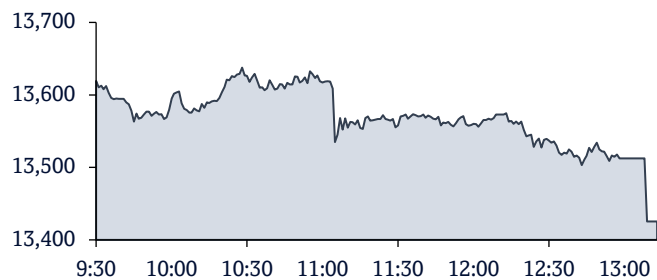


QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 1.4% to close at 13,425.6. Losses were led by the Industrials and Transportation indices, falling 2.2% and 1.6%, respectively. Top losers were The Commercial Bank and Mannai Corporation, falling 6.0% and 2.9%, respectively. Among the top gainers, Ooredoo gained 3.1%, while Gulf Warehousing Company was up 2.4%.

GCC Commentary

Saudi Arabia: The TASI Index fell 1.4% to close at 12,283.3. Losses were led by the Materials and Energy indices, falling 2.4% and 1.7%, respectively. Bawan Co. declined 4.8%, while SABIC Agri-Nutrients Co. was down 4.7%.

Dubai: The DFM Index fell 0.6% to close at 3,443.1. The Consumer Staples and Discretionary index declined 5.2%, while the Transportation index fell 2.0%. Emirates Refreshments Co. declined 5.2%, while Ithmaar Holding was down 5.1%.

Abu Dhabi: The ADX General Index fell 1.0% to close at 9,873.8. The Real Estate index declined 1.6%, while the Financials Index index fell 1.2%. Ras Al Khaimah Poultry & Feeding Co. declined 6.0%, while Easy Lease Motorcycle Rental was down 5.4%.

Kuwait: The Kuwait All Share Index fell 0.3% to close at 7,709.1. The Healthcare index declined 1.7%, while the Telecommunications index fell 0.7%. Kuwaiti Syrian Holding Co. declined 11.9%, while Dar AL Thraya Real Estate Co. was down 8.4%.

Oman: The MSM 30 Index gained 0.2% to close at 4,585.3. Gains were led by the Services and Financial indices, rising 1.0% and 0.2%, respectively. Gulf International Chemicals rose 9.9%, while Sharqiyah Desalination Company was up 9.2%.

Bahrain: The BHB Index gained 0.1% to close at 1,918.0. The Materials index rose 0.9%, while the Consumer Discretionary index gained 0.3%. Nass Corp rose 5.3%, while Aluminum Bahrain was up 0.9%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Ooredoo	9.08	3.1	3,252.3	29.3
Gulf Warehousing Company	4.78	2.4	125.3	5.2
Al Meera Consumer Goods Co.	18.27	1.2	49.6	(6.8)
Aamal Company	1.18	0.8	112.6	8.6
Barwa Real Estate Company	3.68	0.2	5,690.8	20.4

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
The Commercial Bank	7.33	(6.0)	98,573.5	8.6
Qatar Aluminum Manufacturing Co.	1.88	(0.7)	16,273.8	4.4
Estithmar Holding	2.21	(1.6)	13,852.5	79.8
Masraf Al Rayan	4.52	0.0	13,424.0	(2.6)
Ezdan Holding Group	1.37	(1.4)	12,512.3	2.2

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	13,425.60	(1.4)	(2.3)	0.4	15.5	407.16	203,217.7	15.5	1.9	3.2
Dubai	3,443.11	(0.6)	(0.6)	3.2	7.7	128.93	155,108.4	10.6	1.2	2.6
Abu Dhabi	9,873.75	(1.0)	(1.5)	2.2	16.3	403.40	574,092.5	19.7	2.8	1.9
Saudi Arabia	12,283.33	(1.4)	(2.4)	0.7	8.9	2,212.49	3,040,316.7	20.3	2.6	2.4
Kuwait	7,709.05	(0.3)	(1.0)	(0.1)	9.5	166.66	148,694.7	17.5	1.8	2.8
Oman	4,585.30	0.2	1.0	1.2	11.0	5.88	21,358.0	13.2	0.9	4.5
Bahrain	1,918.01	0.1	0.9	0.7	6.7	2.88	30,774.5	6.6	0.9	5.5

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	31 Aug 22	30 Aug 22	%Chg.
Value Traded (QR mn)	1,497.7	625.3	139.5
Exch. Market Cap. (QR mn)	748,224.3	757,418.8	(1.2)
Volume (mn)	251.2	162.0	55.0
Number of Transactions	24,750	23,944	3.4
Companies Traded	45	45	0.0
Market Breadth	6:36	17:25	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	27,499.98	(1.4)	(2.3)	19.5	15.5
All Share Index	4,258.01	(1.3)	(2.1)	15.1	158.4
Banks	5,579.48	(1.3)	(2.6)	12.4	17.0
Industrials	4,898.54	(2.2)	(2.2)	21.8	13.2
Transportation	4,766.29	(1.6)	(2.8)	34.0	15.3
Real Estate	1,986.61	(0.3)	0.0	14.2	21.1
Insurance	2,612.13	(0.3)	(1.5)	(4.2)	16.3
Telecoms	1,317.74	2.0	0.5	24.6	13.7
Consumer	8,982.16	(0.3)	(0.9)	9.3	25.2
Al Rayan Islamic Index	5,625.44	(0.8)	(1.8)	19.3	12.8

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Co. for Cooperative Ins.	Saudi Arabia	76.00	3.7	571.1	(1.9)
Emaar Properties	Dubai	6.26	1.0	39,592.6	28.0
Aluminum Bahrain	Bahrain	1.10	0.9	126.3	36.9
Fertiglobe PLC	Abu Dhabi	5.62	0.4	3,583.7	59.7
GFH Financials Group	Bahrain	0.31	0.3	300.0	(4.7)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Saudi Arabian Fertilizer Co.	Saudi Arabia	174.00	(4.7)	3,565.4	(1.5)
Riyad Bank	Saudi Arabia	35.50	(4.7)	3,387.9	31.0
Sahara Int. Petrochemical	Saudi Arabia	47.75	(4.2)	4,326.3	13.7
Rabigh Refining & Petro.	Saudi Arabia	17.32	(4.2)	8,308.2	19.5
Knowledge Economic City	Saudi Arabia	13.40	(4.0)	1,088.3	(17.1)

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%
The Commercial Bank	7.33	(6.0)	98,573.5	8.6
Mannai Corporation	12.30	(2.9)	248.3	159.1
Qatar National Cement Company	4.96	(2.7)	1,631.1	(2.8)
Mesaieed Petrochemical Holding	2.60	(2.6)	10,645.6	24.4
Qatar Industrial Manufacturing Co.	3.42	(2.5)	14.4	11.4

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
The Commercial Bank	7.33	(6.0)	724,911.5	8.6
QNB Group	20.64	(1.0)	187,587.6	2.2
Qatar Islamic Bank	25.61	(0.4)	94,296.3	39.7
Industries Qatar	18.15	(2.5)	72,953.3	17.2
Masraf Al Rayan	4.52	0.0	60,772.3	(2.6)

Qatar Market Commentary

- The QE Index declined 1.4% to close at 13,425.6. The Industrials and Transportation indices led the losses. The index fell on the back of selling pressure from foreign shareholders despite buying support from Qatari, GCC and Arab shareholders.
- The Commercial Bank and Mannai Corporation were the top losers, falling 6.0% and 2.9%, respectively. Among the top gainers, Ooredoo gained 3.1%, while Gulf Warehousing Company was up 2.4%.
- Volume of shares traded on Wednesday rose by 55.0% to 251.2mn from 162.0mn on Tuesday. Further, as compared to the 30-day moving average of 220.4mn, volume for the day was 13.9% higher. The Commercial Bank and Qatar Aluminum Manufacturing Co. were the most active stocks, contributing 39.2% and 6.5% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	12.56%	11.13%	21,489,117.2
Qatari Institutions	7.02%	8.44%	(21,366,949.9)
Qatari	19.58%	19.57%	122,167.3
GCC Individuals	0.16%	0.10%	890,619.3
GCC Institutions	2.04%	1.34%	10,594,773.9
GCC	2.20%	1.43%	11,485,393.2
Arab Individuals	3.60%	3.11%	7,340,148.1
Arab Institutions	0.00%	0.00%	-
Arab	3.60%	3.11%	7,340,148.1
Foreigners Individuals	1.01%	0.73%	4,291,625.3
Foreigners Institutions	73.61%	75.16%	(23,239,333.9)
Foreigners	74.63%	75.89%	(18,947,708.6)

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

Earnings Releases and Global Economic Data

Earnings Releases

Company	Market	Currency	Revenue (mn) 2Q2022	% Change YoY	Operating Profit (mn) 2Q2022	% Change YoY	Net Profit (mn) 2Q2022	% Change YoY
Arabian Food and Dairy Factories Co.	Saudi Arabia	SR	27.13	9.4%	0.09	-97.4%	-0.20	N/A

Source: Company data, DFM, ADX, MSM, TASI, BHB. (#Values in Thousands, *Financial for 2Q2022)

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
08-31	US	Automatic Data Processing, Inc	ADP Employment Change	Aug	132k	300k	268k
08-31	UK	The British Retail Consortium	BRC Shop Price Index YoY	Aug	5.10%	N/A	4.40%
08-31	Germany	German Federal Statistical Office	Import Price Index MoM	Jul	1.40%	1.70%	1.00%
08-31	Germany	German Federal Statistical Office	Import Price Index YoY	Jul	28.90%	28.80%	29.90%
08-31	Germany	Deutsche Bundesbank	Unemployment Change (000's)	Aug	28.0k	28.5k	45.0k
08-31	Germany	Deutsche Bundesbank	Unemployment Claims Rate SA	Aug	5.50%	5.50%	5.40%
08-31	China	China Federation of Logistics	Manufacturing PMI	Aug	49.4	49.2	49.0
08-31	China	China Federation of Logistics	Non-manufacturing PMI	Aug	52.6	52.3	53.8
08-31	Japan	Ministry of Economy Trade and Industry	Industrial Production MoM	Jul P	1.00%	-0.50%	9.20%
08-31	Japan	Ministry of Economy Trade and Industry	Industrial Production YoY	Jul P	-1.80%	-2.40%	-2.80%
08-31	Japan	METI	Retail Sales YoY	Jul	2.40%	1.90%	1.50%
08-31	Japan	METI	Retail Sales MoM	Jul	0.80%	0.30%	-1.40%

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

Qatar

- Industries Qatar gives a go-ahead to QAFCO for a new world's largest Blue Ammonia Train** – Industries Qatar (IQCD) has today announced the award of an Engineering, Procurement and Construction (EPC) contract for a world's largest Blue Ammonia train (Ammonia-7) by Qatar Fertilizer Company (QAFCO; a wholly owned subsidiary of IQ). Valued at approximately \$1.06bn, the EPC contract for new Ammonia-7 train was awarded to a consortium of ThyssenKrupp and Consolidated Contractors Company (CCC). The announcement was made today during a ceremony held at QatarEnergy's headquarters in Doha to sign the project agreements, including the EPC contract. The ceremony was attended by HE Mr. Saad Sherida Al-Kaabi, the Minister of State for Energy Affairs, Chairman and Managing Director of Industries Qatar, Mr. Abdulrahman Al-Suwaidi, the Managing Director & CEO of QAFCO and Ms. Martina Merz, CEO ThyssenKrupp AG, Dr. Cord Landsmann, CEO ThyssenKrupp Uhde, Mr. Oussama El Jerbi, the CCC Area Managing Director (Qatar), as well as senior executives of QatarEnergy, IQ, QAFCO, ThyssenKrupp and CCC. Commenting on the occasion, HE Mr. Al-Kaabi said: "Ammonia-7 is a landmark project for Qatar and for the industry as a whole. It builds on our expertise in installing, operating, and maintaining conventional ammonia plants to produce fertilizers. We are also building on our unique position in the renewables and carbon capture and sequestration space, as

well as on our ideal logistical capabilities and advantages to supply differentiated, low carbon products and fuels to the world." "Our investment in this project speaks to the concrete steps we are taking to lower the carbon intensity of our energy products and is a key pillar of QatarEnergy's sustainability and energy transition strategy," His Excellency added. HE Minister Al-Kaabi concluded his remarks by saying: "I would like to take this opportunity to thank Mr. Abdulrahman Al-Suwaidi, the CEO of QAFCO, and QAFCO's executive leadership team and employees for their hard work and dedication. Thanks, are also extended to the executive leadership team and all employees of QatarEnergy for their great contributions to the development of Qatar's energy sector. To conclude, I would like to express our deep gratitude to HH the Amir Sheikh Tamim bin Hamad Al Thani for his wise leadership and for his unwavering support and guidance to the energy sector." New Ammonia-7 train the project will be located in Mesaieed Industrial City (MIC) and will be operated by QAFCO as part of its integrated facilities. QAFCO is the world's largest integrated single-site producer of ammonia and urea, with a current production capacity of approximately 4 MTPA of ammonia and 6 MTPA of urea. The new train will be more energy-efficient and fully funded by QAFCO's internal sources of funds. The new train is intended to be operational by 1st quarter of 2026 and will have a designed capacity of up to 1.2mn tons per annum (MTPA) of Blue Ammonia, making it the

world's largest facility. Strategic partnership with QatarEnergy Renewable Solutions (QERS) for expanding into Blue Ammonia: Pursuant to the agreements signed today, QERS will: (i) develop and manage integrated Carbon capture and storage (CCS) facilities capable of capturing and sequestering about 1.5mn tons of CO₂ per annum; (ii) supply more than 35 MW of renewable electricity to the Ammonia-7 train from its Photovoltaic (PV) Solar Power Plant in MIC, which is currently under construction; (iii) develop and lead the process for certifying the product produced by the Ammonia-7 facility as Blue Ammonia, with the involvement of leading industry experts and relevant independent bodies; and (iv) be the sole off-taker and marketer of all Blue Ammonia produced by Ammonia-7. (QSE)

- Qatar Central Depository Company amends the percentage of foreign ownership in Medicare Group to be 100% of the capital** – Qatar Central Securities Depository has modified the foreigners' ownership limit of Medicare Group to be 100% of the capital, which is equal to (281,441,000) shares. (QSE)
- Fosroc, Mannai sign exclusive distribution partnership** – Fosroc has appointed Mannai Trading Company as its exclusive distributor to supply the most comprehensive range of high-performance construction chemicals serving the construction, infrastructure, oil and gas industries in Qatar. Both Mannai and Fosroc are committed to delivering exceptional products in Qatar taking into consideration environmentally friendly practices. Mannai takes pride in its ability to meet the demands of the continuously growing construction market in Qatar, according to a statement. Fosroc, established in the region since 1972, has been a leader in the construction chemical industry with its tailored constructive solutions being provided around the globe. It has accumulated a long track record in the construction sector with its solutions being provided for varying yet equally critical projects. Fosroc partook in iconic projects around the world that range from the construction of the world's tallest building, numerous metro/railway projects to deep shaft tunnels and major viaduct repair, which has provided Fosroc one of numerous awards. The Energy and Industrial Markets Group, a division of Mannai Trading Company, is a leading provider of comprehensive services to international manufacturers, suppliers, and contractors in the energy, oil and gas, construction, infrastructure, utilities, and industrial sectors. (Gulf Times)
- MCIT, Microsoft open first datacenter region in Qatar** – Qatar's first hyperscale cloud datacenter region which was launched globally by the Ministry of Communications and Information Technology (MCIT) in partnership with Microsoft yesterday is expected to bring over \$18.7bn new revenue to the Qatari economy, in addition to adding 36,000 new jobs to the local market within the next five years. The launch of the much-anticipated Microsoft global datacenter region in Qatar was held under the patronage of Minister of Communications and Information Technology HE Mohammed bin Ali Al Mannai and in the presence of Minister of Transport HE Jassim Saif Ahmed Al Sulaiti and high-level officials from Microsoft and various sectors and industries in Qatar. In addition to the new data-center region, Microsoft Azure and Microsoft 365 was also launched during the event, giving organizations access to hundreds of scalable, highly available and resilient cloud services from Qatar. (Peninsula Qatar)
- Qatar's PPI surges 51.35% Y-o-Y in July** – The Monthly Producer Price Index (PPI) for July 2022 is estimated at 162.34 points showing an increase of 2.41%, when compared to the previous month's June 2022 and an increase of 51.35% year-on-year. Planning and Statistics Authority (PSA) has released the new PPI of the Industrial sector for July 2022, which is considered the Fifth issue of the PPI index calculated based on 2018. Where the details of relative importance and prices for the base year of 2018 are used, therefore, the relatives of the main four industry sectors become as follows: "Mining" (weight: 82.46%), "Manufacturing" (weight: 15.85%), "Electricity" (weight: 1.15%), and "Water" (weight: 0.52%). In the mining and quarrying sector, the PPI of July 2022 for this sector showed an increase of 4.25% when compared with the PPI of June 2022, primarily due to the price increase on "Crude petroleum and natural gas" by 4.26%, and "Other mining and quarrying" increase by 1.28%. PPI of mining of July 2022, when compared with its counterpart in the previous year (July 2021), there was an increase of 58.73%. In the manufacturing

sector, a decrease of 7.42% has been recorded in July 2022, when compared with the previous month's Manufacturing index (June 2022). The prices decrease is seen in: "Chemicals and chemical products" by 8.48%, followed by "Refined petroleum products" by 7.86%, "Basic metals" by 7.10%, "Cement & other non-metallic mineral products" by 1.49%, "Printing and reproduction of recorded media" 0.84%, "Rubber and plastics products" by 0.45%, and "Food products" by 0.10%. The increasing prices are noticed in "Beverages" by 0.51%. (Peninsula Qatar)

- Qatar receives record number of visitors in July** – There was plenty to celebrate this summer in Qatar, with family-friendly activities, live performances, attractive offerings, and unique experiences that catered to every traveler. With a packed summer calendar and festivities throughout Eid, Qatar welcomed 151,000 international arrivals in July, the highest recorded number of visitors in the summer month since 2017. GCC markets contributed 62% to the total number of arrivals in July 2022, with visitors from Saudi Arabia taking up a leading stake (43%), followed by India (7%), Oman (6%), Kuwait (4%), Bahrain (5%), UAE (4%), USA (3%), and the UK (3%). With neighboring countries only a few hours' drive away, the latest tourism performance figures show growing popularity of arrivals by land, with 55% of all visitors choosing to visit Qatar by crossing the Abu Samra border. The border with Saudi Arabia recently expanded to accommodate the crossing of 24,800 cars a day, helping to further ease Qatar's accessibility by land. Arrivals by air stood at 45%, while 1% of visitors arrived by sea. (Peninsula Qatar)
- QFC Authority, UBS Asset Management to collaborate on innovative sustainable private markets initiative** – Qatar Financial Centre Authority, the legal and tax arm of the Qatar Financial Centre ("QFC"), a leading onshore financial and business center in the region, and UBS Asset Management today announced that they have signed a Letter of Intent ("LOI") to collaborate on the establishment of a Green sustainable private markets initiative that, it is envisaged, will make investments in the energy storage, eco-transport, food security and environmentally sustainable technology venture capital sectors. The Parties intend to develop a joint vision for the initiative with the aim of establishing Qatar as a center for environmentally sustainable investments, further developing an important sector within the country's financial ecosystem. Under the terms of the LOI, the Parties intend for the initiative to be incorporated in, and primarily managed from, Qatar with an initial seed investment of up to \$500mn in the first stage, increasing in subsequent stages of development by attracting additional investors including banks, venture capital firms, pension funds, endowments and foundations, high net worth individuals and other agreed investors. (Peninsula Qatar)
- Texas A&M, Qatar and Rheinmetall Barzan Technologies ink pact for joint activities** – Texas A&M University, a Qatar Foundation partner university, and Rheinmetall Barzan Advanced Technologies have signed a Memorandum of Understanding (MoU) to collaborate on exploring, investigating, and developing joint activities in the fields of engineering, science, and technology. As per the MoU, both entities will explore research and development projects that provide solutions to local challenges and investigate avenues for strengthening collaboration and furthering academic excellence in Qatar. All these are in alignment with national priorities toward becoming a knowledge-based economy and supporting Qatar National Vision 2030. Andre Conradie, CEO of Rheinmetall Barzan Advanced Technologies, said, "This MoU will support the establishment of new relations towards fruitful cooperation between RBAT and Texas A&M University in Qatar. This partnership will encourage the development of techno-logical and operational capabilities to enhance military protection and empower key stakeholders in the defense industry. RBAT looks forward to its continued collaboration with Texas A&M University." As part of the MoU, the two entities will also develop collaborative workshops, seminars, training, conferences and other joint programs to further academic excellence, exploring joint projects using the state-of-the-art facilities and expertise of researchers and engineers at both organizations. (Peninsula Qatar)
- Operational deals are signed to activate Doha FIR from Sept 8** – The Qatar Civil Aviation Authority (QCAA) yesterday signed operational agreements with Saudi Arabia, Bahrain and the UAE for activating the Doha Flight Information Region (FIR) and connecting it with the FIRs of

these countries. Qatar had in April signed a similar agreement with Iran. With yesterday's development, the signing of agreements with all the stakeholders for activation of the Doha FIR's operational processes, which will begin on September 8, is now complete, the Ministry of Transport said in a statement yesterday. This comes in the context of executing the International Civil Aviation Organization (ICAO) Council's historic decision, made during the council's 10th meeting at its 225th session held in March, to establish the Doha FIR, after more than five years of deliberations. Since that decision was made, Qatar has been in communication with stakeholders in the all countries and held several meetings with neighboring countries for co-ordination purposes to enhance co-operation and activate the Doha FIR by signing bilateral agreements to regulate operational processes and connect the Doha FIR with its counterparts in these countries. (Gulf Times)

- **The Portuguese meat project in Qatar set for further growth** – Forum Portugal Qatar and the Portuguese meat project team have renewed their partnership to extend a project aimed at developing commercial, trade, business and projects on b2b cases, it was announced. "Qatar presents itself as a very attractive market, with a strong strategic potential for the internationalization of the meat of excellence of Portuguese indigenous breeds and is therefore expected to obtain very positive and promising result. "Forum Portugal Qatar is the ideal partner to enter the market, based on knowledge and expertise from last years, promoting and strengthen trade between the two countries," Forum Portugal Qatar chairman Nuno Anahory said in a press statement. The Portuguese Meat project team was in Doha from June 6-7 and met with potential business partners aimed at promoting and elevating business and trade relations between the two countries. Forum Portugal Qatar will be in Doha with a business delegation from Portugal in October. Promoted by the National Federation of Associations of Autochthonous Breeds, the Portuguese Meat project aims to achieve international recognition and increase exports of meat from autochthonous Portuguese breeds of bovine (breeds Arouquesa, Barrosã, Cachena, Marinhoa, Maronesa, Mertolenga, Minhota and Mirandesa breeds), goat (Serrana breed), sheep (Churra Galega Mirandesa breed) and pork (Bisara breed), promoting the demand for products of recognized quality. (Gulf Times)

International

- **ADP: US private payrolls growth slows in August** – US private payrolls increased moderately in August, according to the ADP National Employment report, which likely exaggerates the slowdown in the labor market as government data continues to point to strong demand for workers and very tight conditions. Private employment rose by 132,000 jobs in August after increasing 268,000 in July, the ADP report showed on Wednesday. Job gains last month were concentrated in the services sector, which added 110,000 positions. Employment in the goods producing industry increased by 23,000 jobs. With no employment gains in the government sector anticipated, that would leave overall nonfarm payrolls gains at 300,000. The economy created 528,000 jobs in July. (Reuters)
- **Citi/YouGov: UK long-run inflation expectations hit record 4.8%** – British households' expectations for average inflation over the next five to 10 years hit a record-high 4.8% in August, more than double the Bank of England's 2% inflation target, a monthly survey from YouGov and US bank Citi showed on Wednesday. The Bank of England is keeping a close eye on measures of inflation expectations for signs of whether inflation's recent surge to a 40-year high of 10.1% in July is causing the public to expect higher inflation over the medium term. Before the COVID-19 pandemic in 2020 - when British inflation was generally close to its target - the long-run inflation measure typically stayed in a range of 2.9% to 3.4%. August's increase from July's 3.8% reading was the biggest on record and the first rise since February. The Bank of England forecast earlier this month that consumer price inflation would peak at more than 13% in October, and Citi predicts it will exceed 18% in January. (Reuters)
- **Reuters poll: UK house price surge to end as cost of living crisis bites** – The surge in British house prices will come to an end next year as the cost-of-living crisis and rising borrowing costs put the brakes on what has been a buoyant market for years, a Reuters poll found. Inflation is running at a 40-year high of over 10% and with energy bills set to rise 80% from

October it is expected to rise much further so households are really feeling the pinch. Adding to woes for potential home buyers needing to borrow money, the Bank of England has already raised interest rates to 1.75% from a pandemic-era low of 0.10% and is not done yet, a separate Reuters poll found. According to the Aug. 12-30 poll of 21 property market experts home prices will rise 7.0% this year but that pace will slow to 1.0% next year before picking up to 3.0% in 2024. In a May poll prices, were expected to rise 2.9% next year. In London, a magnet for foreign investors, prices were expected to rise 5.0% this year but outperform the national market and increase 2.0% next year. That follows relative underperformance in recent years. (Reuters)

- **High inflation, recession risk widen ECB dilemma** – Eurozone inflation jumped to another record high and will soon hit double-digit territory, heralding a string of big interest rate hikes even as a painful recession appears increasingly certain. Driven by expensive gas and a devastating drought, consumer prices jumped more than expected in August and further rises are already in the pipeline, suggesting more pain for households and businesses as they burn through their cash reserves. This coincidence of high prices and low growth, often referred to as stagflation, leaves the European Central Bank with only painful choices that will increase the pain for the Eurozone's 340mn people. Inflation in the 19 countries sharing the euro currency accelerated to 9.1% in August from 8.9% a month earlier and again beat expectations as price pressures broadened. (Reuters)
- **Caixin PMI: China's August factory activity shrinks as orders weaken** – China's factory activity contracted for the first time in three months in August amid weakening demand, while power shortages and fresh COVID-19 flare-ups disrupted production, a private sector survey showed on Thursday. The Caixin/Markit manufacturing purchasing managers' index (PMI) slid to 49.5 in August from 50.4 in July, missing analysts' expectation for 50.2. Manufacturers cut jobs for the fifth straight month to reduce costs, adding to worries about the weak labor market which are weighing heavily on consumption and consumer confidence. They also cut back on purchases of materials due to fewer new orders. The Caixin PMI is believed to focus on more export-oriented and small firms in coastal regions and is compiled by S&P Global from responses to questionnaires sent to purchasing managers in China. (Reuters)
- **MOF: Japan Q2 corporate capex up 4.6% year/year** – Japanese companies raised spending on plant and equipment in April-June by 4.6% from the same period a year earlier, Ministry of Finance data showed on Thursday. The data will be used to calculate revised gross domestic product figures due on Sept. 8, after a preliminary estimate last month showed that Japan's economy expanded an annualized 2.2% in the second quarter. (Reuters)
- **PMI: Japan Aug factory activity growth drops to near one-year low** – Japan's manufacturing activity grew at its weakest rate in nearly a year in August, as businesses took a hit from worsening conditions in the global economy and declining demand from China and South Korea. The reading remained above the 50-mark that separates contraction from expansion but was the weakest growth rate since September 2021. It was higher than a 51.0 flash reading. The headline figure suffered from the second straight month of declines in output and overall new orders. New orders shrank at the fastest rate since October 2020, with export orders falling for the sixth month in a row. The frail conditions faced by Japanese manufacturers were also visible in the PMI survey, which showed the first decrease in backlogs of work that are an indicator of the state of outstanding business since February 2021. Input costs continued to rise rapidly, though at a slightly easier pace than in July. (Reuters)

Regional

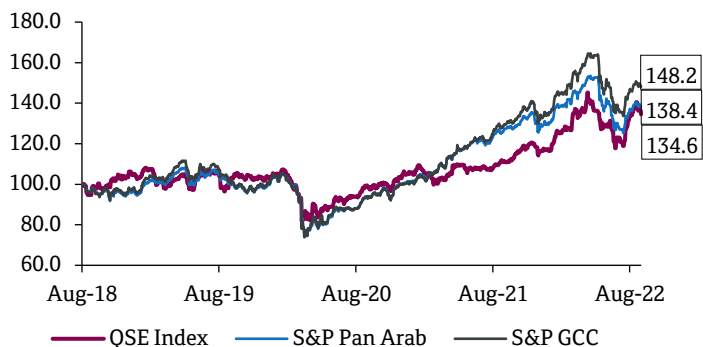
- **Paper currency worth \$666mn out of circulation in a month in Saudi Arabia** – Saudi Arabia's economy is fast transforming into a digital one during the recent period and the best example of this is the exit of paper currency worth over SR2.5bn from circulation last month alone. This is equivalent to 1.4% of the total value of the currency in circulation, bringing the value of paper currencies of the sixth issue in circulation to about SR176.62bn in July 2022, it was revealed in the monitoring, carried out by Okaz/Saudi Gazette based on government reports. According to the

monitoring, there has been a significant decrease in the circulation of paper currency in all its denominations such as SR5, SR10, SR50, SR100, and SR500. The circulation of SR500, the largest denomination, posted a decline of 1.33%. The value of the SR500 currency in circulation reached about SR144.89bn with an exit of about SR1.95bn while the paper currency in the denomination of SR100 recorded a decline of 1.47% reaching SR22.99bn with an exit of about SR343.84mn. The paper currency of SR50 decreased by 2.19% reaching the value of the traded currency SR5.9bn in July against SR6.03bn in the previous month. The paper currency in the denomination of SR10 recorded a 2.42% decline, bringing the total value of the currency in circulation to SR1.52bn, after it was SR1.56bn in the previous month, with an exit of SR37.61mn from circulation. The paper currency in the denomination of SR5 recorded the highest percentage of exit with 2.69% of the total currencies in existence in a month. The value of the currencies in this denomination reached SR1.33bn in July after it was SR1.36bn in June. (Zawya)

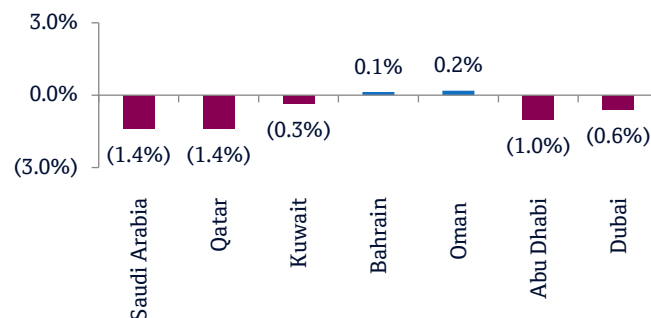
- UAE Central Bank: Gross bank assets up to \$939bn by end of June** – Gross banks' assets, including bankers' acceptances, rose by 0.2%, from AED3,442.7bn at the end of May 2022 to AED3,449.2bn at the end of June 2022, according to the Central Bank of the United Arab Emirates (CBUAE). In its report on the monetary and banking developments in June 2022, the apex bank said that gross credit grew by 0.03% rising from AED1,865.5bn at the end of May 2022 to AED1,866.1bn at the end of June 2022. Gross Credit rose due to 5.6% increase in Foreign Credit, overriding the 0.6% reduction in Domestic Credit. Domestic Credit fell mainly due to 0.3%, 1.2% and 20.8% decline in credit to Public Sector (Government Related Entities), Private Sector and Non-Banking Financial Institutions, respectively. Credit to the Government Sector increased by 4.0%. Total bank deposits increased by 2.5%, climbing from AED2,040.5bn at the end of May 2022 to AED 2,091.9bn at the end of June 2022. The growth in total bank deposits was due to the rise in resident deposits by 2.6% and non-resident deposits by 2.0%. Resident deposits increased owing to 3.9% and 22.6% expansions in private sector deposits and non-banking financial institutions deposits, respectively. On the other hand, government sector deposits and public sector deposits diminished by 1.4% and 2.3%, correspondingly. In the meantime, the monetary base contracted by 1.5% falling from AED 478.0bn at the end of May 2022 to AED470.7bn at the end of June 2022, according to the report. (Zawya)
- ADNOC awards \$1.83bn framework agreements for drilling-related Services** – Abu Dhabi National Oil Company (ADNOC) on Wednesday announced the award of five framework agreements valued at \$1.83bn (AED6.72bn) for Directional Drilling and Logging While Drilling (LWD) to support its efforts to expand production capacity of its low carbon oil and gas resources to help meet the world's growing demand for energy. The framework agreements are the largest of such awards in the oil and gas industry and were awarded to Al Ghaith Oilfield Supplies and Services Company, Al Mansoori Directional Drilling Services (Al Mansoori), Schlumberger Middle East S.A (Schlumberger), Haliburton Worldwide Limited Abu Dhabi (Haliburton) and Weatherford Bin Hamoodah Company LLC (Weatherford), following a competitive tender process. The awards cover ADNOC's onshore and offshore fields and will run for five years with an option for a further two years. Over 75% of the award value could flow back into the UAE economy under ADNOC's In-Country Value program over the duration of the agreements. Yaser Saeed Almazrouei, ADNOC Upstream Executive Director, said, "As ADNOC responds to rising global energy demand, we are responsibly ramping up drilling activities to further unlock Abu Dhabi's oil and gas resources which have some of the lowest carbon intensity in the world. These awards build on our ongoing investments in drilling services, and they will deliver substantial in-country value for the nation to support economic growth and diversification, in line with the UAE Leadership's wise directives." The framework agreement awards will support ADNOC's requirement to drill thousands of new wells to expand its production capacity to 5mn barrels per day (mmbpd) by 2030, enable gas self-sufficiency for the UAE and remain a leading low-cost, low-carbon oil producer. The awards will also enable hundreds of millions of dollars in cost savings. (Zawya)
- Indian gem, jewelry exports to UAE up 72% in May** – The UAE and India's Comprehensive Economic Cooperation Agreement (CEPA) which came into effect from May 1, has had its desired effect, with India's gem and

jewelry exports to the UAE rising significantly. In May alone, the value of gem and jewelry exports from India to the UAE rose by 72% to INR 10.48bn (\$131mn) compared to the previous month, according to a top official of an industry group in India. Saiyam Mehra, Vice Chairman of All India Gem & Jewelry Domestic Council (GJC), said the export momentum was sustained in June 2022, when exports also rose by INR5.2bn (\$65mn). Gold accounts for 60% of the gem and jewelry exports from India. UAE exports of gold bullion to India reached the 120-tonne mark since CEPA was implemented in May 2022. Under the CEPA deal, India is allowed to import a maximum of 120 tonnes of gold in the first year at 14% import duty against the official 15% duty, which will increase to 200 tonnes per year for the rest of the five-year period. CEPA provides for simplification of customs procedures, reduction of logistics cost and duty-free access to both markets for a large number of products and commodities to raise the bilateral trade to \$100bn in five years. Import duty on finished jewelry products exported to the UAE from India has been reduced from 5% to 0%. Mehra said the reduction of import duty from 5% to 0% will benefit the jewelry retailers in the UAE who will automatically pass on the gains to end consumers. Similarly, it is beneficial to Indian traders when gold is imported from the UAE by paying only 14% import duty instead of 15% from elsewhere. (Zawya)

- Bahrain firms' profits rise to \$1bn** – Profits for Bahrain-listed companies increased to nearly a \$1bn during the second quarter backed by gains in four key sectors, a new report says. Kuwait-based Kamco's GCC Corporate Earnings Report for Q2-2022 states total net profits for listed companies in the kingdom increased by 62.4% (y-o-y) to \$943.3mn in Q2-2022. The materials sector reported the biggest quarterly aggregate profits among sectors at the Bahrain Bourse. (Zawya)
- Asas Drilling to set up \$16mn project in Oman's Nizwa Industrial City** – Nizwa Industrial City, which falls under the umbrella of the Public Establishment for Industrial Estates (Madayn), has signed an investment pact with Asas Drilling Solutions to set up a project for manufacturing, repair and maintenance services for machinery and equipment used in the oil and gas industry. The project will be established on an area exceeding 14,000 sq m with an investment value touching RO 6mn (\$15.58mn). The agreement was signed by Ahmed Al Hajri, Director General of Nizwa Industrial City, and Khalid Al Busaidi, Project Owner. Commenting on the project, Al Hajri said that this value-adding project will serve the oil and gas industries, promote their growth, and provide them with a wide range of advanced tools and equipment that are used in drilling oil and gas wells. Al Hajri added that Madayn is currently developing the infrastructure as part of the expansion project in phases 3 and 4 in Nizwa Industrial City on an area of 1mn sq m. Most of the road connection works, electrical connections, and remaining excavation works are currently being completed. (Zawya)

Rebased Performance


Source: Bloomberg

Daily Index Performance


Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,710.68	(0.8)	(1.6)	(6.5)
Silver/Ounce	18.05	(2.0)	(4.5)	(22.6)
Crude Oil (Brent)/Barrel (FM Future)	96.53	(2.8)	(4.4)	24.1
Crude Oil (WTI)/Barrel (FM Future)	90.27	(1.5)	(3.0)	20.0
Natural Gas (Henry Hub)/MMBtu	9.10	0.0	(4.0)	144.0
LPG Propane (Arab Gulf)/Ton	111.00	0.0	(0.4)	(1.1)
LPG Butane (Arab Gulf)/Ton	105.50	0.0	0.0	(24.2)
Euro	1.00	(0.1)	0.4	(12.0)
Yen	138.62	(0.1)	0.7	20.5
GBP	1.16	(0.3)	(1.1)	(14.1)
CHF	1.02	(0.5)	(1.3)	(6.8)
AUD	0.69	0.1	(0.5)	(5.5)
USD Index	108.81	0.0	0.0	13.7
RUB	118.69	0.0	0.0	58.9
BRL	0.19	(0.9)	(2.0)	7.8

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,645.37	0.0	(1.8)	(18.1)
DJ Industrial	31,790.87	0.0	(1.5)	(12.5)
S&P 500	3,986.16	0.0	(1.8)	(16.4)
NASDAQ 100	11,883.14	0.0	(2.1)	(24.0)
STOXX 600	418.39	(0.5)	(1.6)	(24.6)
DAX	12,963.43	(0.2)	0.2	(27.8)
FTSE 100	7,291.85	(1.2)	(3.0)	(15.2)
CAC 40	6,191.20	(0.5)	(1.1)	(24.0)
Nikkei	28,091.53	(0.3)	(2.8)	(18.9)
MSCI EM	992.76	0.0	(1.4)	(19.4)
SHANGHAI SE Composite	3,202.14	(0.5)	(1.3)	(18.9)
HANG SENG	19,954.39	0.0	(1.1)	(15.3)
BSE SENSEX	59,537.07	0.0	1.6	(4.4)
Bovespa	110,430.64	(1.3)	(3.0)	13.6
RTS	1,257.09	3.7	6.3	(21.2)

Source: Bloomberg (*\$ adjusted returns)

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