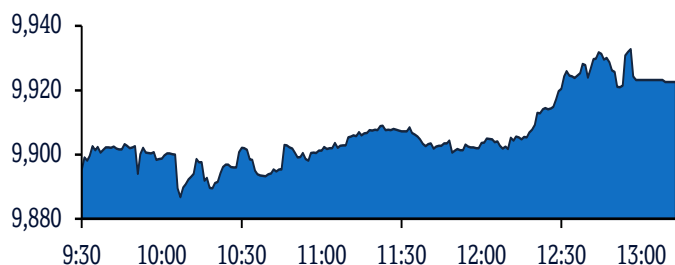


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.4% to close at 9,922.5. Gains were led by the Real Estate and Industrials indices, gaining 1.1% and 1.0%, respectively. Top gainers were Qatar Aluminium Manufacturing Company and Salam International Investment Ltd., rising 3.6% and 3.1%, respectively. Among the top losers, INMA Holding fell 3.1%, while Qatar Cinema & Film Distribution was down 1.4%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.6% to close at 7,983.8. Gains were led by the Software & Services and Media & Entertainment indices, rising 5.9% and 4.2%, respectively. Tihama Advertising & Public Relations Co. rose 10.0%, while Lazurde Company for Jewelry was up 9.9%.

Dubai: The DFM Index fell 0.3% to close at 2,261.5. The Telecommunication index declined 3.8%, while the Banks index fell 0.5%. Al Salam Sudan declined 5.0%, while Arabtec Holding was down 4.9%.

Abu Dhabi: The ADX General Index gained 0.1% to close at 4,537.5. The Banks index rose 0.6%, while the Investment & Financial Services index rose 0.5%. First Abu Dhabi Bank rose 1.1%, while Ras Al Khaimah Ceramics was up 0.8%.

Kuwait: The Kuwait All Share Index gained 0.4% to close at 5,310.7. The Financial Services index rose 1.1%, while the Basic Materials index gained 0.9%. Umm Al Qaiwain General Investments Co. rose 32.8%, while Hilal Cement Company was up 32.3%.

Oman: The MSM 30 Index gained 0.4% to close at 3,751.5. The Financial index gained 0.5%, while the other indices ended in red. Oman Investment & Finance Company rose 2.1%, while Oman Flour Mills was up 2.0%.

Bahrain: Market was closed on August 30, 2020.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar Aluminium Manufacturing	0.99	3.6	47,102.9	26.8
Salam International Inv. Ltd.	0.60	3.1	75,554.6	16.2
Qatar Islamic Insurance Company	6.45	2.6	24.0	(3.5)
Industries Qatar	10.06	2.1	857.2	(2.1)
United Development Company	1.24	2.0	32,459.6	(18.8)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Salam International Inv. Ltd.	0.60	3.1	75,554.6	16.2
Investment Holding Group	0.57	1.1	67,509.1	1.4
Qatar Aluminium Manufacturing	0.99	3.6	47,102.9	26.8
Mazaya Qatar Real Estate Dev.	1.20	1.2	44,619.0	66.9
Vodafone Qatar	1.32	1.7	34,050.7	13.5

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	9,922.52	0.4	0.4	5.9	(4.8)	145.38	156,891.8	16.1	1.5	4.0
Dubai	2,261.47	(0.3)	(0.3)	10.3	(18.2)	71.23	85,716.1	8.6	0.8	4.3
Abu Dhabi	4,537.53	0.1	0.1	5.4	(10.6)	72.57	185,823.0	16.6	1.3	5.4
Saudi Arabia	7,983.82	0.6	0.6	7.0	(4.8)	2,419.68	2,373,239.7	29.1	1.9	3.3
Kuwait	5,310.68	0.4	0.4	6.9	(15.5)	128.20	99,935.6	28.1	1.3	3.7
Oman	3,751.52	0.4	0.4	5.1	(5.8)	1.36	16,891.4	11.1	0.8	6.6
Bahrain#	1,380.89	0.6	1.9	7.0	(14.2)	7.15	21,006.1	12.9	0.9	5.2

Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (** TTM; * Value traded (\$ mn) do not include special trades, if any, #Data as of August 27, 2020)

Market Indicators	30 Aug 20	27 Aug 20	%Chg.
Value Traded (QR mn)	533.4	646.8	(17.5)
Exch. Market Cap. (QR mn)	575,749.6	574,368.2	0.2
Volume (mn)	411.4	524.0	(21.5)
Number of Transactions	10,363	12,547	(17.4)
Companies Traded	45	44	2.3
Market Breadth	25:18	28:11	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	19,075.72	0.4	0.4	(0.6)	16.1
All Share Index	3,075.18	0.3	0.3	(0.8)	17.0
Banks	4,162.04	(0.0)	(0.0)	(1.4)	13.9
Industrials	2,993.59	1.0	1.0	2.1	26.0
Transportation	2,846.11	0.1	0.1	11.4	13.5
Real Estate	1,687.34	1.1	1.1	7.8	13.8
Insurance	2,125.97	0.5	0.5	(22.3)	32.8
Telecoms	922.75	0.4	0.4	3.1	15.6
Consumer	8,193.39	(0.1)	(0.1)	(5.2)	25.7
Al Rayan Islamic Index	4,091.60	0.8	0.8	3.6	19.1

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Jabal Omar Development	Saudi Arabia	27.45	3.2	4,022.4	1.1
Kingdom Holding Co	Saudi Arabia	7.00	2.9	838.9	(7.3)
Emaar Economic City	Saudi Arabia	8.30	2.9	3,198.5	(13.1)
Saudi Electricity Co	Saudi Arabia	16.06	2.3	8,996.5	(20.6)
Industries Qatar	Qatar	10.06	2.1	857.2	(2.1)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Abu Dhabi Comm. Bank	Abu Dhabi	5.58	(1.2)	5,184.2	(29.5)
Aldar Properties	Abu Dhabi	2.02	(1.0)	39,391.2	(6.5)
Emirates NBD Bank	Dubai	11.00	(0.9)	7,666.4	(15.4)
Emirates Telecom. Group	Abu Dhabi	16.76	(0.8)	242.5	2.4
Qatar Electricity & Water	Qatar	17.33	(0.8)	214.3	7.7

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%
INMA Holding	4.54	(3.1)	2,556.2	138.8
Qatar Cinema & Film Distribution	3.45	(1.4)	0.7	56.8
Qatar Oman Investment Co.	0.89	(1.1)	6,075.7	33.0
Medicare Group	7.55	(0.9)	945.5	(10.7)
Qatar Electricity & Water Co.	17.33	(0.8)	214.3	7.7

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Mazaya Qatar Real Estate Dev.	1.20	1.2	53,982.8	66.9
Salam International Inv. Ltd.	0.60	3.1	46,246.4	16.2
Qatar Aluminium Manufacturing	0.99	3.6	46,153.1	26.8
Vodafone Qatar	1.32	1.7	45,108.6	13.5
United Development Company	1.24	2.0	39,890.7	(18.8)

Source: Bloomberg (* in QR)

Qatar Market Commentary

- The QE Index rose 0.4% to close at 9,922.5. The Real Estate and Industrials indices led the gains. The index rose on the back of buying support from GCC and Arab shareholders despite selling pressure from Qatari and Foreign shareholders.
- Qatar Aluminium Manufacturing Company and Salam International Investment Ltd. were the top gainers, rising 3.6% and 3.1%, respectively. Among the top losers, INMA Holding fell 3.1%, while Qatar Cinema & Film Distribution was down 1.4%.
- Volume of shares traded on Sunday fell by 21.5% to 411.4mn from 524.0mn on Thursday. However, as compared to the 30-day moving average of 306.3mn, volume for the day was 34.3% higher. Salam International Investment Ltd. and Investment Holding Group were the most active stocks, contributing 18.4% and 16.4% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	51.69%	54.54%	(15,230,996.2)
Qatari Institutions	15.83%	15.82%	15,215.0
Qatari	67.51%	70.37%	(15,215,781.2)
GCC Individuals	1.23%	1.63%	(2,151,934.0)
GCC Institutions	9.05%	6.58%	13,175,090.9
GCC	10.28%	8.21%	11,023,156.9
Arab Individuals	16.09%	11.86%	22,579,605.5
Arab Institutions	–	–	–
Arab	16.09%	11.86%	22,579,605.5
Foreigners Individuals	4.46%	3.06%	7,481,223.8
Foreigners Institutions	1.66%	6.51%	(25,868,205.0)
Foreigners	6.12%	9.57%	(18,386,981.2)

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

Qatar

- **ABQK completes annual update of the Base Prospectus of \$2bn EMTN program** – Ahli bank (ABQK) has completed the annual update of the Base Prospectus in relation to its \$2bn Guaranteed Euro Medium-Term Note (EMTN) program of ABQ Finance Limited (Issuer) the prospectus. ABQK has mandated Barclays, Mizuho Securities, QNB Capital and Standard Chartered Bank as JBRs for its upcoming offering under its \$2bn Euro medium term note program. A 5Y fixed rate USD Reg S senior unsecured offering will follow as early as September 1. (QSE, Bloomberg)
- **Deposits at Qatar's commercial banks jump 8% in June** – The commercial banks in Doha saw about 8% YoY jump in total deposits to QR878.05bn in June this year, according to the Qatar Central Bank (QCB) data. The domestic deposits of the commercial banks grew about 8% to QR666.13bn, which is 76% of the total deposits; and overseas deposits were also up 8% to QR211.92bn at the end of June 30, 2020, the QCB said in its report. The domestic deposits constituted about 55% of the commercial banks' liabilities at the end of June 2020. The commercial banks' domestic private sector deposits grew 6% to QR375.65bn, which constituted 56% of the total domestic deposits; public sector deposits by 9% to QR274.51bn (41%) and those of non-banking finance companies by 43% to QR15.97bn (3%). The commercial banks' private sector overseas deposits expanded more than 7% to QR170.77bn, which constituted 81% of total foreign deposits; public sector deposits by 3% to QR15.42bn (7%) and those of NBFCs by 14% to QR25.74bn (12%). Within the domestic private sector, the commercial banks' savings and time deposits were up 4% to QR252.04bn, which is 67% of the total domestic private sector deposits; and current and call deposits by 11% to QR123.61bn or 33% of the total domestic private sector deposits. The commercial banks' domestic public sector savings and time deposits witnessed about 6% fall to QR202.57bn, which constituted 74% of the total domestic public sector deposits; whereas the current and call deposits almost doubled to QR71.93bn or 26% of the total public sector domestic deposits. Within the domestic deposits of NBFCs, the commercial banks' savings and time deposits and current and call deposits increased 45% and 41% to QR11.82bn and QR4.16bn respectively in June 2020. Of the QR666.13bn domestic deposits of the commercial banks, those of the industry stood at QR37.46bn, trading (QR26.56bn), services (QR232.85bn), contractors (QR11.56bn), real estate (QR5.5bn), personal (QR216.28bn) and others (QR40.1bn). (Gulf-Times.com)
- **Domestic insurers see 3.8% growth in aggregate assets to QR57.3bn in 2019** – Qatar's domestic insurance firms have seen their aggregate assets increasing 3.8% to nearly QR57.3bn in 2019, QCB has said in a report. This is on top of 10.4% growth registered in the previous year (QR55.1bn), the Qatar Central Bank said in its latest Financial Stability Report. The aggregate assets of the domestic insurance firms stood at around QR50bn in 2017. Investments by the domestic insurance firms also continued to grow last year, the QCB noted. There was some "diversification" of investments towards equity during the year. However, reflecting the preference for safety, investments in fixed maturity instruments still accounted for

almost half of the investment portfolio. Investment in real estate continued to moderate, it said. While reinsurance receivable increased, premium receivable "declined" during the year. On the liabilities side, the QCB said a steep increase in reinsurance payable and modest growth in technical provisions continued during the year. Sharp increase in reinsurance shows that companies continue to be "conservative and underwrite less risk." According to the QCB, the insurance premiums continued to record healthy growth during 2019. The gross written premium (GWP) grew by 6.3% while net written premium increased by 5.1% during 2019. Healthy growth in GWP was recorded by both Qatari and foreign firms, QCB said. (Gulf-Times.com)

- **Qatar sets QR1,000 minimum wage for workers and domestic helps** – In a major step forward in its labor reform program, Qatar on Sunday introduced a non-discriminatory minimum wage for workers and removed the No-Objection Certificate (NoC) requirement to change jobs for employees. The Ministry of Administrative Development, Labour and Social Affairs (MADLSA) has set the monthly minimum wage at QR1,000, becoming the first country in the region to adopt a non-discriminatory minimum wage policy. The move is part of Qatar's efforts to protect the interests of employers and employees alike. The new minimum wage, which will apply to all private sector workers of all nationalities, including domestic workers, will come into force six months after the law's publication in the Official Gazette. According to Law No 17 of 2020 on Setting the Minimum Wage for Workers and Domestic Workers, the minimum wage for all private sector workers, including domestic workers, has been set at QR1,000 per month as a basic wage, besides QR500 per month allocated by the employer for accommodation and QR300 per month for food, unless the employer already provides adequate food or accommodation for the employee or domestic worker. MADLSA will be working with employers to update all employment contracts where workers earn less than the amount established by the new law. The law will provide additional stability to Qatar's labor market. The minimum wage was decided following extensive consultations with a specialized national committee composed of relevant authorities to consider the matter. In light of the above, a Minimum Wage Committee will be formed and tasked with frequently studying and reviewing the minimum wage of workers and domestic workers. The government also introduced Decree Law No 18 of 2020 amending some provisions of Labor Law No 14 of 2004 and Decree Law No 19 of 2020 amending some provisions of 2004 Law No 21 of 2015 regulating the entry and exit of expatriates and their residence, which protects the rights of both employers and employees and facilitates the process of changing jobs. This will drive greater competition in Qatar's labor market by allowing employees to change employers and allowing employers to attract the best talent in the local market. (Qatar Tribune)
- **Kuwari: Qatar a strategic investment partner of Germany** – Ambassador of Qatar to Germany HE Mohammad Jaham Al Kuwari inaugurated the 'Economic Guide – Qatar' book in German language in cooperation with the German Society for the Middle and Near East. The book was launched as part of a

farewell function for Kuwari at the end of his tenure as the ambassador of Qatar to Germany. The ceremony was attended by Daniela De Ridder, deputy chairman of the Parliamentary Committee for Foreign Affairs in the German Bundestag, Catherine Heisner, representative of the German Ministry of Economy and Energy, Prince Georg von Preussen, grandson of the last German Kaiser, Prince August von Wittgenstein, and a group of businessmen and economists and representatives of German companies from various sectors. Speaking on the occasion, Kuwari stressed the strength of the partnership between Qatar and Germany and its diversity in many fields, including political, economic, social, and cultural. He explained that Qatar is pursuing a strategic line in its investments to create permanent and sustainable partnerships with Germany. On the investment opportunities in the Qatari market, Kuwari said that the geographical location of Qatar makes it a center for international trade with the best conditions and services, be it production, transport, and logistics or obtaining safe and secure supplies of energy, as well as the financial, digital, logistical and service infrastructure. On the Qatari vision to raise investments in the German economy, the envoy stressed that Qatar is determined to strengthen cooperation with small and medium-sized companies in Germany, underlining that the Qatari economy can be an important partner to support them in expanding their commercial business inside Germany or entering new markets. (Qatar Tribune)

International

- **British Finance Minister considers sweeping tax hikes to plug COVID-19 hole** – British Finance Minister Rishi Sunak is considering a sweeping set of tax increases to help fix the huge hole in the public finances left by the coronavirus pandemic, two newspapers said. Tax hikes suggested by Treasury officials could raise an extra 20-30 Billion Pounds a year, the Telegraph and the Sunday Times reported, and some of them could be announced in an autumn budget statement by Sunak. However, officials working for Prime Minister Boris Johnson are fiercely opposed to a major tax raid on wealthier voters and want to consider spending cuts instead, the Telegraph said. Britain's public debt has passed 2tn Pounds (\$2.7tn), pushed up by emergency spending on Sunak's coronavirus job retention scheme, tax cuts for businesses and consumers and even a dining-out subsidy to coax people back into restaurants. Sunak has previously said some taxes will need to rise over the medium term. But he is under pressure to provide more support for employers when the job retention scheme - under which the state has paid 80% of salaries for most workers kept on in their jobs - expires at the end of October. The reported tax increases under consideration ranged from a sharp jump in corporation tax - which is currently far below the international average - cutting incentives for private pension contributions and increasing capital gains tax rates. (Reuters)
- **Japan factory output up but retail sales down amid fragile recovery from pandemic** – Japan's factory output rose in July at the fastest pace on record, driven by automobiles and car parts, signaling a gradual recovery from the blow delivered by the coronavirus pandemic. But retail sales fell for a fifth straight month and at a somewhat faster pace, a worrying sign for private consumption, which accounts for more than half of the

world's third-largest economy. Monday's data underscored the fragility of an economy that suffered a record 27.8% contraction in the April-June quarter as the pandemic took a heavy toll on both domestic and external demand. While analysts believe the economy has bottomed out after lockdowns were lifted in late May, they say any rebound will be modest amid worries about a second wave of infections. Ministry of Economy, Trade and Industry (METI) data showed Japan's industrial output grew 8.0% in July from the previous month, versus economists' median estimate of a 5.8% gain and following a 1.9% increase in June. The growth rate was the fastest on record going back to 1978, the government said. It was also the second straight month of gains after having hit its lowest level in May since the global financial crisis. Manufacturers surveyed by METI expect output to increase 4.0% in August and grow 1.9% in September. METI officials said industrial output will continue to improve but activity would remain below pre-crisis levels for some time. The officials said they were closely watching the impact of a resurgence in coronavirus infections. Compared with a year earlier, output was down 16.1%. (Reuters)

- **Senior China diplomat says it's possible to agree EU – China investment accord by 2020-end** – The Chinese government's top diplomat, State Councillor Wang Yi, said on Sunday it was possible to conclude an EU-China investment accord by the end of 2020. "I am thinking of the investment agreement. We have the possibility of concluding it before the end of the year. It is important more than ever to take a step," Wang Yi said, speaking at the IFRI think tank in Paris, via an interpreter. (Reuters)
- **China's slower factory growth eclipsed by robust services in boost to economic recovery** – China's factory activity grew at a slower pace in August as floods across southwestern China disrupts production, but the services sector expanded at a solid rate in a boost to the economy as it continues to recover from the coronavirus shock. The world's second-biggest economy has largely managed to bounce back from the health crisis, though intensifying Sino-US tensions over a range of issues and the global demand outlook remain a risk factor. The official manufacturing Purchasing Manager's Index (PMI) fell slightly to 51 in August from 51.1 in July, data from the National Bureau of Statistics showed on Monday. It remained above the 50-point mark that separates growth from contraction on a monthly basis. Analysts had expected it to pick up a touch to 51.2. China's vast industrial sector is steadily returning to the levels seen before the pandemic paralyzed huge swathes of the economy, as pent-up demand, stimulus-driven infrastructure expansion and surprisingly resilient exports propel a recovery, but the recovery remains uneven. A sub-index for the activity of small firms stood, however, at 47.7 in August, down from July's 48.6, with over half of them reporting a lack of market demand and more than 40% of them reporting financial strains, Zhao Qinghe, a senior statistician with the NBS, said in a separate statement. (Reuters)
- **PMI: Growth in China's services sector accelerates in August** – Activity in China's services sector expanded at a much faster pace in August, official data showed on Monday, as demand across the economy continues to recover from a coronavirus-

induced slump. The official non-manufacturing Purchasing Managers' Index (PMI) rose to 55.2 from 54.2 in July, data from the National Bureau of Statistics (NBS) showed. The 50-point mark separates growth from contraction on a monthly basis. China's services sector, which includes many smaller, private companies, has been slower to recover from the health crisis than manufacturing, with heavy job losses, pay cuts and fears of a second wave of infections keeping consumers cautious. The official August composite PMI, which includes both manufacturing and services activity, rose to 54.5 from July's 54.1. (Reuters)

- **China's new tech export controls could give Beijing a say in TikTok sale** – China's new rules around tech exports mean ByteDance's sale of TikTok's US operations could need Beijing's approval, a Chinese trade expert told state media, a requirement that would complicate the forced and politically charged divestment. ByteDance has been ordered by President Donald Trump to divest short video app TikTok in the US amid security concerns over the personal data it handles. Microsoft Corp and Oracle Corp are among the suitors for the assets, which also includes TikTok's Canada, New Zealand and Australia operations. However, China late on Friday revised a list of technologies that are banned or restricted for export for the first time in 12 years. Cui Fan, a professor of international trade at the University of International Business and Economics in Beijing, said the changes would apply to TikTok. China's Ministry of Commerce added 23 items - including technologies such as personal information push services based on data analysis and artificial intelligence interactive interface technology - to the restricted list. It can take up to 30 days to obtain preliminary approval to export the technology. (Reuters)
- **Brazil says is confident US steel quota to be lifted in time** – Brazil believes steel import quotas recently imposed upon the nation by the US will be lifted as market conditions improve, the foreign ministry said in a statement on Saturday. Late on Friday, the White House announced that it was re-imposing import quotas on certain Brazilian steel products, as domestic producers deal with a slumping market. In Brazil's Saturday statement, the foreign ministry acknowledged the decision, adding that dialogue over the matter would resume in December. "The Brazilian government maintains a strong belief that the recovery of the US steel sector, frank and constructive dialogue regarding the matter - to be taken back up in December - and the exceptional quality of bilateral relations will allow the full re-establishment and even intensification of trade in semi-finished steel," the ministry said. (Reuters)

Regional

- **Saudi Arabia reserves grew in July from lowest level since 2010** – Saudi Arabia's net foreign assets rose slightly in July even as crude prices lingering below \$50 a barrel kept the coffers of the world's largest oil exporter under pressure. The stockpile grew by \$429mn, a rise of around 0.1%, according to a monthly report from the Saudi Arabian Monetary Authority (SAMA). Reserves in June had fallen to SR1.66tn, the lowest level since 2010. Officials attributed a record cumulative decline of more than \$47bn in March and April to a \$40bn transfer from SAMA to the Sovereign wealth fund, intended to support investments abroad to take advantage of market turmoil during the coronavirus

pandemic. Saudi Arabia has suffered from a simultaneous decline in oil and non-oil revenue this year as the global pandemic combined with lower energy prices to jolt the Kingdom's public finances. Officials have taken unprecedented measures in response, including tripling value-added tax. The government could still face a budget deficit of over 13% of GDP in 2020, according to the median of forecasts compiled by Bloomberg. Finance Minister, Mohammed Al-Jadaan has said the Kingdom will double its borrowing plans this year to soften the impact on the state's reserves, which it needs to maintain above a certain level to support the kingdom's currency peg to the dollar. (Bloomberg)

- **Saudi Aramco makes new oil and gas discoveries** – Saudi Aramco has discovered two new oil and gas fields in the northern region of Abraq al-Toloul and al-Jof. According to the Saudi Minister of Energy, Prince Abdulaziz bin Salman Al-Saud, the new oil field in Abraq al-Toloul, flows with a daily rate of 3,189 bpd of crude oil, along with 1.1mn cubic feet of natural gas, SPA reported. The natural gas from al-Sarara reservoir in the Haddah al-Hajrah field flows at a rate of 16mn standard cubic feet per day, along with 1,944 barrels of condensates. Aramco will continue to assess quantities of oil, gas and condensate in the two fields, besides digging more wells to determine their area and size, SPA reported citing the minister. Aramco's profit plunged 73% in the second quarter of the year due to lower crude oil prices and plunging refining and chemicals margins as COVID-19 hit demand and sales. Second quarter net profit was down at \$6.57bn compared to SR92.6bn in the same quarter last year. However the company still plans to pay \$75bn in dividends this year (Bloomberg, Zawya)
- **Saudi's foray into derivatives to boost kingdom's capital market** – Saudi Arabia's stock exchange (Tadawul) has officially entered the derivatives marketplace, a move that is seen to boost the Kingdom's capital market. The Saudi Stock Exchange announced on Sunday that it has launched its first Derivatives Market and a clearing house, the Securities Clearing Centre Company (Muqassa). In a statement, the exchange also unveiled the first exchange-traded derivatives product, which is called the MT30 Index Futures. The new product is an index futures contract based on the MSCI Tadawul 30 Index (MT30). The exchange also plans to roll out more derivatives products, including the Single Stock Futures, Single Stock Options and Index Options. The launch of the derivatives market is considered to be a vital move that will provide investors more exposure to the Saudi capital market. It is part of the key initiatives under the Saudi Vision 2030. "This is a significant step in introducing sophisticated market products and creating a trading environment that is attractive to local as well as international investors," Tadawul's CEO, Khalid Alhussan said. "The launch of Derivatives Market will provide investors with hedging tools to more effectively manage risk and gives expanded opportunities to gain exposure to the Saudi capital market, the largest and most liquid market in the region," Alhussan added. Both the derivatives market and the clearing house are running on Nasdaq's market technology, which currently powers more than 250 of the world's market infrastructure organisations and market participants. As of this year, the Saudi stock market is considered the largest largest

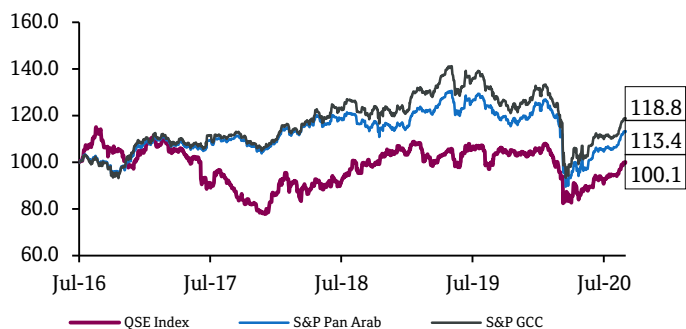
stock markets among the 67 members of the World Federation of Exchanges. (Zawya)

- **UAE ranks first among GCC countries in oil diversification efforts** – The UAE has ranked first in economic diversification in the GCC and 16th in global rankings for ease of doing business; climbing up 12 spots within a period of five years, according to a UBS report released by the UBS Global Wealth Management's Chief Investment Office on investing in emerging markets after the Covid-19 pandemic. While the UAE is already home to a diversified range of industries including, among others, metals, pharma, food and beverages, and transportation, defense, and aerospace equipment, it has set clear strategies on promoting robotics and advanced manufacturing techniques to better position the local economy for the future. Keeping supply chains functioning, the crucial pillar of food security, although already at the top of authorities' minds, even before the pandemic, has been successfully addressed during these challenging times, emphasising the government's focus on the localisation of food production, which will help to diversify the supply mix and can offer wide-ranging investment opportunities. (Zawya)
- **Dubai said to be in talks with banks for dollar Sukuk sale** – Dubai is in talks with banks for a possible sale of Islamic bonds in dollars, sources said, as it seeks ways to shore up its finances. The Sheikhdum last week sent a request for proposals for a benchmark Sukuk offering, sources said. A final decision has not been made and Dubai may decide not to tap the market. If Dubai does tap the market, it would follow other governments from the Gulf that have sold dollar debt or started the process since the spread of the coronavirus. Abu Dhabi, the capital of the UAE, raised \$5bn in a three-part offering last week while Bahrain is planning a return to the dollar debt market, according to sources. (Bloomberg)
- **Waha Capital starts Islamic fund at \$500mn expected capacity** – Waha Islamic Income Fund SP to invest in Shari'ah-compliant assets across Sukuk and equity markets, company said. It will look for investments globally, and the fund will be open-ended. It takes company's total funds to four under asset management business. (Bloomberg)
- **Exports, re-exports by Sharjah-based Indian companies at \$1.5bn** – The value of exports and re-exports by Sharjah-based Indian companies reached nearly \$1.5bn in 2019, according to the Emirate's FDI Office. Invest in Sharjah (IIS), an investment promotion agency, has called for an increase in bilateral relations between the UAE and India, highlighting the emirate's strategic location and cost-effectiveness for trade. (Zawya)
- **Kuwait finance ministry to mull halving \$66bn debt ceiling** – Kuwait's government will study an idea to lower by half the ceiling on public debt as part of proposed amendments to a law it has struggled to push through parliament, Finance Minister, Barak Al-Sheetan said. The finance and economic committee has also suggested reducing the period for borrowing, Al-Sheetan said Sunday after meeting lawmakers. The panel has proposed reducing the limit from \$66bn to KD10bn, the committee's Head, Safa Al-Hashem said. Kuwait warns money for Wages Running Out as Debt Law Delayed. Liquid assets in Kuwait's Treasury will soon be depleted if oil prices do not improve and if the government cannot borrow in local and

international markets, the minister has said. The draft bill currently allows for the sale of 30-year bonds over 10 years from the approval date. (Bloomberg)

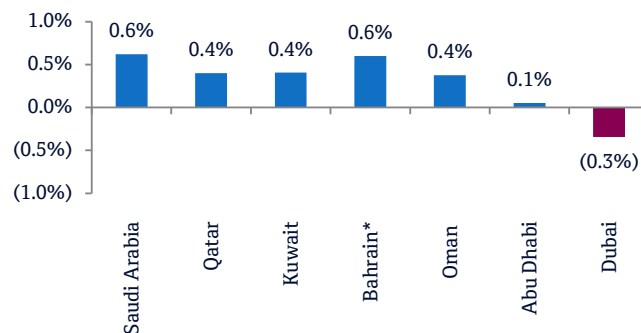
- **Bahrain plans return to debt market with mix of bonds, Sukuk** – Bahrain is planning to return to the dollar bond market, according to people familiar with the matter, as the country faces one of the world's biggest budget deficits this year. The Gulf nation sent a request for proposals to banks seeking to offer a benchmark-size issue, the sources said. Benchmark typically means at least \$500mn equivalent. The sale may include a mix of conventional bonds and Islamic securities known as Sukuk, the sources said. Should the Kingdom proceed with the plan, it would follow Abu Dhabi, the capital of the UAE, which raised \$5bn in a three-part offering last week. Bahrain is under fiscal strain despite a \$10bn bailout package pledged by its wealthier neighbors in 2018. The smallest among economies of the six GCC members, Bahrain is on course to rack up a deficit that the International Monetary Fund projects will be among the world's 10 biggest this year at 15.7% of GDP. In May, the government sold \$2bn in 10-year notes and 4.5-year Islamic securities, becoming the lowest-rated country to sell dollar bonds since the market hiatus triggered by the Covid-19 pandemic. The yield on Bahrain's \$1bn bond due 2030 dropped this month to the lowest level since its pricing in May. It may need to raise as much as \$1bn in the second half of the year, according to Dubai-based Arqaam Capital. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg (*Data as of August 27, 2020)

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,964.83	1.8	1.3	29.5
Silver/Ounce	27.50	1.8	2.7	54.1
Crude Oil (Brent)/Barrel (FM Future)	45.05	(0.1)	1.6	(31.7)
Crude Oil (WTI)/Barrel (FM Future)	42.97	(0.2)	1.5	(29.6)
Natural Gas (Henry Hub)/MMBtu	2.46	(2.4)	6.0	17.7
LPG Propane (Arab Gulf)/Ton	51.38	1.7	1.7	24.6
LPG Butane (Arab Gulf)/Ton	54.75	3.8	9.0	(17.5)
Euro	1.19	0.7	0.9	6.2
Yen	105.37	(1.1)	(0.4)	(3.0)
GBP	1.34	1.2	2.0	0.7
CHF	1.11	0.5	0.8	7.0
AUD	0.74	1.5	2.8	4.9
USD Index	92.37	(0.7)	(0.9)	(4.2)
RUB	74.02	(1.3)	(1.0)	19.4
BRL	0.19	3.3	4.3	(25.4)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,456.86	0.6	2.7	4.2
DJ Industrial	28,653.87	0.6	2.6	0.4
S&P 500	3,508.01	0.7	3.3	8.6
NASDAQ 100	11,695.63	0.6	3.4	30.3
STOXX 600	368.80	0.3	2.0	(6.1)
DAX	13,033.20	0.3	3.1	4.3
FTSE 100	5,963.57	0.5	1.3	(20.6)
CAC 40	5,002.94	0.5	3.2	(11.4)
Nikkei	22,882.65	(0.2)	0.3	(0.1)
MSCI EM	1,121.60	0.4	2.7	0.6
SHANGHAI SE Composite	3,403.81	2.0	1.5	13.2
HANG SENG	25,422.06	0.6	1.2	(9.4)
BSE SENSEX	39,467.31	1.8	5.2	(6.9)
Bovespa	102,142.90	4.5	3.8	(34.8)
RTS	1,265.62	0.1	0.3	(18.3)

Source: Bloomberg (*\$ adjusted returns)

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