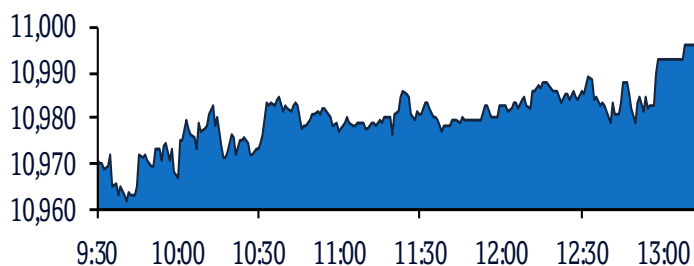


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.1% to close at 10,996.1. Gains were led by the Insurance and Banks & Financial Services indices, gaining 0.8% and 0.5%, respectively. Top gainers were Ahli Bank and Qatar Cinema & Film Distribution, rising 6.3% and 5.1%, respectively. Among the top losers, QLM Life & Medical Insurance Co. Equity fell 2.0%, while Qatar Industrial Manufacturing Co. was down 1.6%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.4% to close at 11,344.9. Losses were led by the Pharma, Biotech & Life Science and Transportation indices, falling 1.7% and 1.6%, respectively. Gulf Union Cooperative Insurance declined 6.6%, while Al Sagr Co-Operative Insurance was down 4.4%.

Dubai: The DFM Index gained 0.9% to close at 2,862.0. The Investment & Financial Services index rose 2.3%, while the Real Estate & Construction index gained 1.6%. Dubai Financial Market rose 2.8%, while Emaar Malls was up 2.6%.

Abu Dhabi: The ADX General Index fell 0.5% to close at 7,694.6. The Telecommunication index declined 2.4%, while the Services index fell 0.6%. Abu Dhabi Natl Co. for Building declined 4.8%, while Sudatel Telecommunications Group Company was down 3.9%.

Kuwait: The Kuwait All Share Index gained 0.5% to close at 6,651.4. The Technology index rose 4.5%, while the Banks index gained 0.8%. Al Tamdeen Investment Co. rose 8.1%, while Kuwaiti Syrian Holding Co. was up 7.1%.

Oman: The MSM 30 Index fell 0.3% to close at 3,990.8. Losses were led by the Financial and Services indices, falling 0.5% and 0.3%, respectively. Oman & Emirates Investment Holding Co. declined 5.6%, while Oman Cables Industry was down 3.7%.

Bahrain: The Market was closed as on August 18, 2021.

Market Indicators	18 Aug 21	17 Aug 21	%Chg.
Value Traded (QR mn)	364.4	468.8	(22.3)
Exch. Market Cap. (QR mn)	639,742.3	637,860.5	0.3
Volume (mn)	162.6	167.8	(3.1)
Number of Transactions	7,683	8,422	(8.8)
Companies Traded	47	46	2.2
Market Breadth	19:23	15:26	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	21,767.49	0.1	0.7	8.5	16.7
All Share Index	3,510.01	0.2	0.7	9.7	17.6
Banks	4,705.47	0.5	1.2	10.8	15.5
Industrials	3,654.42	(0.1)	0.1	18.0	19.6
Transportation	3,404.47	(0.3)	0.3	3.3	19.1
Real Estate	1,791.55	0.1	(0.1)	(7.1)	16.6
Insurance	2,630.70	0.8	1.1	9.8	17.4
Telecoms	1,045.97	(0.0)	0.3	3.5	N/A
Consumer	8,241.80	(0.4)	(0.2)	1.2	22.3
Al Rayan Islamic Index	4,587.17	(0.1)	0.2	7.4	17.4

GCC Top Gainers###	Exchange	Close#	1D%	Vol. '000	YTD%
Emaar Malls	Dubai	2.01	2.6	6,577.7	9.8
Emaar Properties	Dubai	4.12	1.7	19,628.0	16.7
Abu Dhabi National Oil Co	Abu Dhabi	4.55	1.3	11,090.2	21.3
Abu Dhabi Comm. Bank	Abu Dhabi	7.59	1.2	4,311.6	22.4
Southern Province Cem.	Saudi Arabia	76.60	1.2	309.7	(9.1)

GCC Top Losers###	Exchange	Close#	1D%	Vol. '000	YTD%
Mouwasat Medical Serv.	Saudi Arabia	202.00	(3.1)	110.6	46.4
Emirates Telecom. Group	Abu Dhabi	24.76	(2.5)	2,543.8	49.4
Saudi Telecom Co.	Saudi Arabia	135.00	(2.2)	723.7	28.4
Saudi Arabian Mining Co.	Saudi Arabia	72.40	(2.2)	673.6	78.8
National Petrochemical	Saudi Arabia	46.40	(1.8)	624.1	39.5

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%
Ahli Bank	3.90	6.3	5.0	13.1
Qatar Cinema & Film Distribution	4.00	5.1	0.0	0.2
Qatar Islamic Insurance Company	8.08	2.4	1.2	17.1
Al Khaleej Takaful Insurance Co.	4.53	1.2	366.6	138.7
QNB Group	19.40	1.0	3,777.6	8.8

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Investment Holding Group	1.22	(1.1)	37,106.0	103.7
Salam International Inv. Ltd.	0.96	0.7	23,596.8	47.2
Qatar Aluminum Manufacturing Co	1.61	(0.2)	21,374.7	66.1
Mazaya Qatar Real Estate Dev.	1.05	(1.4)	14,756.9	(17.3)
Baladna	1.61	(1.2)	7,191.0	(10.1)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
QLM Life & Medical Insurance Co.	5.00	(2.0)	71.3	58.7
Qatar Industrial Manufacturing Co	2.85	(1.6)	19.6	(11.1)
Mazaya Qatar Real Estate Dev.	1.05	(1.4)	14,756.9	(17.3)
Zad Holding Company	15.90	(1.4)	68.3	17.3
Baladna	1.61	(1.2)	7,191.0	(10.1)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	19.40	1.0	73,105.5	8.8
Investment Holding Group	1.22	(1.1)	46,317.3	103.7
Qatar Aluminum Manufacturing	1.61	(0.2)	34,050.2	66.1
Salam International Inv. Ltd.	0.96	0.7	22,636.6	47.2
Mazaya Qatar Real Estate Dev.	1.05	(1.4)	15,467.7	(17.3)

Source: Bloomberg (* in QR)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,996.13	0.1	0.7	2.3	5.4	98.66	172,858.4	16.7	1.6	2.7
Dubai	2,862.01	0.9	1.7	3.5	14.8	64.06	105,243.1	20.4	1.0	2.7
Abu Dhabi	7,694.59	(0.5)	1.3	5.1	52.5	348.90	369,992.0	23.6	2.2	3.0
Saudi Arabia	11,344.94	(0.4)	0.2	3.0	30.6	1,454.50	2,616,575.6	27.2	2.4	2.2
Kuwait	6,651.39	0.5	0.6	1.1	19.9	195.91	125,626.5	31.4	1.7	1.8
Oman	3,990.84	(0.3)	(0.3)	(1.0)	9.1	6.88	18,473.5	12.7	0.8	3.9
Bahrain#	1,638.09	0.1	0.4	2.6	10.0	13.23	26,274.6	11.6	0.8	3.4

Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (** TTM; * Value traded (\$ mn) do not include special trades, if any, #Data as on August 17, 2021)

Qatar Market Commentary

- The QE Index rose 0.1% to close at 10,996.1. The Insurance and Banks & Financial Services indices led the gains. The index rose on the back of buying support from Arab and foreign shareholders despite selling pressure from Qatari and GCC shareholders.
- Ahli Bank and Qatar Cinema & Film Distribution were the top gainers, rising 6.3% and 5.1%, respectively. Among the top losers, QLM Life & Medical Insurance Co. fell 2.0%, while Qatar Industrial Manufacturing Co. was down 1.6%.
- Volume of shares traded on Wednesday fell by 3.1% to 162.6mn from 167.8mn on Tuesday. However, as compared to the 30-day moving average of 152.0mn, volume for the day was 7.0% higher. Investment Holding Group and Salam International Inv. Ltd. were the most active stocks, contributing 22.8% and 14.5% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	45.02%	48.28%	(11,880,913.5)
Qatari Institutions	13.52%	19.82%	(22,954,341.5)
Qatari	58.54%	68.10%	(34,835,255.0)
GCC Individuals	0.40%	0.43%	(132,302.7)
GCC Institutions	0.61%	1.92%	(4,769,543.4)
GCC	1.01%	2.35%	(4,901,846.1)
Arab Individuals	12.05%	11.97%	288,829.6
Arab Institutions	0.00%	0.00%	13,643.1
Arab	12.06%	11.97%	302,472.7
Foreigners Individuals	5.51%	6.37%	(3,144,500.8)
Foreigners Institutions	22.88%	11.20%	42,579,129.1
Foreigners	28.39%	17.57%	39,434,628.3

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

Earnings Releases and Global Economic Data

Earnings Releases

Company	Market	Currency	Revenue (mn) 2Q2021	% Change YoY	Operating Profit (mn) 2Q2021	% Change YoY	Net Profit (mn) 2Q2021	% Change YoY
Al Babbain Power & Telecommunication Co.	Saudi Arabia	SR	385.8	31.2%	23.5	-23.0%	15.5	-31.0%
National Metal Manufacturing and Casting Co.	Saudi Arabia	SR	48.1	27.1%	(5.6)	N/A	(7.4)	N/A
The National Company for Glass Industries	Saudi Arabia	SR	16.0	-15.8%	(3.1)	N/A	10.3	N/A
Ash-Sharqiyah Development Co.	Saudi Arabia	SR	-	-	(2.8)	N/A	(2.4)	N/A
Watani Iron Steel Co.	Saudi Arabia	SR	322.0	56.4%	33.8	45.3%	30.0	63.8%
Gulf Union Cooperative Insurance Co.	Saudi Arabia	SR	128.2	38.7%	-	-	(46.8)	N/A
Al Kathiri Holding Co.	Saudi Arabia	SR	40.2	163.7%	-	-	3.1	N/A
Drake & Scull International	Dubai	AED	35.9	-5.8%	-	-	(38.0)	N/A

Source: Company data, DFM, ADX, MSM, TASI, BHB.

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
08-18	US	Mortgage Bankers Association	MBA Mortgage Applications	13-Aug	-3.90%	-	2.80%
08-18	UK	UK Office for National Statistics	CPI MoM	Jul	0.00%	0.20%	0.50%
08-18	UK	UK Office for National Statistics	CPI YoY	Jul	2.00%	2.30%	2.50%
08-18	UK	UK Office for National Statistics	CPI Core YoY	Jul	1.80%	2.00%	2.30%
08-18	UK	UK Office for National Statistics	RPI MoM	Jul	0.50%	0.30%	0.70%
08-18	UK	UK Office for National Statistics	RPI YoY	Jul	3.80%	3.60%	3.90%
08-18	EU	Eurostat	CPI YoY	Jul	2.20%	2.20%	2.20%
08-18	EU	Eurostat	CPI Core YoY	Jul	0.70%	0.70%	0.70%
08-18	EU	Eurostat	CPI MoM	Jul	-0.10%	-0.10%	-0.10%
08-18	Japan	Ministry of Finance Japan	Exports YoY	Jul	37.00%	39.40%	48.60%
08-18	Japan	Ministry of Finance Japan	Imports YoY	Jul	28.50%	35.30%	32.70%

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

Qatar

- QNB Group wins two awards in the first edition of the 2021 Sustainable Finance Awards program by Global Finance** – QNB, the largest financial institution in the Middle East and Africa, has received two awards at Global Finance's inaugural 2021 Sustainable Finance Awards, for 'Outstanding Sustainable Financing in Emerging Markets' and 'Outstanding Leadership in Green Bonds' in the Middle East regional category. This new awards program from world renowned Global Finance magazine recognizes global and regional leadership in funding and launching initiatives designed to mitigate the negative impacts of climate change and help build a more sustainable future for humanity. The Sustainable Financing award complements QNB's recent uplift to MSCI ESG "AA" rating, the first bank to achieve this in the region. This is a testament that QNB has developed an impactful sustainability strategy, that it has identified material environment, social and governance (ESG) risks, and that it is ready to invest and deliver upon them. The Green Bond award recognizes that QNB is delivering upon its sustainability strategy. The green bond issuance meets international best practices, and allows QNB to tap into a pool of capital that supports the transition towards a sustainable and low-carbon economy. Global Finance is a leading international magazine and industry analyst that evaluates and awards the top performers among banks and other providers of financial services on global and regional levels in categories of technology, leadership, brand and sustainability among others. (Press Release)
- Cabinet approves increase of non-Qatari ownership in the capital of a number of banks** – HE Prime Minister and Minister of Interior Sheikh Khalid bin Khalifa bin Abdulaziz Al-Thani chaired the Cabinet's regular meeting held at its seat at the Amiri Diwan on Wednesday. Following the meeting, HE Minister of Municipality and Environment and Acting Minister of State for Cabinet Affairs Abdullah bin Abdulaziz bin Turki Al Subaei issued the following statement: At the outset of the meeting, the cabinet was briefed by HE Minister of Public Health on the latest developments in efforts to curb COVID-19. The Cabinet affirmed the continuation of work with the procedures and precautionary measures that have been taken in order to combat this pandemic. Then, the Cabinet considered the topics on the agenda as follows: First: The approval of a draft law on lost property (al-luqtah) and unclaimed money. The draft law has been made to regulate the procedures for dealing with the lost property (al-luqtah) and unclaimed money, in order to ensure that rights are protected as well as encourage people who find lost property or money to hand them over, and contribute to returning them to their owners. Second: The approval of increasing the percentage of non-Qatari ownership in the capital of the QNB Group (QNBK), Qatar Islamic Bank (Al Masraf), Commercial Bank (CBQK) and Masraf Al Rayan (MARK) to reach 100%, in accordance with the provisions of Article 7 of Law No.1 of 2019 on regulating the investment of non-Qatari capital in economic activity. Third: The approval of Qatar Tourism's participation in a number of forums and exhibitions during 2021. Fourth: The Cabinet reviewed the two following issues and took the appropriate decision on: 1- The results of participation in the eighth session of the SelectUSA Investment Summit. 2- The results of participation in the international Hannover Messe Fair. (Qatar Tribune)
- Qatar's Industrial Production Index stood at 99.1 points in June 2021** – Qatar's Industrial Production Index (IPI) for June 2021 stood at 99.1 points, showing a decrease of 6.3% compared

to the previous month (May 2021). When compared on YoY basis, the IPI index has decreased by 5.3% compared to the corresponding month in 2020, data released by the Planning and Statistics Authority (PSA) show. The index of the "Mining" sector showed a decrease by 7.1% compared to the previous month (May 2021), as a result of the decrease in the quantities of "Crude oil petroleum and Natural gas" by 7.1%, while "Other mining and quarrying" showed a decrease by 2.7%. When compared to the corresponding month of the previous year (June 2020), the IPI of Mining decreased by 5.3%. The index of the "Manufacturing" sector showed a decrease of 2.9% compared to the previous month (May 2021), which refer to decrease in the following groups: "Manufacture of refined petroleum products" by 17.3%, followed by "Manufacture of chemicals and chemical products" by 0.6%, "Manufacture of basic metals" by 0.3%, and "Manufacture of rubber and plastics products" by 0.1%. However, an increase was recorded in "Manufacture of beverages" by 11.8%, "Manufacture of food products" by 6.5%, "Printing and reproduction of recorded media" by 5.2%, and "Manufacture of Cement and other nonmetallic mineral products" by 1.4%. On the other hand, in terms of annual change, comparing to June 2020, a decrease of 4.8% was recorded, affected by the following groups: "Manufacture of refined petroleum products" by 11.6%, followed by "Manufacture of chemicals and chemical products" by 9.6%, "Manufacture of beverages" by 5.8%, and "Manufacture of food products" by 1.9%. However, an increase was recorded in the "Manufacture of basic metals" by 24.4%, "Manufacture of Cement & other non-metallic mineral products" by 23.0%, and "Manufacture of rubber and plastics products" by 12.5%. There was no production in June 2020 for "Printing and reproduction of recorded media", due to the procedure which had been taken to prevent the spread of COVID-19. The index of the "Electricity" sector showed an increase of 1.8% in the production of "Electricity" between June 2021 and the previous month (May 2021), while the annual decrease (comparing with June 2020), was 6.2%. The index of the "Water" sector showed an increase of 4.2% in the production of "Water" between June 2021 and the previous month (May 2021). Comparing with corresponding month (June 2020), a decrease of 20.1% was recorded. (Peninsula Qatar)

- Real estate sales in Qatar exceed QR382mn during August 8-12** – Properties worth QR382.205mn were sold in Qatar between August 8 and 12, according to figures from the Real Estate Registration Department of the Ministry of Justice. The preceding week saw real estate transactions worth QR454.776mn in the country. The weekly bulletin issued by the department said the list of real estate traded for sale included vacant land, housing, apartment buildings and towers. Sales operations were concentrated in the municipalities of Al Rayyan, Doha, Al Wakra, Umm Salal, Al Daayen, Al Khor, Al Dakhira, and Al Shamal. (Qatar Tribune)
- Moody's: Qatar banks' net profit zooms to pre-pandemic levels** – Eight leading Qatari banks reported an aggregate net profit of QR11.8bn (\$3.2bn), up 12% from the year-earlier and 1% higher than in the first-half of 2019. Growth in net profit was consistent across the banks and largely driven by an increase in both net interest and non-interest income, according to rating agency Moody's. Loan-loss provisions remained elevated while costs were broadly flat. The recovery of oil prices and the resolution of Qatar's diplomatic dispute with some of its neighbors are expected to support the banks' full-year performance in 2021.

“We expect bottom-line profitability to remain stable in the second half of the year and relatively strong compared with regional peers,” said Nitish Bhojnagarwala, Vice President and Senior Credit Analyst at Moody’s. While net interest income increased, net interest margins (NIMs) remained broadly stable at 2.2%, reflecting strong loan growth of 9% YoY. Stable NIMs reflected a decline in asset yields in the current lower interest rate environment – to 4% from 4.5% – that was fully offset by a decline in cost of funds to 2.1% from 2.7%. The banks improved their operating efficiency in 2020 through cost-control measures such as reducing staff and travel expenses, easing pressure on their bottom-line profit. While the benefits of the cost-control have been accruing this year, aggregate operating expenses for the system increased by 5 per cent in the first-half of the year. Despite a modest overall increase in costs, the cost-to-income ratio for the eight banks fell to 24.1% in the first-half of 2021 from 25.7% a year earlier. The banks’ provisioning increased to QR5.5bn from QR4.1bn a year earlier, and consumed around 31% of pre-provision income compared with 26% previously. Provisions in 2021 also more than doubled compared with the same period in 2019. Actions taken to contain the pandemic, the global economic shock and low oil prices weighed on borrowers’ repayment capacity. (Bloomberg)

- Fitch Solutions: Spending boost seen in Qatar on hydrocarbon revenue gains** – Hydrocarbon revenue gains will push Qatar Government to boost spending; Fitch Solutions said and noted the increase will be relatively conservative, in line with the projected expenditure growth outlined in the 2021 State Budget. In its ‘Middle East Monitor’, Fitch Solutions said Qatar’s headline expenditures are expected to “rebound modestly” by 4.6% following a “sharp contraction” of 12.6% in 2020. Although this represents an upward revision from Fitch Solutions’ previous forecast of 3.9%, as hydrocarbon revenue gains will push the government to boost spending, the researcher believes the increase will be relatively conservative, in line with the projected expenditure growth outlined in the 2021 State Budget. In the latest report released by the Ministry of Finance, 1Q2021 total expenditures registered a 6.3% YoY decrease. The report highlights the decline in expenditures is mostly a result of extensive cuts in administrative and staffing expenses by the government over the course of 2020. “And we do not expect these cuts will be reversed in 2021 given the ongoing commitment to spending rationalization outlined in the 2017-2022 National Development Strategy. “While increased payments related to preparations for the FIFA World Cup Qatar 2022 will offer modest tailwinds to recurrent spending, we expect it will grow by just 2.3%.” At the same time, Fitch Solutions’ forecasts capital spending to increase by 8.5%, less than the 13.8% growth projected by the 2021 State Budget after 1Q2021 data showed a significant 6.5% YoY decrease in capital spending. While we believe that a larger number of contracts will be awarded starting in 2H2021, boosting spending figures, Fitch Solutions’ do not believe it will be sufficient to drive capital spending growth into the double digits. Over a multi-quarter time frame, Fitch Solutions’ expect a portion of the capital spending that the government once included on their balance sheets will be effectively transferred to state-owned enterprises and public agencies, which are taking a more active role in financing large projects. (Gulf-Times.com)
- Fitch Solutions revises Qatar's 2021 fiscal surplus to 4% of GDP on rising hydrocarbon prices** – As rising hydrocarbon prices set to bolster Qatar’s revenues, Fitch Solutions has revised its 2021 forecast for the country’s fiscal surplus from 2.3% of GDP to 4%. This represents an upward revision from Fitch Solutions’ previous forecast of 2.4% of GDP, as its Oil & Gas team now expects Brent to average \$66 per barrel in 2021 from an initial forecast of \$53/b at the start of the year. Fitch Solutions’ forecast

is also significantly more bullish than the Qatari government, which in the 2021 State Budget projects a fiscal deficit of 6% on the assumption of a conservative average Brent price of \$40/b. While the stronger hydrocarbon prices may prompt Qatar to increase spending modestly, we believe a significant increase is fairly unlikely. Indeed, latest 1Q21 data released by the government show continued strict abidance with the fiscal targets set in Qatar’s five-year Second National Development Strategy, set to expire in 2022. Qatar’s fiscal position will benefit from rising energy prices on the back of a global economic recovery. A combination of tight supply management of oil markets by OPEC+ coupled with a pick-up in the global vaccinations and bullish market sentiment have already prompted a rebound in global energy prices, with Brent trading at \$68.7/b on May 25, from an average of \$43.2/b in 2020. The coming online of a new phase of the Barzan gas field in 1Q21 will also contribute to the country’s growth in revenues, with Fitch Solutions’ team forecasting gas output to increase 5% in 2021. As hydrocarbons account for over 80% of the total revenues, with the majority stemming from natural gas exports, the combined increase in hydrocarbon prices and production will offer significant tailwinds to Qatar’s fiscal intakes. (Gulf-Times.com)

- Al Kuwari: Elected Shura Council will open new era of popular participation, consolidate national unity** – Former Deputy Speaker of the Shura Council Issa Rabea Al Rabea Al Kuwari has underlined the keenness of Amir HH Sheikh Tamim bin Hamad Al Thani on promoting the popular participation through an elected Shura Council that expresses the will of the people and serves as a link between the people and members of the government. In an exclusive interview with QNA, Al Kuwari said that HH the Amir is always keen on holding the “people’s session” and meeting the people of opinion to listen to their aspirations, requests and suggestions. He added that the elected Shura Council will open a new era in the history of the Council, and will work to achieve the goals and objectives through the implementation of plans and the enactment of laws and legislation that contribute to pushing forward the renaissance and sustainable development and meeting the aspirations of all members of the society. Al Kuwari believed that the national unity is one of the most important priorities of the State, especially for HH the Amir, stressing that if these elections caused divisions and destabilized the national unity, HH the Amir will take the appropriate decision. He reiterated that the solidarity and cohesion among members of society, as well as among members of the Shura Council will make the electoral process a successful achievement that reflects the development and awareness of Qatari society. (Peninsula Qatar)

International

- US employment growth through March revised modestly lower** – The US economy likely created 166,000 fewer jobs in the 12 months through March than previously estimated, the Labor Department’s Bureau of Labor Statistics said on Wednesday. The reading is a preliminary estimate of the BLS’ annual “benchmark” revision to the closely watched payrolls data. The leisure and hospitality sector, which was hardest hit by the COVID-19 pandemic, accounted for the bulk of the revision, with employment growth revised down by 597,000 or 4.6%. Leisure and hospitality employment is 1.7mn below its peak in February 2020, though the industry has led the labor market recovery from the pandemic. But the transportation and warehousing sector added 247,900 more jobs than previously thought, while professional and business services payrolls were revised up by 214,000. Government employment was raised by 255,000 jobs. Once a year, the BLS compares its non-farm payrolls data, based on monthly surveys of a sample of employers, with a much more complete database of unemployment insurance tax records. A

final benchmark revision will be released in February along with the BLS' report on employment for January. Government statisticians will use the final benchmark count to revise payroll data for months both prior to and after March. (Reuters)

- **BLS: US job growth through March revised down** – The US economy likely created 166,000 fewer jobs in the 12 months through March than previously estimated, the Labor Department's Bureau of Labor Statistics said on Wednesday. The reading is a preliminary estimate of the BLS' annual "benchmark" revision to closely watched payrolls data. Once a year, the BLS compares its non-farm payrolls data, based on monthly surveys of a sample of employers, with a much more complete database of unemployment insurance tax records. A final benchmark revision will be released in February along with the BLS' report on employment for January. Government statisticians will use the final benchmark count to revise payroll data for months both prior to and after March. (Reuters)
- **US housing starts fall sharply in July** – US homebuilding fell more than expected in July, the latest indication that surging construction costs and home prices continued to constrain the housing market early in the third quarter. Housing starts dropped 7.0% to a seasonally adjusted annual rate of 1.534mn units last month, the Commerce Department said on Wednesday. Data for June was revised up to a rate of 1.650mn units from the previously reported 1.643mn units. Economists polled by Reuters had forecast starts would fall to a rate of 1.600mn units. Permits for future homebuilding rose 2.6% to a rate of 1.635mn units in July. The report followed on the heels of a survey from the National Association of Home Builders on Tuesday showing confidence among single-family homebuilders dropped to a 13-month low in August because of higher material costs and home prices, which are cooling demand for houses. Building costs remain an issue even though lumber futures have tumbled from a record high of \$1,711 per thousand board feet in May, with the contract for delivery in November trading at around \$483 as of Tuesday. Land and labor shortages persist. Homebuilding has struggled to gain traction since racing to a rate of 1.739mn units in March, which was the highest level since June 2006. Housing demand boomed during the COVID-19 pandemic, which fueled a migration from cities to the suburbs and other low-density areas as Americans sought spacious accommodations for home offices and schooling. The robust demand, also driven by record low mortgage rates, far outpaced supply, leading to double-digit annual growth in home prices. (Reuters)
- **ONS: UK inflation slows more sharply than expected to 2.0% in July** – British inflation cooled more quickly than expected in July when it slowed to 2.0% in annual terms from 2.5% in June, official data showed on Wednesday. Economists polled by Reuters had expected a reading of 2.3%. (Reuters)
- **Eurozone inflation confirmed above ECB target in July** – Eurozone inflation accelerated to 2.2% in July, its highest rate in nearly three years and above the European Central Bank's target of 2.0%, final data released on Wednesday by the EU statistics office showed, confirming its earlier estimate. Eurostat said consumer prices in the 19-nation bloc rose 2.2% in July on the year, after a 1.9% rise in June. It was the highest rate since October 2018. MoM inflation in the bloc fell 0.1%, in line with the mean forecast of economists polled by Reuters. The ECB is forecasting a further increase of annual inflation towards the end of the year but it sees the acceleration as caused largely by temporary factors which would not require changes in policy. Supporting the ECB's stance, underlying price pressures remained muted, with a core indicator excluding volatile food and fuel prices at 0.9% on an annual basis, the same as in June, Eurostat data showed, confirming the previous reading published in late July. An even narrower measure, which excludes also

alcohol and tobacco prices, eased to 0.7% from 0.9% in June, also in line with the initial estimate. The higher rate in July was largely due to a spike in energy prices, which Eurostat said on Wednesday rose 14.3% on an annual basis, the highest increase this year. The reading revised upward Eurostat's earlier estimate of a 14.1% hike. Energy prices contributed 1.3 percentage points to the total 2.2% rate in July, Eurostat said. Food, alcohol and tobacco prices rose annually by 1.6% in July, Eurostat confirmed on Wednesday, whereas prices in the services sector, the largest in the Eurozone economy, increased 0.9%. (Reuters)

- **Reuters Tankan: Japan's factory mood hits 3-1/2-year high** – Confidence among Japanese manufacturers hit a more than three-and-half-year high in August and service-sector sentiment turned positive, the Reuters Tankan poll showed, suggesting the economy was shaking off the drag from the COVID-19 slump. The monthly poll, which tracks the Bank of Japan's (BOJ) closely watched tankan quarterly survey, found that manufacturers' mood would slip a little while staying buoyant in three months and service-sector sentiment would recover further. The poll follows a gross domestic product report this week that showed the world's third-largest economy grew an annualized 1.3% in April-June, thanks to brisk exports and stronger-than-expected consumption. In the Reuters poll of 503 big and medium-sized companies, in which 252 firms responded on condition of anonymity, managers expressed optimism over a demand recovery to pre-coronavirus levels, due to strong overseas orders for products such as high-tech goods. The Reuters Tankan sentiment index for manufacturers rose to 33 from 25 in July, its highest since January 2018, the poll conducted Aug. 4-16 showed. The service index rose to 5 from minus 3 the previous month, its highest since February last year. Some managers, however, worried about uncertainty from the virus and the impact of rising raw material costs and a prolonged state of emergency in parts of Japan that now covers nearly 60% of the population. The Reuters Tankan poll showed manufacturers' business confidence was seen falling to 31 in November, while that of service-sector firms was expected to rise to 13. The BOJ's own "tankan" business survey released in July showed business confidence improved to a two-and-half-year high, while service-sector sentiment turned positive for the first time in five quarters. The Reuters Tankan index readings are calculated by subtracting the percentage of respondents who say conditions are poor from those who say they are good. A positive reading means optimists outnumber pessimists. (Reuters)
- **Sugar rally could help India to export 6mn tons without subsidy** – India could export 6mn tons of sugar in the new season starting in October even without government subsidies, with global prices making overseas sales more lucrative after rising to their highest in 4-1/2 years, industry officials said on Wednesday. New Delhi is expected to withdraw sugar export subsidies from the new season as a sharp rise in prices makes it easier for Indian mills to sell on the world market, the most senior civil servant at the Ministry of Consumer Affairs, Food and Public Distribution told Reuters on Tuesday. "Even without the subsidy, India could export 6mn tons of sugar provided the market remains stable above 20 cents per lb," said B.B. Thombare, president of the West Indian Sugar Mills Association. Benchmark raw sugar prices in New York hit a 4-1/2-year high of 20.37 cents on Tuesday, supported by fund buying against a backdrop of tightening supplies. It settled at 20.17 cents on Wednesday. India's sugar mills should aim to export 6-7mn tons of the sweetener in the 2021-22 season by taking advantage of higher global prices, according to a government letter addressed to sugar makers, seen by Reuters. Exports from the world's second-biggest sugar producer could cap the rally in global prices and help to boost supplies in Asia and Africa while Brazil, the world's

biggest exporter, expects to harvest a smaller crop due to drought and frosts. Brazil's 2021/22 center-south sugar production is forecast to fall to 32.5mn tons from a June forecast of 34.1mn tons, according to food trader Czarnikow. (Reuters)

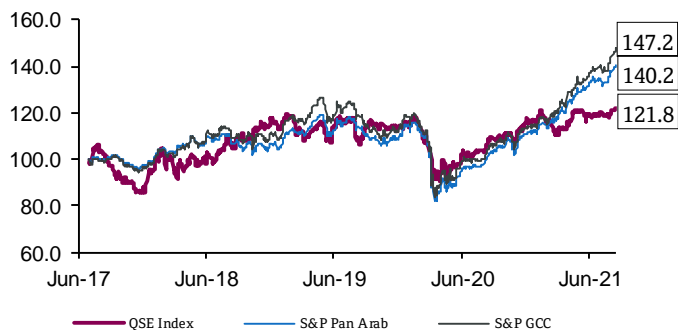
Regional

- **Record-busting LPG rally has room to run with winter looming** – Insatiable Chinese petrochemical demand, a lingering supply shortfall and the onset of the northern winter look set to push already lofty liquefied petroleum gas prices off the charts in the coming months. China's consumption is surging as new propane dehydrogenation plants, which turn the fuel into petrochemicals that make everything from surgical masks to car interiors, come on stream. That's happening as the supply of LPG, a byproduct of gas separation and oil refining, comes back only gradually as OPEC+ restores crude output sidelined during the pandemic. Those dynamics are now set to be exacerbated by cooler weather in the northern hemisphere, as the fuel is also used to heat homes. That typically produces a seasonal run-up in prices in the last few months of the year. This year, prices are already at record levels even before the pre-winter surge. Benchmark propane prices in Asia have jumped almost 40% since the end of April, data from GINGA Petroleum show. Saudi Aramco raised its August contract price for propane to the highest since October 2014, while European prices are 70% higher than seasonal norms, according to BloombergNEF. LPG includes gases like propane, butane or a mixture of both. (Bloomberg)
- **Saudis' investment in US equity slowdown in Q2 of 2021** – Saudis trading in US stocks, through market institutions licensed by the Capital Market Authority, recorded a decline of 25.4%, during the second quarter from a year ago, marking a decline in trading for the third quarter in a row, official data showed. Saudis' transactions in the US stocks during the second quarter of this year amounted to SR60.65bn including buying and selling, compared to about SR81.34bn in the second quarter last year, CMA data revealed. Trading fell by 21.7% compared to the first quarter of this year, after it was SR77.4bn during. Despite the fall in the second quarter, trading in US equity witnessed a huge jump since the start of 2020. The trading of the third quarter of 2020 is the highest recorded so far, as it exceeded SR100bn, the data showed. (Zawya)
- **Saudi Arabia raises SR11.4bn in August domestic Sukuk issuance** – August issuance is divided into three tranches; the National Debt Management Center says. First tranche of SR2.508bn which matures in 2029. Second tranche of SR4.485bn which matures in 2033. Third tranche of SR4.365bn which matures in 2036. (Bloomberg)
- **UAE's Fujairah Oil Terminal secures \$280mn refinancing** – Energy infrastructure investment firm Prostar Capital has completed a refinancing for its company Fujairah Oil Terminal, in the UAE. The new \$280mn debt facility will replace the existing senior debt as well as create a capital expenditure facility to fund the connection of the terminal to the Very Large Crude Carrier jetty and Abu Dhabi Crude Oil pipeline, which delivers Abu Dhabi's Murban crude to Fujairah, Prostar said in a statement Wednesday. FOT is a 7.4mn-barrel bulk liquid storage terminal located in Fujairah, a major strategic energy trading center and one of the largest bunkering ports in the world. (Zawya)
- **UAE sells another Blue Ammonia cargo to Japan in hydrogen push** – The United Arab Emirates sold its third shipment of blue ammonia to Japan, as the oil producer looks to build a hydrogen industry and plans for the global energy transition. Abu Dhabi National Oil Co. will send a cargo to Inpex Corp. for use in power generation in Japan, according to a statement. Fertiglobe, a partnership between Amsterdam-based OCI NV and Adnoc, will produce the fuel in the emirate of Abu

Dhabi. Several energy companies are investing in such fuels, though they've only just started setting up manufacturing, carbon capture and export facilities. Production costs are still far higher than those for oil and gas. (Bloomberg)

- **Dubai real estate: Apartment, villa prices and rents surge as demand recovers** – Dubai villa prices surged as much as 27% in the second quarter of 2021 as the UAE real estate sector continued its path to recovery. According to property management firm, Asteco's latest report, Jumeirah Park saw the highest rise in sales price increase - 27% from Q1 to Q2 2021. This was followed by the Springs, which saw an increase of 24% and Dubai Hills Estate, where prices rose by 19%. Dubai apartment sales prices also increased across the board, with the Palm Jumeirah seeing the highest increase from Q1 to Q2 - 13% - followed by Business Bay at 12% and Jumeirah Lakes Towers at 10%. (Zawya)
- **Source: Swvl buys on-demand bus service Shotl** – Dubai-based transport startup Swvl has agreed to buy Shotl, an Uber-like service for bus and van operators that caters to municipalities, corporations and educational institutions, a source familiar with the matter told Reuters. Founded in Egypt in 2017, Swvl also operates a digital platform that allows passengers to reserve and pay for rides with bus operators along fixed routes. The source, who refused to be identified because the talks are not public yet, did not disclose the financial terms of the deal. (Zawya)
- **Government source: Kuwait finance minister offers resignation** – Kuwaiti Finance Minister Khalifa Hamade has offered his resignation to the prime minister of the oil-rich Gulf emirate, two government sources said on Wednesday. The sources said Hamade felt "marginalized" in decision-making, including on selecting the board of sovereign fund Kuwait Investment Authority, which was appointed by the emir in August. Hamade will continue to perform his duties, pending a decision of the prime minister, and will attend a cabinet meeting later on Wednesday, one of the sources said. The resignation would also require the ruling emir's approval. (Reuters)

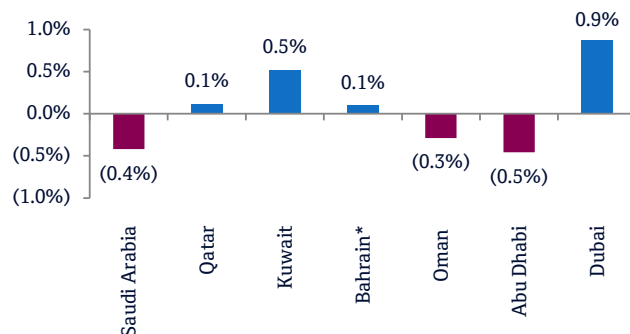
Rebased Performance



Source: Bloomberg
Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,787.82	0.1	0.5	(5.8)
Silver/Ounce	23.51	(0.6)	(1.0)	(11.0)
Crude Oil (Brent)/Barrel (FM Future)	68.23	(1.2)	(3.3)	31.7
Crude Oil (WTI)/Barrel (FM Future)	65.46	(1.7)	(4.4)	34.9
Natural Gas (Henry Hub)/MMBtu	3.86	(1.8)	(1.0)	61.5
LPG Propane (Arab Gulf)/Ton	114.25	0.0	(0.2)	51.8
LPG Butane (Arab Gulf)/Ton	133.13	0.0	0.7	91.6
Euro	1.17	0.0	(0.7)	(4.1)
Yen	109.77	0.2	0.2	6.3
GBP	1.38	0.1	(0.8)	0.6
CHF	1.09	(0.2)	(0.2)	(3.5)
AUD	0.72	(0.3)	(1.9)	(6.0)
USD Index	93.14	0.0	0.7	3.6
RUB	73.83	0.3	0.8	(0.8)
BRL	0.19	(1.7)	(2.6)	(3.6)

Daily Index Performance



Source: Bloomberg (*Data as of August 17, 2021)
Source: Bloomberg (*\$ adjusted returns)

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,078.01	(0.7)	(1.5)	14.4
DJ Industrial	34,960.69	(1.1)	(1.6)	14.2
S&P 500	4,400.27	(1.1)	(1.5)	17.2
NASDAQ 100	14,525.91	(0.9)	(2.0)	12.7
STOXX 600	474.42	0.0	(1.1)	13.8
DAX	15,965.97	0.2	(0.9)	10.8
FTSE 100	7,169.32	(0.0)	(1.5)	11.8
CAC 40	6,770.11	(0.8)	(2.7)	16.7
Nikkei	27,585.91	0.2	(1.7)	(5.6)
MSCI EM	1,261.60	0.5	(1.5)	(2.3)
SHANGHAI SE Composite	3,485.29	1.1	(1.0)	1.0
HANG SENG	25,867.01	0.5	(2.1)	(5.4)
BSE SENSEX	55,629.49	(0.2)	0.2	14.6
Bovespa	116,642.60	(2.1)	(5.6)	(5.1)
RTS	1,675.21	(0.9)	0.5	20.7

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