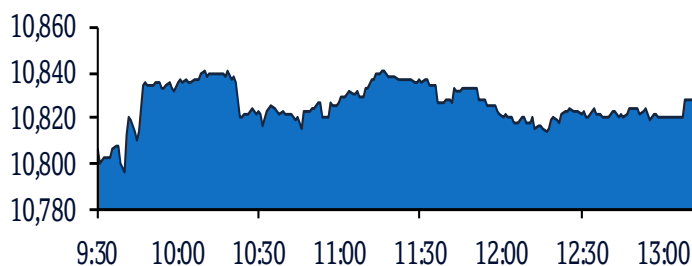


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.2% to close at 10,828.1. Gains were led by the Real Estate and Insurance indices, gaining 1.5% and 0.6%, respectively. Top gainers were Mazaya Qatar Real Estate Dev. and Qatari German Co. for Med. Devices, rising 4.2% and 3.5%, respectively. Among the top losers, Investment Holding Group fell 3.8%, while Doha Bank was down 1.0%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.5% to close at 11,031.7. Gains were led by the Banks and Food & Staples Retailing indices, rising 1.0% and 0.8%, respectively. Arabian Pipes Co. rose 10.0%, while United Co-Operative Assurance was up 7.9%.

Dubai: The DFM Index fell 0.4% to close at 2,804.1. The Investment & Financial Services index declined 0.9%, while the Real Estate & Construction index fell 0.6%. Gulfa General Investments Co. declined 8.8%, while Takaful Emarat Insurance was down 6.3%.

Abu Dhabi: The ADX General Index gained 0.7% to close at 6,948.6. The Investment & Financial Services rose 2.7%, while Consumer Staples indices rose 2.3%. Abu Dhabi Natl Co. For Building Materials rose 13.5%, while Alpha Dhabi Holding was up 8.1%.

Kuwait: The Kuwait All Share Index gained 0.2% to close at 6,402.6. The Technology index rose 2.7%, while the Financial Services index gained 1.8%. Egypt Kuwait Holding Co. rose 8.0%, while Securities House was up 5.9%.

Oman: The MSM 30 Index gained 0.5% to close at 4,098.5. Gains were led by the Financial and Services indices, rising 0.6% and 0.4%, respectively. Oman REIT Fund rose 3.3%, while Shell Oman Marketing was up 2.6%.

Bahrain: The BHB Index fell 0.6% to close at 1,579.1. The Commercial Banks index declined 1.1%, while the other indices ended flat or in green. Ahli United Bank declined 1.9%, while Bahrain Commercial Facilities Company was down 0.6%.

Market Indicators	04 Jul 21	01 Jul 21	%Chg.
Value Traded (QR mn)	324.0	334.7	(3.2)
Exch. Market Cap. (QR mn)	627,653.2	626,446.3	0.2
Volume (mn)	162.8	153.2	6.3
Number of Transactions	6,664	8,287	(19.6)
Companies Traded	46	47	(2.1)
Market Breadth	28:14	39:7	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	21,434.83	0.2	0.2	6.8	18.3
All Share Index	3,433.62	0.2	0.2	7.3	19.0
Banks	4,519.01	(0.0)	(0.0)	6.4	15.7
Industrials	3,632.33	0.5	0.5	17.3	28.0
Transportation	3,413.44	0.2	0.2	3.5	22.0
Real Estate	1,817.10	1.5	1.5	(5.8)	17.2
Insurance	2,632.08	0.6	0.6	9.9	23.3
Telecoms	1,091.69	(0.6)	(0.6)	8.0	29.0
Consumer	8,137.44	0.3	0.3	(0.1)	27.3
Al Rayan Islamic Index	4,573.10	0.3	0.3	7.1	19.6

GCC Top Gainers###	Exchange	Close#	1D%	Vol. '000	YTD%
Saudi Kayan Petrochem.	Saudi Arabia	19.38	3.9	22,877.7	35.5
SABIC Agri-Nutrients	Saudi Arabia	121.20	3.8	595.6	50.4
Advanced Petrochem. Co.	Saudi Arabia	74.00	2.6	1,609.0	10.4
Alinma Bank	Saudi Arabia	21.96	2.6	18,237.7	35.7
Bank Dhofar	Oman	0.13	2.4	60.0	33.0

GCC Top Losers###	Exchange	Close#	1D%	Vol. '000	YTD%
Arabian Centres Co Ltd	Saudi Arabia	25.25	(3.6)	3,162.7	0.8
Yanbu National Petro. Co.	Saudi Arabia	71.30	(1.9)	715.0	11.6
Ahli United Bank	Bahrain	0.79	(1.9)	413.0	8.5
Co. for Cooperative Ins.	Saudi Arabia	81.20	(1.6)	165.5	1.9
Emaar Malls	Dubai	1.98	(1.5)	5,941.0	8.2

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

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Mazaya Qatar Real Estate Dev.	1.12	4.2	34,654.5	(11.1)
Qatari German Co for Med. Dev.	2.84	3.5	4,868.9	26.8
Qatar Islamic Insurance Company	7.95	3.2	170.9	15.2
Al Khaleej Takaful Insurance Co.	4.71	2.6	893.5	148.1
United Development Company	1.51	2.6	4,482.8	(8.8)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Mazaya Qatar Real Estate Dev.	1.12	4.2	34,654.5	(11.1)
Investment Holding Group	1.08	(3.8)	26,648.9	80.0
Salam International Inv. Ltd.	0.97	(0.3)	17,917.6	49.3
Qatar Aluminium Manufacturing Co	1.53	(0.3)	16,616.3	58.0
Gulf International Services	1.51	1.0	7,677.2	(11.9)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Investment Holding Group	1.08	(3.8)	26,648.9	80.0
Doha Bank	2.78	(1.0)	1,121.0	17.5
Dlala Brokerage & Inv. Holding Co	1.60	(0.9)	1,403.6	(10.9)
Ooredoo	7.46	(0.6)	914.8	(0.9)
Vodafone Qatar	1.61	(0.6)	1,826.3	20.1

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Mazaya Qatar Real Estate Dev.	1.12	4.2	38,553.8	(11.1)
Industries Qatar	13.50	0.7	35,413.1	24.2
Investment Holding Group	1.08	(3.8)	29,404.7	80.0
Qatar Aluminum Manufacturing	1.53	(0.3)	25,451.0	58.0
Salam International Inv. Ltd.	0.97	(0.3)	17,454.3	49.3

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*	10,828.08	0.2	0.2	0.9	3.8	87.42	169,780.2	18.3	1.6	2.7
Dubai	2,804.11	(0.4)	(0.4)	(0.2)	12.5	30.30	105,192.5	21.3	1.0	2.9
Abu Dhabi	6,948.63	0.7	0.7	1.7	37.7	328.79	270,802.9	23.6	2.0	3.5
Saudi Arabia	11,031.73	0.5	0.5	0.4	27.0	3,395.34	2,591,828.6	36.2	2.4	1.9
Kuwait	6,402.55	0.2	0.2	0.2	15.4	120.53	121,587.6	40.8	1.6	2.0
Oman	4,098.47	0.5	0.5	0.9	12.0	4.06	18,639.9	14.4	0.8	3.8
Bahrain	1,579.05	(0.6)	(0.6)	(0.6)	6.0	1.63	24,335.4	27.1	1.1	2.1

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 0.2% to close at 10,828.1. The Real Estate and Insurance indices led the gains. The index rose on the back of buying support from GCC, Arab and foreign shareholders despite selling pressure from Qatari shareholders.
- Mazaya Qatar Real Estate Dev. and Qatari German Co for Med. Devices were the top gainers, rising 4.2% and 3.5%, respectively. Among the top losers, Investment Holding Group fell 3.8%, while Doha Bank was down 1.0%.
- Volume of shares traded on Sunday rose by 6.3% to 162.8mn from 153.2mn on Thursday. However, as compared to the 30-day moving average of 171.1mn, volume for the day was 4.9% lower. Mazaya Qatar Real Estate Dev. and Investment Holding Group were the most active stocks, contributing 21.3% and 16.4% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	50.13%	50.38%	(810,989.8)
Qatari Institutions	13.01%	21.41%	(27,232,304.2)
Qatari	63.14%	71.80%	(28,043,294.0)
GCC Individuals	0.37%	0.43%	(193,202.7)
GCC Institutions	2.82%	1.25%	5,100,691.8
GCC	3.19%	1.67%	4,907,489.1
Arab Individuals	16.29%	16.28%	35,210.4
Arab Institutions	0.00%	0.00%	–
Arab	16.29%	16.28%	35,210.4
Foreigners Individuals	2.88%	4.93%	(6,634,340.7)
Foreigners Institutions	14.50%	5.32%	29,734,935.2
Foreigners	17.38%	10.25%	23,100,594.4

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

Earnings Calendar

Tickers	Company Name	Date of reporting 2Q2021 results	No. of days remaining	Status
QNBK	QNB Group	11-Jul-21	6	Due
QFLS	Qatar Fuel Company	11-Jul-21	6	Due
QGTS	Qatar Gas Transport Company Limited (Nakilat)	12-Jul-21	7	Due
MARK	Masraf Al Rayan	13-Jul-21	8	Due
VFQS	Vodafone Qatar	14-Jul-21	9	Due
QIBK	Qatar Islamic Bank	14-Jul-21	9	Due
QEWS	Qatar Electricity & Water Company	14-Jul-21	9	Due
KCBK	Al Khalij Commercial Bank	15-Jul-21	10	Due
NLCS	Aljjarah Holding	15-Jul-21	10	Due
ABQK	Ahli Bank	15-Jul-21	10	Due
DHBK	Doha Bank	27-Jul-21	22	Due
IHGS	INMA Holding Group	08-Aug-21	34	Due

Source: QSE

News

Qatar

- Qatar Banks name Fahad Al Khalifa as Group CEO of merged entity** – Masraf Al Rayan and Al Khalij Commercial Bank appoint Fahad Bin Abdalla Al Khalifa as the group CEO of the merged entity. After the merger, Al Khalij Commercial Bank's business will be absorbed into Al Rayan. Al Khalifa previously worked with Qatar Central Bank and QNB Group. (Bloomberg, QSE)
- VFQS to announce second quarter results on July 14** – Vodafone Qatar (VFQS) announced that its board of directors will meet on July 14 to approve the company's financial results for the second quarter ending June 30, 2021. The board will also consider other items included on the agenda for the meeting. The company's financial results will be made publicly available on Vodafone Qatar's website at www.vodafone.qa and on the Qatar Stock Exchange website www.qe.com.qa. (Gulf-Times.com, QSE)
- VFQS to hold its investors relation conference call on July 15** – Vodafone Qatar (VFQS) will hold the conference call with the Investors to discuss the financial results for the Semi-Annual 2021 on July 15, 2021 at 01:30 pm, Doha Time. (QSE)
- IHGS board of directors to meet on August 08** – Inma Holding (IHGS) has announced that its board of directors will be holding a meeting on August 08, 2021 to discuss and disclose the company's interim financial results of the second quarter of year 2021 through ZOOM Application. (QSE)
- BLDN announces the results of its board of directors' meeting held on July 04** – Baladna (BLDN) announced the results of its board of directors' meeting held on July 04, 2021 and approved (1) Acknowledge the minutes of the previous Board of Directors meeting dated April 27, 2021. (2) Approved the recommendation of the Nomination & Remuneration Committee to the Board of Directors, regarding the resignation of the current Chief Executive Officer (CEO), Mr. Malcolm Jordan. (3) Approved the recommendation of the Nomination & Remuneration Committee to the Board of Directors, regarding the appointment of Mr. Piet Johannes Hilarides as Baladna QPSC Chief Executive

Officer (CEO). (4) Follow up on the Company's activities and operations. (QSE)

- **QP to buy South African oil-block stakes from TotalEnergies** – Qatar Petroleum (QP) agreed to acquire stakes in three exploration blocks off South Africa from TotalEnergies SE. QP will hold interests ranging from 25% to 30% in the three areas, it said in a statement, without disclosing financial terms. Both companies have recently drilled in South Africa's 11B/12B block, directly north of one of the new licenses. State-run QP last week completed a \$12.5bn bond-buying program to fund the expansion of its natural-gas production at home. It has also focused on expansion abroad, with new exploration blocks in Suriname, Namibia and elsewhere. (Bloomberg)
- **ABB to power Qatar's largest e- bus infrastructure project** – ABB has won a contract from Qatar to design, supply, test and commission a new high-power charging infrastructure for one of the world's largest fleet of electric buses. The project will see ABB provide high power charging infrastructure for the fleet, which is expected to have 1,000 electric buses operating across the country and with a capacity to transport 50,000 passengers a day. This comes in line with Qatar's aim to have 25% of its public bus network operating on electric by 2022, rising to 100% by 2030. As part of this plan, the state will create one of the largest e-bus networks in the world, in a single installation. Partnering with Mannai Trading Company, Qatar's public works authority Ashghal and fleet operator Mowasalat, ABB will design and deploy heavy vehicle charging equipment across multiple locations in Qatar, including four bus depots, eight bus stations and 12 metro stations. The project scope also includes a three-year service level agreement. (Bloomberg)
- **QFCRA plans new framework for funds targeting high-net-worth investors** – The Qatar Financial Centre Regulatory Authority (QFCRA) is seeking to put in place a framework for helping the registered firms incorporate new type of fund structure that focuses on high-net-worth investors. In this regard, the QFCRA is proposing a comprehensive updating and broadening of the regulatory framework for professional investor funds in the QFC, which is aiming to be the epicenter of the asset management industry. The rules will create a new type of fund structure – the certified professional investor fund – focusing on high-net-worth investors. This new fund structure will complement the broad array of private and public fund structures already in place at the QFC. (Gulf-Times.com)
- **Pro Partner: Surge in Saudi firms looking to set up operations in Qatar** – The number of Saudi-owned companies looking to set up operations in Qatar surged in the first quarter of this year following the restoration of political, trade and travel ties between the two Gulf neighbors. The resumption of relations between the two countries has seen a 40% rise in the number of Saudi companies looking to open operations in Qatar, according to James King, General Manager of the Qatar office at the Pro Partner Group, a firm which specializes in company formations. While he did not give specific numbers, King said that his company had seen a 75% YoY rise in activity during the first quarter of 2021 and the number of inquiries coming from Saudi companies has increased by 40% YoY for the first three months of this year. (Bloomberg)
- **QFC, ICAI sign deal to support Indian companies in Qatar** – Qatar Financial Centre (QFC), a leading onshore financial and business center in the region, has signed a memorandum of understanding (MoU) with the Institute of Chartered Accountants of India (ICAI) to create more opportunities for accountants, promote entrepreneurship and facilitate the setup of Indian firms in Qatar through collaborative initiatives. The MoU was recently signed by QFC Chief Executive Officer Yousuf Mohamed Al Jaida and ICAI President CA Nihar N Jambusaria. The agreement will

pave the way for closer collaboration between QFC and ICAI on mutually beneficial initiatives, including increasing opportunities for ICAI members in the areas of assurance and auditing, advisory, taxation, financial services, and other allied areas. (Qatar Tribune)

- **Property sector sees robust activities in May** – Qatar's property sector saw robust activities in May as the value of sold properties in the month increased 34.3% MoM and jumped 254% YoY, according to the Planning and Statistics Authority. In the June edition of PSA's monthly report featuring statistics of May, the PSA said one of the most prominent changes in this issue was the increase in total cash issued at a monthly rate of 1.5% compared to April 2021. This was offset by an increase in total deposits and credit facilities of commercial banks by 2% and 1.8% respectively (compared to April 2021). The total deposits and credit facilities of commercial banks increased at an annual rate of 11.3% and 13.6% respectively (compared to May 2020). The PSA said municipalities in Qatar issued 348 permits in May 2021, recording a MoM fall of 30.4% and a YoY jump of 28.4%. In the banking sector, Total Broad Money Supply (M2) recorded about QR612.1bn in May 2021, an increase of 4.9% compared with May 2020. On the other hand, cash equivalents, including Commercial Bank Deposits, accounted for QR962.2bn in May 2021. The figure represents an increase of 11.3% from May 2020, when deposits amounted to QR864.4bn. One of the most prominent changes in this issue is the increase in total cash issued at a monthly rate of 1.5% compared to April 2021, offset by an increase in total deposits and credit facilities of commercial banks by 2.0% and 1.8%, respectively (compared to April 2021). The total deposits and credit facilities of commercial banks increased at an annual rate of 11.3% and 13.6%, respectively. (Qatar Tribune)
- **PSA: Qatar's population shrinks by 180,000 people** – Over a span one year, Qatar saw its population shrinking by 180,000 people, according to the Planning and Statistics Authority (PSA). In the June edition of PSA's monthly report featuring statistics in May, the authority said the population reduced from 2.81mn in May 2020 to 2.63mn by end of May 2021. The report said the country recorded 1,940 live births in May, which also saw Qatari live births increasing by 6% when compared to the previous month. On the other hand, 273 deaths were recorded in May, down 30.9% against April 2021. While 311 couple got married in May, 97 divorces were finalized in the month, showing respective MoM declines of 9.1% and 34.9%. The month also saw social security worth QR81mn benefitting 14,710 people, a decline of 0.2% YoY and 0.4% MoM. Total electricity consumption in May stood at was 4547.5 GWh, showing a MoM increase of 29.3% and a YoY increase of 14.3%. Meanwhile, Qatar's total water consumption reached 57,471.9 cubic meter in the same month, up 6.6% MoM and 1% YoY. Qatar's property sector saw robust activities in May as the value of sold properties in the month increased 34.3% MoM and jumped 254% YoY. The PSA said municipalities in Qatar issued 348 permits in May 2021, recording a MoM fall of 30.4% and a YoY jump of 28.4%. (Qatar Tribune)
- **PSA: Qatar registers 1,940 births in May** – Qatar registered 1,940 live births during May, 2021 with an increase in the total Qatari live births by six percent compared to last month, the Planning and Statistics Authority (PSA) monthly bulletin has revealed. On the other hand, the bulletin showed that 273 deaths were recorded during the same period, indicating a decrease of 30.9% compared to April 2021. According to statistics, May 2021 witnessed a monthly decrease in marriage contracts and divorce certificates by 9.1% and 34.9%, respectively, with 311 marriages and 97 divorce cases. As for the Social Security statements, QR81mn was disbursed in May, 2021 for 14,710 beneficiaries, recording a monthly decrease of 0.2% for the value of social

security and a monthly increase of 0.4% for the number of beneficiaries. The next issue of the bulletin will hopefully be released by the end of July, 2021. (Qatar Tribune)

- **TotalEnergies Refining and Chemicals appoints Ghazi as new MD in Qatar** – Ghazi Shahin has been appointed as Managing Director (MD) of the Refining and Chemicals branch within the TotalEnergies Qatar affiliate. He will succeed Philippe Legrand, who is moving to a new assignment in France. In his capacity, Ghazi will oversee operations in the downstream sector in Qatar; particularly TotalEnergies stakes at QAPCO, Qatofin, RLOC and Laffan Refineries 1 and 2. Ghazi joined Total Petrochemicals in 2015 as Vice President Industrial for the Americas region. He also served as Vice President HSE and Industrial at Total Petrochemicals Americas. Ghazi is a graduate of Texas A&M University Kingsville in Texas, US in Electrical Engineering. (Qatar Tribune)

International

- **UK's Johnson to set out plan for final lockdown easing** – British Prime Minister Boris Johnson will set out plans for the final step of easing lockdown in England on Monday, including guidance on social distancing, face coverings and working from home, the government said. The remaining legal restrictions to prevent the spread of COVID-19 are due to be lifted on July 19, with the decision whether to go ahead scheduled for July 12. Data suggests that cases will continue to rise as restrictions are eased, but the link to hospitalizations and deaths has been weakened by the vaccination program, the government said. People will learn to live with COVID as they do already with flu, Johnson is expected to say, meaning that hospitalizations, serious illness and deaths will continue but at a much lower level than before widespread vaccination. The take-up of vaccines in Britain has been strong, with 86% of adults receiving a first dose and 64% receiving two doses as of Sunday, government data shows. However, cases of COVID-19 have risen in recent weeks, driven by the now-dominant Delta variant, and the final step of lockdown easing was delayed by four weeks to enable more people to be vaccinated. Data from Public Health England shows that vaccines are highly effective in preventing severe illness and hospitalization from this variant, the government said. Housing Secretary Robert Jenrick said on Sunday face masks would no longer be mandatory after the final step in lockdown easing. (Reuters)
- **Draft shows EU to propose aviation fuel tax in green policy push** – The European Commission has drafted plans to set an EU-wide minimum tax rate for polluting aviation fuels, as it seeks to meet more ambitious targets to fight climate change, a document seen by Reuters shows. The European Commission is drafting an overhaul of EU energy taxation, as part of a package of measures it will propose on July 14, to meet a target to reduce EU greenhouse gas emissions by 55% by 2030, from 1990 levels. A draft of the Commission's tax proposal takes aim at aviation, which escapes EU fuel taxes. That exemption "is not coherent with the present climate challenges and policies," the document said, adding that EU tax rules promote fossil fuels over green energy sources and need rewriting to support the bloc's climate goals. The proposal would impose an EU-wide minimum level of tax on energy products supplied as aircraft fuel for flights within the EU. From 2023, the minimum tax rate for aviation fuel would start at zero and increase gradually over a 10-year period, until the full rate is imposed. The draft proposal did not specify what the final rate would be. Sustainable fuels, including renewable hydrogen and advanced biofuels, would not face minimum EU taxes during that 10-year period. (Reuters)
- **Japan's service sector activity contracts for 17th month as pick-up stalls** – Japan's services sector activity shrank for the 17th straight month in June as the coronavirus dampened

demand at home and abroad, underscoring sluggish momentum for the world's third-largest economy. The decline in the services industry kept overall private-sector activity in contraction for a second month, in a sign the country's economic recovery struggles to pick up despite making progress with a coronavirus vaccine rollout. The final Jibun Bank Japan Services Purchasing Managers' Index (PMI) was at a seasonally adjusted 48.0, up from the prior month's final level of 46.5 and a 47.2 flash reading. It meant services activity came in below the 50.0 threshold that separates contraction from expansion for a 17th month, the longest such streak since a 27-month run through March 2010. The PMI survey showed firms saw a slower contraction in new business, including from overseas, and grew increasingly bullish about expectations for the year ahead. Outstanding business, however, saw a slightly faster rate of decline, suggesting many firms in the services sector are still feeling the pain from the health crisis despite their optimism conditions would improve over the year ahead. (Reuters)

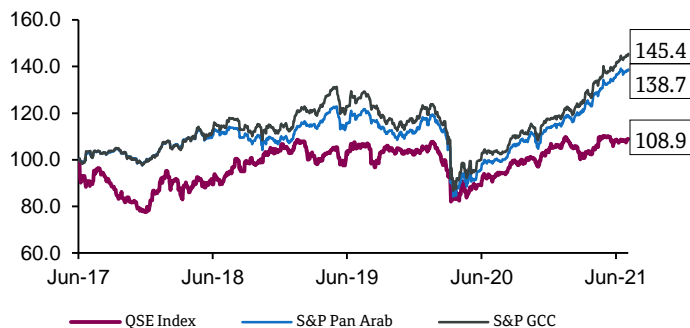
- **Caixin PMI: Growth in China's June services activity falls to 14-month low** – Growth in China's services sector slowed sharply in June to a 14-month low, weighed down by a resurgence of COVID-19 cases in southern China, a private survey showed on Monday, adding to concerns the world's second-largest economy may be starting to lose some momentum. The Caixin/Markit services Purchasing Managers' Index (PMI) fell to 50.3 in June, the lowest since April 2020 and down significantly from 55.1 in May. It held just above the 50-mark, which separates growth from contraction on a monthly basis. China's official services gauge had also shown a marked slowdown in June, though it remained well in expansion territory. The private survey is believed to focus more on smaller companies. Coupled with a slowdown in the manufacturing sector, analysts say the PMI survey findings suggest that pent-up COVID demand may have peaked and China's robust economic rebound from the crisis is starting to moderate. Though slower to recover from the pandemic than manufacturing, a gradual improvement in consumption in recent months had boosted China's services sector. However, a COVID-19 outbreak of the more infectious Delta strain in the export and manufacturing hub of Guangdong since late May and the subsequent imposition of anti-virus measures have weighed on consumer and business activity. (Reuters)

Regional

- **Import rebound behind the decline in Saudi reserves, Central Bank Chief says** – A recent drop to record lows in Saudi Arabia's foreign reserves, a measure of its ability to support its dollar-pegged currency, was partly due to a lag between import payments and export receipts, the Saudi central bank Governor, Fahad al-Mubarak told Reuters. Net foreign assets at the central bank, known as SAMA, dropped monthly by roughly \$8bn to \$436bn in April, their lowest in more than a decade, and dropped further in May, recent central bank data showed, declining to about \$433bn. "Reductions in reserves over the past couple of months were mainly to finance a rebound in pandemic-hit import demand, while leads-and-lags in oil income (tax and dividends) cause some degree of fluctuation in SAMA's reserves level," he said. The declines appeared counterintuitive given the recent rebound in oil prices, and some analysts said they could be linked to transfers to the Saudi sovereign wealth fund, Public Investment Fund, which last year got \$40bn in reserves to fund investments. "The rebound in import activity, which hit a low figure in May 2020, has preceded that in exports receipts. These shifts are expected given the extraordinary economic impacts over the last 18 months as economic conditions become more normalized," the Governor said in a statement to Reuters. (Reuters)

- Saudi Arabia pushes back on UAE opposition to OPEC+ deal** – Saudi Arabia's Energy Minister, Prince Abdulaziz bin Salman pushed back on Sunday against opposition by fellow Gulf producer the UAE to a proposed OPEC+ deal and called for "compromise and rationality" to secure agreement when the group reconvenes on Monday. It was a rare public spat between allies whose national interests have increasingly diverged, spilling over into OPEC+ policy setting at a time consumers want more crude to aid a global recovery from the COVID-19 pandemic. OPEC+, which groups the OPEC and its allies, voted on Friday to raise output by some 2mn bpd from August to December 2021 and to extend remaining cuts to the end of 2022, but UAE objections prevented agreement, sources had said. "The extension is the basis and not a secondary issue," he told Saudi-owned Al Arabiya television channel. "You have to balance addressing the current market situation with maintaining the ability to react to future developments ... if everyone wants to raise production then there has to be an extension," he said, noting uncertainty about the course of the pandemic and output from Iran and Venezuela. Saudi Arabia's Energy Minister said on Sunday that an OPEC+ global oil supply pact due to end in April 2022 should continue for longer, Saudi-owned Asharq television reported. Prince Abdulaziz bin Salman's remarks came after the UAE suggested deferring a decision by the group on extending the deal. Asharq also quoted the prince as saying there should be an increase in production to meet an expected decline in oil supply during the summer period. (Reuters)
- Saudi wealth fund says many of its firms ready for IPO** – Saudi Arabia's Public Investment Fund (PIF) has many companies in its local portfolio that are in a developed stage, which entitles them to be listed on the stock market, Deputy Governor, Yazeed Alhumeid said in an interview with Alriyadh newspaper. Many of these firms have reached advanced stages in preparation for an initial public offering, Alhumeid said. As well as selling shares in Acwa Power, the fund also intends to list other companies such as Saudi Tadawul and digital security firm Elm, he said. The PIF, as the wealth fund is known, and other government-controlled firms are pushing ahead with plans to raise money through selling stakes in a raft of companies over the next year. The pipeline of deals is a sign that state-controlled firms in Saudi Arabia are increasingly looking at ways to take advantage of soaring investor demand for new offerings while also raising money to help fund efforts to diversify the economy away from oil. (Bloomberg)
- Mobily abandons plan to form Towers Company** – Etihad Etisalat, also known as Mobily, said that the plan to form a consortium with Zain Saudi, Raidah Investment and IHS KSA to acquire telecom towers owned by Mobily and Zain Saudi and merge them under Towers Company "does not align with Mobily's strategy and objectives of achieving financial and operational efficiency." Mobily will continue to evaluate alternative offers. (Bloomberg)
- UAE proposes postponing decision to extend OPEC+ pact, WAM says** – The UAE on Sunday said it supported an increase in oil output from August but suggested deferring to another meeting a decision by OPEC+ on extending its global oil supply pact beyond April 2022, state news agency WAM reported. The OPEC and its allies, a group, known as OPEC+, will resume talks on Monday after failing to reach a deal on oil output policy for a second day running on Friday after the UAE opposed some aspects of the pact. The Gulf producer backs an output increase from August as the market "is in dire need of higher production," WAM said, citing an energy ministry statement. It is willing to extend the agreement further, if required, but asks that baseline production references - the level from which any cuts are calculated - be reviewed to ensure that they are fair to all parties, WAM reported. "The UAE and its international partners have invested significantly in growing its production capacity and believes that, if/when the agreement is extended, the baseline reference figures should reflect its actual production capacity, rather than the outdated October 2018 production reference," the ministry said in the statement. (Reuters)
- Aldar gets AED300mn sustainability-linked loan from HSBC** – Aldar gets AED300mn sustainability-linked loan from HSBC. The five-year term loan includes mechanism to adjust Aldar's interest margin annually in line with achievement of targets on energy and water intensity, waste recycling and worker welfare, Aldar says. Aldar committed to investing fixed amount in one or more qualifying environmental, social and governance ESG projects if it does not reach agreed annual targets. (Bloomberg)
- Emirate of Sharjah said to hire banks as bond rush picks up pace** – Sharjah's government has picked banks to raise over \$750mn from an Islamic bond offering, drawn by historically low funding costs as its finances come under strain. A sale could happen as soon as the coming days, people familiar with the matter said, asking not to be identified as the matter is private. The third-biggest Sheikdom in the UAE is facing another year of fiscal deterioration after the coronavirus pandemic cut into revenue and forced the local government to spend more to support the economy. The budget could be in the red through 2024, according to S&P, which forecasts the deficit will surge past 10% of GDP this year. (Bloomberg)
- Bahrain's economy contracted 2.11% in 1Q2021 as pandemic restrictions weigh** – Bahrain's economy contracted 2.11% in the first quarter from a year earlier, hurt by the decline in the non-oil economy as COVID-19 restrictions were in place most of the quarter, government data showed. The non-oil economy contracted 2.97%, with the hotels and restaurants segment declining by 20.44%. The oil sector grew 2.04% in the quarter. GDP contracted 0.10% from the previous three months, the data showed. Bahrain's economy is expected to grow 3.1% this year and next, recovering from last year's downturn. Non-oil economy is set to see 3.8% growth this year and 3.7% in 2022, while oil economy growth is set to remain at 0% both years. Preliminary projections show GDP contracted 5.1% last year. The IMF expects Bahrain's economy to grow 3.3% this year. The island nation is set to have one of the region's widest deficits at about 9% of GDP this year, while its debt ratio in relation to economic output is seen as the highest in the Gulf. (Reuters, Bloomberg)

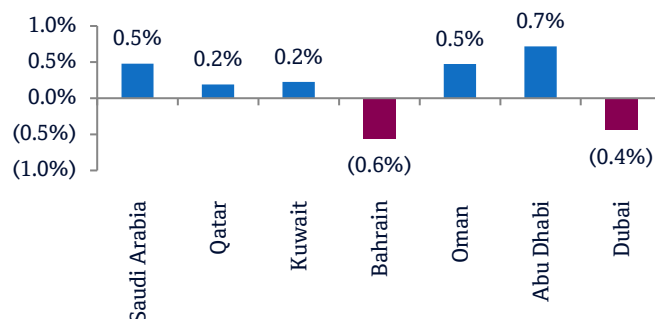
Rebased Performance



Source: Bloomberg
Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,787.30	0.6	0.3	(5.9)
Silver/Ounce	26.47	1.7	1.4	0.3
Crude Oil (Brent)/Barrel (FM Future)	76.17	0.4	(0.0)	47.0
Crude Oil (WTI)/Barrel (FM Future)	75.16	(0.1)	1.5	54.9
Natural Gas (Henry Hub)/MMBtu	3.30	0.0	(2.9)	38.1
LPG Propane (Arab Gulf)/Ton	111.75	1.6	7.5	48.5
LPG Butane (Arab Gulf)/Ton	123.75	2.1	7.5	78.1
Euro	1.19	0.1	(0.6)	(2.9)
Yen	111.05	(0.4)	0.3	7.6
GBP	1.38	0.4	(0.4)	1.1
CHF	1.09	0.5	(0.4)	(3.9)
AUD	0.75	0.7	(0.8)	(2.2)
USD Index	92.23	(0.4)	0.4	2.5
RUB	73.26	(0.2)	1.4	(1.5)
BRL	0.20	(0.2)	(2.5)	2.6

Daily Index Performance



Source: Bloomberg
Source: Bloomberg (*\$ adjusted returns)

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,046.09	0.6	0.7	13.2
DJ Industrial	34,786.35	0.4	1.0	13.7
S&P 500	4,352.34	0.8	1.7	15.9
NASDAQ 100	14,639.33	0.8	1.9	13.6
STOXX 600	456.81	0.2	(1.0)	10.9
DAX	15,650.09	0.3	(0.5)	9.9
FTSE 100	7,123.27	0.2	(0.9)	11.5
CAC 40	6,552.86	(0.1)	(1.8)	14.4
Nikkei	28,783.28	0.6	(1.3)	(2.6)
MSCI EM	1,355.38	(0.9)	(1.8)	5.0
SHANGHAI SE Composite	3,518.76	(2.0)	(2.7)	2.2
HANG SENG	28,310.42	(1.8)	(3.4)	3.8
BSE SENSEX	52,484.67	0.4	(1.3)	7.8
Bovespa	127,621.70	1.0	(2.1)	9.6
RTS	1,659.72	0.2	(0.7)	19.6

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