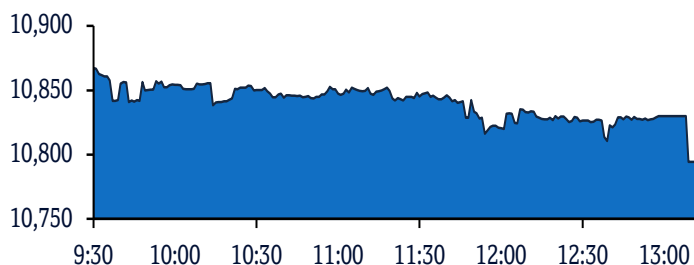


QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.4% to close at 10,794.3. Losses were led by the Industrials and Banks & Financial Services indices, falling 0.7% and 0.5%, respectively. Top losers were Qatari German Co for Med. Devices and Ezdan Holding Group, falling 2.2% and 1.7%, respectively. Among the top gainers, Gulf International Services gained 2.1%, while Barwa Real Estate Company was up 1.0%.

GCC Commentary

Saudi Arabia: The TASI Index fell 1.3% to close at 10,688.3. Losses were led by the Software & Services and Food & Beverages indices, falling 2.8% and 2.5%, respectively. Fitaihi Holding Group declined 4.5%, while Buruj Cooperative Insurance Co. was down 4.0%.

Dubai: The DFM Index fell 0.7% to close at 2,760.7. The Banks and Transportation indices declined 1.0% each. Al Mazaya Holding Company declined 9.3%, while Emirates Refreshments Co. was down 4.2%.

Abu Dhabi: The ADX General Index gained 0.4% to close at 6,993.3. The Industrial index rose 6.3%, while the Consumer Staples index was up 2.9%. Ras Al Khaimah Cement Co. rose 14.8%, while Abu Dhabi Nat. Co. for Building Mat. was up 14.3%.

Kuwait: The Kuwait All Share Index gained 0.2% to close at 6,379.6. The Financial Services index rose 1.0%, while the Energy index gained 0.6%. Dulaqan Real Estate Company and Kamco Investment Company were up 13.1% each.

Oman: The MSM 30 Index gained 0.3% to close at 4,132.3. Gains were led by the Industrial and Financial indices, rising 0.6% and 0.3%, respectively. National Gas Company rose 4.6%, while Bank Muscat was up 1.8%.

Bahrain: Market was closed on July 11, 2021.

Market Indicators	11 Jul 21	08 Jul 21	%Chg.
Value Traded (QR mn)	239.7	258.0	(7.1)
Exch. Market Cap. (QR mn)	624,363.2	627,795.6	(0.5)
Volume (mn)	95.7	99.4	(3.7)
Number of Transactions	5,200	7,575	(31.4)
Companies Traded	45	47	(4.3)
Market Breadth	13:29	15:27	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	21,368.03	(0.4)	(0.4)	6.5	17.9
All Share Index	3,418.15	(0.4)	(0.4)	6.8	18.4
Banks	4,486.72	(0.5)	(0.5)	5.6	14.9
Industrials	3,615.59	(0.7)	(0.7)	16.7	27.8
Transportation	3,499.02	(0.1)	(0.1)	6.1	22.5
Real Estate	1,815.44	0.2	0.2	(5.9)	17.2
Insurance	2,611.12	(0.3)	(0.3)	9.0	23.2
Telecoms	1,071.41	(0.0)	(0.0)	6.0	28.4
Consumer	8,120.09	(0.1)	(0.1)	(0.3)	27.3
Al Rayan Islamic Index	4,549.84	(0.4)	(0.4)	6.6	19.5

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
GFH Financial Group	Dubai	0.77	2.7	27,438.4	29.9
Bank Muscat	Oman	0.45	1.8	2,150.6	25.1
National Bank of Oman	Oman	0.20	1.5	539.3	24.4
National Industrialization	Saudi Arabia	20.08	1.4	6,280.5	46.8
Barwa Real Estate Co.	Qatar	3.13	1.0	1,540.5	(7.9)

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Savola Group	Saudi Arabia	40.90	(3.4)	1,519.0	(3.8)
Saudi British Bank	Saudi Arabia	29.90	(3.2)	573.0	21.0
National Petrochem. Co.	Saudi Arabia	43.80	(2.8)	440.6	31.7
Almarai Co.	Saudi Arabia	58.30	(2.7)	671.9	6.2
Etihad Etisalat Co.	Saudi Arabia	31.10	(2.5)	3,222.4	8.6

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%
Gulf International Services	1.52	2.1	8,721.7	(11.5)
Barwa Real Estate Company	3.13	1.0	1,540.5	(7.9)
Qatar Islamic Insurance Company	8.20	0.9	5.0	18.8
The Commercial Bank	5.44	0.4	216.5	23.6
United Development Company	1.50	0.3	1,139.4	(9.7)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Salam International Inv. Ltd.	0.94	(0.9)	18,200.3	45.0
Mazaya Qatar Real Estate Dev.	1.09	(1.4)	10,523.4	(13.5)
Gulf International Services	1.52	2.1	8,721.7	(11.5)
Investment Holding Group	1.11	0.2	8,633.3	85.6
Qatar Aluminium Manufacturing	1.52	(0.3)	8,199.4	57.2

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatari German Co for Med. Dev.	2.77	(2.2)	1,111.3	23.7
Ezdan Holding Group	1.66	(1.7)	5,070.1	(6.5)
Mazaya Qatar Real Estate Dev.	1.09	(1.4)	10,523.4	(13.5)
Qatari Investors Group	2.41	(1.4)	1,175.4	32.8
Industries Qatar	13.43	(1.3)	730.2	23.6

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	17.80	(0.6)	47,410.9	(0.2)
Ooredoo	7.26	(0.1)	17,941.1	(3.5)
Salam International Inv. Ltd.	0.94	(0.9)	17,201.9	45.0
Gulf International Services	1.52	2.1	13,143.2	(11.5)
Qatar Aluminium Manufacturing	1.52	(0.3)	12,475.4	57.2

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*	10,794.33	(0.4)	(0.4)	0.6	3.4	64.76	168,640.5	17.9	1.6	2.7
Dubai	2,760.73	(0.7)	(0.7)	(1.8)	10.8	40.26	103,915.3	21.0	1.0	2.9
Abu Dhabi	6,993.27	0.4	0.4	2.3	38.6	348.37	270,395.0	23.8	2.0	3.5
Saudi Arabia	10,688.34	(1.3)	(1.3)	(2.7)	23.0	2,379.44	2,546,013.3	34.9	2.4	2.2
Kuwait	6,379.63	0.2	0.2	(0.1)	15.0	125.60	120,925.5	41.1	1.6	1.9
Oman	4,132.33	0.3	0.3	1.7	12.9	10.64	18,857.6	14.5	0.8	3.7
Bahrain#	1,575.02	(0.2)	(0.8)	(0.8)	5.7	2.41	119,868.9	13.4	0.8	3.5

Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (** TTM; * Value traded (\$ mn) do not include special trades, if any, #Data as of July 08, 2021)

Qatar Market Commentary

- The QE Index declined 0.4% to close at 10,794.3. The Industrials and Banks & Financial Services indices led the losses. The index fell on the back of selling pressure from Qatari and Arab shareholders despite buying support from GCC and foreign shareholders.
- Qatari German Co for Medical Devices and Ezdan Holding Group were the top losers, falling 2.2% and 1.7%, respectively. Among the top gainers, Gulf International Services gained 2.1%, while Barwa Real Estate Company was up 1.0%.
- Volume of shares traded on Sunday fell by 3.7% to 95.7mn from 99.4mn on Thursday. Further, as compared to the 30-day moving average of 151.3mn, volume for the day was 36.8% lower. Salam International Inv. Ltd. and Mazaya Qatar Real Estate Dev. were the most active stocks, contributing 19.0% and 11.0% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	38.54%	41.31%	(6,627,528.5)
Qatari Institutions	23.74%	28.32%	(10,988,612.6)
Qatari	62.28%	69.63%	(17,616,141.1)
GCC Individuals	0.71%	0.48%	562,874.5
GCC Institutions	6.41%	6.20%	503,415.2
GCC	7.12%	6.67%	1,066,289.7
Arab Individuals	13.56%	13.76%	(484,295.4)
Arab Institutions	0.00%	0.00%	–
Arab	13.56%	13.76%	(484,295.4)
Foreigners Individuals	3.52%	3.35%	393,629.0
Foreigners Institutions	13.53%	6.59%	16,640,517.8
Foreigners	17.05%	9.94%	17,034,146.9

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

Earnings Releases and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 2Q2021	% Change YoY	Operating Profit (mn) 2Q2021	% Change YoY	Net Profit (mn) 2Q2021	% Change YoY
Almarai Co.	Saudi Arabia	SR	4,005.6	-1.9%	601.6	-20.8%	482.0	-25.1%
United Wire Factories Co.	Saudi Arabia	SR	217.7	12.0%	16.7	14.4%	14.1	15.6%
Mobile Telecommunications Company Saudi Arabia	Saudi Arabia	SR	1,896.0	0.4%	159.0	-46.5%	42.0	-28.8%
Muscat City Desalination Co.*	Oman	OMR	8.7	5.4%	–	–	1.2	38.8%
National Finance Co.*	Oman	OMR	21.5	-2.9%	–	–	3.6	-7.1%
Oman Chromite Co.*	Oman	OMR	1,496.2	152.2%	–	–	266.6	65.9%
Sohar Power Co.*	Oman	OMR	13.9	-2.9%	–	–	1.3	49.3%
Al Maha Ceramics*	Oman	OMR	4.9	13.4%	–	–	1.2	76.3%
Packaging Co. Ltd.	Oman	OMR	4.7	1.3%	–	–	0.4	3.7%
Al Kamil Power Co.*	Oman	OMR	3.2	0.8%	1.0	-12.5%	0.9	-13.4%

Source: Company data, DFM, ADX, MSM, TASI, BHB. (#Values in Thousands, *Financial for 6M2021)

Earnings Calendar

Tickers	Company Name	Date of reporting 2Q2021 results	No. of days remaining	Status
QGTS	Qatar Gas Transport Company Limited (Nakilat)	12-Jul-21	0	Due
MARK	Masraf Al Rayan	13-Jul-21	1	Due
WDAM	Widam Food Company	14-Jul-21	2	Due
VFQS	Vodafone Qatar	14-Jul-21	2	Due
QIBK	Qatar Islamic Bank	14-Jul-21	2	Due
QEWS	Qatar Electricity & Water Company	14-Jul-21	2	Due
QNNS	Qatar Navigation (Milaha)	15-Jul-21	3	Due
MCGS	Medicare Group	15-Jul-21	3	Due
KCBK	Al Khalij Commercial Bank	15-Jul-21	3	Due
NLCS	Aljjarah Holding	15-Jul-21	3	Due
ABQK	Ahli Bank	15-Jul-21	3	Due
QIIK	Qatar International Islamic Bank	26-Jul-21	14	Due
GWCS	Gulf Warehousing Company	27-Jul-21	15	Due
DHBK	Doha Bank	27-Jul-21	15	Due
QNCD	Qatar National Cement Company	28-Jul-21	16	Due
ORDS	Ooredoo	28-Jul-21	16	Due
QIMD	Qatar Industrial Manufacturing Company	28-Jul-21	16	Due
DOHI	Doha Insurance Group	04-Aug-21	23	Due
IHGS	INMA Holding Group	08-Aug-21	27	Due
QISI	Qatar Islamic Insurance Group	09-Aug-21	28	Due
IGRD	Investment Holding Group	10-Aug-21	29	Due

Source: QSE

News

Qatar

- QNB discloses the interim financial statement for the six-month period ending 30th June, 2021** – QNB Group, the largest financial institution in the Middle East and Africa (MEA) region, announced its strong results for the six months ended 30 June 2021. Net Profit for the six months ended 30 June 2021 reached QAR6.8 billion (USD1.9 billion), an increase of 6% compared to the same period last year. Total Assets reached QAR1,065 billion (USD293 billion), an increase of 10% from June 2020. QNB Group successfully delivered a strong Operating Income of QAR13.6 billion (USD3.7 billion) for the first half of 2021, an increase of 6% from June 2020. This helped to increase the overall profitability for the Group. Loans and Advances grew by 6% to reach QAR747 billion (USD205 billion) being the main driver of growth in Total Assets. On the funding side, QNB diversified its customer deposits generation that helped increase its deposit base to QAR767 billion (USD211 billion). QNB Group continued its drive for cost rationalization in addition to sustainable revenue generating sources. This continues to help QNB Group to improve the efficiency (cost to income) ratio to 22.9% as at 30 June 2021 which is considered one of the best ratios among the large financial institutions in the MEA region. During first half of 2021, QNB Group increased its loan loss provisioning to QAR2.9 billion (USD793 million). This caused a marginal increase in NPL to rise to 2.3% as at 30 June 2021, one of the lowest amongst financial institutions in the MEA region, reflecting the high quality of the Group's loan book and the effective management of credit risk. The Group's continued conservative policy with regard to provisioning for potential loan losses helped to achieve a coverage ratio of 108% as at 30 June 2021. Total Equity increased to QAR98 billion (USD27 billion), up by 6% from June 2020. Earnings per share increased to QAR0.68 (USD 0.19). At 30 June 2021, QNB Group reported a strong Capital Adequacy Ratio of 18.8% higher than the regulatory minimum requirements of the Qatar Central Bank and Basel Committee. QNB Group serves a customer base of

approximately 20 million customers supported by more than 28,000 staff resources operating from 1,000 locations and more than 4,600 ATMs. (Press Release)

- QFLS posts net profit of QR207.9mn in 2Q2021, below our estimate** – Qatar Fuel Company's (QFLS, Woqod) net profit rose 371.7% YoY (however, declined 17.9% on QoQ basis) to QR207.9mn in 2Q2021, below our estimate of QR264.9mn. The net profit for 6M2021 (excluding minority rights) amounted to QR461.1mn, compared to an amount of QR270.2mn achieved in the same period of the year 2020, with an increase of QR191mn, representing an increase rate of 71%. EPS amounted to QR0.46 in 6M2021 as compared to QR0.27 in 6M2020. The increase in net profit and earnings per share was due to a noticeable improvement in the performance of most of the Group's activities and sales in conjunction with the signs of recovery from the Corona pandemic, coupled with the increased efforts exerted towards implementing the Group already approved efficiency policy in the Group's business. On Woqod's petrol stations project, Managing Director and CEO Saad Rashid Al-Muhannadi said that since the beginning of 2021 to date, the company has opened two petrol stations, bringing the number of stations currently operated by the company to 107. He noted that the company plans to add four more stations by the end of this year for a total of 111. Woqod plans to build seven more petrol stations in 2022 to bring the number of stations to 118, Al-Muhannadi said. As a result of the increase in petrol stations numbers, Woqod's share in the fuel products retail market has reached 85%, which is expected to touch 90% over the next few years. (QNB FS Research, QSE, Company Press Release, Gulf-Times.com)
- Qatar lender pulls offer to raise stake in National Bank of Oman** – The Commercial Bank of Qatar (CBQK) abandoned a plan to build a controlling stake in National Bank of Oman after investors pushed back against what would have been a rare cross-border tie-up in the Gulf. Qatar's fourth-biggest lender withdrew an offer to raise its stake in the Omani bank after shareholder acceptance fell short of the 15.2% minimum

threshold, according to a statement. Investors representing 7.74% of shares accepted the offer. CBQK last month had offered QR49.43mn (\$128mn) to raise its holding to 50.1% from 34.9%. The proposal to acquire 247mn shares represented a 18% premium to NBO's closing price of June 2. (QSE, Bloomberg)

- **Mekdam shares to start trading on QSE Venture Market on August 2** – Shares of Mekdam Holding Group (Mekdam), which provides comprehensive integrated services in the field of information and communication technology, will be admitted to trading on the venture market of the Qatar Stock Exchange from August 2, 2021. It will become the second company to be listed on QSE Venture Market (QEVM) dedicated to small and medium enterprises, or SMEs. The company is getting listed on the bourse using the direct listing option. Mekdam was established in March 2018 as a private company with limited liabilities, and authorized and issued capital of QR50mn. It was transferred into a public shareholding entity by the Ministry of Commerce and Industry resolution No. 45 for 2021 with a capital 100% fully paid by its founders. Shares of Mekdam will be listed with the symbol "MKDM". The company's share price will be floated on the first day of trading, while it will be allowed to fluctuate by 10% up and down starting from the second day of trading. The founders' data will be made available to the brokerage firms as on July 28, 2021 in preparation for trading of the company's shares in order to allow them to receive buy and sell orders. (QSE, Gulf-Times.com)
- **QNBK to hold its investors relation conference call on July 13** – QNB Group (QNBK) will hold the conference call with the Investors to discuss the financial results for the semi-annual 2021 on July 13, 2021 at 12:30pm, Doha Time. (QSE)
- **QISI to disclose its semi-annual financial results on August 09** – Qatar Islamic Insurance Group (QISI) will disclose its financial statement for the period ending June 30, 2021 on August 09, 2021. (QSE)
- **GWCS to disclose its semi-annual financial results on July 27** – Gulf Warehousing Company (GWCS) will disclose its financial statement for the period ending June 30, 2021 on July 27, 2021. (QSE)
- **DOHI: Board of directors to hold meeting on August 04** – Doha Insurance (DOHI) has announced that its board of directors will be holding a meeting on August 04, 2021 to discuss and adopt the reviewed semiannual financial statement for 2021. (QSE)
- **Al Rayan Qatar ETF to disclose its 2Q2021 financials on July 26** – Al Rayan Qatar ETF will disclose its financials for 2Q2021 on July 26, 2021. (QSE)
- **IGRD: Board of directors to meeting on August 10** – The Investment Holding Group (IGRD) has announced that its board of directors will be holding a meeting on August 10, 2021 to discuss the interim condensed consolidated financial statements for the six-month period ended on June 30, 2021. (QSE)
- **IGRD to hold its investors relation conference call on August 15** – Investment Holding Group (IGRD) announced that the conference call with the Investors to discuss the financial results for the Semi-Annual 2021 will be held on August 15, 2021 at 02:00pm, Doha Time. (QSE)
- **ORDS launches 'My Ooredoo-Business' portal** – Ooredoo (ORDS) has launched a new and innovative business-to-business (B2B) portal, My Ooredoo-Business, to transform customer experiences. In response to customer demands, ORDS's My Ooredoo-Business portal allows for customers to conveniently and securely manage and order their mobile services. Customers can access the portal at any time from any device and any location. Business customers can manage and

order mobile services, such as Aamali Mobile and mobile broadband. (Gulf-Times.com)

- **Qatar registers trade surplus of QR93.4bn in 2020** – The merchandise trade balance of Qatar, which represents the difference between total exports and imports, recorded a surplus of QR93.4bn in 2020, down from QR159.3bn in 2019, a decrease of 41.3%. In a statement, the Planning and Statistics Authority (PSA) said that in 2020, the value of Qatar's total exports (including exports of domestic goods and re-exports) amounted to QR187.5bn, a decrease by QR78bn (29.4%) compared to total exports of QR265.5bn in 2019. The YoY decrease in total exports was mainly due to lower exports of mineral fuels, lubricants and related materials by QR74.5bn (32.7%), manufactured goods classified chiefly by material by QR2.4bn (30.5%), chemicals and related products by QR2.1bn (10.3%), and crude materials, inedible, except fuels by QR1.1bn (79%). On the other hand, increases were recorded mainly in Machinery and Transport Equipment by QR1.1bn (20%), and Miscellaneous Manufactured Articles by QR0.9bn (44.9%). The value of Qatar's imports in 2020 was QR94bn; a decrease by QR12.2bn (11.5%) compared to imports of QR106.2bn in 2019. The YoY decrease in imports reflected decreases in machinery and transport equipment by QR4.2bn (10%), miscellaneous manufactured articles by QR2.9bn (15%), crude materials, and inedible, except fuels, by QR2.8bn (50.7%), mineral fuels, lubricants and related materials by QR1.1bn (58.9%), manufactured goods classified chiefly by material by QR0.9bn (5.9%), and food and live Animals by 0.3bn (2.4%). On the other hand, increases were recorded mainly in chemicals and related products by QR0.4bn (4.6%). In 2020, Asia was the principal destination of Qatar's exports and the first origin of Qatar's imports, representing 79.9% and 38.6% respectively, followed by the European Union, accounting for 8.8% and 30.9% respectively, and GCC, with 5.3% and 3.3% respectively. (Qatar Tribune)
- **88% of Qatar brands changed customer experiences due to pandemic** – Sitecore, the global leader in digital experience management software, announced yesterday that 88% of Qatar's IT decisionmakers have had to fundamentally change their customer experiences in response to the pandemic. The research, conducted by YouGov MENA, surveyed more than 650 IT decisionmakers across 12 countries in the Gulf Cooperation Council, the Levant, and Egypt. In response to changing customer demands, 88% of Qatar's IT decisionmakers, said their brands created a deeper connection with their customers over the past year. The pandemic has also accelerated organizations' digital transformation roadmap. Among respondents, 75% in Qatar, said their brands had advanced their marketing technology stack more in the last year than in the previous three years before 2020. Thanks to these new technological capabilities, 88% of Qatar's respondents, said they experimented with a number of new marketing approaches during the pandemic. (Peninsula Qatar)
- **President of Qatar Civil Aviation Authority meets Saudi counterpart** – HE the President of Qatar Civil Aviation Authority Abdullah bin Nasser Turki Al-Subaey met in Riyadh Sunday with the President of the General Authority of Civil Aviation (GACA) of Saudi Arabia, Abdulaziz bin Abdullah Al-Duailej. During the meeting, they reviewed ways to enhance co-operation in air transport between the two countries. (Gulf-Times.com)
- **Subsidized sheep sale to begin tomorrow** – The sale of subsidized sheep to citizens will begin on Tuesday (July 13) and will continue until July 23. The sale is based on the annual initiative launched by the Ministry of Commerce and Industry, within the framework of the joint national initiative to encourage local production, subsidize sheep meat prices and create a

balance in supply and demand that contributes to reducing price in the markets. In a statement, the ministry said it has agreed with the Widam Food Company to provide approximately 12,500 heads of Arab sheep to be sold at subsidized and discounted prices for citizens, at QR1,000 for the local sheep (35 kg and more) and QR950 for Syrian sheep (45 kg or more). The sale of sheep will take place at the Widam slaughterhouses in Al Wakrah, Al Shamal, Al Khor, Al Mazroua and Al Sheehaniya, for Qatari citizens. Only one head of sheep is allowed in order to reach the target group. (Qatar Tribune)

- **PM issues decision to set up panels for historic Shura Council elections** – Prime Minister and Minister of Interior HE Sheikh Khalid bin Khalifa bin Abdulaziz Al Thani has issued decision No 53 of 2021 to form the supervisory committee and executive committees concerned with the Shura Council elections and define their terms of reference. The decision comes within the framework of the Ministry of Interior's intensive preparations to hold the first Shura Council elections. (Qatar Tribune)
- **FIFA licenses Blue Salon to sell Qatar 2022 World Cup merchandise** – Blue Salon, Qatar's premier, upscale shopping destination, has announced that it has obtained an official license from FIFA to design and sell fashion merchandise bearing the 2022 FIFA World Cup logo in Qatar. Blue Salon will offer more than 17 different official merchandise items, including: ladies' scarves, ghutra (traditional head coverings), luggage, backpacks, work bags, candles, travel accessories, cups, home textiles, bed coverings, towels and blankets. (Peninsula Qatar)

International

- **Deloitte: UK corporates rush to invest as economy reopens** – Big businesses in Britain are rushing ahead with post-lockdown investment plans that could usher in a long-awaited improvement in the country's weak productivity growth, a survey of chief finance officers showed. Accountancy firm Deloitte said its poll found CFOs were planning to increase investment, as well as hiring, at the fastest pace in almost seven years and were their most aggressive about acquisitions in 11 years. Many firms around the world have ramped up their spending on digital technology in response to the coronavirus pandemic which up-ended their working practices. Ian Stewart, chief economist at Deloitte, said CFOs were much less concerned about Brexit. COVID-19 was still the top of the worry list, followed by inflation and climate change. Over three quarters of CFOs reported growing recruitment problems. "The pandemic, like all major shocks, will reshape the economy and we are likely to see years of normal growth compressed into just a few months," he said. Eight in 10 CFOs who took part in the survey said they thought productivity would grow faster after the pandemic. "That offers the hope of a more comprehensive recovery than after the global financial crisis," Stewart said. Bank of England Governor Andrew Bailey said on Friday he expected that an increase in productivity gains brought about by more investment in technology since the onset of the coronavirus crisis would prove to be lasting. Slow productivity growth weighs on an economy's long-term growth potential and ultimately the earnings of workers, and has plagued Britain's economy since the late 2000s. Deloitte said 71% of CFOs it polled expected to increase capital expenditure - helped by British finance minister Rishi Sunak's two-year tax break for corporate investment - and 76% expected more hiring over the year ahead. By contrast, 2020's top priority had been cost reduction. The Deloitte survey was conducted between June 16 and 29 and polled 107 CFOs from companies, 69 of them UK-listed with a combined market value of 548bn Pounds (Reuters)

- **Japan May core machinery orders rise 7.8% MoM** – Japan's core machinery orders rose 7.8% in May from the previous month, Cabinet Office data showed. The reading compared with a 2.6% rise seen in a Reuters poll of economists. Compared with a year earlier, core orders, a highly volatile data series regarded as an indicator of capital spending in the coming six to nine months, grew 12.2% in May, versus a 6.3% advance expected by economists, the data showed. (Reuters)
- **Japan wholesale prices continue to surge as import costs hit record** – Japanese wholesale prices continued to surge in June as import costs spiked at the fastest pace on record, data showed on Monday, a sign rising raw material costs were weighing on corporate profits. Households may also start to feel the pinch as recent increases in oil costs are likely to push up consumer inflation in coming months, though the rebound will be more modest in Japan than in other advanced nations due to weak demand, analysts say. The corporate goods price index (CGPI), which measures the price companies charge each other for their goods and services, rose 5.0% in June from a year earlier, Bank of Japan data showed, beating a median market forecast for a 4.7% gain. It followed a 5.1% increase in May, which was the fastest pace of growth since September 2008, and marked the fourth straight month of YoY gain. Of the 744 items consisting CGPI, the number of items that saw prices rise in June exceeded that for price falls by 75 - up from 57 in May. In a sign a weak yen was inflating raw material costs for firms, the yen-based import price index surged 28.0% in June to mark the fastest YoY gain on record. An index gauging raw material prices jumped 49.8% in June from a year earlier, as commodities ranging from fuel oil to wood see prices spike on solid global demand. On the other hand, domestic final goods prices - which loosely track the consumer price index - rose just 2.0% in a sign weak domestic demand was still discouraging many firms from passing on the higher costs to their corporate customers. Japan's economy is recovering moderately as robust exports offset some of the weakness in consumption. But a resurgent coronavirus forced Japan to declare a state of emergency in the capital Tokyo that will last through the Olympics Games, casting doubts over the strength of the recovery. (Reuters)
- **Japan's May machinery orders rise for third straight month** – Japan's core machinery orders rose for the third straight month in May, a welcome sign for an economy struggling to overcome the hit from the coronavirus pandemic. The government imposed a new state of emergency in Tokyo that will run through to August 22 in an attempt to control the health crisis, clouding the outlook for the economy even as activity in many other countries rebounds. The jump in core orders indicates a modest revival in corporate spending, seen by policymakers as necessary to accelerate Japan's tepid recovery. Core machinery orders, a highly volatile data series regarded as an indicator of capital spending in the coming six to nine months, jumped 7.8% in May from the previous month, beating a 2.6% expansion forecast by economists in a Reuters poll and compared with a rise of 0.6% in April. "The data confirmed a recovery in capital spending by manufacturers," said Atsushi Takeda, chief economist at Itochu Economic Research Institute. (Reuters)

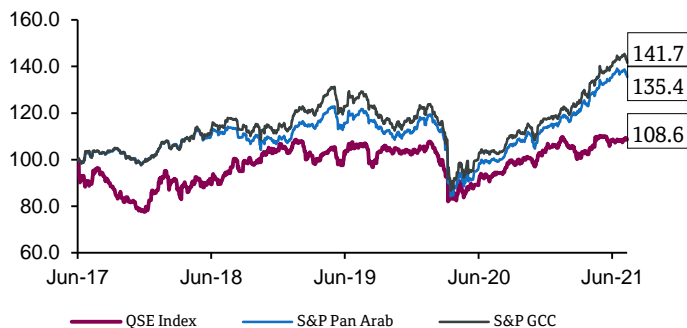
Regional

- **Samba Capital combination with NCB Capital now effective** – Samba Capital's combination with NCB Capital comes into effect after Saudi market regulator's approval. All assets and liabilities of Samba Capital has been transferred to NCB Capital. (Bloomberg)
- **Saudi Research to expand portfolio, digital offerings** – Saudi Research & Media Group's transformation strategy to focus on

platform development and expansion, international partnerships and strategic investments across five key business pillars. SRMG Media includes Digital platforms, podcasts and multimedia. SRMG International includes International investments and partnerships. SRMG Think includes Research and polling, SRMG X includes Events, conferences and exhibitions, SRMG Labs involves Innovation, incubation, and training. (Bloomberg)

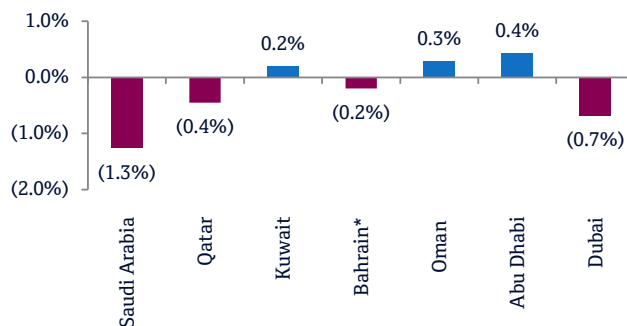
- **Savola signs accord to buy Bayara Holding for \$260mn –** Savola has signed an accord to buy Bayara Holding for \$260mn. The Saudi food producer signs a binding agreement to buy Bayara Holding, a privately held company with business operating out of the UAE and Saudi Arabia. The transaction consideration will be funded through a combination of operating cash flows and bank loans. The financial advisor is Ernst & Young. Bayara is a manufacturer and distributor of snacks and cooking ingredients. (Bloomberg)
- **Dubai June PMI at 51.0 vs 51.6 in May –** Output growth in Dubai's non-oil economy slipped further in June, as a weaker rise in sales and supply shortages curtailed the sector's recovery. Input cost inflation accelerated as firms saw a mark-up in commodity prices, pushing output charges higher for only the second time in three years. The headline IHS Markit Dubai Purchasing Managers' Index (PMI) is derived from individual diffusion indices which measure changes in output, new orders, employment, suppliers' delivery times and stocks of purchased goods. The survey covers the Dubai non-oil private sector economy, with additional sector data published for travel & tourism, wholesale & retail and construction. The seasonally adjusted IHS Markit Dubai Purchasing Managers' Index PMI fell for a second successive month from 51.6 in May to 51.0 in June. The latest reading indicated only a slight improvement in operating conditions in the non-oil private sector, and one that was markedly slower than the average seen since data collection began in January 2010. Both output and new orders rose to a lesser degree than in May, with the rate of output growth the slowest seen in the current seven-month sequence of expansion. According to panelists, there was a general improvement in economic conditions as the impact of COVID-19 eased. However, this was countered by a slowdown in sales growth and reports from some firms that raw material shortages and price hikes had curbed work on new projects. (Markit)
- **SHUAA confirms talks to set up three SPACs –** SHUAA Capital said it is in early talks with investment banks to set up three blank-check companies, confirming a Bloomberg News report from last week. Bloomberg reported last week SHUAA, which manages close to \$14bn in assets, had approached banks to set up three Special Purpose Acquisition Companies of around \$200mn each to pursue deals in the energy, finance, and technology sectors. SPACs are corporate shells that raise money from investors with the aim of merging with private businesses to take them public. While interest for these vehicles has somewhat waned in the US, they are catching on in the Middle East. (Bloomberg)
- **Sharjah developer Arada gets AED250mn funding from DIB –** Arada gets AED250mn funding from Dubai Islamic Bank (DIB). Arada will use facility from Dubai Islamic Bank to fund general construction at its Aljada project in Sharjah. The facility is in addition to an initial AED300mn financing arrangement from DIB earlier this year. Arada says it sales in 2020 at AED1.75bn, up 35% from year ago Total value of the developer's project portfolio over AED33bn. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg (*Data as of July 08, 2021)

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,808.32	0.3	1.2	(4.7)
Silver/Ounce	26.10	0.7	(1.4)	(1.1)
Crude Oil (Brent)/Barrel (FM Future)	75.55	1.9	(0.8)	45.8
Crude Oil (WTI)/Barrel (FM Future)	74.56	2.2	(0.8)	53.7
Natural Gas (Henry Hub)/MMBtu	3.71	5.4	2.0	55.2
LPG Propane (Arab Gulf)/Ton	110.63	1.8	(1.0)	47.0
LPG Butane (Arab Gulf)/Ton	123.00	1.4	(0.6)	77.0
Euro	1.19	0.3	0.1	(2.8)
Yen	110.14	0.4	(0.8)	6.7
GBP	1.39	0.8	0.6	1.7
CHF	1.09	0.1	0.8	(3.2)
AUD	0.75	0.8	(0.5)	(2.7)
USD Index	92.13	(0.3)	(0.1)	2.4
RUB	74.35	(0.6)	1.5	(0.1)
BRL	0.19	0.0	(3.8)	(1.2)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,053.12	1.0	0.2	13.5
DJ Industrial	34,870.16	1.3	0.2	13.9
S&P 500	4,369.55	1.1	0.4	16.3
NASDAQ 100	14,701.92	1.0	0.4	14.1
STOXX 600	457.67	1.5	0.4	11.3
DAX	15,687.93	1.9	0.4	10.4
FTSE 100	7,121.88	1.9	0.4	11.9
CAC 40	6,529.42	2.3	(0.2)	14.2
Nikkei	27,940.42	(1.0)	(2.0)	(4.6)
MSCI EM	1,318.18	0.1	(2.7)	2.1
SHANGHAI SE Composite	3,524.09	0.1	0.1	2.2
HANG SENG	27,344.54	0.7	(3.4)	0.2
BSE SENSEX	52,386.19	(0.0)	(0.2)	7.5
Bovespa	125,427.80	-	(5.1)	4.0
RTS	1,635.04	0.5	(1.5)	17.8

Source: Bloomberg (*\$ adjusted returns)

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