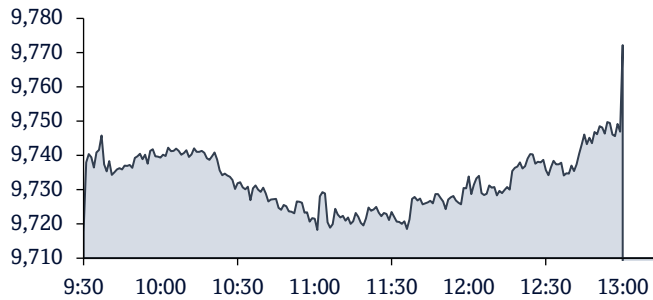


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.6% to close at 9,772.2. Gains were led by the Telecoms and Banks & Financial Services indices, gaining 1.3% and 0.8%, respectively. Top gainers were Qatar General Ins. & Reins. Co. and Qatar Gas Transport Company Ltd., rising 8.3% and 3.6%, respectively. Among the top losers, Qatar Navigation fell 4.0%, while Ezdan Holding Group was down 2.2%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.3% to close at 11,697.0. Losses were led by the Utilities and Health Care Equipment & Svc indices, falling 2.7% and 2.6%, respectively. Fawaz Abdulaziz Alhokair Co. declined 6.0%, while Mouwasat Medical Services Co. was down 3.7%.

Dubai: The DFM Index fell 0.3% to close at 4,000.2. The Communication Services index declined 1.2%, while the Financials index fell 0.8%. Dubai Refreshment Company declined 5.0%, while Watania International Holding was down 2.8%.

Abu Dhabi: The ADX General Index gained 0.1% to close at 9,022.3. The Telecommunication index rose 0.9%, while the Consumer Discretionary index gained 0.6%. Abu Dhabi National Energy Co. rose 5.9%, while ALEF Education was up 5.2%.

Kuwait: The Kuwait All Share Index fell 0.2% to close at 6,994.1. The Technology index declined 2.6%, while the Energy index fell 2.1%. Dar AL Thuraya Real Estate Co. declined 20.2%, while The Commercial Real Estate Co. was down 6.7%.

Oman: The MSM 30 Index fell 0.8% to close at 4,622.2. Losses were led by the Financial and Services indices, falling 0.8% and 0.6%, respectively. Dhofar Beverages Company declined 9.7%, while Dhofar Generating Company was down 5.6%.

Bahrain: The BHB Index fell 0.1% to close at 2,037.8. The Materials declined 0.4%, while the Financials index fell marginally. Inovent declined 3.5%, while Zain Bahrain was down 2.4%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar General Ins. & Reins. Co.	0.990	8.3	1.3	(32.7)
Qatar Gas Transport Company Ltd.	4.470	3.6	2,936.1	27.0
Ahli Bank	3.775	1.8	20.0	4.2
Qatar International Islamic Bank	10.14	1.7	819.9	(5.1)
Qatar Electricity & Water Co.	15.25	1.7	553.5	(18.9)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Mesaieed Petrochemical Holding	1.665	(0.3)	12,935.6	(6.9)
Ezdan Holding Group	0.762	(2.2)	11,523.2	(11.2)
Baladna	1.299	(0.5)	9,337.5	6.1
Masraf Al Rayan	2.324	0.2	8,464.3	(12.5)
Qatari German Co for Med. Devices	1.890	0.5	8,189.1	30.3

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	9,772.20	0.6	0.7	4.9	(9.8)	108.27	155,195.6	11.0	1.3	4.9
Dubai	4,000.25	(0.3)	0.3	0.6	(1.5)	83.47	183,622.3	7.9	1.2	5.9
Abu Dhabi	9,022.32	0.1	0.8	1.8	(5.8)	257.50	688,525.5	18.1	2.6	2.1
Saudi Arabia	11,697.04	(0.3)	1.7	1.7	(2.3)	2,318.99	2,686,797.1	20.2	2.3	3.6
Kuwait	6,994.10	(0.2)	(0.6)	(0.8)	2.6	114.59	148,129.2	18.0	1.7	3.3
Oman	4,622.23	(0.8)	(1.2)	(4.6)	2.4	6.18	23,669.5	12.3	0.9	5.3
Bahrain	2,037.88	(0.1)	(0.2)	(0.1)	3.4	2.24	21,367.5	8.6	0.8	8.2

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	24 Jun 24	23 Jun 24	%Chg.
Value Traded (QR mn)	394.0	359.2	9.7
Exch. Market Cap. (QR mn)	565,994.3	563,278.7	0.5
Volume (mn)	121.3	102.3	18.5
Number of Transactions	14,884	10,407	43.0
Companies Traded	51	52	(1.9)
Market Breadth	21:29	23:24	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	21,979.65	0.6	0.7	(5.4)	11.0
All Share Index	3,422.24	0.5	0.6	(5.7)	11.8
Banks	4,031.84	0.8	1.1	(12.0)	9.7
Industrials	4,064.37	0.3	0.2	(1.3)	2.8
Transportation	5,435.23	0.1	(0.3)	26.8	26.1
Real Estate	1,545.44	(0.2)	0.2	2.9	12.7
Insurance	2,285.05	0.5	0.2	(13.2)	167.0
Telecoms	1,603.62	1.3	1.6	(6.0)	8.8
Consumer Goods and Services	7,312.53	(0.5)	(0.0)	(3.5)	228.0
Al Rayan Islamic Index	4,589.66	0.2	0.4	(3.7)	14.0

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Abu Dhabi National Energy	Abu Dhabi	2.89	5.9	5,953.7	(17.4)
Multiply Group	Abu Dhabi	2.02	4.1	30,031.8	(36.5)
ADES Holdings	Saudi Arabia	21.92	3.7	29,813.3	(8.7)
Qatar Gas Transport Co. Ltd	Qatar	4.47	3.6	2,936.1	27.0
Arabian Drilling	Saudi Arabia	132.60	2.5	361.6	(30.6)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Mouwasat Medical Services	Saudi Arabia	120.20	(3.7)	654.9	7.5
Acwa Power Co.	Saudi Arabia	351.80	(3.6)	855.7	37.2
Ominvest	Oman	0.36	(3.5)	20.2	(14.3)
Dr. Sulaiman Al Habib Medical Services Group Co	Saudi Arabia	290.80	(3.1)	294.1	2.4
Dallah Healthcare Co.	Saudi Arabia	160.80	(2.5)	88.5	(6.4)

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

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatar Navigation	11.52	(4.0)	2,502.2	18.8
Ezdan Holding Group	0.762	(2.2)	11,523.2	(11.2)
Widam Food Company	2.725	(1.9)	87.9	15.5
Estithmar Holding	1.919	(1.6)	2,593.9	(8.4)
Al Khaleej Takaful Insurance Co.	2.409	(1.3)	3,689.7	(18.9)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	14.33	0.8	69,684.4	(13.3)
Qatar Navigation	11.52	(4.0)	29,107.0	18.8
Qatar Islamic Bank	18.10	1.1	27,688.6	(15.8)
Dukhan Bank	3.711	0.0	22,253.4	(6.6)
Mesaieed Petrochemical Holding	1.665	(0.3)	21,569.5	(6.9)

Qatar Market Commentary

- The QE Index rose 0.6% to close at 9,772.2. The Telecoms and Banks & Financial Services indices led the gains. The index rose on the back of buying support from Qatari and Foreign shareholders despite selling pressure from Arab and GCC shareholders.
- Qatar General Ins. & Reins. Co. and Qatar Gas Transport Company Ltd. were the top gainers, rising 8.3% and 3.6%, respectively. Among the top losers, Qatar Navigation fell 4.0%, while Ezdan Holding Group was down 2.2%.
- Volume of shares traded on Monday rose by 18.5% to 121.3mn from 102.3mn on Sunday. However, as compared to the 30-day moving average of 167.4mn, volume for the day was 27.6% lower. Mesaieed Petrochemical Holding and Ezdan Holding Group were the most active stocks, contributing 10.7% and 9.5% to the total volume, respectively.

Overall Activity	Buy%*	Sell%*	Net (QR)
Qatari Individuals	23.17%	27.59%	(17,423,252.10)
Qatari Institutions	34.58%	26.88%	30,327,344.24
Qatari	57.75%	54.47%	12,904,092.14
GCC Individuals	0.15%	0.37%	(868,329.99)
GCC Institutions	0.77%	5.97%	(20,490,905.88)
GCC	0.92%	6.34%	(21,359,235.87)
Arab Individuals	8.52%	9.13%	(2,394,169.11)
Arab Institutions	0.07%	0.00%	273,802.10
Arab	8.59%	9.13%	(2,120,367.01)
Foreigners Individuals	2.31%	3.59%	(5,054,735.54)
Foreigners Institutions	30.44%	26.48%	15,630,246.28
Foreigners	32.75%	30.06%	10,575,510.74

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
06-24	US	Federal Reserve Bank of Dallas	Dallas Fed Manf. Activity	Jun	-15.10	-15.00	-19.40
06-24	Japan	Japan Department Store Association	Nationwide Dept Sales YoY	May	14.40%	NA	8.90%
06-24	Japan	Japan Department Store Association	Tokyo Dept Store Sales YoY	May	17.30%	NA	10.80%

Earnings Calendar

Tickers	Company Name	Date of reporting 2Q2024 results	No. of days remaining	Status
BEMA	Damaan Islamic Insurance Company	07-Aug-24	43	Due
QGMD	Qatari German Company for Medical Devices	29-Jul-24	34	Due

Qatar

- Moody's affirms Commercial Bank's rating at "A3/Prime-2" with a stable outlook** - Moody's, a global credit rating agency, has affirmed Commercial Bank's short-term and long-term deposit rating at "A3/Prime-2" with a stable outlook. According to Moody's, Commercial Bank's ratings reflect their expectations that the Bank's capitalization and liquidity will remain steady against ongoing asset quality pressure, downside risks from the Bank's balance sheet concentrations, and high reliance on market and external funding. The ratings are due to the Bank's strengths which stem from strong profitability and efficiency, moderate capital buffers that are above regulatory requirements, healthy liquidity, and a heightened likelihood of support from Qatari authorities when needed. Joseph Abraham, Group Chief Executive Officer of Commercial Bank said: "This reaffirmation by Moody's emphasizes Commercial Bank's commitment in meeting the financial obligations of the banking sector in Qatar. Our credit ratings reaffirm our proactivity in risk management, strong market presence, and sufficient liquidity; all of which are integral in executing our five-year strategic plan." In addition to Moody's latest ratings, Commercial Bank currently enjoys strong credit ratings from all the major agencies. The Bank's long-term rating is rated A by Fitch with a stable outlook, and A- by S&P with a stable outlook. (Gulf Times)
- AM Best affirms the credit rating of Qatar General Insurance & Reinsurance Company** - Qatar General Insurance and Reinsurance Company discloses the affirmation of its financial strength rating of B (Good) and the Long-Term issuer Credit Rating of "bbb" (Good) as per the credit rating agency "AM Best". (QSE)
- ICAEW: Qatar non-energy sector remains resilient; GDP growth may rise to 2.9% in 2025** - Qatar's GDP growth projection for this year stands at 2.2% and is expected to rise to 2.9% in 2025, the Institute of Chartered Accountants in England and Wales (ICAEW) has said in a report. The latest 'Economic Insight' report for the Middle East, commissioned by ICAEW and compiled by Oxford Economics, predicts a slow recovery for the GCC region this year due to extended oil production curbs. The GCC growth forecast has been revised down to 2.2% from 2.7% three months

ago, though non-energy sectors remain resilient, including in Qatar and Bahrain, it said. The Opec+ group's extension of voluntary output cuts through Q3 implies a delayed recovery in GCC energy sectors. GCC oil output will now shrink by 2.6% this year instead of the 1.3% expansion forecasted three months ago, ICAEW noted. Saudi Arabia, which is cutting production to the greatest extent, will see oil activities contract by 5% this year, down from a predicted growth of 0.7% three months ago. However, as voluntary production cuts are reversed in 2025, energy sectors will begin making positive contributions to GCC growth. Bahrain's GDP growth is 3.1% this year, but is expected to slow to 1.4% in 2025, "Since Qatar is not involved in the Opec+ production quotas, its gas sector is a priority, with authorities doubling down on the North Field gas expansion project, promising a positive medium-term impact," ICAEW said. Bahrain, on the other hand, continues to diversify its economy and reduce reliance on oil revenues. Last year, its non-oil growth grew by 3.4%, accounting for nearly 84% of GDP. High-frequency data paints a positive outlook for non-energy sectors across the GCC. In Saudi Arabia, investments are expected to flow into key sectors supporting mega-projects, including construction, manufacturing, and transportation. Strong momentum in the sports and entertainment sector will also be seen as the country's transformation continues. The hospitality sector will likely follow, with tourism remaining key to Saudi's growth agenda. Tourism is a strategic sector in other countries too and will remain a key growth driver. Tourism activity has rebounded strongly, with record visitor numbers across the GCC in 2023, extending into this year. According to ICAEW, non-oil economies will continue to grow despite the GCC's fiscal positions deteriorating. Saudi Arabia, Bahrain, and Kuwait will likely see budget deficits this year and next as the current oil price level is below the fiscal breakeven point. "However, the overall GCC budget position will likely remain in surplus, bolstered by strong financial standings and favorable credit ratings, allowing continued access to funding from capital markets and IPOs," ICAEW noted. Hanadi Khalife, head of Middle East, ICAEW, said: "While geopolitical risks present headwinds for the GCC and wider Middle East, we are encouraged by the ongoing commitment to diversification and sustainability targets. "Qatar, for example, became the first GCC sovereign to issue green bonds despite

not having explicit net-zero targets. Bahrain is also aligning its non-oil economic growth with its Economic Vision 2030 and COP28 commitments to reduce carbon emissions by 30% by 2035." Scott Livermore, ICAEW economic adviser, and chief economist and managing director, Oxford Economics Middle East, said: "Although the region faces escalating pressures amid slowing global economies, the GCC remains relatively positive due to strong bilateral deals and investment. "Qatar recently signed a 20-year supply contract with India for 7.5mn tonnes of liquefied natural gas annually, and a 27-year contract with Taiwan for 4mn tonnes. "Bahrain has also seen significant investment growth following the launch of the Golden License initiative in April 2023, which requires a minimum investment of \$50mn and the creation of at least 500 jobs. Bahrain's financial services sector contributed nearly 18% of GDP, surpassing oil, which contributed 16%." The GCC inflation forecast for 2024 has been lowered by 0.3 percentage points to 2.2% this year, with a further slowdown to 2.1% expected next year. Excluding housing rents in some countries, notably Saudi Arabia, inflationary pressures remain contained, with rates below 2% in all GCC countries except Kuwait and the UAE. Given the exchange rate pegs against the US dollar, GCC central banks tend to track the US Federal Reserve's policy rates. The US Federal Reserve is expected to begin gradually cutting policy rates in September, totaling a 150bps reduction by the end of 2025, ICAEW added. (Gulf Times)

- Qatar leverages LNG demand to attain clean energy transition** - The comprehensive strategy to tackle environmental issues across numerous industries for increased efficiency and cost-effectiveness has leveraged Qatar's competitiveness in order to drive clean energy transition and energy goals, according to a recent report by PWC. Top industry analysts in the country stressed the future strategic initiatives, which strengthen the LNG industry and expand energy production. It said: "Besides green hydrogen, its derivatives like green methanol and green ammonia are gaining traction globally for various uses, including CO2-free energy production and eco-friendly fuels in the maritime and automotive sectors. With countries and companies exploring these alternatives to fossil fuels, Qatar has an opportunity to lead in producing and exporting these green products, responding to the increasing demand for sustainable solutions." Qatar is ranked the sixth-largest oil producer in the region and 14th worldwide, making it a key player in the global energy market as the country is poised to bolster the LNG output by 85% by the decade-end. Positioned as the third largest natural gas reserves in the world, Qatar has emerged to be the largest single-site exporter of urea, with several unique energy portfolios. In terms of decarbonization, the country is decreasing green-house gas emissions by opting for natural gas for power generation. Augmenting to its growing economy, the report further notes that, Qatar has launched solar power projects like the Al Kharsaah Solar PV Power Plant, which supplies clean energy to more than 200,000 residents and is expected to expand its solar capacity to over 5 gigawatts (GW) in the next 10 to 11 years. The researchers also note the enhancement of sustainable ammonia production with the world's largest blue ammonia plant, integrating Carbon Capture (CC) and Sequestration (CCS) technology, aiming to increase its CCS capacity by 400% by 2035. However, the country's solar power expansion allows the production of green hydrogen, green methanol, and green ammonia, tapping into the surging global demand for clean hydrogen, to increase by 2050, aligned with climate goals. (Peninsula Qatar)
- Asia top destination for Qatar's exports in first quarter** - Asian countries occupied a dominating position in Qatar's exports during the first quarter (Q1) of 2024, with the top four export destinations for Qatari exports coming from Asia. Qatari exports witnessed consistent growth during the first quarter (January to March) of the current year, with China securing the top spot for Qatari exports' destination, according to the National Planning Council (NPC) data. Exports from Qatar to China from January to March of the year reached QR20.422bn. South Korea secured the second place with Qatari exports amounting to QR12.71bn in the first quarter and India secured the third place in the ranking as total Qatari exports to the country stood at QR11.586bn in Q1, 2024. Japan came in fourth place as total exports from Qatar reached QR6.097bn in the first quarter. During Q1 2024, Asia was the principal destination of Qatar's exports and the first origin of Qatar's imports, representing 81.0% and 39.3% respectively,

followed by GCC, accounting for 8.9% and 12.9% respectively, and the European Union, with 6.7% and 26.8% respectively. The value of Qatar's total exports (including exports of domestic goods and re-exports) amounted to QR87.6bn in Q1 2024, decreased by QR8.3bn (8.6%) compared to Q1 2023 which amounted total exports of QR95.9bn. It increased by nearly QR2.8bn (3.3%) compared to Q4 2023. The first quarter 2024 year on year (Y-o-Y) decrease in total exports was mainly due to lower exports of mineral fuels, lubricants and related materials by QR9.1bn (10.9%), crude materials, inedible, except fuels by QR0.2bn (44.9%), chemicals and related products by QR0.1bn (2.1%). While there was a rise mainly in machinery and transport equipment by QR0.6bn (30.5%), and miscellaneous manufactured articles by QR0.5bn (81.4%). Qatar's economic growth is expected to continue in the next few years, reaching almost QR1,366bn by the end of 2028. The real growth rate is expected to average between 2% and 3% except for 2026 and 2027 which are expected to grow by 6% and 14% respectively. (Peninsula Qatar)

- Qatar Airways wins 'Airline of the Year' title by Skytrax for eighth time** - Qatar Airways has been awarded the 'Airline of the Year' title by Skytrax, returning to the top for an unprecedented eighth time. This distinction highlights the airline's unwavering commitment to excellence. The 5-star carrier was also recognized with three additional awards: 'World's Best Business Class', 'World's Best Business Class Airline Lounge' and 'Best Airline in the Middle East'. Recently, Qatar Airways' home and hub, Hamad International Airport (HIA), was named 'World's Best Airport' in 2024 by Skytrax for the third time. The airport also received the award for 'Best Airport in the Middle East' for the 10th time and the airport's retail, Qatar Duty Free, received 'World's Best Airport Shopping' for the second consecutive year. This remarkable achievement is the first time that an airline, an airport and the airport's retail have been crowned as 'World's Best' in all three Skytrax categories. This year is the eighth time since 2011 that Qatar Airways has been awarded Airline of the year. The Skytrax World Airline Awards, widely regarded as 'the Oscars of the aviation industry', represent the pinnacle of excellence in aviation. Commenting on this achievement, Qatar Airways Group Chief Executive Officer Engineer Badr Mohammed Al Meer said, "This is a proud moment for Qatar Airways. I am honored to share this award with my dedicated team. This award is a testimony to our relentless commitment to providing unparalleled service and innovation. We look forward to continuing to serve our customers with the highest level of excellence." Skytrax Chief Executive Officer Edward Plaisted said, "Qatar Airways' impressive achievement of winning the Airline of the Year title for the eighth time, alongside three additional top accolades, is a true testament to the airline's high standards and dedication. Qatar Airways was and will continue to be customers' favorite airline." The comprehensive list of awards won by Qatar Airways at the Skytrax 2024 World Airline Awards include: - Airline of the Year - World's Best Business Class - World's Best Business Class Airline Lounge - Best Airline in the Middle East. A multiple award-winning airline, Qatar Airways won the 'World's Best Airline' for the unprecedented eighth time at the 2024 World Airline Awards, managed by the international air transport rating organization, Skytrax. Qatar Airways has been the World's Best Airline in 2011, 2012, 2015, 2017, 2019, 2021, 2022, and 2024. (Qatar Tribune)

International

- Big US banks expected to be cautious on shareholder payouts** - Big US lenders are expected to show they have ample capital to weather any renewed turmoil during this week's Federal Reserve health checks, but will be conservative on investor payouts amid economic and regulatory uncertainties, analysts said. The central bank on Wednesday will release the results of its annual bank "stress tests" which assess how much cash lenders would need to withstand a severe economic downturn and how much they can return to investors via dividends and share buybacks. The results come a year after three large banks failed and as higher Fed interest rates continue to squeeze regional lenders' margins and their commercial real estate (CRE) portfolios. Weakening consumer demand has also dampened sentiment on the trajectory of the economy. With more mid-sized banks in the mix this year, the tests should provide fresh insight into the health of those lenders. Introduced following the 2007-2009 financial crisis, the annual exercise is integral to banks' capital

planning. The results will also likely fuel Wall Street banks' campaign to ease draft capital hikes proposed by the Fed, which they say are unnecessary because big banks are already flush with cash. Bank groups will be scouring Wednesday's results for evidence that boosts their case, while being cautious on payouts since big dividends and buybacks could hurt banks' argument that extra capital demands would impede their capacity to lend. "The stress test could be used as a proxy battle in the overall capital regulatory reform war," said Ed Mills, an analyst at Raymond James. "There could be some increase in returning capital to shareholders but it is expected to be modest as capital norms are yet to be finalized." This year 32 lenders will be tested. Wall Street giants JPMorgan Chase (JPM.N), Citigroup (C.N), Bank of America (BAC.N), Goldman Sachs (GS.N), Wells Fargo (WFC.N), and Morgan Stanley (MS.N), opens new tab usually attract the most scrutiny. Citi and Goldman, as well as smaller lender M&T Bank (MTB.N), are expected to perform well due to changes in their balance sheet mixes, said analysts at Keefe, Bruyette & Woods (KBW). With some lingering investor jitters about regional banks, mid-sized lenders including Citizens, KeyCorp (KEY.N), opens new tab and Truist (TFC.N), opens new tab are likely to be in the spotlight too, as will Discover Financial Services (DFS.N), whose compliance problems helped make it a takeover target. "KeyBank is well capitalized with strong credit quality and deposit profiles," a bank spokesperson said, adding Key also has a moderate risk profile with a wide range of funding sources. Spokespeople for Wells Fargo, Citi, Morgan Stanley, Truist and M&T Bank declined to comment while Goldman Sachs, JPMorgan, Citizens and Discover did not respond to requests for comment. (Reuters)

- **Japan's business-to-business service inflation hits 2.5% in May** - The price Japanese companies charge each other for services rose 2.5% in May from a year earlier, data showed on Tuesday, a sign prospects of steady wage increases are prompting more companies to pass on higher labor costs. The year-on-year increase, however, slowed from the previous month's 2.7% gain, Bank of Japan (BOJ) data showed. An index measuring the price companies charge each other for services with high labor costs rose 2.5% in May from a year earlier, unchanged from April, the data showed. (Reuters)

Regional

- **GCC non-energy growth 'resilient' despite oil output cuts** - High-frequency data paints a positive outlook for non-energy sectors across the GCC even as extended oil production curbs are predicted to show down the economy. Within the GCC, Bahrain continues to diversify its economy and reduce reliance on oil revenues. Last year its non-oil growth grew by 3.4%, accounting for nearly 84% of GDP, said the latest Economic Insight report for the Middle East, commissioned by ICAEW and compiled by Oxford Economics. In Saudi Arabia, investments are expected to flow into key sectors supporting giga-projects, including construction, manufacturing, and transportation. Strong momentum: Strong momentum in the sports and entertainment sector will also be seen as the country's transformation continues. The hospitality sector will likely follow, with tourism remaining key to Saudi's growth agenda. Tourism is a strategic sector in other countries too, and will remain a key growth driver. Tourism activity has rebounded strongly, with record visitor numbers across the GCC in 2023, extending into this year. The GCC growth forecast has been revised down to 2.2% from 2.7% three months ago, though non-energy sectors remain resilient, including in Bahrain and Qatar. The Opec+ group's extension of voluntary output cuts through Q3 implies a delayed recovery in GCC energy sectors. GCC oil output will now shrink by 2.6% this year instead of the 1.3% expansion forecast three months ago. Saudi Arabia, which is cutting production to the greatest extent, will see oil activities contract by 5% this year, down from a predicted growth of 0.7% three months ago. However, as voluntary production cuts are reversed in 2025, energy sectors will begin making positive contributions to GCC growth. Bahrain GDP growth: Qatar's GDP growth projection for this year stands at 2.2% and is expected to rise to 2.9% in 2025. In contrast, Bahrain's GDP growth is 3.1% this year, but is expected to slow to 1.4% in 2025. Since Qatar is not involved in the Opec+ production quotas, its gas sector is a priority, with authorities doubling down on the North Field gas expansion project, promising a positive medium-term impact. Non-oil economies will continue to grow despite

the GCC's fiscal positions deteriorating. Saudi Arabia, Bahrain, and Kuwait will likely see budget deficits this year and next as the current oil price level is below the fiscal breakeven point. However, the overall GCC budget position will likely remain in surplus, bolstered by strong financial standings and favorable credit ratings, allowing continued access to funding from capital markets and IPOs. Hanadi Khalife, Head of Middle East, ICAEW, said: "While geopolitical risks present headwinds for the GCC and wider Middle East, we are encouraged by the ongoing commitment to diversification and sustainability targets. Qatar, for example, became the first GCC sovereign to issue green bonds despite not having explicit net-zero targets. Bahrain is also aligning its non-oil economic growth with its Economic Vision 2030 and COP28 commitments to reduce carbon emissions by 30% by 2035." Scott Livermore, ICAEW Economic Advisor, and Chief Economist and Managing Director, Oxford Economics Middle East, said: "Although the region faces escalating pressures amid slowing global economies, the GCC remains relatively positive due to strong bilateral deals and investment. Qatar recently signed a 20-year supply contract with India for 7.5mn tonnes of liquefied natural gas annually, and a 27-year contract with Taiwan for 4mn tonnes. Significant investment: "Bahrain has also seen significant investment growth following the launch of the Golden License initiative in April 2023, which requires a minimum investment of \$50mn and the creation of at least 500 jobs. Bahrain's financial services sector contributed nearly 18% of GDP, surpassing oil, which contributed 16%." The GCC inflation forecast for 2024 has been lowered by 0.3 percentage points to 2.2% this year, with a further slowdown to 2.1% expected next year. Excluding housing rents in some countries, notably Saudi Arabia, inflationary pressures remain contained, with rates below 2% in all GCC countries except Kuwait and the UAE. Given the exchange rate pegs against the US dollar, GCC central banks tend to track the US Federal Reserve's policy rates. The US Federal Reserve is expected to begin gradually cutting policy rates in September, totaling a 150bps reduction by the end of 2025. (Zawya)

- **GCC growth forecast revised to 2.2% over oil output cuts** - The growth forecast for the GCC has slipped to 2.2%, down from the 2.7% recorded three months ago, with a slow recovery predicted for the region in 2024 due to extended oil production curbs. Findings of the latest Economic Insight report by the Institute of Chartered Accountants in England and Wales (ICAEW) and Oxford Economics further revealed the OPEC+ group's extension of voluntary output cuts through Q3 imply a delayed recovery in GCC energy sectors. In early June, OPEC+ announced that it would extend oil output cuts through Q3, before gradually phasing them out from October until the end of 2025. "GCC oil output will now shrink by 2.6% this year instead of the 1.3% expansion forecasted three months ago," the report stated, with Saudi Arabia, which is cutting production to the greatest extent, will see its oil activities contract by 5% this year, down from a predicted growth of 0.7% three months ago. According to ICAEW, despite the global economy proving relatively resilient, OPEC+ discipline in curtailing production and ongoing regional tensions with the ongoing Israel-Gaza war, have seen oil prices struggle to remain above \$80pb. "Oil output cuts mean that the energy sectors will be a drag on economic growth this year, however the outlook for the non-energy sectors remains robust," the report stated. "The PMIs remain firmly in expansionary territory, underpinned by strong domestic activity, with business sentiment running high despite some upward pressure on costs. Full 2023 GDP growth data remain pending in several countries, but we estimate the GCC economy grew 0.6% last year." High-frequency data paints a positive outlook for non-energy sectors across the GCC, the report stated. In Saudi Arabia, investments are expected to flow into key sectors supporting giga-projects, including construction, manufacturing, and transportation. Strong momentum in the sports and entertainment sector, along with the tourism and hospitality sectors will likely follow. Non-oil growth: ICAEW stated non-oil economies will continue to grow despite the GCC's fiscal positions deteriorating. Saudi Arabia, Bahrain, and Kuwait will likely see budget deficits this year and next as the current oil price level is below the fiscal breakeven point. However, the overall GCC budget position will likely remain in surplus, bolstered by strong financial standings and favorable credit ratings, allowing continued access to funding from capital markets and IPOs. "While geopolitical risks present headwinds for the GCC and wider Middle East, we are encouraged by the

ongoing commitment to diversification and sustainability targets,” said Hanadi Khalife, Head of Middle East, ICAEW. “Qatar, for example, became the first GCC sovereign to issue green bonds despite not having explicit net-zero targets. Bahrain is also aligning its non-oil economic growth with its Economic Vision 2030 and COP28 commitments to reduce carbon emissions by 30% by 2035,” he added. According to Scott Livermore, ICAEW Economic Advisor, and Chief Economist and Managing Director, Oxford Economics Middle East, despite escalating pressures in the region, amid slowing global economies, the GCC remains “relatively positive” due to strong bilateral deals and investment. (Zawya)

- Saudi non-oil exports surge 12.4% to \$27.1bn in April** - Saudi Arabia's non-oil exports, including re-exports, recorded a jump of 12.4%, reaching SR101.7bn in April 2024, compared to the same month in 2023. According to the latest figures released by the General Authority for Statistics (GASTAT) on Monday, there has also been an increase in non-oil exports excluding re-exports as well, but at a lower rate of 1.6%, while the value of re-exported goods jumped to 56.4% in April compared to the same month in 2023. The report pointed out that there was an increase in the ratio of non-oil exports, including re-exports, to imports in April 2024, reaching 37.1% compared to 32.6% in April 2023, as a result of an increase in non-oil exports by 12.4%, bringing the decrease in imports to 1.3% during this period. The GASTAT said in its international trade report that merchandise exports decreased by one% in April, as a result of a decline in petroleum exports by 4.2%, while the percentage of petroleum exports out of total exports decreased from 80.6% in April 2023 to 78% in the same month of 2024. With regard to imports, the authority report showed a decrease in the month of April 2024 by 1.3%, recording SR60.3bn and a decrease in the trade balance surplus by 0.5% compared to the month of April 2023, recording SR41.1bn. Compared to March 2024, the value of merchandise exports recorded a drop of 1.7%, while the value of non-oil exports including re-exports decreased by 6.3%. The report showed that the value of imports decreased by 17.4%, while the merchandise trade balance recorded an increase of 36% compared to March 2024. (Zawya)
- Saudi: Industry Ministry issues 38,319 Certificates of Origin in May** - The Ministry of Industry and Mineral Resources reported that it issued 38,319 certificates of origin in May as part of its efforts to boost exports across various sectors. The certificate of origin is an official document granted by the ministry to prove that the exported goods are of national origin or have acquired the status of national origin. (Zawya)
- Saudi delegation in US to explore expanding trade and investment opportunities** - A Saudi delegation, headed by the Saudi General Authority of Foreign Trade under the chairmanship of Deputy Governor of the Authority for International Relations Abdulaziz Alsakran, is participating in the 8th Saudi-US Trade and Investment Council Meeting (TIFA), which began in Washington, D.C., on Sunday. Officials from 20 government entities are participating in the event, which will conclude on June 28. The Council aims to monitor trade and investment relations to identify opportunities to further expand trade and investment, as well as to work to remove barriers to trade and investment flows, foster a promising trade and investment environment, and promote economic development between the two countries. On the sidelines of the council meeting, the Saudi delegation will participate in many meetings and workshops, such as Middle East and USA: Investments & Opportunities" with the participation of American ambassadors in the Gulf region, and the opening session of the SelectUSA Investment Summit, chaired by US Secretary of Commerce Gina Raimondo. The delegation also participates in the fifth GCC-US Trade and Investment Dialogue, a discussion session on "Invest Saudi in Tech", the United States-Saudi Forum titled "Investing in Our Shared Future", the GCC-US Roundtable meeting, and the Saudi-US Roundtable meeting with the participation of the private sector on both sides. The Saudi delegation includes representatives of the Ministry of Commerce, Ministry of Energy, Ministry of Investment, Ministry of Environment, Water and Agriculture, Ministry of Education, Ministry of Tourism, Ministry of Economy and Planning, Ministry of Communications and Information Technology, Ministry of Industry and Mineral Resources, Ministry of Human Resources and Social Development, General Authority for Foreign Trade, Saudi Food and Drug Authority, Small and Medium Enterprises General Authority, General Authority for Military Industries, the Saudi Standards, Metrology and

Quality Organization, Saudi Authority for Intellectual Property, Saudi Data and Artificial Intelligence Authority, Zakat, Tax and Customs Authority, Research, Development and Innovation Authority, Public Investment Fund, and Saudi Green Initiative. It is noteworthy that the General Authority for Foreign Trade is developing bilateral trade relations through coordinating councils and joint government committees and working to enable the Kingdom's non-oil exports to access foreign markets and address any challenges arising therefrom. Trade between Saudi Arabia and the United States of America for 2023 reached about \$34bn, with mineral and fertilizer products being the most prominent Saudi goods exporting to the United States, and machinery, machine tools, parts, automobiles, and parts registered as the most distinguished imported goods in the United States. (Zawya)

- Saudi Arabia grants Approved Destination Status to China from July 1** - Saudi Arabia announced granting the official Approved Destination Status (ADS) to China effective from July 1, 2024. This follows the Kingdom's participation in the second China roadshow and ITB China in Shanghai. This move underscores Saudi Arabia's commitment to becoming a strategic economic partner with China, unlocking new opportunities across the tourism sector and fostering mutual understanding, friendship, and economic development for both nations. The ADS designation marks a significant milestone for group travel to Saudi Arabia. As the Kingdom aims to make China its third largest source market for international arrivals by 2030, Saudi Arabia has proactively prepared to be China-ready. This includes significantly increasing direct flights since 2023, introducing tailored products, and forming strategic partnerships to enhance group and Flexible Independent Travel (FIT) experiences. Saudi Minister of Tourism Ahmed Al-Khateeb said that the official ADS status demonstrates Saudi Arabia's readiness for Chinese visitors and the Saudi progress toward making China its third largest tourism market by 2030. "The Saudi Tourism Authority has played a crucial role in visa facilitation, reduced fees, improving air connectivity, and ensuring destination readiness with Mandarin-language information available on www.visitsaudi.cn, Mandarin signage at airports, and Mandarin-speaking tour guides and hotel staff," he said. Abdulrahman Ahmad Al-Harbi, Saudi ambassador to China, emphasized: "By strengthening bilateral ties with China, the ADS agreement opens doors for economic development across sectors, benefiting both nations." CEO of Saudi Tourism Authority Fahd Hamidaddin said: "Saudi's approval as a tourist destination for Chinese visitors reflects our continuous efforts and participation in trade shows and conferences, leading to agreements with Chinese organizations. We strive to provide a seamless, enjoyable, and safe experience for Chinese tourists, including streamlined visa procedures, increased flight capacity, and Mandarin integration across airports, destinations, tourist sites, and digital platforms like the 'Visit Saudi' website. Partnerships with trusted Chinese brands such as UnionPay, Trip.com, Huawei, and Tencent further enhance our offerings." Saudi Arabia aims to attract 5mn Chinese tourists by 2030, enhancing connectivity with new direct flights by Air China, China Eastern, and China Southern, in addition to existing Saudia flights. These initiatives represent a 130% increase in inbound seat capacity, doubling weekly flight frequency compared to a year ago. (Zawya)
- Saudi milling company Arabian Mills plans to list 30% stake in IPO** - Saudi Arabia's Arabian Mills for Food Products is planning to list 15.4mn shares equal to a 30% stake on its local bourse, according to a statement by the Saudi capital markets authority (CMA) on Monday. Saudi regulator CMA said it had approved the firm's public listing application, adding Arabian Mills would publish the IPO prospectus "within sufficient time prior to the start of the subscription period." CMA did not provide a timeline for the listing. Arabian Mills, previously known as Second Milling Company (MC2), has a wheat milling capacity of around 4,920 tons per day through his three branches in Riyadh, Jazan and Hail. Arabian Mills was part of a wider privatization program under Saudi Arabia's Vision 2030 aimed at weaning the economy off oil. It was sold for 2.13bn riyals (\$568mn) in 2021 by the Saudi Grains Organization to a consortium comprising Abdulaziz Al-Ajlan and Bros Sons Company for Trading and Real Estate Investment, Al-Rajhi International Investment Company, Nadec and Olam International Company. Arabian Mills would add to a string of IPOs in the Gulf country and follow the listing in March of Modern Mills -

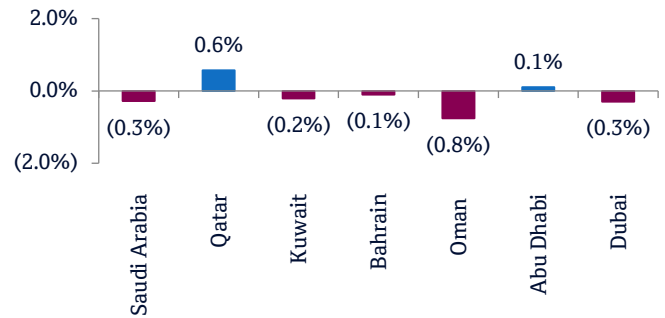
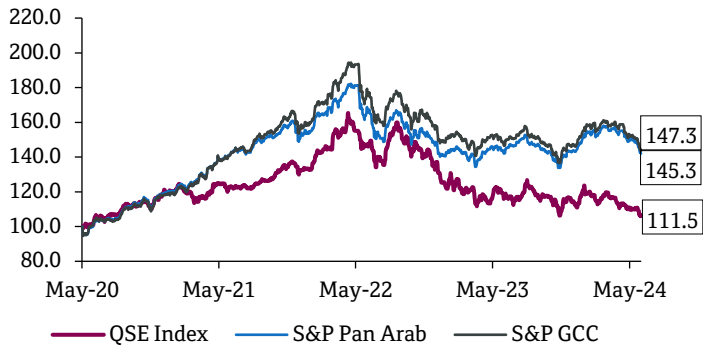
previously known as MC3 - when the company raised \$314.6mn by selling a 30% stake. Saudi Arabian milling firm MC4 is also looking to go public this year, according to a report. (Reuters)

- CBUAE: UAE's economy to grow 6.2% in 2025** - The Central Bank of the UAE (CBUAE) expects the country's GDP to grow at 3.90% in 2024 before accelerating to 6.20% in 2025. Non-oil GDP growth is projected to remain robust at 5.40% in 2024 and 5.30% in 2025, with hydrocarbon expanding 0.30% then 8.40%, according to the CBUAE's latest economic review. The UAE achieved a budget surplus of AED 85.60bn, or 4.50% of GDP, last year. The country's GDP grew 4.30% during the fourth quarter (Q4) of 2023. In May 2024, the UAE's seasonally adjusted Purchasing Managers' Index (PMI) remained unchanged at 55.30. (Zawya)
- UAE a destination for promising investment opportunities and sustainable growth** - The UAE has strengthened its position as a leading global destination for promising investment opportunities and a key player in the global economy by capturing 45.4% of the total foreign direct investments (FDIs) flowing into the Arab states, amounting to AED248.3bn in 2023. This is evident from the record growth in FDI inflows to the UAE, which increased by 35% to reach AED112.6bn in 2023, according to the World Investment Report 2024 by UN Trade and Development (UNCTAD). The UAE topped the list of countries in attracting FDIs, thanks to its enablers, flexible policies, and competitiveness that facilitate the establishment of diverse business activities and pioneering startup projects. The country also boasts advanced investment legislation and incentives that boost FDI inflows. Amendments to the Commercial Companies Law, allowing foreign investors to establish and fully own companies, facilitated over 275,000 new companies within a year and a half, bringing the total to over 788,000 companies by the end of 2023. The UAE continues to collaborate across various government and private sectors to achieve the goals of the 'We the UAE 2031' vision, aiming to double the GDP to AED3tn and increase UAE's foreign trade to AED4tn. Notably, the UAE ranked second globally after the United States in greenfield FDI project announcements in 2023, with 1,323 new projects registered, marking a growth rate of approximately 33% compared to the previous year. (Zawya)
- Dubai to build \$8bn stormwater runoff system** - The UAE announced an \$8bn plan yesterday for a stormwater runoff system, two months after an unprecedented deluge and widespread flooding brought the desert state to a standstill. The rainwater drainage network announced by Dubai ruler HH Sheikh Mohammed bin Rashid Al Maktoum on social media platform X is set to be completed by 2033 with construction to start immediately. "It will cover all areas of Dubai and will absorb more than 20mn cubic meters of water per day," HH Sheikh Mohammed said of the plan for Dubai, the futuristic business hub of the United Arab Emirates. He said "It will increase the capacity of rainwater drainage in the emirate by 700% and enhance the emirate's readiness to face future climate challenges," he said, calling it the region's largest such network. Record rains lashed the UAE recently, as the downpour hobbled Dubai airport, one of the world's busiest for international passengers. (Peninsula Qatar)
- Oman's GDP reaches \$27bn in Q1 2024** - Oman's Gross Domestic Product (GDP) at current prices reached RO 10.4bn in value during Q1 2024, showing both promising growth in non-petroleum sectors and a decline in oil-related activities, according to data released by the National Centre for Statistics and Information (NCSI). The report highlighted a 3.8% decrease in the added value of oil activities compared to the same period in 2023. The petroleum sector, comprising both crude oil and natural gas, saw a notable decline: total petroleum activities fell in value from RO 3,660.5mn in Q1 2023 to RO 3,520.5mn in Q1 2024, a decrease of 3.8%. Crude oil experienced a 4.4% drop, from RO 3,135.5mn to RO 2,996.0mn, while natural gas marginally decreased by 0.1%, from RO 525.0mn to RO 524.4mn. Conversely, non-petroleum activities exhibited robust growth, increasing by 3.9% from RO 6,920.0mn in Q1 2023 to RO 7,188.5mn in Q1 2024. Key sectors contributing to this growth include agriculture and fishing, which rose by 3.2%, driven by a 5.5% increase in agriculture. Industrial activities increased by 5.5%, with manufacturing leading the charge at a 7.9% increase, notably, refined petroleum products saw a significant 53.6% surge. Service activities grew by 3.3%, supported by a 5.9% rise in wholesale and retail trade and a 5.4% growth in

transportation and storage. The construction sector also saw growth of 2.6%, reaching RO 662.4mn, while public administration and defense increased by 6.6% to RO 1,018.2mn. Education and health sectors notched up gains of 6.1% and 4.7% respectively. However, some sectors faced downturns, with accommodation and food services plunging by 16.3%, information and communications dropping by 9.9%, and financial and insurance activities slightly declining by 2.1%. Overall, the GDP at producers' prices grew by 1.3%, from RO 10,330.1mn in Q1 2023 to RO 10,460.5mn in Q1 2024. This comprehensive analysis by the NCSI underscores the dynamic shifts within Oman's economy, reflecting both challenges in the oil sector and encouraging growth in diverse non-petroleum industries. In 2023, Oman's GDP at current prices increased by 7.4% at the end of Q1 2023, according to the preliminary data issued by the NCSI. The NCSI report revealed that Oman's GDP at current prices stood at RO 10.4bn (\$27bn) in Q1 2023, up from RO 9.7bn (\$25.1bn) in the corresponding of the previous year. In terms of constant prices, Oman's GDP was valued at RO 9.5bn in the first quarter of 2024. The report also indicated a 2.4% decrease in the added value of oil activities during this period compared to the first quarter of 2023, highlighting the ongoing challenges in the oil sector amidst fluctuating global oil prices. (Zawya)

Rebased Performance

Daily Index Performance



Source: Bloomberg

Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	2,334.65	0.5	0.5	13.2
Silver/Ounce	29.58	0.1	0.1	24.3
Crude Oil (Brent)/Barrel (FM Future)	86.01	0.9	0.9	11.6
Crude Oil (WTI)/Barrel (FM Future)	81.63	1.1	1.1	13.9
Natural Gas (Henry Hub)/MMBtu	2.58	7.9	7.9	0.0
LPG Propane (Arab Gulf)/Ton	78.80	0.9	0.9	12.6
LPG Butane (Arab Gulf)/Ton	76.60	(0.3)	(0.3)	(23.8)
Euro	1.07	0.4	0.4	(2.8)
Yen	159.62	(0.1)	(0.1)	13.2
GBP	1.27	0.3	0.3	(0.4)
CHF	1.12	0.1	0.1	(5.8)
AUD	0.67	0.2	0.2	(2.3)
USD Index	105.47	(0.3)	(0.3)	4.1
RUB	110.69	0.0	0.0	58.9
BRL	0.19	0.8	0.8	(10.0)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,508.95	0.0	0.0	10.7
DJ Industrial	39,411.21	0.7	0.7	4.6
S&P 500	5,447.87	(0.3)	(0.3)	14.2
NASDAQ 100	17,496.82	(1.1)	(1.1)	16.6
STOXX 600	518.87	1.1	1.1	5.0
DAX	18,325.58	1.2	1.2	6.1
FTSE 100	8,281.55	0.9	0.9	6.4
CAC 40	7,706.89	1.4	1.4	(0.9)
Nikkei	38,804.65	0.4	0.4	2.2
MSCI EM	1,084.32	(0.2)	(0.2)	5.9
SHANGHAI SE Composite	2,963.10	(1.1)	(1.1)	(2.6)
HANG SENG	18,027.71	(0.0)	(0.0)	5.8
BSE SENSEX	77,341.08	0.3	0.3	6.8
Bovespa	122,636.96	1.9	1.9	(17.7)
RTS	1,127.16	0.1	(0.9)	4.0

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

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