on 2021 –** Qatar Investment Authority (QIA) is very optimistic about the market outlook for 2021, Chief Executive Officer Mansoor bin Ebrahim Al Mahmoud said on an Institute of International Finance panel. Equities and private equity dominate the sovereign wealth fund's asset allocation, he said. QIA is also becoming more active in venture capital. The sovereign wealth fund is "really chasing the yield" with a bigger risk appetite than many peers. Diversified portfolio is important to mitigate geopolitical risks such as US-China tensions. QIA is mostly back to in-person operations now after initiating work-from-home procedures earlier in the year. ESG is increasing in importance at QIA. (Bloomberg)
- **MCCS to disclose 3Q2020 financial statements on October 26 –** Mannai Corporation (MCCS) intends to disclose the 3Q2020 financial statements for the period ending September 30, 2020, on October 26, 2020. (QSE)
- **BRES to disclose 3Q2020 financial statements on October 27 –** Barwa Real Estate Company (BRES) intends to disclose the 3Q2020 financial statements for the period ending September 30, 2020, on October 27, 2020. (QSE)
- **MRDS to disclose 3Q2020 financial statements on October 28 –** Mazaya Real Estate Development (MRDS) intends to disclose the 3Q2020 financial statements for the period ending September 30, 2020, on October 28, 2020. (QSE)
- **QAMC to disclose 3Q2020 financial statements on October 22 –** Qatar Aluminum Manufacturing Company (QAMC) intends to disclose the 3Q2020 financial statements for the period ending September 30, 2020, on October 22, 2020. (QSE)
- **Northern Offshore announces the commencement of drilling operations with Qatargas for the GustoMSC CJ50 jack-up unit –** Northern Offshore announced the commencement of drilling operations with Qatargas for the GustoMSC CJ50 jack-up unit, 'Energy Enticer'. Energy Enticer had a safe and successful mobilization to Qatar Petroleum's North Field in early September 2020 despite recent global industry challenges. Energy Enticer is the first of three drilling units to commence long-term contracts with Qatargas on behalf of Qatar Petroleum. Northern Offshore's Chairman and CEO, Yuanhui Sun said, "We are very proud to announce this significant milestone in the history of Northern Offshore. The superior level of commitment shared by our customer, Qatar Petroleum, and Northern Offshore's rig-based and onshore teams has allowed us to successfully overcome the uncertainty and operational challenges from COVID-19 and focus on delivering the first of our four high specification new build jack-ups into the Middle East region." (Bloomberg)
- **Higher clothing, recreational costs edge up inflation –** Rising prices in recreation and culture, and clothing and footwear, exerted an upward influence on the cost of living based on the consumer price index (CPI) in Qatar last month. According to the Planning and Statistics Authority (PSA), Qatar's CPI - a key inflation indicator - rose 0.27% to 96.45 points in September when compared with that of August. Still, this is lower than the index figure a year ago. Compared with the CPI of September 2019, the latest figure showed a decline of 2.97%, the PSA report said. The report attributed the MoM rise in CPI to increased prices in six inflation components – recreation and culture by 2.23%, clothing and footwear by 1.55%, transportation by 1.39%, restaurants and hotels by 0.13% and furniture and household equipment, and education by 0.01% each. In the meantime, two main components showed decrease in September, miscellaneous goods and services by 1.17% and food and beverages by 0.97%. Four other groups - tobacco; housing, water, electricity and other fuel; health, and communication - remained flat. On an YoY analysis, the index's decline was mostly driven by price falls in six components – recreation and culture by 20.98%; housing, water, electricity and other fuel by 4.75%; clothing and footwear by 4.25%; communication by 0.81%; food and beverages by 0.27%, and transportation by 0.13%. At the same time, this comparison also reveals price rises in six other groups – tobacco by 8.37%; restaurants and hotels by 4.43%; education by 1.78%; furniture and household equipment by 1.48%; health by 0.95%, and miscellaneous goods and services by 0.60%. The CPI of August, 2019 excluding housing, water, electricity and other fuel group stands at 97.73 points, showing an increase of 0.35% when compared with that of August 2020, and a decline of 2.41% when compared with that of September, 2019. (Qatar Tribune)
- **UK LNG imports from Qatar set to swell on new supply deal –** Qatar is preparing to ramp up liquefied natural gas exports to the UK as the world's biggest exporter of the fuel boosts production capacity and looks for new long-term supply contracts. Qatar Petroleum reserved capacity for as much as 7.2mn tons of LNG per year at the Isle of Grain terminal from 2025 to 2050, or about 11% more than it shipped to the UK in 2019. The deal will lock up about 40% of the London facility's capacity after its owner, National Grid Plc, expanded the terminal. The agreement bolsters the Persian Gulf country's plan to increase its annual liquefaction capacity by 43% to 110mn tons in 2025. Qatar is already the UK's biggest supplier of LNG by far, and the deal announced Tuesday will give state-run Qatar Petroleum even greater access to the market in five years' time. With Britain adding more renewable power to its energy mix, gas has become the nation's fuel of choice for generating electricity on days when the sun does not shine and wind does not blow. Some countries are postponing final investment decisions for export projects amid the global pandemic. However, Qatar's plan to add four new production lines, or trains, may get a go-ahead by the end of the year, energy consultant Wood Mackenzie Ltd. said. Qatar intends to add even more trains by 2027 to export as much as 126mn tons a year. (Bloomberg)
- **Al-Baker: HIA passenger capacity to reach 55mn with North Node completion; Final phase of HIA expansion to begin from January 2023 –** Hamad International Airport (HIA) is building its North Node, which will increase the capacity to over 55mn passengers, Qatar Airways Group Chief Executive HE Akbar Al-Baker said, detailing the preparations for the FIFA World Cup

Qatar 2022. Addressing the 'Moodie Davitt Virtual Travel Retail Expo 2020', al-Baker said, "We are building something that is really out of this world. We are expanding a huge area of the Western Runway. We are also building the North Node of the HIA, which will increase the capacity to over 55mn passengers. He said, "June 2022 onwards, God willing, when the expansion is ready, we will get enough time to do Operational Readiness Activation and Transition (ORAT) on the area, before we open the gates of that part of the airport for passengers before the FIFA World Cup Qatar 2022." The work of final phase of expansion of Hamad International Airport (HIA) will begin from January 2023. The expansion will increase the capacity of the airport to handle over 65mn passengers annually, said Al Baker. (Gulf-Times.com, Peninsula Qatar)

- **IIF: Qatar is in an 'enviable' position in the challenging policy environment –** Qatar has entered the "exceptionally challenging" policy environment from a position of strength and is relatively in an "enviable" position; thanks to its financial buffers in the form official reserves and sovereign wealth fund, according to the Institute of International Finance (IIF). "These resources could be used in the coming years in the context of prolonged low oil prices to smooth out the needed adjustment to lower oil revenues," said a latest report of the Washington-based economic think-tank, which underscores the importance of reforms in the Middle East and North Africa on Covid-19 and oil price collapse. Finding that Qatar, whose per capital income remains one of the highest in the world, is relatively in an enviable position; it said as more than 70% of the hydrocarbon exports are in the form of natural gas, Doha "is less impacted" by the OPEC+ oil production cut agreement. Moreover, Qatar's lower fiscal breakeven oil prices ($57 per barrel in 2020) and its large public foreign assets provide substantial fiscal space, it said, adding non-resident capital inflows remained robust. In real terms, Qatar's economy is slated to grow by 2.9% next year compared to 6.4% shrinkage in 2020. Hydrocarbons and non-hydrocarbon are expected to witness 2.1% and 3.5% growth in 2021, compared with 5.4% and 7.3% decline this year respectively. (Gulf-Times.com)

International

- **G20 vows to do 'whatever it takes' to support global economy –** Financial leaders from the Group of 20 major economies on Wednesday underscored the urgent need to bring the spread of the coronavirus pandemic under control, and vowed to "do whatever it takes" to support the global economy and financial stability. In a lengthy communique, G20 finance ministers and central bank governors also agreed in principle for the first time on a "Common Framework" to deal on a case-by-case basis with the rising number of low-income countries facing debt distress. That marks a significant step forward for China, which has become a major creditor to poor countries in recent years, but had balked at the prospect of writing off any debts, according to sources familiar with the G20 deliberations. The final draft of the communique, viewed by Reuters on Wednesday during the annual meetings of the International Monetary Fund and World Bank, said the officials would finalize the new framework at an extraordinary meeting before G20 leaders meet next month. An earlier draft had the ministers adopting the framework, but officials were unable to reach agreement on that step this week. G20 officials also agreed to extend a freeze in official bilateral debt payments by six months, given continued liquidity pressure on low-income countries, and expressed disappointment about the absence of private-sector creditors in the moratorium. World Bank President David Malpass told G20 officials it was critical to look beyond the G20's Debt Service Suspension Initiative, which only defers payments but doesn't reduce them. He said the urgency of the crisis - which threatens to leave 150mn more people in extreme poverty by 2021 - required more forceful and quicker action on debt reduction for the most indebted of the world's poorest countries. (Reuters)
- **US producer prices accelerate, but overall inflation trending softer –** US producer prices increased more than expected in September amid a surge in the cost of hotel and motel accommodation, leading to the first year-on-year gain since March. But the report from the Labor Department on Wednesday, which also showed a jump in the price of iron and steel scrap, did not change the view that overall inflation was cooling amid excess capacity at industries. It, however, confirmed that fears of deflation, which dominated when the COVID-19 pandemic started in the United States, were misplaced. Deflation, a decline in the general price level, is harmful during a recession as consumers and businesses may delay purchases in anticipation of lower prices. Economists expect the Federal Reserve will keep interest rates near zero at least through next year. The producer price index for final demand rose 0.4% last month after advancing 0.3% in August. A 0.4% increase in the cost of services accounted for nearly two-thirds of the gain in the PPI last month. Services increased 0.5% in August. In the 12 months through September, the PPI rebounded 0.4% after falling 0.2% in August. Economists polled by Reuters had forecast the PPI would gain 0.2% in September and rise 0.2% on a YoY basis. Excluding the volatile food, energy and trade services components, producer prices rose 0.4% in September. The so-called core PPI had increased by 0.3% for three straight months. In the 12 months through September, the core PPI climbed 0.7%. The core PPI gain 0.3% on a YoY basis in August. (Reuters)
- **OECD: UK should do more to help COVID jobless, tax rises can wait –** Britain should do more to help the unemployed find work, and fixing the huge hole in its public finances can wait until a recovery from the COVID-19 pandemic is well under way, the Organization for Economic Cooperation and Development (OECD) said. The world's sixth-biggest economy was at "a critical juncture" as the crisis threatens to worsen its productivity and inequality problems, and Brexit could also deal a major blow, the watchdog said in an annual report. "Decisions made now about management of the COVID-19 crisis and future trade relationships will have a lasting impact on the country's economic trajectory for the years to come," it said. Britain's economy shrank by the most in the Group of Seven nations in the second quarter and the recovery lost momentum in August. Now the government is tightening its coronavirus restrictions, which will slow economy further and cost more jobs. The OECD forecasts Britain's economy will slump by 10.1% this year before growing by 7.6% in 2021 when unemployment will average 7.1%, up from 4.5% now. Finance Minister Rishi Sunak is replacing his 50bn-Pound ($65bn) job protection scheme with narrower support. He is also trying to

help the unemployed find jobs in sectors less affected by the crisis. Britain faces its biggest-ever peacetime budget deficit in 2020 - the Institute for Fiscal Studies think tank estimates it will hit 17% of GDP - and public debt has passed 100% of GDP. But the OECD said low borrowing costs allowed for more public spending. At 33.5%, the UK's tax-to-GDP ratio remains relatively low compared with many European countries, it said. (Reuters)

- **ECB policymakers set out wish list for strategic rethink –** Five European Central Bank policymakers, including President Christine Lagarde, floated proposals on Wednesday for changing how the ECB goes about the business of steering price growth in the Eurozone. With the ECB in the middle of its first strategic review in nearly two decades, proposals ranged from buying more green bonds to letting inflation overshoot the symbolic 2% threshold – to doing nothing at all. The ECB has undershot its goal of keeping price growth "below but close to" 2% for nearly a decade. And just as the coronavirus pandemic causes prices to fall, it is now debating whether and how to change that target. Policymakers speaking at different events throughout the day acknowledged that some of the reasons for the sluggish price growth were beyond their control but their responses sometimes differed. French central bank governor Francois Villeroy de Galhau proposed saying that the ECB would "accept inflation higher than 2% for some time without mechanically" tightening policy, in a bid to boost expectations about future price growth. This would be a variation on the Federal Reserve's new goal, which is a 2% inflation rate on average over an unspecified period. It would give the ECB greater flexibility by not tying it to an arithmetic mean. (Reuters)

Regional

- **IEA: OPEC+ oil output boost to leave market in precarious balance –** The outlook for oil "remains fragile" as the pandemic depresses demand, and OPEC's plans to increase supply next year will leave global markets precariously balanced, the International Energy Agency said. "There is a risk that the demand recovery is stalled by the recent increase in Covid-19 cases in many countries," the IEA said in its monthly market report. At the same time, markets are set to receive fresh supplies in January as OPEC and its partners relax some of the measures, they've taken to prevent a glut. Once the taps are opened, "there is only limited headroom for the market to absorb" anything more, the Paris-based agency said. The acceleration in virus infections is leading many in the market to question if the OPEC and its allies will increase supply from January. Producers inside the group are also having doubts, according to delegates. Still, UAE Energy Minister, Suhail Al Mazrouei said on Tuesday that, for now, OPEC+ plans to proceed with the supply boost as scheduled. (Gulf-Times.com)
- **OPEC+ aims to stick to output deal amid virus surge, Russia says –** OPEC and its allies are optimistic about the pace of oil's recovery, even amid a surge in Covid-19 cases, and plan to stick to a gradual tapering of production cuts, according to Russia's Energy Minister, Alexander Novak. Currently, "we expect we will be able to gradually raise production, in line with the conditions of the agreement, without harming the market," he said in his column for the October issue of Energy Policy magazine. The output deal reached in April has helped to support the global oil industry hit hard by the pandemic, Novak said. Novak's comments come amid a surge in global coronavirus cases, leading many in the industry to question if the OPEC and its allies should change its deal, which envisions a rise in oil supplies from January. The market would have difficulty absorbing the extra barrels, the International Energy Agency said Wednesday. Still, UAE Energy Minister, Suhail Al Mazrouei said on Tuesday that, for now, the group plans to proceed with the supply boost as scheduled. OPEC+ is due to meet Monday to discuss the market outlook, before finalizing plans at a wider ministerial meeting at the end of November. Russia and Saudi Arabia, two de-facto leaders of the group, are already holding preliminary talks. (Bloomberg)
- **Saudi Finance Minister says Vision 2030 'tried and tested' –** Saudi Arabia's Finance Minister, Mohammed Al-Jadaan said on Wednesday that the Kingdom's Vision 2030 to diversify the economy away from oil has been "tried and tested", particularly during the coronavirus pandemic. "It proved to be the right plan. The economy was able actually to deal with it (the coronavirus crisis), the government was able to deal with it in a very adequate way," he said. He added that Saudi Arabia's sovereign wealth fund, the Public Investment Fund, was investing to catalyze the private sector, including in the industrial sector. (Reuters)
- **Saudi bank mergers welcome as long as good for economy –** Saudi Arabian Monetary Authority (SAMA) Governor, Ahmed Al-Kholifey said on Wednesday that bank mergers are welcome as long as they are good for the economy, after its biggest bank entered a binding merger agreement to create the Gulf's third largest lender. The SAMA is currently considering issuing new bank licenses, he said. (Reuters)
- **APICORP sells $250mn in tap of June 2025 bonds –** The Arab Petroleum Investments Corporation (APICORP) on Wednesday raised $250mn in a reopening of existing bonds it issued in June that are due in 2025, a document showed. APICORP sold $750mn in five-year bonds in June and has now "tapped" that issuance using the same documentation to sell another $250mn. The debt sale comes amid a flurry of issuance from the Gulf as borrowers take advantage of low interest rates. APICORP sold the bonds at 90 basis points over mid-swaps after it began marketing them at around 100 basis points over mid-swaps earlier on Wednesday, according to the document issued by one of the banks leading the deal. China Construction Bank, Credit Agricole, Emirates NBD Capital, Goldman Sachs International and JPMorgan arranged the deal. (Zawya)
- **Saudi retailer Jarir Marketing joins rival to pin hopes on iPhone sales –** Saudi Arabia's Jarir Marketing Co. expects Apple Inc.'s new iPhones to help boost its sales, joining a rival retailer in pinning their hopes on the product. The iPhone launch will be "very helpful for us in the fourth quarter," Chairman, Muhammad Al-Agil said. "There could be a challenge on the consumer wallet, but we think it might end up to be marginal." (Bloomberg)
- **Commercial Bank of Dubai sells $600mn in perpetual bonds –** Commercial Bank of Dubai has sold $600mn in perpetual bonds that are non-callable for six years at 6% and received more than $1.2bn in orders for the debt sale, a document showed on

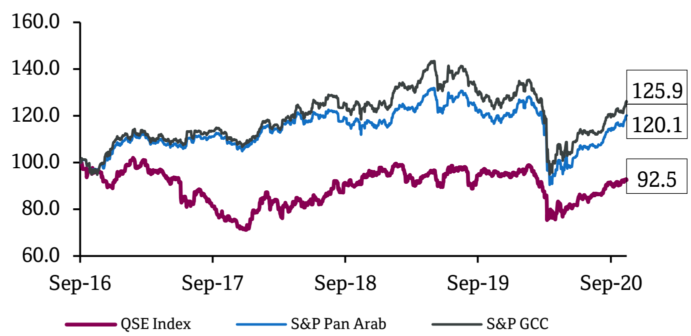
Monday. CBD gave initial price guidance of around 6.375% for the Additional Tier 1 (AT1) bonds earlier on Wednesday, according to a document issued by one of the banks leading the deal and seen by Reuters. AT1 bonds, the riskiest debt instruments banks can issue, are similar to equities in that they have no maturity date, but lenders can call them after a specified period. (Zawya)

- **ADNOC to explore clean energy expansion, CEO says –** Abu Dhabi National Oil Company (ADNOC) will look at expanding into clean energy, with investments in hydrogen an area of interest for the oil producer, chief executive officer Sultan al-Jaber said on Wednesday. "We are pursuing hydrogen as a potential new venture as part of clean energy and clean technology strategy," al-Jaber told the Energy Intelligence forum. Hydrogen has long-been touted as a potential clean fuel as it only emits water vapour but it has failed to gain traction, mainly because of historically high production, transportation and storage costs. But the oil company expects that hydrocarbons will remain at the core of its business. "By 2030, oil and gas will remain at the heart of ADNOC's business model," Al-Jaber said. He said that even in the most fast-pace energy transition scenarios, the world would continue to get more than half of its energy needs from oil and gas for many decades to come. The company is also sticking to its strategy of reaching an oil production capacity of 5mn bpd by 2030, al-Jaber said. He said that the oil market had "clearly tightened," and he remained cautiously optimistic, adding that it was still important to keep a close eye on the new COVID-19 movement restrictions and their impact on economic recovery. (Reuters)
- **India allows UAE's ADNOC to export oil from strategic reserve –** The Indian cabinet on Wednesday allowed Abu Dhabi National Oil Co (ADNOC) to export oil from its Mangalore strategic petroleum reserve (SPR), a minister said, marking a policy shift that could enhance foreign participation as India seeks to expand its storage capacity. Allowing ADNOC to export its oil mirrors a model adopted by countries such as Japan and South Korea which allow oil producers to re-export crude storage. India does not allow oil exports. "The move will facilitate trade for ADNOC," Minister of Environment, Prakash Javadekar told a news briefing. ADNOC had been seeking permission from the Indian government for the export of its oil from the cavern as it was finding difficult to sell to Indian refiners, some of which have cut crude processing due to falling demand. ADNOC can now export oil stored in the Mangalore SPR in foreign flagged ships. So far Indian flagged ships were used for coastal movement of the oil from the cavern. Indian companies will have a first right of refusal in case of any re-exports by ADNOC, a government source said. India, the world's third-biggest oil importer and consumer, imports about 80% of its oil needs and has built strategic storage at three locations in southern India to store up to 5mn tons oil to protect against supply disruption. India also plans to build strategic storage at Chandikhol in Odisha and Padur in Karnataka for around 6.5mn tons of crude. The Indian Strategic Petroleum Reserve Ltd has leased half of the 1.5mn tons capacity in Mangalore storage to ADNOC, while ISPRL has retained the remainder. The previous lease allowed ADNOC to sell only 35% of its oil stored in Mangalore to Indian refiners and another 15% with permission from the government. The remainder was kept for India's needs. (Reuters)
- **Fitch affirms Abu Dhabi Crude Oil Pipeline LLC at 'AA'; Outlook –** Fitch Ratings has affirmed Abu Dhabi Crude Oil Pipeline LLC's (ADCOP) Long-Term Issuer Default Rating (IDR) at 'AA'. Fitch has also affirmed ADCOP's $837mn 3.65% series A bonds due 2029 and $2.2bn 4.6% series B bonds due 2047 at 'AA'. The Outlook is Stable. The ratings reflect the credit-supportive 37-year use and operation (UO) agreement with Abu Dhabi Company for Onshore Petroleum Operations Ltd (ADNOC Onshore), which underpins the long-term predictability of the project's cashflows. Abu Dhabi National Oil Company (ADNOC; AA/Stable) is a controlling shareholder of ADCOP (100%) and ADNOC Onshore (60%). The robust contractual framework ensures the intervention of ADNOC in case of non-payment under the UO agreement as ADNOC has to make a termination payment to cover the outstanding bonds. ADNOC also provides significant cost support to ADCOP in line with the contractual framework. Mandatory sinking fund transfers started in 2018 and are kept with ADNOC, fully mitigating refinancing risk of the series A bullet bonds. The material de-risking of the project and high cash-flow visibility offset the low coverage metrics of the average debt service coverage ratio (DSCR) of 1.04x and a minimum of 1.02x, including sinking fund transfers. The project benefits from the robust, 37-year ship-or-pay UO agreement with ADNOC Onshore and reliance on ADNOC. Fitch considers ADNOC to be a strong counterparty, closely linked to the government of Abu Dhabi. Under the UO agreement, fixed payments of at least $219mn a year are not affected by the volume of crude oil transported, or the pipeline's availability, even if there are force majeure events. We do not factor into our forecasts that revenues can be higher if the volume of oil shipped is above 600,000 bpd. (Bloomberg)
- **First Abu Dhabi Bank denies merger talks with Abu Dhabi Islamic Bank –** First Abu Dhabi Bank (FAB) said on Wednesday it was not in merger talks with Abu Dhabi Islamic Bank. The comment followed a local news report by Arabian Business which said Abu Dhabi's largest bank by assets had renewed "discussions for a possible merger deal" with the Shari'ah-compliant lender. "Our official stance on this remains the same as our official statement published on ADX in April 2019," FAB said in an emailed response to Reuters. Citing unnamed sources, Bloomberg reported in April 2019 that Abu Dhabi was considering merging the two lenders to create the Gulf region's largest lender. (Zawya)
- **Israel's Leumi grants guarantee to First Abu Dhabi for Etihad flights –** Bank Leumi said it had issued a Dollar-denominated bank guarantee to First Abu Dhabi Bank (FAB), its first to a UAE bank, after Israel and the UAE signed a normalization deal last month. Leumi, Israel's second-biggest bank, last month signed memorandums of understanding (MoU) with FAB as well as Emirates NBD, saying the agreements would help enable the countries to implement economic relations. It said on Wednesday the guarantee came at the request of Tal Aviation, which represents several international airlines in Israel. Tal signed a cooperation deal with Etihad Airlines that will enable Israelis to fly on Etihad with connections in Jordan, Turkey or Greece. The bank guarantee to FAB -- one of the largest banks

in the Middle East -- would ensure payments for flight tickets purchased by Tal Aviation on Etihad, Leumi said. (Zawya)

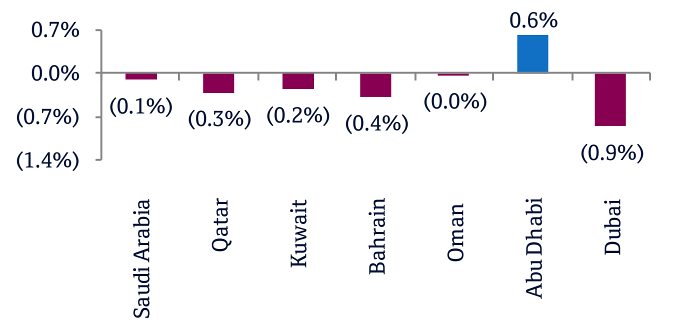
- **Taqa gas storage Bergermeer capacity attracts few customers –** Taqa offered 2.5TWh in Gas Storage Bergermeer for the remainder of the storage year 2020 in a fixed-price auction on Tuesday, and did not sell-off all of the available capacity, it said in a statement on Tuesday. The auction was space-only and did not include injection or withdrawal rights. Only a limited number of bids reached the reserve price of EU0.40/MWh. The auction came about after permission was granted by the Dutch government in August, which enabled the site to increase its storage capacity to a total maximum capacity of 48.1TWh this year. (Bloomberg)
- **BKMB's net profit falls 20.0% YoY to OMR113.2mn in 9M2020 –** Bank Muscat (BKMB) recorded net profit of OMR113.2mn in 9M2020, registering decrease of 20.0% YoY. Net interest income and income from Islamic financing rose 0.9% YoY to OMR240.1mn in 9M2020. Operating profit fell 3.7% YoY to OMR199.6mn in 9M2020. Net loans and Islamic financing stood at OMR8.8bn (-1.3% YoY), while customer deposits and Islamic deposits stood at OMR8.7bn (+6.7% YoY) at the end of September 30, 2020. (MSM)
- **NBOB's net profit falls 56% YoY to OMR16.9mn in 9M2020 –** National Bank of Oman (NBOB) recorded net profit of OMR16.9mn in 9M2020, registering decrease of 56% YoY. Operating Profit fell 21.5% YoY to OMR40.2mn in 9M2020. Net Interest Income and income from Islamic Financing fell 5.7% YoY to OMR67.9mn in 9M2020. Total assets stood at OMR3.64bn at the end of September 30, 2020 as compared to OMR3.60bn at the end of September 30, 2019. Loans, advances and financing activities for customers (net) stood at OMR2.9bn (+4.6% YoY), while customers' deposits and unrestricted investment accounts stood at OMR2.6bn (+2.3% YoY) at the end of September 30, 2020. (MSM)
- **BKNZ posts 21% YoY rise in net profit to OMR8.5mn in 9M2020 –** Bank Nizwa (BKNZ) recorded net profit of OMR8.5mn in 9M2020, an increase of 21% YoY. Operating profit before provision and tax rose 31% YoY to OMR14.6mn in 9M2020. Operating Income rose 16% YoY to OMR28.5mn in 9M2020. Total assets stood at OMR1,138.6mn at the end of September 30, 2020 as compared to OMR967.4mn at the end of September 30, 2019. Financing to customers stood at OMR952.1mn (+19% YoY), while customers' deposits stood at OMR911.9mn (+20% YoY) at the end of September 30, 2020. (MSM)
- **HBMO's net profit falls 98.8% YoY to OMR0.3mn in 9M2020 –** HSBC Bank Oman (HBMO) recorded net profit of OMR0.3mn in 9M2020, registering decrease of 98.8% YoY. Operating Income fell 17.0% YoY to OMR54.8mn in 9M2020. Total assets stood at OMR2.4bn at the end of September 30, 2020 as compared to OMR2.5bn at the end of September 30, 2019. Net loans and advances to customers stood at OMR1.4bn, while customers' deposits stood at OMR1.9bn at the end of September 30, 2020. (MSM)
- **Bahrain's Ithmar Holding hires advisors for sale of subsidiary –** Ithmar Holding is set to kick off the review of the potential sale of its subsidiary to Bank of Bahrain (BBK), one of the largest commercial banks in the Gulf state. In a bourse filing on Tuesday, the company said it is currently "in the process" of appointing advisors for the proposal. The two firms executed last September a memorandum of understanding on the potential sale of Ithmar Bank's Bahrain operations, as well as specific assets of IB Capital, a wholly-owned subsidiary of Ithmar Holding, to BBK. "Additional material disclosures will be provided as and when they arise, in compliance with relevant rules and regulations," said Ithmar Holding, the parent of Ithmar Bank, which operates the largest Islamic retail banking network in Bahrain. It added that the impact of the move on its financial position has yet to be assessed. The acquisition plan is subject to shareholder and regulatory approvals and is still in the discussions phase and subject to the completion of due diligence by both parties. Ithmar said the proposal is in line with its strategy of creating value for its shareholders. It is also expected to boost the Ithmar Bank brand and position it to better capitalise on growth opportunities. If it pushes through, the sale will also expand BBK's already large operations in Bahrain and add a turn-key full-service Islamic banking solution. (Zawya)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,901.52	0.5	(1.5)	25.3
Silver/Ounce	24.27	0.5	(3.5)	35.9
Crude Oil (Brent)/Barrel (FM Future)	43.32	2.0	1.1	(34.4)
Crude Oil (WTI)/Barrel (FM Future)	41.04	2.1	1.1	(32.8)
Natural Gas (Henry Hub)/MMBtu	2.02	(4.7)	35.6	(3.3)
LPG Propane (Arab Gulf)/Ton	53.50	1.9	2.1	29.7
LPG Butane (Arab Gulf)/Ton	62.63	1.0	2.7	(4.4)
Euro	1.17	0.0	(0.7)	4.8
Yen	105.17	(0.3)	(0.4)	(3.2)
GBP	1.30	0.6	(0.2)	(1.8)
CHF	1.09	0.2	(0.4)	5.9
AUD	0.72	0.0	(1.1)	2.0
USD Index	93.38	(0.2)	0.3	(3.1)
RUB	77.65	0.8	1.1	25.3
BRL	0.18	(0.4)	(1.1)	(28.1)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,453.61	(0.4)	0.2	4.0
DJ Industrial	28,514.00	(0.6)	(0.3)	(0.1)
S&P 500	3,488.67	(0.7)	0.3	8.0
NASDAQ 100	11,768.73	(0.8)	1.6	31.2
STOXX 600	370.62	0.0	(0.5)	(6.7)
DAX	13,028.06	0.2	(0.8)	3.1
FTSE 100	5,935.06	(0.1)	(1.4)	(22.8)
CAC 40	4,941.66	0.0	(0.7)	(13.5)
Nikkei	23,626.73	0.5	0.6	3.4
MSCI EM	1,135.56	(0.1)	1.2	1.9
SHANGHAI SE Composite	3,340.78	(0.1)	1.8	13.6
HANG SENG	24,667.09	0.1	2.3	(12.1)
BSE SENSEX	40,794.74	0.6	0.3	(3.9)
Bovespa	99,334.40	0.6	1.1	(38.2)
RTS	1,160.30	0.4	(0.3)	(25.1)

Source: Bloomberg (*$ adjusted returns)

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