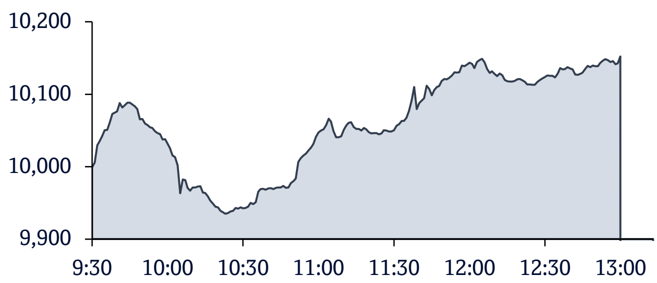
QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 1.6% to close at 10,152.1. Gains were led by the Banks & Financial Services and Real Estate indices, gaining 2.2% and 1.9%, respectively. Top gainers were Masraf Al Rayan and Dukhan Bank, rising 10.0% and 4.5%, respectively. Among the top losers, Qatar Islamic Insurance Company fell 2.4%, while Vodafone Qatar was down 2.1%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.1% to close at 10,948.9. Gains were led by the Software & Services and Health Care Equipment & Svc indices, rising 1.7% and 1.2%, respectively. Etihad Atheeb Telecommunication Co. rose 6.7%, while Electrical Industries Co. was up 5.6%.

Dubai: The DFM Index gained 0.7% to close at 3,956.9. The Real Estate index rose 1.7%, while the Industrials index gained 0.6%. BHM Capital Financial Services rose 14.6%, while Dubai Financial Market was up 3.0%.

Abu Dhabi: The ADX General Index gained 0.4% to close at 9,552.1. The Telecommunication index rose 3.2%, while the Basic Materials index gained 1.2%. Emsteel Building Materials rose 4.9%, while Emirates Telecom Group was up 3.4%.

Kuwait: The Kuwait All Share Index fell 0.1% to close at 6,608.2. The Utilities index declined 2.2%, while the Energy index fell 2.1%. Gulf Franchising Holding Co. declined 13.0%, while Umm Al-Qaiwain General Investments Co. was down 9.6%.

Oman: The MSM 30 Index gained 0.8% to close at 4,560.9. Gains were led by the Financial and Industrial indices, rising 0.7% and 0.4%, respectively. Al Anwar Ceramic Tiles Co. rose 7.3%, while Bank Dhofar was up 6.3%.

Bahrain: The BHB Index gained 0.3% to close at 1,920.8. The Financials Index rose 0.5%, while the Communications Services index gained 0.4%. National Bank of Bahrain rose 1.7%, while Bahrain Telecommunications Company was up 0.4%.

Market Indicators	06 Nov 23	05 Nov 23	%Chg.
Value Traded (QR mn)	825.2	691.8	19.3
Exch. Market Cap. (QR mn)	593,346.4	586,031.6	1.2
Volume (mn)	335.3	362.9	(7.6)
Number of Transactions	25,148	20,736	21.3
Companies Traded	49	50	(2.0)
Market Breadth	23:23	40:7	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	21,787.90	1.6	4.5	(0.4)	12.1
All Share Index	3,418.72	1.3	4.0	0.1	12.1
Banks	4,187.17	2.2	4.5	(4.5)	11.1
Industrials	4,045.28	0.9	4.8	7.0	15.6
Transportation	4,316.24	0.3	1.2	(0.4)	11.4
Real Estate	1,435.48	1.9	3.7	(8.0)	14.9
Insurance	2,478.60	(1.6)	(0.7)	13.4	55
Telecoms	1,550.87	(0.4)	1.9	17.6	12.1
Consumer Goods and Services	7,448.67	(0.4)	5.5	(5.9)	20.6
Al Rayan Islamic Index	4,474.73	1.8	5.2	(2.5)	13.8

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Masraf Al Rayan	Qatar	2.39	10.0	74,896.7	(24.7)
Bank Dhofar	Oman	0.17	6.3	8.0	(2.9)
Dallah Healthcare Co.	Saudi Arabia	158.80	5.6	432.6	7.3
Dukhan Bank	Qatar	3.91	4.5	11,621.9	(2.5)
Saudi Arabian Mining Co.	Saudi Arabia	37.90	3.4	1,783.0	(12.1)

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Dar Al Arkan Real Estate	Saudi Arabia	15.02	(4.9)	3,983.9	29.3
Co. for Cooperative Ins.	Saudi Arabia	119.60	(2.8)	423.9	78.3
Acwa Power Co.	Saudi Arabia	217.40	(2.4)	259.8	43.0
Makkah Const. & Dev. Co.	Saudi Arabia	63.10	(2.2)	64.8	2.8
Americana Restaurants Int.	Abu Dhabi	3.38	(2.0)	19,235.6	13.8

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%
Masraf Al Rayan	2.387	10.0	74,896.7	(24.7)
Dukhan Bank	3.910	4.5	11,621.9	(2.5)
Barwa Real Estate Company	2.699	3.9	12,656.3	(6.1)
QNB Group	15.69	1.7	6,066.1	(12.8)
Qatar Aluminum Manufacturing Co.	1.319	1.5	27,411.8	(13.2)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatar Islamic Insurance Company	8.880	(2.4)	5.2	2.1
Vodafone Qatar	1.801	(2.1)	4,118.4	13.6
Doha Insurance Group	2.250	(2.0)	69.7	13.7
Mannai Corporation	3.832	(1.9)	387.5	(49.5)
Qatar Insurance Company	2.434	(1.8)	739.3	26.6

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Masraf Al Rayan	2.387	10.0	74,896.7	(24.7)
Mazaya Qatar Real Estate Dev.	0.680	(0.1)	32,985.5	(2.3)
Qatar Aluminum Manufacturing Co.	1.319	1.5	27,411.8	(13.2)
Salam International Inv. Ltd.	0.729	(0.8)	25,077.2	18.7
Ezdan Holding Group	0.899	(0.7)	19,525.9	(10.2)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Masraf Al Rayan	2.387	10.0	172,403.3	(24.7)
QNB Group	15.69	1.7	94,835.9	(12.8)
Dukhan Bank	3.910	4.5	44,048.4	(2.5)
Gulf International Services	2.855	0.1	41,443.4	95.7
Qatar Islamic Bank	18.55	1.4	39,286.1	(0.1)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,152.13	1.6	4.5	6.6	(5.0)	227.34	162,695.6	12.1	1.3	4.8
Dubai	3,956.96	0.7	1.1	2.1	18.6	72.28	181,068.4	8.7	1.3	4.5
Abu Dhabi	9,552.13	0.4	0.7	2.2	(6.5)	289.83	719,176.5	30.9	2.9	1.6
Saudi Arabia	10,948.86	0.1	0.9	2.4	4.5	1,643.55	2,945,287.1	18.3	2.2	3.4
Kuwait	6,608.16	(0.1)	1.1	1.2	(9.4)	155.09	136,654.7	15.4	1.4	4.2
Oman	4,560.94	0.8	1.5	0.3	(6.1)	11.84	23,082.5	13.8	0.9	4.9
Bahrain	1,920.75	0.3	0.2	(0.4)	1.3	4.11	52,502.7	7.1	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 1.6% to close at 10,152.1. The Banks & Financial Services and Real Estate indices led the gains. The index rose on the back of buying support from foreign shareholders despite selling pressure from Qatari, GCC and Arab shareholders.
- Masraf Al Rayan and Dukhan Bank were the top gainers, rising 10.0% and 4.5%, respectively. Among the top losers, Qatar Islamic Insurance Company fell 2.4%, while Vodafone Qatar was down 2.1%.
- Volume of shares traded on Monday fell by 7.6% to 335.3mn from 362.9mn on Sunday. However, as compared to the 30-day moving average of 196.0mn, volume for the day was 71.1% higher. Masraf Al Rayan and Mazaya Qatar Real Estate Dev. were the most active stocks, contributing 22.3% and 9.8% to the total volume, respectively.

Overall Activity	Buy%*	Sell%*	Net (QR)
Qatari Individuals	30.84%	34.09%	(26,859,610.41)
Qatari Institutions	38.89%	37.51%	11,431,474.46
Qatari	**69.73%**	**71.60%**	**(15,428,135.95)**
GCC Individuals	0.60%	0.58%	113,236.50
GCC Institutions	1.76%	2.44%	(5,581,071.78)
GCC	**2.36%**	**3.02%**	**(5,467,835.28)**
Arab Individuals	11.79%	12.44%	(5,363,088.00)
Arab Institutions	0.00%	0.00%	-
Arab	**11.79%**	**12.44%**	**(5,363,088.00)**
Foreigners Individuals	2.93%	3.38%	(3,683,396.25)
Foreigners Institutions	13.20%	9.57%	29,942,455.48
Foreigners	**16.13%**	**12.95%**	**26,259,059.24**

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

Earnings Releases, Global Economic Data and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 3Q2023	% Change YoY	Operating Profit (mn) 3Q2023	% Change YoY	Net Profit (mn) 3Q2023	% Change YoY
Saudi Aramco Base Oil Company	Saudi Arabia	SR	2,549.34	-6.3%	355.58	-37.6%	340.43	-28%
Saudi Pharmaceutical Industries and Medical Appliances	Saudi Arabia	SR	381.6	6%	-16.6	-44%	-38.4	-16%
National Gas and Industrialization Co.	Saudi Arabia	SR	609.6	18.9%	31.9	72%	57.2	0.3%
Alkhorayef Water and Power Technologies Co.	Saudi Arabia	SR	468	142%	55	66%	42	49%
Saudi Arabia Refineries Co.	Saudi Arabia	SR	7.3	NA	5.9	NA	4.4	NA

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
06-11	EU	Markit	HCOB Eurozone Services PMI	Oct	47.80	47.80	47.80
06-11	EU	Markit	HCOB Eurozone Composite PMI	Oct	46.50	46.50	46.50
06-11	Germany	Deutsche Bundesbank	Factory Orders MoM	Sep	0.20%	-1.50%	1.90%
06-11	Germany	Markit	HCOB Germany Services PMI	Oct	48.20	48.00	48.00
06-11	Germany	Markit	HCOB Germany Composite PMI	Oct	45.90	45.80	45.80
06-11	Japan	Markit	Jibun Bank Japan PMI Composite	Oct	50.50	NA	49.90
06-11	Japan	Markit	Jibun Bank Japan PMI Services	Oct	51.60	NA	51.10

Qatar

- **Mazaya Real Estate Development: Completion of a commercial Transaction - Acquisition of the Gold Plaza complex -** Mazaya Real Estate Development announces the completion of a commercial transaction consisting of the acquisition of the Gold Plaza complex in Abu Hamour area, which includes commercial and residential units with a total area 11,366 square meters, the value of the transaction is QR180mn. (QSE)

- **Mekdam Holding Group: Filing a compensation case in favor of the company (Update) -** With reference to the lawsuit against Ahmed Khaled Mohammed Ali Al Thani before the Investment and Trade Court No. 788-2023, Makdam Holding group announces that a ruling has been issued by the court declining jurisdiction over the proceedings. Accordingly, the case was filed with the Civil Court on 05-11-2023, No. 792-2023, to consider the merits of the case. (QSE)

- **FocusEconomics: Qatar's public debt may fall to 36.5% of GDP in 2028 from 44% this year -** Qatar's public debt is expected to fall to 36.5% of the country's GDP in 2028 from 44% this year, FocusEconomics said in its latest country report. Next year, it is estimated at 41.6%, 42% (2025), 40.6% (2026) and 37.8% (2027), FocusEconomics noted. Fiscal balance as a percentage of GDP has been estimated at 6.4% this year, 6% (2024), 5.1% (2025), 6.1% (2026), 6.9% (2027) and 6.6% (2028). Current account balance is estimated to total $39.3bn this year, $36.4bn (2024), $39.2bn (2025 and 2026), $41.9bn (2027) and $35.2bn (2028). Qatar's economic growth will accelerate in 2025, it said. This year, it will be 2.2% and 2.5% in 2024, 4.5% (2025), 4.6% (2026), 5.8% (2027) and 2.7% (2028). FocusEconomics estimates the country's GDP to total $227bn this year and $299bn in 2028. Next year, it is estimated to reach $230bn, $245bn (2025), $265bn (2026) and $285bn (2027). GDP per capita is estimated to be $78,841 this year, $79,373 (2024), $84,167 (2025), $90,360 (2026), $96,764 (2027) and $101,124 (2028). After 2.7% GDP growth in the first quarter (Q1), the economy likely saw moderate growth again in Q2. While the energy sector slowed from Q1, the non-energy private sector appeared to gain steam in the quarter. Available data for Q3 suggests a similar dynamic, FocusEconomics said. On one hand, energy output contracted year on year in August for the first time since January. Moreover, construction permits were down in annual terms in Q3, likely weighed on by higher interest rates and the end of the FIFA World Cup construction boom. On the other hand, the PMI survey of non-oil private sector firms suggested a robust improvement in business conditions in Q3. Additionally, visitor arrivals were up around 85% year on year in July–

August and well above pre-pandemic levels, boding well for the hospitality industry. GDP outlook: GDP growth is expected to pick up marginally in 2024 from 2023. Improved relations with Arab neighbors, a burgeoning tourism industry and ongoing energy sector investment both in fossil fuels and renewables — will provide support, though tight financial conditions will tame the expansion. FocusEconomics panelists see GDP expanding 2.5% in 2024, which is unchanged from one month ago, and expanding 4.5% in 2025. Inflation: Inflation fell to 1.8% in September from 2.4% in August. They see inflation easing on average next year from this one due to lower commodity prices and tight financial conditions, though an expected weakening of the US dollar—to which Qatar's riyal is pegged—will provide some upward pressure. FocusEconomics panelists see consumer prices rising 2.2% on average in 2024, which is down by 0.1 percentage points from one month ago and rising 2.1% on average in 2025. Monetary policy: Qatar Central Bank has kept interest rates unchanged since hiking the overnight lending rate from 6.00% to 6.25%, in late July, following the US Federal Reserve's same-sized hike. Interest rates are expected to decline in 2024 in line with monetary easing by the Fed. FocusEconomics panelists see the overnight lending rate ending 2024 at 4.75% and ending 2025 at 3.75%. Qatari riyal's peg to the dollar is likely to remain in place over the forecast horizon to 2028, given the economic stability it provides and given that Qatar has ample international reserves to defend the peg. (Gulf Times)

- **Shura Council reviews state draft general budget for 2024 -** The Shura Council, at its weekly session under the chairmanship of Speaker of the Shura Council HE Hassan bin Abdullah Al Ghanim on Monday, reviewed the state's draft general budget for the fiscal year 2024 and a draft law approving the general budget referred to the Council by the government. The council decided to refer the two drafts to the Financial and Economic Affairs Committee to study them and submit its report to it. At the beginning of the session, the council welcomed the delegations participating in the 17th meeting of Speakers of the Shura, Representatives, National and Ummah Councils in the GCC countries that will be held in Doha on Tuesday and organized by the Shura Council. The council looked forward to the meeting's contribution to strengthening GCC parliamentary cooperation and pushing them to broader horizons in an effort to support the process of joint GCC action. Then, Secretary-General of the Shura Council HE Dr Ahmed bin Nasser Al Fadala read out the session's agenda, and the minutes of the previous session were approved. The speaker of the Shura Council briefed the members on his participation, along with the Council delegation, in the 35th emergency conference of the Arab Parliamentary Union that was hosted by the Iraqi capital, Baghdad, in October, in light of the escalation taking place in the occupied Palestinian territories and the brutal aggression of the occupation forces against the Palestinian brothers. He explained that the conference adopted an Arab parliamentary position regarding the situation in the occupied Palestinian territories as well as discussed how to provide the necessary support to the people in Palestine. The Shura speaker said that he affirmed, in his speech before the conference, the commitment of Qatar, under the leadership and directives of the Amir His Highness Sheikh Tamim bin Hamad Al Thani, to defend the Palestinian people by providing them with continuous humanitarian support. (Qatar Tribune)
- **Over 150 exhibitors from 20 countries take part in 'Hospitality Qatar 2023' -** Undersecretary of the Ministry of Commerce and Industry HE Sultan bin Rashid Al Khater on Monday inaugurated 'Hospitality Qatar 2023' in the presence of local and international dignitaries including ambassadors of participating countries and heads of international delegations. The most exclusive and longest-standing international trade fair for the hospitality, hotel, restaurant, and café sector HORECA in Qatar is being organized by IFP Qatar from November 6 to November 8 at the Doha Exhibition and Convention Centre. The eighth edition of the expo began successfully with great participation on its first day, bringing together more than 150 suppliers and service providers in the hospitality, hotels, restaurants and cafes, tourism, and food and beverage sectors, from more than 20 different countries, along with investors and industry leaders in Qatar to explore potential investment opportunities in Qatar's hospitality and tourism market. Ambassador of Saudi Arabia to Qatar HE Prince Mansour bin Khalid bin Abdullah Al Saud, Ambassador of Turkey to Qatar HE Dr Mustafa Gokso and Deputy Director General of the Industrial Exports Sector at the Public Authority for Industry in Kuwait Dr. Sanad Al Ajmi were among the prominent dignitaries present on the occasion. The only trade event in its field in Qatar comes as the country's hospitality sector has recorded unprecedented growth rates that have placed it among the fastest growing in the world. Euro News confirmed in its latest report that Qatar's hospitality market is the fastest-growing market in the world. The report predicts that this sector will continue to move forward in the next phase, due to Doha's unique geographical location, which places about 80% of the world's population within a six-hour flight away, which will certainly increase the likelihood of Qatar becoming a prominent tourist destination in the Arabian Gulf and enabling it to achieve its goals of hosting 6mn visitors annually by 2030. According to the Gulf Hospitality Sector Report issued by Alpine Capital, the size of the hospitality sector in Qatar jumped from $1bn in 2021 to $1.6bn by the end of 2022 and is expected to stabilize at $4bn in the next two years. Al Asmakh Real Estate Projects report also pointed out that hospitality developers are continuing their plans to build facilities in line with Qatar's interest in developing the tourism and hotels sector, amid the state's efforts to enhance tourism revenues and improve the quality of service provided in hotels, to attract increasing numbers of visitors and tourists from around the world. Qatar continues to invest heavily in the tourism sector with the aim of developing it to become the third largest sector contributing to GDP after the oil and gas sectors. and construction by 12%. Qatar welcomed more than 2.56mn visitors from January to 25 August 2023, surpassing its total number of visitors in the whole of 2022 and recording a 157% increase in international visitors compared to the same period last year confirming Qatar's continued tourism momentum from hosting the FIFA World Cup Qatar 2022. IFP Qatar General Manager Haidar Mshaimesh said, "We are delighted that Hospitality Qatar has reached today's leading level, which is confirmed by the remarkable turnout and active participation in the eighth edition, which brings together major companies from around the world, in order to exchange the most successful experiences and showcase the latest innovations over three days of interactive activities, as well as provide new solutions to drive the rapid developments within the tourism and hospitality sector in Qatar. We are confident of the success of this edition as we continue to enhance the experience of exhibitors and visitors alike and contribute to supporting national efforts to attract more tourists to Qatar." Hospitality Qatar is a platform for industry professionals and senior players to market their products and services through exhibitions, conferences, business matchmaking programs, and training programs. The event also provides a window to showcase talent and skills through specialized hotel, restaurant, and café competitions and live cooking demonstrations. The Ambassador of Turkey to Qatar said, "As an event that highlights developments in Qatar's hospitality sector, Hospitality Qatar is an important platform for our companies and companies operating here to explore business opportunities, network, and collaborate. Fourteen Turkish companies are participating in this year's edition of Hospitality Qatar to underline the close relationship between Turkey and Qatar, as this event has strengthened the trade and economic relations between the two countries." This year's program includes a series of simultaneous events that provide visitors with a complete experience, most notably the Salon Culinaire live cooking competitions gathering more than 150 chefs representing 37 of Doha's leading four- and five-star hotels. The competition highlights chefs' skills in excellence in preparing dishes in more than 20 different categories. On its second day, the show will also feature a coffee competition, which will give barista experts the opportunity to showcase their creativity in the field of coffee making. Hospitality Qatar 2023 aims to replicate the success of the previous edition of the event, which saw more than 12,000 visitors. (Qatar Tribune)
- **QICDRC jurisdiction to extend to QSTP, Media City; aims SEZs regime unification -** The jurisdiction of the Qatar International Court and Dispute Resolution Centre (QICDRC) is expected to extend to Qatar Science and Technology Park (QSTP) and Media City. The country is also slated to see unification of regulatory regime across special economic zones (SEZs) to promote certainty for businesses, according to QICDRC chief executive officer Faisal Rashid al-Sahouti. "Currently, the QICDRC has jurisdiction over Qatar Financial Centre (QFC) and Qatar Free Zone (QFZ), with the potential to cover other SEZs (special economic zones)," he said in Lexis

Middle East Law Alert, a publication from LexisNexis Legal and Professional, a leading global provider of legal, regulatory and business information and analytics. There are currently four SEZs in Qatar: the QFC, the QSTP, the QFZ and the emerging Media City, he said. "One of the key roles of the QICDRC is to unify the different regimes and rules in order to promote certainty for business and the consistent application of justice across the SEZs," he said. This is coupled with robust enforcement powers, which help increase investor confidence and promote business practices, which benefit all SEZ stakeholders, the SEZ themselves and by extension, the whole of Qatar, according to him. In support of this, al-Sahouti said in the QFC and the QFZ, which come under the QICDRC jurisdiction, there have been growth, job creation, increasing investor confidence, and a real entrepreneurial spirit in developing. "SEZs clearly have a significant role in Qatar's future growth plans," he said, adding there was a need to improve, promote and invest in SEZs to drive the country towards achieving the aims that are enshrined in the National Vision 2030. The influx of high-quality companies and investment into Qatar shows that these SEZs are fertile ground for investment, economic growth and job creation, he said. "As we advance, a range of SEZ hubs will help foster investment in advanced technologies in the same geographic area, which in turn will help cross-fertilization and partnerships," al-Sahouti said. The QICDRC play a "significant" role in strengthening and supporting the benefits of establishing a business in a SEZ, he said. SEZs are bespoke jurisdictions created by Qatar where special business-friendly laws apply. These can include favorable ownership rules, lower taxation and rules allowing full repatriation of profits. He said one of the ideas behind QSTP or Media City was to combine international expertise and investment with local entrepreneurs and local workforce, which therefore also supports three of the four pillars of the 2030 National Vision such as human, economic and environmental development. "The advantage of this approach to development is that it can be replicated on a sector-by-sector basis comparatively quickly, particularly in a country like Qatar, which already has a number of successful SEZs," al-Sahouti said. The QICDRC – which is made up of a civil and commercial court, along with a regulatory tribunal - has a panel of judges, who come from as many as 13 jurisdictions across the world, including Qatari judges. (Gulf Times)

International

- **Fed report shows US loan officers see tighter credit, weaker demand -** Banks tightened lending standards for US businesses and households in the third quarter, but the pace of change appeared to ease, and demand for loans fell broadly in a sign of the impact higher interest rates are having on the economy, the Federal Reserve reported on Monday. The tightening of standards for business loans applied to firms of all sizes, the US central bank said in its latest survey of senior bank lending officers, while consumers faced tighter credit for home and home equity loans, credit cards, and tougher terms on auto loans. Demand for loans fell broadly, with 60% of banks citing moderately or substantially weaker demand for home mortgages in the third quarter, up significantly from 43% in the second quarter, as the Fed's aggressive rate increases since March of 2022 continued to bite on the residential housing industry. The average rate for a 30-year fixed-rate home mortgage rose sharply through the summer and fall, and at more than 7.7% has hit levels not seen in nearly a quarter of a century. The detailed responses of the survey, fielded quarterly by the Fed and part of the data presented by staff to policymakers, did suggest, however, that the pace of credit tightening may be easing as the central bank's rate increases reach a likely plateau in the nearly 20-month-old tightening cycle. While more than half of banks reported tightening business lending standards in the second quarter, just 35% said they cranked down further in the third quarter, with about 62% keeping standards the same. One bank reported easing standards slightly. Asked about the reasons for why standards may have shifted, bankers were also less likely in the third quarter to cite concerns about the overall economy or their own banks' financial position, and more likely to point to lower risk tolerance and the ability to resell loans in the secondary market. Demand for commercial and industrial loans weakened most among small firms, with more than half of banks saying credit demand had fallen among firms with annual sales of less than $50mn. About 39% of bank loan officers said loan demand had fallen among larger firms in the third quarter, compared to nearly 60% in the second quarter. For households, 86% of loan officers said they had kept standards for home mortgages about the same in the third quarter, though 12% said standards had gotten tighter. Just over 5% of banks said they had tightened standards in the second quarter. Analysts said the survey results were consistent with an expected economic slowdown in the final months of the year. "The survey continued to show tightening lending standards and decreases in demand across the major reported loan types that look broadly consistent with an economy that should be slowing," said Daniel Silver, an economist at J.P. Morgan. (Reuters)

- **China's first deficit in foreign investment signals West's 'de-risking' pressure -** China recorded its first-ever quarterly deficit in foreign direct investment (FDI), according to balance of payments data, underscoring capital outflow pressure and Beijing's challenge in wooing overseas companies in the wake of a "de-risking" move by Western governments. Direct investment liabilities - a broad measure of FDI that includes foreign companies' retained earnings in China - were a deficit of $11.8bn during the July-September period, according to preliminary balance of payments data. That's the first quarterly shortfall since China's foreign exchange regulator began compiling the data in 1998, which could be linked to the impact of "de-risking" by Western countries from China, as well as China's interest rate disadvantage. "Some of the weakness in China's inward FDI may be due to multinational companies repatriating earnings," Goldman Sachs wrote. "With interest rates in China 'lower for longer' while interest rates outside of China 'higher for longer', capital outflow pressures are likely to persist." Julian Evans-Pritchard, head of China economics at Capital Economics, said the unusually-large interest rate gap "has led firms to remit their retained earnings out of the country". Although he sees little evidence that foreign companies are, on aggregate, reducing their presence in China, "we do think that, over the medium-term at least, increasing geopolitical tensions will hamper China's ability to attract FDI and instead favor emerging markets that are more friendly to the West." Driven by the FDI outflows, China's basic balance - which encompasses current account and direct investment balances and are more stable than volatile portfolio investments - recorded a deficit of $3.2bn, the second quarterly shortfall on record. "Given these unfolding dynamics, which are poised to exert pressure on the RMB, we anticipate a sustained strategic response from China's authorities," Tommy Xie, head of Greater China Research at OCBC wrote. Onshore yuan trading against the dollar also hit record-low volume in October, official data showed, highlighting authorities' stepped-up efforts to curb yuan selling. Xie expects China's central bank to continue counter-cyclical interventions - including a strong bias in daily yuan fixings and managing yuan liquidity in the offshore market- to support the currency in the face of these headwinds. Latest data shows that onshore volume of yuan trading against the dollar slumped to a record low of 1.85tn yuan ($254.05bn) in October, a 73% drop from the August level. The People's Bank of China has urged major banks to limit trading and dissuade clients to exchange the yuan for the dollar, sources have told Reuters. In September, foreign exchange outflows from China rose sharply to $75bn, the biggest monthly figure since 2016, Goldman Sachs data showed. (Reuters)

- **Japan's wages, consumer spending extend declines in test for BOJ policy -** Japan's real wages slipped in September for an 18th month, while consumer spending extended a months-long decline, with rising prices squeezing households' purchasing power, and likely to add to pressure from labor groups for higher wage increases. Financial markets worldwide pay close attention to the wage trends in the world's third-largest economy. The Bank of Japan regards sustainable pay increases as one of the prerequisites for unwinding its ultra-loose monetary stimulus. Inflation-adjusted real wages, a barometer of consumer purchasing power, dropped in September by 2.4% from a year earlier after a revised 2.8% fall the month before, data from the Ministry of Health, Labor and Welfare showed. The consumer inflation rate officials use to calculate real wages, which includes fresh food prices but excludes owners' equivalent rent, slowed to 3.6%, the lowest since September last year. Still, nominal pay growth in September was 1.2%, after a downward revision of 0.8% in August and only slightly better than in July. Major companies agreed to average pay hikes of 3.58% this year, the highest increase in 30 years. Average Japanese workers' wages had remained virtually flat since the asset-bubble burst in the early 1990s until this year. Japan's largest labor organization Rengo is expected to demand pay increases of 5% or more, while the largest industrial union, UA Zensen, will seek a 6% wage increase in negotiations early next year. Some economists, however, are not optimistic about the prospect of a recovery in consumption. "The increase in nominal wages from this year's spring labor negotiations is usually reflected by the end of August, so there is no reason for that to go up from that point," said Shunsuke Kobayashi, chief economist at Mizuho Securities. Also, even if higher wages are negotiated for next year, there is a risk of inflation re-accelerating if the government did not extend the current fuel and power subsidies, Kobayashi said. Prime Minister Fumio Kishida's government last week drew up a 17tn yen ($113.72bn) economic stimulus package that includes slashing annual income tax and other taxes by 40,000 yen ($267.58) per person and paying 70,000 yen to low-income households. Special payments fell 6% year-on-year in September after a revised 6.3% decline in August. The indicator tends to be volatile in months outside the twice-a-year bonus seasons of November and January and June to August. Base salary growth in September advanced by 1.4% year-on-year, from a revised 1.2% increase the previous month, the data showed. Overtime pay, a gauge of business activity, went up in September by 0.7% year-on-year, after a revised 0.2% gain in August. Household spending decreased 2.8% in September from a year earlier, falling for seven months in a row, separate data on Tuesday showed. It was roughly in line with the median market forecast for a 2.7% decline. On a seasonally adjusted, month-on-month basis, household spending climbed 0.3%, versus an estimated 0.4% fall. Expenses in eating out, transportation and automobile-related spending went up due to an increase in outings, while spending on food, housing, furniture and household goods decreased partly due to rising prices, a government official said. (Reuters)

Regional

- **CEO: Riyadh Air to announce narrowbody order in 'coming weeks' -** Riyadh Air will announce a deal to buy a "sizeable" number of narrowbody aircraft in the coming weeks, the start-up airline's chief executive said, as he helps shape a second carrier for Saudi Arabia. Former Etihad Airways boss Tony Douglas was hired in March to head up Riyadh Air, owned by Saudi Arabia's Public Investment Fund. With 72 Boeing 787 widebody jets already provisionally ordered, Douglas said narrowbodies were next. "We have concluded our narrowbody campaign," he said in an interview in London on Monday. "I think we will probably be announcing it within the coming weeks." (Zawya)
- **Saudi Arabia expands visiting investor e-visa program -** Saudi Arabia has opened up its visiting investor electronic business visa program to include the rest of the world's countries. The kingdom's Ministry of Investment (MISA) and Ministry of Foreign Affairs (MOFA) launched the second phase of its visiting investor e-visa which allows prospective investors from all over the world to apply to enter the country through the MISA platform, Invest Saudi. "The process will take place without any need to consult with the Kingdom's representative offices abroad to obtain biometrics," Ministry of Investment for Integrated Investor Services Undersecretary Mohammed Abahussain said. The visa can be used for one year and allows multiple entries, he said. (Zawya)
- **Saudi: Waad campaign provides over 193,000 training opportunities during the first half of 2023 -** The spokesperson of the Ministry of Human Resources and Social Development (MHRSD) Mohammed Alrizqi stated that the National Training Campaign (Waad) has provided over 193,000 training opportunities during the first half of 2023. He said that the campaign is on its way to achieving the target for the 2023 stage, which is 380,000 training opportunities. Alrizqi noted that the Waad campaign's target is to provide skills and training in cooperation with the private sector, and to offer more than 1,000,000 training opportunities until 2025. "We are seeking to direct training opportunities to those who are in need for it according to the needs of each region in Saudi Arabia," he said. He noted that more than 30 training opportunities were allocated for the Northern region of the Kingdom. He pointed out that some of the companies have achieved more than the target and exceeded 100%. "The numbers and achievements set by MHRSD are being exceeded". The spokesperson confirmed that they are continuing to hold forums in different regions of Saudi Arabia and will distribute them according to the needs of each region. The training opportunities, which are within the campaign, target all young Saudi men and women, by providing a number of training programs and activities for workers, job seekers, or students. This is in order to empower them with the skills that help them in achieving the job objectives, as well as empowering the job seekers to obtain opportunities that suit their skills and specializations. As for students who will benefit from these programs in their specialization, this will contribute to a positive impact on their future path. (Zawya)
- **Abu Dhabi, OMV move closer to forming €30bn chemical giant -** Abu Dhabi National Oil Co and Austria's OMV AG are putting the final touches on a deal to create a petrochemical firm worth more than €30bn ($32bn), according to people with knowledge of the matter. Officials may reach a breakthrough as soon as mid-November, when the two sides will meet to discuss details of the planned merger of Abu Dhabi listed Borouge Plc with Borealis AG, the people said. They're aiming to reach an agreement before year-end on the proposal, which could see Adnoc and OMV each hold 47% of the combined entity, the people said. That would leave 6% as free float. OMV owns 75% of Borealis, with the remainder held by Adnoc, while Borouge is a partnership between Adnoc and Borealis. The deal could value Borealis at just above €10bn while Borouge may be valued at nearly €20bn, in line with its current market value, the people said. The current proposal envisions OMV injecting about €1.7bn of cash into the joint company to ensure its stake is equal to Adnoc's, they said. The parties are still negotiating the combined firm's listing venue and headquarters location. One possibility would have it based in Austria with a listing in Abu Dhabi, though the Austrian side has been pushing for a listing in Vienna at some point, some of the people said. Details of the transaction are still being discussed and could change, the people said, asking not to be identified because the information is private. A spokesperson for Adnoc declined to comment. Representatives for OMV and its biggest shareholder, Austrian state-assets agency OeBAG, also declined to comment. Adnoc Chief Executive Officer Sultan al-Jaber is hunting for deals to better compete with Saudi Aramco's Sabic chemical unit, as well as develop the company's own downstream and renewable energy operations. The oil giant is also separately working on an acquisition of German chemicals group Covestro AG. Combining the two businesses would let Borealis tap cheap feedstock and new growth markets, while bringing Borouge technical expertise. The potential deal is part of broader plans by the United Arab Emirates to attract investment as well as build new industries. OMV Chief Executive Officer Alfred Stern said last week there's "compelling" industrial logic to a deal and said the aim is to create a combined listed company with "equal shares and equal rights. The merged group may provide a platform for further acquisitions, he said in July. (Gulf Times)
- **Emirates is considering new planes, conversions for air cargo expansion -** Emirates is considering an order for Boeing Co or Airbus SE freighters and may convert more passenger jets to expand its cargo fleet. The carrier, which aims to double freight capacity in the next decade, hasn't decided between Boeing 777-8 freighters and Airbus 350Fs, and could take another four years to commit to either, Emirates' cargo chief Nabil Sultan said. The airline's cargo fleet is currently all Boeing. Some of its more than 100 Boeing 777 passenger planes could be converted for cargo use too. The company "will evaluate, hopefully by 2027, whether we require a different mix to what we have already," Sultan, divisional senior vice-president of Emirates SkyCargo, said in an interview at an industry conference in Singapore. While cargo yields have fallen from their Covid peak, they remain 20% above pre-pandemic levels. Demand is also increasing in the lead up to Christmas. "We're probably at a much more stable stage now," Sultan told Bloomberg News. "We've passed the bottoming out. We've seen consistent growth." Global air cargo demand grew 1.5% in August from a year earlier, the first increase in 19 months, according to the International Air Transport Association. Middle Eastern carriers saw a 1.4% on year rise in cargo volume, continuing a three-month upward trend, while capacity was 15.7% higher than August 2022. Emirates SkyCargo has 11 dedicated Boeing freighters and added two wet leased 747 cargo planes during Covid. It also ordered five new Boeing freighters a year ago and is converting 10 Boeing 777-300ER passenger jets. "We have a lot of opportunities to convert a lot of these aircraft," Sultan said, adding that the company can get almost another 10 years of

service from planes that are switched to the cargo side. Emirates as a whole has an order backlog of 200 widebody planes, a number that will grow as it replaces Airbus A380s over the next decade. It already operates over 250 widebody passenger aircraft. Emirates' SkyCargo unit generated $4.9bn revenue last financial year. (Gulf Times)

- **Dubai ruler approves 246.6bn dirham budget for 2024-2026 -** Dubai's ruler Sheikh Mohammed bin Rashid al-Maktoum approved a budget of 246.6bn dirham ($67.14bn) for the emirate's government in 2024-2026, the Dubai media office said on Monday. Expenditure for the fiscal year 2024 alone is estimated at 79.1bn dirham, and public revenues at 90.6bn dirham, the media office added. Of the estimated revenues, 85.1bn dirham would be allocated to the budget, and the remaining 5.5bn dirham would go to the general reserve, it said. "The Department of Finance expects to achieve an operating surplus of up to 3.3% of Dubai's GDP, during the 2024-2026 financial plan, in order to establish the foundations of the emirate's financial sustainability," the media office quoted the department's director general, Saleh Al Saleh, as saying. The emirate's government was committed to disciplined financial policies, Al Saleh said, adding that had led to the establishment of a general reserve from annual revenues that should reach around 20.6bn dirham for the three years 2024-2026. Dubai, one of the seven emirates that constitute the oil-rich United Arab Emirates, is widely regarded as the trade and tourism hub of the Gulf region. (Reuters)
- **UAE business outlook stays robust on 4-year high demand level -** Business optimism remains robust in the UAE as the non-oil sector recorded a four-year high demand levels in October, the latest PMI survey data shows. Confidence in the 12-month outlook remains elevated on sharply rising new order intakes supporting a marked increase in activity, as well as further additions to purchasing and staffing levels, S&P's survey report said. "At the same time, rising fuel and material prices underlined a sharp increase in business costs in October, as inflationary pressures accelerated to a 15-month high. With this in mind, firms raised their own selling prices for the first time in a year-and-a-half, albeit only fractionally as discounting efforts remained wide," it said. The seasonally adjusted S&P Global UAE Purchasing Managers – a composite indicator designed to give an accurate overview of operating conditions in the non-oil private sector economy – was up from 56.7 in September to the highest level at 57.7 since June 2019, indicating a robust improvement in the health of the sector. "Overall, new business rose markedly, as surveyed firms highlighted strengthening demand conditions bringing new clients and increased project work," the PMI report said. The upturn in new orders was strong both domestically and overseas, with foreign new orders also growing at the fastest rate for more than four years. Abdulla bin Touq Al Marri, the Minister of Economy, said the UAE's gross domestic product grew 3.7% in the first half of the year as non-oil sector growth vastly outperformed overall growth. Non-oil growth surged 5.9% in the first six months of the year. "The UAE's economic growth is a testament to our resilience, diversification and commitment to openness, and international cooperation," he said, adding the country was becoming less reliant on oil and more dependent on knowledge-based industries," said Al Marri. "Strong economic conditions in the non-oil sector extended into the final quarter of the year, as October PMI results signaled a new recent record for new business growth. Rising at the fastest rate since June 2019, new order volumes provided additional support to output which continued to rise markedly," said David Owen, senior economist at S&P Global Market Intelligence. He noted that high business confidence levels suggest that firms do not expect this momentum to lose steam, as predictions for the year ahead were the second strongest since March 2020. "There were some indications that inflationary pressures are picking up and starting to influence company's pricing strategies. Overall cost burdens rose at the fastest rate for five months, leading to an increase in output prices. After dropping to a recent low of 1.0% in July, headline inflation could therefore pick back up in forthcoming readings," said Owen. The report noted that a considerable uplift in new business intakes supported a robust increase in activity across the non-oil sector in October. "The rate of expansion ticked up slightly to the strongest since June, helped by a further rise in employment levels and the clearing of backlogs. After softening to a 14-month low in September, there was a notable boost to inventory growth at the start of the fourth quarter," it said. (Zawya)
- **UAE Government Annual Meetings 2023 to discuss the government main directions -** The UAE Government's Annual Meetings 2023 will kick-off on November 7 in Abu Dhabi and will be chaired by His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai. The 2-days meetings will witness the participation of more than 500 dignitaries, including heads of UAE executive boards, ministers, and senior officials in the federal and local governments. His Highness Sheikh Mohammed bin Rashid Al Maktoum noted that the UAE Government Annual Meetings represent a national platform bringing together all government entities at federal and local levels to discuss and review strategies and initiatives that will lead the country on the path to achieve the Centennial 2071 Plan. His Highness said: "The UAE has developed the most efficient government model and our mission is to sustain our country's competitiveness during the next decade." His Highness Sheikh Mohammed added: "The meetings represent an annual platform at which teams from federal and local government institutions gather to discuss national initiatives and projects, to provide a better future for our people". His Highness further noted: "Our priorities at the annual meetings are based on the UAE's Principles of the 50 and all discussions will focus on strengthening our identity, unity and culture, and promoting our economy and competitiveness to continue our progression and development path." The current session of the Annual Meetings which will be held between November 7 and 8, 2023, will discuss the government main directions and review the outcomes of the implemented national initiatives and programs, as well as the recent updates on the UAE hosting the 28th Conference of the Parties of the UNFCCC (COP 28), from November 30 to December 12, 2023. Mohammad Abdullah Al Gergawi, Minister of Cabinet Affairs, said that the successful government model presented by the UAE reflects the vision of His Highness Sheikh Mohamed bin Zayed Al Nahyan, President of the UAE, and the directions of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai. He said: "Within a record time, the UAE has provided the world with a leading model of government integration between federal and local entities and the private sector. The UAE government succeeded in providing pioneering and proactive services to the community, achieving record results and promoting the best working environment." Al Gergawi added:" The UAE Government Annual Meetings, with the participation of more than 500 dignitaries including heads of UAE executive boards, ministers, and senior officials in the federal and local governments, will discuss current national initiatives and programs. The meetings will witness the development and launching of new plans and strategies that reflect the vision and aspirations of the UAE towards the Centennial 2071." He noted that in the light of the global crisis since 2020 to date, the UAE has been able to rapidly consolidate its economic momentum and strengthen its global position as an ideal destination for investment and business. Hie further noted that the 2023 annual meetings will focus on the economy and digital transformation, artificial intelligence, housing, national identity, Emiratization, health and food security, as well as the latest updates on the UAE hosting the COP 28. (Zawya)
- **UAE: Optimize tax based on the revised free zone decisions -** During the past week, the previously issued Cabinet Decision No. 55 of 2023 and Ministerial Decision No. 139 of 2023 regarding UAE Free zones have been repealed and it has been replaced by newly introduced Cabinet Decision No. 100 of 2023 which focuses on the Qualifying Income (QI) of the Qualifying Free Zone Person (QFZP); and Ministerial Decision No. 265 of 2023 that deals with Qualifying Activities (QA) and Excluded Activities (EA), respectively. The revised decisions have introduced several new definitions, such as the definition of patent, copyrighted software, Qualifying Intellectual Property (QIP) and Qualifying Trading Commodities (QTC). Additionally, the revised Decisions now carrying the detailed descriptions of the Qualifying Activities and Excluded Activities. Notably, the new Decisions grant leverage to the QFZP who is generating revenue through the development and exploitation of QIP, as well as through the trading of Qualifying Commodities. Under the revised decisions, the income derived by the QFZP from the ownership or exploitation of QIP now has the potential to be classified as QI and may be subject to a 0% tax rate. This is a significant departure from the previous repealed Decision where income derived from intellectual property was

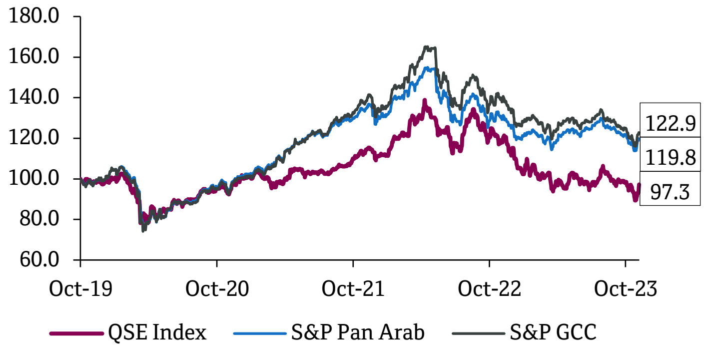
classified as part of Excluded Activities, and thus subject to taxation. This change opens new opportunities for the QFZPs to enjoy favorable tax treatment for their income derived from QIP, subject to satisfying the specified criteria. According to the revised d, the QFZP is not eligible to claim the entirety of the income derived from QIP. However, a specific formula has been provided to calculate the QI of the QIP. The QI income of the QIP = total income from the QIP*[(qualifying expenditure of the QIP + uplift expenditure of the QIP) / overall expenditure of the QIP]. Qualifying expenditures refer to the expenses that are utilized to directly support research and development activities that are closely associated with the creation, invention, or significant advancement of the QIP. On the other hand, Total expenditures encompass all costs and expenditures related to the QIP, including qualifying expenditures, acquisition costs, and any other associated expenses. Overall Income pertains to any income generated from the QIP. In the context of intellectual property, the term "uplift expenditures" denotes the additional costs or investments made with the intention of enhancing or improving the value, quality, or functionality of intellectual property assets. Uplift expenditures are allowed up to 30% of the qualifying expenditures, provided that the qualifying expenditures, after being uplifted, do not exceed the overall expenditures. Any income derived from non-qualifying intellectual property, as well as the NQI of the QIP, will be subjected to a 9% tax rate. Furthermore, such income will not be considered in the calculation of the deminimus criteria. The treatment of the NQI of intellectual property is similar to the income earned by the QFZP from residential property and permanent establishments. The QIP include patents, copyrighted software, and similar rights that provide legal protection and undergo a registration process similar to patents. However, it does not include trademarks or other intellectual property assets related to marketing. Patent and copy righted software include the patents and software for which rights and protection has been granted in the UAE and out of the UAE. The revised ministerial decision now includes the "trading of qualifying commodities" as one of the qualifying activities. The term "trading of qualifying commodities" refers to the physical trading activities involving qualifying commodities, as well as associated derivative trading aimed at hedging against risks associated with such activities. This amendment provides an advantageous opportunity for QFZPs engaged in the trading of qualifying commodities. If a QFZP earns income from this trading activity, it can be categorized as QI and will be subject to a corporate tax rate of 0%, provided that all other conditions are met. Qualifying commodities encompass metals, minerals, energy, and agriculture commodities that are traded in their raw form on recognized commodities exchange markets, either within the UAE or internationally. (Zawya)

- **S&P: UAE neobanks to complement, not replace traditional banks -** The adoption of neobanks - banks that operate only online and don't have a physical presence - and traditional banks' digital offering in the UAE is increasing and should continue to do so. Yet, a mass exodus from traditional banks to neobanks is unlikely, according to S&P Global Ratings. "Neobanks don't and, in our view, won't represent a threat to traditional banks," remarked its credit analyst Puneet Tuli. "Customer loyalty, the regulatory environment, neobanks' non-existent physical presence, and traditional banks' comprehensive services represent significant barriers to a widespread adoption of neobanks," he stated. "In general, we believe that the central bank of the UAE will continue to maintain the stability of the traditional banking system and encourage banks to strengthen their digitalization efforts," he noted. "Over the past few years, we have seen an emergence of neobanks and an increase in traditional banks' digital offering in the UAE," he added. Neobanks try to attract traditional banks' customers by typically offering products and services at a lower cost. The regulatory environment for fintechs in the UAE is also somewhat supportive of the emergence of neobanks. Neobanks are still in the early stages of their development in the local UAE market. Their current product and service offering is limited and mainly concentrates on raising deposits and issuing credit cards. Neobanks' main customer value proposition is the convenience they offer. Customers can open bank accounts, transfer funds, and apply for loans easily and swiftly. Sometimes they also try to increase demand by lowering the costs for end-users. Unlike traditional banks, neobanks are generally not weighed down by legacy IT infrastructure and complex change management initiatives. While neobanks can be an alternative to traditional banks, in our view, they tend to act as secondary banks in many markets, because local populations still prefer traditional banks for core activities that require higher-touch customer service, such as borrowing and saving. It doesn't help that most customers in the UAE continue to prefer traditional banks, which have digitalized successfully and whose digital products and services outperform those of banks in many other emerging markets, remarked Tuli. Therefore, we don't expect a significant migration from traditional banks to neobanks in the foreseeable future, stated the analyst. In the past few years, neobanks haven't just increased their presence in the UAE, but globally--and their growth isn't limited to a particular country or region. In Europe, for example, neobanks like Revolut, N26, and Monzo attracted millions of users and expanded their services, he added. (Zawya)
- **Sharjah Chamber embarks on trade mission to Uganda, Kenya -** The Sharjah Chamber of Commerce and Industry (SCCI) will dispatch a trade mission to Uganda and Kenya to bolster economic and investment cooperation with the two African nations. Led by the Sharjah Exports Development Centre (SEDC), the mission is set to explore ways to further development and foster stronger ties as part of the Chamber's commitment to supporting the local business community, enhancing their activities, and facilitating the growth of industrial and commercial exports from Sharjah. Abdullah Sultan Al Owais, Chairman of SCCI, is leading the delegation, accompanied by several members of the Chamber's Board of Directors, including Abdulaziz Mohammed Shattaf, Assistant Director-General of the Communication and Business Sector at the Sharjah Chamber. The delegation also includes officials from the Chamber and the Centre, as well as prominent businessmen and representatives from major industrial and commercial entities in Sharjah. (Zawya)
- **UAE delegation meets the White House to advance bilateral relations in science, technology and space -** Omran Sharaf, Assistant Minister of Foreign Affairs for Advanced Science and Technology, led a UAE delegation to Washington DC, for meetings with a range of senior government and private sector officials to discuss ways to further enhance cooperation in priority areas across science, technology and space, as well as explore other emerging opportunities. The meetings also discussed promoting mutual interests of the UAE and the US through developing strategies to reinforce further prospects of bilateral cooperation. The delegation's visit commenced with a meeting with officials from the State Department, the White House Office of Science and Technology Policy, the National Space Council and members of Congress in Capital Hill. The visit included meetings with the National Science Foundation, the National Academy of Sciences and the Science and Technology Policy Institute. Sharaf hosted a dinner with the US-UAE Business Council and the UAE Embassy in Wahsington DC, attended by government officials, think-tanks, and a number of leading entities from the private sector. Discussions centered around exploring opportunities to enhance cooperation in science and technology, emphasizing the importance of the co-development of knowledge with counterparts in the US. During the visit, He underscored the deep cooperation already taking place with the US across a range of sectors, including clean energy, food security, Artificial Intelligence and space. "The UAE delegation shared with our US counterparts our strategic vision for enhancing advanced technology, science and space diplomacy between our two nations. The UAE and the US already share strong diplomatic relations in advanced technology and science. This cooperation comes within the framework of the close friendship between our two countries and affirms our joint commitment to work to strengthen cooperation in priority sectors," said Sharaf. "The mission was also a welcome opportunity to enhance our shared interests, as well as demonstrate how our countries work together to generate economic prosperity and address pressing global issues such as climate change, food security, and multilateral action," he added. The UAE delegation to Washington DC included Nouf Alhameli, Science and Technology Advisor in the Ministry of Foreign Affairs, and other senior officials and subject-matter experts. (Zawya)
- **Kuwait Petroleum will borrow to close $45bn gap in 5-year spending plan -** State oil giant Kuwait Petroleum Corporation sees a near 14.1bn Kuwaiti dinar ($45.7bn) shortfall in the funds it has available to meet its five-year

spending plan, and will need to borrow and sell assets to help plug the gap, a document seen by Reuters showed. Retaining its annual dividends instead of transferring them to the state budget is "inevitable" during the five years to March 31, 2027, the period of the plan, KPC Chairman Saad Al Barrak said. The company is planning capital expenditure of 22.05bn dinars in that time, including about 13.9bn dinars for exploration and production, Al Barrak said in the Oct. 30 document, a response to a parliamentary query. "Only keeping dividends will not be enough to cover the expected deficit of about 14bn Kuwaiti dinars, so the corporation will also borrow and implement some (other) initiatives," Al Barrak, who is also oil minister, said. The initiatives include reducing the expected 22.05bn dinars in capex by 4.36bn dinars by delaying or removing several projects, assuming other aspects of the total will not be affected, according to an attached copy of the five-year plan. KPC also expects to keep 3.73bn dinars from retained dividends, cut its cash balance in half to 500mn dinars, and get 1.55bn dinars in external financing. It plans to raise nearly 1.12bn dinars from leasing the pipelines of subsidiary Kuwait Oil Company (KOC) and offering 50% in a petrochemical complex through a joint venture. Still, KPC expects another 2.835bn dinar gap out of the total to fill, for which it will pursue "divesting non-core and unprofitable assets", the copy of the plan dated October 2022 showed. KPC confirmed the figures in the document but had no further comment. The company has for years owed about 7bn Kuwaiti dinars in dividends to the General Reserve Fund (GRF), which is used to cover state deficits. Kuwait's sovereign wealth fund reached an initial agreement with KPC in 2021 on new payment terms for more than $20bn in accrued dividends. (Reuters)

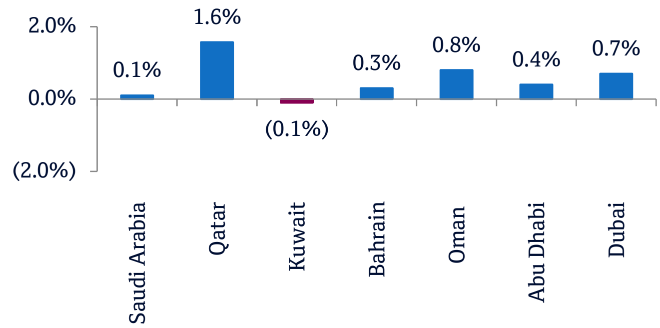
- **Oman's hotel revenues rise by 26.4% to exceed $397.4mn -** The revenues of 3–5-star hotels in the Sultanate of Oman exceeded OMR153mn as at the end of September 2023, up by 26.4% over the corresponding period in 2022, according to statistics issued by the National Centre for Statistics and Information (NCSI). The total number of hotel guests rose by 27.3% to 1.43mn by the end of September 2023, compared to 1.13mn during the corresponding period in 2022. Meanwhile, hotel occupancy rate registered a growth of 10.1%. According to the NCSI report, among the nationalities, as many as 567,447 of the hotel guests were Omanis, 156,703 were GCC citizens (up by 27.6%), 295,155 were European citizens (an increase of 43.4%), 41,079 were Americans (up by 1.8%), 8,361 were citizens from African countries (up by 41.2%), while the number of guests from Asian countries increased by 43.6% to 213,980. The number of guests from Oceania countries surged by 204.5% to 30,898. (Zawya)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,978.14	(0.7)	(0.7)	8.4
Silver/Ounce	23.03	(0.8)	(0.8)	(3.9)
Crude Oil (Brent)/Barrel (FM Future)	85.18	0.3	0.3	(0.8)
Crude Oil (WTI)/Barrel (FM Future)	80.82	0.4	0.4	0.7
Natural Gas (Henry Hub)/MMBtu	2.71	(9.7)	(9.7)	(23.0)
LPG Propane (Arab Gulf)/Ton	64.70	1.3	1.3	(8.6)
LPG Butane (Arab Gulf)/Ton	82.50	0.7	0.7	(18.7)
Euro	1.07	(0.1)	(0.1)	0.1
Yen	150.07	0.5	0.5	14.5
GBP	1.23	(0.3)	(0.3)	2.2
CHF	1.11	(0.1)	(0.1)	2.8
AUD	0.65	(0.4)	(0.4)	(4.8)
USD Index	105.22	0.2	0.2	1.6
RUB	110.69	0.0	0.0	58.9
BRL	0.20	0.3	0.3	8.1

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,889.44	0.2	0.2	11.0
DJ Industrial	34,095.86	0.1	0.1	2.9
S&P 500	4,365.98	0.2	0.2	13.7
NASDAQ 100	13,518.78	0.3	0.3	29.2
STOXX 600	443.52	(0.2)	(0.2)	4.6
DAX	15,135.97	(0.4)	(0.4)	9.0
FTSE 100	7,417.76	(0.1)	(0.1)	1.8
CAC 40	7,013.73	(0.5)	(0.5)	8.6
Nikkei	32,708.48	2.8	2.8	9.6
MSCI EM	968.91	2.2	2.2	1.3
SHANGHAI SE Composite	3,058.41	1.2	1.2	(6.0)
HANG SENG	17,966.59	1.8	1.8	(9.4)
BSE SENSEX	64,958.69	0.8	0.8	6.1
Bovespa	118,431.25	0.2	0.2	16.6
RTS	1,103.78	0.9	0.9	13.7

Source: Bloomberg ($ adjusted returns if any)*

Contacts

QNB Financial Services Co. W.L.L.
Contact Center: (+974) 4476 6666
info@qnbfs.com.qa
Doha, Qatar

Saugata Sarkar, CFA, CAIA
Head of Research
saugata.sarkar@qnbfs.com.qa

Shahan Keushgerian
Senior Research Analyst
shahan.keushgerian@qnbfs.com.qa

Phibion Makuwerere, CFA
Senior Research Analyst
phibion.makuwerere@qnbfs.com.qa

Roy Thomas
Senior Research Analyst
roy.thomas@qnbfs.com.qa

Dana Saif Al Sowaidi
Research Analyst
dana.alsowaidi@qnbfs.com.qa