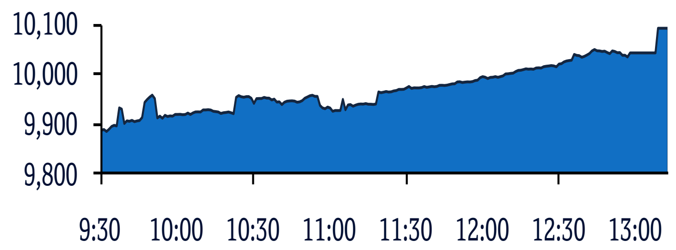
Daily Market Report

Tuesday, 10 November 2020

QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 1.9% to close at 10,094.8. Gains were led by the Industrials and Real Estate indices, gaining 4.7% and 2.4%, respectively. Top gainers were Qatari German Company for Medical Devices and Mazaya Real Estate Development, rising 10.0% each. Among the top losers, Mannai Corporation fell 1.2%, while Qatar General Insurance & Reinsurance Company was down 1.1%.

GCC Commentary

Saudi Arabia: The TASI Index gained 2.5% to close at 8,366.5. Gains were led by the Diversified Financials and Pharma indices, rising 4.9% and 4.2%, respectively. Al Gassim Investment Holding and Saudi Industrial Development were up 10.0% each.

Dubai: The DFM Index gained 1.7% to close at 2,219.8. The Real Estate & Construction index rose 3.2%, while the Banks index gained 1.9%. Emaar Properties rose 6.0%, while Ekttitab Holding Company was up 4.4%.

Abu Dhabi: The ADX General Index gained 0.8% to close at 4,743.4. The Banks index rose 1.2%, while the Real Estate index gained 0.8%. Abu Dhabi National Hotels rose 7.3%, while National Corporation Tourism & Hotel was up 4.1%.

Kuwait: The Kuwait All Share Index gained 1.2% to close at 5,564.4. The Technology index rose 4.5%, while the Telecom. index gained 2.1%. Dar Al Thuraya Real Estate Co. rose 23.1%, while Kuwait & Gulf Link Transport was up 11.6%.

Oman: The MSM 30 Index fell 0.1% to close at 3,547.6. The Financial index declined 0.1%, while the other indices ended flat or in green. Al Anwar Ceramic Tiles Co. declined 2.4%, while National Bank of Oman was down 1.3%.

Bahrain: The BHB Index gained 0.3% to close at 1,445.4. The Commercial Banks index rose 0.5%, while the Services index gained 0.1%. Khaleeji Commercial Bank rose 9.8%, while Al Salam Bank-Bahrain was up 1.4%.

Market Indicators	09 Nov 20	08 Nov 20	%Chg.
Value Traded (QR mn)	732.5	393.9	86.0
Exch. Market Cap. (QR mn)	588,234.1	577,248.3	1.9
Volume (mn)	479.3	336.0	42.7
Number of Transactions	14,799	8,991	64.6
Companies Traded	45	46	(2.2)
Market Breadth	41:3	29:14	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	19,406.95	1.9	2.1	1.2	17.1
All Share Index	3,116.30	1.8	1.9	0.6	17.8
Banks	4,218.50	1.0	0.7	(0.0)	14.9
Industrials	2,975.38	4.7	5.1	1.5	26.6
Transportation	2,838.47	0.4	1.2	11.1	13.0
Real Estate	1,919.16	2.4	5.4	22.6	16.9
Insurance	2,291.61	1.1	1.3	(16.2)	32.9
Telecoms	936.39	0.7	0.4	4.6	14.0
Consumer	7,953.89	1.8	1.8	(8.0)	23.3
Al Rayan Islamic Index	4,160.33	2.1	2.7	5.3	19.0

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Samba Financial Group	Saudi Arabia	30.60	7.4	1,599.7	(5.7)
Industries Qatar	Qatar	10.29	6.8	1,147.1	0.1
Emaar Properties	Dubai	2.82	6.0	45,752.5	(29.9)
Saudi Kayan Petrochem.	Saudi Arabia	10.70	5.7	15,068.5	(3.6)
Banque Saudi Fransi	Saudi Arabia	31.30	5.0	585.0	(17.4)

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
National Bank of Oman	Oman	0.15	(1.3)	109.2	(16.8)
Bank Muscat	Oman	0.36	(1.1)	9,662.4	(12.9)
Bank Nizwa	Oman	0.10	(1.0)	46.5	3.2
Abu Dhabi Islamic Bank	Abu Dhabi	4.47	(0.7)	7,056.8	(17.1)
National Bank of Bahrain	Bahrain	0.62	(0.2)	60.0	(3.2)

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

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatari German Co for Med. Devices	1.94	10.0	11,315.3	233.7
Mazaya Qatar Real Estate Dev.	1.19	10.0	63,796.7	65.8
Alijarah Holding	1.25	8.1	41,507.5	77.6
Qatar Oman Investment Company	0.87	7.2	9,973.1	29.3
Dlala Brokerage & Inv. Holding Co.	1.87	6.9	5,373.9	206.1

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Mannai Corporation	2.85	(1.2)	39.6	(7.4)
Qatar General Ins. & Reins. Co.	2.27	(1.1)	29.5	(7.7)
Qatar Navigation	5.96	(0.6)	90.4	(2.3)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Investment Holding Group	0.61	3.5	88,359.2	8.7
Mazaya Qatar Real Estate Dev.	1.19	10.0	63,796.7	65.8
Salam International Inv. Ltd.	0.64	4.6	52,699.8	22.8
Alijarah Holding	1.25	8.1	41,507.5	77.6
Qatar First Bank	1.81	1.6	37,111.8	120.9

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Mazaya Qatar Real Estate Dev.	1.19	10.0	74,365.3	65.8
Qatar First Bank	1.81	1.6	66,667.4	120.9
Investment Holding Group	0.61	3.5	53,677.2	8.7
Alijarah Holding	1.25	8.1	50,320.9	77.6
QNB Group	18.20	0.6	50,124.5	(11.6)

Source: Bloomberg (* in QR)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,094.81	1.9	2.1	4.2	(3.2)	199.03	159,293.8	17.1	1.5	3.9
Dubai	2,219.82	1.7	2.7	1.5	(19.7)	68.69	85,541.3	9.2	0.8	4.4
Abu Dhabi	4,743.43	0.8	0.5	1.8	(6.5)	123.27	198,106.6	18.1	1.3	5.1
Saudi Arabia	8,366.46	2.5	3.4	5.8	(0.3)	3,152.10	2,429,087.6	31.5	2.0	2.4
Kuwait	5,564.40	1.2	1.6	2.2	(11.4)	229.72	101,320.8	34.6	1.4	3.5
Oman	3,547.58	(0.1)	(0.1)	(0.3)	(10.9)	9.75	16,146.4	10.7	0.7	7.0
Bahrain	1,445.41	0.3	0.2	1.3	(10.2)	2.78	22,040.3	14.0	0.9	4.6

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

Qatar Market Commentary

- The QE Index rose 1.9% to close at 10,094.8. The Industrials and Real Estate indices led the gains. The index rose on the back of buying support from GCC, Arab and Foreigners shareholders despite selling pressure from Qatari shareholders.
- Qatari German Company for Medical Devices and Mazaya Real Estate Development were the top gainers, rising 10.0% each. Among the top losers, Mannai Corporation fell 1.2%, while Qatar General Insurance & Reinsurance Company was down 1.1%.
- Volume of shares traded on Monday rose by 42.7% to 479.3mn from 336.0mn on Sunday. Further, as compared to the 30-day moving average of 270.4mn, volume for the day was 77.3% higher. Investment Holding Group and Mazaya Real Estate Development were the most active stocks, contributing 18.4% and 13.3% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	51.52%	58.84%	(53,650,828.3)
Qatari Institutions	9.92%	12.50%	(18,908,674.2)
Qatari	**61.44%**	**71.35%**	**(72,559,502.5)**
GCC Individuals	1.27%	0.83%	3,274,661.5
GCC Institutions	1.06%	0.76%	2,154,298.6
GCC	**2.33%**	**1.59%**	**5,428,960.1**
Arab Individuals	14.66%	14.33%	2,422,405.1
Arab Institutions	–	0.00%	(27,315.4)
Arab	**14.66%**	**14.34%**	**2,395,089.7**
Foreigners Individuals	4.52%	4.25%	1,997,789.1
Foreigners Institutions	17.04%	8.48%	62,737,663.6
Foreigners	**21.57%**	**12.73%**	**64,735,452.7**

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

Earnings Releases and Global Economic Data

Earnings Releases

Company	Market	Currency	Revenue (mn) 3Q2020	% Change YoY	Operating Profit (mn) 3Q2020	% Change YoY	Net Profit (mn) 3Q2020	% Change YoY
Etihad Atheeb Telecommunications Co.**	Saudi Arabia	SR	67.8	-22.0%	(8.8)	N/A	(12.0)	N/A
Al Babtain Power & Telecommunication Co.*	Saudi Arabia	SR	353.1	-19.3%	22.7	-22.5%	15.3	-26.8%
Al Kathiri Holding Co.*	Saudi Arabia	SR	26.6	47.4%	2.3	-43.6%	2.6	-36.4%
Saudi Research & Marketing Group*	Saudi Arabia	SR	578.3	-18.2%	111.5	15.1%	76.5	10.1%
Naseej International Trading Co.*	Saudi Arabia	SR	48.5	-24.9%	(33.9)	N/A	(38.8)	N/A
Al-Omran Industrial Trading Co.*	Saudi Arabia	SR	23.0	-25.8%	2.8	351,645%	1.9	N/A
Batic Investments & Logistics Co.*	Saudi Arabia	SR	190.7	64.8%	21.1	307.1%	9.2	343.7%
Al Jouf Agricultural Dev. Co.*	Saudi Arabia	SR	49.1	-26.8%	(8.0)	N/A	7.6	N/A
Al Hammadi Company for Development and Investment*	Saudi Arabia	SR	249.0	13.2%	47.2	37.4%	36.6	72.7%
Arabian Aramco Total Services Co.*	Saudi Arabia	SR	6.0	-26.5%	(0.7)	N/A	(0.8)	N/A
Gulf General Cooperative Insurance*	Saudi Arabia	SR	–	–	–	–	3.2	N/A
Wafrah For Industry and Dev. Co.*	Saudi Arabia	SR	23.0	7.9%	(2.8)	N/A	(2.7)	N/A
Salama Cooperative Insurance Co.*	Saudi Arabia	SR	–	–	–	–	4.4	N/A
Saudi Pharmaceutical Industries and Medical Appliances Corp.*	Saudi Arabia	SR	379.0	10.6%	66.4	41.9%	62.5	145.0%
Abdullah Al Othaim Markets Co.*	Saudi Arabia	SR	1,812.8	-6.4%	77.2	-12.0%	60.7	-19.5%
Allianz Saudi Fransi Cooperative Insurance Co.*	Saudi Arabia	SR	–	–	–	–	2.0	26.2%
Dubai National Insurance & Reinsurance	Dubai	AED	–	–	–	–	10.8	-5.6%
Emirates Refreshments Company	Dubai	AED	5.9	-40.5%	(1.6)	N/A	(1.2)	N/A
Agility The Public Warehousing Co.	Kuwait	KD	403.0	0.6%	–	–	15.3	-29.4%
Amanat Holdings	Dubai	AED	6.3	-46.3%	(32.2)	N/A	(12.5)	N/A
National General Insurance Co.	Dubai	AED	–	–	–	–	26.0	244.3%
Insurance House	Abu Dhabi	AED	–	–	–	–	1.6	-40.3%
National Corporation for Tourism & Hotels	Abu Dhabi	AED	186.8	1.2%	22.8	18.4%	35.0	106.4%
AXA Green Crescent Insurance	Abu Dhabi	AED	–	–	–	–	3.2	N/A
Gulf Medical Projects	Abu Dhabi	AED	134.2	4.5%	39.0	27.9%	15.2	77.1%
Gulf Medical Projects	Abu Dhabi	AED	–	–	–	–	34.2	7.8%
Bahrain National Holding Company	Bahrain	AED	–	–	–	–	1.5	-16.7%
Bahrain Car Parks Company#	Bahrain	BHD	–	–	–	–	130.2	–

Source: Company data, DFM, ADX, MSM, TASI, BHB. (# – Values in Thousands, *Financial for 9M2020, ** Financial for six months period ended September 30, 2020)

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
11/09	EU	Sentix Behavioral Indices	Sentix Investor Confidence	Nov	-10	-15	-8.3
11/09	Germany	German Federal Statistical Office	Trade Balance	Sep	20.8bn	16.0bn	12.8bn
11/09	Germany	German Federal Statistical Office	Current Account Balance	Sep	26.3bn	19.0bn	16.6bn
11/09	Germany	Deutsche Bundesbank	Exports SA MoM	Sep	2.30%	2.00%	2.90%
11/09	Germany	Deutsche Bundesbank	Imports SA MoM	Sep	-0.10%	1.50%	5.80%
11/09	France	Banque De France	Bank of France Ind. Sentiment	Oct	97	90	101

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

News

Qatar

- **Qatar Petroleum Trading wins LNG supply tender to deliver up to 1.8 MTA to Singapore until 2032 –** Qatar Petroleum (QP) announced the establishment and the start of operations of QP Trading LLC (QP Trading), as its dedicated LNG trading arm. Wholly owned by Qatar Petroleum and based in Doha, QP Trading is mandated to build a globally diversified portfolio of third party and equity LNG. In addition, QP Trading will manage the price risk exposure of its portfolio through physical and derivatives trading. These new capabilities, combined with a customer- and market-centric approach, will enable QP Trading to respond with greater agility to the evolving needs of its customers, and to maximize the value of its portfolio in a dynamic market. HE Saad Sherida Al-Kaabi, Minister of State for Energy Affairs, the President and CEO of Qatar Petroleum made the announcement during a ceremony held virtually today to celebrate the signing of QP Trading's first deal with Singapore's Pavilion Energy Trading & Supply Pte. Ltd. Commenting on the establishment of QP Trading, Minister Al-Kaabi said, "This new addition to Qatar Petroleum's capabilities and reach is a very important step in reaffirming our belief in LNG's economic and environmental value proposition and its cornerstone role in energy transition." Minister Al-Kaabi added, "I am pleased to announce that QP Trading has just concluded its first long-term LNG SPA with Pavilion Energy Trading & Supply Pte. Ltd. following a competitive process. Under the agreement, QP Trading will deliver up to 1.8mn tons of LNG per annum for 10 years to Singapore, reflecting our commitment to respond to the needs of our customers, including supply security, price competitiveness, and flexibility." (Qatar Tribune)
- **QISI gets approval to increase Wakala Fees –** Qatar Islamic Insurance Group (QISI) announced that it has obtained the approval of the Sharia Supervisory Board, which allows QISI to increase the Wakala Fees from the policyholder account to the shareholder account to be 27.5 % instead of 25%, as from November 8, 2020 up to December 31, 2020, which will be positively reflected in the profits of shareholders account. (QSE)
- **CRA following up continuously with Ooredoo on its mobile network issue –** The Communications Regulatory Authority of Qatar (CRA) on Monday said it was following up continuously with Ooredoo regarding its mobile network issue. The CRA has ensured that Ooredoo has taken temporary measures to restore the mobile services and to continue working on a permanent solution. "The majority of customers will notice that the issue has been solved, while a limited number of customers might face limitation to access some mobile services. The CRA always ensure to protect the rights of telecom consumers in Qatar," it said in a statement. (Qatar Tribune)
- **Vodafone Qatar powers new Loop scooters service with the Internet of Things –** Vodafone Qatar is supporting an innovative new Qatari startup, Loop Mobility, with the Internet of Things (IoT) to power its smart scooter sharing service. The company tailored the IoT solution to meet the requirements of Loop to roll out hundreds of electric scooters in Doha that are available for use by anyone. Users can enjoy a ride by simply finding a Loop e-Scooter near them in real-time via the Loop mobile app, and then park it in a safe place after their journey. Loop, currently available in West Bay and Corniche, will help improve access to public transport by addressing Doha's first and last-mile challenge. Pre-installed Vodafone IoT SIM cards ensure that Loop is constantly connected to its fleet of over 500 smart scooters via a web-based dashboard that lets the Loop team track their electric scooters, monitor their condition and batteries, and bring them back to the docking station to be ready for the next ride. The Vodafone Connectivity Platform is at the heart of the service; a secure self-service platform that simplifies IoT management, gives Loop full visibility and control of its connected IoT scooters. (Qatar Tribune)
- **Qatar offers deodorized field, low sulfur condensate –** QPSPP offered to sell 500k-1mn barrels of Deodorized Field Condensate and Low Sulfur Condensate for January loading from Ras Laffan, according to a tender document. Offers due 12:30pm local time on November 16, to be valid until 5pm the next day. (Bloomberg)
- **Total 731 building permits, certificates issued in October –** The number of building permits and building completion certificates issued by the municipalities in the state reached 731 in October, a decrease of 3%, compared to 757 in September. In a statement on Monday, Planning and Statistics Authority (PSA) said, "Comparing number of permits issued in October 2020 with those issued in the previous month we noted a general decrease of 3%." "In a quick review of the data on building permits issued during the month of October 2020, according to their geographical distribution, we find that municipality of Al Rayyan comes at the top of the municipalities where the number of building permits issued were 196 permits, accounting for 27% of the total issued permits, while municipality of Al Da'ayen came in second place with 157 permits, followed by Al

Wakrah municipality with 138 permits, then municipality of Al Doha with 132 permits. The rest of the municipalities like Umm Slal witnessed 42 permits, Al Khor (32 permits), Al Shehaniya (20 permits) and Al Shamal (14 permits)," PSA said. (Qatar Tribune)

International

- **UK shopper numbers plummet as new English lockdown bites –** Total shopper numbers, or footfall, across British retail destinations fell 15.4% in the week to Nov. 7 versus the previous week, reflecting the start of England's new national lockdown, market researcher Springboard said. With COVID-19 infections rising at an alarming rate the British government imposed a second national lockdown for England, starting last Thursday and running until December 2. All non-essential shops must close, along with cafes and restaurants except to offer takeaway food. People have also been encouraged to work from home if possible. Springboard said shopper numbers fell 16.2% in high streets, 18.9% in shopping centers and 9.7% in retail parks. It said that on a YoY basis, footfall was down 38.6%. However, Springboard said the result for the week as a whole disguised a mini-boom in the days leading up to the lockdown, with footfall up an average 11.7% over the four days between Sunday and Thursday. From Thursday onwards footfall crashed, the objective of the lockdown, falling by an average of 46.7% from the week before. (Reuters)
- **EU 'regrettably' hits US with tariffs, seeks better ties with Biden –** The European Union (EU) will "regrettably" impose tariffs on imports of $4bn in US goods from Tuesday, EU Trade Commissioner Valdis Dombrovskis said, while hoping that President-elect Joe Biden will foster a sharp improvement in transatlantic ties. The bloc will exercise the right to countermeasures awarded to it last month by the World Trade Organization in a case against US plane maker Boeing, part of a long-running US-EU battle over civil aviation subsidies. However, he said the bloc would impose tariffs on US exports of planes and parts and a range of farm and industrial products from Tuesday. US tariffs on $7.5bn of EU products after a parallel WTO case against Airbus have been in place for over a year. The European Union says the main objective of its own measures is to persuade the US to negotiate a solution, arguing that the chief beneficiaries of the 16-year-old dispute are competitors, such as China's COMAC. Dombrovskis said the EU tariffs would mirror those set by the US in the Airbus case, such as 15% for aircraft and 25% for agricultural and industrial products. However, US Trade Representative Robert Lighthizer last month warned any EU measures would "force a U.S. response", while Donald Trump, who remains US President until January 20, threatened to "strike back harder". Washington could, for example, choose to hike its tariffs on EU cheese, olives and whisky to 100%. It argues there is no legal basis for EU measures because underlying subsidies to Boeing have been repealed. (Reuters)
- **Eurozone investor morale worsens in November but beats forecast –** Investor morale in the Eurozone fell for a second consecutive month in November but the drop was not as bad as feared because lockdowns imposed to curb the spread of the coronavirus did not hit the economy as hard as expected, a survey showed. Sentix's index for the Eurozone dropped to -10.0 in November from -8.3 in October. That compared with a Reuters forecast for a reading of -15.0. He said this was likely due to positive developments in Asia and the US, where there have not been drastic restrictions on economic activity. The current situation index dipped to -32.3 from -32.0 the previous month. The expectations index decreased to 15.3 from 18.8, hitting its lowest level since May. In Germany, the current situation index improved for the sixth consecutive month, hitting its highest level since March. Expectations in Europe's largest economy dropped to their lowest level since May but Sentix said: "They remain positive, indicating that the economic recovery path has not yet been abandoned." Sentix surveyed 1,114 investors from November 5-7. (Reuters)
- **Merkel, after Biden victory, says EU and US must work side by side –** German Chancellor Angela Merkel on Monday congratulated Joe Biden on his US presidential election win and called for the European Union (EU) and US to work "side by side", but also said the EU must do more to provide for its own security. Merkel held up Biden, who was vice president under former president Barack Obama, as an experienced leader who knows Germany and Europe well, stressing: "We are allies in NATO, we share fundamental values…and interests." Eager to move on from President Donald Trump's critical view of Germany, Merkel said her country, as part of the EU, and the United States must work "side by side" to tackle COVID-19, global warming and terrorism, and to champion free trade. Trump previously called Germany "a captive to Russia" for supporting a Baltic Sea gas pipeline deal with Russia. Trump also threatened German auto makers with high tariffs on cars imported into the US and criticized Berlin for not contributing enough to NATO. (Reuters)
- **Rise in exports offers Germany hope of avoiding fourth-quarter slump –** German exports rose by more than expected in September, and foreign trade gave Europe's largest economy a boost going into the fourth quarter as it struggles to avoid slipping into a double dip contraction. Seasonally adjusted exports rose 2.3% on the month after an upwardly revised 2.9% rise in August, the Federal Statistics Office said. Imports fell by 0.1% after a rise of 5.8% the previous month. The trade surplus expanded to 17.8bn Euros, the Office said. Economists polled by Reuters had expected exports to rise by 2.0% and imports to increase by 2.1%. The trade surplus was predicted to come in at 15.8bn Euros. The economy grew by a record 8.2% in the third quarter on higher consumer spending and exports, but an aggressive second wave of infections and a new partial lockdown are now clouding the outlook for the fourth quarter and beyond. Annual figures showed exports to China rose 10.6% from the previous September. Exports to the US, which the Office said were particularly affected by the coronavirus pandemic, fell 5.8% on the year and those to the UK fell 12.4%. A picture is emerging of German industry growing despite the pandemic, while services struggle. Industrial output rose in September, data showed on Friday. A survey released last Wednesday showed that German services activity shrank for the first time in four months in October. Germany closed bars, restaurants, gyms, cinemas, theatres and domestic tourism last Monday for a month to combat the spread of the coronavirus. (Reuters)

- **Central bank: French economy operating down 12% under new lockdown –** France's economic activity is 12% lower than normal this month after the country entered a coronavirus lockdown for the second time this year, the central bank said. The government imposed the new lockdown on Oct. 30 to rein in a surge in new cases although the restrictions were softer than the first time to limit the impact to the euro zone's second-biggest economy. The Bank of France said economic activity was expected to be reduced by 12% of normal levels as a result, worse than the 4% drop in October but far better than the 31% loss seen in April during one of the strictest lockdowns in Europe. To estimate the impact of the lockdown on the economy, the central bank drew on its monthly survey of 8,500 business leaders, which was conducted this time between Oct. 28 and Nov. 4, with 90% of responses coming after the lockdown started. Services requiring direct contact with customers were expecting the hardest hit, with activity seen down 40% in the wholesale, retail, transport, hotel and restaurant industries. Meanwhile, businesses in manufacturing expected to operate at a loss of only 7% of their normal activity and construction 8%, the central bank said. The survey corroborates the picture painted since the new lockdown by high-frequency data ranging from traffic congestion to electricity use, which indicate the economy is holding up better than the first time. (Reuters)
- **Key Japan indicator rises for fourth month in September, outlook index jumps –** A key Japanese economic indicator improved for the fourth straight month in September, suggesting relief is at hand for an economy still feeling the drag from the coronavirus pandemic. The index of coincident economic indicators - calculated off a range of data including factory output, employment and retail sales numbers - rose a preliminary 1.4 points from the previous month to 80.8 in September, the Cabinet Office said on Monday. The government said that the index in September indicated economic activity had stopped contracting, leaving unchanged its August assessment. The data takes some pressure off the government to speed up the recovery of the economy, which is feeling the drag from weak business and household spending. Prime Minister Yoshihide Suga is expected to announce a plan for extra stimulus measures to help the economy overcome the COVID-19 crisis, government and ruling party sources told Reuters last month. The figure also came after the Bank of Japan upgraded its view on the recovery outlook at its policy meeting last month, signaling that it has delivered enough stimulus for now. The index for leading economic indicators, which is a gauge of the economy a few months ahead and is compiled using data such as job offers and consumer sentiment, soared 4.4 points to 92.9 from August, its biggest rise since a 5.4-point jump in June. GDP data for the third quarter due on Nov. 16 is expected to show the economy rebounded from a record slump, thanks largely to a recovery in exports and output. (Reuters)
- **Japan's Suga signals readiness for new stimulus package –** Japanese Prime Minister Yoshihide Suga said the government will do all it can to help the economy recover, signaling his readiness to compile another stimulus package to cushion the blow from the coronavirus pandemic. Laying the groundwork for more spending, private sector members of a key government council urged Suga's administration to put together measures to support the economy, financed by an extra budget of "sufficient size" by the end of the year. In a separate meeting with ruling party executives, Suga said he would instruct his cabinet on Tuesday to begin work on a third extra budget, Jiji news agency reported. After posting its worst contraction in the second quarter since World War Two, Japan's economy is expected to have rebounded in the three months through September. But the recovery has been fragile, keeping policymakers under pressure to top up fiscal and monetary support. Although the size of the package has yet to be decided, requests from ruling party lawmakers have ranged between 10tn Yen ($96.49bn) and 30tn Yen. That will come on top of a combined $2.2tn rolled out in two earlier stimulus packages this year, which would strain Japan's already tattered finances. Suga's comments at the meeting followed a separate proposal from the private-sector members for the government to show more leadership towards drafting international rules for achieving a carbon-neutral society, and in promoting "green" innovation. (Reuters)
- **Russell: China crude oil imports are likely weaker than data suggests –** China's imports of crude oil slipped as expected in October, but while a 12.2% drop appears significant, the actual state of demand was probably even weaker. The world's biggest crude importer received 42.56mn tons in October, according to customs data released on Nov. 7, equal to 10.02mn barrels per day (bpd). This was down from 11.8mn bpd in September, and was also the first month in the past six where imports were below 11mn bpd. It is no secret the intake over May to September, China's five strongest-ever months of crude imports, was the result of a massive volume of oil bought by refiners during a brief price war in April between top exporters Saudi Arabia and Russia. What took somewhat longer to resolve was the queue of tankers outside China's ports waiting to discharge all the crude bought as benchmark Brent crude futures dropped to their lowest in 17 years. It is this line of vessels that made October's decline from September seem less than what it was, with last month's import volumes sustained by barrels that had been parked offshore for weeks, and in some cases months, waiting to offload. About 2.5mn tons of crude, or 588,000 bpd, that had been waiting offshore was unloaded in October, according to data from Refinitiv Oil Research. This was "extra" crude that was bought during the price war but has been forced to wait to discharge. If this crude is subtracted from October's total imports, it means only 9.43mn bpd was what could be described as newly ordered crude. (Reuters)

Regional

- **Moody's: GCC utilities could keep tariffs lower by investing in solar –** Utility companies could keep tariffs lower by investing in solar, but only Dubai and Abu Dhabi are making significant investments in the GCC, according to Moody's. Thomas Le Guay, an analyst in Moody's EMEA corporate finance group, said there had not been significant changes in electricity sales this year, with credit profiles remaining stable, and governments providing strong support. But, a challenge could be the provision of subsidies because of reduced government cash inflows. Le Guay told a Moody's webinar on the impact of coronavirus and low oil prices on GCC corporate, "We think most governments will try to gradually decrease subsidies, which will require tariff increases, which will be unpopular, but the governments can also try to reduce the average cost of production. One clear way to achieve this is through investment in solar generation." He added, "The only caveat to this is we only see significant investments in Dubai and Abu Dhabi so far in the region." (Zawya)

- **Fitch revises Saudi Arabia's outlook to 'Negative' on weakening balance sheets –** Ratings agency Fitch on Monday revised its outlook on Saudi Arabia to 'Negative' from 'Stable', citing weakening fiscal and external balance sheets, but maintained its core 'A' rating. The world's top oil exporter, whose finances have been hurt by the coronavirus pandemic and lower crude prices, could see its budget deficit widen to 12.8% of GDP this year from 4.5% in 2019, reflecting a 33% drop in oil revenue, a 5% decline in non-oil revenue, and a 1% increase in spending compared to last year, said the agency. Net foreign assets are expected to decline to 60% of GDP by 2022 from about 72% in 2019-2020, due to debt issuance and reserve drawdown, Fitch said. The Saudi ministry of finance in a statement said that despite the 'Negative' outlook, the country's ratings have demonstrated notable resilience with three consecutive rating affirmations by the three major credit rating agencies since the onset of the crisis in March 2020. It added it remained strongly committed to medium-term consolidation and fiscal sustainability. Saudi Arabia in July tripled a value-added tax to 15% to boost state coffers and offset the decline in oil revenue, a move which economists said could dampen economic recovery. Fitch expects the Saudi economy to contract by a little over 4% this year because of cuts in oil production and lower activity due to the coronavirus crisis. The increased taxation, combined with the expiration of coronavirus-related spending and recovery in the non-oil economy, will contribute to narrower deficits in the next two years, said the agency. It expects fiscal deficits to narrow gradually to about 8% of GDP next year and 5% of GDP in 2022, based on a forecast recovery of Brent oil prices to an average of $50 per barrel by 2022, and growth in Saudi crude oil production to 9.7mn barrels per day by 2022, as cuts under an OPEC+ agreement are tapered. "We expect that macroeconomic and social realities will lead to a departure from these targets. The government is also likely to face pressure to maintain spending to support the recovery and the welfare of Saudi citizens, potentially offsetting the gains from higher VAT," Fitch said. (Zawya)
- **Fitch: OPEC+ to reduce oil price volatility caused by new lockdowns –** Renewed European lockdowns will delay demand recovery in the global oil market, particularly if these measures are extended into 2021 or further restrictions are re-introduced in the US or other regions, Fitch Ratings (Fitch) said. However, OPEC+ supply adjustments should mitigate the impact of demand volatility on oil prices. Fitch stated, "We expect global demand to be stronger during the current lockdowns than in April-May and have kept our oil price assumptions unchanged." In September and October oil consumption was about 5% lower than before the coronavirus pandemic, although this was a dramatic improvement compared to April, when demand was about 20% lower YoY. European lockdowns, even if extended, should not result in a massive fall in demand as Europe accounts for just about 15% of global oil consumption. Furthermore, the current lockdowns are less strict, which means demand for vehicle fuel will be less affected. However, we expect a combination of the lockdowns and rising infection rates across the world to delay a full demand recovery beyond 2021. Fitch added, "We estimate that even if demand remains at the current levels of about 95MMbpd throughout 2021, OPEC+ should be able to keep the market broadly balanced by maintaining its production. Any decisions to increase production could result in oversupply and reverse the progress achieved in oil inventory normalization." (Bloomberg)
- **Saudi Arabia, UAE Oil Ministers say OPEC+ output deal is flexible –** OPEC+ grouping of oil exporting countries could tweak their existing deal on output cuts if there is a consensus among the member countries, Saudi Arabia's Energy Minister, Prince Abdulaziz bin Salman said on Monday as speculations are rife on how the group will set its production quota for next year. OPEC+ has been debating on whether to maintain the output cut of 7.7mn barrels per day (bpd) until 2021 instead of easing the curbs from next year. "I would go and argue that could be a tweak beyond what the so-called analysts are talking about. We are keeping the flexibility in our hands," he said during the ADIPEC oil and gas virtual conference. According to S&P, the market appears to be largely expecting the OPEC+ countries which meet November 30-December 1, to extend its current 7.7mn barrel per day (b/d) in output cuts through at least the first few months of 2021, instead of tapering them to 5.8mn b/d as currently scheduled. The UAE's Energy Minister Suhail Al-Mazrouei also reiterated that the OPEC+ deal is flexible but that it requires unanimous agreement among its 22 members to be changed. "We have the ability to tweak if we have to tweak, but we have to all be convinced that that tweak is required," he said. (Zawya)
- **ADNOC CEO: Oil demand likely to fluctuate in upcoming period –** The oil demand may fluctuate in the upcoming months, but the long-term fundamentals of the oil and gas sector remain strong, the UAE Minister of Industry and Advanced Technology and Group CEO of ADNOC, Sultan Ahmed Al Jaber, said on Monday. This announcement was made during the opening speech of the Abu Dhabi International Petroleum Exhibition Conference (ADIPEC), virtually held on 9-11 November 2020, according to a press release on Monday. Al Jaber confirmed that the oil and gas industry can play a key role in driving economic development in the post-coronavirus (COVID-19) recovery by ensuring a steady supply of energy to promote growth. Hence, the Minister has urged the industry to unite in achieving the recovery. (Bloomberg)
- **Citi cuts 2021 oil price outlook on COVID-19 concerns –** Citi Research (Citi) on Monday cut its 2021 oil price forecasts after a larger-than-expected rise in COVID-19 cases, but said tighter supply from OPEC and its allies would still lead to a gradual uptick in prices next year. Citi cut its 2021 Brent and West Texas Intermediate crude price outlook by $5 to $54 and $49 respectively. It forecasts oil demand to fall by 8.9mn barrels per day (bpd) in 2020, but rise by over 7mn bpd in 2021. With prices remaining around $40, OPEC+ are likely to continue complying with their agreement to curb output through the fourth quarter of 2020 and into the first quarter of next year, rather than increase production in January, the bank said in a note. The

group is scheduled to reduce output cuts of 7.7mn bpd by around 2mn bpd from January. (Reuters)

- **Saudi Arabia plans to accept new mining license applications in December –** Saudi Arabia is planning to accept new mining license applications in December 2020, according to Khalid S. Al-Mudaifer, Vice Minister for Mining Affairs and President of Saudi Geological Survey. He also said the new mineral data of the Kingdom will be publicly available in the coming months. Speaking at a Mines and Money webinar titled "The regional geological survey program – the foundation for a new Saudi mining sector," Al-Mudaifer said the Saudi mining sector has been earmarked for major investment - local and global - as part of the Saudi Vision 2030. "The Saudi mining strategy and the Kingdom's National Industrial Development and Logistics Program (NIDLP) aim to transform the mining sector into the Kingdom's third pillar of the industry, effectively creating an industry that could compete globally and stand on equal footing with the Kingdom's already established dominance in petroleum and petrochemicals," he said. The Saudi government recently announced a comprehensive revision of the Saudi Mining Investment Law that provides a robust and transparent legal framework for the mining sector. (Zawya)
- **Tassnief maintains Saudi Re's rating at 'AA+', with a 'Stable' outlook –** Saudi Re for Cooperative Reinsurance Company (Saudi Re) said that Simah Rating Agency (Tassnief) has maintained its insurance financial strength rating (IFSR) at 'AA+', with a 'Stable' outlook. The rating captures Saudi Re's strong brand strength, risk profile, and competitive advantage in the Saudi market, according to a bourse statement on Monday. It further incorporates the strength of the business profile, having a well-established franchise in key targeted markets, coupled with an improved level of diversification for the international business. In addition, it highlights the insurer's leverage free balance sheet, strong risk-adjusted capitalization levels, healthy liquidity buffers, and improving underwriting performance. Tassnief's report further pointed to an improving operating environment due to better pricing dynamics, particularly for loss-making segments. (Bloomberg)
- **Saudi Arabia's Minister launches Water Transmission and Technologies Company –** Saudi Arabia's Minister of Environment, Water and Agriculture, Abdulrahman bin Abdulmohsen Al Fadli, launched on Monday the Riyadh-based Water Transmission and Technologies Company (WTTCO). The achievement is one of the strategic transformation steps that the water sector is currently witnessing to realize the goals of Vision 2030, the minister said on his official Twitter account. Governor of Saline Water Conversion Corporation (SWCC), Abdullah bin Al Abdul Karim, said the launch is an important step to develop the Kingdom's water sector. State-owned WTTCO will be responsible for operating, developing, and building water transmission, storage, and dispatch systems across the Kingdom. The company's establishment is a result of the Saudi Privatization Program and contributes to the national water strategy. (Bloomberg)
- **Combined profits of Saudi Arabia's cement firms climb 39% in 3Q2020 –** Combined profits of 14 Tadawul-listed Saudi cement companies grew by 39.32% YoY during the third quarter of 2020, driven by upswings in sales. The companies' profits netted SR840.87mn in the quarter ended on September 30, 2020, compared to SR603.54mn in the same period in 2019, according to data collected by Mubasher based on the companies' financial statements. A total of 13 cement firms achieved growth in quarterly profits, except Northern Region Cement Company, whose profits fell. Net profits of Southern Province Cement Company were the highest this quarter, surging by 66.67% yearly to SR150mn, representing 17.8% of total earnings. During the first nine months of the year, the firms' combined profits jumped by 41.3% to SR2.44bn, compared with SR1.73bn in the prior-year period. (Bloomberg)
- **Al Sagr Insurance chooses SRB to boost growth with Sharia'h compliance –** Al Sagr Insurance has assigned Shariyah Review Bureau (SRB) to drive growth with Sharia'h compliance, in line with the company's ambitious goal to cater to customers in Saudi Arabia and beyond. Al Sagr Insurance is one of the leading insurance players in the Kingdom, with a 38-year track record and branches in Riyadh, Jeddah, and Dammam, according to a press release on Monday. As part of its work, SRB will set-up the Sharia'h Committee, review all insurance products and related documents, and enable the transformation by studying key business functions. It will further manage the ongoing Sharia'h compliance of the insurer through periodical Sharia'h audits and supervisory reviews. (Mubasher)
- **Zain KSA's remaining rights issue 469.1% oversubscribed –** Mobile Telecommunication Company Saudi Arabia (Zain KSA) said on Monday that its remaining rights issue shares were 469.1% oversubscribed. The sale included 59.56mn shares at an average share price of SR11.29. Total proceeds of selling unsubscribed shares amounted to SR672.525mn while net compensation for holders of the right issues and fractional shares reached SR76.88mn. The new shares will be deposited into shareholders' accounts on November 18, 2020. Last week, Zain KSA said that its rights issue was 86.76% subscribed. Investors subscribed to 390.44mn shares at a value of SR3.904bn out of a total of 450mn new shares. In October, the company's extraordinary general meeting (EGM) approved to raise its capital by 100.3% through a rights issue to SR8.987bn from SR4.487bn. (Bloomberg)
- **SoftBank's Vision Fund back to black even as some of Son's tech bets sting –** Japan's SoftBank Group Corp on Monday reported $6.1bn in quarterly profit as a broad upswing in tech valuations brought its mammoth Vision Fund back into positive territory. The Vision Fund recovery is likely to be welcome news for investors unnerved by some of SoftBank's recent stumbles, even as overall earnings were tainted by a $1.3bn hit following bets on technology stocks and derivatives. The news came as SoftBank announced the removal of several high-profile executives from its board, including Vision Fund chief Rajeev Misra and Chief Operating Office Marcelo Claure, following investor pressure to improve governance. At September-end, SoftBank held positions worth $16.8bn in stocks including Amazon.com Inc, Google parent Alphabet Inc and Facebook Inc. (Reuters)
- **UAE's September consumer prices fall 0.5% MoM and 2.4% YoY –** Federal Competitiveness and Statistics Authority in Dubai has published UAE consumer price indices for September,

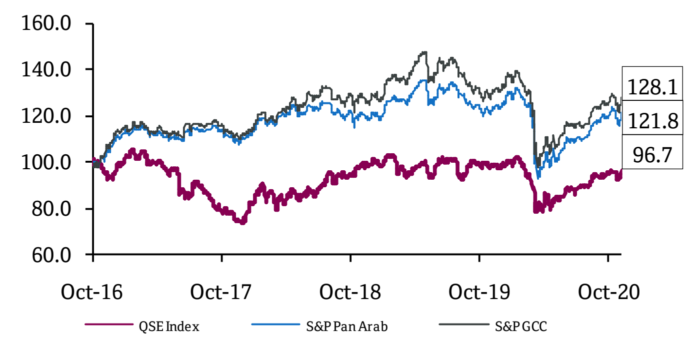
which showed that prices fell 0.5% MoM and 2.4% YoY in September. (Bloomberg)

- **Top UAE banks report lower 3Q2020 profits on higher impairments –** Challenging macroeconomic conditions - low interest rates leading to reprising of portfolios, falling oil price and disruptions to economic activities due to COVID-19 lockdowns - led top the UAE banks to report lower net profit in 3Q2020. The net profit of four largest banks - First Abu Dhabi Bank (FAB), Emirates NBD, Abu Dhabi Commercial Bank and Dubai Islamic Bank - fell nearly 26% to AED5.60bn in 3Q2020 compared with the same period last year. However, the performances were well within guidelines and market expectations. "Despite lower profitability, the banks, generally speaking, were able to keep within market estimates in terms of net income," Asad Ahmed, Managing Director at Alvarez and Marsal, told Zawya. Mohamed Damak, primary credit analyst at S&P, told Zawya that the decline in profit was part of our base case scenario because of lower lending growth, a drop in interest margin as a result of lower interest rates, and higher cost of risk. Higher impairment allowances in anticipation of higher expected credit losses (ECL) took a large bite out of the profits. To mitigate the effects of a coronavirus-related slowdown, the UAE Central Bank has required banks to apply a prudential filter to IFRS 9 expected loss provisions. (Zawya)
- **EIBANK post net loss of AED7.3mn in 3Q2020 –** Emirates Investment Bank (EIBANK) recorded net loss of AED7.3mn in 3Q2020 as compared to net profit of AED0.3mn in 3Q2019. Operating income fell 32.6% YoY to AED15.6mn in 3Q2019. Interest income fell -33.8% YoY to AED10.3mn in 3Q2019. Loss per share came in at AED10.43 in 3Q2020 as compared to EPS of AED0.40 in 3Q2019. Total assets stood at AED2,334.1mn at the end of September 30, 2020 as compared to AED3,120.4mn at the end of December 31, 2019. Net loans and advances stood at AED566.7mn (-36.3% YoY), while customers' deposits stood at AED1,643mn (-0.2% YoY) at the end of September 30, 2020. (DFM)
- **Dubai non-oil business conditions broadly unchanged; rise in activity expected –** Dubai's non-oil private sector registered the slowest output growth in five months according to the October PMI survey, signaling a setback for the economic recovery. At 49.9 in October, the seasonally adjusted IHS Markit Dubai Purchasing Managers' Index (PMI) indicated that business conditions across the non-oil private sector were broadly unchanged over the month. Falling from 51.5 in September, the reading also signaled an end to the run of growth observed throughout the third quarter of the year. Firms saw only a slight rise in new work, while job shedding quickened from September but remained softer than in the prior six months. Most notably, the degree of positive sentiment regarding the year-ahead outlook for activity fell to its lowest since this index began in April 2012, IHS Markit said. Businesses in Dubai reported the weakest rise in activity in the last five months of expansion during October, which was in part due to a softer - and only marginal - upturn in new orders. Some companies noted they were unable to expand further whilst markets remained subdued. Additional sector data showed falls in output in both travel & tourism and construction. (Zawya)
- **Abu Dhabi to start trading crude Futures from March –** Abu Dhabi will open a commodities exchange in March to rival those of Middle Eastern neighbors, letting investors trade its crude using futures contracts for the first time. The ICE Futures Abu Dhabi exchange will open on March 29 and offer contracts based on the emirate's flagship Murban crude grade, pending regulatory approvals, Intercontinental Exchange Inc. said in a statement Monday. The Atlanta-based operator of trading and clearing platforms is setting up the exchange with government producer Abu Dhabi National Oil Company (ADNOC) and other oil suppliers. "This trading platform will operate at the heart of growth markets and offer great value for producers and customers alike," ADNOC's CEO, Sultan Al Jaber said Monday during a virtual conference from the capital. ADNOC also will begin trading its full range of refined products next month, he said. The company plans to go through ADNOC Global Trading, a joint venture with Italy's Eni SpA and Austria's OMV AG. By selling its crude through futures, Abu Dhabi will let the market determine the price. That's a significant change for a producer that until this year fixed its pricing retroactively, effectively telling buyers the cost of barrels purchased a month earlier. (Bloomberg)
- **Abu Dhabi records AED151bn non-oil foreign trade in 9M2020 –** Abu Dhabi's non-oil foreign trade amounted to AED151bn during the first nine months of 2020, supported by advanced logistics technology and transportation infrastructure, the Abu Dhabi media office reported. A total of 788,699 transactions were completed from January to September 2020. Saudi Arabia topped Abu Dhabi's trade partners with AED32.2bn, followed by the US with AED10.7bn and China and Italy with AED9.8bn each. Pearls and precious stones, machinery, recording, broadcasting images, and sound equipment, as well as ordinary metals and artifacts were among the Emirate's key trade items with AED27.6bn, AED25.3bn, and AED23.7bn, respectively. During the third quarter of 2020, Abu Dhabi's non-oil foreign trade grew by 10%, when compared to the corresponding quarter of 2019. (Bloomberg)
- **Abu Dhabi Islamic Bank is undeterred by damage from pandemic –** The biggest Islamic bank in Abu Dhabi is striking an upbeat tone despite emerging from the global pandemic with one of the highest shares of bad loans among its peers. Abu Dhabi Islamic Bank (ADIB) came out fairly undamaged from a program of loan deferrals rolled out as part of the UAE central bank's relief effort during the outbreak, according to Mohamed Abdel Bary, the lender's group Chief Financial Officer. ADIB is seeing no significant pressure on clients as they weather the pandemic, he said in an interview. The regulatory measures bought time for banks by freeing up liquidity and ensuring access to funding as the UAE economy came under strain from the twin shock of the coronavirus and lower oil prices. But with the program set to expire at the end of the year, local lenders have been setting aside more money in preparation for the likely deterioration in asset quality. In the case of ADIB, non-performing loans already rose to almost 9% of the total last quarter, according to Bloomberg Intelligence, the second-highest among banks in the region that have published financial statements for the period. That's up from 8.4% in the previous three months and compares with an average of 7.5% for UAE-based banks in the second quarter, according to the

International Monetary Fund. Relative to many of its peers, ADIB has been allocating less money when provisioning for bad loans, according to Bloomberg Intelligence. Impairment charges totaled AED245.5mn in the third quarter, down almost 24% from the previous quarter. Credit provisioning is still up 73% in the first nine months compared with last year. (Bloomberg)

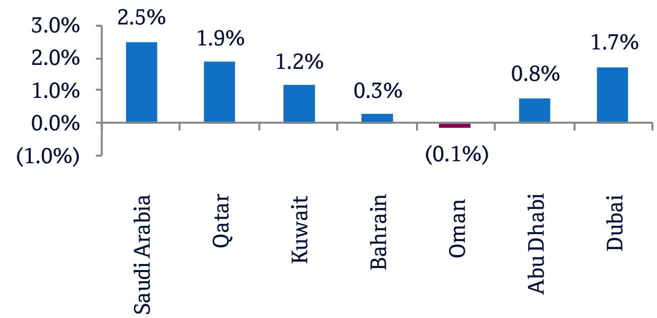
- **ADNOC sets December Murban crude official price at 25C/bbl discount –** ADNOC set the official selling price of its flagship Murban crude at 25c/bbl discount to Dubai benchmark price for December sales, according to an emailed statement. That's up 10c/bbl m/m from -35c/bbl for November. (Bloomberg)
- **ADNOC's Chief outlines digitalization, trading, sustainability projects –** The UAE's largest oil company, Abu Dhabi National Oil Company (ADNOC) will accelerate its transformation program to reduce costs and unlock value, its group CEO, Sultan Al Jaber, said. Al-Jaber, while speaking at the opening keynote address of the 36th edition of the Abu Dhabi International Petroleum Exhibition Conference (ADIPEC), said digitalization has saved the UAE national oil company $3bn over the last four years. "We have saved $1bn over the past four years leveraging the big data through our Panorama command centre. We have captured an additional $2bn by adopting digital drilling," he said during the virtual conference. The ADNOC's Chief said the oil giant unlocked more than $25bn in value this year despite a difficult year for the global economy. "ADNOC used the UAE's and Abu Dhabi's status as trusted business-friendly environment to complete several landmark transactions. We inked a $20bn pipeline deal and unlocked $5.5bn in value from our real estate assets. These deals were struck in the most difficult year for the global economy in recent memory," he said. (Zawya)
- **Etihad Airways warns pilots of immediate job cuts as pandemic crisis continues –** Abu Dhabi's Etihad Airways has warned pilots of immediate compulsory layoffs this week as demand for air travel fails to recover as quickly as expected from the coronavirus crisis. The warning in a letter to pilots, seen by Reuters, comes a day after the state airline said it was pushing on with plans to shrink to a mid-sized carrier. (Zawya)
- **MSCI to phase deletion of Kuwait securities from Frontier Index –** MSCI said it will phase the deletion of securities classified in Kuwait from the MSCI Frontier Markets 100 Index. The change will take place in equal steps over five successive index reviews starting from the November 2020 semi-annual index review. As part of each phase, MSCI will keep unchanged the index weights of securities classified in Bangladesh, Lebanon and Nigeria, subject to maintaining compliance with diversification rules and guidance in the MSCI. No impact on the scheduled reclassification of the MSCI Kuwait Indexes to the MSCI Emerging Markets Indexes in one step as part of the November 2020 SAIR. (Bloomberg)
- **Oman seeks to raise billions by leveraging biggest oil block –** Oman is seeking to raise money off the back of its largest oil block, as the cash-strapped Gulf nation looks for new ways to tame its budget deficit and steady a reeling economy. The Sultanate plans to transfer its 60% stake in Block 6, which has a production capacity of 650,000 barrels a day, from Petroleum Development Oman to a new company, according to sources. The company would then tap international financial markets, allowing Oman to raise debt without putting it on the government's books. The new firm may try to sell around $3bn of bonds in the first half of next year, sources added. JPMorgan Chase & Co. is advising the government. The proposal could set a precedent for other oil and gas producers in the Middle East that want to raise cash without stretching their balance sheets. Iraq's Kurdish region sells some oil before it's pumped under so-called pre-payment finance deals, and the UAE has raised billions of dollars this year by selling leasing rights to pipelines and properties. But no Middle Eastern government is known to have used specific oil blocks as collateral for funding. (Bloomberg)
- **Oman sells OMR48mn 91-day bills at yield of 0.803% –** Oman sold OMR48mn of bills due Feb 10, 2021. The bills were sold at a price of 99.8, have a yield of 0.803% and will settle on November 11. (Bloomberg)
- **Bahrain cabinet approves air services MoU with Israel –** Bahrain's government approved on Monday a memorandum of understanding (MoU) with Israel, covering air services, the state-run agency of the Gulf country said. Bahrain and Israel signed in October a joint communiqué to formalize nascent ties, during a visit by an Israeli and US delegation to the Gulf country. (Reuters)
- **Bahrain sells BHD70mn 91-day bills; bid-cover 1.06x –** Bahrain sold BHD70mn of bills due Feb 10, 2021. Investors offered to buy 1.06 times the amount of securities sold. The bills were sold at a price of 99.437, have a yield of 2.24% and will settle on November 11. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,863.04	(4.5)	(4.5)	22.8
Silver/Ounce	24.11	(5.9)	(5.9)	35.0
Crude Oil (Brent)/Barrel (FM Future)	42.40	7.5	7.5	(35.8)
Crude Oil (WTI)/Barrel (FM Future)	40.29	8.5	8.5	(34.0)
Natural Gas (Henry Hub)/MMBtu	2.58	(3.4)	(3.4)	23.4
LPG Propane (Arab Gulf)/Ton	55.88	(0.2)	(0.2)	35.5
LPG Butane (Arab Gulf)/Ton	74.00	(1.0)	(1.0)	13.0
Euro	1.18	(0.5)	(0.5)	5.4
Yen	105.38	2.0	2.0	(3.0)
GBP	1.32	0.1	0.1	(0.7)
CHF	1.09	(1.5)	(1.5)	5.9
AUD	0.73	0.4	0.4	3.7
USD Index	92.73	0.5	0.5	(3.8)
RUB	76.29	(1.5)	(1.5)	23.1
BRL	0.19	(0.4)	(0.4)	(25.4)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,502.06	1.3	1.3	6.1
DJ Industrial	29,157.97	2.9	2.9	2.2
S&P 500	3,550.50	1.2	1.2	9.9
NASDAQ 100	11,713.78	(1.5)	(1.5)	30.6
STOXX 600	380.99	3.4	3.4	(3.6)
DAX	13,095.97	4.4	4.4	4.2
FTSE 100	6,186.29	4.6	4.6	(18.7)
CAC 40	5,336.32	7.0	7.0	(6.0)
Nikkei	24,839.84	0.0	0.0	8.4
MSCI EM	1,192.37	1.4	1.4	7.0
SHANGHAI SE Composite	3,373.73	1.6	1.6	16.2
HANG SENG	26,016.17	1.2	1.2	(7.3)
BSE SENSEX	42,597.43	1.6	1.6	(0.7)
Bovespa	103,515.20	3.5	3.5	(33.3)
RTS	1,236.30	4.9	4.9	(20.2)

Source: Bloomberg (*$ adjusted returns)

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