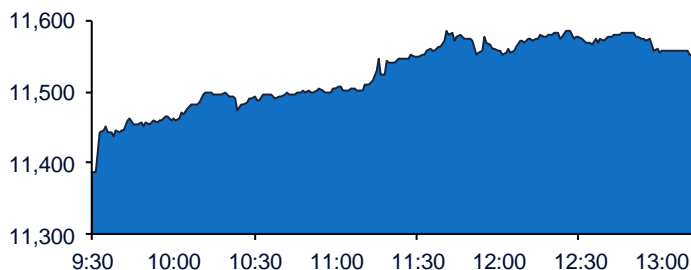


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 1.5% to close at 11,552.4. Gains were led by the Banks & Financial Services and Real Estate indices, gaining 1.6% each. Top gainers were Investment Holding Group and Qatar Aluminium Manufacturing Co., rising 5.2% and 4.1%, respectively. Among the top losers, Qatar Cinema & Film Distribution fell 8.8%, while Qatar General Ins. & Reins. Co. was down 7.0%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.8% to close at 10,850.0. Gains were led by the Retailing and Media & Entertainment indices, rising 2.3% and 1.6%, respectively. Maadaniyah rose 9.9%, while Sadr Logistics Co. was up 8.7%.

Dubai: The Market was closed as on December 01, 2021.

Abu Dhabi: The Market was closed as on December 01, 2021.

Kuwait: The Kuwait All Share Index gained 2.1% to close at 6,929.4. The Financial Services index rose 2.5%, while the Banks index gained 2.4%. IFA Hotels & Resorts Co. and GFH Financial Group were up 14.4% and 10.8% respectively.

Oman: The MSM 30 Index gained 0.2% to close at 4,007.5. Gains were led by the Industrial and Financial indices, rising 0.4% and 0.2%, respectively. Oman Fisheries Company was up 8.8%, while Voltamp Energy rose 7.7%.

Bahrain: The BHB Index gained 1.1% to close at 1,748.6. The Financials index rose 1.7%, while the other indices were either flat or in red. GFH Financial Group rose 7.8%, & Ahli United Bank was up 2.8%.

Market Indicators	01 Dec 21	30 Nov 21	%Chg.
Value Traded (QR mn)	613.8	1,037.9	(40.9)
Exch. Market Cap. (QR mn)	663,392.0	653,934.1	1.4
Volume (mn)	230.8	196.5	17.5
Number of Transactions	17,429	15,371	13.4
Companies Traded	47	44	6.8
Market Breadth	35:12	17:26	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	22,868.71	1.5	(2.0)	14.0	16.1
All Share Index	3,653.62	1.2	(2.2)	14.2	16.6
Banks	4,911.14	1.6	(2.2)	15.6	15.2
Industrials	3,944.97	1.4	(3.7)	27.3	16.3
Transportation	3,569.74	0.8	0.5	8.3	17.8
Real Estate	1,801.85	1.6	(1.0)	(6.6)	15.5
Insurance	2,553.77	(2.0)	(1.1)	6.6	15.2
Telecoms	1,032.97	1.0	(1.7)	2.2	N/A
Consumer	8,149.73	(0.3)	(0.9)	0.1	21.7
Al Rayan Islamic Index	4,763.60	1.6	(1.2)	11.6	18.7

GCC Top Gainers###	Exchange	Close#	1D%	Vol. '000	YTD%
Banque Saudi Fransi	Saudi Arabia	43.45	8.1	597.8	37.5
Qatar Aluminum Mfg.	Qatar	1.89	4.1	18,328.6	94.9
United Electronics Co	Saudi Arabia	130.00	3.2	136.8	50.3
Masraf Al Rayan	Qatar	4.99	2.9	41,740.5	10.2
Mobile Telecom. Co.	Kuwait	0.59	2.8	3,194.1	(3.5)

GCC Top Losers###	Exchange	Close#	1D%	Vol. '000	YTD%
National Petrochemical	Saudi Arabia	38.70	(3.3)	220.0	16.4
Arabian Centres Co. Ltd	Saudi Arabia	20.00	(2.3)	2,580.0	(20.2)
Riyad Bank	Saudi Arabia	27.35	(2.3)	1,321.9	35.4
Bank Dhofar	Oman	0.13	(2.3)	600.0	30.9
Emaar Economic City	Saudi Arabia	10.88	(1.8)	3,309.0	18.1

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%
Investment Holding Group	1.32	5.2	46,224.3	120.4
Qatar Aluminium Manufacturing	1.89	4.1	18,328.6	94.9
Gulf International Services	1.89	3.2	19,481.8	10.1
Masraf Al Rayan	4.99	2.9	41,740.5	10.2
Widam Food Company	3.81	2.8	559.8	(39.8)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Investment Holding Group	1.32	5.2	46,224.3	120.4
Masraf Al Rayan	4.99	2.9	41,740.5	10.2
Salam International Inv. Ltd.	0.90	2.2	25,549.9	38.4
Gulf International Services	1.89	3.2	19,481.8	10.1
Qatar Aluminium Manufacturing	1.89	4.1	18,328.6	94.9

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatar Cinema & Film Distribution	3.48	(8.8)	8.4	(13.0)
Qatar General Ins. & Reins. Co.	1.93	(7.0)	1.2	(27.4)
Qatar Islamic Insurance Company	7.76	(2.1)	23.8	12.4
Qatar Insurance Company	2.46	(1.5)	435.1	4.2
Medicare Group	8.32	(1.0)	172.8	(5.9)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Masraf Al Rayan	4.99	2.9	207,772.4	10.2
Investment Holding Group	1.32	5.2	60,497.0	120.4
QNB Group	19.67	1.4	38,766.2	10.3
Gulf International Services	1.89	3.2	36,220.3	10.1
Qatar Aluminium Manufacturing	1.89	4.1	33,969.5	94.9

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*	11,552.42	1.5	(2.0)	1.5	10.7	167.5	180,840.6	16.1	1.7	2.6
Dubai#	3,072.91	0.4	(3.1)	7.3	23.3	270.6	108,110.7	20.2	1.0	2.5
Abu Dhabi#	8,546.52	0.8	1.1	8.7	69.4	2,148.7	414,794.3	23.2	2.6	2.7
Saudi Arabia	10,849.96	0.8	(4.0)	0.8	24.9	1,667.9	2,589,492.8	23.9	2.3	2.4
Kuwait	6,929.40	2.1	(2.8)	2.1	24.9	238.3	130,687.4	20.6	1.6	2.0
Oman	4,007.53	0.2	(2.7)	0.2	9.5	2.9	18,745.2	11.4	0.8	3.9
Bahrain	1,748.59	1.1	(1.7)	1.1	17.4	12.9	27,759.3	9.8	0.9	3.6

Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (** TTM; * Value traded (\$ mn) do not include special trades, if any, #Data as on November 30, 2021)

Qatar Market Commentary

- The QE Index rose 1.5% to close at 11,552.4. The Banks & Financial Services and Real Estate indices led the gains. The index rose on the back of buying support from foreign shareholders despite selling pressure from Qatari, GCC and Arab shareholders.
- Investment Holding Group and Qatar Aluminium Manufacturing Co. were the top gainers, rising 5.2% and 4.1%, respectively. Among the top losers, Qatar Cinema & Film Distribution fell 8.8%, while Qatar General Ins. & Reins. Co. was down 7.0%.
- Volume of shares traded on Wednesday rose by 17.5% to 230.8mn from 196.5mn on Tuesday. Further, as compared to the 30-day moving average of 158.0mn, volume for the day was 46.1% higher. Investment Holding Group and Masraf Al Rayan were the most active stocks, contributing 20.0% and 18.1% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	38.79%	48.65%	(60,554,706.8)
Qatari Institutions	10.90%	14.16%	(19,984,948.6)
Qatari	49.69%	62.81%	(80,539,655.4)
GCC Individuals	0.26%	0.21%	309,899.3
GCC Institutions	0.92%	1.81%	(5,426,536.4)
GCC	1.19%	2.02%	(5,116,637.1)
Arab Individuals	12.26%	12.34%	(519,593.3)
Arab Institutions	0.07%	0.00%	430,213.7
Arab	12.33%	12.34%	(89,379.6)
Foreigners Individuals	3.02%	3.45%	(2,671,132.0)
Foreigners Institutions	33.78%	19.38%	88,416,804.0
Foreigners	36.80%	22.83%	85,745,672.0

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

Global Economic Data

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
12-01	US	Mortgage Bankers Association	MBA Mortgage Applications	26-Nov	-7.20%	-	1.80%
12-01	US	Automatic Data Processing, Inc.	ADP Employment Change	Nov	534k	525k	570k
12-01	US	Markit	Markit US Manufacturing PMI	Nov	58.3	59.1	59.1
12-01	US	U.S. Census Bureau	Construction Spending MoM	Oct	0.20%	0.40%	-0.10%
12-01	US	Institute for Supply Management	ISM Manufacturing	Nov	61.1	61.2	60.8
12-01	US	Institute for Supply Management	ISM Prices Paid	Nov	82.4	85.5	85.7
12-01	US	Institute for Supply Management	ISM New Orders	Nov	61.5	-	59.8
12-01	US	Institute for Supply Management	ISM Employment	Nov	53.3	-	52
12-01	US	Bloomberg	Wards Total Vehicle Sales	Nov	12.86m	13.45m	12.99m
12-01	UK	The British Retail Consortium	BRC Shop Price Index YoY	Nov	0.30%	-	-0.40%
12-01	UK	Nationwide Building Society	Nationwide House PX MoM	Nov	0.90%	0.40%	0.70%
12-01	UK	Nationwide Building Society	Nationwide House Px NSA YoY	Nov	10.00%	9.30%	9.90%
12-01	UK	Markit	Markit UK PMI Manufacturing SA	Nov	58.1	58.2	58.2
12-01	EU	Markit	Markit Eurozone Manufacturing PMI	Nov	58.4	58.6	58.6
12-01	Germany	German Federal Statistical Office	Retail Sales MoM	Oct	-0.30%	0.90%	-2.50%
12-01	Germany	German Federal Statistical Office	Retail Sales NSA YoY	Oct	-4.10%	-1.70%	-0.70%
12-01	Germany	Markit	Markit/BME Germany Manufacturing PMI	Nov	57.4	57.6	57.6
12-01	France	Markit	Markit France Manufacturing PMI	Nov	55.9	54.6	54.6
12-01	Japan	Ministry of Finance Japan	Capital Spending YoY	3Q	1.20%	1.50%	5.30%
12-01	Japan	Japan Automobile Manufacturers	Vehicle Sales YoY	Nov	-13.40%	-	-30.20%
12-01	China	Markit	Caixin China PMI Mfg.	Nov	49.9	50.6	50.6
12-01	India	Markit	Markit India PMI Mfg.	Nov	57.6	-	55.9

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

Qatar

- MARK and KCBK merger Index weight update** – The new Index Free Float for Masraf Al Rayan (MARK), used in QE Index and QE All Share Index and QE Banks and Financial Services Index will be (6,647,126,557) shares, effective from December 06, 2021. QSE will publish the Index constituents sheets for these indices after the close of market on December 05, 2021. (QSE)
- MCCS board of directors to meet on December 22** – Mannai Corporation (MCCS) has announced that its board of directors will be holding a meeting on December 22, 2021 to discuss the progress of the business of the company. (QSE)
- QIBK awarded 'Bank of The Year in Qatar' by The Banker Magazine** – Qatar Islamic Bank (QIBK) was recognized for the second consecutive year as 'Bank of the Year in Qatar' by The Banker Magazine, a leading Financial Times' title, as part of the 'Bank of the Year Awards 2021'. Judged by a panel of experts that distinguishes excellence and sustainability, The Banker's 'Bank of the Year' awards recognizes financial institutions that demonstrate a solid strategy and growth while catering to their customers' daily banking needs. Held virtually Wednesday, the award ceremony recognized QIBK's achievement at the presence of senior global bankers and executive editors of The Banker Magazine. This accolade is a tribute to the bank's outstanding performance and the numerous new, innovative products and services introduced in the past year. (Gulf-Times.com)
- VFQS opens new AI-equipped Network Operations Centre in Qatar** – Vodafone Qatar (VFQS) announced that it has opened a new telecoms Network Operations Centre (NOC) at its new offices in Lusail. The opening coincides with the start of the FIFA Arab Cup 2021, and is part of Vodafone's strategy to support large-scale events in Qatar in the lead up to the FIFA World Cup Qatar 2022. The modernized NOC will play a pivotal role in the day-to-day operation and maintenance of Vodafone Qatar's connectivity services, and will manage both its mobile and fixed networks. The center is fully functional 24 hours a day, with teams working around the clock to maintain the continued high performance of the networks. Ramy Boctor, chief technology officer at Vodafone Qatar, said: "The opening of Vodafone Qatar's new NOC is a huge step for Vodafone and for the telecoms industry in this country. We are proud to be able to support the FIFA Arab Cup as the first big event to be fully operated from our new NOC in Lusail. The center is a key part of our operational excellence strategy and contributions to the Qatar National Vision 2030 by enhancing the country's digital infrastructure to drive digital transformation." NOCs are used to monitor the performance of a telecom network, rectify equipment faults and alert operators to performance issues so that they can be addressed quickly and efficiently. Vodafone's NOC also uses emerging technologies such as Artificial Intelligence (AI) and automation, as well as other best industry practices and tools to ensure that the Vodafone GigaNet network is available to customers at all times. (Gulf-Times.com)
- Online transactions surge over 90% in Commercial Bank** – The digital transformation drive by the Commercial Bank has become a huge success. More than 90% of Commercial Bank's transactions are happening online, showing that the bank is playing a key role in government's vision of becoming a cashless society. According to a senior official of Commercial Bank, over 95% of retail transactions and over 90% of corporate transactions are being done online. "I can proudly say that around 90% of our corporate and SMEs (Small and Medium Enterprises) customers do their transactions online. In case of retail customers, more than 95% of transactions are being done online. It means that more than 90% of our retail customers do not come to bank counters," Venkata Surya Prasad Indraganti, Senior AGM, Head of Transaction Banking, Wholesale Banking, Commercial Bank told The Peninsula. Commercial Bank has seen a sharp rise in the adoption of digital banking solutions over the past few years. The switch towards digital banking was further accelerated by COVID-19 pandemic that led to imposition of several social-distancing measures for an extended period of time. "Adoption of digital banking solution has grown substantially over the past few years particularly in Corporate Banking. Three years back the ratio of online transactions in the overall transactions was around 40 to 50% for Commercial Bank," he explained. (Peninsula Qatar)
- Cabinet nod to 100% non-Qatari ownership of capital of 4 banks** – The Cabinet on Wednesday approved a draft Cabinet resolution approving non-Qatari investor's ownership of the capital of four banks. Under the draft resolution, a non-Qatari investor may own up to 100% of the capital of the following banks: QNB Group (QNBK), Qatar Islamic Bank (QIBK), Masraf Al Rayan (MARK) and The Commercial Bank (CBQK). (Gulf-Times.com)
- Cabinet nod to establish new authority for real estate sector** – The Cabinet, chaired by Prime Minister and Minister of Interior HE Sheikh Khalid bin Khalifa bin Abdulaziz Al Thani, has decided to take the necessary measures to establish a new authority concerned with regulating and developing the real estate sector. The decision came as the Cabinet listened to a presentation by HE the Minister of Municipality on the results of the work of the committee concerned with the strategy for the development of the real estate sector. Through the presentation, the minister addressed the assessment of the main challenges in the real estate sector and the ways to face these challenges by preparing a strategy that consists of programs and initiatives, including improving the governance of the sector, enhancing the availability of real estate data, and stimulating real estate investment. Also, the minister referred to the committee's recommendations, including the establishment of a new authority for the development of the real estate sector, the development of a digital platform that collects and disseminates real estate data and statistics on the Qatari real estate market, and the formulation of policies in coordination with the Qatar Central Bank to support real estate financing for individuals. (Qatar Tribune)
- PSA: Qatar population dips to 2.66mn in October** – The total population of Qatar has decreased from 2.72mn in October 2020 to 2.66mn at the end of October 2021, according to the Planning and Statistics Authority's (PSA) monthly bulletin. The bulletin showed an increase in total Qatari live births and total non-Qatari live births at a monthly rate of 5.3% and 11.1%, respectively in October, compared to September 2021. According to the statistics, 2,220 live births were registered in October 2021. On the other hand, 215 deaths were recorded during the same period, representing an increase of 28% compared to September 2021. Moreover, October 2021 has seen a monthly increase of 6.6% in marriage contracts while the total number of divorce certificates decreased by 23.5%. The total number of marriage contracts was 387 contracts, whereas the total number of divorces reached 163 cases. As for the Social Security statements, a total of QR76mn was expended for 13,788

beneficiaries in October 2021, recording a monthly decrease of 6.3% for the value of social security and a monthly decrease of 5% for the number of beneficiaries. (Qatar Tribune)

- **PSA releases Qatar Monthly Statistics Bulletin** – The Planning and Statistics Authority (PSA) on Wednesday released the ‘Qatar Monthly Statistics’ bulletin, a series of statistical newsletters released on a monthly basis. The data of buildings permits issued showed that the total number of permits has reached 685 permits during October 2021, recording a monthly decrease of 6.9% and an annual decrease of 6.3%. The total number of registered new vehicles during October 2021 has reached 6,771 new vehicles. The figure showed a monthly decrease of 8.4% and an annual increase of 19.3%. Meanwhile, the total value of real estate transactions in the sales contracts registered with the Real Estate Registration Department of the Ministry of Justice from November 21 to November 25 reached QR532.994mn. The types of real estate traded included plots of land, houses, residential buildings, and residential complex. Most of the trading took place in the municipalities of Doha, Al Rayyan, Al Da’ayen, Umm Salal, Al Khor, Al Dhakhira, Al Wakrah, Al Shamal, and Al Sheehaniya. The volume of real estate circulation during the period from November 14 to November 18 reached QR467.125mn. Total electricity consumption during October 2021 was 4,570.3 GWh attaining a monthly decrease of 10.3% and an annual increase of 10.0%. While the total water consumption has reached 57805.7 thousand m3 during the same month attaining a monthly increase of 0.6% and an annual decrease of 3.1%. (Qatar Tribune, Peninsula Qatar)
- **Qatar's ports see higher containers, building materials handling MoM in November** – Qatar's Hamad, Doha and Al Ruwais ports have registered modest growth month-on-month in container and building materials handling amidst a marginal jump in ships arrivals this November, according to the official data. The container handling through the three ports stood at 124,923 TEUs (twenty-foot equivalent units), which grew 9.17% MoM but was down 6.36% YoY in November 2021. The container handling stood at 1.43mn TEUs during January-November this year. Hamad Port, which is the largest eco-friendly project in the region and internationally recognized as one of the largest green ports in the world, alone saw 121,810 TEUs of containers handled in November 2021. Recently, four quay cranes and 10 rubber tired gantry arrived at Hamad Port from China and are being deployed for operations in the Container Terminal 2. The building materials handled stood at 40,703tons this November, which shot up 12.33% on a monthly basis but was down 0.85% on yearly basis. A total of 530,705 tons of building materials have been handled by these three ports during the first eleven months of this year. The expansion in the building materials handled reflects the rebound in the private sector, especially in the construction segment. The three ports had handled 5,163 vehicles (RORO) in November 2021, which showed 3.1% growth MoM; even as it shrank 15.68% YoY. The ports together handled as many as 66,376 vehicles during January-November this year. Hamad Port alone handled 5,105 units in November this year. (Gulf-Times.com)
- **Hassad Food: Umm Salal Central Market now an integrated marketing platform** – Hassad Food, Qatar's premier investor in the food sector, has said the Um Salal Central Market has become an integrated marketing platform for all basic commodities, thus aimed at contributing to achieve food security as well as support local products. The central market offers all basic commodities such as meat, fish, and vegetables to serve the needs of all categories (traders, producers, and consumers).
- **CRA issues 2,100 radio equipment licenses to support FIFA Arab Cup 2021** – The Communications Regulatory Authority (CRA), as a Spectrum Management Service Provider per the classification of the International Federation of Association Football (FIFA), provides full support to the FIFA Arab Cup Qatar 2021 (FAC 2021), which is being hosted by Qatar from November 30, 2021 to December 18, 2021. CRA has issued 2,100 radio equipment licenses, tested and tagged more than 6,000 radio equipment, assigned more than 700 temporary radio spectrum frequencies. In cooperation with the concerned authorities, CRA has issued around 200 customs clearance approvals for the equipment that were imported and shipped to Qatar for use during the FAC 2021. (Qatar Tribune)
- **Qatar on right track towards building diversified, sustainable economy, says PSA President** – HE the President of the Planning and Statistics Authority (PSA) Dr Saleh Mohamed Salem Al-Nabit said that Qatar is on the right path towards building a diversified and sustainable economy in order to achieve its Qatar National Vision 2030 goals. In an interview with Qatar News Agency (QNA) on the occasion of the preparations for the third National Development Strategy, he said that the follow-up results of the implementation of the second National Development Strategy 2018-2022 show that there is a progress in carrying out most of the strategy's initiatives and projects, with a focus on priority economic sectors. He said that the contribution of the non-oil sector to the real GDP amounted to more than 60% in the second quarter of this year, accompanied by the development of the economic and logistical infrastructure, as the implementation stages of the Hamad Port and Hamad International Airport were completed according to this plan, in addition to the development of commercial ports in the country's main cities and their services. He stressed that the intensive use of advanced technology helps in achieving a progress in energy security, by increasing production capacities and diversifying their sources, as well as achieving progress in water security with an increase in production capacity on the one hand and storage capacities on the other hand, and establishing an advanced crops, livestock and fish production system. He underlined that coordinated efforts to enhance the self-sufficiency system go hand in hand with sustainable management of the environment, including the acceleration of the implementation of initiatives to confront climate change. (Gulf-Times.com)
- **Qatar- US discuss ways to enhance trade ties** – Minister of Commerce and Industry H E Sheikh Mohammed bin Hamad bin Qassim Al Thani met with US Deputy Secretary of Commerce H E Don Graves, who is currently visiting Qatar. During the meeting, the officials touched on the bilateral relations between the two countries in the commercial, industrial, and investment fields, as well as ways to enhance and develop them. Officials also discussed aspects of joint cooperation between the two sides. During the meeting, the Minister of Commerce and Industry highlighted the economic policies Qatar had put in place to support the private sector, including the incentives, legislation, and investment opportunities made available in Qatar. (Peninsula Qatar)
- **Experts discuss energy industry challenges at Al-Attiyah Foundation CEO Roundtable** – Experts, CEOs and scientists came together to reflect on the events of 2021 and discuss the challenges the energy industry faces in the year ahead at the quarterly CEO Roundtable hosted by the Abdullah Bin Hamad Al-Attiyah International Foundation for Energy and Sustainable Development Wednesday. The roundtable, titled “2022 Global Energy Landscape,” featured distinguished guest speakers; Paul Stevens, economist at Chatham House; Alan Gelder, vice-president (Refining) at Wood Mackenzie; Jim Herbertson, technical director (Climate and Energy) at International Petroleum Industry Environmental Conservation Association (IPIECA); and John Kemp, senior market analyst (Commodities and Energy) at Thomson Reuters. (Gulf-Times.com)

International

- **US economy gaining steam as manufacturing forges ahead; shortages still a constraint** – US manufacturing activity picked up in November amid strong demand for goods, keeping inflation high as factories continued to struggle with pandemic-related shortages of raw materials. Signs that the economy was gathering momentum halfway through the fourth quarter were underscored by other data on Wednesday showing private employers maintained a strong pace of hiring last month. But there are fears that the Omicron variant of COVID-19 could hurt demand for services as well as keep the unemployed at home, and hold back job growth and the economy. "Manufacturing should continue to contribute positively to GDP growth over the next year as businesses replenish inventories and supply-chain issues improve," said Ryan Sweet, a senior economist at Moody's Analytics in West Chester, Pennsylvania. "There are risks, including the potential for businesses overbooking orders now and the Omicron variant magnifying price and supply chain issues." The Institute for Supply Management (ISM) said its index of national factory activity increased to a reading of 61.1 last month from 60.8 in October. Global economies' simultaneous recovery from the COVID-19 pandemic, fueled by trillions of dollars in relief money from governments, has strained supply chains, leaving factories waiting longer to receive raw materials. (Reuters)
- **With inflation risks rising, Fed's Powell prepares for possible pivot** – The US central bank needs to be ready to respond to the possibility that inflation may not recede in the second half of next year as most forecasters currently expect, Federal Reserve Chair Jerome Powell said. In his second day of testimony in Congress, Powell reiterated that he and fellow policymakers will consider at their upcoming meeting a faster wind-down to the Fed's bond-buying program, a move widely seen as opening the door to earlier interest rate hikes. With very strong consumer demand colliding with persistent supply chain problems, the Fed may be nearing the time when it must choose between aiming for full employment and keeping inflation in check. On Tuesday, Powell said he thinks it's likely that inflation will come down "meaningfully" in the second half of next year as supply chains get fixed, but "the risks of higher inflation have moved up." "We have to use our policy to address the range of plausible outcomes, not just the most likely one," he told the US House of Representatives Financial Services Committee. As if to underscore those concerns, a survey published Wednesday by the Federal Reserve showed firms across the country are increasingly grappling with higher prices and scrambling to fill jobs amid labor shortages, though they are able in many cases to pass on higher costs to customers, with little resistance. "Nearly all Districts reported robust wage growth," according to the Fed's Beige Book, an anecdotal survey of businesses in the Fed's 12 districts. Soon after Powell's appearance in Congress alongside Treasury Secretary Janet Yellen, public health officials announced the first known US case of a patient with the Omicron COVID-19 variant, suspected of being more infectious than prior strains of the coronavirus. (Reuters)
- **ISM: US manufacturing sector picks up in November** – US manufacturing activity picked up in November amid strong demand for goods, keeping inflation high as factories continued to struggle with pandemic-related shortages of raw materials. The Institute for Supply Management (ISM) said on Wednesday its index of national factory activity increased to a reading of 61.1 last month from 60.8 in October. A reading above 50 indicates expansion in manufacturing, which accounts for 12% of the US economy. Economists polled by Reuters had forecast the index rising to 61.0. Global economies' simultaneous recovery from the COVID-19 pandemic, fueled by trillions of dollars in relief money from governments, has strained supply chains, leaving factories waiting longer to receive raw materials. The ISM survey's measure of supplier deliveries slipped to a reading of 72.2 from 75.6 in October. A reading above 50% indicates slower deliveries. The long delivery times kept inflation at the factory gate bubbling. The survey's measure of prices paid by manufacturers fell to a still high 82.4 from a reading of 85.7 in October. Factories are easily passing the increased production costs to consumers and there are no signs yet of resistance. Federal Reserve Chair Jerome Powell told lawmakers on Tuesday that "the risk of higher inflation has increased," adding that the US central bank should consider accelerating the pace of winding down its large-scale bond purchases at its next policy meeting in two weeks. The Fed's preferred inflation measure surged by the most in nearly 31 years on an annual basis in October. The ISM survey's forward-looking new orders sub-index climbed to a reading of 61.5 last month from 59.8 in October. Customer inventories remained depressed. With demand robust, factories hired more workers. A measure of manufacturing employment rose to a seven-month high. This, combined with consumers' robust perceptions of the labor market last month suggest job growth accelerated further in November. Worker shortages, however, remain a constraint. There were 10.4 million unfilled jobs at the end of September. The Labor Department is scheduled to publish its closely watched employment report for November on Friday. (Reuters)
- **Construction spending rises moderately in October** – US construction spending rebounded less than expected in October as a decline in homebuilding blunted a surge in outlays on public projects. The Commerce Department said on Wednesday that construction spending gained 0.2% after dipping 0.1% in September. A reading above 50 indicates expansion in manufacturing, which accounts for 12% of the US economy. Economists polled by Reuters had forecast the index rising to 61.0. Economists polled by Reuters had forecast construction spending rising 0.4%. Construction spending increased 8.6% on a year-on-year basis in September. Spending on private construction projects slipped 0.2% in October after falling 0.1% in September. Outlays on residential construction dropped 0.5% after slipping 0.2% in September. Single-family homebuilding spending declined 0.8% and outlays on multi-family housing projects fell 0.1%. Shortages and more expensive building materials are holding back homebuilding. Residential investment contracted for a second straight quarter in the third quarter, weighed down by decreases in home improvements and single-family homebuilding. Investment in private non-residential structures like gas and oil well drilling rose 0.2% in October. Spending on structures declined for a second straight quarter in the July-September period, led by commercial and healthcare structures. Spending on public construction projects shot up 1.8% in October after dipping 0.1% in September. Outlays on state and local government construction projects jumped 0.9%, while federal government spending accelerated 14.6%. (Reuters)
- **OECD says inflation is main risk to economic outlook** – The main risk to an otherwise upbeat global economic outlook is that the current inflation spike proves longer and rises further than currently expected, the OECD said. Global growth is set to hit 5.6% this year before moderating to 4.5% in 2022 and 3.2% in 2023, the Organisation for Economic Cooperation and Development said in its latest economic outlook. That was little changed from a previous forecast of 5.7% for 2021, while the forecast for 2022 was unchanged. The OECD did not produce estimates for 2023 until now. With the global economy rebounding strongly, companies are struggling to meet a post-pandemic snap-back in customer demand, causing inflation to shoot up worldwide as bottlenecks have emerged in global supply chains. Like most policymakers, the OECD said that the spike

was expected to be transitory and fade as demand and production returned to normal. "The main risk, however, is that inflation continues to surprise on the upside, forcing the major central banks to tighten monetary policy earlier and to a greater extent than projected," the OECD said. Provided that that risk did not materialize, inflation in the OECD as a whole was likely close to peaking at nearly 5% and would gradually pull back to about 3% by 2023, the Paris-based organization said. Against that backdrop, the best thing central banks can do for now is wait for supply tensions to ease and signal they will act if necessary, the OECD said. Federal Reserve Chair Jerome Powell said on Tuesday that the US central bank should consider winding down of its large-scale bond purchases faster amid a strong economy and expectations that a surge in inflation will persist into the middle of next year. In the US, the OECD forecast the world's biggest economy would grow 5.6% this year, 3.7% in 2022 and 2.4% in 2023, down from previous projections of 6.0% in 2021 and 3.9% in 2022. The outlook for China was also less optimistic, with growth forecast at 8.1% in 2021 and 5.1% in both 2022 and 2023 whereas previously the OECD had expected 8.5% in 2021 and 5.8% in 2022. However, the outlook was slightly more upbeat for the euro zone than previously expected with growth expected at 5.2% in 2021, 4.3% in 2022 and 2.5% in 2023 compared with previous forecasts of 5.3% in 2021 and 4.6% 2022. (Reuters)

- **Brazil reports \$1.3bn November trade deficit** – Brazil posted a trade deficit in November of \$1.3bn, according to data released by the nation's Economy Ministry on Wednesday, slightly larger than the \$1.2bn deficit forecasted in a Reuters poll of analysts. Exports totaled \$20.3bn during the period, while imports totaled \$21.6bn, according to the data. (Reuters)
- **Inflation in Russia nears six-year peak ahead of Central bank meeting** – Russia's annual inflation accelerated to a near six-year peak of 8.38% in late November, weeks ahead of a central bank meeting where it is expected to raise rates to rein in stubbornly rising consumer prices, economy ministry data showed on Wednesday. Inflation sped up to 0.46% in the week to Nov. 29, its highest since early July, from 0.20% in the previous week, Rosstat data showed, putting pressure on the Bank of Russia to opt for a sharper hike in the cost of lending. The weekly increase in consumer prices was driven by higher food prices as well as by a sharp increase in prices for New Year tours to Turkey, according to Rosstat. President Vladimir Putin here said on Tuesday inflation was a serious problem, especially for people with low incomes, calling for pre-emptive measures. Central bank chief Elvira Nabiullina said this week the key interest rate could be raised from 7.5% by up to 100 points at its December 17 board meeting, given that inflation stays near the upper boundary of its forecast range. Russia has increased the key rate six times this year from a record low of 4.25%, but annual inflation still spiked above 8%, hovering far above the 4% target. (Reuters)

Regional

- **Document: OPEC+ sees worsening oil surplus 1Q2022** – OPEC+ sees the oil surplus worsening to 2mn bpd in January, 3.4mn bpd in February and 3.8mn bpd in March next year, an internal report seen by Reuters showed. "Generally, the impact of Omicron seems to be jet-fuel related for now, particularly in Africa and Europe," the report said. "Transportation fuel demand within Europe might be also affected," it added. (Reuters)
- **Key takeaways from blog on first day of OPEC meeting** – In the meeting OPEC ministers focused on administrative matters today, deferring the discussion on output to Thursday's OPEC+ meeting. The Angolan oil minister and OPEC president, Diamantino Azevedo, said the group needs to remain "prudent" and "proactive". OPEC ministers could not agree on a new secretary-general, and pushed back the election of a new head until at least January. Kuwait has proposed a candidate for

secretary-general, but found that Iraq is also pushing for one of its nationals for the job. OPEC+ ministers will meet virtually on Thursday to take a decision on whether to increase output by 400,000bpd in January or take a pause. (Bloomberg)

- **Saudi Arabia may raise January oil prices to Asia** – Oil exporter Saudi Arabia may raise crude prices for Asia in January following large gains in the Middle East spot market last month, but weak refining margins and an oil reserves release by consumers may cap gains, trade sources said. The January OSP for flagship Arab Light crude could stay little changed or rise as much as \$1.20 a barrel to track a similar gain in Dubai benchmark on strong spot crude demand last month, a Reuters survey of sources from seven Asian refiners showed. (Reuters)
- **NADEC consortium completes Second Milling Company acquisition** – The National Agricultural Development Company, NADEC completed the acquisition of Second Milling Company in Riyadh. NADEC was part of a consortium with Olam International Group, Al Rajhi International Investment Company Ajlan & Bros Company, according to a bourse filing, all assets of the Second Milling Company were transferred to the Food Security Holding Company, a limited liability company, the company said in a statement on the Saudi Stock Exchange. This comes as the Kingdom is accelerating plans to privatize key infrastructure. (Zawya)
- **Sadafco names new CEO** – Saudia Dairy and Foodstuff Company (Sadafco) has announced that Patrick Stillhart has taken the helm as CEO of the company, this month. With over 25 years of experience in the food FMCG industry with global conglomerates in Asia-Pacific, Africa, the Middle East, and Europe, he brings a fresh perspective to this position, the company said in a statement. Stillhart succeeds Waltherus Matthijs who, after 14 years, stepped down from his position as CEO in October 2021. Under his tenure, the company's market value grew six-fold, leaving it in a very solid financial and market position. (Zawya)
- **Al Rajhi Capital expects a budget surplus for Saudi Arabia in 2022** – Saudi Arabia is set for a fiscal surplus of around SR25-SR45bn in 2022, according to a report from investment bank Al Rajhi Capital. The Saudi-based firm said government revenues could amount to around SR1tn in 2022, made up of SR600bn in oil revenues and about SR380-SR400bn in non-oil revenues. This forecast goes against that made by the Saudi Ministry of Finance, which expects a deficit of SR52bn, as shown in its pre-budget statement for 2022. The ministry's forecast for revenues was a lower SR903bn, inducing their expected deficit. (Zawya)
- **Saudi Arabia's Hunger Station Rival Jahez announces IPO plans** – Riyadh-based food delivery firm Jahez, which competes with firms like Hunger Station, is preparing to list on the parallel market of the Saudi stock exchange in what will be the kingdom's first IPO of a technology startup. Jahez International Company for Information Systems Technology, as the company is formally known, is preparing to list a 13% stake, or 1.36mn shares, it said in a statement Wednesday. That includes the sale of a 8.5% stake of new shares. In May, the firm hired HSBC Holdings Plc's local unit as the sole financial adviser and global coordinator for its IPO. (Bloomberg)
- **Saudi's Red Sea signs SA245.8mn deal with Baker Hughes** – The contract is to design, manufacture, supply and manage remote mobile modular buildings to support the oil drilling operations of Baker Hughes in the Eastern region of the kingdom. (Bloomberg)
- **UAE's ADNOC to invest \$127bn in 2022-26 as oil, gas reserves rise** – ADNOC announced on Wednesday a \$127bn capital spending plan for 2022-2026, as it reported an increase in the UAE oil and natural gas reserves. The state-owned company said national reserves had risen by 4bn stock tank barrels (stb) of

oil and 16tn standard cubic feet (scf) of natural gas, taking the totals to 111bn stb and 289tn scf respectively. (Reuters)

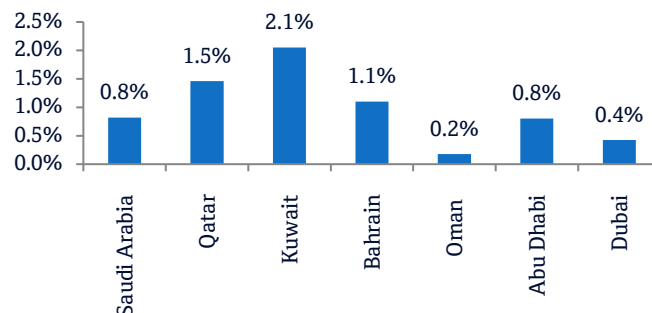
- **UAE's Adnoc, Mubadala, Taqa to Own Stakes in Masdar –** Partnership aims to develop global investment portfolio in renewable energy and green hydrogen, state-run Emirates News Agency says in a statement. Partnership's current renewable energy production capacity more than 23GW. Total production capacity expected to reach 50GW by 2030. Deal also aims to help with reaching carbon neutrality by 2050. (Bloomberg)
- **Dubai govt. considering Emirates IPO, says airline president** – The Dubai government is considering an initial public offering of Emirates airline, the flagship carrier's president Tim Clark said on Monday, as authorities work to boost activity on the local stock market. The emirate's government is planning to list 10 state-backed companies on its stock exchange and set up a AED2bn market maker fund to encourage trading activity. "Yes, there has been talk about it. Yes, there has been, perhaps a little bit more flesh on the whole subject than there has been in the past," Clark said in an interview when asked if a listing was a possibility. "I'm waiting instructions as to how this is going to affect the Emirates Group. What the government of Dubai decides to do...is up to them, I would basically do as I am bid." (Gulf-Times.com)
- **AMF: Abu Dhabi Investment Authority raises Getlink stake to 5%** – Abu Dhabi Investment Authority increases holding in Getlink to 27.5mn shares, with 3.76% of voting rights as of November 24, French financial watchdog Autorite des Marches Financiers says in filing. (Bloomberg)
- **ADNOC's national reserves rise 4bn stock tank barrels** – Abu Dhabi National Oil Company (ADNOC) announced on Wednesday an increase in national reserves of 4bn stock tank barrels (stb) of oil and 16 trillion standard cubic feet (scf) of natural gas, the company said. Abu Dhabi Crown Prince Sheikh Moahmmmed bin Zayed chaired the company's annual board meeting, where the board approved the injection of AED466bn for 2022-2026. (Reuters)
- **Sources: Investcorp revs up to sell Italian motorcycle clothing brand Dainese** – Investcorp is gearing up to sell Italian motorcycle clothing brand Dainese in a deal that could value the 49-year firm, favoured by motorcycle racer Valentino Rossi, at about EU750mn, a source familiar with the matter told Reuters. The Bahrain-based private equity firm, which has a history of turning around upmarket luxury brands including Gucci and Tiffany, has hired Lazard to launch a sales process for the company, known for its motorcycling racing wear, at the start of 2022, the source said, speaking on condition of anonymity. Investcorp, which took control of Dainese in 2014 for EU130mn, aims to cash out for about EU750mn and if successful, it could make almost six times its money from the sale. (Zawya)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,781.73	0.4	(1.2)	(6.1)
Silver/Ounce	22.32	(2.3)	(3.6)	(15.5)
Crude Oil (Brent)/Barrel (FM Future)	68.87	(2.4)	(5.3)	33.0
Crude Oil (WTI)/Barrel (FM Future)	65.57	(0.9)	(3.8)	35.1
Natural Gas (Henry Hub)/MMBtu	4.27	(5.5)	(12.9)	78.7
LPG Propane (Arab Gulf)/Ton	99.88	(1.7)	(17.8)	32.7
LPG Butane (Arab Gulf)/Ton	124.13	(6.0)	(14.1)	78.6
Euro	1.13	(0.2)	0.0	(7.3)
Yen	112.78	(0.3)	(0.5)	9.2
GBP	1.33	(0.2)	(0.4)	(2.9)
CHF	1.09	(0.2)	0.2	(3.9)
AUD	0.71	(0.3)	(0.3)	(7.7)
USD Index	96.03	0.0	(0.1)	6.8
RUB	74.27	0.3	(1.8)	(0.2)
BRL	0.18	(1.2)	(1.5)	(8.8)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,087.98	(0.4)	(1.4)	14.8
DJ Industrial	34,022.04	(1.3)	(2.5)	11.2
S&P 500	4,513.04	(1.2)	(1.8)	20.2
NASDAQ 100	15,254.05	(1.8)	(1.5)	18.4
STOXX 600	470.86	1.8	1.6	9.3
DAX	15,472.67	2.6	1.6	3.9
FTSE 100	7,168.68	1.8	1.5	8.1
CAC 40	6,881.87	2.5	2.3	14.8
Nikkei	27,935.62	0.7	(2.6)	(6.8)
MSCI EM	1,226.81	1.2	0.3	(5.0)
SHANGHAI SE Composite	3,576.89	0.3	0.8	5.6
HANG SENG	23,658.92	0.9	(1.7)	(13.5)
BSE SENSEX	57,684.79	1.3	1.0	17.7
Bovespa	100,774.60	(1.3)	(2.6)	(22.5)
RTS	1,687.12	2.5	6.1	21.6

Source: Bloomberg (*\$ adjusted returns)

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