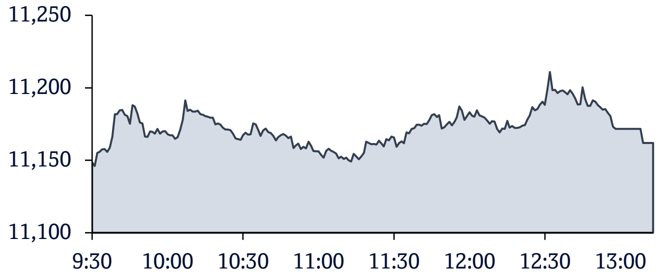
Daily Market Report

Thursday, 26 January 2023

QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.5% to close at 11,161.9. Gains were led by the Telecoms and Banks & Financial Services indices, gaining 1.5% and 0.9%, respectively. Top gainers were The Commercial Bank and Vodafone Qatar, rising 10.0% and 5.7%, respectively. Among the top losers, Gulf Warehousing Company fell 5.8%, while Ahli Bank was down 4.4%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.1% to close at 10,809.2. Gains were led by the Health Care Equipment & Svc and Insurance indices, rising 1.8% and 1.4%, respectively. Abdulmohsen Alhokair Group for Tourism and Development rose 9.9%, while Alinma Tokio Marine Co. was up 9.0%.

Dubai: The DFM Index fell 0.2% to close at 3,356.6. The Communication Services index declined 1.7%, while the Consumer Discretionary index fell 1.1%. The Ithmaar Holding declined 3.6%, while Commercial Bank of Dubai was down 1.9%.

Abu Dhabi: The ADX General Index fell 0.4% to close at 10,115.2. The Real Estate index declined 1.6%, while the Industrial index fell 0.8%. The National Bank of Ras Al Khaimah declined 7.6%, while Rak Co. For White Cement & Construction Materials was down 5.3%.

Kuwait: The Kuwait All Share Index fell 0.5% to close at 7,338.7. The Technology index declined 4.8%, while the Telecommunications index fell 1.2%. Metal & Recycling Co declined 4.9%, while Automated Systems Co. was down 4.8%.

Oman: The MSM 30 Index fell 0.8% to close at 4,746.9. Losses were led by the Financial and Industrial indices, falling 1.2% and 0.8%, respectively. Oman Qatar Insurance and Raysut Cement fell 5.3% each.

Bahrain: The BHB Index fell 0.1% to close at 1,927.1. The Communications Services index declined 0.4%, while the Consumer Discretionary index fell 0.1%. Bahrain National Holding Company declined 2.2%, while GFH Financial Group was down 1.2%.

Market Indicators	25 Jan 23	24 Jan 23	%Chg.
Value Traded (QR mn)	434.0	458.0	(5.2)
Exch. Market Cap. (QR mn)	633,674.4	632,726.2	0.1
Volume (mn)	125.3	150.7	(16.9)
Number of Transactions	14,904	15,073	(1.1)
Companies Traded	47	48	(2.1)
Market Breadth	21:24	30:13	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	22,863.22	0.5	3.3	4.5	12.1
All Share Index	3,591.24	0.5	1.7	5.6	128.7
Banks	4,630.76	0.9	3.4	6.5	13.5
Industrials	4,046.96	0.2	1.6	7.0	11.0
Transportation	4,407.62	(1.3)	1.2	1.7	14.0
Real Estate	1,579.21	0.3	3.5	1.2	16.8
Insurance	2,135.14	0.0	(2.3)	(2.3)	14.4
Telecoms	1,353.97	1.5	1.8	2.7	12.1
Consumer Goods and Services	7,904.54	(0.1)	(1.1)	(0.1)	21.7
Al Rayan Islamic Index	4,766.39	0.4	3.0	3.8	8.6

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
The Commercial Bank	Qatar	5.71	10.0	5,705.9	14.2
Dr. Sulaiman Al Habib Medical Services Gr.	Saudi Arabia	235.00	3.0	178.5	6.5
Advanced Petrochem. Co.	Saudi Arabia	48.05	1.6	393.8	13.1
Dar Al Arkan Real Estate	Saudi Arabia	11.84	1.5	31,750.8	1.9
ADNOC Drilling Co.	Abu Dhabi	3.39	1.5	7,683.3	13.8

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
National Marine Dredging Co	Abu Dhabi	30.70	(5.0)	1,048.8	25.4
Kuwait Telecommunications	Kuwait	735.00	(2.6)	4,243.5	25.6
Qatar Gas Transport Co. Ltd	Qatar	3.83	(1.8)	1,448.7	4.6
Mabanee Co.	Kuwait	0.84	(1.8)	302.7	(1.5)
Saudi British Bank	Saudi Arabia	35.25	(1.3)	944.7	(9.5)

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%
The Commercial Bank	5.71	10.0	5,705.9	14.2
Vodafone Qatar	1.76	5.7	7,750.1	11.0
Medicare Group	6.34	5.6	2,896.5	2.1
Qatar German Co for Med. Devices	1.35	3.9	12,851.7	7.3
Qatar National Cement Company	5.23	3.6	889.8	8.1

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Gulf Warehousing Company	3.68	(5.8)	1,441.2	(9.1)
Ahli Bank	4.01	(4.4)	28.7	0.0
Al Khaleej Takaful Insurance Co.	2.23	(2.3)	720.9	(3.0)
Ezdan Holding Group	1.02	(2.0)	13,106.7	1.9
Qatar Oman Investment Company	0.59	(1.8)	887.3	8.0

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Masraf Al Rayan	3.07	1.0	17,081.8	(3.2)
Ezdan Holding Group	1.02	(2.0)	13,106.7	1.9
Qatar German Co for Med. Devices	1.35	3.9	12,851.7	7.3
Doha Bank	1.95	1.8	8,540.4	0.0
Vodafone Qatar	1.76	5.7	7,750.1	11.0

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Industries Qatar	13.88	(0.1)	62,145.9	8.4
Masraf Al Rayan	3.07	1.0	52,271.3	(3.2)
Qatar Fuel Company	17.85	(0.6)	44,609.7	(0.6)
QNB Group	18.60	(0.2)	35,758.5	3.3
The Commercial Bank	5.71	10.0	32,436.0	14.2

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	11,161.92	0.5	3.3	4.5	4.5	118.99	173,500.1	12.1	1.5	4.1
Dubai	3,356.62	(0.2)	0.1	0.6	0.6	38.91	159,502.4	20.9	2.2	1.6
Abu Dhabi	10,115.23	(0.4)	(0.1)	(0.3)	(0.3)	327.05	687,703.2	18.0	2.9	2.0
Saudi Arabia	10,809.15	0.1	1.2	3.2	3.2	1,094.59	2,716,478.6	16.2	2.1	2.7
Kuwait	7,338.66	(0.5)	1.1	0.6	0.6	140.11	155,079.3	20.1	1.7	2.8
Oman	4,746.85	(0.8)	(1.1)	(2.3)	(2.3)	7.35	21,816.9	13.4	1.1	3.6
Bahrain	1,927.13	(0.1)	(0.0)	1.7	1.7	8.49	67,084.1	5.2	0.7	5.5

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

Qatar Market Commentary

- The QE Index rose 0.5% to close at 11,161.9. The Telecoms and Banks & Financial Services indices led the gains. The index rose on the back of buying support from non-Qatari shareholders despite selling pressure from Qatari shareholders.
- The Commercial Bank and Vodafone Qatar were the top gainers, rising 10.0% and 5.7%, respectively. Among the top losers, Gulf Warehousing Company fell 5.8%, while Ahli Bank was down 4.4%.
- Volume of shares traded on Wednesday fell by 16.9% to 125.3mn from 150.7mn on Tuesday. However, as compared to the 30-day moving average of 117.6mn, volume for the day was 6.5% higher. Masraf Al Rayan and Ezdan Holding Group were the most active stocks, contributing 13.6% and 10.5% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	27.33%	26.42%	3,952,235.1
Qatari Institutions	29.62%	38.54%	(38,714,093.1)
Qatari	**56.95%**	**64.96%**	**(34,761,858.0)**
GCC Individuals	0.49%	0.27%	945,690.9
GCC Institutions	5.52%	3.79%	7,495,494.2
GCC	**6.01%**	**4.06%**	**8,441,185.1**
Arab Individuals	11.27%	10.76%	2,175,269.7
Arab Institutions	0.02%	0.09%	(319,338.2)
Arab	**11.29%**	**10.86%**	**1,855,931.5**
Foreigners Individuals	2.69%	2.12%	2,483,125.9
Foreigners Institutions	23.07%	18.00%	21,981,615.5
Foreigners	**25.76%**	**20.12%**	**24,464,741.4**

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

Earnings Releases, Global Economic Data and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 4Q2022	% Change YoY	Operating Profit (mn) 4Q2022	% Change YoY	Net Profit (mn) 4Q2022	% Change YoY
Al Seer Marine Supplies and Equipment Company	Abu Dhabi	AED	1,112.02	79.1%	NA	NA	1,008.8	-59.9%
Saudi Dairy and Foodstuff Company	Saudi Arabia	SR	654.00	25.8%	75.0	21.6%	78.4	43.5%

*Source: Company data: DFM, ADX, MSM, TASI, BHB. (#Values in Thousands, *Financial for 4Q2022)*

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
01-25	Germany	IFO Institute -	IFO Business Climate	Jan	90.2	90.3	88.6
01-25	Germany	IFO Institute -	IFO Current Assessment	Jan	94.1	94.9	94.4
01-25	Germany	IFO Institute -	IFO Expectations	Jan	86.4	85.3	83.2
01-25	Japan	Economic and Social Research I	Leading Index CI	Nov	97.4	NA	97.6
01-25	Japan	Economic and Social Research I	Coincident Index	Nov	99.3	NA	99.1

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

Earnings Calendar

Tickers	Company Name	Date of reporting 4Q2022 results	No. of days remaining	Status
MKDM	Mekdam Holding Group	29-Jan-23	3	Due
MARK	Masraf Al Rayan	29-Jan-23	3	Due
QATR	Al Rayan Qatar ETF	30-Jan-23	4	Due
DHBK	Doha Bank	01-Feb23	6	Due
QAMC	Qatar Aluminum Manufacturing Company	02-Feb-23	7	Due
QIGD	Qatari Investors Group	05-Feb-23	10	Due
QCFS	Qatar Cinema & Film Distribution Company	06-Feb-23	11	Due
DOHI	Doha Insurance	08-Feb-23	13	Due
IHGS	INMA Holding Group	08-Feb-23	12	Due
MRDS	Mazaya Qatar Real Estate Development	08-Feb-23	13	Due
UDCD	United Development Company	08-Feb-23	13	Due
QIMD	Qatar Industrial Manufacturing Company	08-Feb-23	13	Due
QGTS	Qatar Gas Transport Company Limited	12-Feb-23	17	Due
SIIS	Salam International	12-Feb-23	17	Due
QNNS	Qatar Navigation	15-Feb-23	20	Due

Source: QSE

Qatar

- **QIIK posts 5.9% YoY increase but 47.7% QoQ decline in net profit in 4Q2022, in line with our estimate -** Qatar International Islamic Bank's (QIIK) net profit rose 5.9% YoY (but declined 47.7% on QoQ basis) to QR173.2mn in 4Q2022, in line with our estimate of QR172.9mn (variation of +0.2%). Total income from financing & investing activities increased 25.2% YoY and 10.8% QoQ in 4Q2022 to QR659.9mn. The company's total income came in at QR751.1mn in 4Q2022, which represents an increase of 24% YoY (+8.6% QoQ). The bank's total assets stood at QR56.4bn at the end of December 31, 2022, down 8.7% YoY (-2.3% QoQ). Financing Assets were QR35bn, registering a fall by 5.4% YoY (-0.4% QoQ) at the end of December 31, 2022. Customers' current accounts rose 5% YoY to reach QR7.8bn at the end of December 31, 2022. However, on QoQ basis, Customers' current accounts fell 5.2%. EPS amounted to QR0.04 in 4Q2022 as compared to QR0.04 in 4Q2021 and 0.22 in 3Q2022. The board of directors has proposed a cash dividend of 40% of paid-up share capital (QR0.40 per share; in line with our estimated DPS), after the approval of QCB on the financial statements. (QSE, QNBFS)

- **QNCD's net profit declines 1.7% YoY and 5.3% QoQ in 4Q2022 -** Qatar National Cement Company's (QNCD) net profit declined 1.7% YoY (-5.3% QoQ) to QR56.4mn in 4Q2022. EPS amounted to QR0.09 in 4Q2022 as compared to QR0.08 in 4Q2021 and QR0.09 in 3Q2022. The Board of Directors have proposed a cash dividend of 30% of the nominal share value (QR0.30 per share) for the year ended 31 December 2022. The amounts are subject to the approval of the General Assembly. (QSE)

- **Withdrawal of potential merger negotiations in the Insurance sector between Gulf International Services and Doha Insurance Group -** Further to the joint press release issued on the 18 August 2022 by Gulf International Services and Doha Insurance Group regarding both parties' intentions to enter into a preliminary negotiation on evaluating a potential merger between Al-Koot Insurance and Reinsurance Company (Al-Koot); a wholly owned subsidiary of Gulf International Services, and Doha Insurance Group. Based on the preliminary negotiations regarding the aforementioned potential merger, both the parties concluded that an initial principle agreement could not be reached. Accordingly, both parties have jointly decided to withdraw from these negotiations, as the proposed merger would not had achieved mutual interests related to the shareholders of both companies. Each company mutually expresses its best wishes towards the other in achieving continued progress and prosperity in the interest of their respective shareholders and the national economy. The management of both the parties, would like to take this opportunity to express their sincerest gratitude and appreciation to the regulatory authorities and other respective authorities, including HE the Governor of Qatar Central Bank that supported in-principle the proposed merger. (QSE)

- **Qatar Gas Transport Company Ltd. to disclose its Annual financial results on February 12 -** Qatar Gas Transport Company Ltd. to disclose its financial statement for the period ending 31st December 2022 on 12/02/2023. (QSE)

- **Qatar Navigation to disclose its Annual financial results on February 15 -** Qatar Navigation to disclose its financial statement for the period ending 31st December 2022 on 15/02/2023. (QSE)

- **Qatar Gas Transport Company Ltd. to hold its investors relation conference call on February 13 to discuss the financial results -** Qatar Gas Transport Company Ltd. announces that the conference call with the Investors to discuss the financial results for the Annual 2022 will be held on 13/02/2023 at 01:30 PM, Doha Time. (QSE)

- **Salam International to hold its investors relation conference call on February 13 to discuss the financial results -** Salam International announces that the conference call with the Investors to discuss the financial results for the Annual 2022 will be held on 13/02/2023 at 12:30 PM, Doha Time. (QSE)

- **Vodafone Qatar to hold its investors relation conference call on January 26 to discuss the financial results -** Vodafone Qatar announces that the conference call with the Investors to discuss the financial results for the Annual 2022 will be held on 26/01/2023 at 02:00 PM, Doha Time. (QSE)

- **Qatar Islamic Insurance opens nominations for its board membership 2023 -** Qatar Islamic Insurance announces the opening of nominees for the board memberships, years from 2023 to 2025. Applications will be accepted starting from 30/01/2023 till 03:00 PM of 13/02/2023. (QSE)

- **Constitutional General Assembly declares conversion of Dukhan Bank to Qatari public shareholding company -** The Constitutional General Assembly Meeting (CGAM) of Dukhan Bank was held via videoconference yesterday, January 25 under the chairmanship of Sheikh Mohammed bin Hamad Bin Jassim Al Thani, Chairman of the Board, and in the presence of 90.6% of the shareholders. The meeting deliberated on all agenda items. At the onset of the meeting, conversion of the Bank to a Qatari public shareholding company in accordance with Article 208 of the Commercial Companies Law number 11 of 2015 (as amended) (the "Companies Law"), and the related expenses, was announced. The Constitutional General Assembly Meeting ratified the memorandum of association and articles of association of the Bank. The meeting appointed the external auditor for the year 2023 and approved their fees; and appointed the Sharia Supervisory Board for a period of three renewable years. The attendees at the meeting approved the appointment of the first board of directors of the Bank after its conversion to a Qatari Public Shareholding company as set out in the articles of association; and also approved the valuation of the assets and liabilities of the Bank. The Constitutional General Assembly Meeting unanimously declared the con-version of the Bank to a Qatari Public Shareholding Company. The participants at the meeting delegated to the Chairman of the Board of Directors power and authority to complete the conversion process, amend the Commercial Registration Certificate, and obtain the approval from the competent authorities, and to delegate any such powers to any board member or member of the executive management at the Chairman sole and absolute discretion. Commenting on the occasion, the Chairman of Dukhan Bank, Sheikh Mohammed Bin Hamad Bin Jassim Al Thani, said: "We are pleased to move forward towards finalizing listing of the Bank's shares on the Qatar Stock Exchange, which is expected to be completed shortly. Holding the Constitutional General Assembly Meeting is an important step after the conversion of the Bank to a Qatari public shareholding company. This step marks a new dawn in the history of the Bank and consolidates its leading position as one of the fastest growing and 5th largest bank in Qatar. Moreover, it will give all investors an opportunity to benefit from the returns of continued growth and impressive performance that distinguished Dukhan Bank over the previous years, which we aspire to continue in the future as well." (Peninsula Qatar)

- **Sources: Qatar in talks to join TotalEnergies' $27bn Iraqi energy project -** Qatar is in talks to acquire a stake from French company TotalEnergies' (TTEF.PA) $27bn cluster of energy projects in Iraq, three sources told Reuters, as Baghdad hopes to stem efforts by Western energy companies to exit the country. A major investment by a Gulf state would mark an important win for Iraqi Prime Minister Mohammed al-Sudani, who took office last October following more than a year of political turmoil and would also be considered a step towards countering Iranian influence. QatarEnergy is looking to acquire a stake of around 30% in the project, one source said. Energy companies rarely own 100% of projects and prefer partnerships to reduce risk. After a flurry of deals after the US invasion over a decade ago, international oil companies have been trying to leave Iraq due to poor returns from revenue sharing agreements. When TotalEnergies and Baghdad in 2021 signed an agreement to build four giant solar, gas, power and water projects in southern Iraq over 25 years, hopes for an exodus reversal were high. Exxon Mobil, Shell and BP have all sought to scale back their operations in Iraq in recent years. But the project, aimed at boosting the country's economy and reducing its dependency on Iranian gas, is yet to take off. The TotalEnergies deal with Iraq, which will require an initial investment of $10bn, followed a visit from French President Emmanuel Macron in September 2021. The terms of the deal, which have not been made public or previously reported, had raised concerns among Iraqi politicians and were unprecedented for Iraq, sources close to the deal told Reuters in February 2022. The deal includes the construction of a natural gas gathering network to supply local power stations through the expansion of the Ratawi field, building a large-scale seawater treatment facility to boost output from other fields using water injection and a large solar power plant in the Basra region. But there has been little progress since then. Sources told Reuters last year that disputes over terms had risked scrapping the project. QatarEnergy and the Qatari government communications office did not immediately respond to a request for comment about the talks. TotalEnergies did not confirm the deal when contacted by Reuters. A senior Iraqi oil ministry official said he was not aware of QatarEnergy plans to acquire a stake in the TotalEnergies' project. (Bloomberg)

- **Ras Laffan Liquefied Natural Gas (3) rating raised to 'AA-'; outlook stable -** S&P Global Ratings has raised its long-term issue rating on Ras Laffan Liquefied Natural Gas Co. Ltd. (3) (RL3)'s senior secured debt by one notch to 'AA-' from 'A+' and removed it from under criteria observation (UCO), with stable outlook. "The stable outlook reflects our expectation that RL will generate strong consolidated cash flow to fully service and repay all its senior debt over the next five years, with a robust debt service cushion of above 16x under our base-case scenario," the ratings agency said. Ras Laffan Liquefied Natural Gas Co. Ltd. (II) (RLII) and Ras Laffan Liquefied Natural Gas Co. Ltd. (3) (RL3) (collectively, RL) are gas extraction and liquefied natural gas (LNG) production facilities in Qatar (AA/Stable/A-1+). The two entities were set up to enter into limited recourse financing to design, build, and operate LNG trains 3, 4, and 5 for RLII, and trains 6 and 7 for RL3, with production capacity of 14.1mn metric tons per year and 15.6 metric tons per year, respectively. The debt proceeds refinanced RLII's construction costs and funded RL3's remaining construction activities, which were fully completed in 2011 following the completion of train 7. As of Dec. 31, 2022, RL3 had $1.9bn of outstanding bonds and senior debt ranking pari passu and maturing in September 2027, while RLII has been free of debt since September 2020. RL generates cash flow predominantly from the sale of LNG under sale and purchase agreements (SPAs). These are largely take-or-pay arrangements with LNG importers in Europe, Asia, and the US Additional revenue comes from the sale of condensates and liquefied petroleum gas (LPG). The sale prices are linked to oil and gas commodity prices, thereby exposing the project to price volatility. RLII and RL3 are both 70% owned by QatarEnergy (AA/Stable/--) and 30% owned by Exxon Mobil Corp. (AA-/Stable/A-1+). The two entities guarantee each other's debt and are operationally linked. Accordingly, S&P Global Ratings calculates their annual DSCRs on a consolidated basis. The S7P rating action follows the revision of its project finance criteria. "The project issue rating was previously weak linked to the long-term counterparty credit rating on Citibank N.A., the bank account provider, thus constraining our rating on RL3's debt. Under the revised criteria, the project is not capped anymore by the rating on Citibank N.A., given RL3 has in place active health checks and monitoring for all relationship banks and would be able to find an alternative bank in a short time without affecting the project's cash flow and liquidity. This is reinforced by the strong relationships the company has with international and local banks," it said. "We expect Brent price for the next two years to be around $80-$90/bbl. We revised up our short-term oil price assumptions versus our previous base case assumptions to $90/b in 2023 and $80/b in 2024, from our previous estimates of $75/b in 2023 and $55/b in 2024. We have also revised our short-term TTF assumptions upward since our last review on the project with TTF to $30/mmbtu for 2023 and $25/mmbtu for 2024, from our previous estimates of $25/mmbtu and $15/mmbtu, respectively. Incorporating the updated forecasts into our base case leads us to anticipate that RL will generate higher-than-expected cash flow in the near term." According to S&P, the project's operational performance continues to be strong, with trains' availability in line with the agency's base-case expectations. "The average LNG train availability in 2022 was close to 95%, which demonstrates a solid operational achievement. The project also had another strong year in terms of safety performance, with both the total recordable and lost time incident rates well below the industry's benchmark. In 2022, RL sold its entire 29.7mn tons of LNG capacity, which supports our expectation of stable production. The project continues to sell the majority of its LNG under long-term contracts. Its exposure to spot sales is limited and largely linked to RL's ability to benefit from pricing arbitrate. Our expectation of stable production is also supported by the projects' strong historical operational performance, which has demonstrated an excellent safety and availability track record since operations began." (Qatar Tribune)

- **Doha Bank launches Qatar Trading Platform: Q-Trade -** Doha Bank, one of the largest private commercial banks in Qatar, has launched Q-Trade platform, a gateway to The Group Securities Company (The Group)'s trading and brokerage services through Doha Bank's Online and Mobile Banking platforms. The Group is one of the leading brokerage and investment firms in Qatar, licensed by Qatar Finance Markets Authority. Doha Bank customers will easily connect their Doha Bank accounts with The Group's accounts and trade instantly in any stocks listed at the Qatar Stock Exchange through The Group application. Q-TRADE will enable customers to instantly access their account in The Group where they can buy and sell any stocks listed on the Qatar Stock Exchange, as well as view their holdings, real-time stock prices, account information and portfolio. Customers will be able to transfer funds between their bank account and their account in The Group. Speaking on this occasion the Bank's acting CEO, Gudni Stiholt Adalsteinsson has said that "As a part of the continued Strategy of Doha Bank, we will continue to invest in technology and with a priority focus on digitalizing across all banking channels, and by doing so we expect this to further enhance the customer experience across all products and services. The launch of this Q-Trade platform will complete our suite of our trading platforms at both local and global level. Our DB Global markets platforms launched in the past will continue to provide easy access to the global markets to our customers while this New Q-trade platform will allow customers to easily trade in the local market." This service will be made available for all relevant Doha Bank Retail Banking customers through their Online and Mobile Banking channels. To trade through The Group platform, customers should have accounts or open accounts. For account opening in The Group, customers should contact the Group. (Peninsula Qatar)

- **QIBK partners UnionPay International to enable card acceptance on QIBK POS, ATMs in Qatar -** Qatar Islamic Bank (QIBK), Qatar's leading digital bank, has announced its partnership with China-based UnionPay International (UPI), one of the largest card payment organizations in the world, allowing UnionPay's contactless cards to be accepted on all QIBK POS terminals and ATMs in Qatar and further improve the card-holder experience. With Qatar set to host several major tournaments and events in the upcoming year, an influx of visitors is expected to flock to Qatar including visitors from China and other Asian countries. Since UnionPay has been a preferred card for many visitors in the previous year, this partnership emphasizes QIBK's commitment to moving to a cashless society and help make it convenient for UnionPay cardholders to pay for services on all QIBK POS terminals. Tarek Fawzi, QIBK's Wholesale Banking Group General Manager said: "We are pleased to be working with UnionPay to give access to more mobile payment technologies in Qatar. This partnership will play an important role to further promote digital payments in Qatar by offering advanced, secure, and efficient payment processing services for all UnionPay cardholders and ensuring smooth cross-border payments." James Yang, UnionPay International Middle East General Manager said: "We are proud to be joining forces with the leading digital bank in Qatar to provide several payment opportunities to our cardholders, particularly visitors to Qatar. Through this joint venture, we are close to achieving full coverage in Qatar for UnionPay cardholders in line with our strategy to address the growing demand for contactless payments around the world." UnionPay International (UPI) is a subsidiary of China UnionPay, which is committed to the development and pro-motion of the global business of UnionPay. It offers the world's largest cardholder base with high quality, cost-effective and safe cross-border payment services and ensures convenient local services for a growing range of UnionPay cardholders and merchants worldwide. (Peninsula Qatar)

- **Qatar's economic power a boon for global diplomacy -** Qatar's economic diplomacy has grown tremendously over the years boosting its trade and investments with the rest of the world said Associate Professor in Finance and Economics at the Qatar University Dr. Khalid Al Abdulqader said while addressing a seminar at the Qatar Chamber yesterday The Qatar Chamber with the Cultural Village Foundation (Katara) and the Katara Public Diplomacy Centre hosted the seminar titled 'Economic Diplomacy & Future Economic Calculations' which was attended by QC First Vice-Chairman Mohamed bin Tawar Al Kuwari and a number of businessmen and companies' representatives. Speaking on economic diplomacy he said

Qatar's economic power backed by its strength in the energy sector has helped developed economic diplomacy with the rest of the world. "We have seen a remarkable growth in foreign diplomacy particularly in the economic sphere due to the strong relations the state has with the world which considers Qatar a healthy partner for trade and investments," Dr. Al Abdulqader said. Following healthy ties today the US exports to Qatar much more than Qatar does to the US with a balance of trade in favor of the US. Qatar maintains good economic relations with China, he said adding that clean and green energy has been a key focus in trade relations with the globe. "The Qatar Investment Authority plays a pivotal role in promoting investments with the rest of the world," Dr. Al Abdulqader said adding that Qatar's economy is one of the region's strongest economies and one of the world's most promising economies. He said that Qatar's robust economy has contributed to enhancing the State's regional and global outreach and competitiveness, affirming that it has invested in strengthening its infrastructure through Hamad Port and Hamad Airport, establishing free and logistical zones, and achieving high rates of self-sufficiency. He also stressed the importance of Gulf economic integration, noting that the GCC states are of great importance on the international trade map due to the enormous potential they own. Dr. Al Abdulqader reviewed Al the concept of economic diplomacy, which means the use of possible means sup-ported by skills, capabilities, and resources to influence the other party, acquire interests, or reduce risk and harms. As for the principles of diplomacy in the economy, he pointed out that they include time-buying, multiple choices, common interests and building relationships with economic conglomerates. He also focused on the importance of economic diplomacy in financing, referring to the global financial crisis of 2008. Regarding the economic diplomacy in contracts and employment, he underscored the importance of the provision of correct information to avoid uncertainty between parties. He further explained a number of practices pertaining to the concept of economic diplomacy when dealing with markets, noting that they depend on the nature and structure of the market. He concluded his discussions by a number of global economic variables that are expected in 2023, such as raising the interest rate and the expansion in the alternative and green energy. (Peninsula Qatar)

- **Cabinet mulls advisory committee for health insurance -** The Cabinet took yesterday three decisions related to health insurance services, during the regular weekly meeting chaired by Prime Minister and Minister of Interior HE Sheikh Khalid bin Khalifa bin Abdulaziz Al Thani at the Amiri Diwan. The Cabinet approved Minister of Public Health's draft decision on updating data and specifications of health insurance cards, it also approved Minister of Public Health's draft decision on amending some of the provisions of Decision 17 of 2022 on health insurance premium of health care services for visitors. The Cabinet considered a draft Council of Ministers decision to establish the National Advisory Committee for the Health Insurance System and set its terms of reference and took the appropriate decision thereon. (Peninsula Qatar)
- **Ministry signs MoU to enhance digital transformation -** Ministry of Communications and Information Technology (MCIT) is committed to support a strong and smart ICT sector leading to a knowledge-based economy and enhancing the competitiveness of the digital and technological industry sector in Qatar, said a senior official of the Ministry during an event. MCIT signed a memorandum of understanding (MoU) with HEC Paris in Qatar to enhance cooperation in supporting Qatar's digital transformation at MCIT headquarters, yesterday. Under this MoU, the two parties will support strategic and national plans for the development of the digital sector, initiatives and methodologies that will support the initiatives of the Qatar Digital Government and the Smart Qatar Program that aims to improve the quality of life of all citizens and residents of Qatar. The signing of the MoU comes within the framework of the Ministry's tireless efforts to support sustainable development and digital transformation in line with Qatar National Vision 2030. Addressing the event, Assistant Undersecretary of Digital Society Development at MCIT, Reem Mohammed Al Mansoori said, "We are pleased to sign this MoU with HEC Paris, one of the world's leading business schools, which comes within the framework of MCIT's mechanisms and efforts aimed at developing and enhancing the competitiveness of the digital and technological industry sector in Qatar in general by supporting the fields of entrepreneurship, research and innovation." (Peninsula Qatar)
- **Qatar hosts 42nd meeting of Council of Arab Ministers of Social Affairs -** Prime Minister and Minister of Interior HE Sheikh Khalid bin Khalifa bin Abdulaziz Al Thani attended yesterday the opening session of the 42nd high-level meeting of the Council of Arab Ministers of Social Affairs, held under the theme 'The Rights of Persons with Disabilities and Multidimensional Poverty: Further Implementation of the 2030 Agenda for Sustainable Development and Beyond'. Hosted by Qatar at the Sheraton Doha Hotel, the two-day meeting brings together the Secretary-General of the Arab League, ministers of social affairs, a number of senior officials in the social development areas and heads of social bodies in the Arab countries. Prime Minister and Minister of Interior also met with Secretary-General of the Arab League H E Ahmed Aboul Gheit on the sidelines of the event. During the meeting, they reviewed the most prominent issues on the agenda of the 42nd meeting and areas of enhancing and developing the joint Arab cooperation in this field. (Peninsula Qatar)

International

- **UN predicts world economic growth to slow in 2023, pick up in 2024 -** Global economic growth is projected to slow to 1.9% this year from an estimated 3% in 2022, according to a United Nations report released on Wednesday that blamed the COVID-19 pandemic, Russia's war in Ukraine, high inflation and the climate crisis. The World Economic Situation and Prospects report said this would mark one of the lowest growth rates in recent decades. "Global growth is forecast to moderately pick up to 2.7 per cent in 2024, if, as expected, some macroeconomic headwinds begin to subside next year," it said. "The near-term economic outlook remains highly uncertain, however, as myriad economic, financial, geopolitical and environmental risks persist." The International Monetary Fund is due to release its World Economic Outlook update later this month, but IMF head Kristalina Georgieva said last week that she saw no "dramatic improvement" in its current 2023 global growth forecast of 2.7%, down from around 3.2% last year. In October, the IMF put a 25% probability of global growth falling below 2% next year - a phenomenon that has occurred only five times since 1970. The U.N. report by the world body's Department of Economic and Social Affairs said that weakened growth in the United States, the European Union and other developed economies had adversely affected the global economy. It projected that US gross domestic product would only expand 0.4% in 2023, compared to an estimated growth of 1.8% in last year. The EU was forecast to grow by 0.2% in 2023, down from an estimated 3.3% in 2022. The IMF in October forecast US economic growth of 1% in 2023 and growth of 0.5% in the EU. The report forecast economic growth in China would accelerate to 4.8% this year after the government abandoned its zero-COVID-19 policy and began easing monetary and fiscal policies. This compares to an expected 3% expansion in 2022. "But the reopening of the economy is expected to be bumpy. Growth will likely remain well below the pre-pandemic rate of 6 to 6.5 per cent," the report said. The IMF is forecasting Chinese growth of 4.4% for 2023, Georgieva said last week. (Reuters)
- **POLL Global 2023 economic view downgraded, at odds with market optimism -** Global economic growth is forecast to barely clear 2% this year, according to a Reuters poll of economists who said the greater risk was a further downgrade to their view, at odds with widespread optimism in markets since the start of the year. Falling energy prices, a slowdown in inflation in most economies from multi-decade highs, an unexpectedly resilient Eurozone economy and China's economic reopening have led traders to speculate the downturn will be more mild. That has driven MSCI's all-country world index of shares up nearly 20% from October lows, hitting a five-month closing high on Tuesday, despite the greater risk that central banks will keep interest rates higher for longer rather than cut them. But economists as a whole were much less upbeat, paring back growth forecasts for this year and next from 2.3% and 3.0%, respectively, in an October 2022 poll to 2.1% and 2.8%, respectively. Their more dour mood flew in the face of some notable upgrades by banks in recent weeks. The 2023 growth forecast is well behind an International Monetary Fund forecast of 2.7% that was issued in October and is due to be updated next week. The latest Reuters polls of more than 500

economists covering 45 economies were taken Jan. 5-25. More than two-thirds of respondents, 130 of 195, said the greater risk to their world growth outlook was that it would be even slower than what they currently expect. (Reuters)

- **UK income inequality widens after pandemic dip -** British income inequality rose to a three-year high in the 2021/22 financial year after a dip during the coronavirus pandemic but remains below peaks seen in the run-up to the 2008 financial crisis, official figures showed on Wednesday. The median British household had after-tax income - including wages, cash benefits and investment income - of 32,300 pounds ($39,800) in the year to the end of March 2022, 0.6% less than the year before after adjusting for inflation. Median incomes for the poorest fifth of households dropped by 3.8% after inflation in the 12 months to the end of March 2022 to 14,500 pounds while those for the richest fifth rose by 1.6% to 66,000 pounds, the Office for National Statistics said. Inequality dropped during the pandemic as high earners suffered bigger Percentage drops in earnings, while the poorest benefited from a temporary increase in benefits which was withdrawn in 2021/22. Most Britons will have faced a bigger squeeze on their incomes during the current financial year, as consumer price inflation hit a 41-year high of 11.1% in October. Looking at incomes as a whole, including the effects of direct taxation and the benefits systems, inequality rose in 2021/22 to its highest since 2018/19 when calculated using the Gini coefficient, a measure widely used by statisticians. However, it was generally higher in the second half of the 2000s and peaked in 2007/08. Income inequality rose fastest in Britain in the 1980s, under the leadership of former Conservative prime minister Margaret Thatcher, and increased at a slower pace during the 1990s and 2000s, including under Labor governments. Inequality fell after the global financial crisis, despite subdued growth in median living standards, and was at a 19-year low in 2016/17 when Britons voted to leave the European Union. However, the data does not directly capture the wealth impact of surging house prices, which have risen out of reach of many people who do not already own a home and does not count the benefit from owning a home outright rather than renting or paying a mortgage. The ONS said the average household used in its calculations comprised 1.8 adults and 0.5 children. (Reuters)
- **Britain's 2022 car production hits over six-decade low -** Britain's annual car production fell to the lowest in more than six decades, crippled by a global semiconductor shortage and COVID curbs in China, while the number of electric vehicles made in the UK rose, according to the Society of Motor Manufacturers and Traders (SMMT). SMMT, an automotive trade association in the UK, said 775,014 cars were made in Britain in 2022. That is 9.8% less than 2021 and 40.5% below the 2019 pre-pandemic levels. It is the lowest annual output level since 1956. UK factories, however, produced a record 234,066 battery electric vehicles (BEV), plug-in hybrid and hybrid electric vehicles, with combined volumes rising 4.5% year-on-year to account for almost a third of the overall car output. "These (total) figures reflect just how tough 2022 was for UK car manufacturing, though we still made more electric vehicles than ever before," SMMT Chief Executive Mike Hawes said. (Reuters)
- **RICS: UK commercial property extends downturn as investors retreat -** Britain's commercial real estate sector is increasingly feeling the pinch of higher borrowing costs, as investor enquiries declined in the fourth quarter and the outlook for the year ahead worsened, an industry survey showed on Thursday. The Royal Institution of Chartered Surveyors (RICS) said 83% of respondents to its quarterly commercial property survey thought the market was already in a downturn, up from 81% a quarter before. Almost half considered this downturn to be in its early stages. RICS said investor enquiries fell across all sectors for the first time since the start of the pandemic, with a net balance of -30 of respondents citing lower investment demand. Tarrant Parsons, senior economist at RICS, said the investment side of the commercial property market was "significantly affected" by the Bank of England's (BoE) tighter monetary policy, and that higher borrowing costs were weighing on investor demand and hurting valuations. The BoE's Monetary Policy Committee raised its main rate at its last nine meetings and markets have priced in a half Percentage point increase to 4% for Feb. 2. British consumer price inflation was running at 10.5% in December, nearly five times the Bank's 2% target. Near-term capital value expectations dropped sharply across the board, and the industrial sector saw the weakest reading since 2011. "Linked to the rise in government bond yields over the past six months, capital values have pulled back noticeably of late, while expectations point to this downward trend continuing over the near term," Parsons said. Looking at the year ahead, average capital values were forecast to fall further in all parts of Britain. The survey of 940 companies was conducted between Dec. 7 and Jan. 13. (Reuters)
- **British banking damaged by slow supervisors warns industry report -** Britain's regulators can be slow, inefficient and unpredictable, raising costs and slowly damaging the financial sector's global competitiveness, industry body TheCityUK said in a report. Complex, opaque and slow authorizations, such as for a new chief executive or a new product, can discourage growth and investment, the report published on Thursday said. It said The Financial Conduct Authority (FCA) and the Bank of England's Prudential Regulation Authority (PRA) were taking steps to speed up authorizations, but further action was needed. The report was based on interviews with 20 industry leaders and a survey of 40 firms, with 83% of respondents saying Britain's international competitiveness was slowly being damaged by regulatory inefficiencies. It recommends that regulators are "commercially aware" of the challenges the firms they regulate are facing, publish better performance data on authorizations, enhance communication with firms, adopt a 'digital-first' approach and train authorization staff better. "The UK is one of the world's leading international financial centers, but our competitors are biting at our heels. Complacency is not an option," TheCityUK Chief Executive Miles Celic said. Britain is pushing through many reforms to financial rules to help the City of London remain globally competitive after being largely cut off from the European Union by Brexit, ushering in new competition from centers like Amsterdam and Paris. TheCityUK said it welcomes the so-called Edinburgh reforms to boost London as a global financial center. "Successfully updating the rules also depends on the referee implementing them in the same spirit and with the same energy," Celic said. The Bank of England said it recognized the need to improve the timeliness of approving senior managers in particular and was taking steps in line with many of the recommendations. "This report supports our decision to invest heavily last year heavily in staff and technology, resulting in our pending caseload falling by 50 per cent, even as our workload and level of scrutiny of firms increases," the FCA said. "We have already announced that we will publish more metrics about our performance soon and will shortly be testing automated application forms to make applications quicker to assess." Britain's finance ministry is due to launch in coming weeks a public consultation on rules for vetting senior managers at banks and insurers, with a focus on streamlining the process. (Reuters)
- **ECB's Nagel, Makhlouf flag interest rate rises beyond March -** European Central Bank policymakers Joachim Nagel and Gabriel Makhlouf said on Wednesday they would not be surprised if interest rate increases continue into the second quarter after two expected moves in February and March. The ECB has all but committed to raising its key rate by half a Percentage point next week to 2.5%, but policymakers are expressing different preferences for March, suggesting the debate is wide open despite guidance for significant policy tightening at a "steady pace". Makhlouf said that, as things stand, rates will need to go up again in March, but policymakers must "wait and see exactly what the data tells us." Nagel said the ECB had already committed to raising rates sharply again over the next two months. Both agreed the hikes were unlikely to stop there. "Bearing in mind that inflation is very high and core inflation has actually gone up slightly, it would not be surprising to see us continue on this path of interest rate rises beyond the first quarter," Makhlouf, Ireland's central bank governor, told lawmakers in Dublin. Nagel, the president of Germany's Bundesbank, told Spiegel magazine that he "wouldn't be surprised if we have to keep raising rates even after the two announced steps." A third policymaker, Slovenia's Bostjan Vasle, joined his Dutch and Slovak counterparts on Wednesday in explicitly calling for a 50-basis-point rate rise in March. ECB President Christine Lagarde also appeared to back such an increase this week. Others, including the Greek and Italian central bank chiefs, have called for increased caution and gradual moves, prompting markets to oscillate between 25- and 50-basis-point increases as policymakers spar publicly on the rate outlook. While Eurozone

inflation eased to an annualized 9.2% in December from 10.1% a month earlier, Ireland's Makhlouf said it remains "far too high." "Interest rates will have to rise significantly at a steady pace to reach levels sufficiently restrictive to ensure a timely return of inflation to our 2% medium-term target," he said. (Reuters)

- **Govt Economic Report: Germany export growth to slow in 2023 -** German export growth is expected to slow to 2.2% this year after an increase of 3.2% last year, according to the government's annual economic report that was seen by Reuters on Wednesday. German unemployment is seen at 5.4% in 2023, slightly above the 5.3% seen in 2022, according to the report. Germany is expected to narrowly avoid recession this year with price-adjusted growth of 0.2%, the report said, in line with a report by Reuters last week. Economy Minister Robert Habeck plans to explain the details from the report later on Wednesday. "The situation at the start of the year is more favorable than assumed in the autumn projections," the report said. "Nevertheless, there are still uncertainties for the German economy." Facing soaring gas prices due to the war in Ukraine and supply bottlenecks, consumer prices exploded last year, and the government and economists saw no way around a recession. However, a 200-bn-euro relief package to shield consumers from surging energy prices, a mild winter and a readiness to save energy have changed the picture. (Reuters)
- **IFO: German business morale brightens further in January -** German business morale brightened in January as Europe's largest economy started the new year with easing inflation and an improved outlook, a survey said on Wednesday. The Ifo institute said its business climate index rose to 90.2, in line with consensus according to a Reuters poll of analysts and up from a reading of 88.6 in December. "The German economy is starting the new year with more confidence," Ifo's president Clemens Fuest said. The increase is driven by considerably less pessimistic expectations, while companies were, however, somewhat less satisfied with their current situation, Ifo said. "There probably won't be a recession, but GDP could shrink slightly in the first quarter," Ifo's economist Klaus Wohlrabe said. Franziska Palmas, senior Europe economist at Capital Economics noted that present conditions remained challenging. "The fall in its current conditions index is a reminder that the economy is not out of the woods yet." The Eurozone largest economy is expected to narrowly avoid recession this year with price-adjusted growth of 0.2%, according to the German government's annual economic report seen by Reuters on Wednesday. "The reason for this resilience is not so much the structure of the economy but rather a simple policy recipe that the German government has successfully used over the last 15 years and perfected recently: fiscal stimulus," said Carsten Brzeski, global head of macro at ING. Lower wholesale gas prices and the reopening of the Chinese economy have also boosted economic confidence, he said. "However, the fact that the German economy seems to have avoided the worst doesn't automatically mean the outlook is rosy," Brzeski said. "The Ifo business climate has recovered significantly for the third time in a row as the easing on the gas market further diminished companies' fears of a severe recession," Commerzbank's chief economist Joerg Kraemer said. However, the index is still at a level at which recessions have regularly occurred in the past, he added. (Reuters)

Regional

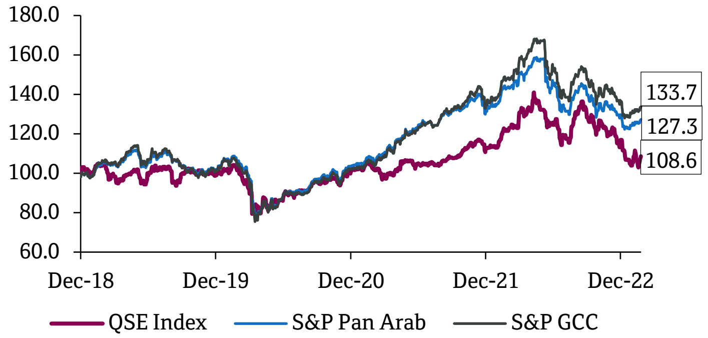
- **PwC: Mideast CEOs confident of economic growth in 2023 -** CEOs in the Middle East are confident in regional growth and are transforming their businesses embracing new technologies, investing, driving cost efficiencies, moving on deal activity and mitigating the risk of climate change, a report said. However, CEOs hold a pessimistic view on the outlook for the global economy with 73% of global CEOs and 82% of regional CEOs expecting a decline in global growth over the next 12 months, according to the Middle East findings of the 26th edition of PwC's global CEO survey. Just 21% of North American CEOs and 18% of European CEOs are confident in revenue growth in their own markets. This contrasts sharply with the picture in the Middle East where 63% of regional CEOs are confident about their own companies' revenue growth over the next 12 months, with 71% of senior executives confident about their outlook for the next three years. Hani Ashkar, PwC Middle East Senior Partner, said: "In last year's survey, CEOs in the region were optimistic about their near-term economic prospects. Today, macroeconomic volatility and geopolitical tensions are undoubtedly impacting the confidence of global CEOs' outlook for the year ahead. However, responses from Middle East leaders for our 26th Annual CEO Survey paint an encouraging picture for 2023, with almost 61% of Middle East CEOs expecting regional economic growth to improve in 2023." He added: "Our survey outlines key takeaways on how CEOs in the region are moving ahead to future-proof their companies and stay ahead of longer-term challenges." Transforming business to ensure long-term viability: CEOs in the Middle East are actively preparing for a dynamic period ahead with 58% of CEO's already transforming and strengthening their businesses. Unlike their global peers, regional business leaders are proactively accelerating M&A activity with 76% not delaying deals vs 60% globally. Nor are they slowing down on investments with 58% of regional CEOs continuing to invest vs just 40% globally. Middle East executives are also focused on building efficiencies and resilience around their supply chains, with more than 70% looking to push through price increases and 84% seeking to reduce operating costs. Investing in digitalization and talent: As the Middle East continues with its ambitious digital transformation agenda, this year's survey found that two-thirds of regional CEOs view technological disruption as a leading issue that will affect their industry's profitability over the next decade, compared with just under half of global CEOs. This year's survey indicates that Middle East senior executives foresee technology as a prominent feature in their plans with more than four in five regional CEO's expecting to invest in automation processes and systems in 2023, and 66% expecting to deploy cloud technology, artificial intelligence, and other advanced technologies in operations. Attracting and retaining talent also remains a key focus with 74% of Middle East CEOs expecting to invest in reskilling their workforce, in addition to 84% of regional leaders planning on not reducing staff compensation. Taking action to mitigate climate risk: Over the last 12 months, the region has significantly deepened its commitment to tackling climate change with government and private-sector pledges committing to meeting national net-zero targets, with momentum no doubt accelerated by the recent COP27 summit in Egypt and the upcoming COP28 summit in the UAE. This new sustainability mindset has resulted in almost 50% of Middle East CEOs taking steps to mitigate climate risk or innovating new products and processes to lower their carbon footprint and cut emissions. Stephen Anderson, Middle East Strategy and Markets Leader, said: "This year's edition of the Middle East CEO survey demonstrates that regional business leaders are balancing confident growth prospects along with the challenges of transforming their business to ensure resilience in the face of global volatility and concerns about long-term viability. "CEOs are turbocharging on digital transformation through further investment and, as the ESG agenda continues to play an important and strategic role in reimagining a sustainable future for our region, it is evident from our latest survey that the story has moved from talk and reflection to action when it comes to climate change." (Zawya)
- **Saudi Arabia estimates borrowings at $12bn in 2023 -** Saudi Arabia has estimated its borrowings at nearly 45bn Saudi Riyals ($11.99bn) after securing almost SAR 48bn of the 2023 total financing needs in 2022 through pre-funding activities, the National Debt Management Center (NDMC) said in a statement. Minister of Finance Mohammed Al-Jadaan approved the annual borrowing plan for 2023 following the endorsement of NDMC's board. The plan includes sovereign debt developments, debt market initiatives for 2022, and 2023 funding plan and its guidelines, in addition to the domestic sukuk issuance calendar under the Saudi Arabian government SAR-denominated sukuk program. Despite the anticipation of achieving a budget surplus in 2023, the kingdom aims to continue its funding activities in the domestic and international markets to repay debt principal that will mature this year and during the medium term. In addition, the kingdom will utilize opportunities based on market conditions to enter into pre-funding and liability management transactions, financing strategic projects and executing government-alternative funding transactions to promote economic growth, such as capital expenditure and infrastructure financing. NDMC will continue to consider additional funding activities subject to market conditions and through available funding channels locally or internationally. "This is to ensure the Kingdom's continuous presence in debt markets and enhance its debt portfolio characteristics, the statement added. (Zawya)

- **UAE's IHC considering bid for stake in Adani Enterprise -** UAE conglomerate International Holding Company is considering bidding for Indian billionaire Gautam Adani-led Adani Enterprises' 200bn Rupee ($2.45bn) follow-on sale of shares that began on Wednesday, the company's spokesman said. "IHC is considering the opportunity of bidding for stock purchase in the Adani Enterprise FPO (follow-on public offer); however, should anything materialize, IHC will inform the market as per the governance rules and regulations," IHC spokesman Ahmad Ibrahim told Reuters. Bloomberg News earlier reported, citing people familiar with the matter, that IHC was among bidders for the FPO, along with sovereign funds Abu Dhabi Investment Authority and Mubadala, as well as BNP Paribas. (Reuters)
- **Reforms set to spur more corporate relocations, FDI flow to UAE -** Rising inquiries about new visa options offered by the government to set up a business in the UAE indicates that the emirates will attract more high-net-worth individuals and millionaires this year. The UAE looks set to attract more foreign investment in 2023 on the back of a host of investor-friendly measures and reforms unveiled by the government to enhance the ease-of-doing business environment in its drive to encourage global investors to relocate their businesses into the country. The UAE has been ranked first in the Arab world and 19th globally for its ability to attract foreign direct investment (FDI) inflows by the World Investment Report 2022 issued by the United Nations Conference on Trade and Development (Unctad). The UAE also emerged 17th globally in terms of FDI outflows that totaled $22.5bn in 2021, reflecting a 19% growth compared to the year 2020. According to a projection by experts, the UAE will attract a major share of $66bn in potential FDI inflows into the Middle East, North Africa, and Pakistan (Menap) in 2023 as global investors consider the emirate an ideal destination for investment. In 2022, according to the Institute of International Finance, the UAE had attracted an estimated $22bn in FDI inflows due to its business and visa reforms while the Menap region was expected to receive $56bn in FDI inflows. In 2022, the UAE attracted foreign investments in various sectors. The oil and gas sector accounted for 59% of the total FDI contributions, followed by 10% in IT and communications as the country is implementing a number of steps to encourage investment in the industrial sector and increase its contribution to Dh300bn from Dh133bn within 10 years. Rising inquiries about new visa options offered by the government to set up a business in the UAE indicates that the emirates will attract more high-net-worth individuals and millionaires this year, according to Business Link, a UAE-based business consultancy. Investment pundits are bullish that the UAE is well positioned to attract more investment into its booming real estate, e-commerce, logistics and transportation, hospitality, and tourism sectors they believe that business-friendly policies, a stable economy, favorable tax policies, and strategic location as a gateway to the Middle East and Africa market are some of the key factors that attract global investors to the UAE. On top of that the proactive government has rolled out a spate of new policies and regulations to make it even easier for foreign companies to set up and operate in the second-largest Arab economy. Business Link, which also has operations in Saudi Arabia, said it has received many inquiries and clarification about the residency reforms including golden visa, silver visa, investor visa and freelance visa as foreign investors are keen to be part of UAE's success story by relocating their business to the emirates. "The UAE's business-friendly policies and forward-thinking approach have made it a hub for foreign investment, and we are confident that 2023 will see an even greater influx of international companies looking to tap into the opportunities that the country has to offer," said Hatem ElSafty, founder and CEO of Business Link. Analysts at Business Link said the UAE would take things to the next level with a series of new policies to make the country even more attractive to foreign investors. New regulations and visa reforms have already been introduced to facilitate foreign companies to set up their base in the UAE. These include simplifying the process for obtaining licenses and permits and reducing the time required to complete various bureaucratic procedures. Another new policy that is set to be introduced in 2023 is the establishment of special economic zones. These zones will be designed to attract specific types of foreign investment, such as technology, manufacturing, and financial services, the business consultancy said. As per the data provided by the UAE Ministry of Economy, the number of new business setups in the country has registered a steady uptrend despite the challenges posed by the Covid-19 pandemic. The government has also implemented various initiatives to support the growth of the country's small and medium-sized enterprises (SMEs). The government's ongoing efforts to promote and support entrepreneurship and innovation and the country's favorable business environment will likely attract more investment in real estate, e-commerce, logistics and transportation, hospitality and tourism sectors. "The focus on technology and sustainability would be more prominent in driving new business growth in coming years," analysts said. (Zawya)
- **Investors flock to UAE on ease of doing business initiatives, visa reforms -** The UAE looks set to attract more foreign investment this year as the government has introduced various measures for ease of doing business to facilitate global investors to relocate their businesses into the country. Rising inquiries about new visa options offered by the government to set up a business in the UAE indicate that the emirate will attract more high-net-worth individuals and millionaires this year, according to a business consultancy. Business Link, a UAE-based business consultancy with operations in the KSA, said they received many inquiries and clarification about golden visa, silver visa, investor visa and freelance visa as foreign investors are keen to be part of UAE's success story by relocating their business to the emirate. In addition, business-friendly policies, stable economy, favorable tax policies and strategic location are some of the key factors that attract global investors to the UAE. "The UAE's business-friendly policies and forward-thinking approach have made it a hub for foreign investment, and we are confident that 2023 will see an even greater influx of international companies looking to tap into the opportunities that the country has to offer," Hatem ElSafty, Founder and CEO of Business Link, said. Business Link said the UAE will take things to the next level with a series of new policies to make the country even more attractive to foreign investors. Elaborating, the business consultancy said new regulations and visa reforms have already been introduced to facilitate foreign companies to set up their base in the UAE. This will include simplifying the process for obtaining licenses and permits and reducing the time required to complete various bureaucratic procedures. Another new policy that is set to be introduced in 2023 is the establishment of special economic zones. These zones will be designed to attract specific types of foreign investment, such as technology, manufacturing, and financial services. Referring to the UAE Ministry of Economy, Business Link said the number of new business setups in the country has registered a steady trend despite the challenges posed by the Covid-19 pandemic. This indicates the UAE business environment's strong resilience and ability to adapt to changing economic conditions. The government has also implemented various initiatives to support the growth of the country's small and medium-sized enterprises (SMEs). For example, the Emirates Development Bank provides funding and other support to SMEs. Simultaneously, the Dubai SME initiative offers various services, including mentoring and networking opportunities, to help SMEs grow and succeed. In the next few years, it is expected that the trend of new business setups in the UAE will continue to grow. The government's ongoing efforts to promote and support entrepreneurship and innovation and the country's favorable business environment will likely attract more investment in real estate, e-commerce, logistics and transportation, hospitality and tourism sectors. "The focus on technology and sustainability would be more prominent in driving new business growth in coming years," according to Business Link. Overall, the UAE's business-friendly policies and strategic location, stable economy, and favorable tax policies are set to attract more foreign investment in 2023. The new policies and regulations will make it even easier for foreign companies to set up and operate in the country. At the same time, the special economic zones will provide specific incentives to attract specific types of foreign investment. These factors, combined with the country's growing population, will ensure that the UAE remains an attractive destination for foreign investment in the years to come. (Zawya)
- **UAE banks' investments totaled $139bn in November 2022, highest in 13 months -** The investments of banks operating in the UAE exceeded AED511bn at the end of November 2022, the highest level in 13 months, according to the latest statistics of the Central Bank of the UAE (CBUAE). The CBUAE's statistics – in its banking indicators report issued today – also showed an annual increase of 7.7%, equivalent to AED36.6bn,

reaching a total of AED511bn at the end of November, compared to AED474.5bn in November 2021. Banks' investments rose in the first eleven months of 2022 by AED37.9bn or 8%, compared to AED473.2bn at the end of December 2021, while rising monthly by 3.5%, equivalent to AED17.4bn, compared to AED493.7bn in October 2022. According to the central bank's statistics, securities that are debts to third parties, or bonds, accounted for the largest share of banks' investments by more than 49.1%, reaching AED250.9bn at the end of November, an increase of 4.5% on a monthly basis, compared to AED240.1bn in the previous year. The share of banks' investments in securities held to maturity amounted to some 39.3% of total investments, reaching AED200.8bn at the end of November 2022. This was an annual increase of 76% compared to 114bn in November 2021, and a monthly increase of some 2.9% compared to AED195.1bn in October 2022. The banks' investments in stocks totaled AED12.2bn in November 2022, a monthly increase of around 4.3%, compared to some AED11.7bn in October 2022. It also decreased on an annual basis by around 12.9%. The statistics also showed that the other banks' investments totaled AED47.2bn at the end of last November. This was an annual increase of 4.7%, compared to AED45.1bn in November 2021, and a monthly increase of 0.85%, compared to AED46.8bn in October 2022, as well as an increase of 10.8% over the first 11 months of 2022, compared to about AED42.6bn in December 2021. (Zawya)

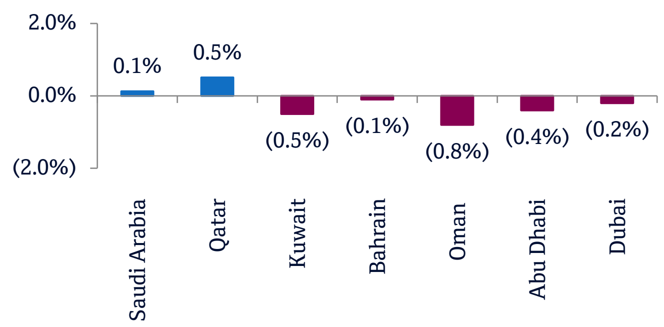
- **Moody's upgrades DP World's credit rating -** Moody's has upgraded DP World's ratings, signaling confidence in the company's business and future prospects. The upgrade follows two major investments in 2022 at DP World's flagship UAE assets: Jebel Ali Port, Jebel Ali Free Zone, and National Industries Park. The investments, which totaled $7.4bn, were made by Canadian investment fund CDPQ in May and Saudi Arabian pension fund Hassana in December. According to Moody's, DP World's diversified global port operations in strategic, fast-growing emerging market locations, solid profitability, and long-term growth potential led to the improved rating. The upgrade is an important step for DP World towards its long-term growth plans and will enhance the company's assets, allowing it to capture the significant growth potential of the wider market. Sultan Ahmed bin Sulayem, Group Chairman and CEO of DP World, stated that the improved rating by Moody's demonstrates the confidence of global investors in the company's business, its leading assets, and its strategy to expand deeper into the logistics industry. DP World has begun a strategic transformation journey to achieve its vision of creating end-to-end integrated global supply chain solutions, from the factory floor to the customer's door. This upgrade is a significant step in DP World's long-term growth plans, and it will also enhance the company's assets and capitalize on the significant growth potential of the broader market. (Zawya)
- **Oman: $390mn project to supply water in Al Dhahirah Governorate opened -** An OMR150mn vital water supply project to ensure water security for Al Dhahirah Governorate was commissioned on Monday. Oman Water and Wastewater Services Company (OWWSC) organized the opening ceremony for the water supply project by Sohar Water Desalination Plant in Al Dahirah Governorate. The event was held in the Wilayat of Ibri which was presided over by Dr. Said bin Mohammed Al Saqri, Minister of Economy, in the presence of ministers, State Council members, undersecretaries and dignitaries. "While designing the project, the company took into account the current and future water needs for Al Dhahirah Governorate. It also took into account rise in water demand for both the commercial and industrial needs," Qais bin Saud Al Zakwani, Chief Executive Officer of Oman Water and Wastewater Services Company said. The project includes a water transmission line from the Sohar Desalination plant to Al Dahirah for a total length of 230km with 15 water tanks having a storage capacity of 451,000 cubic meters located in Sohar, Ibri and Dhank. It consists of four pumping stations with a maximum capacity of 144,000 cubic meters per day and the pipeline runs parallel to the path of the current water carrier line from Sohar to Al Buraimi Governorate. So that this path is used to meet the future water needs of Al-Buraimi Governorate by linking the two water transmission systems in a number of stations to complete the connection of the water transmission system between the governorates of Al Batinah, Al Dhahirah and Al Buraimi. Through this project, the OWWSC aims to ensure water supply to the wilayats of Al-Dhahirah Governorate, which depended mainly on groundwater to meet their drinking water needs and other development activities. This project will help in preserving groundwater resources and developing them for the future generations. (Zawya)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,946.11	0.5	1.0	6.7
Silver/Ounce	23.91	1.0	(0.1)	(0.2)
Crude Oil (Brent)/Barrel (FM Future)	86.12	(0.0)	(1.7)	0.2
Crude Oil (WTI)/Barrel (FM Future)	80.15	0.0	(1.4)	(0.1)
Natural Gas (Henry Hub)/MMBtu	3.05	(9.0)	(3.6)	(13.4)
LPG Propane (Arab Gulf)/Ton	91.63	1.2	2.1	29.5
LPG Butane (Arab Gulf)/Ton	117.25	(0.4)	(0.2)	15.5
Euro	1.09	0.3	0.6	2.0
Yen	129.59	(0.4)	(0.0)	(1.2)
GBP	1.24	0.6	0.0	2.6
CHF	1.09	0.5	0.3	0.7
AUD	0.71	0.8	2.0	4.3
USD Index	101.64	(0.3)	(0.4)	(1.8)
RUB	118.69	0.0	0.0	58.9
BRL	0.20	1.3	2.6	4.1

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,756.73	0.0	1.1	5.9
DJ Industrial	33,743.84	0.0	1.1	1.8
S&P 500	4,016.22	(0.0)	1.1	4.6
NASDAQ 100	11,313.36	(0.2)	1.6	8.1
STOXX 600	452.07	(0.2)	0.5	8.3
DAX	15,081.64	0.1	0.8	10.2
FTSE 100	7,744.87	0.3	(0.4)	6.4
CAC 40	7,043.88	0.0	1.2	10.7
Nikkei	27,395.01	0.7	3.3	6.1
MSCI EM	1,041.26	0.2	0.5	8.9
SHANGHAI SE Composite#	3,264.81	0.8	0.0	7.5
HANG SENG#	22,044.65	1.8	0.0	11.1
BSE SENSEX	60,205.06	(1.1)	(1.2)	0.4
Bovespa	114,270.07	2.3	4.0	8.2
RTS	987.02	(0.3)	(0.5)	1.7

Source: Bloomberg ($ adjusted returns, # Data as of January 20, 2023)*

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