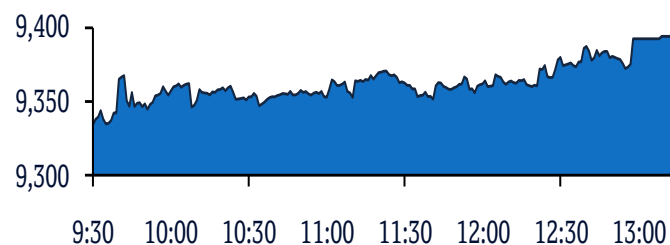


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.8% to close at 9,394.6. Gains were led by the Industrials and Real Estate indices, gaining 1.8% and 1.5%, respectively. Top gainers were Investment Holding Group and Mannai Corporation, rising 8.5% and 7.2%, respectively. Among the top losers, Qatari German Company for Medical Devices fell 5.4%, while Qatari Investors Group was down 1.5%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.5% to close at 7,418.0. Gains were led by the Software & Services and Capital Goods indices, rising 5.2% and 1.9% respectively. Arab Sea Information Systems rose 10.0%, while Tourism Enterprise was up 9.8%.

Dubai: The DFM Index fell 0.2% to close at 2,048.2. The Services index declined 2.1%, while the Real Estate & Construction index fell 1.1%. Dubai Refreshments Company declined 4.9%, while National Central Cooling Co. was down 2.6%.

Abu Dhabi: The ADX General Index fell 1.6% to close at 4,221.1. The Banks index declined 2.6%, while the Real Estate index fell 2.1%. Abu Dhabi Ship Building Company and Sharjah Insurance Company were down 4.9% each.

Kuwait: The Kuwait All Share Index fell 0.1% to close at 5,087.7. The Industrials index declined 1.9%, while the Real Estate index fell 1.0%. Gulf Investment House declined 8.6%, while KGL Logistics Company was down 8.5%.

Oman: The MSM 30 Index fell 1.2% to close at 3,461.4. Losses were led by the Financial and Industrial indices, falling 1.0% and 0.9%, respectively. Muscat Gases Company declined 8.9%, while Bank Dhofar was down 7.6%.

Bahrain: The BHB Index fell 0.2% to close at 1,304.3. The Commercial Banks index declined 0.5%, while the Investment index fell 0.1%. Bahrain Duty Free Shop Complex declined 0.9%, while BBK was down 0.8%.

Market Indicators	15 Jul 20	14 Jul 20	%Chg.
Value Traded (QR mn)	708.3	611.3	15.9
Exch. Market Cap. (QR mn)	548,710.0	543,657.4	0.9
Volume (mn)	630.4	377.6	67.0
Number of Transactions	12,530	12,512	0.1
Companies Traded	45	46	(2.2)
Market Breadth	22:18	27:14	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	18,060.79	0.8	0.8	(5.9)	15.0
All Share Index	2,933.89	0.8	0.8	(5.3)	16.0
Banks	4,050.58	0.7	0.2	(4.0)	13.8
Industrials	2,685.85	1.8	1.9	(8.4)	21.4
Transportation	2,864.44	0.0	0.4	12.1	13.9
Real Estate	1,611.05	1.5	1.3	2.9	15.9
Insurance	2,033.77	1.2	3.2	(25.6)	32.7
Telecoms	922.40	(0.3)	3.0	3.1	15.5
Consumer	7,391.46	(0.1)	0.5	(14.5)	18.9
Al Rayan Islamic Index	3,827.06	1.1	2.5	(3.1)	17.6

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Mesaieed Petro. Holding	Qatar	2.19	3.2	7,843.3	(12.9)
Barwa Real Estate Co.	Qatar	3.38	3.0	16,566.3	(4.6)
Industries Qatar	Qatar	8.20	2.5	1,533.4	(20.2)
Co. for Cooperative Ins.	Saudi Arabia	80.40	2.4	112.6	4.8
Saudi Cement Co.	Saudi Arabia	54.80	2.2	357.0	(21.8)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Bank Dhofar	Oman	0.10	(7.6)	1,020.4	(21.1)
First Abu Dhabi Bank	Abu Dhabi	10.60	(3.5)	2,623.1	(30.1)
Ooredoo Oman	Oman	0.40	(2.9)	91.3	(24.4)
Aldar Properties	Abu Dhabi	1.71	(2.3)	9,030.9	(20.8)
HSBC Bank Oman	Oman	0.09	(2.3)	38.0	(28.9)

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%
Investment Holding Group	0.56	8.5	186,868.6	0.0
Mannai Corporation	3.06	7.2	566.3	(0.8)
Qatar Aluminium Manufacturing	0.95	7.0	117,571.3	21.5
Aljjarah Holding	0.91	6.6	51,675.3	29.1
Mazaya Qatar Real Estate Dev.	0.90	3.2	63,430.1	25.2

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Investment Holding Group	0.56	8.5	186,868.6	0.0
Qatar Aluminium Manufacturing	0.95	7.0	117,571.3	21.5
Mazaya Qatar Real Estate Dev.	0.90	3.2	63,430.1	25.2
Aljjarah Holding	0.91	6.6	51,675.3	29.1
Salam International Inv. Ltd.	0.46	(0.2)	33,141.5	(11.8)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatari German Co for Med. Dev.	1.71	(5.4)	29,687.4	193.8
Qatari Investors Group	2.04	(1.5)	710.7	13.7
Al Khaleej Takaful Insurance Co.	1.77	(1.1)	3,584.6	(11.5)
IMMA Holding	3.89	(1.0)	847.8	104.5
Medicare Group	7.10	(1.0)	1,690.9	(16.0)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Qatar Aluminium Manufacturing	0.95	7.0	110,524.9	21.5
Investment Holding Group	0.56	8.5	97,879.7	0.0
Mazaya Qatar Real Estate Dev.	0.90	3.2	57,188.5	25.2
Barwa Real Estate Company	3.38	3.0	55,305.3	(4.6)
Qatari German Co for Med. Dev.	1.71	(5.4)	52,066.1	193.8

Source: Bloomberg (* in QR)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	9,394.59	0.8	0.8	4.4	(9.9)	179.77	150,017.3	15.0	1.4	4.3
Dubai	2,048.20	(0.2)	(1.6)	(0.8)	(25.9)	44.40	79,371.7	6.2	0.7	4.7
Abu Dhabi	4,221.11	(1.6)	(1.7)	(1.5)	(16.8)	32.93	162,586.6	13.9	1.3	6.0
Saudi Arabia	7,418.04	0.5	0.0	2.7	(11.6)	1,447.59	2,255,210.1	22.5	1.8	3.5
Kuwait	5,087.66	(0.1)	(0.9)	(0.8)	(19.0)	98.30	94,347.1	14.8	1.2	3.9
Oman	3,461.36	(1.2)	(0.9)	(1.6)	(13.1)	2.97	15,860.7	9.4	0.8	6.9
Bahrain	1,304.29	(0.2)	1.4	2.1	(19.0)	2.60	19,845.6	9.8	0.8	5.4

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

Qatar Market Commentary

- The QE Index rose 0.8% to close at 9,394.6. The Industrials and Real Estate indices led the gains. The index rose on the back of buying support from Qatari and Foreign shareholders despite selling pressure from GCC and Arab shareholders.
- Investment Holding Group and Mannai Corporation were the top gainers, rising 8.5% and 7.2%, respectively. Among the top losers, Qatari German Company for Medical Devices fell 5.4%, while Qatari Investors Group was down 1.5%.
- Volume of shares traded on Wednesday rose by 67.0% to 630.4mn from 377.6mn on Tuesday. Further, as compared to the 30-day moving average of 265.3mn, volume for the day was 137.6% higher. Investment Holding Group and Qatar Aluminium Manufacturing Company were the most active stocks, contributing 29.6% and 18.7% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	65.20%	54.96%	72,568,965.1
Qatari Institutions	9.35%	11.11%	(12,514,429.8)
Qatari	74.55%	66.07%	60,054,535.3
GCC Individuals	1.04%	1.25%	(1,515,616.1)
GCC Institutions	0.75%	0.72%	192,757.0
GCC	1.79%	1.97%	(1,322,859.1)
Arab Individuals	13.23%	21.76%	(60,395,387.2)
Arab	13.23%	21.76%	(60,395,387.2)
Foreigners Individuals	3.31%	3.47%	(1,087,743.1)
Foreigners Institutions	7.12%	6.74%	2,751,454.1
Foreigners	10.44%	10.20%	1,663,710.9

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

Earnings Releases, Global Economic Data and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 2Q2020	% Change YoY	Operating Profit (mn) 2Q2020	% Change YoY	Net Profit (mn) 2Q2020	% Change YoY
National Life General Insurance*	Oman	OMR	87.2	-2.1%	-	-	10.8	110.5%
Ominvest*	Oman	OMR	163.2	7.3%	-	-	24.1	50.0%
Oman Oil Marketing Co.*	Oman	OMR	221.5	-22.5%	-	-	(0.4)	N/A
Al Batinah Hotels#	Oman	OMR	200.0	-62.8%	-	-	(251.2)	N/A
Oman Cement Co.*	Oman	OMR	26.4	1.1%	-	-	2.1	-9.9%
Al Hassan Engineering Co.##	Oman	OMR	13,797.0	-27.7%	-	-	99.0	-89.1%
Dhofar Bev. and Food Stuff Co.##	Oman	OMR	1,833.0	-13.0%	(26.0)	N/A	(93.2)	N/A
Muscat Insurance Co.#	Oman	OMR	11,053.6	-2.6%	-	-	(150.1)	N/A
Taageer Finance Co.*	Oman	OMR	8.8	-7.8%	-	-	0.9	-45.4%
Vision Insurance###	Oman	OMR	13,277.6	-6.6%	-	-	911.6	-9.2%
Global Financial Inv. Holding#	Oman	OMR	6,297.8	-34.5%	-	-	(641.1)	N/A
Oman Investment & Finance*	Oman	OMR	9.3	-18.2%	-	-	0.9	-54.4%
Oman Nat. Engg. & Investment#	Oman	OMR	23,804.8	5.5%	-	-	602.7	24.4%
Al Maha Petroleum Products Marketing Co.*	Oman	OMR	171.6	-26.6%	-	-	0.2	-90.1%
Gulf International Chemicals##	Oman	OMR	1,302.4	11.0%	-	-	83.1	38.5%
Dhofar Fisheries & Food Ind. Co.##	Oman	OMR	5,120.4	1.0%	-	-	(997.8)	N/A
National Finance Co.*	Oman	OMR	22.2	2.5%	-	-	3.9	-6.1%
Muscat Finance	Oman	OMR	5.6	-14.2%	1.5	-36.5%	(1.6)	N/A

Source: Company data, DFM, ADX, MSM, TASI, BHB. (# - Values in Thousands, *Financial for FY2019-20, ** Financial for 6M2020)

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
07/15	US	Mortgage Bankers Association	MBA Mortgage Applications	10-Jul	5.1%	-	2.2%
07/15	US	Federal Reserve	Industrial Production MoM	Jun	5.4%	4.3%	1.4%
07/15	US	Federal Reserve	Manufacturing (SIC) Production	Jun	7.2%	5.7%	3.8%
07/15	UK	UK Office for National Statistics	CPI MoM	Jun	0.1%	0.0%	0.0%
07/15	UK	UK Office for National Statistics	CPI YoY	Jun	0.6%	0.4%	0.5%

Source: Bloomberg (s.a. = seasonally adjusted; n.s.a. = non-seasonally adjusted; w.d.a. = working day adjusted)

Earnings Calendar

Tickers	Company Name	Date of reporting 2Q2020 results	No. of days remaining	Status
IHGS	Islamic Holding Group	19-Jul-20	3	Due
QEWS	Qatar Electricity & Water Company	19-Jul-20	3	Due
ABQK	Ahli Bank	20-Jul-20	4	Due
GWCS	Gulf Warehousing Company	21-Jul-20	5	Due
QIGD	Qatari Investors Group	21-Jul-20	5	Due
QNCD	Qatar National Cement Company	22-Jul-20	6	Due
QIIK	Qatar International Islamic Bank	22-Jul-20	6	Due
KCBK	Al Khalij Commercial Bank	23-Jul-20	7	Due
CBQK	The Commercial Bank	23-Jul-20	7	Due
QAMC	Qatar Aluminum Manufacturing Company	23-Jul-20	7	Due
WDAM	Widam Food Company	23-Jul-20	7	Due
NLCS	Aljarah Holding	23-Jul-20	7	Due
QATI	Qatar Insurance Company	26-Jul-20	10	Due
QFBQ	Qatar First Bank	27-Jul-20	11	Due
BRES	Barwa Real Estate Company	27-Jul-20	11	Due
QIMD	Qatar Industrial Manufacturing Company	27-Jul-20	11	Due
IQCD	Industries Qatar	27-Jul-20	11	Due
DHBK	Doha Bank	27-Jul-20	11	Due
QGRI	Qatar General Insurance & Reinsurance Company	28-Jul-20	12	Due
VFQS	Vodafone Qatar	28-Jul-20	12	Due
MCGS	Medicare Group	28-Jul-20	12	Due
QISI	Qatar Islamic Insurance Group	28-Jul-20	12	Due
ORDS	Ooredoo	28-Jul-20	12	Due
AHCS	Aamal Company	29-Jul-20	13	Due
UDCD	United Development Company	29-Jul-20	13	Due
AKHI	Al Khaleej Takaful Insurance Company	5-Aug-20	20	Due
SIIS	Salam International Investment Limited	10-Aug-20	25	Due
MERS	Al Meera Consumer Goods Company	12-Aug-20	27	Due
GISS	Gulf International Services	12-Aug-20	27	Due
MPHC	Mesaieed Petrochemical Holding Company	13-Aug-20	28	Due

Source: QSE

News

Qatar

- QIBK posts 0.1% YoY decrease but 7.5% QoQ increase in net profit in 2Q2020, above our estimate** – Qatar Islamic Bank's (QIBK) net profit declined 0.1% YoY (but rose 7.5% on QoQ basis) to QR739.0mn in 2Q2020, above our estimate of QR613.8mn (variation of +20.4%). Total net income from financing and investing activities increased 7.2% YoY and 6.0% QoQ in 2Q2020 to QR1,830.4mn. The company's total income came in at QR2,027.8mn in 2Q2020, which represents an increase of 7.6% YoY (+4.3% QoQ). EPS remained flat YoY at QR0.31 in 2Q2020. The bank's total assets stood at QR165.8bn at the end of June 30, 2020, up 7.3% YoY. However, on QoQ basis the bank's total assets decreased 0.2%. Financing assets were QR112.3bn, registering a rise of 5.0% YoY at the end of June 30, 2020. However, on QoQ basis financing assets decreased 1.5%. Customers' current accounts rose 1.8% YoY and 5.3% QoQ to reach QR16.3bn at the end of June 30, 2020. In 1H2020, QIBK reported net profit of QR1,426.5mn, in-line with the performance during the same period in 2019. Total Income for the six months' period ended June 30, 2020 was QR3,972mn registering a growth of 6.4% compared to QR3,735mn for the same period in 2019.

Income from financing and investing activities has registered a growth of 5.2% to reach QR3,558mn compared to QR3,382mn for the first half of 2019, reflecting a healthy performance in its core operating activities despite the support provided to the customers impacted by COVID-19 pandemic. Strict cost controls supported by higher operating revenues enabled further enhancement of efficiencies with cost to income ratio improving from 23.5% to 21.1% in the first half of 2020, the best in the Qatari Banking sector. QIBK's efficient risk management framework has ensured that the results for the period ended June 30, 2020 have not been materially impacted by the events related to COVID-19. QIBK was able to contain the ratio of non-performing financing assets to total financing assets at 1.4% reflecting the quality of the bank's financing assets portfolio. QIBK continues to pursue the conservative impairment provisioning policy and has more than doubled the financing impairment charges to QR602mn in the first half of 2020 compared to QR298mn in 2019 and continues to maintain 100% coverage ratio for non-performing financing assets. The bank continues to take necessary actions and precautions for safety and well-being of its employees, customers and to the

community at large. Total Shareholders' Equity of the bank has reached QR16.8bn up by 7.6% compared to June 2019. Total Capital adequacy of the Bank under Basel III guidelines is 18.6% as of June 2020, higher than the minimum regulatory requirements prescribed by Qatar Central Bank and Basel Committee. (QNB FS Research, QSE, Company Press Release)

- **QGTS posts 12.6% YoY increase but 3.3% QoQ decline in net profit in 2Q2020, in-line with our estimate** – Qatar Gas Transport Company Limited's (QGTS) net profit rose 12.6% YoY (but declined 3.3% on QoQ basis) to QR269.9mn in 2Q2020, in-line with our estimate of QR285.0mn (variation of -5.3%). The company's Total Income came in at QR999.0mn in 2Q2020, which represents an increase of 9.4% YoY. However, on QoQ basis Total Income fell 2.2%. In 1H2020, QGTS reported net profit of QR549.1mn compared to QR475.6mn during the same period in 2019, an increase of 15.5%. QGTS' revenue increase by 11.3% to QR2,021mn and General and administrative expenses decreased by 11.7%. EPS amounted to QR0.10 in 1H2020 as compared to QR0.09 in 1H2019. The company's strong financial performance is primarily attributed to operational excellence in the management of its entire fleet and realizing additional revenues from the strategic acquisition of the remaining 49.9% of four Q-Flex vessels in October 2019. The successful commencement of QGTS' second phase fleet management transition is among the main attributes to the positive financial results achieved, with two vessels transitioned in the last quarter. In addition, the company followed through its fleet expansion plans and took delivery of an LNG carrier newbuild, which will be commercially and technically managed in-house and chartered by Qatargas. The delivery of all four newbuild LNG carriers by end-2021 will bring Nakilat's fleet to 74 vessels, which is about 12% of current global LNG fleet in carrying capacity. The company's steady expansion further highlights its robust financial performance and strategic planning, which comes as part of efforts to maximize returns for shareholders. QGTS' CEO, Abdullah Al Sulaiti said, "In these uncertain times, Nakilat remains committed in delivering value for our shareholders, as we expand our international outreach to meet the growing demand for energy transportation. The company's sustained financial performance bears testament to our ongoing strategy on enhancing efficiency, rationalizing expenditures, reduction of operational and administrative costs, as well as creating innovative solutions to uphold operational excellence in our services, without compromising safety and quality across our integrated operations. While we remain focused on achieving our strategic goals, we are also continually assessing the market and our current investments in relation to profitability to address any risk involved for the company and our shareholders. This allows us to navigate anticipated or unexpected challenges, to steer the company forward as a global leader and provider of choice for energy transportation and maritime services." The company will hold an investor relations conference call to discuss the company's financial results for the period ending on June 30, 2020 on July 16, 2020 at 13:30. (QNB FS Research, QSE, Company Press Release)
- **QFLS' net profit declines 80.1% YoY and 80.5% QoQ in 2Q2020, below our estimate** – Qatar Fuel Company's (QFLS) net profit declined 80.1% YoY (-80.5% QoQ) to QR44.1mn in 2Q2020, below our estimate of QR126.8mn. The company's Revenue

came in at QR2,139.3mn in 2Q2020, which represents a decrease of 63.4% YoY (-57.0% QoQ). In 1H2020, QFLS reported net profit of QR270.2mn, compared to an amount of QR548.3mn achieved in the same period of the year 2019, representing a decrease of 50.7%. EPS amounted to QR0.27 in 1H2020 as compared to QR0.55 in 1H2019. The decrease of the net profits and earnings per share for the period were partly attributed to the market slow down prompted by COVID-19 spread and partly to supply and demand factors on petroleum products. The decrease of petroleum product distribution margins is also one of the factors that have participated in net profits and earnings per share decrease. With regard to the company's operations, company's overall sales of petroleum products decreased by 22% as compared to the same period of last year driven by the COVID-19 impact. Diesel and Super Gasoline sales decreased by 12% and 22% respectively, Premium Gasoline sales decreased by 14%, and Jet fuel volumes decreased by 28% driven by the reduced operations of Qatar Airways and Private Airlines due to the suspension of air traffic in most countries globally. Bitumen sales have decreased by 66% driven by market situations, COVID-19 pandemic and the completion of the major projects. The LPG sales decreased by 3% compared to the parallel period of 2019, and the decrease is attributed to the factors of supply and demand. Refined Petroleum Products retail sales from petrol stations decreased by 8% compared to the same period of last year as a consequence of the low consumption prompted by COVID-19 pandemic. On the other hand, Bunkering fuel increased by 12% compared to the same period in 2019, and retail non-fuel revenue, including Sidra Sales, increased by 8% as compared to the same period of the last year driven by the opening of new stations and higher footfall in C-stores. In the field of the petrol stations project and the company newly acquired assets, the petrol stations operated by "WOQOD" at the end of June 2020 totaled to 104 stations, whereas the company intends to add eight more stations by the end of the current year 2020. The Group during the Second Quarter of 2020 had acquired two new bunker fuel ships to support the ship bunkering activity that the Group is performing in cooperation, coordination and partnership with Qatar Petroleum. (QNB FS Research, QSE, Company Press Release)

- **SIIS to disclose 2Q2020 financials on August 10** – Salam International Investment Limited Company (SIIS) will disclose the financial reports for the period ending June 30, 2020 on August 10, 2020. (QSE)
- **QGMD's EGM endorses the items listed on its agenda** – Qatari German Company for Medical Devices (QGMD) disclosed that the quorum of its Extraordinary Assembly General Meeting (EGM) has been completed at its third meeting held on July 15, 2020. The EGM's resolutions are as follows: (1) QGMD's EGM approved the recommendation of the Board of Directors to continue the work of the company despite the accumulated losses reached more than half of its capital, (2) EGM approved the recommendation to amend the Articles of Association of the company, and (3) QGMD's EGM authorized the Chairman of the Board of Directors or his representative to make the necessary amendments to the Articles of Association and to sign the Amended copy and to complete the legal procedures with the official authorities. (QSE)

- **Qatar Airways to seek damages over blockade** – Qatar Airways said Wednesday it will seek compensation for losses sustained from an "illegal airspace blockade" imposed since 2017 by four Middle East nations. The announcement came a day after the International Court of Justice ruled Qatar could challenge airspace restrictions imposed by Saudi Arabia, the UAE, Bahrain and Egypt over three years ago before the UN's International Civil Aviation Organization (ICAO). "Qatar Airways will pursue its case for appropriate compensation of the financial injuries inflicted on Qatar Airways as a result of the illegal airspace blockade," the airline said in a statement. Qatar Airways Group's Chief Executive, HE Akbar al-Baker has termed as a very favorable outcome the judgment of the International Court of Justice affirming that the ICAO Council has the jurisdiction to hear any disagreement relating to the interpretation and implementation of the Chicago Convention 1944 and the International Air Services Transit Agreement. "On the question of when I would be able to fly," HE al-Baker said, "now the subject is with the ICAO. But what is important to note is that preventing us from overflying these territories is contrary to the terms of the Chicago Convention, which is signed and ratified by these blockading countries. With the airline's network never falling below 30 destinations throughout this crisis, Qatar Airways continues to lead the recovery of international air travel. By the end of July, the airline's network will expand to over 450 weekly flights to more than 70 destinations. (Gulf-Times.com, Peninsula Qatar)
- **Cabinet: ICJ verdict reaffirms integrity of Qatar's legal stance** – The Cabinet has welcomed the ruling by the International Court of Justice (ICJ) rejecting two appeals by Saudi Arabia, the UAE, Bahrain and Egypt on the jurisdiction of the International Civil Aviation Organization (ICAO) over Qatari claims. The Cabinet, chaired by Prime Minister and Minister of Interior HE Sheikh Khalid bin Khalifa bin Abdulaziz Al Thani on Wednesday via video conference, said the ICJ ruling reaffirms the integrity of the legal position of Qatar on the issue of the unjust blockade imposed by the four countries in clear violation of international law, international agreements and the foundations and rules of solidarity and regional cooperation. The Cabinet also praised the achievement of Qatar, as it continued to lead the list of the safest and most crime-free countries in the world, according to Numbeo during the first half of this year. The Cabinet said this important global achievement, which builds on the high rankings achieved by the country from 2015 to 2019, was due to the directives of HH The Amir of State of Qatar Sheikh Tamim bin Hamad Al Thani and his wise policy. The achievement is also a result of the comprehensive security strategy of the Ministry of Interior based on the Qatar National Vision 2030. (Qatar Tribune)
- **Four games a day confirmed for 2022 World Cup in Qatar** – World Cup fans will be able to watch an unprecedented four games a day on television, spread out over 11 hours, during the group stage of the Qatar 2022 tournament after the schedule was confirmed on Wednesday. With the relatively short travel distances for the venues in and around Doha, it could be possible for fans that travel to the 32-team tournament to attend multiple games each day. The early games will kickoff at 1300 local (1000GMT) with the fourth match starting at 2200 local (1900GMT) and finishing just before midnight. The tournament's opening game on November 21 will be at the

60,000 capacity Al Bayt Stadium, with its distinctive 'tent' style covering. The final on December 18 will be held at the 80,000 Lusail Stadium, which, like Al Bayt, will also host a semi-final. (Reuters)

International

- **US manufacturing snaps back; new COVID-19 cases threaten recovery** – US factory output rose by the most in more than 74 years in June as motor vehicle production accelerated amid the reopening of businesses, but the nascent economic recovery was overshadowed by surging new COVID-19 infections. That was underscored by another report from the Federal Reserve on Wednesday showing a pickup in activity through early July, though the outlook remained highly uncertain and depended on the duration of the pandemic and its impact on the economy. Businesses have resumed operations after being shuttered in mid-March in an effort to slow the spread of the coronavirus. But there has been a resurgence in new infections of the respiratory illness, especially in the highly populated South and West, prompting some authorities in these regions to either shut down businesses again or pause re-openings. The economy slipped into recession in February. The Fed said manufacturing production jumped 7.2% last month, the largest gain since March 1947, after climbing 3.8% in May. Despite two straight monthly increases, factory output was 11.1% below its level in February. Economists polled by Reuters had forecast manufacturing output rising 5.6% in June. Production at factories contracted at a 47.0% annualized rate in the second quarter after falling at a 5.5% pace in the January-March period. Manufacturing, which accounts for 11% of the US economy, is also being constrained by the fallout from the Trump administration's trade war with China. (Reuters)
- **US Paycheck Protection hit some of its mark, but missed the most vulnerable** – The Paycheck Protection Program appears to have thrown a critical safety net under US middle and upper-middle-wage jobs, but it faltered when it comes to lower-paying positions and the industries hit hardest by the coronavirus pandemic, according to a Reuters analysis of loan details. Analysis of data on nearly 4.9mn PPP loans released last week by the Trump administration showed the program, a subject of controversy because a number of larger well-connected borrowers tapped it even though it was designed to aid vulnerable small businesses, did partially hit its target. Separating US industries into groups of around 60 each ranked by average annual pay, the Reuters analysis showed that employers in the middle of the wage scale received an outsized share of PPP loans both in dollar terms and the number of loans disbursed. The middle group includes a diverse set of industries such as automobile dealers, building electrical and heating installers, and freight trucking companies, representing around 16.5% of the US workforce and a similar share of establishments. The group received roughly 25% of the more than \$520bn in PPP loans disbursed as of June 30, and around 20% of the number of loans. (Reuters)
- **ISM: Launching US purchasing managers' index for hospitals in August** – The US Institute for Supply Management (ISM) said on Wednesday it would launch a new Purchasing Managers' Index for hospitals next month, to assess domestic hospital supply chains amid the COVID-19 pandemic. ISM said the inaugural

hospital PMI will be published on August 7 featuring July data. Hospitals are grappling with shortages of personal protective equipment as new coronavirus cases surge across the country. The ISM said in a statement that it hoped the new PMI would be a useful tool for the hospital sector as it restructures its supply chains. "ISM is proud to expand the depth of our economic insights as we look to serve the supply management profession and the greater economic community," said ISM CEO Thomas Derry. "Long planned, the hospital PMI promises to be a valuable tool to clinicians, administrators, and policy makers just as the fragility of medical supply chains has become a pivotal topic." Hospital-specific data has been collected since April 2018, and monthly reports will be released on the fifth business day of the month. Just as with the established ISM manufacturing and nonmanufacturing indexes, a reading above 50 indicates growth in the hospital sector. A reading below 50 indicates contraction. (Reuters)

- **UK inflation rises unexpectedly in June to 0.6%** – British inflation rose unexpectedly last month, official data showed on Wednesday. Consumer price inflation increased to 0.6% in June from 0.5% in May, the Office for National Statistics said. The average forecast in a Reuters poll of economists was for the rate to fall to 0.4%. Core inflation - which excludes typically volatile energy, food, alcohol and tobacco prices - rose to 1.4% from May's 1.2%. Economists had expected the rate to remain unchanged at 1.2%. (Reuters)
- **UK's Sunak says he will look at quirk of potential pensions leap** – British Finance Minister Rishi Sunak said on Wednesday he would consider "the anomaly" of potentially huge increases in pensions because of calculation distortions caused by the coronavirus crisis. Prime Minister Boris Johnson promised not to break the so-called "triple lock" for pensions before he won a national election last year. Since June 2010, Britain's state pension has risen by whichever is highest of consumer price inflation, average earnings growth or 2.5%. Sunak told lawmakers on parliament's Treasury Committee they had heard evidence from other speakers pointing out "the anomaly" in how the system might work over the next few years. "I think your committee is very abreast of the particular mechanical issues which that causes and are appropriate for people to raise and appropriate for us to look at, at the right time," he said. Average earnings are likely to grow very strongly next year compared with 2020 because around one in three private sector employees have been furloughed under the government's coronavirus job retention scheme, which pays most workers 80% of their salary. (Reuters)
- **PM: France to boost domestic production with tax breaks** – France will cut domestic business taxes to weather a coronavirus crisis that has underscored its over-dependence on imports, new Prime Minister Jean Castex said on Wednesday. "The crisis has confirmed that we must now transform our industry," Castex said in his first appearance before lawmakers since his July 3 appointment at the head of President Emmanuel Macron's reshuffled government. A 100bn Euro (\$114bn) economic recovery package to be announced on Friday will include 40bn in support for domestic industry and services including tax breaks, he said. (Reuters)

- **BOJ cautiously upbeat on recovery, signals policy pause** – The Bank of Japan (BOJ) signaled confidence the economy will emerge from the coronavirus pandemic's devastating blow and ruled out the risk of deflation, suggesting a pause in monetary easing after it delivered stimulus twice so far this year. But Governor Haruhiko Kuroda warned the outlook was highly uncertain and stressed the BOJ's readiness to loosen policy settings again if risks, such as a resurgence in infections, derails the fragile recovery. "We expect the economy to recover gradually and steadily," Kuroda told reporters on Wednesday. "If further steps are needed, we of course won't hesitate to take additional easing steps. Options include an expansion in our lending facilities, as well as cuts in our short- and long-term interest rate targets." Kuroda's remarks came after the BOJ maintained its short-term rate target at -0.1% and a pledge to cap 10-year government bond yields around zero, as widely expected. It also made no changes to its asset-buying and lending programs for easing corporate funding strains. In fresh quarterly forecasts, the BOJ expects the economy to shrink a median 4.7% in the current year ending in March, from a range of -5.0% to -3.0% projected in April, before expanding 3.3% the following year. Consumer prices were forecast to fall 0.5% this year and stay well below its 2% target through early 2023. (Reuters)
- **China's second-quarter GDP grows 3.2%, beats expectations** – China's economy grew 3.2% in the second quarter from a year earlier, data showed on Thursday, recovering from a record contraction as lockdown measures ended and policymakers stepped up stimulus to combat the shock from the coronavirus crisis. The growth was faster than the 2.5% forecast by analysts in a Reuters poll, and followed a steep 6.8% slump in the first quarter, the first such contraction since at least 1992 when quarterly GDP records began. On a QoQ basis, GDP rose 11.5% in April-June, the bureau said, compared with expectations for a 9.6% rise and a 9.8% decline in the previous quarter. (Reuters)
- **India posts first trade surplus in 18 years as coronavirus hits imports** – India posted a trade surplus of \$790mn in June, its first in over 18 years, with imports plunging as the coronavirus pandemic depressed domestic demand for crude oil, gold and other industrial products, reflecting a slowing economy. Indian exports and imports have been falling since March and worsening India-China relations, shrinking global demand and disruptions in supply chains are likely to pressure the trade outlook over the next few quarters, analysts said. Asia's third largest economy is projected to contract by up to 5% this financial year, beginning April, from an earlier government estimate of nearly 6% growth as an over two-month-long COVID-19 lockdown has hit economic activities and consumer demand. Merchandise imports contracted 47.59% in June to \$21.11bn from a year ago, while exports fell 12.41% to \$21.91bn, leading to a marginal trade surplus, data released by the Ministry of Commerce and Industry on Wednesday showed. India last posted a trade surplus - a slim \$10mn - in January 2002, according to Refinitiv data. (Reuters)
- **EU's von der Leyen says hopes for 'ambitious' free trade pact with India** – The European Union (EU) seeks an "ambitious" free trade deal with India though "there is still a way to go", European Commission President Ursula von der Leyen said on Wednesday.

“But, with this high level trade and investment dialogue, we hope to advance things and to promote our common interest in moving forward towards a free trade agreement,” von der Leyen, who was speaking from Brussels, told reporters at an EU-India summit held via video-conference. “It needs to include our usual requirements in terms of market access, public procurement and, of course, sustainable development. So there is still a way to go,” she said. Negotiations on a comprehensive free trade agreement between the EU and India were suspended in 2013 after six years. Last week, India’s trade minister said it had begun new trade talks with the EU and was open to dialogue with ex-EU member Britain on a separate deal, underlining how Asia’s third largest economy is seeking new markets for its products. Von der Leyen spelled out EU priorities: “Avoiding market access barriers and ensuring fair and transparent competition remains essential. We raised that topic too.” (Reuters)

Regional

- **OPEC+ eases record oil cuts as economy recovers from pandemic** – OPEC and allies such as Russia will ease record oil supply curbs from August as the global economy slowly recovers from the coronavirus pandemic, Saudi Energy Minister Prince, Abdulaziz bin Salman said on Wednesday. The OPEC+, have been cutting output since May by 9.7mn bpd, or 10% of global supply, after the virus destroyed a third of global demand. After July, the record cuts are due to taper to 7.7mn bpd until December. Prince Abdulaziz said effective cuts would be deeper due to compensation by countries which overproduced in previous months. OPEC+ documents seen by Reuters showed that the cuts will ease to around 8.54mn bpd in August and September following compensations by Iraq, Nigeria, Angola, Russia and Kazakhstan. “As we move to the next phase of the agreement the extra supply resulting from the scheduled easing of production cut will be consumed as demand continues on its recovery path,” Prince Abdulaziz said. (Reuters)
- **Saudi wholesale prices fall 2.1% in June** – The Saudi wholesale price index (WPI) showed a 2.1% yearly decline in June 2020, primarily ascribed to lower prices of refined petroleum products by 16.8%, given their weight in the index. This decrease was offset by the increase in the prices of agriculture products and transport equipment groups by 8.9% and 5.1%, respectively, as shown by the data of the General Authority for Statistics (GaStat). Other transportable goods category registered the largest drop in wholesale prices over the past 12 months through June after falling by 9.2%. Moreover, the prices of ores and minerals further slid by 4.1%. However, wholesale prices of agricultural and fishery products group topped the risers with 10.8%, whilst the categories of metal products, machinery, and equipment, and food products, beverages, tobacco, and textiles rose by 1.8% and 2.1%, respectively. Saudi Arabia’s June consumer prices rose 0.5% YoY; however, it fell 0.3% MoM. (Zawya, Bloomberg)
- **Reliance’s \$15bn stake sale deal with Aramco delayed** – Reliance Industries’ plans to sell 20% stake in its oil-to-chemical business to Saudi Aramco is delayed, chairman of the Indian conglomerate said on Wednesday. Reliance, operator of the world’s biggest refining complex, last year announced a \$15bn deal with the world’s top oil exporter Aramco as part of the Indian company’s efforts to cut its debts. “Due to unforeseen

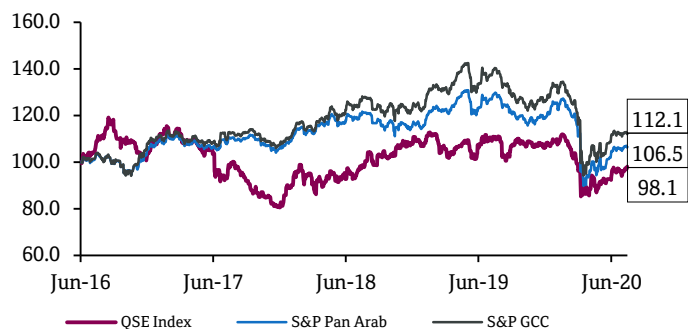
circumstances in the energy market and the Covid-19 situation, the deal (with Saudi Aramco) has not progressed as per the original timeline,” Mukesh Ambani told shareholders on Wednesday. The Aramco deal was initially expected to be completed by March 2020. (Zawya)

- **Saudi Arabia’s Bindawood postpones IPO to September** – Saudi Arabian supermarket retailer Bindawood Holding has postponed its planned initial public offering (IPO) to September, sources with said. Bindawood, which controls supermarket chains under its own brand and Danube in the Kingdom, was preparing for a public share sale in the second quarter. However, the IPO market worldwide has been hit by the economic disruption caused by the COVID-19 pandemic. The market in the Gulf tends to cool in the summer anyway, before picking up again in September. The Saudi market regulator, the Capital Market Authority (CMA), approved Bindawood’s application to list in June. The regulator gives companies six months from the date of approval to list. The supermarket group last year hired Goldman Sachs, JP Morgan Chase, NCB Capital and GIB to organize the deal, the sources said, with Moelis & Co acting as a financial advisor. (Reuters)
- **Real estate giant’s downgrade may increase Dubai financing cost** – A downgrade last week of Dubai’s flagship real estate company will likely push up the emirate’s borrowing costs if it decides to refinance \$750mn in bonds due in October, bankers and analysts said. The credit ratings of government-related entities are often seen by investors as a proxy for Dubai, which is not rated by any of the major ratings agencies. S&P downgraded Emaar Properties, builder of the world’s tallest building, Dubai’s Burj Khalifa, to a BB+ “junk” rating from an investment grade BBB- score, saying it expected a 30%-40% slump in the firm’s earnings this year. Emaar Malls and DIFC Investments, a unit of the company running Dubai International Financial Centre, the Middle East’s major finance hub, also saw the same rating actions. “Emaar has exposure to two of the biggest sectors of the economy, retail and real estate, and naturally that would affect Dubai’s credit profile,” Head of credit and Sukuk advisory at RJ Fleming, Khalid Howladar said. The Emaar rating action could possibly translate into some 25 basis points in extra cost for Dubai, if it decides to refinance its upcoming bonds, a fixed income analyst and fund manager said. (Reuters)
- **Dubai contractor Drake & Scull International to use state body to revamp \$1.3bn** – Dubai-based contractor Drake & Scull International is using the help of a government body to help restructure about \$1.3bn of debt, according to sources. The Federal Reorganization Committee accepted Drake & Scull’s application for financial reorganization proceedings, the company said in a disclosure. That will allow the contracting firm to negotiate with its creditors under a process supervised by the committee, which was set up in 2018 to oversee out-of-court financial restructurings. Drake & Scull is seeking to restructure the debt owed to banks and trade creditors, sources said. The government organization facilitates consensual agreements between the debtor and its creditors “with the assistance of one or more experts appointed by the FRC for this purpose,” according to the statement. (Bloomberg)
- **Dubai school operator GEMS defies virus shock as revenue holds** – Dubai-based GEMS Education is collecting school fees at the

same rate as last year even after lockdown measures to contain the coronavirus shuttered educational institutions around the emirate. Revenue in the nine months through May eased by 0.3% to \$952mn, the private-school operator said in an investor presentation seen by Bloomberg. The company lost \$14mn in income during April and May because of discounts provided to parents who were struggling financially due to the pandemic, and a further \$6mn in June, GEMS said. (Bloomberg)

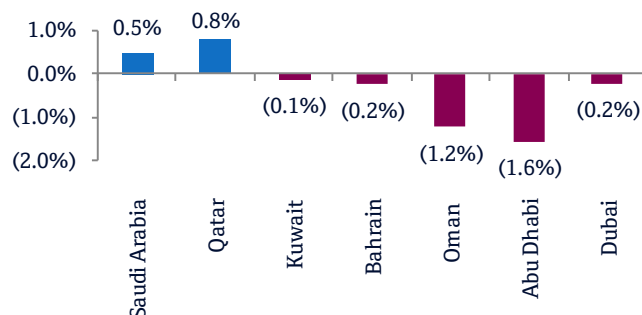
- **NBOB's net profit falls 40.6% YoY to OMR15.0mn in 1H2020** – National Bank of Oman (NBOB) recorded net profit of OMR15.0mn in 1H2020, registering decrease of 40.6% YoY. Operating Profit fell 20.5% YoY to OMR27.1mn in 1H2020. Net Interest Income and income from Islamic Financing fell 2.2% YoY to OMR45.2mn in 1H2020. Total assets stood at OMR3.7bn at the end of June 30, 2020 as compared to OMR3.6bn at the end of June 30, 2019. Loans, advances and financing activities for customers (net) stood at OMR2.8bn (+0.4% YoY), while customers' deposits and unrestricted investment accounts stood at OMR2.6bn (+5.7% YoY) at the end of June 30, 2020. (MSM)
- **ABOB's net profit falls 16.2% YoY to OMR12.5mn in 1H2020** – Ahli Bank (ABOB) recorded net profit of OMR12.5mn in 1H2020, registering decrease of 16.2% YoY. Operating income rose 6.1% YoY to OMR36.3mn in 1H2020. Total assets stood at OMR2.5bn at the end of June 30, 2020 as compared to OMR2.4bn at the end of June 30, 2019. Customer deposits stood at OMR1.6bn (+1.7% YoY) at the end of June 30, 2020. (MSM)
- **BKSB's net profit falls 29.1% YoY to OMR13.2mn in 1H2020** – Bank Sohar (BKSB) recorded net profit of OMR13.2mn in 1H2020, registering decrease of 29.1% YoY. Operating income fell 3.9% YoY to OMR47.6mn in 1H2020. Operating profit fell 2.7% YoY to OMR26.2mn in 1H2020. Total assets stood at OMR3.6bn at the end of June 30, 2020 as compared to OMR3.2bn at the end of June 30, 2019. Net loans and advances stood at OMR2.4bn (+1.2% YoY), while deposits from customers stood at OMR2.2bn (+15.1% YoY) at the end of June 30, 2020. (MSM)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,810.29	0.1	0.6	19.3
Silver/Ounce	19.42	1.0	3.7	8.8
Crude Oil (Brent)/Barrel (FM Future)	43.79	2.1	1.3	(33.7)
Crude Oil (WTI)/Barrel (FM Future)	41.20	2.3	1.6	(32.5)
Natural Gas (Henry Hub)/MMBtu	1.73	0.0	(7.1)	(17.2)
LPG Propane (Arab Gulf)/Ton	49.38	2.3	2.6	19.7
LPG Butane (Arab Gulf)/Ton	49.25	3.7	2.6	(24.8)
Euro	1.14	0.1	1.0	1.8
Yen	106.94	(0.3)	0.0	(1.5)
GBP	1.26	0.3	(0.3)	(5.1)
CHF	1.06	(0.5)	(0.3)	2.5
AUD	0.70	0.5	0.8	(0.2)
USD Index	96.08	(0.2)	(0.6)	(0.3)
RUB	70.97	0.1	0.3	14.5
BRL	0.19	(0.1)	(0.9)	(25.2)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,298.78	1.2	1.7	(2.5)
DJ Industrial	26,870.10	0.9	3.0	(5.8)
S&P 500	3,226.56	0.9	1.3	(0.1)
NASDAQ 100	10,550.49	0.6	(0.6)	17.6
STOXX 600	373.87	1.8	2.9	(8.7)
DAX	12,930.98	1.9	3.3	(0.7)
FTSE 100	6,292.65	2.1	2.9	(20.8)
CAC 40	5,108.98	2.1	3.8	(13.2)
Nikkei	22,945.50	1.8	2.9	(1.2)
MSCI EM	1,066.29	0.6	(0.3)	(4.3)
SHANGHAI SE Composite	3,361.30	(1.3)	(0.5)	9.8
HANG SENG	25,481.58	(0.0)	(1.0)	(9.2)
BSE SENSEX	36,051.81	0.4	(1.4)	(17.2)
Bovespa	101,790.50	1.8	1.2	(34.2)
RTS	1,219.26	0.2	(2.1)	(21.3)

Source: Bloomberg (*\$ adjusted returns)

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