QNB FINANCIAL SERVICES

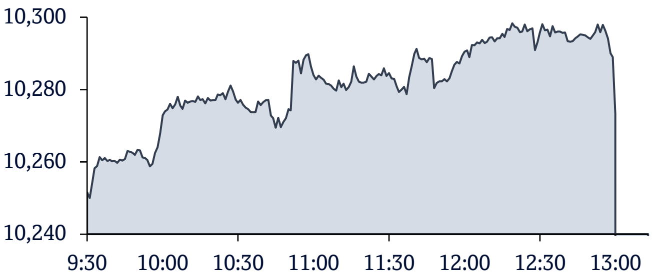
الخدمات المالية

Financial Services

Daily Market Report

Wednesday, 04 October 2023

QSE Intra-Day Movement



Market Indicators	03 Oct 23	02 Oct 23	%Chg.
Value Traded (QR mn)	456.1	455.4	0.1
Exch. Market Cap. (QR mn)	604,542.3	604,515.2	0.0
Volume (mn)	186.2	173.4	7.4
Number of Transactions	16,500	16,100	2.5
Companies Traded	45	49	(8.2)
Market Breadth	23:20	25:24	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	22,047.90	0.2	0.2	0.8	12.9
All Share Index	3,460.29	0.1	0.1	1.3	13.5
Banks	4,122.17	0.1	(0.1)	(6.0)	13.2
Industrials	4,214.94	(0.3)	0.3	11.5	14.9
Transportation	4,656.32	1.7	3.0	7.4	12.0
Real Estate	1,474.72	(0.0)	0.6	(5.5)	13.7
Insurance	2,581.94	(0.7)	(3.2)	18.1	153
Telecoms	1,578.00	(0.4)	(1.5)	19.7	12.4
Consumer Goods and Services	7,632.77	0.1	(0.0)	(3.6)	20.7
Al Rayan Islamic Index	4,538.64	(0.0)	(0.1)	(1.2)	13.7

Qatar Commentary

The QE Index rose 0.2% to close at 10,273.3. Gains were led by the Transportation and Consumer Goods & Services indices, gaining 1.7% and 0.1%, respectively. Top gainers were Qatar Oman Investment Company and Widam Food Company, rising 9.8% and 6.6%, respectively. Among the top losers, Dlala Brokerage & Inv. Holding Co. fell 2.6%, while Gulf International Services was down 2.4%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.5% to close at 10,952.3. Losses were led by the Real Estate Mgmt & Dev't and Health Care Equipment & Svc indices, falling 2.0% and 1.0%, respectively. Electrical Industries Co. declined 8.0%, while Al-Baha Investment and Development Co. was down 6.7%.

Dubai: The DFM Index gained 0.4% to close at 4,201.8. The Consumer Discretionary index rose 3.8%, while the Materials index gained 2.2%. Orascom Construction rose 5.1%, while Emaar Development was up 4.1%.

Abu Dhabi: The ADX General Index gained 0.5% to close at 9,839.1. The Real Estate index rose 2.1%, while the Financials Index gained 0.7%. Bank Of Sharjah rose 14.9%, while ADC Acquisition Corporation was up 8.4%.

Kuwait: The Kuwait All Share Index gained 0.1% to close at 6,858.9. The Technology index rose 5.9%, while the Real Estate index gained 1.5%. First Takaful Insurance Company rose 19.8%, while Kuwait Foundry Co. was up 18.2%.

Oman: The MSM 30 Index gained 0.1% to close at 4,739.6. The Services Index gained 0.2% while other indices ended flat or in the red. Al Suwadi Power rose 10.0%, while Dhofar Foods and Investment Company was up 9.4%.

Bahrain: The BHB Index gained 0.1% to close at 1,935.1. The Consumer Discretionary Index and the Financials index each gained 0.2%. Al Salam Bank rose 1.7%, while Kuwait Finance House was up 0.8%.

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Emaar Development	Dubai	7.450	4.1	9,534.4	68.9
Bupa Arabia for Coop. Ins.	Saudi Arabia	207.0	3.5	109.8	43.9
Mabanee Co.	Kuwait	864.0	2.9	954.7	8.0
Qatar Gas Transport Co. Ltd	Qatar	3.850	2.8	5,185.0	5.1
Savola Group	Saudi Arabia	36.90	2.5	858.4	34.4

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Dar Al Arkan Real Estate	Saudi Arabia	14.74	(6.5)	3,274.4	26.9
Al Ahli Bank of Kuwait	Kuwait	238.0	(4.4)	488.4	(20.8)
Mouwasat Medical Services	Saudi Arabia	105.8	(2.2)	310.4	1.2
Emaar Properties	Dubai	8.210	(2.0)	26,298.3	40.1
Bank Al-Jazira	Saudi Arabia	16.36	(1.8)	4,191.7	(14.3)

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%
Qatar Oman Investment Company	0.988	9.8	36,331.6	79.6
Widam Food Company	2.349	6.6	19,025.3	15.6
Meeza QSTP	2.603	2.9	3,852.8	19.0
Qatar Gas Transport Company Ltd.	3.850	2.8	5,185.0	5.1
Mannai Corporation	4.859	1.7	708.0	(36.0)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Dlala Brokerage & Inv. Holding Co.	1.450	(2.6)	1,450.0	27.0
Gulf International Services	2.926	(2.4)	15,631.7	100.5
Qatar Insurance Company	2.525	(1.4)	730.9	31.3
Lesha Bank (QFC)	1.450	(1.2)	1,950.8	26.6
Qatar Aluminum Manufacturing Co.	1.396	(0.6)	13,844.3	(8.2)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatar Oman Investment Company	0.988	9.8	36,331.6	79.6
Widam Food Company	2.349	6.6	19,025.3	15.6
Gulf International Services	2.926	(2.4)	15,631.7	100.5
Qatar Aluminum Manufacturing Co.	1.396	(0.6)	13,844.3	(8.2)
Ezdan Holding Group	1.007	0.2	9,279.2	0.6

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	15.44	(0.4)	47,798.5	(14.2)
Gulf International Services	2.926	(2.4)	46,477.5	100.5
Widam Food Company	2.349	6.6	44,180.3	15.6
Qatar Oman Investment Company	0.988	9.8	34,194.9	79.6
Industries Qatar	13.79	(0.1)	21,528.5	7.7

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,273.28	0.2	0.2	0.2	(3.8)	125.59	165,765.5	12.9	1.4	4.8
Dubai	4,201.84	0.4	0.9	0.9	26.0	213.95	191,336.3	9.6	1.4	4.4
Abu Dhabi	9,839.09	0.5	0.5	0.5	(3.6)	323.52	750,053.1	31.9	3.0	1.6
Saudi Arabia	10,952.34	(0.5)	(0.9)	(0.9)	4.5	1,304.22	2,976,969.4	18.3	2.2	3.4
Kuwait	6,858.86	0.1	(0.4)	(0.4)	(5.9)	120.92	142,557.2	16.0	1.5	4.1
Oman	4,739.61	0.1	1.3	1.3	(2.4)	3.21	22,471.0	13.1	0.9	4.7
Bahrain	1,935.13	0.1	(0.2)	(0.2)	2.1	3.76	55,475.5	7.3	0.7	8.7

*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 0.2% to close at 10,273.3. The Transportation and Consumer Goods & Services indices led the gains. The index rose on the back of buying support from Qatari and GCC shareholders despite selling pressure from Arab and Foreign shareholders.
- Qatar Oman Investment Company and Widam Food Company were the top gainers, rising 9.8% and 6.6%, respectively. Among the top losers, Dlala Brokerage & Inv. Holding Co. fell 2.6%, while Gulf International Services was down 2.4%.
- Volume of shares traded on Tuesday rose by 7.4% to 186.2mn from 173.4mn on Monday. However, as compared to the 30-day moving average of 200.6mn, volume for the day was 7.2% lower. Qatar Oman Investment Company and Widam Food Company were the most active stocks, contributing 19.5% and 10.2% to the total volume, respectively.

Overall Activity	Buy%*	Sell%*	Net (QR)
Qatari Individuals	31.54%	31.86%	(1,456,946.46)
Qatari Institutions	36.61%	34.86%	7,980,615.82
Qatari	**68.15%**	**66.72%**	**6,523,669.36**
GCC Individuals	0.77%	1.08%	(1,431,603.85)
GCC Institutions	7.55%	2.01%	25,239,229.22
GCC	**8.32%**	**3.10%**	**23,807,625.37**
Arab Individuals	11.16%	11.32%	(712,110.57)
Arab Institutions	0.00%	0.00%	-
Arab	**11.16%**	**11.32%**	**(712,110.57)**
Foreigners Individuals	2.86%	3.39%	(2,391,252.82)
Foreigners Institutions	9.51%	15.48%	(27,227,931.34)
Foreigners	**12.37%**	**18.87%**	**(29,619,184.16)**

*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
03-10	US	Bureau of Labor Statistics	JOLTS Job Openings	Aug	9610k	8815k	8920k
03-10	UK	The British Retail Consortium	BRC Shop Price Index YoY	Sep	6.20%	NA	6.90%

Earnings Calendar

Tickers	Company Name	Date of reporting 3Q23 results	No. of days remaining	Status
QNBK	QNB Group	10-Oct-23	6	Due
QGTS	Qatar Gas Transport Company	15-Oct-23	11	Due
NLCS	National Leasing Holding	15-Oct-23	11	Due
ABQK	Ahli Bank	17-Oct-23	13	Due
QFLS	Qatar Fuel Company	18-Oct-23	14	Due
QEWS	Qatar Electricity & Water Company	22-Oct-23	18	Due
QISI	Qatar Islamic Insurance	30-Oct-23	26	Due

Qatar

- **Estithmar Holding Q.P.S.C. signs an MOU with the Ministry of Health of the Republic of Uzbekistan -**Estithmar Holding Q.P.S.C. signed an MOU with The Ministry of Health of the Republic of Uzbekistan through its subsidiary Elegancia Healthcare W.L.L that aims to study new investments in the healthcare sector and potential areas of cooperation Medical Tourism and Healthcare services in Uzbekistan. The MOU was signed by Mr. Mohammed Badr Al-Sadah, Group CEO Estithmar Holding, and His Excellency Mr. Omonov Olim Murodullaevich, Deputy Minister of Health of Uzbekistan. The meeting was held at Estithmar's headquarters in Doha in the presence of the Vice Chairman of Estithmar, Mr. Ramez Al Khayyat, and the Executive management, and the delegation of the Uzbek Ministry of Health. (QSE)
- **Al Rayan Qatar ETF to disclose its financial statements for the period ending 30 September 2023 on October 19 -** Al Rayan Qatar ETF announces that it will disclose its financial statements for the period ending 30 September 2023 on 19 October 2023. (QSE)
- **Qatar Gas Transport Company Ltd.: To disclose its Quarter 3 financial results on October 15 -** Qatar Gas Transport Company Ltd. to disclose its financial statement for the period ending 30th September 2023 on 15/10/2023. (QSE)
- **Qatar Gas Transport Company Ltd. to hold its investors relation conference call on October 16 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 Quarter 3 2023 will be held on 16/10/2023 at 01:30 PM, Doha Time. (QSE)
- **Widam Food Company: Announces appointment of new Chairman -** Widam Food Company announced the appointment of Faisal Abdul Wahid Al Hamadi as Chairman with effect from 03/10/2023. (QSE)
- **QNB Group launches the first local payment gateway in Qatar -** QNB Group, the largest financial institution in the Middle East and Africa, announced the launch of the new QNB Payment Gateway, the first locally established payment gateway in Qatar. The Payment Gateway is the latest card acceptance solution set to provide local merchants with a robust, highly advanced payment solution to simplify digital payments performed in e-commerce. This payment solution offers merchants a safe and secure online payment method for credit, prepaid and debit card (QPay) payments. Services such as e-invoicing solutions, local and international digital wallets, online acceptance of QNB loyalty points, and its online installment plans for merchants use will be available in the new payment channel. Commenting on the launch, Mr. Adel Ali Al-Malki, Senior Executive Vice President - Group Retail Banking said: "We are pleased to announce QNB Payment Gateway as one of the strategic projects that come in line with our vision to provide the latest technology and innovative payment solutions to our merchants. This advanced payment getaway aims is to simplify and secure digital transactions for consumers and merchants, through an innovative platform to keep up with the ongoing digitization of payments that fits within our sustainable strategy aimed at reducing cash payments in support of Qatar National Vision 2030." Further commenting on the launch, Mr. Keyka Pourkarimi, Executive Vice President Group Cards and Retail Payments said: "QNB Payment Gateway was built to meet the demands of a robust payment gateway delivering against complex requirements from a wide range of merchants belonging to the SME, Government, Retail, Hospitality,

services, F&B, and financial industries. One of the most highly sought features that the gateway has to offer is to be able to customize the payment experience where the payment gateway would adhere to merchant's look and feel requirements so as customer would feel that transactions are being securely processed at the merchant's website." Maryam Mohd Al-Kuwari, Senior Executive Vice President Group Information Technology has further added: "With the speed of processing transactions, the global reach to international customers and the wide range of payment platforms that will become available to local merchants, QNB Payment Gateway will be the catalyst for online payments that merchants can take advantage of and gain a competitive edge against their competitors." (Qatar Tribune)

- **Ooredoo Announces Date to Pay Interest to Bondholders -** Ooredoo Q.P.S.C. announces that Ooredoo International Finance Limited (OIFL), its wholly owned subsidiary, pursuant to the Terms and Conditions of the Notes and the Final Terms, will pay its Global Medium Term Note (GMTN) holders' interest payment on 19 October 2023. Below is the announcement in full: $750,000,000 @ 5.00 per cent. Guaranteed Notes due 19 October 2025 (ISIN Code: 144 A- US74733LAE20, Reg S - XS0551307100) (the "Notes") Issued by Ooredoo International Finance Limited (the "Issuer") The Issuer a wholly owned subsidiary of Ooredoo Q.P.S.C hereby gives notice that pursuant to the Terms and Conditions of the Notes and the Final Terms, it will pay Noteholders $18,750,000.00 on the Interest Payment Date falling due on 19 October 2023. (QSE)

- **After Adding Qatar Insurance Company, the Group Securities will Commence Market Maker Activity for Several Companies -** In continuation of the published news stating that the Group Securities will commence Market Maker activity for several companies starting Tuesday, October 10, 2023, we would like to announce the addition of Qatar Insurance Company, bringing the total number of companies to 8 as follows: 1) Aamal Holdings (AHCS) 2) Dukhan Bank (DUBK) 3) Mesaieed Company (MEZA) 4) Qatar Industrial Manufacturing Company (QIMD) 5) Qatar Islamic Insurance Company (QIIC) 6) Zad Holdings Company (ZHCD) 7) QLM for Life and Medical Insurance (QLMI) 8) Qatar Insurance Company (QATI). (QSE)

- **Amir lays foundation stone for North Field Expansion Project -** The Amir Sheikh Tamim bin Hamad Al Thani laid the foundation stone for the North Field Expansion Project in Ras Laffan Industrial City on Tuesday morning. During the ceremony, a documentary film was shown about the stages of development of the North Field Expansion Project, which will raise the State of Qatar's annual production capacity of liquefied natural gas from 77mn tons annually to 126mn tons annually by 2026, which will enhance the leadership of the State of Qatar in the production of liquefied natural gas in the world. Minister of State for Energy Affairs HE Eng. Saad bin Sherida Al Kaabi also delivered a speech on this occasion. Following the opening, His Highness the Amir toured the project, during which he listened to an explanation about its objectives, the sustainable growth it achieves, and its meeting the local and international needs for supplies of liquefied natural gas and its derivatives. The ceremony was attended by a number of Their Excellencies ministers, CEOs, and senior officials from QatarEnergy's partners in the expansion project, and guests of the ceremony. (Peninsula Qatar)

- **Al-Kaabi: North Field Expansion project to significantly enhance Qatar's revenues -** The multi-billion-dollar North Field Expansion project will have "short and long-term impacts" that will be reflected across all sectors of the Qatari economy and will significantly enhance the country's revenues, said HE the Minister of State for Energy Affairs, Saad Sherida al-Kaabi. Addressing dignitaries and invited guests at the project's ground-breaking ceremony at Ras Laffan Tuesday, al-Kaabi said the pioneering expansion aims to raise Qatar's annual production capacity of liquefied natural gas (LNG) from 77mn tonnes per year to 126MTPY by 2026. "It is worth noting that this project is the largest in the history of the gas industry and the world's best in terms of the carbon footprint. "This project is a quantum leap in our country's leadership in the field of energy, and an embodiment of our goals towards optimal investment in our natural resources and our commitment to providing the world with a cleaner source of energy over many decades," al-Kaabi noted. The project includes six mega trains, each with a production capacity of 8mn tons per annum of LNG, four of which are in the North Field East expansion project, and two in the North Field South expansion project. This major expansion, al-Kaabi said will add 48mn tons per year to the global LNG supplies. It comes at a crucial time, as natural gas occupies a pivotal position in the energy mix in a world facing geopolitical turbulence and is in dire need of clean energy sources that are in line with the global environmental goals. In addition to LNG, the project will produce 6,500 tons per day of ethane gas, which will be used as feedstock in the local petrochemical industries. The project will also produce about 200,000 barrels per day of liquefied petroleum gas (propane and butane), and about 450,000 barrels per day of condensates, in addition to large quantities of helium gas and sulfur. "There is no doubt that these additional quantities of natural gas are of great importance as they will play a prominent role in enhancing energy security, supporting a practical and realistic energy transition, and ensuring fair and equitable access to cleaner energy for a sustainable growth and a better future for all." He noted, "On this occasion, I would like to extend my sincere thanks to all our partners, to the working teams of QatarEnergy and QatarEnergy LNG, and to the contractors working to implement this project, in which more than 60,000 workers are expected to participate during peak construction and more than 300mn working hours will be completed when the project is completed. Minister Al-Kaabi concluded his remarks by thanking QatarEnergy's partners, and the working teams of Qatar Energy and QatarEnergy LNG, and the contractors working to implement this project with the highest quality and safety standards. "I am honored to extend ample thanks and gratitude to His Highness the Amir, Sheikh Tamim bin Hamad al-Thani, for honouring us with his presence and patronage of this celebration, and for his unlimited support and guidance to us in the energy sector." (Gulf Times)

- **North Field Expansion serves great leap forward for Qatar's energy industry supported by Nakilat -** The State of Qatar's energy industries will experience a great leap forward, following the announcement of an increase in the volume of its Liquefied Natural Gas (LNG) production to 126mn tons by 2027. As such, QatarEnergy's share of the new total global LNG supplies will reach 40% by 2029.QatarEnergy coincided this increase with several transport projects and agreements to enhance its global market reach to both its traditional and new markets. QatarEnergy revealed in 2020 that it had signed ship-building agreements with three major companies in South Korea, to acquire more than 100 new ships worth more than $19bn.Under those agreements, the three major Korean shipyards, Daewoo Shipbuilding and Marine Engineering (DSME), HD Hyundai Heavy Industries, and Samsung Heavy Industries, will reserve a large share of their LNG carrier-building capacity for the sake of QatarEnergy until the end of 2027. By doing so, QatarEnergy reserved about 60% of the global LNG carrier building capacity until 2027, to acquire more than 100 new LNG carriers, worth more than QR70bn. These agreements will ensure the company's ability to meet the State of Qatar's future LNG carrier fleet needs to support increasing LNG production. The new LNG carriers will be equipped with the latest generation of dual-fuel engines, operating primarily on LNG. Thus, the LNG carriers will have a superior performance in terms of efficiency and compliance with all current global emission regulations and legislation to reduce the fleet's greenhouse gas emissions, in line with the environmental goals of the Qatar National Vision 2030.In addition to the 60 tankers contracted by QatarEnergy in the first phase of the program, to be built in the South Korean and Chinese shipyards, the new agreement will bring the total number of LNG carriers to 77 tankers, with more to come in the second phase. QatarEnergy expects the number to grow to more than 100 LNG tankers in the future, given that the new deal includes 17 LNG carriers, 23 others will be the focus of a partnership with other industry giants. Established in 2004, Nakilat is a shipping and maritime company based in the State of Qatar. With one of the world's largest Liquefied Natural Gas (LNG) shipping fleets comprising 69 LNG carriers, the company provides the essential transportation link in Qatar's LNG supply chain. Through its wholly owned subsidiary Nakilat Shipping Qatar Limited (NSQL), the company manages and operates one floating storage regasification unit (FSRU), four very large LPG carriers (VLGCs), and 24 LNG carriers. In addition to its core shipping activities, Nakilat operates the Erhama Bin Jaber Al Jalahma Shipyard in Ras Laffan Industrial City, providing comprehensive ship repair and offshore fabrication services via strategic joint ventures: N-KOM and Qatar Fabrication Company (QFAB). (Peninsula Qatar)

- **PSA: Qatar trade surplus jumps 8.7% month-on-month to QR21.36bn in August -** Qatar's trade surplus rose 8.7% to QR21.36bn in August against the previous month's levels owing to faster growth in shipments to Asian markets, according to official statistics. However, the country registered a 41.1% year-on-year decrease in trade surplus in the review period, according to the Planning and Statistics Authority (PSA). Qatar's exports to Japan, China, Singapore and India were on the rise this August against those in August 2023. The share of petroleum gases and other gaseous hydrocarbons in the country's total export basket was seen declining substantially, while those of crude and non-crude increased robustly in the review period. The country's total exports of goods (including exports of goods of domestic origin and re-exports) were up 8% month-on-month to QR31.42bn. On an annualized basis, it tanked 32.9% in August 2023. More than 63% of the exports went to China, South Korea, India, Japan and Singapore. In August 2023, Qatar's shipments to China amounted to QR7.51bn or 23.9% of the total exports of the country, followed by South Korea QR3.89bn (12.4%), India QR3.29bn (10.5%), Japan QR2.72bn (8.7%), and Singapore QR2.4bn (7.6%). On a monthly basis, Qatar's exports to Japan zoomed 33.83%, China by 24.61%, Singapore by 22.36% and India by 17.66%; whereas those to South Korea were down 5.9% in September 2023. On a yearly basis, the country's exports to Japan plunged 47.5%, India by 27.19%, Singapore by 13.87% and South Korea by 13.31%; while those to China shot up 38.98% in the review period. The country's exports of petroleum gases and other gaseous hydrocarbons were valued at QR17.65bn, which grew 3.9% on a monthly basis; crude at QR6.79% (26.7%), non-crude at QR3.15bn (13%) and other commodities at QR2.93bn (4%) in August 2023. On a yearly basis, the exports of petroleum gases and other gaseous hydrocarbons plunged 47.4% and other commodities by 29.8%; even as those of crude surged 30.1% and non-crude by 8.4% in the review period. Petroleum gases constituted 57.81% of the exports of domestic products in August 2023 compared to 73.17% a year ago period; followed by crude 22.24% (11.39%), non-crude 10.32% (6.35%) and other commodities 9.6% (9.1%). Qatar's total imports (valued at cost insurance and freight) amounted to QR10.06bn, which showed a 6.6% increase month-on-month; even as it fell 4.8% on an annualized basis in August 2023. The country's imports from the US amounted to QR1.78bn, which accounted for 17.7% of the total imports; followed by China QR1.36bn (13.5%), Germany QR0.85bn (8.5%), India QR0.54bn (5.3%) and Italy QR0.51bn (5%) in the review period. On a monthly basis, the country's imports from Germany expanded 33.96%, the US by 31.86% and India by 4.87%; whereas those from Italy shrank 19.01% and China by 13.71% in August 2023. On a yearly basis, Qatar's imports from Italy declined 29.58%, China by 25.93% and India by 22.7%; whereas those from Germany surged 51.6% and the US by 17.14% in the review period. In August 2023, the group of "Turbojets, Turbo propellers and Other Gas Turbines; Parts Thereof" was at the top of the imported group of commodities and valued at QR0.51bn, showing an annual decline of 14.1% In the second place was "Parts of Airplanes or Helicopters, with QR0.49bn, showing an increase of 93.7% on an annualized basis in the review period. In third place was "Motor Cars & Other Motor Vehicles for The Transport of Persons", with QR0.48bn, which however showed an increase of 3.9% year-on-year in August 2023. (Gulf Times)

- **QFC: Qatar's non-energy firms' employment rose at fastest rate since June 2022 -** Doha's non-energy private sector signaled "strong and stable" expansion in September with solid increases in output and new orders as employment rose at the fastest rate since June 2022, according to Qatar Financial Centre (QFC). The 12-month outlook for the non-energy private sector improved in September. Expectations were strongest among manufacturers and construction firms, said the QFC's latest purchasing managers' index (PMI) survey data. The PMI posted 53.7 in September, little-changed from 53.9 in August and indicating another strong improvement in business conditions. The latest figure was above the average for 2023 so far (53) and the long-run trend since 2017 (52.4). The PMI has remained in a narrow range of 53.7-55.6 since March, indicating "stable, solid" economic growth. The headline QFC PMI is a composite single-figure indicator of non-energy private sector performance. It is derived from indicators for new orders, output, employment, suppliers' delivery times and stocks of purchases. The PMI indices are compiled from survey responses from a panel of around 450 private sector companies. It covers the manufacturing, construction, wholesale, retail, and services sectors, reflecting the structure of the non-energy economy according to official national accounts data. "The Qatar PMI continued its steady run in September, coming in at 53.7 and indicating another strong improvement in business conditions. Growth over the third quarter as a whole softened slightly compared with the second quarter but remained comfortably above the long-run trend of the survey's six-and-a-half-year history," said Yousuf Mohamed al-Jaida, chief executive officer, QFC Authority. New business increased for the eighth successive month in September, and the growth rate stabilized at a strong pace. Construction provided a notable boost to demand during the month. Total business activity among Qatari non-energy private sector firms rose further. Output has risen every month for more than three years, except for a brief correction in January following the conclusion of the FIFA World Cup Qatar 2022. The latest rate of expansion was softer than in each of the prior four months, but still stronger than the long-run average. "The soft patch in the PMI immediately following the FIFA World Cup in early-2023 was recently corroborated by the latest GDP figures, where annual growth slowed to 2.7% in the first quarter. The PMI is signaling a subsequent uplift to GDP growth in the second and third quarters," al-Jaida said. Non-oil private sector employment expanded for the seventh month running in September, and at the fastest rate since June 2022. Companies reported efforts to gain experienced, highly qualified employees. Three of the four main monitored sectors registered solid increases in staffing, as did financial services. Purchasing of inputs expanded for the seventh consecutive month in September, but supply chains continued to improve as average lead times fell for the seventeenth successive month, a series-record sequence. Input inventories were broadly stable, as companies continued to manage stock levels efficiently. Total financial services activity and new business both increased at marked rates, albeit ones that eased slightly since August, while the 12-month outlook improved, the QFC said, adding September data signaled lower charges levied by finance companies in Qatar, the third instance of discounting in four months. Average input costs fell marginally. (Gulf Times)

- **QDB aims to boost private sector with new move -** Qatar Development Bank (QDB) announced that current National Guarantee Program beneficiaries are now able to request to transfer their credit facilities from their current banks to QDB's financing portfolio. This move aims to stimulate the private sector's economic sustainability, grow and develop the business sector, and support Qatari companies. QDB will provide current beneficiaries of the program, launched in 2020 to address the COVID-19 pandemic, the opportunity to refinance the remainder of their credit facilities granted by partner banks and to transfer them to QDB's financing portfolio with easy and under flexible terms and conditions to be repaid to ensure the continuity of beneficiaries' business and improve their financial flows. Current beneficiaries will be able to submit a transfer request to their current banks according to the announced conditions from October 10 until February 10, during which the transfer process will take place, creating their new QDB accounts with a payment plan of up to 5 years, including a grace period of up to one year, and a profit rate of one%. QDB CEO Abdulrahman Hesham Al Sowaidi said that the objective behind refinancing the National Guarantee Program's credit facilities with ease and flexibility is primarily to support the private sector, enhance the sector's businesses, and strengthen companies' financial sustainability by enabling them to transfer to QDB's financial portfolio. He added that this move is to reaffirm the continuous support for the private sector and entrepreneurs, reflecting the State of Qatar's attention and diligent follow-up to develop the national economy and ensure its sustainability. QDB has worked to develop and update the National Guarantee Program several times since its launch, taking into account the changing needs of the private sector and the nature of continuous change in the national and global economic landscape. The program has proven its success in providing its services to more than 4,200 companies, with the total value of guarantees issued reaching QR3.6bn. (Qatar Tribune)

- **HSBC: High energy price-led capital inflows create opportunities; Doha ideally placed take advantage of India-Middle East-Europe Economic Corridor -** The recent high energy prices have led to “significant" capital inflows, opening new opportunities for Qatar, which is also ideally placed to take advantage of the India-Middle East-Europe Economic Corridor (IMEC), according to a top official of HSBC. In an interview to Gulf Times, Lisa McGeough, co-head, Global Banking Coverage, HSBC, said recent high energy prices have brought significant inflows of capital to Qatar, which is already the world’s biggest exporter of LNG (liquefied natural gas) and plans to boost production by 63% by 2027. "This capital opens a wealth of new opportunities aligned with the future economy and new industries," she said, ahead of her meeting with clients in Doha. There are countless global opportunities in both developed markets and the global south where commodities that will be a mainstay of future technologically enabled economies reside and where climate change needs are most pressing, she said, adding taken together, these forces are shaping the next phase of the global economy’s evolution. The infrastructure that will provide the backbone of this phase is also in development, with a great example being the IMEC announced at the G20. This cost-effective, cross-border, ship-to-rail transit network will not only further secure regional supply chains but also increase trade accessibility, improve trade facilitation and support an increased emphasis on environmental social, and government (ESG) impacts. "Qatar is ideally placed to take advantage of these new megatrends. Qatar’s National Vision 2030 is the embodiment of that," she said. Stressing that HSBC will use its unique global network in more than 60 countries and territories to support Qatar with reaching its ambitions; McGeough said that means helping unlock new ideas in Asia, the US, and Europe, broadening and deepening domestic capital markets and helping companies embrace both climate and sustainable finance-related opportunities. As far back as 2003, HSBC prioritized Qatar as a growth market globally, through what management back then called the ‘Managing for Growth’ strategy, she said, adding "that hasn’t changed. If anything, our focus has sharpened." On Qatar's capital market, she said the "progress is clear for all to see". Since securing MSCI Emerging Market status almost a decade ago, the market infrastructure has been strengthened through new legislation and the introduction of new products, which has led to a deepening of the investor base, both locally and internationally, according to her. "It’s perhaps no surprise, then, that the share of foreign investors in QSE’s trading values has seen significant increases in 2022 and 2023," she said, adding "we see similar trends across the Gulf Cooperation Council (GCC), where capital markets are highly active." Asked about sustainability trends in the Gulf bourses, she said in January this year, Gulf exchanges announced unified ESG metrics for the GCC-listed companies. Enshrined in 29 standards aligned with the World Federation of Exchanges and Sustainable Stock Exchanges Initiative, they comprise categories covering greenhouse gas emissions, energy usage, water usage, gender pay, employee turnover, gender diversity, data privacy, ethics and more, according to her. "Whilst voluntary, they represent a significant step towards standardizing ESG disclosures across the GCC region," she said. (Gulf Times)
- **'Mega events boost Qatar's hospitality sector' -** The various international events in Doha have enhanced the hotel and hospitality sector in the country, especially after the short drop in demand that followed the huge demand during the FIFA World Cup Qatar 2022, pointed out Marc Matar, Multi-Property General Manager, St Regis in an interview with Gulf Times. "The FIFA World Cup Qatar 2022 was an amazing period for the hospitality industry and placed the country on the world tourist map, attracting more global attention to Doha. However, after that period there was a drop in the numbers of tourists coming to the country and such situation continued over the summer months. "Now, for the upcoming months, we are seeing a lot of events and activities and The St Regis Doha, St Regis Marsa Arabia Island, and St Regis Marsa Arabia and the Pearl are doing very well by securing big roles in these events. St Regis has secured exclusive hospitality partnerships with some of these events and host hotels," he noted. "We are an exclusive partner with Formula 1 as the catering party for the concerts and their VIPs guest. The concert will host a good number of renewed Arab and World Stars. This will be going on during October 6, 7 and 8. We will also be the official catering partner for Qatar Stars League, and Qatar Masters Golf in addition to Ajjyal Film Festival, and World Aquatics Championships Doha 2024." Matar explained this is expected to considerably increase the occupancy rates of St Regis, for instance during the Formula 1, occupancy rate is full. During the upcoming months occupancy rate is expected to be around 80-95%. "The entities and authorities concerned are exerting great efforts to support the tourism and hospitality sectors in the country and enhance their role in the national economy. In particular, Qatar Tourism deputy chairperson Saad Ali al-Kharji has exerted great efforts over the past months that reflected greatly positive on the industry in the country. "Besides, Qatar now enjoys highly sophisticated infrastructure with huge investment in the tourism sector, this covers all related facilities such as the airport, hotels, restaurants, modern network of roads, museums and various other things. "Qatar is already considered a family friendly destination not only for tourists but for the expatriate families living here as well. People who come to live in Qatar love the place for many reasons, which include for instance the friendly environment, multi-culture society that accepts diversity, nice and welcoming Qataris, the safety and security prevailing in the country. Further, the price rates of hotels in Qatar are considered very reasonable when compared to the neighboring countries. Still, there is a need for more economic flight options to encourage more tourists to come." Matar noted that Qatar is considered a very good destination for GCC tourists thanks to the various events that take place in the country. St Regis enjoys top of the range facilities with ample swimming pools, very wide beach front, and special activities for kids. The hotel provide its guests with tailor-made services to cater to their specific needs, whether families, visitors of business people. "We provide full resort for our guests with all the top end facilities in addition to a kids learning center. We provide our guests with a special service of a private butler service. We have 12 international restaurants that offer tastes and favors from various world cuisines, in addition to a world renowned brand spa (The Guerlain Spa). We also provide long stay residences with high level services starting from one bedroom apartment to three bedrooms," explained Matar. " Alfardan Group have invested greatly in hotels, restaurants and wellness centers not only for investment benefit but also to support the overall tourism attractiveness of Qatar, and position it as a world class destination, competing with the biggest cities of the world," Matar noted. Stressing the importance of hosting grand Indian weddings in Qatar, he said: "We are hosting five of these booked for the next five months, where the hotel will be fully booked by top families in India for at least three days for each wedding. These weddings are often grand events and they like to go for high end buildings with large capacity. Qatar has a great potential for attracting more of these events, which eventually positively impact all the local economic sectors in the country. " (Gulf Times)

International

- **Fed's Bostic: Rising long bond yields not having excessive impact on economy -** The steady rise in long-term US Treasury bond yields hasn’t yet shown signs of slowing the economy more than would be expected in a typical Federal Reserve tightening cycle, Atlanta Fed President Raphael Bostic said on Tuesday, becoming the latest US central bank official to discount the market-driven spike in borrowing costs. “Tighter financial conditions is part of what our policy is trying to create. It needs to translate into changes in economic outcomes,” Bostic said in comments to reporters. “I don’t think the degree of response to date has been out of bounds” of what would happen “in an ordinary tightening cycle.” Should conditions tighten excessively because of different market forces, Bostic said it could prompt him to review a policy path that currently sees the Fed holding its benchmark overnight interest rate steady in the current 5.25%-5.50% range until near the end of next year, when rate cuts might begin. But even though he agreed that recent jumps in long-term yields have been unusual, Bostic joined several of his colleagues in downplaying their relevance to policy - at least so far. Since the Fed raised its policy rate by a quarter of a percentage point in July, the yield on the 10-year Treasury note has risen by more than three-quarters of a percentage point to around 4.6%. The outsized rise on longer-term yields, which could raise financing costs for businesses and leave consumers with more expensive mortgages and loans, has sent economists scrambling to understand what’s in play - whether it is a response to rising US debt, for example, changes in bond purchases by international actors like China, or concerns about global inflation and growth dynamics. “There is a lot going on and I cannot say I have all the answers,” Bostic said. What’s relevant to the Fed, however, is “the response of consumers ... The things we are looking at is the pace at which the economy slows,” not the rates themselves. (Reuters)

- **Fed officials see high long rates as "complicated," but not yet a threat -** Federal Reserve officials see rising yields on long-term US Treasury debt as evidence their tight-money policies are working, but for now at least say they are not triggering alarm bells for the economy. Atlanta Federal Reserve President Raphael Bostic agreed the comparatively fast recent rise in the market interest rates paid on US Treasury bonds, something that feeds through to a variety of important business and household borrowing costs, was "complicated," and "kind of a funny thing" that was outside how those rates usually respond to Fed policy. Since July's quarter-point increase in the Fed's policy rate, a short-term benchmark that influences the yields on a variety of securities, yields on the 10-year Treasury note and 30-year bond have shot up by roughly 1 percentage point to their highest levels since the 2007-2009 financial crisis. But Bostic said that for the Fed what matters is how such changes in financial conditions impact how consumers and firms invest and spend - and so far that appeared to be along the lines of what would happen "in an ordinary tightening cycle." (Reuters)
- **US job openings post largest increase in two years; quits rate unchanged -** US job openings unexpectedly increased in August amid a surge in demand for workers in the professional and business services sector, pointing to a still-tight labor market that could compel the Federal Reserve to raise interest rates next month. The jump reported by the Labor Department in its Job Openings and Labor Turnover Survey, or JOLTS report, on Tuesday snapped three straight monthly declines in job openings. Employers were also holding on to their workers in August. Nevertheless, the labor market continues to steadily move toward an environment where demand is in balance with supply. There were 1.51 job openings for every unemployed person in August, marginally down from 1.53 in July. Unemployment increased in August. The quits rate was unchanged at a 1-1/2-year low. The Fed held rates steady last month but signaled a hike by the end of this year. “The reversal reinforces the case for a November Fed hike,” said Jonathan Millar, a senior economist at Barclays in New York. Job openings, a measure of labor demand, were up 690,000 to 9.610mn on the last day of August. That was the most in just over two years. Data for July was revised higher to show 8.920mn job openings instead of the previously reported 8.827mn. Economists polled by Reuters had forecast 8.800mn job openings in August. Small businesses, with less than 10 employees, accounted for the bulk of the rise in job openings. Medium-sized businesses reported sizeable increases, but the rise for large corporations was modest. There were an additional 509,000 open positions in the professional and business services. Some economists viewed this increase as an anomaly given that the sector accounted for about 16% of total employment and speculated that a low response rate could be biasing the numbers higher. Vacancies increased by 96,000 in the finance and insurance sector. State and local government education had 76,000 more openings. Unfilled positions increased by 59,000 in the nondurable goods manufacturing industry, and the federal government had an additional 31,000 openings. Regionally, there were fewer job opportunities in the South and Midwest, while the Northeast and West reported a rise in openings. The job openings rate increased to 5.8% from 5.4% in July. Hiring increased by only 35,000 to 5.857mn, indicating that worker shortages was a major constraint. (Reuters)
- **US Treasury's Yellen is 'very optimistic' about outlook for US economy -** US Treasury Secretary Janet Yellen said on Tuesday she was very optimistic about the outlook for the US economy, adding that inflation was coming down in the short term and the labor market was "extremely strong." "I am very optimistic about the US economic outlook. Short term: inflation is coming down in the context of an extremely strong labor market," Yellen said at a Fortune CEO event on Tuesday. "Medium term: we are now engaging in a very substantial program of investments to strengthen our economy, to boost our productive capacity," Yellen said. US gross domestic product is still expanding at a pace well above what Federal Reserve officials regard as the non-inflationary growth rate of around 1.8%, often referred to as the "potential" growth rate. US GDP expanded at a 2.4% annualized rate in the second quarter, and some estimates put the current quarter's pace at more than twice that. The treasury secretary added she was pleased that Congress passed a deal over the weekend that averted a government shutdown. She previously said that a US government shutdown would be a "risk factor" for a potential economic recession. Yellen also said interest rates would return to more normal levels in the medium term. Commenting on artificial intelligence, Yellen said progress in that field was "unbelievably rapid" and could make a significant difference in productivity. Yellen also said the United States had an over-dependence on China in some key areas. "I think we have an over-dependence on China in areas that are critical to our national well-being," Yellen said, adding the US needed to de-risk some of that without completely disengaging from China. Yellen visited China in July and has been one among a number of key officials in the administration of President Joe Biden to have made such a visit in recent months. The two countries have agreed to keep lines of communication open. (Reuters)
- **US new vehicle sales jump in third quarter as UAW strike casts shadow -** Top global automakers on Tuesday reported a rise in US new vehicle sales for the third quarter, buoyed by resilient demand for latest models and improved supplies. General Motors extended a strong year as it posted an about 21% rise in US sales to 674,336 vehicles, benefiting from demand for its pickup trucks, affordable crossover SUVs and electric vehicles. EV sales jumped 28% in the third quarter from the preceding quarter, the company said. Overall, US new vehicle sales in September were 1.33mn units, with an annual sales rate of 15.67mn units, according to data released by Wards Intelligence on Tuesday. The robust performance comes against the backdrop of the ongoing coordinated strike from the United Auto Workers (UAW) union against the Detroit Three automakers that has sparked concerns over supply disruptions in the current quarter. Sales in September also benefited from inventory that was built up in anticipation of the strike. GM said on Tuesday it had 442,586 vehicles in inventory. While it did not address the impact of the strike, a 40-day UAW walkout in 2019 led to a 6% fall in sales in the fourth quarter of that year and cost the automaker $3.6bn. Rival Ford Motor is expected to report US auto sales on Wednesday, while Stellantis’ unit FCA US reported a 1.3% fall for the third quarter to 380,563 units. Meanwhile, Asian brands posted strong gains in the quarter. Toyota Motor posted a 12.2% rise in third-quarter US sales. Kia and Hyundai also posted higher sales for the period. Hyundai is offering incentives on its EVs to overcome the disadvantage of not qualifying for the US Inflation Reduction Act tax credits, the company told Reuters on Tuesday. However, the South Korea-based automaker said rising interest rates “make it very, very challenging for consumers to purchase a vehicle.” EV leader Tesla on Monday missed market estimates for third-quarter deliveries due to planned factory upgrades. (Reuters)
- **PMI: Japan service activity growth slows down in September -** Japan's service activity in September expanded for the 13th month but at the slowest pace since the start of the year, a private survey showed, a worrying sign as the sector has been a key driver of economic growth amid weakness in manufacturing. The final au Jibun Bank Japan Service purchasing managers' index (PMI) fell to 53.8 in September from 54.3 in August, hurt by slower new business and a stalling in export orders. The index level marked the joint-lowest since January, according to the survey compiled by S&P Global and released on Wednesday. It was slightly above the flash reading of 53.3 and remained over the 50.0 threshold separating expansion from contraction since August last year. However, there were broad signs of softening in the service industry, which has underpinned the world's third-biggest economy over recent quarters amid weak global demand for its manufactured goods. New export orders stalled, ending a 12 consecutive months expansion. A boom in inbound tourism was offset by persistent weakness in the yen, the survey showed. "Capacity pressures were also dampened in September as backlogs rose only fractionally, while firms also saw the sharpest fall in service sector employment since January 2022," said Usamah Bhatti, economist at S&P Global. While the services sector expansion remained solid overall, the pockets of weakness last month underlines the challenge for policymakers counting on domestic demand to spur an economic recovery. Firms reporting a decrease in their workforce attributed it to not replacing those leaving voluntarily. The industry faced pressure from

rising fuel, utilities and labour costs in September, but the rate of input price inflation eased compared to August. Service providers remained optimistic about their business activity for the coming 12 months, but again the degree of confidence was the lowest in eight months, with some citing inflation and high interest rates as concerns. The composite PMI, which combines the manufacturing and service activity figures, fell to 52.1 in September from 52.6 in August, staying above the break-even 50 mark for nine consecutive month. (Reuters)

- **Japan warns it will take 'appropriate' steps on excessive yen falls -** Japan will take appropriate steps against excessive moves in the yen "without ruling out any options", Finance Minister Shunichi Suzuki said on Wednesday, keeping markets on alert over the chance of yen-buying intervention. Suzuki told reporters he would not comment on whether Tokyo intervened in the exchange rate market overnight to prop up the yen. "Currency rates ought to move stably driven by markets, reflecting fundamentals. Sharp moves are undesirable," Suzuki told reporters. The government is watching market developments very carefully. We're ready to take necessary action against excess volatility, without ruling out any options," he added. After sliding below the psychologically important 150 per dollar mark, the yen strengthened sharply overnight on Tuesday, leading some market participants to believe Tokyo had intervened to support the currency. The dollar stood at 149.17 yen in Asia trading on Wednesday. (Reuters)

Regional

- **Saudi Arabia's non-oil private sector growth picks up in September -** Saudi Arabia's non-oil private sector economy expand faster in September and business optimism picked up compared to the previous month, according to a new business survey published on Tuesday. The seasonally adjusted Riyad Bank Saudi Arabia Purchasing Managers' Index (PMI) came in at 57.2 in September, up from an 11-month low of 56.6 in August. Notably, the index returned above its long-run average of 56.9. The firms surveyed reported an increase in output over the month, but growth of purchasing, inventories and employment all softened. "The pick-up in sales growth was partly helped by a renewed cut in output charges, as firms reported offering discounts to their customers to combat strong competition. Selling prices decreased despite a further robust rise in input prices, placing greater pressure on profit margins," the report said. The Saudi PMI is a weighted average of the following five indices: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%) and Stocks of Purchases (10%). Higher activity was seen in four of the broad sectors, with all categories recording a robust expansion. Naif Al-Ghaith PhD, Chief Economist at Riyad Bank, said: "Despite the increase in input prices, prices of goods did not register the same increase and were instead muted by stronger competition. Thus, our expectation is that the headline inflation rate for Saudi Arabia will average 2.5% for 2023. "External headwinds have impacted exports of non-oil companies which decreased slightly in September. However, input and imports are continuing to rise, which would impact the ratio of non-oil exports to imports to below 31," he added. Business optimism also picked up sharply during September, after falling to the weakest level since mid-2020 in August. Firms were hopeful that improving market conditions and rising sales would continue to support an expansion in activity. (Zawya)
- **Q2 2023 sees record high participation of Saudis in private sector jobs -** The National Labor Observatory (NLO) revealed that the second quarter of 2023 recorded the highest participation of Saudis in the labor market compared to previous quarterly periods. The number of Saudi citizens employed in private sector establishments rose to 2.2mn employees, with a total growth of approximately 210,000 employees compared to the same quarter in 2022, averaging around 42,000 employees per quarter until the second quarter of 2023. The growth in the number of Saudi citizens working in the private sector can be attributed to the positive economic growth rates in the Saudi economy. These rates contributed to increasing the overall labor market size, strengthening demand for labor, and boosting productivity rates in the market. The National Labor Observatory issued a Saudization report for the second quarter of 2023, reviewing changes in the labor market and Saudization rates in private sector establishments. The report provides an analysis of Saudization rates based on economic activities and administrative regions, along with a comparison of Saudization rates in the second quarter of 2023 with the previous quarter and the same quarter in 2022. It also examines the net growth of citizens' jobs. According to the report, the number of male employees reached 1.3mn, while there were around 900,000 female employees in the private sector by the end of the second quarter of 2023, resulting in a total Saudization rate of 22.3%. The numbers also revealed that the Eastern Province recorded the highest Saudization rates at 27%, followed by Makkah with 24%, and then the Riyadh and Al-Madinah regions with 21%, all in the second quarter of 2023. Additionally, the information and communications sector achieved the highest participation rate for male citizens at 60%, while the education sector had the highest participation rate for female citizens at 53%. It is worth noting that the Saudization report issued by the National Labor Observatory is published quarterly. Established in 2010, the observatory serves as the primary and reliable source for labor market data and insights. It issues various products and reports throughout the year, focusing on analyzing indicators and data to support strategic decision-making by designing policies supported by facts and figures, evaluating their impact, and anticipating the future of the labor market. (Zawya)
- **Saudi's PIF launches new company to develop Jeddah's Al Balad -** Saudi Arabia's Public Investment Fund (PIF) has announced the establishment of Al Balad Development Company (BDC), which will become the main developer of Jeddah's historic Al Balad district. This is in line with the efforts led by His Royal Highness Crown Prince Mohammed bin Salman bin Abdulaziz to revitalize Historic Jeddah to transform Jeddah into an economic hub, a global cultural, heritage and tourism destination, said a statement. The company will focus on improving the district's infrastructure, overseeing the restoration of historic buildings in Al Balad, and developing service facilities as well as recreational, residential, commercial, hotel and office spaces. The overall project development area will comprise approximately 2.5mn sq m, with a total built up area of 3.7mn sq m. This includes 9,300 residential units, 1,800 hotel units and around 1.3mn sq m of commercial and office space. The company will collaborate with the private sector and specialists to develop the area's infrastructure according to the best standards of urban planning for historic areas, taking into account environmental sustainability and preserving the unique heritage of Historic Jeddah: a Unesco World Heritage site. The aim is to transform it into a leading tourism destination that attracts visitors from around the world, thus contributing to economic development, with the company also working to offer attractive investment opportunities and quality commercial options for the people of Jeddah, it said. BDC aims to provide a rich experience to explore the cultural and historic dimensions of the district, by providing an integrated environment that attracts residential, work, cultural and recreation development, contributing to quality of life and improving the visitor experience. Al Balad is recognized for being an iconic Red Sea port, in addition to featuring a unique urban character and distinctive coral limestone architecture. In 2021, HRH Crown Prince launched the "Revitalize Historic Jeddah" initiative, as part of "Historic Jeddah Development Project." The establishment of BDC aligns with PIF's strategy to diversify the Saudi Arabia's economy through developing and enabling strategic sectors, including real estate and tourism, contributing to achieving the aims of Vision 2030, the statement said. (Zawya)
- **Saudi EXIM Bank, AGMC sign export credit insurance -** The Saudi Export-Import Bank (Saudi EXIM) has signed an export credit insurance (ECI) agreement with Advanced Global Marketing Company (AGMC), a subsidiary of Advanced Petrochemical Company. This agreement allows AGMC to secure payments for international exports, safeguarding them against the risk of non-payment by international buyers. The ECI was co-signed by the CEO of the Saudi EXIM Bank, Eng. Saad Al-Khalb, and the CEO of Advanced Petrochemical Company, Eng. Fahad Al-Matrafi at the Saudi EXIM Bank's headquarters in Riyadh. The CEO of the Saudi EXIM Bank highlighted the bank's commitment to supporting the Saudi non-oil economy. He emphasized their efforts to increase the percentage of Saudi non-oil exports and encourage domestic companies to export their products. This is achieved by enhancing their competitiveness and minimizing the risk of non-payment. "In light of the growing demand for the petrochemical sector, we are pleased to work with the AGMC, and we are making an agreement which will have an effective economic impact

in raising the rate of Saudi exports. We confirm our commitment to continue efforts in cooperation with partners with experience and financial capabilities to enable Saudi non-oil exports and increase their access to new markets at the regional and international levels in accordance with the objectives of Saudi Vision 2030", he added. (Zawya)

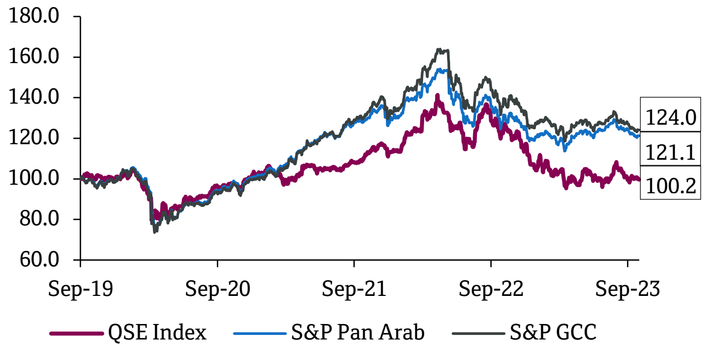
- **Spurred by strong liquidity, UAE banks outperform GCC peers -** Banks in the UAE are outperforming their GCC peers on the back of strong liquidity conditions underpinned by high oil prices, foreign capital inflows, and moderate credit demand amid rising interest rates, according to Fitch Ratings. Analysts at the rating agency said UAE banks' profitability has improved significantly, in contrast to that of Saudi and Qatari banks. "We expect this improvement to be overall sustained, which, along with other solid financial metrics being maintained, could lead to positive rating actions on some UAE banks' Viability Ratings," they said in a report. In the first half of 2023, the four largest UAE banks – First Abu Dhabi Bank, Emirates NBD, Abu Dhabi Commercial Bank, and Dubai Islamic Bank — which together accounted for 77% of banking assets as of March 20232 – reported a combined net profit of $7.4bn in the first six months, up from $4.4bn for the same period of 2022. Moody's Investors Service said high interest rates and business activity, along with increasing operating costs and steady provisions, will continue to support the net profits of the UAE lenders, and predicted that bottom-line profitability will increase further this year. Alvarez & Marsal said in its Banking Pulse report that strong capitalization, and robust performance of UAE tourism and real estate sectors leave banks in the UAE well placed to weather any macroeconomic challenge. The report illustrates a positive trend in the UAE banking sector's profitability, primarily driven by an increase in non-interest income and reduced impairment charges. The Central Bank of UAE Credit Sentiment Survey also indicates strong loan demand growth and optimistic expectations on credit appetite from financial institutions. The Fitch report noted that GCC banks are benefiting from strong operating conditions supported by high oil prices, contained inflation, and rising interest rates, but bank performance varies between markets. In particular, banks in the main GCC markets including the UAE, Saudi Arabia, and Qatar are geared positively towards rising interest rates. Most loan books reprice fairly quickly, while low-cost current and savings accounts (CASA) deposits represent a significant portion of funding. "UAE banks have benefited the most from rising rates, with average net interest margins (NIMs) 100bp higher in 1H23 than in 2020, compared with an 11bp increase for Qatari banks and little change for Saudi banks. As a result, UAE bank NIMs are now level with Saudi bank NIMs. We believe UAE bank NIMs have now peaked and will remain stable in 2H23, before declining slightly in 2024," Fitch analysts said. In the UAE and Saudi Arabia, asset quality metrics were stable in the first half of 2023, supported by strong operating conditions. The average cost of risk in both countries has decreased since end-2021 but could increase in the second halves of 2023 and 2024 (although not to 2021 levels) as higher interest rates affect credit performance, particularly given the recent fast growth in Saudi bank financing. Mortgage portfolios in the UAE could be pressured given their high proportion of variable-rate loans, but the rise in property prices should keep losses-given-default close to nil, the Fitch report noted. Weaker global growth and lower-than-expected oil prices are key risks for all GCC banking sectors. Fitch forecasts oil prices to average $80/barrel and $75/barrel in 2023 and 2024, respectively, which should remain supportive of operating conditions. (Zawya)

- **ADDED's 100 investment opportunities target $33.5bn -** Abu Dhabi Department of Economic Development (ADDED) aims to provide 100 investment opportunities, with a combined market size of AED123.3bn ($33.5bn) by 2027, under the 'Abu Dhabi Channel Partners'. The program is launched as part of Abu Dhabi Industrial Strategy's (ADIS) initiatives to enhance industrial ecosystem by providing detailed guides of investment opportunities and tailored incentives packages to address the needs of key players and investors, a statement said. Addressing the Abu Dhabi International Petroleum Exhibition and Conference (Adipec), the world's largest and most inclusive gathering for the energy industry, Ahmed Jasim Al Zaabi, Chairman of ADDED, announced that the new batch of 'Abu Dhabi Channel Partners' program to incentivize investors in the chemical industries will include 33 investment opportunities with a combined market size of AED22.08bn ($6bn) by 2027. The 'Abu Dhabi Channel Partners' program has identified a set of investment opportunities in the 7 manufacturing subsectors targeted by the Abu Dhabi Industrial Strategy (ADIS), which are food processing, pharmaceuticals, chemicals, electrical, electronics, machineries and equipment, and transportation. The detailed guide for the 33 investments in the chemical industries highlights Abu Dhabi's unique value propositions, and growth opportunities in the industry, in the light of growing focus to increase home-grown chemical industries. The compound annual growth rate (CAGR) of investments opportunities identified in the chemical industries ranges between 2% to 14% during the period 2022-2027. Al Zaabi said: "In just one year since its launch in June 2022, ADIS has led the sector to achieve remarkable growth in different areas. During these 12 months, the number of new industrial licenses granted in Abu Dhabi increased by 16.6%, while investments of factories moving into production phase skyrocketed over 85%. The number of active manufacturers in the emirate rose nearly 5% to 960 factories". "The manufacturing sector plays a key role in our diversification efforts that have led to a stellar growth of non-oil sectors. Last year, our non-oil exports grew by 26% and the average annual growth rate of non-oil exports between 2016 and 2022 was 6% across all sectors. Supported by ADIS initiatives, we are targeting to increase non-oil exports to AED 178.8bn by 2031." He announced that Abu Dhabi's non-oil sectors grew by over 12% in the second quarter of 2023, and by 9.2% in the first half of 2023. This growth led the total GDP to rise by 3.5% in the second quarter, and nearly 4% in the first six months of this year, compared to corresponding periods in 2022. The non-oil sectors now make up 53% of Abu Dhabi's total output. During Q2-2023, the manufacturing sector rose by 7% compared to the same period last year to AED25bn, recording its highest quarterly value-added since 2014, and representing 8.7% of total GDP and 16.2% of non-oil GDP. In May 2023, ADDED announced the first batch of incentives under 'Abu Dhabi Channel Partners' program, which includes 20 investment opportunities in the food processing sector in Abu Dhabi with a combined market size of about AED29.4bn ($8bn) by 2027. Launched by ADDED's Industrial Development Bureau (IDB), the 'Abu Dhabi Channel Partners' program aims to increase the emirate's global competitiveness, attract new foreign and domestic direct investments (FDIs and DDIs), facilitate transfer of technology, knowledge, and expertise, and increase the industrial sector's contribution to Abu Dhabi's non-oil GDP. (Zawya)

- **UAE an attractive destination for foreign investments in oil and gas -** Tarek Rizk, President for the Middle East and North Africa at SLB (formerly Schlumberger), said that, with its strategic location, advanced infrastructure and stable political climate, the UAE has always been an attractive destination for foreign investments, especially in the oil and gas sector. Rizk told the Emirates News Agency (WAM) on the sidelines of this year's edition of the Abu Dhabi International Petroleum Exhibition and Conference (ADIPEC 2023) that "the UAE has managed to enhance its appeal to global energy companies thanks to its commitment to innovation and sustainable energy practices". Rizk mentioned that SLB has always prioritized building robust relationships with its clients, channeling investments into local R&D facilities, and diversifying its service offerings in line with the aspirations of UAE's energy sector. Rizk continued, "We take immense pride in supporting ADNOC's In-Country Value (ICV) program. It resonates deeply with SLB's ethos of fostering local talent and investing in the nations where we operate. We also support the UAE's vision of industrializing the value chain of the energy industry." He highlighted some of the company's ongoing initiatives, such as developing infrastructure through investment in a fully integrated, state-of-the-art AI-powered Centre of Excellence; expanding the UAE manufacturing prowess through the establishment of a world-class facility for downhole equipment and promoting local content — not just internally but across the SLB's entire supply chain — to enable in-country manufacturing by local suppliers. Rizk added," Digital technology plays a pivotal role in enhancing operational efficiency and sustainability, as well as boosting people performance. Together with ADNOC, we're advancing the development of Intelligent Integrated Subsurface Modeling (IISM), a groundbreaking project harnessing the power of artificial intelligence (AI). The primary aim of IISM is to significantly accelerate field development planning, reducing the timeline from years to months. This substantial efficiency gain not only accelerates project delivery but also optimizes people performance by enabling teams to focus on higher-value tasks." He pointed out that last year SLB was awarded a US$1.4bn framework agreement by ADNOC for integrated drilling fluids services to support onshore and offshore production over the next five years. The services include drilling fluids, liquid mud plants, personnel and waste management. (Zawya)

- **Sheikh Mohammed issues decree to form board for the Investment Corporation of Dubai -** Sheikh Mohammed bin Rashid Al Maktoum, Vice-President and Prime Minister of the UAE and Ruler of Dubai has issued a new decree to form the board for the Investment Corporation of Dubai (ICD). According to the decree the board will be chaired by Sheikh Hamdan bin Mohammed Al Maktoum, Crown Prince of Dubai, and Chairman of The Executive Council of the emirate, the Dubai Media Office tweeted. ICD is the principal investment arm of the government of Dubai and has holding in Emirates NBD, Commercial Bank of Dubai as well as Emirates and dnata, among others. The decree which will also see Sheikh Maktoum bin Mohammed, the First Deputy Ruler of the emirate, serve as the Vice Chairman of the board. Other members of the ICD board include Sheikh Ahmed bin Saeed Al Maktoum, Chairman of the Dubai Civil Aviation Authority and Chairman and Chief Executive of Emirates Airline and Group, along with Mohamed Hadi Al Hussaini, Reem bint Ebrahim Al Hashimy, Sultan bin Saeed Al Mansouri, Mohammed Ibrahim Al Shaibani, Abdulrahman Saleh Al Saleh and Helal Saeed Al Marri. (Zawya)
- **UAE: General Budget Committee reviews draft federal budget for 2024 -** His Highness Sheikh Mansour bin Zayed Al Nahyan, Vice President, Deputy Prime Minister and Chairman of the Presidential Court, chaired the periodical meeting of the UAE's federal General Budget Committee to review the draft federal general budget for the 2024 fiscal year. The meeting was attended by Mohamed Hadi Al Hussaini, Minister of State for Financial Affairs; and Khaled Mohamed Balama, Governor of the Central Bank of the UAE (CBUAE); in addition to representatives of the Presidential Court and the Ministry of Finance. The Committee discussed several topics, including the draft federal general budget for the 2024 fiscal year, as part of the 2022-2026 budget plan, in light of recent developments and the Ministry of Finance's updated procedures developed in accordance with Federal Decree-Law No. (26) of 2019 on Public Finance. It also reviewed the federal cash flow for the 2023 fiscal year, building on the actual expenditures and revenues recorded during the current financial year and revenue projections for the remainder of the year. The Committee discussed the financial position of the federal government during 2023, which highlights the UAE's upward trajectory across various economic sectors and activities. Also on the agenda were the latest developments in the UAE's approved capital and developmental projects and the progress made in their implementation during the current fiscal year. The Committee directed the Ministry of Finance to complete the procedures related to the 2024 federal budget before presenting it to the UAE Cabinet for approval. (Zawya)
- **RAKEZ, Amazon UAE collaborate to empower SMEs to grow online -** Ras Al Khaimah Economic Zone (RAKEZ) and Amazon UAE have signed an MoU to enable businesses registered within the hub to sell their products to millions of customers across the UAE on Amazon.ae. The initiative aims to support small and medium enterprises (SMEs) to scale their businesses online, enabling them to leverage Amazon's capabilities, tools, services, programs and people to navigate the digital economy. The MoU was signed between RAKEZ Group CEO Ramy Jallad and Amazon Seller Success Director in MENA Jasmin Frick. As part of the collaboration, members of the RAKEZ business community will have access to a suite of Amazon's services, including tools for seamless seller registration and onboarding; seller education through on-site training, in-person workshops and live webinars; and support teams to ensure a smooth digital journey. Commenting on the MoU, Jallad said, "With the UAE's e-commerce industry expected to reach $9.2bn in 2026, SMEs operating in the online space have a huge potential to unlock greater success. In this light, we are thrilled to collaborate with Amazon to provide the SMEs in our community the opportunity to gain access to Amazon's array of capabilities to reach new heights." Jallad added, "By providing SMEs with the tools to scale up, we anticipate a surge in online sales, innovations, and strengthening the UAE's online retail landscape. This aligns with our ongoing mission to support the SME sector in Ras Al Khaimah and underscores our commitment to bolstering the UAE's overall non-oil economic diversification." Frick, in turn, said, "At Amazon, SMEs are core to our customer-centric mission. Our sellers play a pivotal role in enriching our customers' experience, offering a wider selection of products and competitive prices. Selling on Amazon.ae offers sellers an opportunity to expand their footprint as they tap into our business model to better serve the millions of customers that visit Amazon every day across the UAE. "This is closely aligned with our goal of hosting products from 100,000 businesses, including local SMBs, on Amazon.ae by 2026, in alignment with Dubai's Economic Agenda D33." RAKEZ is home to over 18,000 companies, with many SME businesses focused on product sales. (Zawya)
- **Dubai launches new program to further support family businesses -** Dubai has launched a new program aimed at sustaining family businesses, an important component of the local economy, Sheikh Maktoum Bin Mohammed, Deputy Ruler of Dubai, Prime Minister and Minister of Finance, announced on Tuesday. The Dubai Family Business Management Program will empower new family business leaders to ensure continuity and survive generational changes. "The program aims to empower the second tier of leaders in family businesses to ensure their continuity, smooth succession of ownership and management, and solidify their global presence," the deputy ruler said on X, formerly known as Twitter. "Family businesses are integral to Dubai's economic success, and by empowering them, we strive to achieve the goals outlined in economic cities globally." The initiative is part of the Dubai Centre for Family Businesses, which operates under the umbrella of Dubai Chambers. It has been launched in partnership with Mohammed Bin Rashid Centre for Leadership Development. "The program is an extension of a series of programs and plans aimed at supporting family businesses, whose success indicates the growth of Dubai's business community," Sheikh Maktoum also said in a statement. (Zawya)
- **Kuwait's Kipic says third refinery at Al Zour oil compound to start operation before end of Oct. -** Operations of the third refinery at Al-Zour petroleum complex will begin within a few weeks, "specifically before the end of October," Kuwaiti news agency (KUNA) said on Tuesday citing Kuwait Integrated Petroleum Industries Company (KIPIC)'s spokesman. "The necessary tests are currently being conducted to ensure the safety of the refinery," KIPIC's spokesman Abdullah Al-Ajmi said. The refinery has a refining capacity of 615,000 barrels of crude oil per day, it added. (Reuters)
- **CEO: Bapco Energies could announce move to raise cash from assets in six months -** Bahrain's state-owned Bapco Energies could make announcements about raising cash using its assets in the next six months, its chief executive said. "We could be making some announcements within the next six months on potential for some asset monetization," Mark Thomas told Reuters at Abu Dhabi's energy industry conference ADIPEC on Monday. "We look at our neighbors and see what they've been doing, particularly in infrastructure where you have a low risk, utility type of return," he said. Lazard is the firm's financial adviser. "This is something that all of the big energy companies are doing," adding it would reduce some overlap that existed between subsidiaries and free up staff for three new companies formed as part of the restructuring, for renewable energy investments, trading and ventures. Bahrain's national energy strategy, which BCG also consulted on, is also nearly complete. "It's going through the government processes now," Thomas said. That plan has four pillars: to "maximize the wealth and value from natural resources in a responsible way," diversify energy supply, curb demand and look at energy more sustainably. Bahrain "is dependent on natural gas for all of its electricity generation, essentially," from gas from one reservoir, Thomas said. Its energy intensity, or amount of energy needed to produce a product or service, "is higher than almost every country in the world, so we cannot continue on that track," he added. Bahrain has current production of roughly 2-2.3bn cubic feet per day of natural gas and about 190,000 barrels a day of oil, including 40,000 onshore and 150,000 from its share of an offshore joint venture with Saudi Aramco, Thomas said. Bahrain is one of the most indebted Gulf countries and rated "junk" by credit rating agencies. (Reuters)

Rebased Performance



Source: Bloomberg

Daily Index Performance

Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,823.02	(0.3)	(1.4)	(0.1)
Silver/Ounce	21.17	0.6	(4.5)	(11.6)
Crude Oil (Brent)/Barrel (FM Future)	90.92	0.2	(4.6)	5.8
Crude Oil (WTI)/Barrel (FM Future)	89.23	0.5	(1.7)	11.2
Natural Gas (Henry Hub)/MMBtu	2.72	0.7	1.5	(22.7)
LPG Propane (Arab Gulf)/Ton	72.60	1.5	0.8	2.6
LPG Butane (Arab Gulf)/Ton	75.50	0.7	0.3	(25.6)
Euro	1.05	(0.1)	(1.0)	(2.2)
Yen	149.02	(0.6)	(0.2)	13.7
GBP	1.21	(0.1)	(1.0)	(0.0)
CHF	1.09	(0.3)	(0.6)	0.4
AUD	0.63	(1.0)	(2.1)	(7.5)
USD Index	107.00	0.1	0.8	3.4
RUB	110.69	0.0	0.0	58.9
BRL	0.19	(2.1)	(2.6)	2.3

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,799.64	(1.4)	(1.9)	7.6
DJ Industrial	33,002.38	(1.3)	(1.5)	(0.4)
S&P 500	4,229.45	(1.4)	(1.4)	10.2
NASDAQ 100	13,059.47	(1.9)	(1.2)	24.8
STOXX 600	440.70	(1.4)	(3.2)	1.3
DAX	15,085.21	(1.3)	(3.0)	5.8
FTSE 100	7,470.16	(0.8)	(2.9)	0.1
CAC 40	6,997.05	(1.3)	(3.0)	5.6
Nikkei	31,237.94	(1.2)	(1.7)	5.2
MSCI EM	939.16	(1.3)	(1.4)	(1.8)
SHANGHAI SE Composite	3,110.48	0.1	(0.7)	(4.8)
HANG SENG	17,331.22	(2.7)	(2.7)	(12.7)
BSE SENSEX	65,512.10	(0.6)	(0.6)	7.0
Bovespa	113,419.04	(2.6)	(5.0)	6.5
RTS	993.74	0.2	(1.4)	2.4

Source: Bloomberg ($ adjusted returns if any)*

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