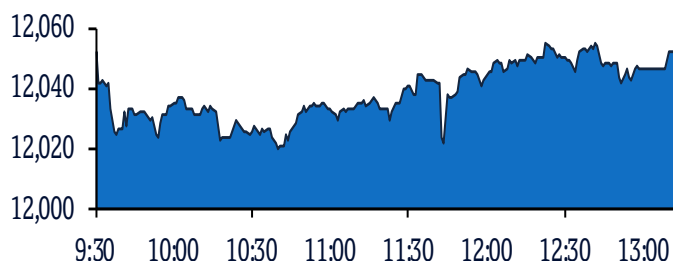


## QSE Intra-Day Movement



## Qatar Commentary

The QE Index declined marginally to close at 12,052.4. Losses were led by the Consumer Goods & Services and Insurance indices, falling 0.3% each. Top losers were QLM Life & Medical Insurance Co. and Mazaya Qatar Real Estate Dev., falling 2.9% and 1.7%, respectively. Among the top gainers, Qatari Investors Group gained 2.2%, while Barwa Real Estate Company was up 1.5%.

## GCC Commentary

**Saudi Arabia:** The TASI Index gained 1.5% to close at 11,843.6. Gains were led by the Media & Entertainment and Diversified Financials indices, rising 6.4% and 3.9%, respectively. Saudi Tadawul Group Holding rose 9.9%, while Saudi Research & Media Group was up 6.7%.

**Dubai:** The DFM Index fell 0.7% to close at 3,207.8. The Consumer Staples and Discretionary index declined 1.8%, while the Investment & Financial Services index fell 1.7%. GFH Financial Group declined 4.6%, while Emirates Refreshments Co was down 3.1%.

**Abu Dhabi:** The ADX General Index fell 0.3% to close at 8,332.7. The Telecommunication index declined 1.8%, while the Services index fell 1.6%. National Corp Tourism & Hotel declined 6.7%, while Palms Sports was down 4.6%.

**Kuwait:** The Kuwait All Share Index gained 1.0% to close at 7,258.5. The Financial Services index rose 1.6%, while the Banks index gained 1.2%. Al Arabi Group Holding Co rose 27.3%, while Real Estate Trade Centers Co was up 12.3%.

**Oman:** The MSM 30 Index gained 0.1% to close at 4,224.7. The Services index gained 0.9%, while the other indices ended in red. SMN Power Holding rose 8.7%, while Sembcorp Salalah Power and Water Co. was up 6.7%.

**Bahrain:** The BHB Index gained 0.2% to close at 1,794.9. The Materials index rose 0.6%, while the Communication Services index was up 0.5%. GFH Financial Group rose 2.3%, while National Bank of Bahrain was up 1.5%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatari Investors Group	2.36	2.2	10,269.7	6.3
Barwa Real Estate Company	3.28	1.5	4,123.6	7.2
Al Meera Consumer Goods Co.	19.58	0.9	12.3	(0.1)
Qatar Gas Transport Company Ltd	3.43	0.9	7,936.5	3.9
Qatar Aluminium Manufacturing Co	1.97	0.7	10,570.4	9.4

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatar First Bank	1.81	(0.1)	12,226.8	1.1
Masraf Al Rayan	5.00	0.0	11,047.0	7.8
Qatar Aluminium Manufacturing Co	1.97	0.7	10,570.4	9.4
Qatari Investors Group	2.36	2.2	10,269.7	6.3
Mazaya Qatar Real Estate Dev.	0.94	(1.7)	10,109.8	2.2

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	12,052.44	(0.0)	0.8	3.7	3.7	120.34	186,415.1	16.7	1.8	2.5
Dubai	3,207.81	(0.7)	0.4	0.4	0.4	110.60	111,631.3	20.0	1.1	2.4
Abu Dhabi	8,332.69	(0.3)	(0.7)	(1.8)	(1.8)	416.63	399,492.1	22.8	2.5	2.8
Saudi Arabia	11,843.55	1.5	3.6	5.0	5.0	2,137.84	271,675.9	26.1	2.5	2.3
Kuwait	7,258.47	1.0	2.3	3.1	3.1	255.25	140,082.8	21.2	1.6	2.1
Oman	4,224.67	0.1	0.9	2.3	2.3	10.77	19,371.1	12.0	0.9	3.8
Bahrain	1,794.93	0.2	0.3	(0.1)	(0.1)	7.77	28,815.6	10.0	0.9	3.5

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

Market Indicators	11 Jan 22	10 Jan 22	%Chg.
Value Traded (QR mn)	438.6	483.3	(9.2)
Exch. Market Cap. (QR mn)	684,594.5	685,013.4	(0.1)
Volume (mn)	132.3	169.4	(21.9)
Number of Transactions	8,230	10,821	(23.9)
Companies Traded	42	45	(6.7)
Market Breadth	15:26	28:14	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	23,858.53	(0.0)	0.8	3.7	16.7
All Share Index	3,792.66	(0.0)	0.7	2.6	164.9
Banks	5,089.20	0.0	0.7	2.6	15.5
Industrials	4,201.49	(0.3)	0.7	4.4	17.4
Transportation	3,674.64	0.5	2.0	3.3	18.3
Real Estate	1,831.51	0.5	2.0	5.2	15.7
Insurance	2,644.96	(0.3)	1.2	(3.0)	15.8
Telecoms	1,063.58	(0.3)	(0.7)	0.6	N/A
Consumer	8,135.99	(0.3)	(0.3)	(1.0)	21.7
Al Rayan Islamic Index	4,922.18	(0.0)	1.0	4.4	19.3

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Saudi British Bank	Saudi Arabia	37.90	4.1	2,125.8	14.8
Riyad Bank	Saudi Arabia	29.45	3.5	2,723.4	8.7
Al Rajhi Bank	Saudi Arabia	149.80	2.9	4,883.8	5.6
Savola Group	Saudi Arabia	33.45	2.8	1,315.6	4.7
Mouwasat Medical Serv.	Saudi Arabia	181.80	2.7	81.6	4.6

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
GFH Financial Group	Dubai	1.25	(4.6)	69,006.4	5.0
United Electronics Co.	Saudi Arabia	141.60	(2.2)	209.8	4.6
Emirates Telecom. Group	Abu Dhabi	29.46	(1.8)	4,599.9	(7.1)
Arabian Centres Co Ltd	Saudi Arabia	23.18	(1.4)	974.4	2.7
Jabal Omar Dev. Co.	Saudi Arabia	25.70	(1.3)	2,007.0	1.2

Source: Bloomberg (# in Local Currency) (## GCC Top gainers/losers derived from the S&P GCC Composite Large Mid Cap Index)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
QLM Life & Medical Insurance Co.	5.07	(2.9)	7,358.0	0.4
Mazaya Qatar Real Estate Dev.	0.94	(1.7)	10,109.8	2.2
Salam International Inv. Ltd.	0.86	(1.5)	8,107.8	4.5
Al Khaleej Takaful Insurance Co.	3.69	(1.4)	175.8	2.5
Aljarah Holding	0.96	(1.3)	3,053.5	1.7

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	20.22	(0.0)	86,135.8	0.1
Masraf Al Rayan	5.00	0.0	55,206.5	7.8
QLM Life & Medical Insurance Co.	5.07	(2.9)	37,312.5	0.4
Qatar Gas Transport Company	3.43	0.9	27,156.7	3.9
Qatari Investors Group	2.36	2.2	24,202.9	6.3

Source: Bloomberg (\* in QR)

## Qatar Market Commentary

- The QE Index declined marginally to close at 12,052.4. The Consumer Goods & Services and Insurance indices led the losses. The index fell on the back of selling pressure from Qatari and Arab shareholders despite buying support from foreign and GCC shareholders.
- QLM Life & Medical Insurance Co. and Mazaya Qatar Real Estate Dev. were the top losers, falling 2.9% and 1.7%, respectively. Among the top gainers, Qatari Investors Group gained 2.2%, while Barwa Real Estate Company was up 1.5%.
- Volume of shares traded on Tuesday fell by 21.9% to 132.3mn from 169.4mn on Monday. However, as compared to the 30-day moving average of 123.7mn, volume for the day was 7% higher. Qatar First Bank and Masraf Al Rayan were the most active stocks, contributing 9.2% and 8.3% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	31.50%	30.49%	4,410,971.8
Qatari Institutions	18.68%	40.70%	(96,588,662.0)
<b>Qatari</b>	<b>50.17%</b>	<b>71.18%</b>	<b>(92,177,690.1)</b>
GCC Individuals	0.40%	0.39%	54,498.1
GCC Institutions	0.70%	0.28%	1,845,415.9
<b>GCC</b>	<b>1.10%</b>	<b>0.67%</b>	<b>1,899,914.0</b>
Arab Individuals	7.11%	8.41%	(5,682,627.5)
Arab Institutions	0.00%	0.00%	-
<b>Arab</b>	<b>7.11%</b>	<b>8.41%</b>	<b>(5,682,627.5)</b>
Foreigners Individuals	1.97%	2.30%	(1,486,096.6)
Foreigners Institutions	39.66%	17.44%	97,436,500.2
<b>Foreigners</b>	<b>41.62%</b>	<b>19.74%</b>	<b>95,950,403.6</b>

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

## Earnings Releases, Global Economic Data and Earnings Calendar

### Earnings Releases

Company	Market	Currency	Revenue (mn) 4Q2021	% Change YoY	Operating Profit (mn) 4Q2021	% Change YoY	Net Profit (mn) 4Q2021	% Change YoY
Salalah Port Services*	Oman	OMR	67.8	-13.6%	-	-	4.6	-68.7%
Hotels Management Co. International*	Oman	OMR	3.3	6.6%	-	-	(1.6)	N/A
Musandam Power*	Oman	OMR	18.2	2.9%	-	-	3.1	32.5%

Source: Company data, MSX (\*Financials for FY2021)

### Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
01/11	UK	The British Retail Consortium	BRC Sales Like-For-Like YoY	Dec	0.60%	-	1.80%
01/11	France	Banque De France	Bank of France Ind. Sentiment	Dec	-	104	104
01/11	Japan	Economic & Social Research	Leading Index CI	Nov P	103	102.9	101.5
01/11	Japan	Economic & Social Research	Coincident Index	Nov P	93.6	93.4	89.8

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 4Q2021 results	No. of days remaining	Status
ABQK	Ahli Bank	13-Jan-22	1	Due
QIBK	Qatar Islamic Bank	16-Jan-22	4	Due
QFLS	Qatar Fuel Company	18-Jan-22	6	Due
CBQK	The Commercial Bank	19-Jan-22	7	Due
QIIK	Qatar International Islamic Bank	24-Jan-22	12	Due
NLCS	Alijarah Holding	27-Jan-22	15	Due
MARK	Masraf Al Rayan	30-Jan-22	18	Due

Source: QSE

## Qatar

- QNB Group reports strong financial results for the FY 2021** – QNB Group achieved strong growth in net profit for 2021 and in line with QNB Group's strategy of maximizing returns to its shareholders, the Board of Directors have recommended to the General Assembly the distribution of a cash dividend of 55% of the nominal share value (QAR0.55 per share). The financial results for 2021 along with the proposed profit distribution are subject to Qatar Central Bank (QCB) approval. Net Profit for the full year reached QAR13.2 billion, an increase of 10% compared to last year. Operating Income increased by 11% to QAR28.3 billion driven by strong growth in top line performance. This reflects QNB Group's success in maintaining sustainable and strong growth across a number of revenue segments. In addition, QNB Group continued to build additional loan loss provisions during the year as a conservative measure, which resulted in the loan loss provision charge for the year ended 31 December 2021 reaching QAR7.1 billion, an increase of 21% from last year. This helped to improve coverage ratio to 117% which reflects the conservative approach adopted by the Group in managing its loans and advances portfolio. The Group's drive for operational efficiency continues to result in cost savings and strong revenue sources that has helped QNB Group to improve efficiency (cost to income) ratio from 24.3% to 22.2%, which is considered as one of the best ratios among large financial institutions in the MEA region. Total Assets reached QAR1,093 billion, an increase of 7% from 31 December 2020, mainly driven by strong growth in Loans and advances by 6% to reach QAR764 billion. Robust customer deposits generation helped to increase customer deposits by 6% to reach QAR786 billion as at 31 December 2021. QNB Group's strong asset-liability management capabilities enabled QNB Group to improve its loans to deposits ratio from 98.0% to 97.2% as at 31 December 2021 reflecting the improvement in the Group's overall liquidity. The ratio of non-performing loans to gross loans remained stable at 2.3% as at 31 December 2021, one of the lowest amongst financial institutions in the MEA region, reflecting the high quality of the Group's loan book and the effective management of credit risk. Also during the year, QNB Group increased its loan loss provision charge by QAR7.1 billion, as QNB Group remains cautious on the external environment with respect to potential risks that may arise from key markets where QNB Group operates. This helped the Group to increase its coverage ratio to 117%, which reflects the prudent approach adopted by the Group towards non-performing loans. Group Capital Adequacy Ratio (CAR) as at 31 December 2021 amounted to 19.3%, higher than the regulatory minimum requirements of the Qatar Central Bank and Basel Committee. During the year, QNB Group accessed global debt markets for debt securities issuance under its EMTN programme, a USD1 billion five-year bond issued in January 2021 and a debut bond launch in Hong Kong Stock Exchange for USD600 million with a three year maturity which was successfully placed in June 2021. QNB Group supported by 27,000 staff resources operating from approximately 1,000 locations and 4,500 ATMs. (QSE)
- QNB Group to hold its investors relation conference call on January 17 to discuss the financial results** – QNB Group announced that the conference call with the investors to discuss the financial results for the annual 2021 will be held on January 17, 2022. (QSE)
- Qatar's economy to witness recovery in 2022** – Qatar's economy is expected to witness a robust recovery this year. Global organizations expect Qatar's economy to grow by more than 2% in 2021, and by more than 3.5% in 2022, said the latest Qatar Economic Outlook Report 2021-2023. "The consensus

forecasts by a number of international institutions, organizations, and banks showed that the Qatari economy will undergo recovery during 2021 and 2022, with a predicted average growth rate of about 2.8% and 3.7%, respectively," Dr. Saleh Al Nabit, President of the Planning and Statistics Authority in the report. The Planning and Statistics Authority (PSA) released yesterday, Qatar's Economic Outlook Report 2021-2023 – Issue No. 13 - in which it reviewed the developments of the national economy during 2017-2021. "The preliminary results of the PSA's forecasts for non-oil activities (non-hydrocarbon Gross Value Added) for the three scenarios indicate that it is likely to grow between 3% and 3.9% in 2021, and between 2.8% and 4.7% in 2022, driven by the expectations of booming activities related to hosting the 2022 FIFA World Cup," said Dr. Saleh Al Nabit. Based on the assumption that the performance level of the value-added sector of the hydrocarbons sector during the period 2021-2023 will decrease in a range between negative 0.7% and negative 0.2% in 2021 for the three scenarios, then it will stabilize at either negative 0.3% or 0% during 2022 and 2023 for the same scenarios. "These assumptions are therefore expected to drive GDP growth between 1.5% and 2.3 % in 2021, with a middle scenario of around 1.9%. But it is expected to rise to a range of between 1.6 % and 2.9% in 2022 for all three scenarios, before stabilizing in 2023 between 0.7% and 1.8%," said Dr. Saleh Al Nabit. (Peninsula Qatar)

- Nakilat, ABS in pact for decarbonization** – Qatar Gas Transport Company (Nakilat, QGTS), one of the world's largest LNG shipping operators, has partnered with ABS to develop an industry-leading decarbonization strategy. Over the past months, Nakilat's project team has worked closely with ABS sustainability specialists to map out decarbonization pathways for the company's fleet of 69 LNG carriers and four Very Large LPG Gas Carriers. These efforts come as part of the Nakilat's drive to become a global maritime sustainability leader. The project will ultimately see Nakilat's vessels receive the ABS Sustain notation, which demonstrates alignment with the United Nation's Sustainable Development Goals (SDGs) and establishes a pathway for sustainability certification and reporting. (QSE)
- 'FoodTech', SportsTech' in Qatar among anticipated startups in 2022, says fintech firm** – While fintechs in Qatar have had a stellar year in 2021, startups in the 'FoodTech' and 'SportsTech' industries are among the companies that are expected to add value to the economy this year, according to an industry expert. Asked to give a forecast for tech startups' performance in 2022, as well as for Qatar's startup sector, including up and coming sectors being anticipated this year, Ahmed Isse, co-founder of local fintech player, Dibsby, told Gulf Times: "It was a big year for startups all over the world and not just in Qatar." "The biggest sectors that we see growing are FoodTech, fintech, and SportsTech. And this is not only influenced by the pandemic but also other economic factors," he also pointed out. Dibsby uses a simple payment API to offer multiple payment methods, helping businesses to accept payments through their website, apps, or messaging platform, said Isse. The fintech firm recently won the 'Most Funded Startups in Qatar' award during the 'Digital Qatar Symposium & Awards 2021' organized last month by Forbes Middle East. According to Isse, the Covid-19 pandemic has changed consumer behavior, giving tech startups an opportunity to address the public's needs using digital technology and other innovative ideas. With the recent surge in daily Covid-19 infection cases, more people are maximizing the use of technology for their day-to-day needs. (Gulf-Times.com)

- **Qatar Airways begins service to Kano, Port Harcourt in Nigeria** – Qatar Airways is boosting its service to Nigeria with the launch of four weekly flights to Kano (KAN) on March 2, and three weekly flights to Port Harcourt (PHC) on March 3, both operating via the Nigerian capital, Abuja. It currently operates two daily flights to Lagos and four times a week to Abuja, which will expand to a daily service in March. Kano and Port Harcourt will become the seventh and eighth new African gateways launched by Qatar Airways since the start of the pandemic. Both routes will be served by the state-of-the-art Boeing 787 Dreamliner, featuring 22 seats in Business Class and 232 in Economy Class. (Peninsula Qatar)
- **Starlink Qatar, Huawei sign strategic partnership** – Starlink Qatar has announced a strategic co-operation agreement with Huawei, a leading global provider of information and communications technology (ICT) infrastructure and smart devices. Authorized in Enterprise Network and IT Solutions, Starlink will collaborate with Huawei to bring its customers and clients the necessary threat prevention capabilities to safeguard their critical digital assets. Under the terms of the agreement, Starlink will integrate value-added services on top of Huawei solutions to provide more benefits to Huawei local partners. Huawei, on its part, will provide continuous support to Starlink through training, technical services and marketing support. (Gulf-Times.com)
- **International**
- **US economy can withstand Fed tightening, Omicron surge, Powell says** – Federal Reserve Chair Jerome Powell, in a congressional hearing that pointed to his likely confirmation for a second term as head of the US central bank, said on Tuesday the economy should weather the current COVID-19 surge with only "short-lived" impacts and was ready for the start of tighter monetary policy. Powell was openly endorsed by Republicans and Democrats on the Senate Banking Committee in a session which focused largely on how the Fed planned to address inflation running at multi-decade highs, why the central bank misdiagnosed the surge in price increases, and what stricter monetary policy would mean for job growth. The Fed chief said the central bank was determined to ensure that high inflation did not become "entrenched," and that far from diminishing job growth, a turn to higher policy interest rates and a runoff of its asset holdings was necessary to keep the current economic expansion underway. If prices continue spiking, the Fed could be forced to push through a sharper rise in interest rates this year than the three quarter-percentage-point hikes its policymakers currently anticipate, risking a return to recession. "Inflation is running very far above target. The economy no longer needs or wants the very accommodative policies we have had in place," Powell said in his testimony. (Reuters)
- **World Bank demands faster G20 debt relief as poor nations squeezed** – Poorer developing nations need faster G20 debt relief, the World Bank said on Tuesday, redoubling its calls for China, the world's largest creditor, and private sector creditors, to reverse course and participate fully in debt relief efforts. The pandemic-induced recession in 2020 left around 60% of low-income countries in or at high risk of debt distress, and many emerging economies were struggling as well, World Bank President David Malpass told reporters as the bank unveiled its latest Global Economic Prospects report. Debt levels in emerging market and developing economies had risen at the fastest pace in three decades, the report said, and while growth in low income economies is projected to strengthen in 2022 to 4.9% and in 2023 to 5.9%, income per capita is forecast to remain below pre-pandemic levels this year in half of them. (Reuters)
- **Japan manufacturers' mood slips as rising costs pressure profit margins** – Japanese manufacturers turned less positive about their business conditions in January, in a sign the economy faces pressure from the Omicron variant as well as rising energy and raw material costs, the Reuters Tankan poll showed. Manufacturers and service sector firms were more optimistic about the coming three months, the monthly poll, which tracks the Bank of Japan's closely watched "tankan" quarterly survey, showed. Some firms in the poll of 502 big and mid-sized companies, of which 254 responded, said their bottom lines were being pressured by commodity inflation, while others were more optimistic as they benefited from strong global demand. The Reuters Tankan sentiment index for manufacturers fell to 17 in January from 22 in December, slipping from the previous survey's four-month high, while the service index rose to a 23-month high of 8 from 6 in the prior month. The poll showed profit margins at some firms in the world's third-largest economy were taking a hit from higher raw material and energy prices, after the BOJ's latest "tankan" business survey showed a recovery among manufacturers had stalled. (Reuters)
- **Regional**
- **S&P: GCC banks on recovery path in 2022** – Gulf Cooperation Council (GCC) Banks are set to benefit from a regional economic recovery this year amid higher oil prices, still supportive government spending, and normalizing non-oil activity, S&P Global Ratings has said in a new report released on Tuesday. "We expect banks' asset quality indicators to deteriorate only slightly as regulatory forbearance measures have helped the corporate sector to deal with the negative effects of the pandemic," said S&P Global Ratings Credit Analyst Mohamed Damak. "In our view, the nonperforming loan ratio will rise in the next 12-24 months without exceeding 5%, compared with 3.7% at September 30, 2021," Damak said. Furthermore, the report said, GCC banks should benefit from policy rate hikes in 2022 by the US Federal Reserve, which will prompt a similar reaction from GCC central banks given their currency pegs. Highlighting that GCC banks are positively geared to rising interest rates, the report said, "On average, a 100-basis-point (bps) increase in rates would result in a 14% increase in earnings and 1% capital accretion." "We do not expect a major slowdown in lending growth following a rate increase as this is more dependent on government spending and oil prices. However, external funding might become scarce and more expensive and asset quality indicators could be impacted in case of a faster than expected increase in rates," S&P said. "Lower global liquidity is likely to have a limited impact on GCC banks thanks to their strong net external asset positions or limited net external debt positions. Moreover, strong capitalization and government support will continue to reinforce regional banks' creditworthiness," Damak said. GCC banks are mainly funded by domestic deposits, which have proved stable through periods of economic stress. These balances reflect the working balances and savings of residents, with expatriate populations remitting regularly. (Qatar Tribune)
- **GCC consumer sentiment remains relatively unaffected by global agitators, says new D/A report** – According to the latest research by leading consumer intelligence platform, D/A, owners of Sila, an Arabic-native, AI-enabled consumer intelligence platform, despite a general decline in net positivity across all global markets, the GCC's Arabic speakers remained mainly immune to many of the global agitators regarding business, economy and employment confidence. The data, which is based on algorithmic AI analysis of over 100 million Arabic social media posts, was highlighted in the December 2021 Sila Consumer Sentiment Index (CSI) report, which was

released today, Tuesday 11 January and revealed that the GCC remained relatively immune to the key issues affecting consumer sentiment on a global level. Overall, GCC consumer confidence in December declined 1.2%, down to 65.3% from 66.5% in November and 66.3% in October. These modest declines are attributed to global dynamics, including inflationary pressure on consumer spending, uncertainty around variants of COVID-19 and the resulting impacts on daily life, and government support for the economy via maintained spending and reforms. Business confidence has sustained a more considerable setback of almost 2% month-on-month, from 61.3% in November to 59.5% in December. However, it is still registering net positivity and trending above pre-pandemic levels. From an economic perspective, macro/government intervention in GCC economies saw a 3.7% increase in confidence in December, marking a two-year series high in economic growth sentiment, a significant consumer confidence indicator. Consumer confidence around employment declined by 1.3% month-on-month to 81% in December and 1.5% below October's reading of 82.5%. This trend still presents a significant shift from the pre-pandemic level of 87.9% recorded in February 2020 and the 86.1% noted in June 2021, indicating a more inconsistent recovery concerning this marker. (Zawya)

- GCC corporate taxes: Tax compliance transformation** – Corporate tax is an important direct tax levied on the taxable profits of business entities. Around the world, corporate tax rates have been dropping, from highs of over 50 per cent to around the 20 per cent range, as economies compete to attract inward foreign investment. The GCC, however, is an exception that bucks the trend. Here, these taxes are instead being introduced for the first time, rationalized as a switch towards tax compliant country-status in the global economy. This, in turn, is being driven by the pressure exerted from the Organization for Economic Cooperation and Development (OECD) and G20 countries on tax havens and low tax jurisdictions to implement more transparency and stricter compliances. Regulations such as economic substance regulations, country by country reporting, and transfer pricing regulations, among others, have been adopted by many GCC countries recently. Four out of the six GCC countries have corporate tax regimes and the other two, the UAE and Bahrain, are in serious discussions to introduce one in 2023. This is in the aftermath of talks between the finance ministers of G7 countries and the recent OECD's Pillar Two model rules for the domestic implementation of 15 per cent global tax unveiled on December 20, 2021. The new Pillar Two model rules will help countries legislate the Global Anti-Base Erosion (GloBE) rules domestically in 2022, to come into effect from 2023. The headline corporate tax rates in the GCC range from a low of 10 per cent in Qatar, through 15 per cent in Kuwait and Oman, to a high of 20 per cent in Saudi Arabia. In this context, it is important to note that the GCC countries have a growing double taxation treaty (DTT) network to eliminate double taxation — the UAE has treaties with 112 countries, Kuwait 82 countries, Qatar 60, Saudi Arabia 51 countries, Oman 31, and Bahrain with 44 countries. The tax treaty network is expected to expand rapidly with many treaties in various stages of discussion, negotiation, and finalization. (Zawya)
- Sources: Several Asian refiners to receive full Saudi crude allocation in February** – Saudi Aramco has notified at least five Asian buyers that it will supply full contractual volumes of crude oil in February, same as January, sources with knowledge of the matter said. The full supplies came after the state oil giant cut February official selling prices to Asia to their lowest in three months. The world's top oil exporter has been maintaining steady supplies to its key consuming region since the Organization of the Petroleum Exporting Countries and their

allies, a group known as OPEC+, eased supply cuts from August. OPEC+ decided earlier this month that it will continue to increase output by 400,000 barrels per day (bpd) in February. Saudi Arabia's crude exports in October rose for a sixth straight month to 6.833 million bpd, the highest since April 2020, the Joint Organisation Data Initiative (JODI) said in December. (Reuters)

- Expert: Over 5,300 mineral locations in Saudi Arabia to aid economic growth** – Saudi Arabia is home to over 5,300 mineral locations, Professor Abdulaziz bin Labon, Chairman of the Saudi Geologists Cooperative Association, said in a statement carried by the official Saudi Press Agency (SPA). The statement was made as Riyadh hosts the inaugural Ministerial Roundtable on Sustainable Future Minerals as part of the Future Minerals Forum. Previous mineral exploration processes showed that the 5,300 locations include diverse metal and non-metal rocks, building materials, decorative rocks and gemstones. The professor noted that the rocks can be found in the Arabian Shield region whose total area stands at approximately 630,000 square kilometers. While a comprehensive mineral survey of the Arabian Shield will explore more mineral resources, almost one third of the total area of the Kingdom of Saudi Arabia boasts metal minerals, such as gold, silver, copper, foil and iron and other rare and radioactive elements. He highlighted minerals as the "third economic pillar for the national economy," after oil and petrochemicals. (Bloomberg)
- Aramco Trading inks deal with Klesch Group for feedstock supply** – Saudi Aramco's trading arm has signed an agreement with Klesch Group, an international industrial commodities group, for the exclusive supply of feedstocks for its refinery in Denmark. Under the deal, Aramco Trading Co. (ATC), that trades gas, crude, refined products, will exclusively supply 110mn barrels per day (MBD) of crude, the company said in a statement. This deal also gives Aramco a strategic footprint in the refining business in north-west Europe, a fast-growing and under-served market, according to the statement. ATC, which was set up in 2012 initially to market refined products, base oils and bulk petrochemicals, has since expanded into crude trading. To reach out to a wider customer base, it strategically maintains storage and blending facilities in major trading hubs. (Zawya)
- Yas Holding's GlobalOne Healthcare acquires Al Ittihad Drug Store** – GlobalOne Healthcare Holding (GHH) a division of UAE's Yas Holding, has acquired pharmaceutical distributor Al Ittihad Drug Store (IDS) to expand its distribution coverage in the Emirates and make it one of the country's largest medical distributors. The acquisition makes GHH one of the largest medical distributors in the UAE, the company said, but no financial sums relating to the acquisition were disclosed. (Zawya)
- Sheikh Mohammed issues new law on expropriation of property for public use in Dubai** – Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE, issued Law No. (2) of 2022 on the expropriation of property for public use in Dubai. The law regulates the procedures for expropriating property for public use and will ensure that the rights of owners of expropriated property are protected and that they are afforded full and fair compensation as per a clear set of rules outlined by it, according to a statement on the website of Dubai Media Office. The provisions of the law will apply to the expropriation of property across Dubai. The law also covers special development zones and free zones including the Dubai International Financial Centre, the media office said. The law also regulates the terms and conditions under which buildings and facilities can be expropriated including those that are completed and under

construction, the statement said, adding, it also sets out the terms for providing compensation to the owners whose properties are expropriated, as per a decision issued by the Chairman of the Court of His Highness, the Ruler of Dubai. (Zawya)

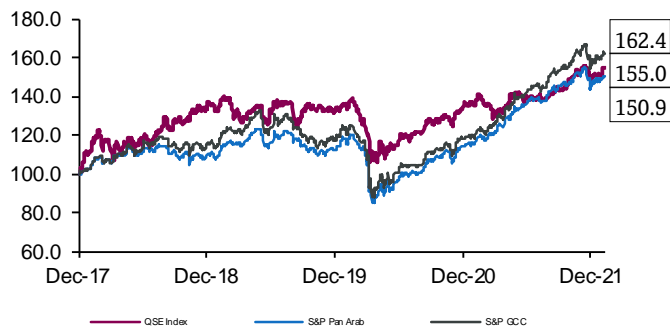
- **Riding high on tourism, Dubai's non-oil private businesses see strong expansion** – Dubai's non-oil private sector expanded strongly in December, driven by a rapid increase in new orders as firms benefited from a strong demand from tourism and the relaxing of COVID-19 measures, according to a business survey released. However, inflationary pressure from higher raw material costs and energy prices puts pressure on firms' margins. Moreover, uncertainty about the pandemic led to a fall in optimism for 2022. The seasonally adjusted IHS Markit Dubai Purchasing Managers' Index (PMI) rose to its highest level in 30 months to 55.3 in December, up from 54.5 in November, well above the 50 mark that separates expansion from contraction. The survey covers the Dubai non-oil private sector economy, with additional sector data published for travel & tourism, wholesale & retail and construction. (Zawya)
- **Bumper season for Dubai hotels as room rates soar to \$534.61 per night** – Hotel room rates across Dubai have soared to their highest level in years on the back of high visitor numbers for Expo 2020 and the holiday season, data from STR showed. The average daily rate (ADR) at hotels in the emirate stood at AED956.01 (\$260) for the whole month of December 2021, the highest since January 2015, the hospitality consultancy reported. Hotel prices on New Year's Eve alone skyrocketed, with the ADR reaching as much as AED 1,963.67, the highest for any day in STR's Dubai database, while the revenue per available room (RevPAR) stood at AED 1,743.89, the highest since December 31, 2015. "Lifted by Expo 2020 and the holiday season, Dubai's hotel industry reported its highest monthly room rates since 2015," STR said. The market's RevPAR for the month also climbed to its highest level since March 2015 at AED 747.28. Dubai has been attracting huge visitor traffic over the past several months, bolstered by the Expo 2020 that kicked off in October last year. (Zawya)
- **Abu Dhabi cuts tourism business license costs by 90%** – The Abu Dhabi government has reduced the license fees for tourism businesses by almost 90 percent as part of a strategy to support entrepreneurs and attract new investors to the UAE capital. The new amendment to the fee structure, announced by the Department of Culture and Tourism- Abu Dhabi (DCT Abu Dhabi) on Monday, has capped the annual tourism business license cost at AED1,000 (\$272) effective January 2022. (Zawya)
- **Abu Dhabi's Khalifa Fund partners with eBay to support SMEs** – The Khalifa Fund for Enterprise Development, a government agency in Abu Dhabi, has partnered with eBay to support the SME sector and help small businesses go global. The new partnership, established through the Fund's e-Empower program, will see small and medium-sized enterprises (SMEs) learn the best practices in selling through the digital platform as an independent seller, as well as avail themselves of free listings and higher selling limits. The partnership will also benefit medium-large enterprises in Abu Dhabi who will receive a personal training program with eBay experts and enjoy higher selling limits, complementary eBay store subscription, as well as "integration" subsidy and marketing benefits. (Zawya)
- **Abu Dhabi's ZMI secures up to \$500mn financing facility** – Abu Dhabi's offshore marine services company ZMI Holdings said it had signed and closed a new senior secured financing facility of up to \$500mn. It will help ZMI invest further in its growth markets, and provide committed and uncommitted facilities that can be used to make additional acquisitions and

capital expenditure, the company said in a statement. The facility consisted of a number of debt instruments, including a bridge facility provided by Goldman Sachs, alongside senior syndicated facilities provided on both conventional and Islamic Ijara financing basis. The syndicate includes multiple regional and UAE lenders. The deal would allow for the consolidation of the group's liabilities through refinancing of seven bilateral facilities and leases into one security pool, ZMI said. ZMI Holdings is a services and solutions owner and operator of a purpose-built fleet of jack-up barges and complementary offshore supply vessels and subsea services. (Reuters)

- **World Bank: Kuwait growth forecast at 5.3% in 2022** – The World Bank Group projected Kuwait's growth rate at 5.3% in 2022 before decelerating to 3.0% in 2023. The economic outlook of the oil producing countries as part of wide expectations that include the Middle East and North Africa (MENA) region, according to a World Bank report. The World Bank forecast that the oil-rich countries, including GCC states, would post as economic recovery in 2022 due to the rise in oil prices and output, the report said. (Bloomberg)
- **Oman's largest desalination company to offer 40% of share capital in IPO** – Barka Desalination Company SAOG (under transformation) or BDC, owner of Oman's largest operating water desalination plant (Barka IWP), today announced its intention to launch its Initial Public Offering (IPO). The Company will offer 40% of its share capital to the public through an IPO. Accordingly, BDC will offer 30,208,800 shares to the public through listing on Muscat Stock Exchange (MSX). As anchor investors in the IPO, National Power & Water Co. LLC (an investment arm of Bahwan Engineering Group), and Bank Muscat SAOG have committed to invest upto 10% of the IPO at Bzs 145 per share i.e. the highest end of the IPO price range. (Zawya)
- **UK, Oman agree to strengthen economic ties, boost investment** – Britain and Oman have agreed to work more closely together to strengthen economic ties and increase high-value investment in areas such as clean energy and technology, following a meeting between the leaders of both countries last month. UK companies have a long history of investment in Oman and they accounted for nearly 50% of the foreign investment in the country in recent years, Britain said, citing data from the Omani National Centre for Statistic and Information. The two countries said a Sovereign Investment Partnership, signed in London on Tuesday by UK Minister for Investment Gerry Grimstone and President of the Oman Investment Authority Abdulsalam Al Murshidi, would drive strategic joint investment. Britain has close strategic and military ties with countries in the Gulf and it is targeting trade deals in the region following Brexit. It took a first step last year towards trade negotiations with the Gulf Cooperation Council, which comprises Oman, Saudi Arabia, the United Arab Emirates, Qatar, Kuwait and Bahrain. (Reuters, Bloomberg)
- **China, Bahrain call to expand bilateral cooperation in all fronts** – Chinese State Councilor and Foreign Minister Wang Yi held talks with Bahraini Foreign Minister Abdullatif bin Rashid Al Zayani in Wuxi, east China's Jiangsu Province, on Tuesday, where the two diplomats hailed friendship between the two countries and called to expand cooperation in all fronts. Wang said China appreciates Bahrain's firm adherence to the friendly policy towards China and thanked Bahrain for its solid support on issues involving China's core interests and major concerns. Noting that China firmly advocates and practices multilateralism and upholds the purposes and principles of the UN Charter, Wang said China will always stand on the side of developing countries and small and medium-sized countries to jointly defend international fairness and justice. China is willing to be a

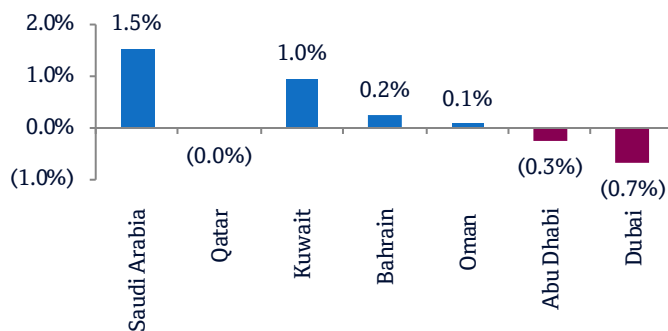
long-term and reliable strategic partner of Bahrain and deepen mutual trust and friendship, Wang added. China will continue to provide vaccines to Bahrain, work with the Gulf Arab country to keep international anti-pandemic cooperation on the right track, and ensure scientific and fair research on global tracing of virus origins, Wang said. (Bloomberg)

## Rebased Performance



Source: Bloomberg

## Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,821.60	1.1	1.4	(0.4)
Silver/Ounce	22.78	1.4	1.9	(2.3)
Crude Oil (Brent)/Barrel (FM Future)	83.72	3.5	2.4	7.6
Crude Oil (WTI)/Barrel (FM Future)	81.22	3.8	2.9	8.0
Natural Gas (Henry Hub)/MMBtu	4.03	(2.4)	5.2	10.1
LPG Propane (Arab Gulf)/Ton	117.50	4.6	5.7	4.7
LPG Butane (Arab Gulf)/Ton	155.38	0.4	1.1	11.6
Euro	1.14	0.4	0.1	(0.0)
Yen	115.30	0.1	(0.2)	0.2
GBP	1.36	0.4	0.3	0.8
CHF	1.08	0.4	(0.5)	(1.2)
AUD	0.72	0.6	0.4	(0.7)
USD Index	95.62	(0.4)	(0.1)	(0.0)
RUB	74.46	(0.8)	(1.7)	(0.3)
BRL	0.18	1.7	1.2	0.1

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,193.39	0.9	0.5	(1.2)
DJ Industrial	36,252.02	0.5	0.1	(0.2)
S&P 500	4,713.07	0.9	0.8	(1.1)
NASDAQ 100	15,153.45	1.4	1.5	(3.1)
STOXX 600	483.08	1.1	(0.7)	(1.2)
DAX	15,941.81	1.3	(0.1)	0.7
FTSE 100	7,491.37	1.0	0.4	2.1
CAC 40	7,183.38	1.2	(0.5)	0.1
Nikkei	28,222.48	(0.8)	(0.8)	(2.2)
MSCI EM	1,243.04	0.9	1.4	0.9
SHANGHAI SE Composite	3,567.44	(0.7)	(0.3)	(2.3)
HANG SENG	23,739.06	(0.0)	1.1	1.5
BSE SENSEX	60,616.89	0.6	2.0	5.0
Bovespa	103,779.00	3.4	1.7	(1.6)
RTS	1,595.45	1.9	3.2	(0.0)

Source: Bloomberg (\*\$ adjusted returns)

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