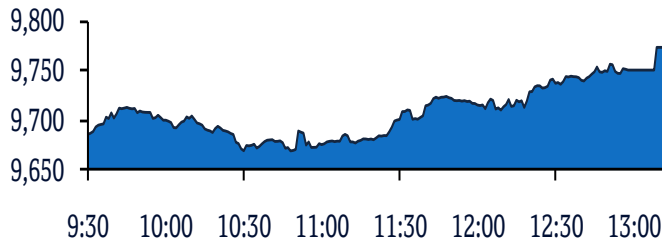


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.8% to close at 9,775.3. Gains were led by the Insurance and Consumer Goods & Services indices, gaining 3.1% and 1.0%, respectively. Top gainers were Qatar General Insurance & Reinsurance Company and Al Khalij Commercial Bank, rising 6.2% and 3.6%, respectively. Among the top losers, Ezdan Holding Group fell 2.1%, while Aamal Company was down 1.8%.

GCC Commentary

Saudi Arabia: The TASI Index gained 1.2% to close at 7,853.6. Gains were led by the Banks and Diversified Fin. indices, rising 2.0% and 1.9%, respectively. Al-Baha Dev. & Inv. Co. rose 10.0%, while The National Factory for Glass Bottles was up 8.2%.

Dubai: The DFM Index gained 0.8% to close at 2,224.6. The Real Estate & Construction index rose 1.9%, while the Services index gained 1.4%. Dubai Refreshments Company rose 5.2%, while Emaar Properties was up 3.6%.

Abu Dhabi: The ADX General Index gained 0.3% to close at 4,445.5. The Consumer Staples index rose 2.6%, while Real Estate index fell 2.5%. Gulf Pharmaceutical Industries rose 6.1%, while Waha Capital was up 3.7%.

Kuwait: The Kuwait All Share Index fell 0.8% to close at 5,202.2. The Utilities index declined 12.6%, while the Oil & Gas index fell 1.6%. Shamal Az- Zour Al-Oula Power and Water declined 12.6%, while Kuwait Remal Real Estate was down 6.9%.

Oman: The MSM 30 Index gained 0.5% to close at 3,570.6. The Financial index rose 0.8%, while the Services index gained marginally. Al Madina Investment and National Bank of Oman were up 4.2% each.

Bahrain: The BHB Index gained marginally to close at 1,349.0. The Insurance index rose 1.1%, while the Industrial index gained 0.9%. Esterad Investment Company rose 7.4%, while Bahrain National Holding was up 3.1%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar General Ins. & Reins. Co.	2.23	6.2	55.5	(9.3)
Al Khalij Commercial Bank	1.66	3.6	14,100.3	26.4
The Commercial Bank	4.18	3.4	2,902.5	(11.2)
Qatar Insurance Company	2.09	3.2	6,699.4	(33.9)
Masraf Al Rayan	4.20	2.2	7,749.4	5.9

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Salam International Inv. Ltd.	0.52	0.2	82,373.4	(0.2)
Investment Holding Group	0.53	(1.7)	43,869.4	(6.9)
Qatar Aluminium Manufacturing	0.95	1.3	36,644.9	21.8
Qatar First Bank	1.41	2.2	24,680.7	72.4
Aamal Company	0.87	(1.8)	14,525.5	7.0

Market Indicators	18 Aug 20	17 Aug 20	%Chg.
Value Traded (QR mn)	561.2	701.9	(20.0)
Exch. Market Cap. (QR mn)	567,345.9	565,256.5	0.4
Volume (mn)	330.8	436.9	(24.3)
Number of Transactions	12,375	12,595	(1.7)
Companies Traded	44	46	(4.3)
Market Breadth	25:17	29:16	-

Market Indices	Close	1D%	WTD%	YTD%	TTMP/E
Total Return	18,792.65	0.8	1.8	(2.0)	15.9
All Share Index	3,041.31	0.7	1.7	(1.9)	16.8
Banks	4,186.58	0.9	1.9	(0.8)	14.0
Industrials	2,830.29	0.2	1.4	(3.5)	24.6
Transportation	2,908.97	(0.7)	0.6	13.8	13.8
Real Estate	1,620.82	0.4	0.7	3.6	13.3
Insurance	2,098.27	3.1	2.6	(23.3)	32.9
Telecoms	914.61	0.1	1.3	2.2	15.4
Consumer	7,952.94	1.0	2.7	(8.0)	25.0
Al Rayan Islamic Index	3,986.23	0.6	1.5	0.9	18.6

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Riyad Bank	Saudi Arabia	19.06	4.6	3,445.4	(20.6)
National Bank of Oman	Oman	0.18	4.2	5,199.7	(4.9)
Saudi Industrial Inv.	Saudi Arabia	20.80	4.0	1,986.4	(13.3)
National Petrochemical	Saudi Arabia	27.40	4.0	547.5	15.4
Arab National Bank	Saudi Arabia	20.90	4.0	730.5	(23.7)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Mabane Co.	Kuwait	0.66	(1.6)	788.9	(22.9)
Agility Public Wareh. Co.	Kuwait	0.62	(1.4)	4,903.2	(13.1)
Kuwait Finance House	Kuwait	0.61	(1.3)	6,736.8	(16.9)
National Bank of Kuwait	Kuwait	0.83	(1.0)	4,982.2	(18.6)
Ahli United Bank	Bahrain	0.71	(0.8)	1,794.6	(25.2)

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%
Ezdan Holding Group	1.36	(2.1)	4,455.4	121.1
Aamal Company	0.87	(1.8)	14,525.5	7.0
Investment Holding Group	0.53	(1.7)	43,869.4	(6.9)
Gulf Warehousing Company	5.50	(1.6)	4,532.4	0.4
Aljarah Holding	0.96	(1.1)	9,412.4	35.9

QSE Top Value Trades	Close*	1D%	Vol. '000	YTD%
QNB Group	18.52	0.1	60,488.5	(10.1)
Salam International Inv. Ltd.	0.52	0.2	43,804.5	(0.2)
Qatar Gas Transport Co. Ltd.	2.80	(0.7)	35,204.9	17.1
Qatar First Bank	1.41	2.2	35,107.6	72.4
Qatar Aluminium Manufacturing	0.95	1.3	34,787.0	21.8

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*	9,775.28	0.8	1.8	4.3	(6.2)	153.59	154,601.7	15.9	1.5	4.1
Dubai	2,224.61	0.8	3.2	8.5	(19.5)	99.11	84,562.0	8.4	0.8	4.3
Abu Dhabi	4,445.48	0.3	1.3	3.3	(12.4)	131.78	184,474.2	16.2	1.3	5.5
Saudi Arabia	7,853.57	1.2	1.9	5.3	(6.4)	2,032.72	2,308,727.6	25.5	1.9	3.4
Kuwait	5,202.23	(0.8)	1.5	4.7	(17.2)	157.62	98,469.5	20.3	1.3	3.8
Oman	3,570.58	0.5	0.2	0.1	(10.3)	3.94	16,190.3	5.2	0.4	13.9
Bahrain	1,348.96	0.0	2.9	4.5	(16.2)	8.04	20,492.4	12.6	0.8	5.3

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

Qatar Market Commentary

- The QE Index rose 0.8% to close at 9,775.3. The Insurance and Consumer Goods & Services indices led the gains. The index rose on the back of buying support from Foreign shareholders despite selling pressure from Qatari, GCC and Arab shareholders.
- Qatar General Insurance & Reinsurance Company and Al Khalij Commercial Bank were the top gainers, rising 6.2% and 3.6%, respectively. Among the top losers, Ezdan Holding Group fell 2.1%, while Aamal Company was down 1.8%.
- Volume of shares traded on Tuesday fell by 24.3% to 330.8mn from 436.9mn on Monday. However, as compared to the 30-day moving average of 296.9mn, volume for the day was 11.4% higher. Salam International Investment Limited and Investment Holding Group were the most active stocks, contributing 24.9% and 13.3% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	41.87%	44.89%	(16,936,052.5)
Qatari Institutions	16.52%	19.10%	(14,512,527.2)
Qatari	58.39%	63.99%	(31,448,579.6)
GCC Individuals	1.10%	1.07%	154,380.1
GCC Institutions	1.17%	3.50%	(13,039,147.3)
GCC	2.28%	4.57%	(12,884,767.2)
Arab Individuals	11.50%	11.72%	(1,211,601.2)
Arab Institutions	0.02%	0.00%	126,414.7
Arab	11.53%	11.72%	(1,085,186.5)
Foreigners Individuals	2.52%	2.99%	(2,651,369.7)
Foreigners Institutions	25.29%	16.73%	48,069,903.1
Foreigners	27.81%	19.72%	45,418,533.4

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

Earnings Releases

Company	Market	Currency	Revenue (mn) 2Q2020	% Change YoY	Operating Profit (mn) 2Q2020	% Change YoY	Net Profit (mn) 2Q2020	% Change YoY
The Medit. and Gulf Ins. and Reins.	Saudi Arabia	SR	251.7	-13.3%	-	-	7.1	14.7%
Al Alamiya for Coop. Insurance Co.	Saudi Arabia	SR	31.7	-23.2%	-	-	1.8	-27.7%
Chubb Arabia Coop. Insurance Co.	Saudi Arabia	SR	49.5	-2.7%	-	-	4.2	57.3%
The Company for Coop. Insurance	Saudi Arabia	SR	2,469.8	23.5%	-	-	(17.2)	N/A
AYYAN Investment Co.	Saudi Arabia	SR	61.4	4.8%	0.8	N/A	5.0	69.0%
Arabian Pipes Co.	Saudi Arabia	SR	45.4	-76.3%	(18.2)	N/A	(18.8)	N/A
Mouwasat Medical Services Co.	Saudi Arabia	SR	468.4	5.0%	131.2	26.1%	115.7	28.1%
Buruj Cooperative Insurance Co.	Saudi Arabia	SR	42.8	-49.4%	-	-	1.6	-30.5%
Saudi Advanced Industries Co.	Saudi Arabia	SR	6.7	-66.6%	5.0	-70.3%	4.7	-71.3%
Saudi Marketing Co.	Saudi Arabia	SR	566.4	40.7%	28.0	124.0%	19.2	408.2%
Al Hassan Ghazi Ibrahim Shaker Co.	Saudi Arabia	SR	267.8	5.6%	7.3	N/A	5.1	N/A
Alujain Corp.	Saudi Arabia	SR	4.6	-2.5%	(46.0)	N/A	(46.4)	N/A
Al Yamamah Steel Industries Co.	Saudi Arabia	SR	395.0	88.2%	12.7	126.6%	0.9	N/A
Red Sea International Co.	Saudi Arabia	SR	128.8	4.5%	(25.3)	N/A	(27.3)	N/A
Bawan Co.	Saudi Arabia	SR	519.8	0.1%	16.6	33.4%	15.5	410.9%
Arabian Centres Co.	Saudi Arabia	SR	475.9	-16.9%	266.0	-18.7%	153.1	-32.6%
Tihama Advt. and Public Relations	Saudi Arabia	SR	9.6	-35.6%	(11.1)	N/A	(10.9)	N/A
Dallah Healthcare Co.	Saudi Arabia	SR	247.6	-13.4%	8.0	-55.8%	7.0	-54.2%
GFH Financial Group*	Dubai	USD	146.5	-10.4%	-	-	15.1	-69.4%

Source: Company data, DFM, ADX, MSM, TASI, BHB. (*Financial for 6M2020)

Qatar

- QISI signs an agreement with the Allianz International Company** – Qatar Islamic Insurance Group (QISI) and Allianz International and its associates in insurance operations celebrated the signing and inauguration of the exclusive agreement in health insurance cooperation that has been concluded between QISI and the strategic partner, M/s. Allianz International which is considered as one of the leading companies in respect of health insurance in the world. The ceremony was held on August 18, 2020 via remote communication technique due to the precautions taken because of COVID-19. The Group President of QISI, Ali Ibrahim Al Abdulghani addressed the ceremony welcoming everybody and assuring that QISI always does not spare effort in looking for the best way and means to provide the best services to its customers. Therefore, its choose was to be a partner with the leading health insurance company in the world, which is Allianz, noting that this exclusive partnership will enable QISI to provide the best and faster service to its customers in the State of Qatar and across the world as well. (QSE)
- QCB: Qatar's banking sector overall risk conditions lower than 2018** – Higher capital position, sufficient liquidity and improved profitability resulted in lowering overall risk conditions in Qatar's banking sector, the modified banking Stability Index (BSI) has showed. "On an average the risk level in the current year is lower than that measured during 2018," Qatar Central Bank (QCB) said in its 11th Financial Stability Review. The banking Stability Index (BSI) and Banking Stability Map demonstrate the level of aggregate risk in the banking sector. The risk index, QCB noted is constructed based on five risk factors in the banking sector including soundness, fragility, liquidity, profitability and inefficiency. Each of the risk factors was measured through a single variable approach till the last review-FSR 2018. In an attempt to improve the robustness of the Indicator as well as the banking stability map, the methodology of constructing the sub-indices as well as the Banking stability Indicator is modified. "The stability map exhibits, banking sector's soundness and fragility indices improved during the current year. The banking sector also appears to have improved their efficiency levels considerably," QCB said. (Gulf-Times.com)
- Vodafone launches 'My Vodafone portal' for businesses** – Vodafone continues its commitment to help Qatar's businesses succeed in a digital world with the launch of 'My Vodafone Portal', a self-service tool for businesses of all sizes. From basic functionalities such as viewing account and profile details or bill summary, Vodafone Business account holders can also download their bill history, make payments against different bill profiles, subscribe to roaming packs, monitor usage, balance and more. For ease of use and absolute convenience, 'My Vodafone Portal' is available round-the-clock on desktops, tablets or mobile phones. The new portal is designed to benefit and help Vodafone Business users keep track of all their employees' plans and avoid bill shocks, as well as manage all of their mobile numbers under their accounts. Real time usage balance of plans and add-ons will be available with the ability to activate add-ons for individual mobile numbers. New features will constantly be added to provide more self-service features. (Gulf-Times.com)
- QPay witnesses more than four-fold jump in transactions in 2019** – QPay, Qatar's e-commerce payment gateway, has witnessed a remarkable more than four-fold jump in transactions in 2019 and the direct and credit debit system or Qatch remained a preferred option for recurring payments and other fund transfers, according to the Qatar Central Bank (QCB). "The E-commerce transactions made through QPay registered an impressive growth with many fold increase in volume from 0.68mn in 2018 to 2.8mn in 2019," the QCB's financial stability report stated. The remarkable expansion in E-commerce transactions has been attributed to the increasing number of outlets providing E-commerce; consumer preference for online shopping; secure transactions at E-commerce platforms, high internet and digital penetration and Qatar's efforts to promote E-commerce. Qatch handled 7.2mn transactions in 2019 compared to less than half a million transactions processed in RTGS (real time gross settlement system). In 2019, transactions under Qatch increased in both value (24.17%) and volume (10.64%) terms over the previous year. (Gulf-Times.com)
- Qatar's Islamic banks fare well in 2019 balance sheet growth** – Islamic banks have fared well in balance sheet growth than their conventional counterparts last year, the Qatar Central Bank (QCB) has said in a report. Average asset of the Islamic bank group recorded significant growth of 9.4% as compared to 4% in 2018, QCB said in its 11th Financial Stability Review. "This higher growth was mainly on account of the merger of a conventional bank with an Islamic bank. Accordingly, the conventional bank group's assets growth stood lower at 4.1%," QCB said. At the same time, foreign banks group could reduce the pace of decline in growth. Frequency distribution of average asset growth shows, nine banks recorded only a marginal growth in asset (below 5%) while other seven banks have recorded asset growth above the banking sector average, it said. The major three banks, which cover around 69% of the total banking sector assets, recorded a growth of 6.5% significantly higher than the banking sector average. Thus, concentration of assets to the major three banks increased over last year, QCB said. The growth in average credit and deposit among the bank groups during the year followed the same pattern as of assets. "With merger of two banks, credit as well as deposit growth was highest among the Islamic banks group. Though credit registered a moderate growth, deposits declined during the year for conventional banks. "Foreign bank group continued to register negative growth for credit as well as deposits, though the pace of decline was lower compared to last year," QCB said. (Gulf-Times.com)
- Real estate trading value exceeds QR2.78bn in July** – The trading volume of registered real estates in July 2020 at the Ministry of Justice's real estate registration department stood at QR2.78bn. The data of the analytical real estate bulletin issued by the Ministry of Justice showed 644 real estate transactions were recorded during July. When compared with June, the number of real estate index registered an increase of 41%, while the index

of traded areas increased by 60%. The municipalities of Doha, Al Daayen and Al Rayyan topped the most active trades in terms of financial value, followed by the municipalities of Umm Salal, Al Wakra, Al Shamal, Al Khor, Al Thakhira and Al Shahaniya. The value of the transactions of the Doha municipality amounted to QR1.24bn, while that of Al Daayen municipality was QR556.18mn. In terms of the traded area index, indicators showed that the municipalities of Doha, Al Daayen and Umm Salal were the most active municipalities in the areas of real estate traded during July 2020, at about 24% in Doha. Regarding the number of transactions index (sold real estate), trading indicators showed that the most active municipalities during July 2020 are Al Daayen municipality with 32. (Peninsula Qatar)

International

- US housing starts surge in July in rare pandemic bright spot** – US homebuilding accelerated by the most in nearly four years in July in the latest sign the housing sector is emerging as one of the few areas of strength in an economy suffering a record slowdown because of the COVID-19 pandemic. Housing starts increased 22.6% - the biggest gain since October 2016 - to a seasonally adjusted annual rate of 1.496mn units last month, the Commerce Department said on Tuesday. Data for June was revised up to a 1.22mn-unit pace from the previously reported 1.186mn. Economists polled by Reuters had forecast starts would increase to a rate of 1.24mn units. July's data exceeded even the highest estimate of 1.32mn units. July's construction pace was the fastest since February, the month when a record-long US economic expansion abruptly ended as the coronavirus began spreading rapidly around the country, triggering business shutdowns and widespread stay-at-home orders. With last month's increase, new home building is just 4.5% below February's pace of 1.567mn units. (Reuters)
- UK COVID lending to businesses nears 53bn Pounds** – British banks' lending to businesses under government-backed COVID-19 loan schemes neared 53bn Pounds (\$69.7bn) as of last weekend, weekly finance ministry figures showed on Tuesday. Lending across the government's three main programs for small, medium and large businesses rose to a total 52.65bn Pounds as of August 16, up from 51.77 billion pounds the week before. (Reuters)
- More UK companies see turnover rise, but outlook tough, BCC warns** – More British companies have reported an increase in turnover as the economy reopens following lockdown, but many remain strapped for cash, a business survey showed on Wednesday. The British Chambers of Commerce (BCC) said 38% of businesses reported a rise in revenue in its latest weekly survey, up from 34%. Another 38% said turnover had fallen. "While some firms are seeing improvements in trading conditions, we are still very much in the eye of the storm, with further turbulence ahead," BCC Director General Adam Marshall said. The survey showed 39% of companies have three months or less of cash in reserve. With so many businesses on a precarious footing, Marshall said the government would need to take more action to support them. "Steps to reduce the burden of employers' National Insurance contributions, big new incentives for business investment, and targeted support to help businesses placed under local lockdowns all need to be put in place now," he said. "Ministers must not wait until the economic storm is once again at fever pitch before they act." (Reuters)
- Draghi: Rebuilding Europe after pandemic akin to post-war reconstruction** – Rebuilding Europe after the coronavirus pandemic will be akin to the post-World War II reconstruction effort and the bloc must reaffirm its core values despite challenges from global powers, former European Central Bank (ECB) President Mario Draghi said. The pandemic risked the destruction of human capital not seen since the war so reconstruction should focus on the people who must pay off the unprecedented amount of debt amassed this year, Draghi said in a lecture in Rimini, Italy. Moreover, even as Europe transforms it must recommit to some of its key principles, including multilateralism and the global rule of law, even as powers such as the US and China question these principles, Draghi added. "We should take inspiration from those who were involved in rebuilding the world, Europe and Italy after World War II," said Draghi, who has spoken rarely since leaving the ECB late last year. "The debt created by the pandemic is unprecedented and will have to be repaid mainly by those who are young today," Draghi said. "It is therefore our duty to equip them with the means to service that debt." Draghi said low rates did not automatically make debt sustainable and that the funds must be used for productive purposes, including investing in human capital, productive infrastructure and research. He said spending should also reflect society's changing preferences, including towards environmental protection, better health care and digitalization, since remote working was bound to gain prominence. "However, there is a sector which is critical for growth and therefore for all the transformations I have just listed, and where a long-term vision must be married with immediate action: education and, more generally, investment in young people," he said. (Reuters)
- VDMA: German engineering exports plunge in second-quarter as pandemic takes toll** – German engineering exports slumped by 22.9% in the second quarter as the coronavirus pandemic and the lockdown imposed to curb it took their toll on this mighty sector of Europe's biggest economy, engineering association VDMA said on Tuesday. "It will still be a bumpy road back to normality because for export business to normalize, many of the countries that buy the engineering products need to get a better grip on the pandemic and become more optimistic about investing again," VDMA chief economist Ralph Wiechers said. Exports dropped by 14.1% in the first half of 2020 compared to a year earlier, VDMA said. (Reuters)
- MOF: Japan July exports fall 19.2% YoY** – Japan's exports fell 19.2% in July from a year earlier, posting a fifth straight month of double-digit declines, Ministry of Finance data showed on Wednesday, highlighting the pain the coronavirus pandemic has inflicted on global demand. The fall compared with economists' median forecast for a 21.0% decrease in a Reuters poll. It followed a 26.2% fall in the previous month. Imports fell 22.3% in the year to July, versus the median estimate for a 22.8% decrease. As a result, the trade balance came to a surplus of 11.6bn Yen (\$110.2mn), versus the median estimate of a 77.6bn Yen deficit. (Reuters)
- Japan's core machinery orders fall 7.6% in June** – Japan's core machinery orders fell 7.6% in June from the previous month,

government data showed on Wednesday, dashing hopes the economy will emerge from the devastation caused by the coronavirus pandemic. The decrease in core orders, a highly volatile data series regarded as an indicator of capital spending in the coming six to nine months, compared with a 2.0% gain forecast by economists in a Reuters poll, the Cabinet Office data showed. Compared with a year earlier, core orders, which exclude those for ships and electricity, were down 22.5% in June, versus a 17.6% drop seen by economists, it showed. (Reuters)

- **Japan's exports tumble, capex outlook sags as demand wilts** – Japan's exports extended their double-digit slump into a fifth month in July as the coronavirus pandemic took a heavy toll on auto shipments to the US, dashing hopes for a trade-led recovery from the deep recession. Meanwhile, core machinery orders, a leading indicator of business spending, unexpectedly fell to a seven-year low in June, dashing hopes that domestic demand would make up for some of the slack from sluggish global growth. The grim batch of data suggests the depressed conditions seen in the world's third-largest economy in the second quarter showed no signs of rapid improvement in the current quarter, compounding challenges for policymakers as they look to prop up activity. Total exports fell 19.2% in July from a year earlier, roughly in line with market expectations for a 21.0% decrease, government data showed on Wednesday. It was, however, smaller than a 26.2% drop in June, which some analysts saw as a sign external demand may have bottomed out. Shipments to the US plunged 19.5% in the year to July as demand for engines and automobile remained weak, a sign Japan was feeling the pinch from the slow US recovery from the pandemic's pain. In a glimmer of hope, exports to China - Japan's largest trading partner - rose 8.2% to mark the first increase in seven months on brisk demand for chip-manufacturing equipment and cars. But those to the rest of Asia were down 8.2%, the data showed, reinforcing expectations that a full-fledged recovery in regional trade was still some time off. Core machinery orders, a highly volatile data series regarded as an indicator of capital spending in the coming six to nine months, fell 7.6% in June, confounding market estimates of a 2.0% gain. Total core orders slumped to 706.6bn Yen (\$6.72bn), the lowest since February 2013, forcing the government to downgrade its assessment to say machinery orders were "declining." Manufacturers surveyed by the government expect core orders to fall 1.9% in the current quarter after dropping 12.9% in April-June, the data showed. (Reuters)
- **Japan's pandemic woes unravel benefits of 'Abenomics'** – Japanese Prime Minister Shinzo Abe's rise to power in 2012 ushered in bold policies known as "Abenomics" that helped revive the economy and boost corporate profits, exports and jobs. However, the record plunge in Japan's economy in the second quarter due to the coronavirus has wiped many of the gains of those policies, dealing a political blow to Abe a year before his term as head of the ruling Liberal Democratic Party (LDP) ends. Japan's real GDP hit almost 540tn Yen (\$5.09tn) in September last year, but then began to slide as the US-China trade war and a sales tax hike hit exports and consumption. The pandemic has since knocked real GDP to 485tn Yen, its lowest since the 2011 earthquake and tsunami. (Reuters)

- **New US curbs threaten Huawei's smartphone crown and hit suppliers** – Ramped-up US restrictions on Huawei are likely to choke the Chinese company's access to even off-the-shelf chips, threaten its crown as the world's largest smartphone maker and disrupt global tech supply, executives and experts warned. The Trump administration expanded its curbs on Huawei on Monday and banned suppliers from selling chips made using US technology to the firm without a special license - closing potential loopholes in its May sanctions that could have let Huawei access the tech via third parties. The curbs underscore the growing rift in Sino-US ties as Washington presses governments to squeeze Huawei out, alleging the company would hand over data to Beijing for spying. Huawei denies it spies for China. The tech giant's business has suffered since America first blacklisted it a year ago. (Reuters)

Regional

- **Saudi approves agreement with Saudi Arabian Chevron on Neutral Zone** – Saudi Arabia's cabinet approved an agreement with Chevron Saudi Arabia (SAC) regarding the Neutral Zone between the Kingdom and Kuwait, the state news agency said late on Tuesday. "It approved amending and extending an agreement between the Saudi government and Chevron Saudi Arabia in the Neutral Zone," the cabinet statement said, without giving further details. Kuwait and Saudi Arabia, both members of the OPEC, agreed last year to end a five-year dispute over the border area known as the Neutral Zone, allowing production to resume at the jointly run Wafra and Khafagi oil fields that can pump up to 0.5% of the world's oil supply. Crude oil production resumed early July at the Wafra oilfield, shared by Kuwait and Saudi Arabia. SAC operates the Wafra oil field on behalf of the Saudi government together with the Kuwait Gulf Oil Company (KGOC). (Reuters)
- **Emirates NBD expected to attract \$194mn on hopes of FTSE foreign inflows** – Emirates NBD is expected to attract \$194mn in inflows if FTSE Russell adds the stock to its EM benchmarks in a semi-annual review next month, the Head of data and index research at EFG Hermes in Dubai, Ahmed Difrawy said. It is hoped that FTSE Russell will follow index compiler MSCI and will add the bank to its emerging-market indexes, triggering inflows from passive investors. Last week, MSCI said it will increase the weighting for Emirates NBD within its main EM index, with implementation at the end of this month. (Bloomberg)
- **ADNOC CEO sees 'robust return' of oil demand, mainly from China** – Global oil markets have "clearly tightened in the last two months" as demand recovers, led mainly by China, CEO of Abu Dhabi National Oil Co. (ADNOC), Sultan Al Jaber said. He spoke to IHS Markit Vice Chairman, Daniel Yergin, according to statement. (Bloomberg)
- **Abu Dhabi Holding Company to run AED535mn ventures fund** – Abu Dhabi-based Ventures Fund, valued at AED535mn, will become part of holding company ADQ's venture capital program to gain better access to funds and incentives, the Abu Dhabi Government Media Office said in a tweet. Ventures Fund, launched in 2019 and with than 15 companies in its portfolio, will focus on boosting equity and investment in its startups and venture capital funds. These companies will now have expanded access to ADQ's holdings in health care, food and agri-business,

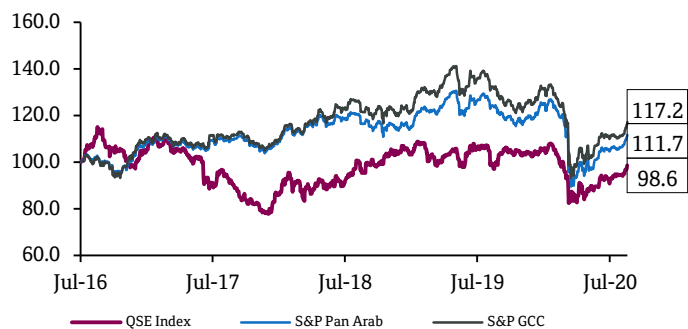
utilities and logistics. ADQ was known formerly as Abu Dhabi Development Holding Company. (Bloomberg)

- **Eshraq to explore investing AED500mn in tech sector** – Eshraq is exploring investments of up to AED500mn in the technology sector over the coming five years, the Abu Dhabi-based company said. It will reduce exposure to real estate over next three to five years as part of strategy to diversify into financial and technology investments. No tech investments have been submitted to or approved by the board yet. (Bloomberg)
- **Kuwait budget deficit could widen to KD14bn in 2020/21** – Kuwait expects its budget deficit to widen in its 2020/21 fiscal year to KD14bn, according to a ministry of finance estimate in a parliamentary document, as the economy reels from the coronavirus outbreak and weak oil prices. The projection compares with a previous forecast of KD7.7bn, according to the document, seen by Reuters. Kuwait's fiscal year runs from April 1 to March 31. Kuwait is debating this week a debt law in the parliament that would allow the country to borrow as much as KD20bn over 30 years. The oil-rich Gulf state is scrambling to boost state coffers badly hit by the coronavirus crisis and low crude prices and has been rapidly depleting its General Reserve Fund to plug a budget deficit. A total of KD8bn from the debt amount will be used to cover the deficit, while the remaining amount will be used for capital projects. The debt raised will be paid back through a surplus in the budget or will be refinanced, the document showed. (Zawya)
- **Morgan Stanley turns positive on Kuwait before MSCI inclusion** – Morgan Stanley turns tactically positive on Kuwait stocks three months ahead of the country's addition to MSCI's emerging-markets group, according to a note that retains an equal-weight view on the market. Underperformance of Kuwaiti shares compared to Emerging Markets since MSCI postponed the upgrade from May to November provides "an entry point" to investors, Analysts, Regiane Yamanari and Marina Zavolock noted. Kuwait now seen among the most oversold countries relative to Emerging Markets within eastern Europe, Middle East and Africa. National Bank of Kuwait and Gulf Bank are cited as among the most oversold stocks. (Bloomberg)
- **Oman transfers powers from Sultan's remit in government revamp** – Oman's Sultan has designated ministers of foreign affairs and finance, and a Central Bank Chairman, titles formerly held by himself, in a revamp that may signal increased reform momentum for the struggling oil producer. Sultan, Haitham bin Tariq Al-Said, who took power in January after Sultan Qaboos bin Said died after a half century in power, maintains the titles of prime minister, defense minister and armed forces chief following the decrees read on state television on Tuesday. Oman, whose debt is rated "junk" by all major ratings agencies, is struggling with a widening budget deficit and economic downturn from the double blow of low oil prices and coronavirus. Sultan Haitham said earlier this year the government would work to reduce public debt and restructure institutions to bolster the economy. "The fiscal demands on the state and the shifting grounds of regional politics require an update," Kristin Smith Diwan of the Arab Gulf States Institute in Washington. (Reuters)
- **Bahrain's economy show signs of recovery** – Bahrain's economy is showing signs of recovery from the Covid-19 fallout over the past two months, halting the slowdown which started last

February. A memo submitted by the Finance and National Economy Ministry reported a tangible improvement in performance of a number of non-oil sectors badly affected. The current economic outlook yesterday topped the weekly Cabinet session, chaired remotely by His Royal Highness, Prince, Salman bin Hamad Al Khalifa, Crown Prince, Deputy Supreme Commander and First Deputy Premier. Consumer activity is on the rise with sales of non-essential goods growing by 12% in June and 28pc in July, while sales at food outlets rose by 9% and 15%. Total exports increased by 2% and 12% in June and July. Figures outlined by Finance and National Economy Minister Shaikh Salman bin Khalifa Al Khalifa showed visitors to shopping malls jumped by 20% and 30% in June and July. An increase in movement across the Kingdom was also reflected in increase in petrol sales by 15% in June and 13% in July. (Zawya)

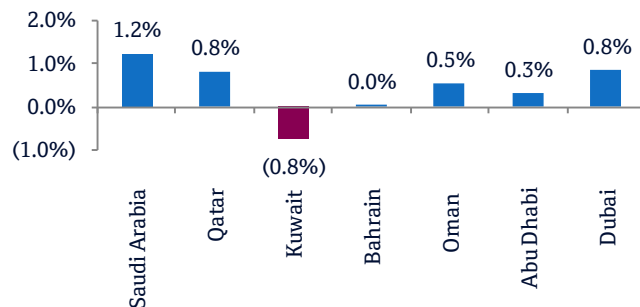
- **Fitch downgrades two Bahraini GREs to 'B+' from 'BB-'** – Fitch Ratings downgraded two Bahraini government related entities (GREs) to 'B+' from 'BB-'. The ratings agency downgraded Bahrain Mumtalakat Holding Company's (Mumtalakat) long-term's issuer default ratings (IDRs) to 'B+' from 'BB-' with a Stable outlook. Fitch also downgraded The Oil and Gas Holding Company (Nogaholding)'s long-term foreign- and local-currency IDRs to 'B+' from 'BB-' with a stable outlook. The ratings agency said in a statement that the long-term rating on Mumtalakat Sukuk Holding Company's senior unsecured guaranteed notes has also been downgraded to 'B+' from 'BB-'. The stable outlook reflects the outlook on the Bahrain sovereign. "The rating actions follow the downgrade of the Long-Term IDRs of Mumtalakat and Nogaholding's sponsor, Bahrain, to 'B+' from 'BB-' on August 14, 2020," Fitch said. (Zawya)
- **Bahrain awarded \$1.7bn contracts in 1H2020** – Bahrain has awarded 769 tenders in 1H2020 worth \$1.7bn, data released by Bahrain's Tender Board showed. In the first six months of the year, the construction and engineering sector saw the most contracts, with awarded tenders worth \$588.3mn. The oil and gas sector followed with \$416.3mn, then the materials and equipment sector with \$292.6mn, the services sector with \$202.4mn and the aviation sector with \$172.2mn. "Bahrain awarded a total of 47 public tenders worth a combined \$21.8mn to Small and Medium Enterprises SMEs as per the Cabinet decision to assign some public spending to the SME sector," Chairman of Tender Board, Shaikh Nayef bin Khalid Al Khalifa said. Tatweer Petroleum awarded tenders worth a total of \$396.5mn followed by the Electricity and Water Authority with awarded bids worth \$305.3mn and the Ministry of Housing awarded tenders worth \$238.6mn during the period. The Bahrain Tender Board is an independent, regulator of government procurement practices. (Zawya)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	2,002.44	0.9	2.9	32.0
Silver/Ounce	27.67	0.7	4.6	55.0
Crude Oil (Brent)/Barrel (FM Future)	45.46	0.2	1.5	(31.1)
Crude Oil (WTI)/Barrel (FM Future)	42.89	0.0	2.1	(29.8)
Natural Gas (Henry Hub)/MMBtu	2.32	0.0	6.2	11.0
LPG Propane (Arab Gulf)/Ton	50.25	(0.2)	1.0	21.8
LPG Butane (Arab Gulf)/Ton	49.38	1.3	(0.3)	(24.6)
Euro	1.19	0.5	0.8	6.4
Yen	105.41	(0.6)	(1.1)	(2.9)
GBP	1.32	1.0	1.2	(0.1)
CHF	1.11	0.3	0.6	7.1
AUD	0.72	0.4	1.0	3.2
USD Index	92.27	(0.6)	(0.9)	(4.3)
RUB	73.17	(0.7)	0.4	18.0
BRL	0.18	0.8	(0.8)	(26.5)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,399.37	0.2	0.6	1.7
DJ Industrial	27,778.07	(0.2)	(0.5)	(2.7)
S&P 500	3,389.78	0.2	0.5	4.9
NASDAQ 100	11,210.84	0.7	1.7	24.9
STOXX 600	367.18	0.0	0.5	(6.1)
DAX	12,881.76	0.3	0.6	3.5
FTSE 100	6,076.62	0.2	0.8	(19.6)
CAC 40	4,938.06	(0.1)	0.3	(12.2)
Nikkei	23,051.08	0.4	0.0	0.7
MSCI EM	1,104.96	0.5	1.1	(0.9)
SHANGHAI SE Composite	3,451.09	0.5	3.1	13.8
HANG SENG	25,367.38	0.1	0.7	(9.6)
BSE SENSEX	38,528.32	1.4	2.0	(10.9)
Bovespa	102,065.40	2.0	(1.0)	(35.6)
RTS	1,311.52	0.2	(0.9)	(15.3)

Source: Bloomberg (*\$ adjusted returns)

Contacts

Saugata Sarkar, CFA, CAIA

Head of Research

Tel: (+974) 4476 6534

saugata.sarkar@qnbfs.com.qa

Mehmet Aksoy, PhD

Senior Research Analyst

Tel: (+974) 4476 6589

mehmet.aksoy@qnbfs.com.qa

Shahan Keushgerian

Senior Research Analyst

Tel: (+974) 4476 6509

shahan.keushgerian@qnbfs.com.qa

QNB Financial Services Co. W.L.L.

Contact Center: (+974) 4476 6666

PO Box 24025

Doha, Qatar

Zaid al-Nafoosi, CMT, CFTe

Senior Research Analyst

Tel: (+974) 4476 6535

zaid.alnafoosi@qnbfs.com.qa

Disclaimer and Copyright Notice: This publication has been prepared by QNB Financial Services Co. W.L.L. ("QNBFS") a wholly-owned subsidiary of Qatar National Bank (Q.P.S.C.). QNB FS is regulated by the Qatar Financial Markets Authority and the Qatar Exchange. Qatar National Bank (Q.P.S.C.) is regulated by the Qatar Central Bank. This publication expresses the views and opinions of QNBFS at a given time only. It is not an offer, promotion or recommendation to buy or sell securities or other investments, nor is it intended to constitute legal, tax, accounting, or financial advice. QNBFS accepts no liability whatsoever for any direct or indirect losses arising from use of this report. Any investment decision should depend on the individual circumstances of the investor and be based on specifically engaged investment advice. We therefore strongly advise potential investors to seek independent professional advice before making any investment decision. Although the information in this report has been obtained from sources that QNBFS believes to be reliable, we have not independently verified such information and it may not be accurate or complete. QNBFS does not make any representations or warranties as to the accuracy and completeness of the information it may contain, and declines any liability in that respect. For reports dealing with Technical Analysis, expressed opinions and/or recommendations may be different or contrary to the opinions/recommendations of QNBFS Fundamental Research as a result of depending solely on the historical technical data (price and volume). QNBFS reserves the right to amend the views and opinions expressed in this publication at any time. It may also express viewpoints or make investment decisions that differ significantly from, or even contradict, the views and opinions included in this report. This report may not be reproduced in whole or in part without permission from QNBFS.

COPYRIGHT: No part of this document may be reproduced without the explicit written permission of QNBFS.