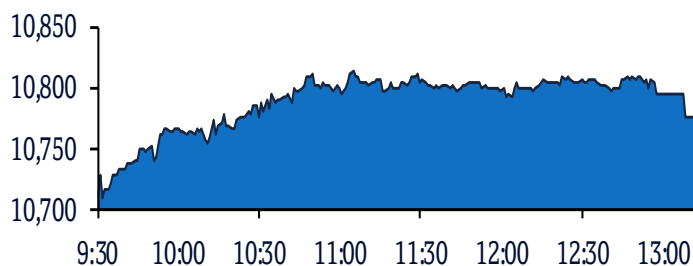


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.3% to close at 10,776.5. Gains were led by the Telecoms and Insurance indices, gaining 5.6% and 1.1%, respectively. Top gainers were Ooredoo and Qatar General Insurance & Reinsurance Co., rising 6.9% and 4.5%, respectively. Among the top losers, QLM Life & Medical Insurance Company fell 1.0%, while Medicare Group was down 0.9%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.3% to close at 10,891.6. Gains were led by the Media & Entertainment and Software & Services indices, rising 8.7% and 1.3%, respectively. Theeb Rent a Car Co. rose 9.9%, while Saudi Research & Media Group was up 9.3%.

Dubai: The DFM Index gained 0.3% to close at 2,856.4. The Real Estate & Construction index rose 1.1%, while the Services index gained 0.1%. National Industries Group Holding rose 14.6% while Takaful Emarat Insurance was up 4.8%.

Abu Dhabi: The ADX General Index gained 0.5% to close at 6,651.0. Consumer Staples rose 2.1%, while Investment & Financial Services indices rose 0.8%. Zee Store rose 5.6%, while Fujairah Cement Industries rose 3.2%.

Kuwait: The Kuwait All Share Index gained 0.4% to close at 6,445.8. The Real Estate index rose 1.4%, while the Industrials index gained 1.3%. Tamdeen Real Estate Co. rose 6.4%, while Commercial Real Estate Co. was up 5.8%.

Oman: The MSM 30 Index gained 0.3% to close at 4,035.5. Gains were led by the Industrial and Financial indices, rising 2.2% and 0.3%, respectively. Oman Education & Training Investment rose 10.0%, while Salalah Mills Company was up 9.7%.

Bahrain: The BHB Index gained 0.2% to close at 1,572.4. The Commercial Banks index rose 0.5%, while the Investment index gained 0.4%. Al-Salam Bank- Bahrain rose 3.0%, while GFH Financial Group was up 2.5%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Ooredoo	7.51	6.9	5,627.9	(0.1)
Qatar General Ins. & Reins. Co.	2.20	4.5	0.7	(17.3)
Vodafone Qatar	1.63	2.7	11,217.8	22.0
Al Khaleej Takaful Insurance Co.	4.63	1.2	1,901.1	144.2
Qatar Islamic Bank	17.29	1.1	1,539.9	1.1

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Salam International Inv. Ltd.	1.00	0.3	16,726.3	54.2
Mazaya Qatar Real Estate Dev.	1.11	0.2	12,993.9	(12.2)
Vodafone Qatar	1.63	2.7	11,217.8	22.0
Qatar Aluminum Manufacturing	1.53	0.4	10,822.1	58.0
Gulf International Services	1.53	0.9	6,692.9	(10.8)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,776.49	0.3	0.3	0.3	3.3	94.91	168,563.9	18.2	1.6	2.7
Dubai	2,856.39	0.3	(0.2)	2.1	14.6	57.87	107,241.1	21.7	1.0	2.8
Abu Dhabi	6,650.95	0.5	0.1	1.4	31.8	336.34	256,066.0	22.6	1.9	3.7
Saudi Arabia	10,891.64	0.3	0.4	3.2	25.3	3,388.22	2,596,905.1	35.9	2.4	1.9
Kuwait	6,445.80	0.4	0.8	3.8	16.2	266.02	121,971.5	41.1	1.7	2.0
Oman	4,035.49	0.3	(1.0)	4.7	10.3	8.61	18,262.8	14.2	0.8	3.9
Bahrain	1,572.44	0.2	0.6	2.9	5.5	3.56	24,160.6	27.0	1.0	2.1

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

Market Indicators	22 Jun 21	21 Jun 21	%Chg.
Value Traded (QR mn)	351.8	351.5	0.1
Exch. Market Cap. (QR mn)	625,237.1	622,879.3	0.4
Volume (mn)	121.6	132.9	(8.5)
Number of Transactions	10,468	9,799	6.8
Companies Traded	45	48	(6.3)
Market Breadth	27:15	12:33	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	21,332.72	0.3	0.3	6.3	18.2
All Share Index	3,415.88	0.3	0.2	6.8	18.9
Banks	4,489.71	0.1	0.2	5.7	15.6
Industrials	3,593.40	0.1	(0.4)	16.0	27.7
Transportation	3,390.28	(0.3)	0.9	2.8	21.8
Real Estate	1,806.34	(0.1)	(1.2)	(6.3)	17.1
Insurance	2,643.26	1.1	0.1	10.3	23.4
Telecoms	1,102.40	5.6	6.7	9.1	29.2
Consumer	8,214.52	0.5	(0.2)	0.9	27.5
Al Rayan Islamic Index	4,572.39	0.3	(0.3)	7.1	19.6

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Ooredoo	Qatar	7.51	6.9	5,627.9	(0.1)
Agility Public Ware. Co.	Kuwait	0.97	2.7	5,816.0	57.4
Saudi National Bank	Saudi Arabia	56.70	2.5	9,972.6	30.8
Sohar International Bank	Oman	0.10	2.1	50.0	7.7
GFH Financial Group	Dubai	0.74	2.1	41,284.5	24.8

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Ahli Bank	Oman	0.11	(2.6)	417.0	(12.6)
SABIC Agri-Nutrients	Saudi Arabia	115.40	(1.4)	329.0	43.2
Arabian Centres Co Ltd	Saudi Arabia	26.20	(1.1)	2,029.8	4.6
Aluminum Bahrain	Bahrain	0.63	(1.1)	153.6	23.4
Ooredoo Oman	Oman	0.41	(1.0)	7.4	3.6

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%
QLM Life & Medical Insurance Co	4.75	(1.0)	111.1	50.8
Medicare Group	8.92	(0.9)	27.3	0.9
Qatar International Islamic Bank	9.51	(0.9)	645.2	5.0
The Commercial Bank	5.26	(0.8)	1,536.8	19.4
Qatar Navigation	7.41	(0.5)	564.1	4.5

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Ooredoo	7.51	6.9	41,448.3	(0.1)
QNB Group	17.80	0.0	37,643.9	(0.2)
Industries Qatar	13.26	0.0	30,589.5	22.0
Qatar Islamic Bank	17.29	1.1	26,547.7	1.1
Vodafone Qatar	1.63	2.7	18,379.5	22.0

Source: Bloomberg (* in QR)

Qatar Market Commentary

- The QE Index rose 0.3% to close at 10,776.5. The Telecoms and Insurance indices led the gains. The index rose on the back of buying support from foreign shareholders despite selling pressure from Qatari, GCC and Arab shareholders.
- Ooredoo and Qatar General Insurance & Reinsurance Co. were the top gainers, rising 6.9% and 4.5%, respectively. Among the top losers, QLM Life & Medical Insurance Company fell 1.0%, while Medicare Group was down 0.9%.
- Volume of shares traded on Tuesday fell by 8.5% to 121.6mn from 132.9mn on Monday. Further, as compared to the 30-day moving average of 192.2mn, volume for the day was 36.7% lower. Salam International Inv. Ltd. and Mazaya Qatar Real Estate Dev. were the most active stocks, contributing 13.8% and 10.7% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	30.96%	40.25%	(32,654,755.6)
Qatari Institutions	17.89%	24.76%	(24,161,748.9)
Qatari	48.85%	65.00%	(56,816,504.5)
GCC Individuals	0.32%	0.45%	(435,840.5)
GCC Institutions	1.88%	2.69%	(2,863,480.3)
GCC	2.20%	3.14%	(3,299,320.8)
Arab Individuals	11.09%	11.10%	(44,295.4)
Arab Institutions	0.00%	0.03%	(119,482.5)
Arab	11.09%	11.13%	(163,777.9)
Foreigners Individuals	4.37%	2.97%	4,911,152.8
Foreigners Institutions	33.49%	17.75%	55,368,450.4
Foreigners	37.86%	20.72%	60,279,603.2

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

Global Economic Data and Earnings Calendar

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
06/22	EU	European Commission	Consumer Confidence	Jun	-3.3	-3.1	-5.1

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 1Q2021 results	No. of days remaining	Status
QFLS	Qatar Fuel Company	11-Jul-21	18	Due
DHBK	Doha Bank	27-Jul-21	34	Due

Source: QSE

News

Qatar

- 5G to offer 'rich and enhanced' sports experience at FIFA World Cup Qatar 2022** – 5G will offer fans a "rich and enhanced" sports experience at the FIFA World Cup Qatar 2022, said Ooredoo Group's managing director, Aziz Aluthman Fakhroo, during a panel discussion with Ericsson's President and CEO, Borje Ekholm at the Qatar Economic Forum powered by Bloomberg on Tuesday. The panel, titled 'Potential and perils of a hyper-connected world', was moderated by Bloomberg anchor Emily Chang. Tackled topics included connectivity, cyber-security, 5G use-cases, and technological innovations that are helping pandemic-hit businesses transform into digitally-driven industries. During the panel, both Fakhroo and Ekholm shared, among others, insights into the Covid-19 period, cyber-security, 5G and getting ready for the upcoming major sporting events. (Gulf-Times.com)
- Qatar may sit out Gulf debt binge as oil prices boost finances** – One of the Gulf's largest and highest-rated borrowers won't need to return to the debt market any time soon, though it may choose to take advantage of low interest rates. "The only time we might need financing is just to improve our financial position" like refinancing outstanding debts more cheaply, said Ali Al Kuwari, Qatar's acting finance minister and the Minister of Commerce and Industry. A rise in global energy prices has helped the tiny country generate a first-quarter surplus of QR200mn (\$54mn) as opposed to the QR54bn deficit

it had anticipated. If the situation continues, investors should expect Qatar to tap bond markets "only to be opportunistic," he said in an interview at the Qatar Economic Forum that airs in full Tuesday. (Bloomberg)

- Al-Kuwari: Qatar adopts prudent approach in tapping global debt markets** – Expecting a "good" fiscal and financial position owing to hardened oil prices, Qatar has rather adopted an "opportunistic" approach in tapping the global debt markets. The government had adopted a very conservative \$40 a barrel price for oil in this fiscal's general budget, expecting a QR32bn deficit; but the country has seen an "excellent" first quarter (1Q) when oil prices averaged \$64, HE the Minister of Commerce and Industry and the Acting Finance Minister Ali bin Ahmed Al-Kuwari told the Qatar Economic Forum, powered by Bloomberg. (Gulf-Times.com)
- IPA Qatar CEO: Qatar aims to beat World Bank's forecast** – Qatar which has been intensifying its economic diversification efforts aims to beat the World Bank's forecast of 3% GDP growth this year and 4.1% growth next year, Chief Executive Officer of the Investment Promotion Agency Qatar (IPA Qatar), HE Sheikh Ali Alwaleed Al Thani said during a session on "Investing Across Borders" at the Qatar Economic Forum Powered by Bloomberg yesterday. Speaking during the event, Sheikh Ali said the country has already set a benchmark in foreign direct investments (FDI) despite the COVID-19 pandemic. It may be noted that about 40% decrease was

expected in global FDI last year, based on market estimates. “In Qatar, we beat that benchmark. In the last quarter of 2020, we had a positive inflow of around \$500mn. The reform agenda of Qatar’s economic diversification is at the center of that. We look at ways to diversify our economy from hydrocarbons, while also building up adjacent industries,” Sheikh Ali said. According to the World Bank, Qatar’s real GDP growth for 2021 is expected to be 3%, with the same rate of growth for both oil and non-oil GDP, driven by domestic and foreign demand as vaccinations roll out, and with the end of the diplomatic rift in the region. Strengthening energy prices and final preparations for the FIFA World Cup 2022, as well as expected bumper tourist receipts from what could be the world’s first post-COVID mass audience sporting event, should also lead to 4.1% growth in 2022. “We aim to beat that, especially in the heart of our diversification efforts. And foreign direct investments play a large part. Qatar very recently adjusted its legislation. The country has opened up completely all sectors for foreign direct investment, and developed even new platforms to service and to register licensed investors such as the Qatar Free Zones Authority (QFZA),” Sheikh Ali said. (Peninsula Qatar)

- **Qatar Chamber panel discusses forming technical teams specialized in insurance** – The Qatar Chamber’s Insurance Committee recently held a meeting to discuss a number of proposals submitted by its members to improve the business environment in this vital sector. The meeting was presided over by QC Chairman and Chairperson of the Insurance Committee, Sheikh Khalifa bin Jassim Al-Thani in the presence of the committee’s members. The meeting reviewed mechanisms for developing the committee’s work and expanding the participation of experts, and specialists from the insurance companies from which the committee formed. It also discussed the establishment of a number of specialized teams related to the insurance sector, in order to provide specialized technical studies, and work on presenting studied proposals to support decision-makers. The QC’s Insurance Committee competencies include following up the implementation of the strategic plans prepared by the state regarding the private sector in the field of insurance; reviewing, following up and activating laws and legislations that aim to develop the private sector in the field of insurance; and making appropriate recommendations in this regard. It is also specialized in studying obstacles facing the insurance sector and finding appropriate solutions, holding events to revitalize and activate the areas of the insurance sector in the country, as well as participating in local and international meetings, seminars, and conferences. (Gulf-Times.com)
- **Qatar tax agency extends corporate income tax declaration deadlines due to coronavirus** – The Qatari Public Revenues and Tax Department June 4 announced the extension of 2020 corporate income tax filing deadlines to: 1) June 30 for foreign companies; and 2) August 31 from June 30 for tax-exempt companies and permanent establishments owned by Qatari citizens and Gulf Cooperation Council (GCC) citizens, due to the coronavirus pandemic. The agency also announced that simplified tax filing forms must be submitted by companies with capital of less than QR1mn (\$274,725) and with annual revenues of less than QR5mn (\$1.3mn). (Bloomberg)
- **Qatar says offers from LNG buyers were double what it sought** – Qatar has received offers to buy volumes of liquefied natural gas that are twice as much as the Arab Gulf country is looking to sell following the expansion of its production facilities, said Energy Minister Saad Al-Kaabi. Qatar Petroleum invited bids from equity investors to fund the expansion project and received offers for double the investment it sought, Kaabi, who is also QP’s chief executive officer, said at the Qatar Economic

Forum on Tuesday. Royal Dutch Shell Plc, TotalEnergies SE and Exxon Mobil Corp. were among the bidders, he said. Qatar is expanding its annual LNG production capacity to 110mn tons from 77mn tons and has undercut rivals in a bid to retain the top spot as the world’s biggest producer of the fuel. The Qatar Ministry of Commerce and Industry, Investment Promotion Agency Qatar and Media City Qatar are underwriters of the Qatar Economic Forum, Powered by Bloomberg. (Bloomberg)

- **Al-Kaabi: Qatar’s focus on being the lowest cost producer of LNG** – Qatar’s focus is on being the lowest cost LNG producer and then placing volumes in the market that are growing most, said HE the Minister of State for Energy Affairs, Saad Sherida Al-Kaabi. “Qatar is very disciplined in what it does about its LNG marketing,” Al-Kaabi said at a session entitled ‘Energy shifts’ at the Qatar Economic Forum powered by Bloomberg yesterday. “We don’t look at competition as competition... we look at how we can compete better with ourselves to be the lowest cost producer and then place volumes in the market that are growing most,” Al-Kaabi said. In terms of gas pricing, Al-Kaabi said, “We don’t really discuss pricing per se but in general we go with the market – its supply and demand. When there are ample supplies, prices do come down and when there is a shortage, it goes up. We are with the market.” Qatar, he said, started decarbonizing LNG a long time ago. “As we are speaking, we are capturing or sequestering 2mn tons CO2. And with the plans for the North Field Expansion (as announced in the past) by 2030, we reach around 9mn tons of Co2 that will be sequestered.” While talking about energy transition, Al-Kaabi said it needs to be remembered that there are about 800mn to 1bn people who are currently deprived of the basic needs for electricity and basic fuels. “So I think when we talk about transition, we also need to be cognizant of the fact that we are harming a lot of people by really not giving them enough supplies of basic needs that they may have and they may not be able to afford some of the things that we are talking about in energy transition. “So transition needs time to develop – we need to be very responsible, very deliberate, and I think do it very responsibly. “But also, we need to collectively do it as humanity and not be unfair in how we do it.” Energy prices could probably go up with lack of enough investments in the oil and gas projects, he said. And in the last couple of years, there has not been enough investments in oil and gas projects, Al-Kaabi noted. (Gulf-Times.com)
- **Deutsche bank’s top Qatari holder says time is ripe for mergers** – Deutsche Bank AG’s top Qatari shareholder signaled his backing for consolidation in Europe’s financial services industry, arguing that the continent’s lenders need scale to compete globally. In a rare interview, former Qatari prime minister and influential investor Sheikh Hamad bin Jassim bin Jabor Al Thani said European lenders should start merging now to confront the growing strength of US and Chinese lenders. Asked specifically about Deutsche Bank, he said “they have to decide, but I’m saying what I think and I believe that mergers are inevitable.” “Everybody’s waiting to have a better valuation to think about merging, but I believe to merge now is better because the market is being taken by the big banks,” he said in an interview at the Qatar Economic Forum, Powered by Bloomberg. “If we compare the European banks with the American banks or with the Chinese banks, we would find that they are too small to survive by themselves.” (Bloomberg, Reuters)
- **Sheikh Ali: Qatar looks to expand PPP model across different sectors** – Qatar, which has seen foreign direct inflows of \$500mn in the last quarter of 2020, is looking at including more sectors under the public private partnership (PPP) mode,

a move that will greatly help in enhancing the attractiveness of the country and trigger the growth, especially in the non-hydrocarbons segment. Moreover, Qatar, whose underlying theme is economic resilience, is fast becoming a hub for the start-ups and matured companies in the telemedicine looking at scaling up and expansion in the wider Middle East region, said a top official of the Investment Promotion Agency Qatar. "We are now looking at expanding this (PPP) program across different sectors," Investment Promotion Agency Qatar chief executive Sheikh Ali Alwaleed Al-Thani, told the Qatar Economic Forum, powered by Bloomberg. (Gulf-Times.com)

- **Johnson: Qatar to play major role in greener world** – Qatar's role in building a greener world will be 'crucial,' British Prime Minister Boris Johnson said during the Qatar Economic Forum Powered by Bloomberg yesterday. Speaking at the virtual event, Johnson said meeting global targets for cutting climate emissions is simply a matter of will. "I am delighted to address the Qatar Economic Forum, and I am grateful to the Amir HH Sheikh Tamim bin Hamad Al Thani for providing this opportunity to offer a vision of the world we must all create together after the pandemic," Johnson said. "There's no reason why humanity should not prosper and save our planet at the same time. We have ingenuity and the tech to achieve both all that remains to do is to summon the will, and Qatar's role in building back greener will, of course, be crucial," he added. (Peninsula Qatar)
- **Bharti Enterprises: Qatar has given 'good enough' capital to go ahead** – India's Bharti Enterprises Tuesday said Qatar, along with other investors, have given "good enough" capital for helping it go ahead with laying cutting edge communication infrastructure, including in the international arena. Bharti Global-led OneWeb, a low earth orbital satellite communication provider with 648-satellite fleet, expects to provide services in the coming year. This was announced by Sunil Bharti Mittal, chairman and founder of Bharti Enterprises, at the Qatar Economic Forum, powered by Bloomberg. Highlighting that it refuses more capital than it accepts; he said the Bharti Enterprises has been blessed with "significant" investors. Qatar Foundation and the (Qatari) government have made the largest investment in India, which is in Bharti Airtel. (Gulf-Times.com)
- **QFC official: Qatar economy to get back to normal by the fourth quarter of 2021** – Doha, which is expected to achieve herd immunity by September, would see its economy getting back to normal by the fourth quarter of 2021 and the fiscal stimulus to mitigate the Covid-19 risks had set the ball rolling, according to a top official of the Qatar Financial Centre (QFC). Expecting strong post-Covid growth environment globally, QFC Authority chief executive Yousuf Mohamed Al-Jaida told the Qatar Economic Forum, powered by Bloomberg, that definitely there is a strong case for weak dollar, ultralow interest rates, lack of inflation in emerging economies and strong probability of dovish monetary policy in the foreseeable future. In the case of Qatar, he said the country has seen 60% of the populations have had their one dose of vaccination and at 25,000 jabs per day, "we are looking at herd immunity by September." (Gulf-Times.com)
- **Qatar maintains lead in MENA in Global Peace Index Qatar keeps rank as most peaceful in MENA** – Qatar has been ranked the first in Middle East and North Africa (MENA) and 29th globally in the Global Peace Index (GPI) for the year 2021. Issued by the Institute of Economics and Peace in Australia, the 2021 report covered 163 countries. The report measures the state of peace across three domains: the level of Societal Safety and Security, the extent of Ongoing Domestic and International Conflict, and the degree of Militarization. For the thirteenth year in a row, Qatar maintained its first rank in the MENA region, and occupied advanced positions at the global level during the same

period, by achieving high ratings that surpassed many developed countries in low crime rates, and achieved advance ranks at the global level in the GPI as it scored high ranks in different quantitative and qualitative indicators of peacefulness. (Gulf-Times.com)

- **Qatar opens one of world's largest vaccination centers** – Minister of Public Health HE Dr Hanan Mohamed Al Kuwari visited the new Qatar Vaccination Center — for business and industry sector — as the center began operations on Tuesday. The new facility, one of the largest vaccination centers in the world, is the result of a collaboration between the Ministry of Public Health, Hamad Medical Corporation, Primary Health Care Corporation and Qatar Charity, with support from the Ministry of Interior and ConocoPhillips-Qatar. The center is one of multiple vaccination centers that have been established to ensure the Qatar's vaccination program is delivered at speed. "The opening of this new vaccination center highlights Qatar's commitment to continuing the fast roll-out of the National COVID-19 Vaccination Program which has seen a noticeable increase in the number of vaccinated people," said Dr Al Kuwari. (Qatar Tribune)
- **Al-Baker: Business travel, business class occupancy to rise rapidly once pandemic is under control** – Business travel and business class occupancy in airlines will rise rapidly once the pandemic is under control, said HE Akbar Al-Baker, Qatar Airways Group Chief Executive. At a panel conversation with Guy Johnson, anchor, Bloomberg Television at the Qatar Economic Forum on Tuesday, al-Baker noted, "Business travel will certainly come back. This is because businessmen like to face people... they like to feel people... and they like to notice the body language. They are people who don't like to sit in front of a screen and do business." (Gulf-Times.com)
- **Air freight an important part of Qatar Airways' strategy** – Air freight will remain an important part of Qatar Airways' total strategy, said Group Chief Executive HE Akbar Al-Baker. "As a matter of fact we are the largest freight carrier (minus Fedex and UPS) in the world for the last two years. And more so, over the pandemic period," al-Baker said at a panel conversation with Guy Johnson, anchor, Bloomberg Television at the Qatar Economic Forum yesterday. "We are really hungry for more freighters. Unfortunately, David Calhoun (Boeing CEO) cannot produce more 777s...the earliest they can give me is in 2023. And we are very keen to be a launch customer- be it for the Airbus A350F or the Boeing 777X freighters. "At Qatar Airways, we will concentrate on air freight as an important part of our total strategy. But first, we are an airline to carry passengers." On net (carbon) neutral al-Baker said, "We are under a lot of pressure from our government to reduce our emissions and make our airline very fuel efficient. "At the end of the day, it all depends on the engine manufacturers, but most importantly, also on the oil companies to invest in efficient technology that helps us reduce emissions." (Gulf-Times.com)
- **Qatar Air says it will launch 777X Freighter if Boeing builds it** – Qatar Airways CEO Akbar Al Baker tells his Boeing counterpart the Gulf carrier will place the first order for a freighter version of the US manufacturer's latest wide-body passenger plane if the variant is offered. Qatar Air "very keen to be a launch customer" for a freighter based on Boeing's new 777X or Airbus's A350, Al Baker says in Qatar Economic Forum debate also attended by Boeing CEO Dave Calhoun Note: Neither freighter variant has yet been finalized. (Bloomberg)
- **Al-Khater: Legacy, innovation built into 2022 WC** – From technological innovation to leaving a lasting legacy, FIFA World Cup Qatar 2022 will represent a lot more than just a spectacle for football. FIFA World Cup Qatar 2022 LLC CEO Nasser Al-Khater gave a brief insight into some of the ideas at play as part of the local organization committee's plans ahead of the mega

event, besides elaborating on the legacy aspect of the event and the impact of Covid-19 on preparations when speaking at a roundtable discussion as part of the Qatar Economic Forum, Powered by Bloomberg, yesterday. (Gulf-Times.com)

International

- **ELFA survey: US business borrowings jump 20% in May** – US companies borrowed \$8.1bn for capital investments in May, 20% higher than last year, the Equipment Leasing and Finance Association (ELFA) said, as an economic recovery fueled by rising vaccinations and easing curbs drove up demand. In the second straight month of double-digit growth in borrowings, more companies lined up for new loans, leases and lines of credit compared with last year, but borrowings in May fell 17% from the previous month. “While overall industry performance is relatively strong during the first half of this year, even more robust demand for financing is being constrained by supply chain shortages in several economic subsectors,” ELFA Chief Executive Officer Ralph Petta said. “With COVID-related payment modifications resolved for the most part, ELFA members report their portfolios performing well.” The index is based on a survey of 25 members, including Bank of America Corp, CIT Group Inc and the financing affiliates or units of Caterpillar Inc, Dell Technologies Inc, Siemens AG, Canon Inc and Volvo AB. Washington-based ELFA, which reports economic activity for the nearly \$1tn equipment finance sector, said credit approvals rose to 77.4% in May from 76.3% in April. ELFA’s leasing and finance index measures the volume of commercial equipment financed in the US. The Equipment Leasing and Finance Foundation, ELFA’s non-profit affiliate, reported a monthly confidence index of 71.3 in June, in line with the May reading of 72.1. A reading of above 50 indicates a positive business outlook. (Reuters)
- **Record-high US house prices, tight supply weigh on sales** – US home sales fell for a fourth straight month in May as record-high prices amid low inventory frustrated potential buyers, a trend that could persist for a while, with builders unable to deliver more houses because of expensive lumber. The decline in sales reported by the National Association of Realtors on Tuesday was concentrated in the single-family housing segment, which benefited from a migration from cities as millions of Americans sought more spacious accommodations for home offices and schooling during the COVID-19 pandemic. Sales are retreating back to their pre-pandemic levels, indicating that the tailwind from the virus is diminishing. Existing home sales dropped 0.9% to a seasonally adjusted annual rate of 5.80 million units last month. Sales fell in the Northeast, West and the densely populated South. They, however, rose in the Midwest, which is generally considered as having more affordable homes. Economists polled by Reuters had forecast sales would fall to a rate of 5.72mn units in May. Home resales, which account for the bulk of US home sales, surged 44.6% on a YoY basis. The annual increase was, however, distorted by the plunge in sales in May 2020, when the economy was reeling from mandatory shutdowns of non-essential businesses to slow the first wave of COVID-19 cases. The median existing house price accelerated a record 23.6% from a year ago to an all-time high of \$350,300 in May, with sales remaining skewed towards bigger and more expensive homes. (Reuters)
- **Britain says will 'assertively' reform financial rules** – Britain will reform its financial markets “assertively” to attract trailblazing companies from across the world, though it won’t diverge from European Union standards just for the sake of it, the UK’s financial watchdog said. While the UK’s full departure from the EU last December has largely isolated the City of London from Europe, it frees up Britain to write its own financial rules. The finance ministry has said it will publish detailed proposals to

reform capital markets later this year. A government-backed review called for easing of listing rules to compete better with New York in tech floats. There has been some investor concerns about introducing ‘dual class shares’ and lowering the minimum amount of a company that must be floated, but Rathi said the FCA will consult in July on removing barriers to listings without compromising on safeguards. So far the EU has granted very little direct financial market access for Britain, its financial services chief telling the same conference on Tuesday such an assessment would be gradual. The lack of EU access has led to challenges like sterling money market funds, 90% of which are listed in the EU, being prohibited from depositing sterling with UK banks. The ban on EU operators trading derivatives in London has also raised costs for EU firms, he said. EU access will hinge on whether the bloc deems UK rules to be ‘equivalent’ in robustness to EU regulation. (Reuters)

- **CBI: UK factories see fastest output growth on record, price pressure growing** – British manufacturers reported the strongest growth in output on record but also expect to raise their prices at the fastest pace in nearly 40 years, according to a survey which adds to signs of growing inflation pressures. The Confederation of British Industry’s monthly index for industrial output growth over the past three months was the highest since the CBI records began in 1975 at +37, helped by the lifting of coronavirus restrictions. The CBI’s orders balance - measuring the difference between the proportion of employers who say order levels are above or below normal - hit +19 in June from +17 in May, its highest since 1988. Economists polled by Reuters had expected a reading of +18. “Encouragingly, this performance is reflected in the majority of manufacturing sub-sectors and looks set to continue in the coming quarter,” Anna Leach, the CBI’s deputy chief economist, said. “However, supply shortages continue to bite, and firms expect that to push through into prices in the months ahead.” The survey’s price balance rose to +46 from +38 in May, the highest since 1982 and well above its average of +3. (Reuters)
- **REC: Confidence among UK employers hits five-year high** – British employers are their most confident about the economy in almost five years, helped by the lifting of coronavirus restrictions, a survey showed, but the lack of staff to fill jobs is a growing problem. The Recruitment & Employment Confederation’s measure of business confidence surged by 21 percentage points to a net reading of +11. That was the highest level since July 2016, shortly after Britain voted to leave the European Union, and the first time the index was in positive territory since 2018. Britain’s economy has shown signs of a strong recovery from its slump of nearly 10% in 2020, although the Bank of England thinks it will only regain its pre-pandemic size in the final quarter of this year. REC said employers’ confidence about hiring and investment was the highest since March 2016 at +29. The data was based on telephone polling of 600 employers between March 8 and May 28. (Reuters)
- **Japan's June factory activity expands at slowest pace in 4 months** – Japan’s factory activity expanded at the slowest pace in four months in June, in a sign momentum in the world’s third-largest economy was levelling out before Tokyo is set to host the Olympic Games next month. Activity for the private sector as a whole contracted for a second straight month due to the weaker reading for manufacturing and continued shrinking in the services sector, clouding the outlook for second-quarter economic growth in the country. The au Jibun Bank Flash Japan Manufacturing Purchasing Managers’ Index (PMI) fell to a seasonally adjusted 51.5 in June from a final 53.0 in the previous month, largely due to a sharp decline in output. Output shrank at the quickest rate since last November, the PMI survey showed, underscoring the pressure Japanese firms were facing

from restrictions put in place in response to the health crisis. Manufacturers faced disruptions to operating conditions from ongoing COVID-19 restrictions and supply chain pressures, according to Bhatti. Overall orders and export orders expanded, but at a weaker pace than in the previous month, the survey showed. But manufacturers' optimism for the year ahead stayed largely intact on hopes that Japan's delayed vaccine roll-out would lead to an easing of coronavirus restrictions and fuel an economic recovery. The survey also highlighted severe conditions in the services sector, which saw activity contract for the 17th straight month, though at a slightly slower pace. The au Jibun Bank Flash Services PMI index rose to a seasonally adjusted 47.2 from the previous month's final of 46.5. The au Jibun Bank Flash Japan Composite PMI, which is calculated using both manufacturing and services, fell to 47.8 from May's final of 48.8. (Reuters)

Regional

- **OPEC+ discussing gradual oil output rise from August** – OPEC+ is discussing a further gradual increase in oil output from August as oil prices rise on demand recovery, but no decision had been taken on the exact volume yet, two OPEC+ sources said on Tuesday. The OPEC and allies, known as OPEC+, is returning 2.1mn bpd to the market from May through July as part of a plan to gradually unwind last year's record oil output curbs. OPEC+ meets next on July 1. "It is highly possible to increase gradually from August," said one of the sources, adding that no final decision had been made and the exact volumes are yet to be agreed on. (Reuters)
- **Saudi central bank extends deferred payment program for SMEs** – The Saudi central bank said on Tuesday it is extending a deferred payment program to help small businesses impacted by the coronavirus crisis by another period of three months, starting July 1. The program - meant to support micro, small, and medium enterprises affected by precautionary measures during the COVID-19 pandemic - was launched in March 2020. Since then, the value of deferred payments has totaled SR167bn, the bank said in a statement. The economy of the world's biggest oil exporter was hit hard by the twin shock of last year's historic oil price crash and the COVID-19 pandemic. Recent official data showed the economy shrank 3% annually in the first quarter, due to a sharp drop in oil output. But the non-oil economy - at the center of Vision 2030, Crown Prince Mohammed bin Salman's transformation plan to wean the Saudi economy off oil - grew 2.9% in the first three months of the year as many coronavirus restrictions were eased. (Reuters)
- **PIF considers Saudi Telecom stake sale, sources say** – Saudi Arabia's Public Investment Fund (PIF) is considering divesting part of its stake in Saudi Telecom, sources close to the matter told Reuters, as the sovereign wealth fund seeks to monetize some of its assets. The fund, which holds \$430bn of assets, has hired Goldman Sachs and Saudi National Bank's (SNB) investment banking arm to arrange a transaction, three sources said, declining to be named because the matter was not public. PIF plans to double its assets to SR4tn by 2025, Saudi Arabia's Crown Prince, Mohammed Bin Salman said in January, crystalizing gains on mature assets to make new investments. One of the sources said the amount being considered for the Saudi Telecom deal is significant but was unable to disclose the value or size of the potential stake sale. The fund currently owns about 70% of Saudi Telecom, worth about \$50bn, Refinitiv data and Reuters calculations show. (Reuters)
- **Saudi Finance Minister issues license for STC and Saudi Digital banks** – Saudi Arabia's cabinet has given approval to the Kingdom's Finance Minister to issue license for the country's first digital banks, state news agency reported on Tuesday. "The finance minister will issue the necessary licenses for STC Bank

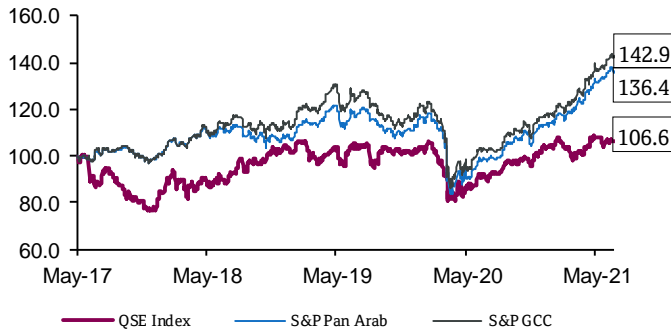
and Saudi Digital Bank, both under establishment," the Saudi Press Agency added. Minister Mohammed al-Jadaan said the cabinet's approval comes within the objectives of the Saudi Financial Development Programme, which is part of a massive economic reform plan known as Saudi Vision 2030. These objectives seek to develop a more efficient digital infrastructure, while encouraging entrepreneurship and creating job opportunities in the financial sector, he wrote. "The cabinet's decision to approve the licensing of two digital banks comes within the framework of developing the system of the financial sector and contributing to the support and development of the national economy, by opening the way for new companies to provide financial services," al-Jadaan added. (Reuters)

- **CBUAE: UAE financial system is stable; economic recovery looks imminent** – The UAE's financial system is stable and economic data points to a post-pandemic recovery. However, banks should support the recovery by ensuring flow of credit to the economy, CBUAE's Governor, Khaled Mohamed Balama said. Liquidity and capital buffers of banks remain adequate, supported by stable deposit volumes and growth in capital market funding, he said during a meeting on Tuesday with all banks operating within the country. "Our assessment and recent economic data point to a post-pandemic rebound of the UAE economy. The UAE banking system remains resilient, and our support measures in the form of the CBUAE's Targeted Economic Support Scheme and other measures will remain in place until the middle of next year," Balama said in a statement issued by the monetary authority. CBUAE expects consumer prices to start rising again in the second half of 2021. Prices dropped an average -0.3% in the first six months of 2021, the Gulf country's central bank said in its economic quarterly review. This is because real estate prices and private consumption are still recovering from the coronavirus pandemic and the rout in oil prices, but "a move into positive territory is expected to start in the second half of 2021," the regulator said. The Gulf nation's Consumer Price Index has been deflationary since 2019, weighed down mainly by its real estate basket, which accounts for more than a third of the gauge. (Zawya, Bloomberg)
- **Dubai's investment arm ICD records full year loss of AED15.50bn** – Investment Corp. of Dubai (ICD), the Dubai government's main investment arm, on Tuesday reported a loss for last year as the coronavirus pandemic impacted its portfolio companies. The firm reported a loss of AED15.50bn for 2020 after a profit of AED25bn a year earlier, according to a regulatory filing. ICD said the pandemic crisis significantly affected its operations and said its losses came from transportation and hospitality. It said it recorded some profits from banking and financial services. "Despite the severe effect of the pandemic on the Group's revenue and profitability, ICD was able to secure a solid balance-Sheet, sustainable operations and financial stability in 2020 owing to proactive steps taken by the Group," Managing Director, at ICD, Mohammed Ibrahim Al Shaibani said. (Reuters)
- **Dubai says \$500mn bond repayment reflects fiscal stability** – Dubai repaid \$500mn in bonds due on Tuesday in what the government said was a sign of fiscal stability despite the coronavirus-driven economic downturn. A bond repayment is generally normal course of business for governments and companies. But the Middle East trade and tourism hub has some history when it comes to debt, having overcome a debt crisis in 2009 thanks to a bailout from wealthier UAE member Abu Dhabi. More recently, opacity around its total levels of debt has created some disquiet among investors after last year's pandemic hurt vital sectors of the economy. (Reuters)
- **DAMAC founder delays bid to go private pending regulator's review** – The founder of DAMAC Properties

(DAMAC) has postponed efforts to take the firm private after the securities regulator of the UAE launched a review of the transaction, the company said on Tuesday. Maple Invest Co, the vehicle backed by founder Hussain Sajwani, said in a letter that acquisition procedures would be postponed until the UAE's Securities and Commodities Authority concluded the review. Sajwani made a \$595mn offer this month to buy out minority shareholders in DAMAC Properties, which he has run for nearly two decades. (Reuters)

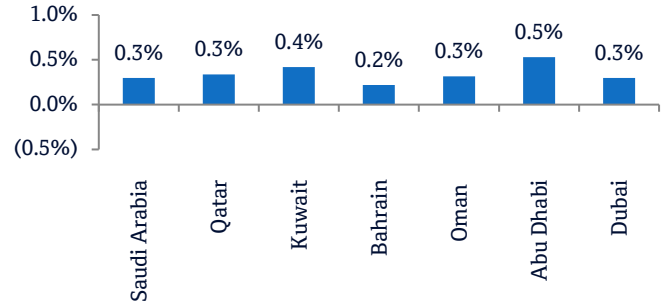
- **ADQ gets Aa2 rating with stable outlook** – Moody's Investors Service assigned a long-term issuer rating of Aa2 for Abu Dhabi Developmental Holding Company (ADQ), with a stable outlook, on par with the Government of Abu Dhabi. ADQ, formerly known as Abu Dhabi Development Holding, was set up in 2018 and owns some of Abu Dhabi's national champions such as TAQA and SENAAT. In addition, it owns Abu Dhabi Ports, Abu Dhabi Airport and bourse operator ADX. In all, it has direct and indirect investments in over 90 operating entities across sectors, including energy & utilities, food & agriculture, healthcare & pharma, and mobility & logistics. "The Aa2 issuer rating and stable outlook are aligned with those of the Government of Abu Dhabi because we believe ADQ is intrinsically linked to the Government of Abu Dhabi by virtue of being a wholly owned entity and a vehicle of public policy" says Julien Haddad, a senior analyst at Moody's said in a report. (Zawya)
- **Kuwait parliament approves budget in tense session** – Kuwait's parliament approved the 2021-22 state budget in a tense session that managed to temporarily break a deadlock with the government that has blocked reforms in the Gulf state. But chaos broke out after the vote, supported by 32 out of 63 lawmakers in attendance including 50 elected members and government ministers. Parliamentary guards entered the hall to restore order as opposition and pro-government MPS quarreled. The session had gone ahead despite opposition lawmakers once again occupying seats reserved for ministers, a tactic they have used in recent weeks to try to highlight their demand to question the prime minister. Speaker, Marzouq al-Ghanim called for a special session to discuss the budget at a time when the OPEC nation is trying boost state finances and support an economy that shrank 9.9% in 2020 due to low oil prices and the coronavirus pandemic. The budget, proposed by the government in January, had projected KD23.05bn in expenditure for the fiscal year that started on April 1, and a deficit of KD12.1bn. Oil income is expected at KD9.13bn, based on oil at \$45 a barrel. Wages and subsidies account for 71.6% of budget; capital expenditure is projected at 15% of total spending. (Reuters, Bloomberg)
- **Bahrain sells BHD100mn 364-day bills; bid-cover at 1.72x** – Bahrain sold BHD100mn of 364-day bills due on June 23, 2022. Investors offered to buy 1.72 times the amount of securities sold. The bills were sold at a price of 98.271, have a yield of 1.67% and will settle on June 24. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,778.74	(0.3)	0.8	(6.3)
Silver/Ounce	25.78	(0.7)	(0.0)	(2.4)
Crude Oil (Brent)/Barrel (FM Future)	74.81	(0.1)	1.8	44.4
Crude Oil (WTI)/Barrel (FM Future)	73.06	(0.8)	2.0	50.6
Natural Gas (Henry Hub)/MMBtu	3.21	1.9	1.6	34.3
LPG Propane (Arab Gulf)/Ton	99.38	0.8	1.7	32.1
LPG Butane (Arab Gulf)/Ton	108.88	1.5	3.2	56.7
Euro	1.19	0.2	0.6	(2.3)
Yen	110.65	0.3	0.4	7.2
GBP	1.39	0.1	1.0	2.0
CHF	1.09	(0.0)	0.5	(3.6)
AUD	0.76	0.3	1.0	(1.8)
USD Index	91.76	(0.2)	(0.5)	2.0
RUB	72.88	(0.4)	0.1	(2.1)
BRL	0.20	1.2	2.6	4.8

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,001.14	0.6	1.6	11.6
DJ Industrial	33,945.58	0.2	2.0	10.9
S&P 500	4,246.44	0.5	1.9	13.1
NASDAQ 100	14,253.27	0.8	1.6	10.6
STOXX 600	456.42	0.4	1.5	11.7
DAX	15,636.33	0.3	1.7	10.7
FTSE 100	7,090.01	0.5	1.9	12.1
CAC 40	6,611.50	0.3	1.2	16.3
Nikkei	28,884.13	2.6	(0.7)	(1.8)
MSCI EM	1,346.84	(0.3)	(1.1)	4.3
SHANGHAI SE Composite	3,557.41	0.6	0.5	3.2
HANG SENG	28,309.76	(0.7)	(1.8)	3.8
BSE SENSEX	52,588.71	(0.2)	0.2	8.2
Bovespa	128,767.50	0.3	1.9	11.9
RTS	1,645.59	0.2	(0.1)	18.6

Source: Bloomberg (*\$ adjusted returns)

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