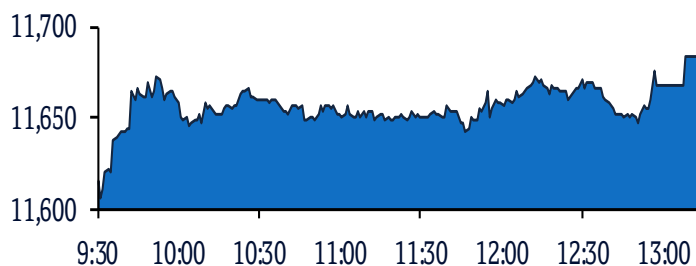


## QSE Intra-Day Movement



## Qatar Commentary

The QE Index rose 0.3% to close at 11,683.7. Gains were led by the Banks & Financial Services and Transportation indices, gaining 0.4% and 0.2%, respectively. Top gainers were Mannai Corporation and Mesaieed Petrochemical Holding, rising 1.0% each. Among the top losers, Qatar Islamic Insurance Company and Qatar Oman Investment Company were down 2.4% each.

## GCC Commentary

**Saudi Arabia:** The TASI Index fell 0.5% to close at 11,204.4. Losses were led by the Media & Entertainment and Consumer Services indices, falling 1.9% each. Saudi Marketing Co. declined 5.2%, while Alinma Tokio Marine was down 4.9%.

**Dubai:** The DFM Index fell 0.8% to close at 3,126.3. The Banks index declined 1.7%, while the Telecommunication index fell 1.1%. Emirates NBD declined 2.6%, while Dubai Islamic Bank was down 1.3%.

**Abu Dhabi:** The ADX General Index fell 0.7% to close at 8,398.9. The Telecommunication index declined 4.0%, while the Consumer Staples index fell 0.5%. Foodco National Foodstuff declined 6.9%, while Emirates Telecom Group Co. was down 4.1%.

**Kuwait:** The Kuwait All Share Index gained 0.7% to close at 7,031.6. The Consumer Discretionary index rose 1.3%, while the Health Care index gained 1.3%. Educational Holding Group rose 13.4%, while Al Ahli Bank of Kuwait was up 9.6%.

**Oman:** The MSM 30 Index gained 0.9% to close at 4,110.0. Gains were led by the Industrial and Financial indices, rising 0.8% each. United Finance Company rose 9.1%, while Al Maha Ceramics Company was up 5.5%.

**Bahrain:** The BHB Index gained 0.5% to close at 1,777.5. The Financials index rose 0.7%, while indices ended flat or in red. GFH Financial Group rose 3.1%, while Solidarity Bahrain was up 2.9%.

Market Indicators	22 Dec 21	21 Dec 21	%Chg.
Value Traded (QR mn)	257.1	226.4	13.6
Exch. Market Cap. (QR mn)	669,072.9	667,444.0	0.2
Volume (mn)	87.2	84.1	3.6
Number of Transactions	7,277	6,376	14.1
Companies Traded	43	44	(2.3)
Market Breadth	15:25	19:21	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	23,128.66	0.3	(0.0)	15.3	16.3
All Share Index	3,691.68	0.2	(0.0)	15.4	162.0
Banks	4,967.66	0.4	0.1	16.9	15.4
Industrials	4,041.57	0.2	0.5	30.5	16.7
Transportation	3,550.49	0.2	0.2	7.7	17.7
Real Estate	1,812.68	(0.2)	(1.5)	(6.0)	15.6
Insurance	2,619.41	(0.7)	(0.6)	9.3	15.6
Telecoms	1,027.66	(0.0)	(0.6)	1.7	N/A
Consumer	7,953.25	(0.3)	(1.2)	(2.3)	21.2
Al Rayan Islamic Index	4,767.69	0.1	(0.6)	11.7	18.7

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
GFH Financial Group	Dubai	1.20	4.3	34,604.0	102.4
Ominvest	Oman	0.31	3.3	49.0	(8.3)
Banque Saudi Fransi	Saudi Arabia	45.95	3.0	920.4	45.4
Burgan Bank	Kuwait	0.24	2.6	3,427.1	19.7
Oman Telecomm.	Oman	0.74	2.2	49.6	3.4

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Emirates Telecom. Group	Abu Dhabi	30.70	(4.1)	6,963.8	85.2
Sahara Int. Petrochemical	Saudi Arabia	42.00	(3.4)	2,020.5	142.5
National Petrochemical	Saudi Arabia	40.45	(2.6)	185.1	21.7
Emirates NBD	Dubai	13.10	(2.6)	1,918.7	27.2
Saudi Industrial Inv.	Saudi Arabia	31.45	(2.5)	813.4	14.8

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%
Mannai Corporation	4.75	1.0	26.1	58.3
Mesaieed Petrochemical Holding	2.21	1.0	1,674.4	8.0
QNB Group	20.02	0.6	2,245.1	12.3
Qatar Islamic Bank	18.28	0.6	903.2	6.8
Qatar Aluminium Manufacturing	1.82	0.5	5,443.5	88.2

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Salam International Inv. Ltd.	0.83	(1.9)	17,168.5	27.3
Mazaya Qatar Real Estate Dev.	0.96	(0.4)	12,299.1	(24.4)
Gulf International Services	1.67	(1.0)	8,021.1	(2.6)
Barwa Real Estate Company	3.20	0.0	6,266.3	(5.9)
Investment Holding Group	1.27	(1.2)	5,755.5	111.9

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatar Islamic Insurance Company	7.80	(2.4)	14.0	13.1
Qatar Oman Investment Company	0.82	(2.4)	1,687.1	(7.2)
Qatar General Ins. & Reins. Co.	2.00	(1.9)	8.6	(24.8)
Salam International Inv. Ltd.	0.83	(1.9)	17,168.5	27.3
Islamic Holding Group	4.13	(1.3)	556.4	(19.3)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	20.02	0.6	44,850.0	12.3
Barwa Real Estate Company	3.20	0.0	20,051.9	(5.9)
Masraf Al Rayan	4.88	0.2	18,168.8	7.7
Qatar Islamic Bank	18.28	0.6	16,441.9	6.8
Qatar Electricity & Water Co.	16.49	(1.0)	14,671.9	(7.6)

Source: Bloomberg (\* in QR)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	11,683.73	0.3	(0.0)	2.6	12.0	70.66	182,322.4	16.3	1.7	2.5
Dubai	3,126.29	(0.8)	(4.5)	1.7	25.5	57.63	109,710.6	20.5	1.1	2.5
Abu Dhabi	8,398.89	(0.7)	(5.2)	(1.7)	66.5	440.23	407,342.3	23.0	2.5	2.7
Saudi Arabia	11,204.43	(0.5)	(0.9)	4.1	28.9	1,619.49	2,637,196.2	24.7	2.4	2.4
Kuwait	7,031.57	0.7	0.8	3.6	26.8	191.14	134,253.0	21.0	1.6	2.0
Oman	4,109.99	0.9	2.0	2.7	12.3	10.51	19,062.8	11.7	0.8	3.8
Bahrain	1,777.53	0.5	(0.3)	2.8	19.3	3.24	28,412.4	9.9	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)

## Qatar Market Commentary

- The QE Index rose 0.3% to close at 11,683.7. The Banks & Financial Services and Transportation indices led the gains. The index rose on the back of buying support from GCC and foreign shareholders despite selling pressure from Qatari and Arab shareholders.
- Mannai Corporation and Mesaieed Petrochemical Holding were the top gainers, rising 1.0% each. Among the top losers, Qatar Islamic Insurance Company and Qatar Oman Investment Company were down 2.4% each.
- Volume of shares traded on Wednesday rose by 3.6% to 87.2mn from 84.1mn on Tuesday. However, as compared to the 30-day moving average of 126.2mn, volume for the day was 30.9% lower. Salam International Inv. Ltd. and Mazaya Qatar Real Estate Dev. were the most active stocks, contributing 19.7% and 14.1% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	27.79%	27.74%	107,613.7
Qatari Institutions	19.67%	36.99%	(44,523,005.3)
<b>Qatari</b>	<b>47.46%</b>	<b>64.73%</b>	<b>(44,415,391.7)</b>
GCC Individuals	0.68%	0.53%	363,903.9
GCC Institutions	9.31%	3.76%	14,267,964.5
<b>GCC</b>	<b>9.98%</b>	<b>4.29%</b>	<b>14,631,868.4</b>
Arab Individuals	11.80%	12.17%	(954,742.5)
Arab Institutions	0.00%	0.00%	–
<b>Arab</b>	<b>11.80%</b>	<b>12.17%</b>	<b>(954,742.5)</b>
Foreigners Individuals	2.71%	2.99%	(714,264.0)
Foreigners Institutions	28.05%	15.82%	31,452,529.7
<b>Foreigners</b>	<b>30.76%</b>	<b>18.80%</b>	<b>30,738,265.8</b>

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

## Global Economic Data and Earnings Calendar

### Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
12-22	US	Mortgage Bankers Association	MBA Mortgage Applications	17-Dec	-0.60%	--	-4.00%
12-22	US	Bureau of Economic Analysis	GDP Annualized QoQ	3Q	2.30%	2.10%	2.10%
12-22	US	Bureau of Economic Analysis	Personal Consumption	3Q	2.00%	1.70%	1.70%
12-22	US	Bureau of Economic Analysis	GDP Price Index	3Q	6.00%	5.90%	5.90%
12-22	UK	UK Office for National Statistics	GDP QoQ	3Q	1.10%	1.30%	1.30%
12-22	UK	UK Office for National Statistics	GDP YoY	3Q	6.80%	6.60%	6.60%
12-22	UK	UK Office for National Statistics	Private Consumption QoQ	3Q	2.70%	2.00%	2.00%
12-22	UK	UK Office for National Statistics	Government Spending QoQ	3Q	-0.50%	0.90%	0.90%
12-22	UK	UK Office for National Statistics	Gross Fixed Capital Formation QoQ	3Q	-0.90%	0.80%	0.80%
12-22	UK	UK Office for National Statistics	Exports QoQ	3Q	-3.50%	-1.90%	-1.90%
12-22	UK	UK Office for National Statistics	Imports QoQ	3Q	1.10%	2.50%	2.50%
12-22	UK	UK Office for National Statistics	Total Business Investment QoQ	3Q	-2.50%	0.40%	0.40%
12-22	UK	UK Office for National Statistics	Total Business Investment YoY	3Q	2.60%	0.80%	0.80%
12-22	France	INSEE National Statistics Office	PPI MoM	Nov	3.50%	--	2.90%
12-22	France	INSEE National Statistics Office	PPI YoY	Nov	17.40%	--	15.20%

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	21	Due

Source: QSE

## News

### Qatar

- **QNBFS: Assets of Qatari banks rise 6.7% to QR1.795tn in November 2021** – Qatari banks' total assets have increased 0.2% month-on-month (MoM), up 6.7% year to date (YTD) in November to reach QR1.795tn, according to QNB Financial Services (QNBFS). The loan book went up by 0.5% MoM last month to reach QR1,213.8bn, while deposits fell 0.2% in November to QR963.8bn, QNBFS said. Loans grew by 7.5% YTD for 2021, compared to a growth of 8.6% in 2020. Loans grew by an average 8.5% over the past five years (2016-2020), QNBFS said. Private sector pushed the credit upwards (up 1.1% MoM in November). Loans to deposits ratio (LDR) went up to 125.9% in November compared to 125.1% in October. Non-resident deposits declined by 3% MoM (+13.2% YTD 2021) in November resulting in the overall deposits drop. Public sector deposits went up by 1.5% MoM (+7.6% YTD). Looking at segment details, the government institutions' segment (represents 57% of public sector deposits) moved up by 2.1% MoM (+3.0% YTD 2021). The semi-government institutions' segment increased by 3.2% MoM (+20.7% YTD 2021). The government segment declined by 0.4% MoM (+11.4% YTD). Private sector deposits went up by 0.7% MoM (+1.5% YTD 2021). On the private sector front, the consumer segment moved down by 0.2% MoM (+1.5% YTD) while the companies and institutions' segment went up by 1.8% MoM (+1.5% YTD 2021). The overall loan book increased by 0.5% in November, QNBFS noted. (Gulf-Times.com, Qatar Tribune)
- **Major sport events offer economic gains for Qatar's private sector, says chamber Executive** – The successful staging of major sports events like the 2021 FIFA Arab Cup has triggered a "positive economic impact," especially among stakeholders in Qatar's private sector, a top Qatar Chamber official has said. Qatar Chamber first Vice-Chairman Mohamed bin Towar Al-Kuwari stressed that hosting sporting events not only puts the country under the international spotlight but also attracts many tourists, creating a 'trickledown effect' on the local economy. "There is a lot of movement seen in different sectors in the country, such as hospitality, travel and tourism, services, transportation, food and beverage (F&B), commercial and retail, and even contracting services, among others because of the influx of many visitors who will watch these events," Al-Kuwari told Gulf Times. He said: "In all directions, it is very positive, which is why we need to continue hosting more sporting events, considering that the negative effect of the Covid-19 pandemic on the country has been successfully managed by the government." Al-Kuwari emphasized that the recent conclusion of the FIFA Arab Cup 2021 provided Qatar a wealth of experience, making it well-prepared to host the FIFA World Cup next year. (Gulf-Times.com)
- **Contractors reimburse QR82.35mn to workers** – To date QR82.35mn has been reimbursed by contractors under the Universal Reimbursement Scheme launched by the Supreme Committee for Delivery & Legacy (SC) to combat the illegal practice of charging workers recruitment fees. This was announced by the SC on Wednesday in a statement about its participation in an event to mark International Migrants Day. Held by the International Organization of Migration's mission in Qatar, the event discussed different ways Qatar has successfully implemented the Global Compact for Safe, Orderly and Regular Migration, an international agreement that addresses all aspects of international migration. (Gulf-Times.com)
- **BLDN board of directors to meet on December 27** – Baladna (BLDN) has announced that its board of directors will be holding a meeting on December 27, 2021 to discuss the following

agenda. (1) Acknowledge the Minutes of the last Board of Directors meeting dated October 28, 2021. (2) Approve Baladna's Budget for the year 2022. (3) Approve Baladna's Board of Directors meetings calendar "tentative" for the year 2022. (4) Present the proposed amendments to the Company's Articles of Association in compliance with Law No. (8) of 2021 dated 29 July 2021, amending some provisions of the Commercial Companies No. (11) of 2015. (5) Any other business. (QSE)

- **Qatar Airways Privilege Club extends members' tier status until December 2022** – Qatar Airways Privilege Club continues to honor the loyalty of its valued members by extending their tier status until December 2022. This initiative will benefit all Silver, Gold and Platinum members whose tier status is due for renewal between December 2021 and December 2022. The tier validity of these members would be automatically extended to December 31, 2022. (Gulf-Times.com)
- **Cabinet stresses importance of Covid vaccine booster** – The Cabinet has underlined the importance of eligible people receiving the Covid-19 vaccine booster dose to ensure high levels of protection and contribute to maintaining the stability of the health situation in Qatar. (Gulf-Times.com)
- **Indosat Ooredoo expects 25% increase in data traffic during Christmas, New Year's holidays** – Indonesian operator Indosat Ooredoo expects to see a 20-25% increase in data traffic in its network compared to regular days, with the highest growth expected to occur in the Bodetabek, West Java, Central Java, East Java, and North Sulawesi. The network capacity prepared is 44 PB (Petabytes) per day. Entering the beginning of the 2021 NARU holiday period, Indosat Ooredoo has already recorded a 10% increase in data traffic nationwide. (Bloomberg)
- **Indosat Ooredoo prepares 44-petabyte capacity** – Indosat Ooredoo, a telecommunications provider in Indonesia, prepares a network capacity of 44 PB per day to meet the needs of the community's digital activity which is predicted to increase during Christmas and New Year (Nataru) holidays. Based on the trend analysis conducted, Indosat Ooredoo predicts a 20-25% increase in data traffic compared to regular days, with the highest growth expected to occur in the Bodetabek, West Java, Central Java, East Java, and North Sulawesi. The network capacity prepared is 44 PB (Petabytes) per day, more than enough to serve peak data traffic with the expansion of video-based platforms. Entering the beginning of the 2021 NARU holiday period, Indosat Ooredoo has already recorded a 10% increase in data traffic nationwide, said a press release. (Bloomberg)

### International

- **US consumer confidence perks up; economy poised for stronger 2021 finish** – US consumer confidence improved further in December, suggesting the economy would continue to expand in 2022 despite a resurgence in COVID-19 infections and reduced fiscal stimulus. The survey from the Conference Board on Wednesday showed more consumers planned to buy a house and big-ticket items such as motor vehicles and major household appliances as well as go on vacation over the next six months. Inflation concerns eased a bit and households remained upbeat about the labor market. This will likely help to underpin consumer spending even as government income to households is diminishing. President Joe Biden's signature \$1.75tn domestic investment bill known as Build Back Better (BBB), which aims to expand the social safety net and tackle climate change, suffered a blow on Sunday when moderate Democrat Senator Joe Manchin said he would not support it. That prompted economists to slash their growth estimates for



next year. The Conference Board's consumer confidence index increased to a reading of 115.8 this month from an upwardly revised 111.9 in November. Economists polled by Reuters had forecast the index rising to 110.8 from the previously reported reading of 109.5. The cut-off date for the survey, which places more emphasis on the labor market, was December 16. Consumers' assessment of current business and labor market conditions was little changed, but their short-term outlook for income, business and labor market conditions was upbeat, which the Conference Board viewed as "setting the stage for continued growth in early 2022." Consumers' inflation expectations over the next 12 months fell to 6.9% from a more than 13-year high of 7.3%. Its so-called labor market differential, derived from data on respondents' views on whether jobs are plentiful or hard to get, slipped to a still-high reading of 42.6 this month from 44.7. (Reuters)

- **US existing home sales rise in November; supply remains tight** – US home sales increased for a third straight month in November, but supply remained tight, keeping house prices elevated and squeezing first-time buyers out. Existing home sales rose 1.9% to a seasonally adjusted annual rate of 6.46mn units last month, the National Association of Realtors said on Wednesday. Sales rose in the most affordable Midwest region and the densely populated South as well as the West. They were unchanged in the Northeast. Economists polled by Reuters had forecast sales rising to a rate of 6.52mn units. Home resales, which account for the bulk of US. home sales, fell 2.0% on a YoY basis. Strong demand for housing is being driven by both individual buyers and investors, who renovate and then resell the homes to take advantage of the hot housing market. But supply has continued to lag, keeping house price elevated. There is a record backlog of houses authorized for construction but not yet started, according to government data published last week. Builders are struggling with worker shortages, expensive materials and delays getting supplies. The median existing house price increased 13.9% from a year earlier to \$353,900 in November. Higher prices and rising mortgage rates could cool demand somewhat next year. The 30-year fixed-rate mortgage averaged 3.12% last week, ticking up from 3.10% in the prior week, according to data from mortgage finance agency Freddie Mac. A report from the Mortgage Bankers Association on Wednesday showed the volume of mortgage applications slid to the lowest in nearly two years last week on the back of a 3% drop in applications for loans to purchase a home. (Reuters)
- **UK economy grew more slowly than thought before Omicron hit** – Britain's economy grew more slowly than previously thought in the July-September period, before the Omicron variant of the coronavirus posed a further threat to the recovery later in the year, official data showed on Wednesday. GDP in the world's fifth-biggest economy increased by 1.1% in the third quarter, weaker than a preliminary estimate of growth of 1.3% as global supply chain problems weighed on manufacturers and building firms. That was slower than the economy's 5.4% bounce-back in the second quarter when many coronavirus restrictions were lifted, the Office for National Statistics said. Investors are braced for a further slowdown in the fourth quarter of 2021 and a weak start to 2022 due to a rise in COVID-19-cases caused by Omicron which has hurt Britain's hospitality and leisure sector and hit retailers. Prime Minister Boris Johnson has ruled out new COVID restrictions in England before Christmas but said he might have to act afterwards. Scotland and Wales have tightened controls. "Although the economy has got better at coping with restrictions with each new wave, the possibility of tighter restrictions in January is further darkening the outlook for GDP," Bethany Beckett, an economist with consultancy Capital Economics, said. The ONS

said households dipped into their lockdown savings to finance their spending. The savings ratio fell to 8.6% of disposable income, down from almost 11% in the second quarter. Weakness in the health sector, where test and trace work and vaccinations tailed off, and among hairdressers were partly behind the cut to the third-quarter growth estimate. A fall in energy output, after a surge in demand during a cold spring in the second quarter, also weighed. The slump in Britain's economy last year was now estimated at 9.4%, revised from a 9.7% crash, and the ONS believed GDP in September was 1.5% below where it was at the end of 2019, revised up from the previous estimate of 2.1%. However, Britain's progress towards regaining its pre-pandemic economic size, in inflation-adjusted terms, remained behind that of most other big rich economies such as France, Germany and the United States, the ONS said. Business investment fell by 2.5% in the third quarter from the previous three months and was nearly 12% below its pre-pandemic level. (Reuters)

- **CBI: UK businesses report weakest growth since last lockdown** – British businesses have reported their weakest growth since the country was under lockdown earlier this year and they expect a further slowdown in early 2022, the Confederation of British Industry (CBI) said on Thursday. The CBI's monthly growth indicator - which combines surveys of output from manufacturers, retailers and other services companies - fell 11 points to +21 in the three months to December, the lowest since the three months to April. Growth was expected to slow again in the coming three months as the Omicron variant of the coronavirus weighs on the economy. "Substantial challenges remain for businesses heading into Christmas: labor and materials shortages, rising costs and new COVID measures are restricting businesses' ability to trade during this crucial period," CBI Lead Economist Alpesh Paleja said in a statement. Prime Minister Boris Johnson has ruled out new COVID restrictions in England before Christmas but said he might have to act afterwards. Scotland and Wales have tightened controls. Alpesh said finance minister Rishi Sunak's announcement on Tuesday of 1bn pounds (\$1.33bn) in support for hospitality and leisure firms would provide a breathing space. "But with the potential of further measures still weighing on firms, the government must monitor the situation closely and ensure that any new restrictions go in lock-step with further targeted cashflow support," he said. Despite the slowdown, the CBI's growth gauge remained a long way above its long-run average of +4. Only manufacturers saw an acceleration in growth in the three months to December. Business and professional services, consumer services and distribution firms all reported slower growth, the CBI said. (Reuters)
- **UK car plants have worst November since 1984** – British car manufacturers had their slowest November in 37 years as the sector struggled to cope with the impact of the coronavirus pandemic on global supply chains, industry data showed on Thursday. Car production fell by 28.7% compared with November 2021 to 75,756 units, despite a 53% increase in electric vehicle output, the Society of Motor Manufacturers and Traders (SMMT) said. It was the fifth consecutive month of decline and represented the worst November performance since 1984. Some of the fall was due to the permanent closure of a Honda's car factory in July but SMMT Chief Executive Mike Hawes said the figures were "incredibly worrying" and underscored the severity of the industry's situation. In the first 11 months of 2021, British car production of just under 800,000 units was down by 433,000 compared with 2019, before the pandemic hit. "COVID is impacting supply chains massively, causing global shortages - especially of semiconductors - which is likely to affect the sector throughout next year," Hawes said.

The risks of a new economic slowdown caused by the Omicron variant of the coronavirus and rising inflation represented the toughest business environment in decades, Hawes said. (Reuters)

- **Greek economy seen growing 5.0% in 2022, central bank says** – Greece's economy is projected to grow 5.0% next year after expanding an expected 7.2% this year, the country's central bank said in an interim monetary policy report. "In 2022 the economy's growth rate is projected to reach 5.0% and 3.9% in 2023, provided the economy continues to be significantly boosted from tourism, the euro zone's recovery and the acceleration of investments," the Bank of Greece said in the report. The Bank of Greece said the recent deterioration of epidemiological data, combined with the population's low vaccination coverage relative to the European average, increases uncertainty and the risks for economic growth. Still, medium- to long-term prospects for Greece's economy remain "very positive", supported by the launch of investment projects and reforms associated with the National Recovery and Resilience Plan. "Consumer expenditure is expected to continue to increase over the next two years, albeit at a more moderate pace, in line with rising employment" the report said. Strong inflationary pressures this year largely reflect base effects from negative inflation in 2020 and sharp increases in energy, food and imported intermediate product prices, it said. But Greece's inflation rate remains one of the lowest in the Eurozone and for 2021 as a whole it is not expected to exceed 0.6%. Greece is expected to receive around 40bn Euros from the EU's multiannual 2021-2027 budget and 32bn from the European recovery fund NextGenerationEU, while also attracting foreign direct investment, the Bank of Greece said. (Reuters)
- **Japan raises FY2022 GDP growth estimate amid risks to outlook** – Japan upgraded on Thursday its growth projections for the next fiscal year starting in April, saying it expected gross domestic product (GDP) to hit a record even amid risks from the Omicron variant and supply constraints, Cabinet Office officials said. The growth projection was raised to 3.2% for fiscal 2022 from a forecast 2.2% real GDP growth seen at a mid-year review in July, helped by a record extra stimulus budget approved by parliament this week. It would be the fastest growth since fiscal 2010 when the economy grew 3.3% in the aftermath of the global financial crisis. The stimulus spending is expected to push up GDP by 1.5% this fiscal year and 3.6% next fiscal year, the officials said. But the government sharply downgraded Japan's real GDP estimates to 2.6% in the current fiscal year ending in March from 3.7% previously, as the prolonged COVID-19 pandemic and supply constraints in chip production weigh on the recovery. Given these factors, the government said the economy's return to pre-pandemic levels will be delayed into the fiscal year-end next March from the previous forecast of by December. "The economy has shown signs of picking up, so we must ensure the current positive momentum moves to sustainable economic recovery," a Cabinet Office official told reporters. "We have not yet reached autonomous growth but we're making steady progress to generate a virtuous cycle of growth and wealth distribution." The revised forecasts were approved by Prime Minister Fumio Kishida's cabinet on Thursday. It will provide the basis for the fiscal 2022 budget to be compiled on Friday. Japan's economy, the world's third largest, contracted an annualized 3.6% in the July-September quarter following a resurgence of COVID-19 cases, putting a drag on private consumption that makes up more than half of GDP. Japan has lagged behind other advanced nations in embarking on exiting crisis-mode stimulus, keeping policymakers under pressure to continue aggressive fiscal and monetary stimulus. (Reuters)

- **Japan plans record annual budget for election year** – Japan is set to unveil another record annual budget this week as Prime Minister Fumio Kishida adds to the world's heaviest debt load with more spending ahead of an election next summer. The budget for the year starting in April will increase to ¥107.6tn (\$943bn), according to a report in the Nikkei newspaper yesterday. That's up around 0.9% from the initial spending plan for last year, though final expenditure is typically inflated by extra budgets as the year goes on. Tax income is expected to rise to a record ¥65.2tn, enabling new bond issuance to be limited to ¥36.9tn, according to the report. The current fiscal year's initial budget required issuance of ¥43.6tn. While the jump in forecast tax income indicates that the government's efforts to support households and firms during the pandemic has reduced the amount of scarring to the economy, the bond issuance shows Japan is still having to borrow more than a third of the funds it needs to pay for its annual spending. "While that would be a record budget, at this stage I think the finance ministry has managed to hold outlays down in relative terms," said Yuichi Kodama, chief economist Meiji Yasuda Research Institute. "The problem is that Japan's system allows for spending to balloon with its extra budgets, which aren't scrutinized as closely." The annual budget will fund some of the spending for Kishida's recent stimulus package of more than \$690bn that aimed to shore up a recovery from Covid that is now facing the challenge of the new Omicron variant. Despite the spread of that variant in the US and Europe, Japan has so far managed to avoid a major outbreak. While 73% of new cases reported in the US were identified as Omicron last week, Japan has registered less than 70 Omicron cases as of last weekend. The combined spending is also aimed at setting the foundations for what the premier calls a new form of capitalism that distributes income more evenly and takes a longer-term perspective. (Bloomberg)
- **Brazil's rate on new public debt issues hits 3-year high** – Brazil's rate on new domestic debt issues rose in November to the highest level since Aug. 2018, the treasury said on Wednesday, as the central bank drives an aggressive monetary tightening cycle to tame double-digit inflation. The average rate on new local debt issued in the 12 months to November rose to 8.02% from 7.48% in the previous month, while the average rate on the domestic federal debt stock climbed to 8.52% from 8.29%. Brazil's benchmark interest rate ended November at 7.75%, but the central bank raised it to 9.25% earlier this month and already signaled another 150 basis points hike in February. The bank vowed to do whatever it takes to curb inflation that has reached 10.74% in the 12 months to November, pushed by a weaker currency, severe drought and higher fuel prices. "In the domestic market we are experiencing an interest rate-hike cycle and this is affecting debt cost statistics," said Luis Felipe Vital, head of debt management, in an online press conference. Despite the outlook of even higher interest rates in 2022, which will further pressure debt issuance rates, Vital pointed out that decelerating inflation should give the government some relief. Bonds linked to the benchmark interest rate accounted for 36.69% of total public debt in November, with inflation-linked bonds accounting for 29.32%. Brazil's federal public debt increased 2.34% in November from the month before to 5.499tn Reais (\$966.38bn), the treasury said on Wednesday, adding that the total domestic debt stock climbed 2.48% to 5.233tn Reais. (Reuters)

#### **Regional**

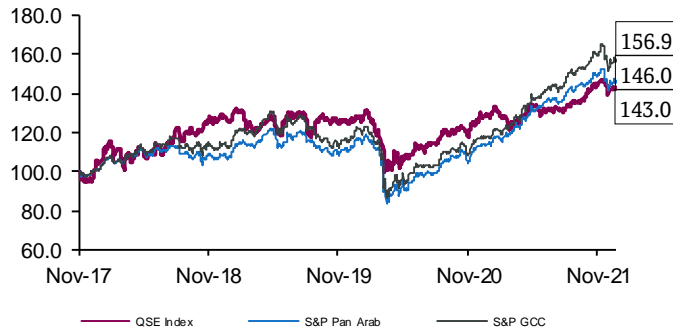
- **Fitch: higher oil prices will stem medium-term rise in gulf debt** – An upward trend in debt issued by government-related entities (GRE) across the six countries comprising the Gulf Cooperation Council is probably over in the medium term,

helped by higher oil prices and a partial recovery from the pandemic, according to Fitch Ratings. GRE debt levels remain higher than before the pandemic in most countries, Fitch says. Upward trend in GRE debt/GDP could resume amid focus on national economic agendas and a drive for job creation, diversification and the energy transition. (Bloomberg)

- **ACWA Power appoints Turton as Chief Investment Officer, Muhaidib as Deputy CFO** – ACWA Power, a listed Saudi developer, investor and operator of power generation, water desalination and green hydrogen plants, said in a statement that it's appointing new executives while its Chief Portfolio Management Officer is stepping down. ACWA Power brought on board Clive Turton as Chief Investment Officer. Turton joined ACWA Power from Vestas, where he served as President for the Asia-Pacific, or APAC, region. During his tenure, he oversaw operations of 3,500 employees and grew Vestas' operations in markets like India, Vietnam, Australia, Sri Lanka, Taiwan, and Japan. (Zawya)
- **Jahez to start tomorrow collecting \$427mn in Nomu's biggest IPO in 2021** – Saudi online food delivery platform Jahez International Co.'s IPO subscription starts tomorrow, Dec. 23, in what would be considered this year's biggest IPO on the parallel market Nomu. The IPO that will run through Dec. 26, 2021 will help the company raise \$427mn. (Zawya)
- **SAIB's board proposes 33% capital increase** – The board of Saudi Investment Bank (SAIB) has recommended a 33.33% capital increase by capitalizing part of the statutory reserve by distributing one share for every three shares. The capital will rise to SR10bn, compared to SR7.5bn, distributing over 1bn shares, according to a bourse filing on Wednesday. (Zawya)
- **Saudi Arabia's CMA approves IPO application of digital security firm Elm** – Saudi Arabia's Capital Markets Authority (CMA) said on Wednesday it has approved an initial public offering digital security firm Elm, which is owned by the kingdom's sovereign wealth fund. The market regulator said it approved an application for an offering of 24mn shares, which represents 30% of Elm's share capital.
- **UAE's ICV program to redirect AED55bn for Emirati services, products** – The UAE has started implementing the In-Country Value Program (ICV) on the procurement policies of all 45 federal government entities in order to develop the competitive advantage of national products and services. The program will contribute to redirecting more than 42% of the purchases and contract expenses of government entities and major companies to the national economy, which will raise the demand for Emirati services and products from the current AED33bn to AED55bn by 2025. Also, the number of approved suppliers will increase to 7,300 companies. (Zawya)
- **Dubai Depa's unit Vedder secures project worth more than \$21mn** – Dubai-based interiors firm Depa has secured a project award of \$21.4mn through its German-based key business unit Vedder. In a filing to Nasdaq Dubai on Wednesday, the company said the project comprised a luxury interior fit-out package for a new-build superyacht project for a long-standing client. Kevin Lewis, Depa's Group Chief Executive Officer, commented: "This is an important award which further strengthens Vedder's backlog position. Following a slowdown in project awards during early 2021 as a result of Covid-19 lockdowns, it is pleasing to see Vedder secure this key project on top of the two recently announced awards of similar significance." (Zawya)
- **Abu Dhabi's ADNOC starts \$3.6bn project to cut emissions** – Abu Dhabi's state oil and gas company announced a \$3.6bn project to reduce emissions from its offshore production facilities. Abu Dhabi National Oil Co. and Abu Dhabi National Energy Co., known as Taqa, will build a subsea cable to help power the operations with cleaner energy than the natural gas they currently run on. The plan is part of efforts by the UAE to neutralize carbon emissions by 2050. It is expected to reduce the carbon footprint of ADNOC's offshore operations by more than 30%, according to the company. The project will be funded by a special purpose vehicle, ADNOC and Taqa said in statements. The companies will each hold a 30% stake, with Korea Electric Power Corp., Japan's Kyushu Electric Power Co. and Electricite de France SA owning the rest. The consortium will develop and operate the transmission system, which will have a capacity of 3.2 gigawatts. (Bloomberg)
- **Minor sells Thai assets worth \$104.8mn to Abu Dhabi fund** – Minor International divested 40% of its stake in four Thailand hotels and a shopping mall to the Abu Dhabi Fund for Development for \$104.8mn as part of a new joint venture, with the Bangkok-listed partner using proceeds to pay debt and shore up its balance sheet. The properties involved are Anantara Riverside Bangkok Resort, Avani+ Riverside Bangkok Hotel, Riverside Plaza Bangkok, Anantara Layan Phuket Resort and Four Seasons Resort Koh Samui, Minor said in a press release Wednesday. (Bloomberg)
- **Oman signs deal with Shell to produce gas from Saih Rawl field** – Oman has signed a concession agreement with Shell Integrated Gas Oman BV, a subsidiary of Royal Dutch Shell plc, and its partners to develop and produce natural gas from block 10 of the Saih Rawl gas field. The parties also signed a separate gas sales agreement for gas produced from the block. The two agreements follow an interim upstream agreement signed in February 2019, Shell said in a statement on Tuesday. (Zawya)
- **Kuwait's National Real Estate sells stake in Iraq unit for KWD4.54mn** – Kuwait's National Real Estate Company (NREC) said it has sold its entire shares in a subsidiary in Iraq for KWD4.54mn. The shares in Erbil-based KREDCO Real Estate Ltd. Co. represents 51% of its capital, NREC said on Wednesday in a filing on Boursa Kuwait. NREC made a gain of KWD4.54mn which will be reflected in the financial statement for 2021, it added. (Zawya)
- **Kuwait's STC agrees to buy e-portal for KWD23mn** – Kuwait Telecommunications Co. has agreed to buy E-portal Holding Company and its subsidiaries for KWD23mn, the company said in an e-mailed statement. Kuwait Telecommunications, known as STC, is looking to expand "its activities, shifting from the traditional telecommunication services to digital services," CEO Maziad Alharbi, said. (Bloomberg)
- **Bahrain sells BHD35mn 182-day bills at yield 1.67%** – Bahrain sold BHD35mn of bills due June 26, 2022 on December 22. The bills were sold at a price of 99.164, have a yield of 1.67% and will settle on December 26. (Bloomberg)

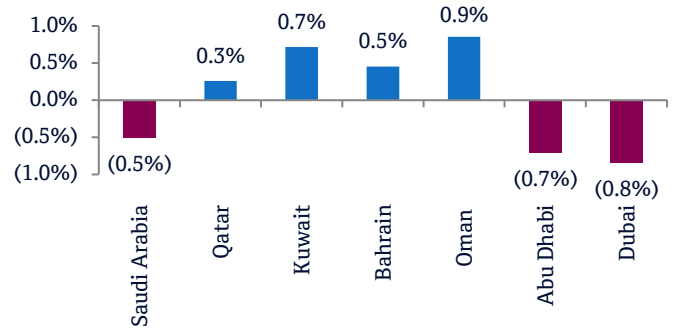


## Rebased Performance



Source: Bloomberg

## Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,803.67	0.8	0.3	(5.0)
Silver/Ounce	22.81	1.3	2.0	(13.6)
Crude Oil (Brent)/Barrel (FM Future)	75.29	1.8	2.4	45.3
Crude Oil (WTI)/Barrel (FM Future)	72.76	2.3	2.7	50.0
Natural Gas (Henry Hub)/MMBtu	4.01	3.6	9.1	67.8
LPG Propane (Arab Gulf)/Ton	104.50	3.1	2.0	38.9
LPG Butane (Arab Gulf)/Ton	131.25	1.0	0.2	88.8
Euro	1.13	0.4	0.8	(7.3)
Yen	114.10	0.0	0.4	10.5
GBP	1.34	0.7	0.8	(2.3)
CHF	1.09	0.4	0.5	(3.8)
AUD	0.72	0.8	1.2	(6.2)
USD Index	96.08	(0.4)	(0.5)	6.8
RUB	73.77	(0.3)	(0.5)	(0.9)
BRL	0.18	1.7	0.7	(8.1)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,183.62	1.0	1.4	18.3
DJ Industrial	35,753.89	0.7	1.1	16.8
S&P 500	4,696.56	1.0	1.6	25.0
NASDAQ 100	15,521.89	1.2	2.3	20.4
STOXX 600	478.36	1.5	1.5	11.1
DAX	15,593.47	1.5	0.9	4.8
FTSE 100	7,341.66	1.4	1.7	11.2
CAC 40	7,051.67	1.8	2.4	17.7
Nikkei	28,562.21	0.2	(0.4)	(5.9)
MSCI EM	1,209.88	0.5	(0.5)	(6.3)
SHANGHAI SE Composite	3,622.62	(0.0)	(0.2)	6.9
HANG SENG	23,102.33	0.6	(0.4)	(15.7)
BSE SENSEX	56,930.56	1.4	0.6	15.4
Bovespa	105,243.70	1.0	(1.9)	(19.5)
RTS	1,601.93	1.8	1.2	15.5

Source: Bloomberg (\*\$ adjusted returns)

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