

PRE-MARKET REPORT

22 August 2021

| Market Indices | Current Close | | Change | D/D | YTD | Price to Earnings | Price to Book | Div Yield |
|--------------------------|---------------|---------|--------|--------|-------|-------------------|---------------|-----------|
| | Index | Point | Point | % | % | (x) | (x) | % |
| MSCI GCC Index | 701.44 | 0.01 | 0.00% | 23.12% | 20.40 | 2.14 | 2.6% | |
| S&P GCC Comp PR USD | 144.55 | 0.00 | 0.00% | 26.72% | 22.46 | 2.06 | 2.5% | |
| Muscat Stock Exchange | 3,984.12 | 1.05 | 0.03% | 8.89% | 12.70 | 0.79 | 3.9% | |
| Saudi Stock Exchange | 11,201.64 | -143.30 | -1.26% | 28.91% | 27.10 | 2.39 | 2.3% | |
| Kuwait Stock Exchange | 6,655.20 | -13.02 | -0.20% | 20.00% | 31.33 | 1.66 | 1.8% | |
| Qatar Exchange | 11,033.44 | 37.31 | 0.34% | 5.73% | 16.78 | 1.61 | 2.7% | |
| Bahrain Stock Exchange | 1,638.10 | 1.40 | 0.09% | 9.96% | 11.55 | 0.82 | 3.4% | |
| Dubai Financial Market | 2,834.87 | -3.37 | -0.12% | 13.76% | 20.93 | 0.97 | 2.7% | |
| Abu Dhabi Exchange | 7,630.22 | 10.01 | 0.13% | 51.23% | 23.47 | 2.18 | 3.0% | |
| Palestine Stock Exchange | 574.65 | 0.84 | 0.15% | 21.94% | 18.77 | 1.35 | 2.2% | |
| Tunis Se Index | 7,322.92 | 9.89 | 0.14% | 6.36% | 24.78 | 2.40 | 2.2% | |
| EGX 30 Index | 10,808.70 | -99.26 | -0.91% | -0.34% | 9.89 | 1.52 | 1.5% | |
| Amman General Index | 2,010.47 | -5.12 | -0.25% | 21.32% | 23.32 | 0.85 | 3.5% | |

| World Markets | Country | Value | D/D | YTD |
|---------------------------|----------|----------|--------|--------|
| | | | % | % |
| Europe | | | | |
| FTSE 100 | UK | 7,087.9 | 0.41% | 9.71% |
| DAX | Germany | 15,808.0 | 0.27% | 15.23% |
| CAC 40 | France | 6,626.1 | 0.31% | 19.36% |
| United States | | | | |
| DJIA | USA | 35,120.1 | 0.65% | 14.75% |
| S&P 500 | USA | 4,441.7 | 0.81% | 18.25% |
| NASDAQ | USA | 14,714.7 | 1.19% | 14.17% |
| Asia Pacific | | | | |
| NIKKEI 225 | Japan | 27,013.3 | -0.98% | -1.57% |
| HANG SENG | Hongkong | 24,849.7 | -1.84% | -8.75% |
| KSE 100 Index | Pakistan | 47,599.8 | 0.72% | 8.79% |
| NSE Nifty 50 | India | 16,450.5 | -0.71% | 17.66% |
| SHANGHAI COMPOSITE | China | 3,427.3 | -1.10% | -1.32% |
| SHANGHAI SHENZHEN CSI 300 | China | 4,769.3 | -1.91% | -8.48% |

| Currency Cross Rates | Units/1 USD | YTD % |
|-------------------------|-------------|---------|
| Currency | | |
| Australian Dollar (AUD) | 1.401 | 7.80% |
| British Pound (GBP) | 0.734 | 0.30% |
| Canadian Dollar (CAD) | 1.282 | -0.75% |
| Chinese Renm. (CNH) | 6.500 | 0.04% |
| Egyptian Pound (EGP) | 15.691 | 0.23% |
| Euro (EUR) | 0.855 | 4.41% |
| Indian Rupee (INR) | 74.396 | -1.79% |
| Japanese Yen (JPY) | 109.780 | -5.95% |
| Swiss Franc (CHF) | 0.917 | -3.48% |
| Omani Rial (OMR) | 0.385 | 0.00% |
| Pakistan Rupee (PKR) | 164.116 | -2.61% |
| Russian Ruble (RUB) | 74.272 | 0.19% |
| Singapore Dollar (SGD) | 1.362 | -2.95% |
| Turkish Lira (TRY) | 8.496 | -12.42% |

| Commodity Prices | Price | D/D | YTD |
|-------------------------------|---------|--------|---------|
| | | USD | % |
| Oil | | | |
| Brent Crude (per bbl) | 65.2 | -1.91% | 27.68% |
| WTI Crude (per bbl) | 62.1 | -2.14% | 28.07% |
| Oman Crude Oil (Last Closing) | 64.4 | -1.98% | 26.13% |
| OPEC (per bbl) | 66.1 | -4.67% | 31.53% |
| Precious Metals | | | |
| Gold100 OZ (per oz) | 1,781.1 | 0.04% | -6.18% |
| Silver (per oz) | 23.0 | -0.97% | -12.79% |
| Platinum (per oz) | 997.1 | 2.09% | -7.00% |
| Other Metals | | | |
| Copper, MT | 9,037 | 1.61% | 16.37% |
| Aluminium, MT | 2,547 | 0.04% | 28.64% |
| Lead, MT | 2,251 | -0.40% | 12.89% |
| Zinc, MT | 2,929 | -0.78% | 6.45% |

| GCC 3m Interbank Rates | Current Rate % | YTD % |
|------------------------|----------------|--------|
| UAE | 0.34 | -32.8% |
| Saudi Arabia | 0.80 | -2.7% |
| Kuwait | 1.50 | 4.3% |
| Oman | 2.12 | -20.9% |
| Qatar | 0.99 | -11.6% |
| Bahrain | 1.59 | -29.3% |

| GCC Latest 10-Yr Government Bond Yields | | |
|---|---------------|--------|
| | Maturity date | YTM, % |
| KUWAIT | 20/03/2027 | 1.24 |
| UAE | 16/04/2030 | 1.84 |
| QATAR | 16/04/2030 | 1.96 |
| SAUDI ARABIA | 22/10/2030 | 2.13 |
| OMAN | 25/01/2031 | 5.25 |
| BAHRAIN | 30/09/2031 | 5.76 |

| Midswaps | Price | YTM % |
|----------|--------|-------|
| 3 year | 99.80 | 0.4 |
| 5 year | 99.24 | 0.8 |
| 10 year | 99.95 | 1.3 |
| 30 year | 103.00 | 1.9 |

| USD Libor | Rate (%) | YTD |
|-----------|----------|--------|
| 1m | 0.09 | -40.3% |
| 3m | 0.13 | -46.1% |
| 6m | 0.15 | -40.8% |
| 1 year | 0.24 | -30.8% |

GCC CORPORATE NEWS & DISCLOSURES

SAUDI ARABIA

United Cooperative's shareholders nod to offset accumulated losses

- The shareholders of United Cooperative Assurance Company gave the green light to use SAR 31.94 million from the statutory reserves to offset part of the accumulated losses.
- The company aims to reduce the accumulated losses as registered on 31 March 2021 to SAR 105.07 million, representing 26% of the capital, according to a bourse disclosure on Thursday.
- This is instead of the amount of SAR 137.01 million which represents 34% of the capital.
- The company earlier received the Saudi Central Bank's (SAMA) approval to offset part of the accumulated losses by SAR 31.94 million from the statutory reserve.
- United Cooperative has disclosed its financial results for the first half (H1) of 2021 which showed that the accumulated losses reached SAR 145.54 million, accounting for 36% of the SAR 400 million capital, at the end of June this year.

Advanced in talks with local banks for \$1.2 bln loan to finance Jubail project: report

- Advanced Petrochemical Co. is in talks with local bank to secure a loan for Jubail project, CNBC Arabia reported, citing unnamed sources with knowledge of the matter.
- Banks will provide nearly \$1.2 billion finance for the project, while the remaining value will be financed by the Saudi Industrial Development Fund (SIDF) and liquidity by shareholders. The project will be 70% financed through debt, the sources said.
- The company asked banks to defer the repayment of 10% of the loan if market prices declined going forward after repayment of the principal loan.

Comment: The company had earlier said the petrochemical company will finance the construction of its propylene and polypropylene plants in Jubail Industrial City II, through SAR 7 billion loans from the Saudi Industrial Development Fund (SIDF) and other local banks.

Canadian Medical Center Co. Announces an update on the distribution of cash dividend for the first half of 2021

- The company would like to clarify to shareholders that the dividend date announced in the previous announcement has been updated to twelve working days after the date of the General Assembly

Kingdom Holding 2Q Profit 412.2M Riyals

- Kingdom Holding reported profit for the second quarter of 412.2 million riyals vs. loss 1.13 billion riyals y/y.
- Revenue 421.5 million riyals, +96% y/y
- Operating profit 536.5 million riyals vs. loss 1.00 billion riyals y/y
- Cites increase in share of results from equity-accounted investees, decrease in impairment of equity-accounted investees
- Also cites increase in dividend income, increase in hotels and other operating revenues, decrease in hotels and other operating costs as reasons for net profit growth

Shaker net profit soars to SAR 15.1 mln in H1 2021

- Al Hassan Ghazi Ibrahim Shaker Co. (Shaker) reported a net profit after Zakat and tax of SAR 15.1 million for the first half of 2021, a rise of more than three times from SAR 4.4 million a year earlier.
- The profit surge was driven by an 18.2% rise year-on-year (YoY) in revenue. Gross profit also grew by 17.2% YoY, while finance costs dropped 32.2% YoY.
- Operating profit improved to SAR 16 million in H1 2021 compared to SAR 3.4 million a year earlier
- In Q2 2021, net profit after Zakat and tax climbed 15% to SAR 8.8 million from SAR 7.6 million in the year-ago period, thanks to a 8.1% YoY revenue growth. Gross profit also increased by 17.7% YoY.
- Sequentially, Shaker's net profit after Zakat and tax skyrocketed 92.9% from SAR 4.5 million.

Arabian Pipes' H1-21 profits shrink 66%

- Arabian Pipes Company suffered net losses after Zakat and tax worth SAR 12.1 million in the first half (H1) of 2021, a plunge of 66% from SAR 35.7 million in SAR H1-20.
- The loss per share increased to SAR 0.3 in H1-21 from SAR 0.89 in H1-20, according to a bourse disclosure on Thursday.

- Revenues jumped by 126.6% to SAR 253.4 million in the January-June 2021 period from SAR 111.8 million in the same six months last year.
- At the end of June 2021, the accumulated losses reached SAR 323.1 million, representing 80.7% of the SAR 400 million capital.
- As for the second quarter (Q2) of 2021, Arabian Pipes posted a decrease of 30% in net losses to SAR 13.1 million from SAR 18.8 million in Q2-20.
- Revenues grew by 173% to SAR 124.1 million in Q2-21 from SAR 45.4 million in Q2-20.
- On a quarterly basis, the company turned to losses in Q2-21 from net profits worth SAR 1 million in Q1-21, while the revenues declined by 4% from SAR 129.3 million.

Emaar The Economic City's H1-21 losses narrow; accumulated losses hit SAR 3bn

- Emaar The Economic City logged almost 25% lower net losses after Zakat and tax worth SAR 372 million in the first half (H1) of 2021, compared to SAR 486 million in H1-20.
- The loss per share declined to SAR 0.44 in H1-21 from SAR 0.57 in H1-20, according to a bourse filing on Thursday.
- Revenues plunged by 50.5% to SAR 172 million from SAR 348 million in H1-20.
- At the end of June 2021, the accumulated losses totalled SAR 3.02 billion, representing 35.61% of the SAR 8.5 billion capital.
- As for the second quarter (Q2) of 2021, Emaar The Economic City reported 13% lower net losses at SAR 178 million from SAR 205 million in Q2-20.
- The revenues decreased by 38.4% to SAR 88 million in Q2-21 from SAR 143 million in Q2-20.
- On a quarterly basis, the net losses fell by 8% in Q2-21 from SAR 194 million in Q1-21, while the revenues increased by 4.7% from SAR 84 million.

Amana Cooperative Insurance Co. announced loss of SAR 39.44mn for 2Q21

- The Company's accumulated losses of SAR SAR 92 million as of 30 June 2021 which are 75.67% (31 December 2020: 61.46%) of the Company's share capital, and as of the same date, the Company's solvency has reached -5.85% (31 December 2020: 45%), and as of 18/08/2021 the Board of Directors of the company are notified of the accumulated losses.
- These events and conditions indicate a material uncertainty on the Company's ability to continue as a going concern. However, various strategic options, including capital restructuring, are being implemented by the Board of Directors to ensure the Company's going concern.
- In this connection, on 23 May 2021, the Company has reduced its share capital from SR 240 million to SR 130 million to absorb the accumulated losses of the Company after completing the regulatory requirements as per the Capital Market Law and its Implementing Regulations to absorb losses.

United International Transportation Co. (Budget Saudi) announced profit of SAR 56.25mn for 2Q21

- The increase in profit is mainly due to improved short-term rental revenue, which was low in the same quarter last year due to total and partial Covid-19 lockdown.
- The increase in the current quarter is due to the improvement in the long-term rental revenue and better control over the direct expenses.
- The increase in profit is mainly due to improved short-term and long-term rental revenue along with significant improvement in the gain from used vehicles, which was comparatively low in the same period last year due to total and partial Covid-19 lockdown, especially in the second quarter of 2020

Tanmiah Food Co. announced net profit of SAR 3.4mn

- Revenue in 1H21 increased by 27.6% year-on-year to SAR 734.9 million, and by 30.8% to SAR 366.5 million in the second quarter compared to Q2 2020, driven mainly by higher volumes of fresh poultry and further processed products sales. This reflects continued growth in production and expansion of the customer base.
- During 1H21 the Company was impacted by two major factors. Input costs increased as international grain prices on commodity markets grew significantly. Secondly, a lower subsidy received during reported period.
- Net Income was SAR 3.4 million in the second quarter of fiscal year 2021, which compares to SAR 10.5 million in the second quarter of 2020. First half 2021 net income of SAR 22.2 million compares to SAR 26.5 million same period last year.

Alkhaleej Training and Education Co. announced net profit of SAR 49.84mn

- The increase in net profit for the current quarter of the year as compared to the previous quarter is due to the increase in the revenues as well as the results improved for the Training and Call center sectors.
- The decrease in net profit for the current quarter as compared to the same quarter of previous year is because there was SANED subsidy as well as the GNA and marketing cost also increased during the second quarter of current year as compared to the same quarter of last year.

UAE

Adnoc Distribution to be included in FTSE Emerging Markets Index

- Adnoc Distribution, the UAE's largest fuel retailer, will be included in the FTSE Emerging Markets Index as of the close of business on September 16, 2021, the company said on Sunday.
- Its inclusion, which comes after it was added to the MSCI Emerging Markets Index last year, is subject to final confirmation by the FTSE on September 6, Adnoc Distribution said in a statement to the Abu Dhabi Securities Exchange, or ADX, where its shares are traded.
- The FTSE Emerging Markets Index is an international equity index that tracks stocks from emerging markets globally and includes large and mid-cap securities.

Comment: This move gives Adnoc the opportunity to attract more foreign investors to the company and to diversify its shareholder base. It will also give a bigger exposure to the company in larger markets.

MSCI Upgrades ADCB ESG Rating To 'Aa' Driven By Leading Digital Transformation Initiatives To Support Small Businesses

- Abu Dhabi Commercial Bank PJSC (ADCB) has received an upgrade in its MSCI ESG rating to 'AA' from 'A' driven by "leading digital transformation initiatives" to support small businesses as well as its robust customer data protection and information security practices.
- Following the upgrade, ADCB is now ranked by MSCI as a global "leader" and in the top 29% of companies included in the MSCI ACWI global equity index for managing environmental, social and governance (ESG) risks and opportunities.
- ADCB's strong performance in the "social" aspect played an important role in the rating upgrade. MSCI highlighted the Bank's digital services, particularly those supporting small businesses during the global pandemic. ADCB remains committed to serving under-banked segments of the economy and operates a dedicated division catering to the needs of new start-ups and microbusinesses.

QATAR

SEMI-ANNUAL REVIEW OF FTSE RUSSELL INDICES SEPTEMBER 2021

- Qatar Stock Exchange would like to announce that the results of FTSE Semi-Annual Index Review published on August 20th 2021 will be effective on 16th September 2021 (after the close). The details of the semi-annual review are as follows:
- Reclassifications:
 - Qatar Fuel: reclassified from FTSE Large Cap Index to Mid Cap Index
 - Qatar Electricity & Water Company: from Large Cap to Mid Cap
- Additions and deletions:
 - **Baladna:** Addition to FTSE Micro Cap Index
 - **Doha Insurance Group:** Addition to FTSE Micro Cap Index
 - **Qatar Industrial Manufacturing:** Addition to FTSE Micro Cap Index
- To view FTSE Russell press release, [click here](#)

ECONOMIC & GENERAL NEWS

OMAN

Oman to launch electricity spot market by year-end

Oman Power and Water Procurement Company (OPWP) is preparing to launch the commercial operations of the Middle East's first electricity spot market by the end of 2021. The development phase of the Market Management System (MMS) required for the electricity spot market has been completed, OPWP said in its annual report.

[Source](#)

Mega Omani mining block found to be resource-rich

A mammoth 3,314 sq kilometre mining block located in the southeast of the Sultanate has yielded evidence of prodigious quantities of high quality mineral ores comprising gypsum, limestone, dolomite and attapulgitite, according to a new report.

[Source](#)

MIDDLE EAST

UAE's ADNOC Distribution will be included in FTSE Emerging Markets Index

ADNOC Distribution will be included in the FTSE Emerging Markets (EM) Index, from 16 Sept. 2021, after final confirmation by FTSE on 6 Sept. The inclusion is expected to increase the attractiveness of ADNOC Distribution's shares to potential international investors and further diversify its overall investor base and attract foreign inflows, Abu Dhabi Securities Exchange (ADX) listed company said in a bourse filing.

[Source](#)

Saudi Arabia looks for free trade agreement with 11 countries in exports push

Saudi Arabia is looking for more trading partners under free trade agreements as the country aims at increasing non-oil exports share in GDP. The kingdom is resuming negotiations for free trade agreements with 11 countries, Okaz paper reported, citing a circular by the Federal of Saudi Chambers (FSC) to all chambers of commerce operating in the Kingdom, based on a directions of the General Authority for Foreign Trade (GAFT)

[Source](#)

Saudi Arabia ranks first in four entrepreneurship indicators

The Kingdom celebrated World Entrepreneur's Day 2021 by recording success in four international entrepreneurship indicators.

[Source](#)

Ooredoo, CK Hutchison extend negotiation period to combine Indonesian businesses

National Mobile Telecommunications Company (Ooredoo) and CK Hutchison Holdings Limited (CK Hutchison) have extended the period of exclusivity for the non-legally binding Memorandum of Understanding (MoU) for a possible transaction to combine PT Indosat Tbk (Indosat) and PT Hutchison 3 Indonesia (3 Indonesia)

[Source](#)

INTERNATIONAL

Crypto exchange Binance imposes stricter controls in bid to improve AML

Binance, the World's largest cryptocurrency exchange, said it was bringing in stricter customer checks for anti-money laundering requirements with immediate effect, Reuters reported.

[Source](#)

Griffin's Citadel plans to redeem \$500 mln from Melvin Capital - WSJ

Griffith Griffin's Citadel LLC and Citadel partners are planning to redeem about \$500 million of the \$2 billion they invested in Melvin Capital, the Wall Street Journal reported on Saturday, citing people familiar with the matter.

[Source](#)

COMMODITIES

EXCLUSIVE EPA to urge U.S. biofuel blending mandates below 2020 levels, sources say The U.S. Environmental Protection Agency is expected to recommend to the White House reducing federal biofuel blending mandates for 2021 to below 2020 levels in what would be a blow to the biofuels industry, two sources familiar with the matter said on Friday.

[Source](#)

CHART / TABLE OF THE DAY

Brent oil price has been under pressure since July and Fed's meeting minutes have put further pressure on it last week; Closed at USD 65.2/bl, down about 16% from year's high seen in early July...

Brent Crude (CO1 Comdty) Price, USD/barrel



