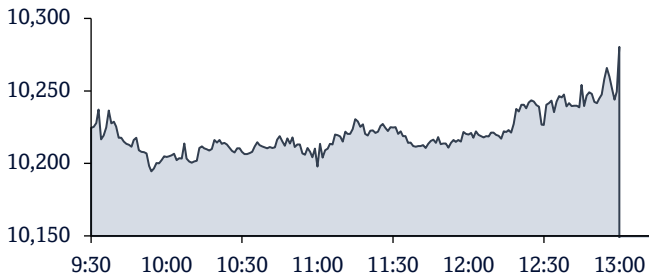


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.5% to close at 10,280.4. Gains were led by the Banks & Financial Services and Consumer Goods & Services indices, gaining 0.8% and 0.5%, respectively. Top gainers were Qatar Islamic Bank and Doha Bank, rising 2.4% and 1.8%, respectively. Among the top losers, Qatar German Co for Med. Devices fell 5.8%, while Mekdam Holding Group was down 1.7%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.6% to close at 11,780.3. Gains were led by the Utilities and Real Estate Mgmt & Dev't indices, rising 2.0% and 1.5%, respectively. Malath Cooperative Insurance Co. rose 6.9%, while Saudi Awwal Bank was up 5.3%.

Dubai: The DFM Index gained 0.2% to close at 4,018.9. The Consumer Staples index rose 2.1%, while the Industrials index gained 0.5%. Amlak Finance rose 14.9%, while Al Ramz Corporation Investment and Development was up 13.6%.

Abu Dhabi: The ADX General Index gained 0.1% to close at 9,681.2. The Basic Materials index rose 2.1%, while the Telecommunication index gained 0.8%. Gulf Cement Co. rose 6.7%, while United Arab Bank was up 4.3%.

Kuwait: The Kuwait All Share Index fell 0.3% to close at 7,287.1. The Energy index declined 1.2%, while the Basic Materials index fell 1.1%. Wethaq Takaful Insurance Company declined 12.0%, while Kuwait And Middle East Financial Investment Co. was down 8.6%.

Oman: The MSM 30 Index fell 0.2% to close at 4,757.7. Losses were led by the Services and Financial indices, falling 0.7% and 0.3%, respectively. Muscat Insurance Company declined 9.5%, while The Financial Corporation Company was down 6.2%.

Bahrain: The BHB Index gained marginally to close at 1,980.4. The Financials index rose 0.4%, while the Industrials index gained 0.1%. Khaleeji Bank rose 10.0%, while National Bank of Bahrain was up 0.8%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar Islamic Bank	18.25	2.4	3,361.9	(1.7)
Doha Bank	1.624	1.8	1,708.9	(16.8)
Qatar Electricity & Water Co.	17.90	1.6	210.0	1.1
Dukhan Bank	4.080	1.6	11,144.9	0.0
Qatar National Cement Company	3.959	1.2	90.5	(18.2)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatar Aluminium Manufacturing Co.	1.289	(1.5)	15,612.1	(15.2)
Qatar German Co for Med. Devices	2.400	(5.8)	12,615.4	90.9
Widam Food Company	2.706	(1.3)	11,544.6	33.2
Dukhan Bank	4.080	1.6	11,144.9	0.0
Mazaya Qatar Real Estate Dev.	0.813	(0.2)	7,116.3	16.8

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,280.37	0.5	0.6	2.0	(3.8)	113.21	166,064.0	12.4	1.4	4.8
Dubai	4,018.95	0.2	0.4	6.0	20.5	129.25	186,353.5	9.7	1.3	4.4
Abu Dhabi	9,681.15	0.1	0.6	1.4	(5.2)	322.01	733,474.8	32.5	3.0	1.7
Saudi Arabia	11,780.27	0.6	0.6	2.8	12.4	2,161.61	2,940,143.6	18.5	2.3	2.9
Kuwait	7,287.09	(0.3)	(0.4)	3.7	(0.1)	184.09	151,913.8	17.9	1.6	3.6
Oman	4,757.65	(0.2)	(0.8)	(0.2)	(2.1)	7.05	23,017.3	12.8	0.7	4.6
Bahrain	1,980.36	0.0	0.3	1.1	4.5	5.72	57,199.4	7.0	0.7	7.7

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

Market Indicators	17 Jul 23	16 Jul 23	%Chg.
Value Traded (QR mn)	410.7	394.3	4.1
Exch. Market Cap. (QR mn)	607,403.2	604,831.8	0.4
Volume (mn)	128.2	184.6	(30.6)
Number of Transactions	17,896	14,180	26.2
Companies Traded	43	48	(10.4)
Market Breadth	18:23	29:16	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	22,063.11	0.5	0.6	0.8	12.4
All Share Index	3,467.37	0.5	0.5	1.5	13.6
Banks	4,240.14	0.8	0.7	(3.3)	13.0
Industrials	3,850.32	0.3	0.2	1.8	12.9
Transportation	4,859.50	(0.3)	0.5	12.1	13.8
Real Estate	1,537.08	(0.5)	0.2	(1.5)	18.4
Insurance	2,391.60	0.5	1.0	9.4	178.8
Telecoms	1,695.83	0.2	(0.2)	28.6	15.0
Consumer Goods and Services	7,893.87	0.5	0.9	(0.3)	22.7
Al Rayan Islamic Index	4,573.15	0.4	0.6	(0.4)	8.5

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Saudi Research & Media Gr	Saudi Arabia	184.60	3.9	176.8	1.4
Borouge PLC	Abu Dhabi	2.71	2.7	19,539.0	7.1
Kuwait Telecommunications	Kuwait	621.00	2.1	1,163.2	6.2
Acwa Power Co.	Saudi Arabia	183.20	2.0	714.0	20.5
Emirates Telecom.	Abu Dhabi	22.26	1.8	2,004.1	(2.6)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Ooredoo Oman	Oman	0.36	(2.7)	302.6	(17.3)
Savola Group	Saudi Arabia	38.85	(1.8)	483.3	41.5
Saudi Aramco Base Oil	Saudi Arabia	146.20	(1.6)	781.9	57.2
Bank Al-Jazira	Saudi Arabia	18.26	(1.2)	4,202.8	(4.3)
Ahli United Bank	Kuwait	0.26	(1.1)	149.6	(7.4)

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

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatar German Co for Med. Devices	2.400	(5.8)	12,615.4	90.9
Mekdam Holding Group	4.924	(1.7)	127.1	(14.6)
Al Khaleeji Takaful Insurance Co.	2.773	(1.7)	595.1	20.5
Qatar Aluminium Manufacturing Co.	1.289	(1.5)	15,612.1	(15.2)
Widam Food Company	2.706	(1.3)	11,544.6	33.2

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Qatar Islamic Bank	18.25	2.4	60,456.4	(1.7)
Dukhan Bank	4.080	1.6	45,054.4	0.0
QNB Group	15.69	0.5	43,872.2	(12.8)
Widam Food Company	2.706	(1.3)	31,928.1	33.2
Qatar German Co for Med. Devices	2.400	(5.8)	31,243.8	90.9

Qatar Market Commentary

- The QE Index rose 0.5% to close at 10,280.4. The Banks & Financial Services and Consumer Goods & Services indices led the gains. The index rose on the back of buying support from GCC and Foreign shareholders despite selling pressure from Qatari and Arab shareholders.
- Qatar Islamic Bank and Doha Bank were the top gainers, rising 2.4% and 1.8%, respectively. Among the top losers, Qatar German Co for Med. Devices fell 5.8%, while Mekdam Holding Group was down 1.7%.
- Volume of shares traded on Monday fell by 30.6% to 128.2mn from 184.6mn on Sunday. However, as compared to the 30-day moving average of 170mn, volume for the day was 0% lower. Qatar Aluminum Manufacturing Co. and Qatar German Co for Med. Devices were the most active stocks, contributing 12.2% and 9.8% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	26.83%	29.92%	(12,679,799.80)
Qatari Institutions	18.91%	30.24%	(46,530,634.08)
Qatari	45.74%	60.16%	(59,210,433.87)
GCC Individuals	0.35%	0.34%	30,453.09
GCC Institutions	7.87%	1.08%	27,873,695.51
GCC	8.21%	1.42%	27,904,148.61
Arab Individuals	10.84%	11.20%	(1,492,114.55)
Arab Institutions	0.01%	0.05%	(144,995.40)
Arab	10.84%	11.24%	(1,637,109.95)
Foreigners Individuals	2.72%	2.95%	(934,752.44)
Foreigners Institutions	52.48%	24.23%	33,878,147.66
Foreigners	35.20%	27.18%	32,943,395.22

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

Earnings Releases, Global Economic Data, and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 2Q2023	% Change YoY	Operating Profit (mn) 2Q2023	% Change YoY	Net Profit (mn) 2Q2023	% Change YoY
National Gas	Oman	OMR	5.10	4.1%	N/A	N/A	(0.1)	N/A
Palms Sports	Abu Dhabi	AED	81.10	20.3%	N/A	N/A	21.3	-21.1%

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
07-17	UK	Rightmove	Rightmove House Prices MoM	Jul	-0.20%	NA	0.00%
07-17	UK	Rightmove	Rightmove House Prices YoY	Jul	0.50%	NA	1.10%
07-17	China	National Bureau of Statistics	GDP YoY	2Q	6.30%	7.10%	4.50%
07-17	China	National Bureau of Statistics	GDP SA QoQ	2Q	0.80%	0.80%	2.20%
07-17	China	National Bureau of Statistics	GDP YTD YoY	2Q	5.50%	6.10%	4.50%
07-17	China	National Bureau of Statistics	Industrial Production YoY	Jun	4.40%	2.50%	3.50%
07-17	China	National Bureau of Statistics	Industrial Production YTD YoY	Jun	3.80%	3.50%	3.60%
07-17	China	National Bureau of Statistics	Retail Sales YoY	Jun	3.10%	3.30%	12.70%

Earnings Calendar

Tickers	Company Name	Date of reporting HY2023 results	No. of days remaining	Status
MCGS	Medicare Group	18-Jul-23	0	Due
QFLS	Qatar Fuel Company	19-Jul-23	1	Due
ABQK	Ahli Bank	20-Jul-23	2	Due
QATR	Al Rayan Qatar ETF	20-Jul-23	2	Due
MKDM	Mekdam Holding Group	22-Jul-23	4	Due
AHCS	Aamal	24-Jul-23	6	Due
GWCS	Gulf Warehousing Company	25-Jul-23	7	Due
QIIK	Qatar International Islamic Bank	25-Jul-23	7	Due
BRES	Barwa Real Estate Company	26-Jul-23	8	Due
DHBK	Doha Bank	26-Jul-23	8	Due
UDCD	United Development Company	26-Jul-23	8	Due
QIMD	Qatar Industrial Manufacturing Company	26-Jul-23	8	Due
VFQS	Vodafone Qatar	26-Jul-23	8	Due
ORDS	Ooredoo	30-Jul-23	12	Due
QGTS	Qatar Gas Transport Company Limited (Nakilat)	02-Aug-23	15	Due
IGRD	Estithmar Holding	03-Aug-23	16	Due
QEWS	Qatar Electricity & Water Company	07-Aug-23	20	Due

Qatar

- CBQK's bottom line rises 1.0% YoY and 6.9% QoQ in 2Q2023, in-line with our estimate** – The Commercial Bank's (CBQK) net profit rose 1.0% YoY (+6.9% QoQ) to QR803.0mn in 2Q2023, in line with our estimate of QR776.3mn (variation of +3.4%). Net interest income decreased 2.4% YoY and 4.0% QoQ in 2Q2023 to QR948.0mn. The company's net operating income came in at QR1,431.7mn in 2Q2023, which represents an increase of 9.3% YoY. However, on QoQ basis net operating income fell 2.3%. The bank's total assets stood at QR160.8bn at the end of June 30, 2023, down 8.8% YoY (-1.5% QoQ). Loans and advances to customers were QR89.4bn, registering a fall by 11.7% YoY (-5.3% QoQ) at the end of June 30, 2023. Customer deposits declined 14.8% YoY to reach QR76.1bn at the end of June 30, 2023. However, on QoQ basis Customer deposits rose 0.1%. EPS amounted to QR0.19 in 2Q2023 as compared to QR0.19 in 2Q2022. (QNBFS, QSE)
- MARK's net profit declines 25.9% YoY and 1.4% QoQ in 2Q2023, misses our estimate** – Masraf Al Rayan's (MARK) net profit declined 25.9% YoY (-1.4% QoQ) to QR379.7mn in 2Q2023, missing our estimate of QR400.0mn (variation of -5.1%). Total net income from financing and investing activities increased 45.5% YoY and 4.5% QoQ in 2Q2023 to QR2,165.7mn. The company's total income came in at QR2,337.6mn in 2Q2023, which represents an increase of 36.9% YoY (+2.7% QoQ). The bank's total assets stood at QR160.5bn at the end of June 30, 2023, down 4.9% YoY (-1.1% QoQ). Financing assets were QR111.8bn, registering a fall by 5.9% YoY (-4% QoQ) at the end of June 30, 2023. Customer current accounts declined 7.3% YoY and 1.0% QoQ to reach QR8.8bn at the end of June 30, 2023. EPS amounted to QR0.041 in 2Q2023 as compared to QR0.055 in 2Q2022. (QNBFS, QSE)
- Ooredoo to disclose its Semi-Annual financial results on July 30** - Ooredoo to disclose its financial statement for the period ending 30th June 2023 on 30/07/2023. (QSE)
- Ooredoo to hold its investors relation conference call on August 03 to discuss the financial results** - Ooredoo announces that the conference call with the Investors to discuss the financial results for the Semi-Annual 2023 will be held on 03/08/2023 at 02:00 PM, Doha Time. (QSE)
- Qatar Gas Transport Company Ltd.: To disclose its Semi-Annual financial results on August 02** - Qatar Gas Transport Company Ltd. to disclose its financial statement for the period ending 30th June 2023 on 02/08/2023. (QSE)
- Qatar Gas Transport Company Ltd. to hold its investors relation conference call on August 03 to discuss the financial results** - Qatar Gas Transport Company Ltd. announces that the conference call with the Investors to discuss the financial results for the Semi-Annual 2023 will be held on 03/08/2023 at 01:30 PM, Doha Time. (QSE)
- Barwa Real Estate Company: To disclose its Semi-Annual financial results on July 26** - Barwa Real Estate Company to disclose its financial statement for the period ending 30th June 2023 on 26/07/2023. (QSE)
- Reminder: The trading of the rights issue for Mekdam Holding Group has ended** - The Qatar Stock Exchange announces that Monday, July 17, 2023, is the last day for trading the rights issue for Mekdam Holding Group. (QSE)
- Mekdam Holding Group: Announces the closure of nominations for board membership** - Mekdam Holding Group announces the closure of the period for nomination for the membership of its Board of Directors for 2023 - 2026 on 17/07/2023 at 03:30 PM. (QSE)
- Qatari SMEs sign deals worth QR731mn in first half of 2023** - The value of deals signed by Qatari small and medium-sized companies (SMEs) benefiting from the various services of the Qatar's Export Development & Promotion Agency (Tasdeer) reached about QR731mn during the first half of this year. In a report released on Monday, Tasdeer highlighted the momentum witnessed by the participation of small and medium-sized companies in many international exhibitions and trade missions, including Gulf and Arab markets as well as Turkiye and India. Tasdeer noted the participation of 20 Qatari companies from various sectors and

local industries in the trade mission to the Republic of Iraq, backed by the growth in the volume of Qatari exports to this country during the previous year. The number of bilateral meetings with the Iraqi side held during this visit reached approximately 331 covering various sectors to which the participating Qatari companies belong, including construction, plastic, medical and pharmaceutical materials, paper products, dyes, adhesives, batteries, and other sectors of interest, while the value of the initial deals amounted to about QR209mn. As many as 12 Qatari companies were able to showcase their products at the PlastIndia exhibition in India, one of the largest trade fairs capable of opening doors for Qatari products to reach new markets and explore broader horizons. The value of the deals amounted to more than QR71mn. In terms of other exhibitions, Qatari exporters participated in the Kuwait Build & Design Week, one of the most important commercial and consumer exhibitions in the construction, interior design and construction sectors in Kuwait. 14 Qatari companies presented their products and services in this exhibition. Their sectors and fields varied between plastics, technology and architecture. construction services and others. This participation resulted in a number of commercial deals worth more than QR24mn. Tasdeer noted successive Qatari participation in major exhibitions in the region, as 17 Qatari companies from the construction sector participated in The Big 5 Saudi exhibition, which was held last February at the Riyadh Exhibition and Convention Center. More than 170 bilateral meetings were held and potential deals worth more than QR150mn were signed. In April, 16 Qatari companies participated in the Turkiye Build Istanbul 2023 exhibition in Istanbul and signed deals worth more than QR37mn with the possibility of exporting their products and services to Europe, Africa, the Middle East and the GCC countries. 22 Qatari companies participated in The Big 5 Egypt exhibition, which was held in June in Cairo and resulted in more than 160 bilateral meetings and deals worth QR126mn along with export opportunities for Qatari companies in Egypt, Russia, Kuwait, Kenya, Morocco, Saudi Arabia and others. Throughout the first half of the year, trade missions by exporters and owners of Qatari companies were active as 23 Qatari companies participated in the trade mission to India, seeking to open new cooperative areas for the future, given the increase in the volume of trade between the two countries by 60% since 2020, while the value of deals exceeded QR114mn. Tasdeer is keen on continuing its activities and programs that seek to speed up the development of the private sector in line with the National Vision of the State of Qatar 2030 and to build a strong and diversified economy by developing the capabilities of Qatari exporters in the non-oil and non-hydrocarbon fields and increasing the competitiveness of the Qatari product in the global markets. (Qatar Tribune)

- Qatar to host International LNG conference in 2026** - Qatar will host the 21st International Conference & Exhibition on Liquefied Natural Gas "LNG 2026", a preeminent world event in the LNG industry that showcases the continued growth and development of the sector worldwide. The hosting of this unique platform for the global LNG industry will coincide with the historic start-up of the North Field LNG expansion project and the commissioning of one of the largest Carbon Capture and Storage schemes in the world by Qatar - the world's largest LNG producer. Speaking at a special handover ceremony at the conclusion of LNG 2023 in Vancouver, Canada, held between July 10 and July 13, QatarEnergy Public Relations and Communication Manager Lolwa Khalil Salat thanked the city of Vancouver and the LNG 2023 organizers for a memorable event. She said, "While we receive the reins as the next host of the largest global LNG industry conference and exhibition, we are full of excitement to be able to welcome you all in Qatar in 2026." Salat concluded her handover remarks by saying, "On behalf of Minister of State for Energy Affairs and QatarEnergy President & CEO HE Saad Sherida Al Kaabi and on behalf of all of us in QatarEnergy, we welcome you to Qatar and look forward to engaging in a meaningful discussion on how LNG can better serve the world and how to ensure equitable access to energy, and greater energy security for all." The LNG Conference and Exhibition is held every three years alternating between exporting and importing countries. The event is organized by the International Gas Union, the Gas Technology Institute, and the International Institute of Refrigeration, and is considered as the premier event for the world's LNG industry, featuring the largest number of high-level LNG industry leaders as plenary speakers. (Qatar Tribune)

- **QCB financing controls on realty to lessen stress, augur well for REITs -**

The Qatar Central Bank's (QCB) move to tighten the credit to the real estate sector is expected to not only lessen the stress in the banking industry but also augur well for the proposed real estate investment trusts (REITs). "The (commercial banks') exposure towards the (real estate) sector has been a key stress factor. The latest salvo will certainly address the imbalance," an analyst with a leading investment house said, viewing the move as "positive" by market experts. Finding that realty is one of the problematic areas in the country's non-performing loans; he said credit concentration has remained a "cause of concern", a phenomenon common across the banks in the Gulf Co-operation Council. Although the banking sector's asset quality is currently good and capital buffers remain strong, banks are exposed to "significant" lending concentrations (in the real estate), global credit rating agency Capital Intelligence had said. The central bank had last week put in place new real estate financing controls to include determining the maximum-loan-to-value (LTV) and tenure-for mortgages within Qatar, as part of measures to bulwark the banking sector. Branches and overseas subsidiaries of Qatari banks should comply with the instructions and conditions of the host regulatory authorities as long as the collaterals and financed properties are outside the country. As Qatari banks' total exposure to real estate reportedly represent roughly one-fifth of the total loans, the lenders have historically been focusing on lending to the sector, resulting in high loan concentration and asset-quality vulnerabilities. The latest financial stability report of the QCB said real estate continued to remain as one of the most important sector in Qatar's economy. "Despite some decline in recent years, the share of real estate in bank credit continues to be large," it said, adding "as a result, movements in real estate prices have the potential to impact the balance sheets of both individual borrowers and financial institutions, with implications on financial stability." Stressing that the banking sector already has strong capital adequacy ratio and Tier 1 capital ratios; the amendments will bring in a rationalized regime to the borrowers. Sources said the amendments also come in view of soon to be introduced REITs. The strong non-energy private sectors, especially the real estate and construction, and the permits issued in the realty sector, make REITs good investment option, the sources said. The cabinet resolution No 28 of 2020 allowed real estate investment funds that will specialize in property investment in the various regions, thus providing an opportunity that was previously unavailable to middle and limited-income citizens to invest in the real estate sector. (Gulf Times)

- **Residential sector upbeat with rising projects -** Qatar's housing market is

witnessing a positive momentum with numerous projects lined up since the first quarter of the year. According to ValuStrat, approximately 1,200 units were added increasing the residential stock to 336,440 units during Q1 2023. These units consist of nearly 42% villas and 58% apartments. Some of the notable projects that were implemented include The Grand Zone at the Mall of Qatar, which now has 1,023 apartments, Al Darwish Residential Tower in West Bay with 160 apartments, and a residential building consisting of 150 apartments in the Waterfront District of Lusail city. Meanwhile, the sales for La Mer Villas contain 71 units in Qetaifan Island North and Blossom Residential Tower with 112 apartments in Al Erkhayh Lusail were launched. The report states that it is estimated to carry out projects in the residential industry with about 11,700 units in the pipeline this year, of which 52% will be established in Lusail and The Pearl. ValuStrat remarked that the volume of transactions surged significantly by 9.6% Quarter-on-Quarter but shows a decrease of 36.4% as compared to Q1 2022. The median ticket size for residential units was QR2.8m, showing a quarterly decline of 1.8%, however, it still is a yearly increase of 7.6%. Areas such as Al Khor, Muaiter, and Umm Karn had the highest volume of transactions of residential houses during the first quarter of the year. While the projects continued to impact positively post-FIFA, 43 transactions were completed for residential units in areas including Old Airport, Fereej Abdul Aziz, and Al Mansoura comprising the majority of the transaction volume. The report, however, mentions that the volume and value of transactions in both The Pearl Qatar and Al Qassar fell by 30% and 17% year-on-year during the first three months of the year. The median asking residential rent dropped steeply by 5.1% quarterly to QR9,250 but shows an increase of 3% as compared to the listed rent in the same period in 2022. ValuStrat notes that the apartment sub-market continued to experience market corrections, and the median

asking rent declined by 5.4% Quarter on Quarter. However, the average quoted rents for apartments in financial districts like Lusail and West Bay experienced the highest quarterly depreciation of 8% and 9%, respectively. Albeit the asking rents for apartments in Lusail, West Bay and The Pearl depreciated quarterly, median rents in these areas are still 11% higher on average compared to the first quarter of 2022. The report points out that the average listed rents of villas in Al Muraikh, Al Wakrah and Abu Hamour rose to 4% Quarter on Quarter. As the mega sporting event, FIFA World Cup Qatar 2022 concluded last year, short-term Eskan lease contracts were expired, which resulted in the increasing rates of vacancies in the country in the residential sector. (Peninsula Qatar)

- **Kishida: Qatar, Japan to work more closely to stabilize global LNG market -**

Japanese PM Kishida stressed that it is extremely important for Qatar and Japan to work more closely to stabilize the global LNG market, which is experiencing tight supply and demand, pointing out that Japan is hosting the LNG Producer-Consumer Conference 2023 in Tokyo at the same time as his visit to Qatar to promote gas security and clean LNG utilization to the world as president of the G7. "Despite their geographical distance, Japan and Qatar have been able to deepen their ties in a favorable and stable way over the years, owing to the fact that the Indo-Pacific region, to which both countries belong, has defended and protected a free and open international order based on the rule of law, despite facing numerous challenges. It was also confirmed at the G7 Hiroshima Summit hosted by Japan this May that all countries should observe the principles of the United Nations Charter, such as respect for sovereignty and territorial integrity," he added. "Japan maintains and strengthens a free and open international order based on the rule of law in the Indo-Pacific and advocates the vision of a "Free and Open Indo-Pacific" to achieve peace, stability and prosperity in the region and the world. To realize this vision, we are cooperating with all countries without excluding any, but we would especially like to work closely with Qatar, a country that also values the rule of law," he said. The Japanese PM pointed out that today, the relationship between Japan and Qatar extends beyond energy. During the Amir of State of Qatar His Highness Sheikh Tamim bin Hamad Al Thani's visit to Japan in January 2019, the leaders of the two countries declared the establishment of the 'Strategic Dialogue' between the foreign ministers and confirmed that the two sides further strengthen their ties. He said, "Under this framework, we hold with the Qatari side discussion on the exchanges and cooperation in a wide range of fields, not limited to the energy field. We also exchange our views on Middle Eastern Affairs including Gulf affairs, peace in the Middle East, and East Asian affairs such as China and North Korea. I intend to closely work, on the international stage, with Qatar which plays a vital role in easing tensions and stabilizing the situation in the international community, including the situation in Afghanistan." "In addition, Japan attaches great importance to the Qatar National Vision 2030, which promotes industrial diversification and human resource development, and we will continue to cooperate with Qatar towards its realization," he added. The Japanese Prime Minister considered that Qatar National Vision 2030 exemplifies HH the Amir's strong leadership and clear vision, and its success is extremely important not only for Qatar, but also for the prosperity and stability of the Middle East region as a whole. The Japanese PM stressed that he sees an even greater potential for cooperation between the two countries, saying in this regard: "Over the next 50 years, I would like to work with HH the Amir to turn these possibilities into a reality." (Qatar Tribune)

- **Four MoCs between Qatar and Japan likely -** Four Memorandums of

Cooperation (MoCs) between Qatar and Japan are expected to be announced during the official visit of Japanese Prime Minister Fumio Kishida to Qatar on Tuesday, according to reliable sources. Prime Minister Kishida is expected to arrive in Doha today from the United Arab Emirates as part of his official tour to the Gulf Cooperation Council countries. Qatar is the fourth largest crude oil supplier to Japan and the seventh largest LNG supplier as per 2022 figures. According to the source, Prime Minister Kishida will be heading an over 40-member delegation, mainly businessmen. Both Qatar and Japan enjoy close bilateral relations for more than 50 years. Prime Minister and Minister of Foreign Affairs HE Sheikh Mohammed bin Abdulrahman bin Jassim Al Thani and Japan's Foreign Minister Yoshimasa Hayashi met in Tokyo on January 31 this

year, where they said the stable supply of LNG from Qatar to other countries, including Japan, was crucial. Japanese Prime Minister Kishida arrived in Jeddah on Sunday where he met with Crown Prince and Prime Minister HH Prince Mohammed bin Salman Al Saud. Both the leaders exchanged talks on bilateral relations mainly on furthering cooperation in the trade, investment, economic and cultural sectors. Saudi Arabia supplies 40% of Japan's crude oil and actively invests in Japan in high-tech and other sectors. Prime Minister Kishida later left for the United Arab Emirates on Monday and met UAE President Sheikh Mohamed bin Zayed Al Nahyan. Under the Comprehensive Strategic Partnership Initiative (CSPI), both countries held their discussions, mainly on cooperation in the agreement concerning the Transfer of Defense Equipment and Technology. Japan imports just under 40% of its crude oil from the UAE. (Qatar Tribune)

International

- World Bank chief: World economy in a difficult place but not destined to stay there** - The world economy is in a difficult place but it is not destined to stay there, World Bank President Ajay Banga said on Monday. The World Bank last month cut its 2024 forecast for global economic growth to 2.4% from 2.7% earlier, citing global monetary tightening. "The fact is that the world economy is in a difficult place. It has outperformed what everybody has thought but it won't mean there won't be more challenges," Banga said on the sidelines of a G20 meeting in the Indian city of Gandhinagar. "Forecast is not equal to destiny. We can change destiny, that's what we should think of right now," Banga said. (Reuters)
- Goldman Sachs cuts probability of US recession in next 12 months** - Goldman Sachs' Chief Economist Jan Hatzius said on Monday the bank was cutting its probability that a U.S recession will start in the next 12 months to 20% from an earlier 25% forecast. "The main reason for our cut is that the recent data have reinforced our confidence that bringing inflation down to an acceptable level will not require a recession," he said in a research note. Market expectations of a so-called hard landing - a scenario in which the Federal Reserve's interest-rate hikes tip the economy into a recession - have been recently challenged by data showing slowing consumer and producer price inflation in June. Slowing inflation would likely lead to a more dovish monetary policy going forward. Meanwhile, economic activity has remained resilient, despite significantly higher borrowing costs since the Fed started its rate-hiking campaign in early 2022. "We do expect some deceleration in the next couple of quarters, mostly because of sequentially slower real disposable personal income growth ... and a drag from reduced bank lending," Hatzius said. However, he expected the economy to continue to grow, although at below trend pace. With regards to the current inversion of the Treasury yield curve - generally seen as a harbinger of an upcoming recession - Hatzius said it reflected and simultaneously validated "overly pessimistic" economic forecasts. An inverted yield curve generally signals expectations that the Fed will cut rates to stimulate the economy. The Goldman Sachs economist said, however, there was a "plausible path" for the Fed to cut interest rates just because of lower inflation. (Reuters)
- Wall Street banks cut China's growth forecast after dull second quarter** - JP Morgan, Morgan Stanley and Citigroup trimmed China's growth forecast for 2023 after the country's economy grew at a weaker pace in the second quarter, with its post-COVID momentum unravelling rapidly. Data on Monday showed China's economy grew 6.3% in the second quarter on a year-on-year basis, accelerating from 4.5% in the first three months of the year, but well below expectations of 7.3%, as demand weakened at home and abroad. "Market skepticism on China's growth outlook is on the rise," said Morgan Stanley economists led by Robin Xing. Demand weakness in China could ripple across developed and developing economies, raising the need for more fiscal stimulus from Beijing - a delicate task as any aggressive stimulus could fuel debt risks and structural distortions. JPM cut China's Gross Domestic Product (GDP) forecast to 5% from 5.5%. The bank tempered its outlook on the property industry too, with no turnaround in sight yet. The biggest cuts were in new constructions, with JPM now expecting a contraction of 20% this year. They earlier projected new starts shrinking by 7%. The bank estimates that a 10-basis point (bps) policy rate cut in the fourth quarter, and nationwide housing policy easing, including a relaxation of down-

payment requirements, are possible steps the government could take to boost economic growth. Citi, meanwhile, expects a 20-bps cut in the policy rate and 25 bps in the reserve requirement ratio (RRR) by the end of the third quarter. "We certainly need more significant measures to keep growth on track," Citi's chief China economist, Xiangrong Yu said. "The mid-year Politburo meeting will be a window to read the latest policy thinking, but we are also mindful of risks that policy could fall behind the curve or short of expectations." Morgan Stanley cut its forecast for China's GDP from 5.7%, and also trimmed its 2024 forecast for the country by 40 bps to 4.5%. This implied a return to China's post-COVID potential growth trend, MS economists said. Goldman Sachs, however, maintained its 2023 full-year GDP growth forecast at 5.4%, even as they cut their current-quarter growth forecast to 5.5% on a quarter-on-quarter basis from 6.5% previously. "Some negative factors may fade in Q3 and policymakers have stepped up their easing measures, implying a potential rebound in sequential growth ahead," GS economists led by Lisheng Wang said. (Reuters)

- NY Fed report finds Americans increasingly facing borrowing headwinds** - Americans are increasingly getting shot down when they seek out loans, new data from the New York Fed, released Monday, said. The bank reported that in June, across a number of fronts, credit was the hardest to get in years, with fewer people seeking out loans, at least for now. The report's findings were compiled as part of the New York Fed's monthly Survey of Consumer Expectations, with respondents polled every four months about credit access issues. The bank said that the overall rejection rate for credit applicants rose to its highest level since June 2018, and stood at 21.8%, from 17.3% in February. The bank noted the rise in the rejection rate "was broad-based across age groups and highest among those with credit scores below 680." The survey also found that rejection rates for auto loans hit the highest level for a data series that goes back to 2013 and stood at 14.2%, from 9.1% in February. Rejection rates for credit cards, credit limit increases also gained ground. The rejection rate for mortgages stood at 13.2% in June from 10% in February, while the rejection rate for mortgage refinancing jumped to 20.8% last month, from 16.3% in the prior survey. The survey found that what it called the average probability that a loan will be rejected "sharply" surged to record levels for auto loans, credit cards, credit limit increases and housing related credit. The survey found a modest pullback in those seeking loans, to 40.3% of respondents in June—that's the lowest level since October 2020—from February's 40.9%. But it noted that respondents who plan to apply for credit over the next year ticked up a touch to 26.4% of respondents, from February's 26.1%. The New York Fed data arrives amid a sea change for US lending, as the Fed has pumped up its short-term target interest rate very aggressively since the spring of 2022, as it has sought to cool high levels of inflation. The Fed wants to temper demand and a key part of that process has been to make credit harder to get, and it is widely expected to raise rates again next week. The housing sector has been particularly hard hit by rising rates as mortgage costs have surged from sub 3% levels in the fall of 2020 through most of the following year, to mortgages that are now hovering around the 7% mark. The surge in home lending costs has caused Americans to cut back on borrowing there: The New York Fed reported in May that during the first quarter demand for mortgages fell even as overall household debt levels ticked higher. Meanwhile, bank lending to consumers has remained relatively stable although it is also showing some signs of slowing down. (Reuters)

Regional

- Al-Attayah Foundation: GCC countries start to invest heavily in green hydrogen production** - Oil rich GCC countries are turning to another form of energy production - green hydrogen - that could transform their economies and curb carbon emissions in the coming years, Al-Attayah Foundation said in a report. In its Sustainability Research Paper titled "Green Hydrogen Opportunities for the Gulf Region" Al-Attayah Foundation noted green hydrogen production is one of the areas the region started to heavily investing in. Middle Eastern nations have abundant reserves of oil and gas. The Gulf Co-operation Council countries possess approximately 25% of the world's oil reserves and around 18% of the global natural gas reserves. "However, leaders across the region are aware that oil and gas will not be the main economic drivers forever, and many are now attempting to diversify their economies and expand their

non-oil sectors,” Al-Attiyah Foundation noted. Green hydrogen production is one of the areas the region is starting to heavily invest in. The process uses renewable energy to produce the element through electrolysis where water molecules are split into hydrogen and oxygen, capturing, and storing the hydrogen for use as fuel. Hydrogen, the lightest and most abundant element in the universe, can be used for a wide range of applications, including power generation, energy storage, and transportation (particularly heavy transportation such as shipping and trucking). It can also be used to make sustainable aviation fuel (SAF), and most crucially, it offers a way to decarbonize “hard-to-abate” industries such as steel, aluminum, and cement, where using renewable energy alone is not possible, as well as other high-carbon industries such as fertilizer. In the UAE, France’s Engie and Abu Dhabi-based renewable energy business Masdar stated they would be investing \$5bn in the country’s green hydrogen industry, aiming for an electrolyze capacity of 2 gigawatts by 2030. And Dubai launched the region’s ‘first industrial scale’ green hydrogen plant. The UAE has stated it plans to achieve a 25% share of the global low-carbon hydrogen market by 2030. Meanwhile, Saudi Arabia announced a \$7bn agreement to produce green hydrogen in Oman’s Salalah free zone with ACWA Power and Omanoil and Air Products. “Until recently Qatar did not have plans for a policy framework or measures to increase domestic hydrogen production. Instead, its focus was to export LNG and allow or partner with importers to produce blue hydrogen abroad. “However, it was recently announced that Qatar intends to build the world’s biggest blue ammonia plant with a production capacity of approximately 1.2mn tonnes of ammonia per year, which is slated to start production in 2026,” Al-Attiyah Foundation said. Blue ammonia is made from nitrogen and “blue” hydrogen derived from natural gas feedstocks, with the carbon dioxide by-product from hydrogen production captured and stored. Blue ammonia can be used as a low-carbon fuel across a wide range of industrial applications, including transportation, power generation and industries including cement, and fertilizer production and is the favored mechanism to transport hydrogen over large distances. Al-Attiyah Foundation noted, “The GCC region is in a pole position to become a major producer and exporter of hydrogen. The region boasts enormous renewable energy resources and has the necessary space to produce green hydrogen on large scale, it is close to major demand centers like the European Union and Asia and due to massive cash flows caused by the export of fossil fuels, the Gulf countries have a substantial investment potential at their disposal. “However, Gulf countries are still heavily dependent on the export of fossil fuels. More stringent climate targets might in the long term heavily reduce the revenues from oil- and gas exports. In this regard, a global uptake of hydrogen is a double-edged sword for the Gulf countries as it can be seen as a significant economic risk to the region.” (Gulf Times)

- **GCC, Japan resume FTA negotiations** - The Gulf Cooperation Council (GCC) and Japan announced their resumption of the Free Trade Agreement (FTA) negotiations. GCC and Japan signed a joint statement in this regard on the sidelines of the meeting held in Jeddah on Sunday between Prime Minister of Japan Fumio Kishida and GCC Secretary-General Jassem Al-Budaiwi. Commenting on this, GCC secretary-general said that this announcement comes in implementation of the directives of the Ministerial Council to ink free trade agreements with the trade partners of the GCC countries as part of the priorities that were agreed to accomplish at its session which took place in June 2022. Al-Budaiwi added that Japan is considered as one of the priorities of the GCC with which it seeks to bolster their strategic, economic, development and investment relations. The secretary-general expressed the hopes of the GCC member states to consolidate trade and investment ties between the two sides through this agreement. He highlighted its role in launching a new era of partnership that is aimed at providing many opportunities for joint growth for the business communities of both sides, especially in priority sectors Al-Budaiwi pointed out that this agreement will pave the way for the development of a comprehensive economic framework based on mutual interests, which, in return, would establish stronger strategic cooperation, promote innovation, stimulate economic growth, and create job opportunities for both sides. He emphasized the strategic and important bonds between the GCC countries and Japan in all areas, most notably the high level of political coordination, as well as cooperation in the field of energy and trade exchange. He indicated that Japan ranked

fourth in terms of exports from the GCC countries with a value of \$76.7bn and ranked fourth in terms of imports from the GCC which are valued at \$22bn. (Zawya)

- **Gulf Cooperation Council Interconnection Authority inks MoU with Royal Commission for Jubail and Yanbu** - The Royal Commission for Jubail and Yanbu (RCJY) and the Gulf Cooperation Council Interconnection Authority (GCCIA) have signed a Memorandum of Understanding (MoU) at RCJY headquarters in Riyadh. The agreement was signed by Khaled bin Mohammed Al Salem, President of RCJY, and Ahmed Al Ebrahim, the CEO of the GCCIA. While aiming to strengthen collaboration frameworks, promoting shared standards, and fostering the exchange of expertise, the MoU agreement marks a significant step towards fruitful cooperation in various fields, including industry, development, strategy, academia, science, research, and training. The MoU focuses on fostering academic, research, and consultancy cooperation in scientific research and studies. It emphasizes the optimal utilization and development of human, scientific, and technical resources between the two entities. Furthermore, the MoU encourages the exchange of research findings, training programs, developmental initiatives, scientific endeavors, and cultural visits, while also facilitating the provision of technical consultations. Under the agreement, RCJY and GCCIA will collaborate on conducting comprehensive studies pertaining to environmental, social, and governance practices. The objective is to align their respective visions and goals. They will also engage in research and development activities, with a particular focus on energy transformation technologies and resource efficiency enhancement techniques. The sharing of experiences and expertise will encompass areas such as investor management, corporate communication, reputation management, and marketing, ultimately leading to the formulation of viable and executable projects. Khalid Al Salem commended the pivotal role played by GCCIA in enhancing and ensuring energy security across Gulf Cooperation Council (GCC) countries. Notably, this encompasses addressing challenges such as loss of generation capacity during emergencies, reducing generation reserves, mitigating carbon emissions, minimizing the costs associated with fiber optic network construction, and establishing the foundation for the exchange and trade of electrical energy among member countries. Al-Salem emphasized that this project is part of the comprehensive integration efforts among GCC countries, which exemplifies the cooperative spirit among member states. Ahmed Al Ebrahim emphasized that the signing of this MoU signifies a commitment to enhancing collaboration between RCJY and GCCIA. This partnership is centered on human development and efficiency enhancement. Al-Ebrahim highlighted the significant role this collaboration will play in raising functional quality standards and equipping talented individuals to contribute to the energy sector, a vital pillar of the economy. He further emphasized that since the inception of the GCCIA project, continuous efforts have been made to develop and expand it. This proactive approach aligns with the ambitious strategic vision of the project, enabling it to keep pace with rapid advancements and the increasing demand for electrical energy in GCC countries. Technical and economic studies have been conducted to enhance emergency reliability and explore expansion opportunities beyond the GCC electricity system, including assessing potential interconnection with neighboring networks. (Zawya)
- **Saudi Arabia and Turkey sign agreements on energy, defense and other fields** - Saudi Arabia and Turkey signed a number of memorandums of understanding in many fields including energy, direct investments and defense, Saudi state news agency SPA reported early on Tuesday. Turkey’s President Tayyip Erdogan and Saudi Crown Prince Mohammed bin Salman, the kingdom’s de facto ruler, witnessed the signing ceremony of the bilateral agreements between the two countries, SPA said. Saudi Arabia signed two contracts with Turkish defense firm Baykar to buy drones “with the aim of enhancing the readiness of the Kingdom’s armed forces and bolstering its defense and manufacturing capabilities,” Saudi Defense Minister Prince Khalid bin Salman said in a tweet on Tuesday. The two countries also signed a defense cooperation plan, the minister added. Erdogan met the crown prince late Monday night, SPA added. He had arrived in the kingdom earlier on Monday for the first stop of a Gulf tour with “high hopes” for investment and finance as Turkey looks to ease budget strains, chronic inflation and a weakening currency. Erdogan’s

Gulf tour, which also includes Qatar and the United Arab Emirates, is due to conclude on July 19. (Reuters)

- PM Kishida: Japanese companies to expand their projects in Saudi Arabia** - Japanese Prime Minister Fumio Kishida said that there are 110 Japanese companies operating in Saudi Arabia, and these companies will expand their projects in the Kingdom. He also emphasized that Japan will cooperate with Saudi Arabia in the field of semiconductors. Kishida said this after his arrival in Jeddah on Sunday on the first leg of a three-day Gulf trip that will also take him to the United Arab Emirates and Qatar. The prime minister said that his visit aims to strengthen strategic relations with Saudi Arabia in all fields. "We will work with Saudi Arabia to strengthen the energy sector. Japan is committed to enhance joint investments with Saudi Arabia, and we will support Saudi Arabia with modern technology to obtain clean energy," he said while emphasizing that Japan is keen on making Saudi Arabia its major destination in the mining sector. The Japanese premier's visit is intended to help Japan develop its ties with the Gulf Cooperation Council (GCC) states and further enhance bilateral cooperation in various fields, especially the energy sector. Earlier, upon arrival at King Abdulaziz International Airport, Kishida was received by Deputy Emir of Makkah Prince Badr bin Sultan. Those who received him also included Minister of Investment Eng. Khalid Al-Falih, Mayor of Jeddah governorate Saleh Al-Turki, Saudi Ambassador to Japan Naif Al-Fahadi, Makkah Region Police Director Maj. Gen. Saleh Al-Jabri, Director of Royal Protocols in the Makkah Region Ahmed Dhafer, and Japanese Ambassador to Saudi Arabia Fumio Iwai. (Zawya)
- UAE, Japan deepening joint cooperation in climate change, energy security and supply** - The UAE and Japan are joining forces in many vital areas and current joint initiatives, which include hydrogen production and low-emission blue ammonia, to meet the ambitions of the two countries to benefit from new commercially viable technologies to reduce emissions. For its part, the UAE focused on solidifying bilateral cooperation within the framework of climate diplomacy to advance economic development, enable low-emissions growth, and enhance energy security. During the first session of the Political, Diplomatic, and International Cooperation Subcommittee, both countries also reaffirmed their shared commitment to addressing climate-related challenges in the lead-up to the Conference of the Parties of the United Nations Framework Convention on Climate Change (COP28), which will take place in the UAE this November. Officials from both sides used the inaugural subcommittee meeting to explore opportunities for strengthening ties, through collaboration in areas such as trade and investment, energy technology, food security and enhanced cooperation in R&D. For its part, the UAE is the second largest supplier of oil to Japan and an important source of natural gas and aluminum, covering more than 20% of its needs, in addition to continuing responsible investment to enhance its leadership as a reliable global energy provider. The UAE, in turn, is a safe, stable and reliable source of energy for Japan, and it also plays the role of a strategic and cooperative partner in various fields. Abu Dhabi National Oil Company (ADNOC) along with ADQ and Japan's Mitsui & Co., Ltd (Mitsui) and the Republic of Korea's (Korea) GS Energy Corporation (GS Energy) agreed to partner with TA'ZIZ and Fertigllobe to develop the world-scale low-carbon blue ammonia facility at the TA'ZIZ Industrial Chemicals Zone in Ruwais. The partnerships aimed to accelerate Abu Dhabi's position as a leader in low-carbon fuels, capitalizing on the growing demand for blue ammonia as a carrier fuel for clean hydrogen. The World-Scale Low-Carbon Blue Ammonia Project to be built in the industrial hub of Ruwais in the emirate of Abu Dhabi, will have the capacity to produce 1mn mt/year of blue ammonia facility and expected to start production in 2025. This project contributes to consolidating the UAE's leadership in the field of low-carbon fuels by benefiting from the global demand for blue ammonia as a clean hydrogen fuel. Abu Dhabi National Oil Company (ADNOC), ENEOS Corporation (ENEOS), and Mitsui & Co., Ltd. have formed a Joint Study Agreement to begin evaluating the development of a clean hydrogen supply chain between UAE and Japan. The project aims to be developed in two phases, with first phase utilizing by-product hydrogen from ADNOC's system in Ruwais Industrial Area in Abu Dhabi, while Phase 2 envisages greenfield blue hydrogen production from natural gas. The hydrogen will be transformed to methylcyclohexane (MCH), an efficient form of hydrogen transport vector to export to Japan.

ADNOC entered into a joint study agreement (JSA) with two Japanese companies – INPEX Corporation (INPEX), JERA Co., Inc. (JERA), and a government agency, the Japan Oil, Gas and Metals National Corporation (JOGMEC) – to explore the commercial potential of blue ammonia production in the UAE. The agreement builds on ADNOC's low-carbon fuels leadership and extensive experience in carbon capture and storage. The joint study agreement with INPEX, JERA and JOGMEC provides a roadmap to deepen access to Japanese markets for ADNOC's products and further strengthen the UAE's hydrogen value proposition. Abu Dhabi-based Masdar signed a memorandum of understanding (MoU) with Japan's Sumitomo to explore developing a range of waste-to-energy projects across the GCC. The range of projects includes a plant with the capacity to treat 390,000 tonnes a year and generate 25MW of power. (Zawya)

- Non-oil trade between UAE, Japan rises to \$142.7bn over last decade** - The non-oil trade between the UAE and Japan grew by 36% over the past two years from 2020 to 2022, rising from AED39.9bn to AED54.1bn in 2022, according to data from the Federal Competitiveness and Statistics Centre (FCSC). This significant rise in non-oil trade reflects the strong partnership and economic cooperation between the two countries, driving their sustainable development towards further economic prosperity and growth sustainability. Over the past ten years, from 2013 to 2022, the non-oil trade between the two countries increased from AED53.9bn to AED54.1bn, reaching a total of AED524.4 over a decade. In terms of foreign trade distribution between the two countries last year, re-exports totaled AED3.4bn, non-oil exports amounted to AED6.5bn, and imports reached AED44.1bn. Cars topped the list of top five commodities re-exported to Japan in 2022, with a value of AED1.3bn, followed by car devices and supplies valued at AED417mn, then pneumatic tyres valued at AED274mn. Jewelry and ornaments amounted to AED150mn, followed by precious metal scraps at AED105mn. In terms of exports, raw aluminum ranked first among the top five commodities exported to Japan, with a value of AED3.9bn, followed by mineral oils valued at AED991mn, centrifugal filter devices at AED613mn, copper valued at AED404mn, and polypropylene polymers at AED143mn. Regarding the top five commodities imported from Japan in 2022, cars topped the list with a value of AED20.08bn, followed by car parts and accessories valued at AED4.3bn, iron at AED1.3bn, communication devices and equipment at AED1.1bn, and printing equipment at AED1.07bn. (Zawya)
- UAE ranks first regionally in UNIDO's Competitive Industrial Performance Index** - The UAE has been ranked first in the Arab region and 29th globally in UNIDO's Competitive Industrial Performance Index (CIP), climbing two spots from last year's index. The CIP, which ranks 153 countries, assesses national industrial performance in the global economy, benchmarking the ability of countries to produce and export competitively. This index gauges and compares the strength of industrial competitiveness within countries. It is based on indicators including technological capabilities, innovation, productivity, and trade performance. The UAE has remained in the CIP's top quintile, reflecting its position as a regional and global player in the industrial sector. Under the CIP, the UAE climbed from 124 to 115 in Industrial Export Quality, 98 to 95 in Share of Manufacturing Value Added in GDP, 110 to 97 in Share of Manufacturing Exports in Total Exports and 17 to 14 in Manufacturing Export per Capita indices. Dr. Sultan bin Ahmed Al Jaber, Minister of Industry and Advanced Technology, said, "The UAE leadership's vision and directives have laid solid foundations to achieve sustainable economic development. The country has made qualitative leaps in industrial development and has been able to strengthen its strategic position as it moves towards achieving its industrial goals through a set of competitive advantages that enhance its position as a global hub for manufacturing and innovation. "The recent UNIDO ranking confirms the UAE's leadership in industry and advanced technology and highlights the country's industrial trajectory. It also reflects MoIAT's commitment to stimulating sustainable industrial growth and enhancing investment attractiveness as well as regional and international competitiveness through deploying advanced technologies and solutions of the Fourth Industrial Revolution." Dr. Al Jaber emphasized the ministry's keenness to enhance the competitiveness of the national industrial sector in line with the objectives of Operation 300bn. Since its inception in 2020, the

ministry has implemented strategies, policies, initiatives and programs that have contributed to the development of the sector. These include Make it in the Emirates, the National ICV Program and the Technology Transformation Program, which have contributed to enhancing the enablers and incentives offered by the industrial sector to local and international investors. They have also contributed to empowering national talents and developing their technical competencies and skills, enhancing supply chain resilience, and motivating national and international companies to enter partnerships to manufacture quality products in the UAE. These initiatives are largely responsible for the UAE ranking first in the region in UNIDO's index for two years running, while climbing to 29th globally in competitive industrial performance and rising 9 places in the quality of industrial exports index. (Zawya)

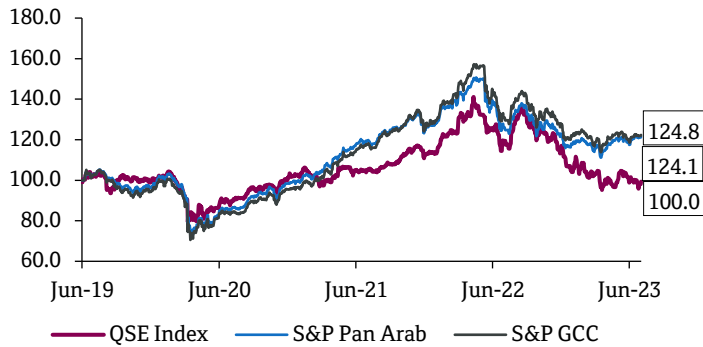
- UAE jobs: Hiring increases in local market, jobseekers demand more flexibility** - Hiring has increased in the UAE after declining at the beginning of the year amidst the correction phase of the local job market. "While the country witnessed a decline at the beginning of this year, the hiring rate increased by 4.2% in May compared to the same time last year and has remarkably grown 46% compared to pre-pandemic May 2019 – a testament to job market recovery and the emergence of new opportunities," said Ali Matar, head of EMEA growth markets, LinkedIn. The UAE's job market grew exponentially in the post-pandemic period after companies began to expand to meet the growth in demand for their products and services. This growth was seen in a majority of the sectors including aviation, real estate, travel and tourism and many others. This was also reflected in the latest S&P Global UAE Purchasing Managers' Index (PMI), a survey designed to give an overview of the private sector, which showed the UAE's job market continued to expand and create more opportunities for jobseekers, growing for the 14th consecutive month in June as non-oil sectors' growth accelerated last month. TUG-OF-WAR: EMPLOYER VS EMPLOYEE The UAE jobs market is undergoing an interesting evolution where employers are becoming less flexible while jobseekers have still flexibility as one of their top priorities. LinkedIn said remote job postings declined by 4.1% in May, the 13th consecutive month, but hybrid job postings saw an extraordinary increase of 25.2% in May 2023 compared to the same time last year. "On the work flexibility front, one of the perks of the pandemic, we witnessed a disconnect between what employers are instituting and what employees are demanding. While employers look to reduce work flexibility (as demonstrated by LinkedIn research that showed that 44% of UAE executives plan to do so in 2023), jobseekers are still prioritizing flexible jobs," said Matar. In order to build resilient and successful businesses that come out on top, Matar stressed that employers will have to re-examine their work model to attract and retain top talent. Ali Matar pointed out that despite a rapidly changing hiring landscape, the UAE labor market remains tight by historical standards, meaning there are opportunities for people with the right skills. "That precisely is the future of work: Placing the right person with the right skills in the right position," he added. (Zawya)
- Dubai registers 44% growth in business event bid wins in H1 2023** - Dubai's stature as a global meetings incentives, conferences, and exhibitions (MICE) destination continues to soar with the city registering a strong year-on-year growth of 44% in business event bid wins in the first half of 2023. The outstanding growth in the number of global events being hosted by the city contributes further to its economic growth in line with the goals of the Dubai Economic Agenda D33. Dubai Business Events (DBE), the city's official convention bureau and part of the Department of Economy and Tourism, worked with partners and stakeholders to win 143 conferences, congresses, meetings and incentives in the first six months of 2023. These events – which will take place over the coming years – are expected to bring over 94,000 additional visitors to the city, including global experts and leaders in their respective fields. The surge in event wins serves as a testament to the dynamic momentum of growth witnessed not only within Dubai's business events sector but also across its broader economy in recent years. The events captured include 24 association conferences, congresses and meetings, which are set to contribute to driving Dubai's knowledge economy forward. Renewed growth from China alongside ongoing momentum from India contributed to 84 incentives won by the city. Ahmed Al Khaja, CEO, Dubai Festivals and Retail Establishment, said, "Guided by the vision of His Highness

Sheikh Mohammed bin Rashid Al Maktoum, Vice President, Prime Minister and Ruler of Dubai, and the objectives of the Dubai Economic Agenda D33, our focus on capturing business events that bring value to the city continues to deliver strong results. Dubai's robust proposition, built not only on world-class business events infrastructure and facilities, but also expertise across all key sectors and a growing knowledge economy, is resonating effectively with meeting professionals and decision-makers globally. "Every bid won is a testament to the culture of collaboration that has seen DBE work with not only industry stakeholders, but also key public and private sector entities across the city to identify, bid for and capture major business events. Recognizing the impact hosting business events can have, by bringing major associations and organizations to the city and putting it at the heart of global developments in their respective fields of expertise, our partners are showing a strong commitment to engaging with DBE on bidding activity." Announced earlier this year, the Dubai Economic Agenda D33 has outlined a series of ambitious targets to grow trade, develop key sectors and boost innovation and sustainability across the economy. With the aim of cementing Dubai's status as one of the world's top three cities, business events are set to play a key role at the intersection of business and knowledge development, in addition to contributing to incremental growth in visitation. Key D33 objectives also include boosting innovation, making Dubai a global hub for higher education and increasing FDI inflows. (Zawya)

- Indian Oil signs long term LNG import deals with ADNOC LNG, TotalEnergies** - Indian Oil Corp (IOC.NS), the country's top refiner, has signed long-term liquefied natural gas (LNG) import deals with United Arab Emirates' Abu Dhabi Gas Liquefaction Co Ltd (ADNOC LNG) and France's TotalEnergies (TTEF.PA). The two deals were signed during Prime Minister Narendra Modi's Visit to France and UAE last week. Supplies under the two deals would commence from 2026, the Indian company said in two separate statements. ADNOC LNG would supply up to 1.2mn metric tonnes per year (tpy) of LNG to IOC for 14 years, the Indian company said, adding India's trade treaty with UAE enable it to import LNG without paying a 2.5% import tax. This is the first time that an Indian company has signed a long-term LNG import deal with ADNOC. TotalEnergies would supply 0.8mn tpy LNG to IOC under the 10 year deal, it said. TotalEnergies would supply LNG to IOC from its global portfolio. India companies are spending billions of dollars to boost their gas infrastructure and are scouting for long term LNG imports deals as the nation wants to raise the share of gas in its energy mix to 15% by 2030 from 6.2% currently. IOC's signings are also the latest in a slew of term deals signed by Asian LNG importers in recent months. In June, Bangladesh's state-owned Petrobangla signed a 10-year contract to receive LNG supplies from OQ Trading, formerly known as Oman Trading International, and a 15-year supply deal with QatarEnergy, starting 2026. Chinese importers Zhejiang Energy and ENN have also signed 20-year deals in recent weeks to receive North American supplies, after QatarEnergy inked 27-year agreements with China National Petroleum Corporation (CNPC) and Sinopec. Meanwhile, Thailand's state-controlled PTT is in advanced talks with Qatar for a 15-year LNG deal for supplies of 1 or 2mn tonnes per annum, sources told Reuters. (Reuters)
- MSX-listed firms combined net profit grows by 13%** - MSX-listed companies' combined net profit grew by 13% year-on-year during the first half of 2023, supported by the Financial and Industrial Sector companies, according to a new report. "The combined net profit of MSX-listed companies grew by about 13% year-on-year during the first half of 2023 to about OMR369.70mn," U Capital said in its 'MSX Net Profit Report-2Q23.' On a sector basis, the Financial Sector showed a solid year-on-year (YoY) growth of about 14% while the Industrial Sector posted a 96% YoY growth in combined net profits of the companies compared to the first half of 2022 and supported the combined net profit of the stock market," the report, released on Monday said. The Industrial sector performance was led by the Electrical & Mechanical sub-sector performance (+140% YoY) and partial recovery in losses in the Cement (+213% YoY) and Mining (+81% YoY) subsectors. The Industrial sub-sector performance was partially weighed down by a significant drop in combined profits of the Food & Beverage sub-sector (-41% YoY), the report said. The Services sector, saw a drop of 1.8% YoY in its combined net profit, led by the

Telecom sub-sector and Oil & Gas marketing sub-sector. The U Capital report further said that Omantel and a few more companies are yet to report their first half of 2023 results. "We exclude these companies from the first half of 2022 results as well for a like-to-like comparison," it added. The largest improvement in combined net profits for the first half of 2023 within the Financial Sector was witnessed by the Banking sub-sector (+18% YoY or OMR35mn). The Investment & Brokerage sub-sector contributed positively to sector profits (+21% YoY or OMR4.5mn). The banking and leasing sub-sectors saw a continued recovery in their combined net profits on the back of lower provision expenses this year as compared to last year, further supported by an increase in the operating income of most banks. The insurance sub-sector has shown some recovery in performance in the second quarter of 2023 after a dismal performance in the first quarter of 2023, the U Capital report said. "However, despite the 44% YoY increase for the second quarter of 2023, the combined net profit of the insurance sub-sector fell (-64% YoY) on a 2023 first-half basis. The banking sub-sectors combined net profits increased OMR35mn in the first half of 2023, followed by the Electrical & Mechanical sub-sector, whose combined net profits rose by OMR5.6mn to OMR9.5bn during the first half of 2023. The Insurance sub-sector posted a decline of OMR6.4mn in its combined net profits in the first half of 2023 as compared to the first half of 2022. "This is primarily due to the net profit declines reported by National Life & General Insurance, Al Madina Takaful, Oman Qatar Insurance, Muscat Insurance and Takaful Oman," the report further added. MSX's combined net profit for the second quarter of 2023 rose by 9% YoY and 22% quarter-on-quarter in the second quarter of 2023 has been a mixed bag, with multiple sub-sectors witnessing recovery on year-on-year (YoY) during the second quarter of 2023, except for services. Overall, the combined net profit of MSX-listed companies rose by 9% YoY and 22% quarter-on-quarters, U Capital said in its report. (Zawya)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,955.04	(0.0)	(0.0)	7.2
Silver/Ounce	24.84	(0.4)	(0.4)	3.7
Crude Oil (Brent)/Barrel (FM Future)	78.50	(1.7)	(1.7)	(8.6)
Crude Oil (WTI)/Barrel (FM Future)	74.15	(1.7)	(1.7)	(7.6)
Natural Gas (Henry Hub)/MMBtu	2.43	(2.9)	(2.9)	(31.0)
LPG Propane (Arab Gulf)/Ton	61.60	(3.1)	(3.1)	(12.9)
LPG Butane (Arab Gulf)/Ton	50.10	(2.5)	(2.5)	(50.6)
Euro	1.12	0.1	0.1	5.0
Yen	138.71	(0.1)	(0.1)	5.8
GBP	1.31	(0.2)	(0.2)	8.2
CHF	1.16	0.2	0.2	7.4
AUD	0.68	(0.3)	(0.3)	0.0
USD Index	99.84	(0.1)	(0.1)	(3.6)
RUB	110.69	0.0	0.0	58.9
BRL	0.21	(0.3)	(0.3)	9.9

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,021.96	0.1	0.1	16.1
DJ Industrial	34,585.35	0.2	0.2	4.3
S&P 500	4,522.79	0.4	0.4	17.8
NASDAQ 100	14,244.95	0.9	0.9	36.1
STOXX 600	457.92	(0.7)	(0.7)	13.0
DAX	16,068.65	(0.3)	(0.3)	21.0
FTSE 100	7,406.42	(0.7)	(0.7)	7.4
CAC 40	7,291.66	(1.2)	(1.2)	18.1
Nikkei	32,391.26	(0.5)	2.5	17.3
MSCI EM	1,027.77	(0.1)	(0.1)	7.5
SHANGHAI SE Composite	3,209.63	(1.4)	(1.4)	(0.1)
HANG SENG	19,413.78	0.4	5.9	(2.0)
BSE SENSEX	66,589.93	0.9	0.9	10.3
Bovespa	1,18,219.46	0.2	0.2	18.2
RTS	1,009.79	(0.5)	(0.5)	4.0

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

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