QNB FINANCIAL SERVICES

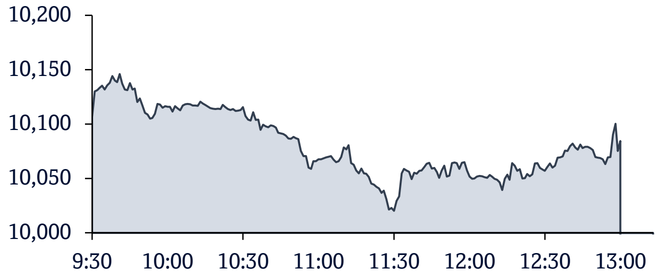
الخدمات المالية

Financial Services

Daily Market Report

Wednesday, 12 July 2023

QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.2% to close at 10,084.5. Losses were led by the Telecoms and Consumer Goods & Services indices, falling 1.4% and 1.0%, respectively. Top losers were Widam Food Company and Dukhan Bank, falling 4.9% and 2.9%, respectively. Among the top gainers, Qatar General Insurance & Reinsurance Co. gained 10.0%, while Qatar German Co for Med. Devices was up 5.5%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.7% to close at 11,664.5. Gains were led by the Software & Services and Food & Beverages indices, rising 2.6% and 2.5%, respectively. Arabian Contracting Services Co rose 7.1%, while Saudia Dairy and Foodstuff Co. was up 5.5%.

Dubai: The DFM Index gained 0.2% to close at 3,985.4. The Real Estate index rose 1.5%, while the Communication Services index gained 1.1%. Union Properties rose 15.0%, while Deyaar Development was up 7.1%.

Abu Dhabi: The ADX General Index gained marginally to close at 9,589.3. The Consumer Discretionary index rose 3.6%, while the Industrial index gained 1.9%. Abu Dhabi National Hotels Co. rose 10.5%, while Rapco Investment was up 4.5%.

Kuwait: The Kuwait All Share Index gained 0.7% to close at 7,263.5. The Banks index rose 1.1%, while the Consumer Staples index gained 0.3%. Kuwait Emirates Holding Co. rose 9.1%, while Equipment Holding Co. was up 7.1%.

Oman: The MSM 30 Index gained 0.5% to close at 4,801.9. Gains were led by the Services and Financial indices, rising 0.8% and 0.3%, respectively. National Finance Company rose 9.8%, while Al Maha Ceramics Company was up 9.1%.

Bahrain: The BHB Index gained 0.1% to close at 1,959.6. The Materials index rose 0.3%, while the Communications Services index gained 0.2%. Kuwait Finance House rose 1.4%, while Bank of Bahrain and Kuwait was up 1.0%.

Market Indicators	11 Jul 23	10 Jul 23	%Chg.
Value Traded (QR mn)	403.4	432.8	(6.8)
Exch. Market Cap. (QR mn)	597,930.7	600,140.4	(0.4)
Volume (mn)	145.6	134.0	8.7
Number of Transactions	15,297	16,838	(9.2)
Companies Traded	49	48	2.1
Market Breadth	17:28	8:35	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	21,642.77	(0.2)	(1.6)	(1.1)	12.2
All Share Index	3,414.47	(0.1)	(1.8)	(0.0)	13.4
Banks	4,203.22	0.1	(2.0)	(4.2)	13.3
Industrials	3,704.23	(0.6)	(2.2)	(2.0)	12.4
Transportation	4,839.17	0.9	0.7	11.6	13.8
Real Estate	1,521.24	(0.8)	(1.8)	(2.5)	18.3
Insurance	2,405.03	0.8	(2.9)	10.0	178.8
Telecoms	1,662.71	(1.4)	(2.2)	26.1	14.7
Consumer Goods and Services	7,757.09	(1.0)	(1.4)	(2.0)	22.3
Al Rayan Islamic Index	4,494.22	(1.1)	(1.0)	(2.1)	8.4

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Etihad Etisalat Co.	Saudi Arabia	48.95	4.9	1,520.0	40.9
Bank Al Bilad	Saudi Arabia	41.20	3.4	1,892.0	(7.3)
Dr. Sulaiman Habib Medical	Saudi Arabia	297.00	3.0	328.0	34.6
Mouwasat Medical Services	Saudi Arabia	242.60	2.9	170.9	16.1
Almarai Co.	Saudi Arabia	66.10	2.8	852.6	23.6

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Emirates Central Cooling	Dubai	1.93	(3.5)	3,095.5	35.9
Dukhan Bank	Qatar	4.00	(2.9)	7,478.5	0.0
Knowledge Economic City	Saudi Arabia	15.70	(1.9)	209.1	46.2
Ooredoo	Qatar	11.15	(1.8)	806.8	21.2
Qatar Fuel Company	Qatar	16.30	(1.5)	215.8	(9.2)

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 General Ins. & Reins. Co.	1.467	10.0	10.8	(0.1)
Qatar German Co for Med. Devices	2.280	5.5	6,976.5	81.4
Lesha Bank (QFC)	1.544	2.7	3,349.0	34.8
Qatar International Islamic Bank	9.926	1.2	349.9	(4.6)
Qatar Gas Transport Company Ltd.	4.169	1.2	2,229.6	13.8

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Widam Food Company	2.502	(4.9)	10,877.9	23.1
Dukhan Bank	3.995	(2.9)	7,478.5	0.0
National Leasing	0.786	(2.4)	4,547.3	11.6
Ooredoo	11.15	(1.8)	806.8	21.2
Al Khaleej Takaful Insurance Co.	2.723	(1.8)	457.7	18.3

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Mazaya Qatar Real Estate Dev.	0.777	(1.3)	20,575.5	11.6
Masraf Al Rayan	2.510	0.2	19,969.7	(20.8)
Widam Food Company	2.502	(4.9)	10,877.9	23.1
Qatar Aluminum Manufacturing Co.	1.252	0.5	10,640.0	(17.6)
Vodafone Qatar	1.840	0.3	8,307.7	16.1

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	15.73	0.1	52,585.6	(12.6)
Masraf Al Rayan	2.510	0.2	49,876.1	(20.8)
Industries Qatar	11.26	(1.2)	33,926.0	(12.1)
Dukhan Bank	3.995	(2.9)	30,327.3	0.0
Widam Food Company	2.502	(4.9)	28,821.4	23.1

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,084.51	(0.2)	(1.6)	0.1	(5.6)	110.79	163,474.3	12.2	1.4	4.9
Dubai	3,985.41	0.2	0.6	5.1	19.5	243.12	184,597.7	9.7	1.3	4.4
Abu Dhabi	9,589.29	0.0	(0.2)	0.4	(6.1)	294.41	726,010.6	32.1	2.9	1.8
Saudi Arabia	11,664.50	0.7	0.6	1.8	11.3	2,067.62	2,917,457.9	18.3	2.3	2.9
Kuwait	7,263.48	0.7	1.1	3.3	(0.4)	174.17	151,176.7	17.9	1.6	3.6
Oman	4,801.88	0.5	0.2	0.7	(1.1)	6.82	23,138.1	16.3	1.1	4.5
Bahrain	1,959.58	0.1	0.0	0.1	3.4	3.84	57,018.0	7.0	0.7	7.8

*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 declined 0.2% to close at 10,084.5. The Telecoms and Consumer Goods & Services indices led the losses. The index fell on the back of selling pressure from Qatari and Foreign shareholders despite buying support from GCC and Arab shareholders.
- Widam Food Company and Dukhan Bank were the top losers, falling 4.9% and 2.9%, respectively. Among the top gainers, Qatar General Insurance & Reinsurance Co. gained 10.0%, while Qatar German Co for Med. Devices was up 5.5%.
- Volume of shares traded on Tuesday rose by 8.7% to 145.6mn from 134mn on Monday. However, as compared to the 30-day moving average of 185mn, volume for the day was 21.3% lower. Mazaya Qatar Real Estate Dev. and Masraf Al Rayan were the most active stocks, contributing 14.1% and 13.7% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	33.56%	33.27%	1,152,341.37
Qatari Institutions	21.97%	23.20%	(4,954,940.69)
Qatari	**55.53%**	**56.47%**	**(3,802,599.32)**
GCC Individuals	0.82%	0.08%	3,007,790.12
GCC Institutions	11.03%	2.02%	36,354,298.00
GCC	**11.86%**	**2.10%**	**39,362,088.11**
Arab Individuals	11.36%	11.23%	514,293.82
Arab Institutions	0.00%	0.02%	(81,968.23)
Arab	**11.36%**	**11.25%**	**432,325.58**
Foreigners Individuals	3.98%	3.83%	581,597.46
Foreigners Institutions	17.28%	26.35%	(36,573,411.84)
Foreigners	**21.26%**	**30.18%**	**(35,991,814.38)**

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

Earnings Releases, Global Economic Data and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 2Q2023	% Change YoY	Operating Profit (mn) 2Q2023	% Change YoY	Net Profit (mn) 2Q2023	% Change YoY
Al Maha Ceramics	Oman	OMR	3.50	-30.0%	0.7	-53.3%	(0.1)	NA
Oman Cables	Oman	OMR	125.90	-7.4%	NA	NA	9.4	91.8%
Dhofar Foods & Investment	Oman	OMR	17.60	12.1%	(0.8)	NA	(1.1)	NA
Oman Fisheries Co.	Oman	OMR	3.80	-53.1%	NA	NA	(1.6)	NA
Hotels Management Co. International	Oman	OMR	4.10	10.8%	NA	NA	0.3	100.0%
Sharqiyah Desalination Co.	Oman	OMR	6.40	-5.9%	NA	NA	0.4	0.0%
Oman Cement Company	Oman	OMR	36.70	5.2%	NA	NA	4.1	32.3%

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
11-07	UK	UK Office for National Statistics	ILO Unemployment Rate 3Mths	May	4.00%	3.80%	3.80%
11-07	UK	UK Office for National Statistics	Employment Change 3M/3M	May	102k	85k	250k
11-07	Germany	German Federal Statistical Office	CPI MoM	Jun	0.30%	0.30%	0.30%
11-07	Germany	German Federal Statistical Office	CPI YoY	Jun	6.40%	6.40%	6.40%
11-07	Germany	German Federal Statistical Office	CPI EU Harmonized MoM	Jun	0.40%	0.40%	0.40%
11-07	Germany	German Federal Statistical Office	CPI EU Harmonized YoY	Jun	6.80%	6.80%	6.80%

Earnings Calendar

Tickers	Company Name	Date of reporting HY2023 results	No. of days remaining	Status
QOIS	Qatar Oman Investment Company	16-Jul-23	4	Due
QIBK	Qatar Islamic Bank	16-Jul-23	4	Due
DUBK	Dukhan Bank	16-Jul-23	4	Due
MARK	Masraf Al Rayan	17-Jul-23	5	Due
CBQK	The Commercial Bank	17-Jul-23	5	Due
MCGS	Medicare Group	18-Jul-23	6	Due
QFLS	Qatar Fuel Company	19-Jul-23	7	Due
QATR	Al Rayan Qatar ETF	20-Jul-23	8	Due
ABQK	Ahli Bank	20-Jul-23	8	Due
MKDM	Mekdam Holding Group	22-Jul-23	10	Due
QIIK	Qatar International Islamic Bank	25-Jul-23	13	Due
GWCS	Gulf Warehousing Company	25-Jul-23	13	Due
QIMD	Qatar Industrial Manufacturing Company	26-Jul-23	14	Due
UDCD	United Development Company	26-Jul-23	14	Due
QEWS	Qatar Electricity & Water Company	07-Aug-23	26	Due
QISI	Qatar Islamic Insurance	08-Aug-23	27	Due

Qatar

- **Lesha Bank announced appointment of new Chief Executive Officer -** Lesha Bank announced the appointment of Mohammed Ismail Al Emadi as Chief Executive Officer with effect from 12 July 2023. Mohammed officially assumed his responsibilities in July 2023. During his tenure, former CEO Abdulrahman Totonji, built a cohesive team with caliber of expertise and professionalism and streamlined the investment portfolio. His significant contributions allowed the bank to achieve a turnaround performance. The Bank now stands poised to continue its strategic march under the leadership of the new CEO. Mohammed brings with him a wealth of expertise from over sixteen years across diverse banking sectors, including corporate, retail, private, international, and investment banking. Given his profound industry knowledge, exceptional leadership, and emphasis on innovation, customer-centricity, and operational excellence, Mohammed is set to collaborate with multiple stakeholders and continue shaping the future direction of the Bank. Prior to joining Lesha Bank, Mohammed held the position of Chief Business Officer at Masraf Al Rayan, where his exceptional leadership and invaluable contributions were instrumental. Additionally, Mohammed currently holds the position of Chairman at Oryx Corniche Development QPJSC. On this occasion, HE Sheikh Faisal bin Thani Al Thani, Lesha Bank Chairman, commented: "We extend a warm welcome to Mohammed Al Emadi. His extensive experience and demonstrated leadership will be instrumental in propelling our continued growth and driving us to greater success. His value-driven leadership approach will help achieve a seamless execution of strategic priorities. We also extend our gratitude to Abdulrahman for his diligent service as CEO, under whose guidance the Bank was steered towards profitability, enhanced resilience, and diversified investment portfolio. Abdulrahman's contributions have established a strong foundation, and we look forward to further growth and solidarity under the leadership of Mohammed." Mohammed Ismail Al Emadi, Lesha Bank CEO, added: "I am deeply honored to lead Lesha Bank, one of the leading investment banks in Qatar. Together, with our dedicated team and respected stakeholders, we aim on building upon the robust foundation laid by Abdulrahman and embark on the next chapter of our strategic journey." (QSE)

- **Lesha Bank announces the resignation of Chief Executive Officer** - Lesha Bank announced that Abdulrahman Totonji resigned from his position as Chief Executive Officer effective 11 July 2023. (QSE)

- **Medicare Group: Resignation of a board member and the appointment of a new member to occupy the vacant seat -** Medicare Group (Q.P.S.C) announces the resignation of Mr. Walid Ahmed Al- Saadi, Independent Board Member, from his position in the company's Board of Directors. The Board accepted his resignation and thanked him for the great efforts and valuable contributions he made during his membership. The Board of Directors also approved the recommendation of the Nominations and Remuneration Committee to appoint Mr. Aize Dabsan Al-Qahtani who obtained the highest numbers of votes among the Independent supplementary members in the elections for the current term (2021-2023) which was held on March 22, 2021, to occupy the vacant seat as an independent member till the end of the term). (QSE)

- **Qatar General Insurance and Reinsurance Company discloses Lawsuits -** Qatar General Insurance & Reinsurance Company discloses the registration of Lawsuits number 419 / 2023 - 431 / 2023 - 445 / 2023 – 494 / 2023 by Shareholders number 730 - 210284 – 212100 - 397165 against the Company before the Plenary Investment and Trade Court, and the registration of Lawsuit number 503 / 2023 by Shareholders number 398578 – 397165 – 400471 – 398592 against the Company and others before the Plenary Investment and Trade Court. (QSE)

- **GWCS, LDA sign ship owning agreement -** GWCS has signed a teaming agreement with Louis Dreyfus Armateurs (LDA) to form a strategic partnership to support offshore energy services. The signing took place at LDA's Paris headquarters and was attended by Ranjeev Menon, Group CEO, GWCS, and Kamil Beffa, CEO, LDA. The collaboration marks a significant milestone that paves the way for exciting new opportunities in the maritime sector. Under the terms of the agreement, GWCS and LDA will combine their expertise, resources and networks to jointly pursue ship owning ventures. The partnership aims to drive growth, capitalize on emerging market trends and deliver exceptional value for customers in Qatar, the Gulf region and beyond. "We are pleased to form this strategic partnership with LDA. Together, we will offer unparalleled efficiencies and fresh perspective to the marine, shipping and logistics industry, ensuring the requirements of the energy industry are met with the highest international standards, Menon said. "GWCS takes every action to enable oil and gas operations in the State of Qatar, both onshore and offshore. From day one, our focus has been world-class performance, a long-term relationship approach, innovation, ethics and strong human capital," he added. The partnership comes at a time when the maritime industry is undergoing rapid transformation, driven by fast-changing regulations, digitalization and the urgent need to reduce environmental impact. By joining forces, GWCS and LDA aim to be at the forefront of this evolution, offering sustainable, efficient and reliable shipping solutions to meet the changing needs of the energy sector. "We are delighted to join forces with GWCS," Beffa noted. He added, "Their fresh perspective and innovative approach will complement our rich heritage and extensive industry knowledge. Together, we will navigate evolving challenges and capitalize on exciting opportunities. This partnership is a testament to our commitment of fostering innovation and delivering excellence." In under 20 years, GWCS has become a major logistics services provider in Qatar and across the region. Its state-of-the-art logistics infrastructure spanning more than 4mn square meters have been setting standards in the industry. GWCS's new subsidiary, GWCS Energy Services, is supporting Qatar's energy expansion plans. Qatar is a pivotal player in the global energy market and one of the top LNG exporters in the world, thanks to the third largest proven gas reserves on the planet. Through its North Field Expansion, Qatar plans to increase production capacity by 50% by 2027 to fulfil a global surge in energy demand. For more than 170 years, the Louis Dreyfus Armateurs Group has been offering players in the maritime world innovative industrial solutions adapted to their needs and integrated services ranging from the design and management of ships to maritime operations in the fields of transport, logistics and marine industrial solutions. "The agreement between GWCS and LDA is testament to their shared vision of shaping the future of ship owning. By pooling their expertise and resources, both companies are poised to create a formidable presence in the market, offering customers a comprehensive suite of services and solutions," a GWCS statement said. (Gulf Times)

- **Qatar International Islamic Bank holds its investors relation conference call on 26 July 2023 to discuss the financial results** - Qatar International Islamic Bank announces that the conference call with the Investors to discuss the financial results for the Semi-Annual 2023 will be held on 26/07/2023 at 01:00 PM, Doha Time. (QSE)

- **Qatar expects record volume of LNG offtake signings this year -** Qatar this year will sign record volumes of long-term liquefied natural gas (LNG) offtake contracts, the country's energy minister said on Tuesday at a conference in Vancouver. About 40% of new global LNG output will come from Qatar by 2029, said Minister of Energy Saad al-Kaabi at the LNG 2023 conference. The country last year approved expansion projects that will boost its LNG output by 64% to 126mn tons per year by 2027. "Some people say by 2050 you do not need gas anymore. I say you need more gas. You need gas as a baseline to support wind and solar since the sun does not shine all the time and the wind does not blow all the time," said al-Kaabi. Demand for the super cooled gas skyrocketed following Russia's invasion of Ukraine, giving Qatar and the United States significantly larger roles in supplying gas to Europe. Al-Kaabi said the 40% estimate was based on Qatar's domestic LNG production and a U.S. joint venture with Exxon Mobil (XOM.N) that will add between 16 and 18mn tonnes per annum (MTPA) when complete. QatarEnergy is betting that the world will continue to require LNG for the long term, but it must be produced at a price that is affordable and with a reduced impact on the climate, al-Kaabi said. It is important for QatarEnergy that the price negotiated with customers "is fair and sustainable" for both parties, al-Kaabi said. (Bloomberg)

- **QCB: Majority of Qatari banks consider cyber risks 'high to very high' -** Majority of Qatari banks consider "risks from cyber world" has "high to very high risk", Qatar Central Bank (QCB) said in its Financial Stability Report. Vulnerabilities on account of 'risk from fraud' is also considered to be reckoned among high risk factors as opined by banks, QCB said in its

'Risk perception survey – 2022'. The Risk Perception Survey (RPS) was conducted among 16 banks including the Qatar development Bank. The survey collected the bank's opinion on the level of risk on various risk factors. Seven risk factors are provided under 'global risks' while six factors are provided under domestic macroeconomic risks. The survey also sought bank's opinion on various risk elements on 'credit risk', 'liquidity risk', 'market risk' and 'operational risk'. The risk levels are captured through a five-point 'Likert scale' ranging from 'very low' to very high'. The responses received on each risk variables are converted into an index ranging from 0 to 100, where zero represents no risk and 100 represents very high risk as per the opinion of the surveyed banks. The heat map on "global risks" suggests uncertainty around Covid-19 pandemic' is considered as very high risk in 2021. However, the risk levels will have been moderated in 2022 and further reduce in 2023 as expected by the banks. According to QCB, 'geopolitical uncertainties' and 'uneven global recovery' are considered as next major risks in 2022 and 2023. Among the domestic macroeconomic risks 'reduction in market liquidity' is considered as the major risk event by the respondents followed by "volatility in equity market" and "fall in residential/commercial property prices". In 2023, banks consider fall in property prices will be major risk event followed by lower domestic growth. The survey also captured banks perception on the major risk factors from the given set of events pertaining to credit, liquidity, market, and operational risks. Among the given vulnerabilities, "default from real estate developers" and 'default from large borrowers" are considered by majority of the banks as the major risk factors. "Deposit withdrawal from wholesale depositors" is considered as the major risk factor in case of liquidity risk, QCB said in its 13th Financial Stability Review. "Banks also opined that the risk level due to 'reduced liquidity inflows from foreign inter-bank market' may increase in 2022 and 2023. Among market risk factors, interest rate shock from domestic and developed countries are of high risk and the risk level is expected to (have) increased in 2022 and increase in 2023," QCB noted. (Gulf Times)

- **15% decline in building permits issued in Qatar in June; villas still dominate -** In June 2023, the number of building permits issued in various municipalities in Qatar experienced a decrease of 15%, according to data released by the Planning and Statistics Authority (PSA). A total of 641 building permits were issued during the month, compared to 758 permits issued in the previous month of May. A press release from the PSA highlighted the decline in most municipalities when comparing the number of permits issued in June with those issued in May. Al Wakrah saw a decrease of 32%, Al Doha 30%, Al Shammal 25%, Umm Slal 20%, Al Sheehaniya 13%, and Al Rayyan 1%. On the other hand, there was a clear increase in the municipality of Al Da'ayen by 3% and Al Khor by 2%. Analyzing the geographical distribution of building permits issued in June, the municipality of Al Rayyan topped the list with 185 permits, accounting for 29% of the total permits. Al Doha followed closely with 118 permits (18%), followed by Al Wakrah and Al Da'ayen with 112 permits each (17%), and Al Khor with 44 permits (7%). The remaining municipalities had the following numbers: Umm Slal with 41 permits (6%), Al Sheehaniya with 20 permits (3%), and Al Shammal with 9 permits (1%). Regarding the type of permits issued, data showed that new building permits, both residential and non-residential, constituted 37% of the total permits issued in June 2023, with 239 permits. The percentage of addition permits accounted for 60% (387 permits), and fencing permits represented 2% (15 permits). Further analysis of new residential building permits revealed that villas accounted for 85% (170 permits) of all new residential permits. Dwellings of housing loans permits constituted 7% (14 permits), followed by apartment buildings permits at 6% (12 permits). On the other hand, industrial buildings, such as workshops and factories, took the lead in non-residential building permits with 38% (15 permits), followed by commercial buildings and mosques, each accounting for 28% (11 permits), and governmental buildings with 5% (2 permits). In terms of building completion certificates, there was a general decrease of 23% when comparing the number of certificates issued in June 2023 with the previous month. Al Shammal saw the highest decrease of 75%, followed by Al Rayyan with 33%, Al Wakrah with 29%, Al Da'ayen with 16%, Al Doha with 15%, and Umm Slal with 13%. Conversely, there was a notable increase in the municipality of Al Sheehaniya by 23% and Al Khor by 8%. Examining the geographical distribution of building completion certificates, Al Rayyan municipality topped the list with 78 certificates, accounting for 22% of the total issued certificates. Al Wakrah followed closely with 75 certificates (21%), Al Da'ayen with 72 certificates (20%), and Al Doha with 71 certificates (20%). The remaining municipalities had the following numbers: Umm Slal with 27 certificates (8%), Al Sheehaniya with 16 certificates (4%), Al Khor with 14 certificates (4%), and Al Shammal with 4 certificates (1%). Similar to building permits, the majority of building completion certificates were for new buildings, representing 76% (271 certificates) of the total issued in June 2023. Addition certificates accounted for 24% (86 certificates). In terms of new residential building completion certificates, villas dominated with 88% (182 certificates) of all new residential completions. Apartments followed with 6% (12 certificates), and dwellings of housing loans with 5% (10 certificates). Commercial buildings led in non-residential building completion certificates with 68% (43 certificates), followed by industrial buildings such as workshops and factories with 19% (12 certificates), and mosques with 8% (5 certificates). The data on building permits and building completion certificates is considered crucial as it serves as an indicator of the construction sector's performance, which plays a significant role in Qatar's national economy. The release of this monthly data reflects the joint cooperation between the Planning and Statistics Authority and the Ministry of Municipality, utilizing the existing electronic link between the two entities. (Qatar Tribune)

- **MoCI renews 204 industrial licenses in first half of 2023 -** Statistics from the Ministry of Commerce and Industry (MCI) showed that 204 licenses for industrial projects were renewed during the first half of 2023 in the industrial sector. According to the data MoCI has published on its Twitter account, the ministry received 159 customs exemption requests for factories, while the requests to increase capacity and modify production data for factories reached 287 requests. In the same context, the inspection campaigns carried out by the MoCI on factories reached 1,952. (Qatar Tribune)

- **Qatar ranks high on Global AI Index -** Qatar ranked third in the Arab world in the Global AI Index issued by Tortoise Media. The Global AI Index benchmarks nations on their level of investment, innovation and implementation of artificial intelligence (AI) due to the fact that the artificial intelligence revolution will transform business, government and society. Tortoise Media said that the rise of ChatGPT and the ensuing arms race between big tech companies to develop their own generative AI models has led to a very public debate about how best to manage the risks of this new technology. The Global AI Index is based on seven sub-pillars: Talent, Infrastructure, Operating Environment, Research, Development, Government Strategy, and Commercial. Tortoise Media is a global company that includes an advisory board and experts in artificial intelligence from around the world. (Gulf Times)

International

- **US Treasury seeks large position reports on bill maturing around debt ceiling deadline -** The US Treasury Department on Tuesday said it was calling for Large Position Reports from entities holding more than $10.2bn worth of a six-month Treasury bill maturing on June 8, around the department's deadline for a potential default had Congress failed to raise the debt ceiling. The Treasury said it was asking entities meeting this threshold to report their positions as of April 28 and May 5, as part of a routine request under the Government Securities Act Amendments of 1993. The bill's CUSIP number is 912796ZP7. The Treasury had said in its May quarterly refunding that it would call for Large Position Reports "sometime over the next three months." As Republicans in Congress and the Biden administration were locked in a bitter standoff over raising the then-$31.4tn debt ceiling, Treasury bills maturing in early June were experiencing volatility and steep yield increases due to uncertainty over a possible default. A Treasury official said reports for the bill maturing on June 8 were chosen to gain some insight into Treasury market dynamics surrounding the debt ceiling uncertainty. "Large positions, in and of themselves, are not inherently harmful to the Treasury market," the Treasury said in a statement. "Treasury in conducting a call for LPRs does not presume there is manipulative or illegal intent on the part of entities that control large positions in a particular Treasury security." (Reuters)

- **Fed's Williams: Central bank is not done with rate rises -** Federal Reserve Bank of New York President John Williams said the central bank is not done raising its short-term rate target, in an interview with the Financial Times published on Tuesday. “We've indicated through our projections and our communications that we think we still have some ways to go to get the policy to this sufficiently restrictive stance to get inflation to 2%. All of those reflect a commitment to get price stability not in over 10 years, but over a few years,” Williams told the newspaper in a transcript of his interview. Williams did not put any numbers on how much tightening he expects from the Fed after it held its overnight target rate range steady last month at between 5% and 5.25%, while signaling it's likely rates will rise a half percentage point more over the course of the year. Strong data is widely seen as pushing the Fed to raise rates again at the end of the month. Williams said the economy has yet to feel the full impact of past rate hikes. “We are not getting the full effects of the restrictive policy that we put in place yet,” he said, adding “those are still ahead of us, although we have gotten some of the effects already in certain interest-rate-sensitive sectors.” Williams said in the interview that supply and demand in the job market are coming into better balance and he doesn't see the nation falling into a downturn. “It's still clearly a very strong labor market with very good jobs growth,” Williams said, adding that in terms of labor force participation rates he sees no weakness. But he added that there are “definitely signs of things slowing in terms of the direction of demand in labor.” As for the economic outlook, “I don't have a recession in my forecast. I have pretty slow growth,” Williams said. The central banker also said the Fed's balance sheet run-off process will continue for some time to come and did not give an end date. (Reuters)
- **NFIB: Small business confidence reaches 7-month high in June -** US small business confidence climbed to a seven-month high in June as pessimism about the economic outlook diminished sharply and sales expectations improved, but a still-tight labor market continued to drive concerns about inflation, according to a survey released on Tuesday. The National Federation of Independent Business (NFIB) said its Small Business Optimism Index rose 1.6 points to 91 last month, the greatest month-to-month improvement since August 2022. (Reuters)
- **UK scraps public disclosure of short selling -** The UK government said on Tuesday it would no longer require short sellers to publicly disclose their trades on UK companies. A short position is a bet that a company's stock price will decline. Under the rule change funds will no longer have to tell the public their individual net short positions on a stock. While short sellers will still have to report their positions to the regulator, the Financial Conduct Authority (FCA), the threshold at which positions have to be disclosed would increase. Currently, funds must tell the FCA when they have borrowed 0.1% of a company's outstanding stock in order to short it. Now, that threshold will increase to 0.2% of the stock. The decision is part of an effort to repeal European Union regulation post Brexit and comes as the government reworks its Financial Services and Markets Act. The rule change will be implemented by the FCA. Critics say short sellers hurt companies and exacerbate market volatility, but short sellers and advocates say they act as an important check on public firms. Jillien Flores, head of global government affairs at the Managed Funds Association, a hedge fund lobby group, said Tuesday's changes should strengthen the UK's competitiveness. She said the move would "unleash the benefits of short selling, including enhancing market liquidity, promoting price discovery, and exposing corporate fraud." (Reuters)
- **IMF: Bank of England may need to keep rates higher for longer -** The Bank of England may have to keep interest rates high for an extended period if inflation pressures persist, and it was right to raise them by half a percentage point last month, the International Monetary Fund's directors said on Tuesday. British inflation was the highest of any major economy in May at 8.7%, and financial markets have priced in increasingly high peaks for BoE rates as wage and price data have come in hotter than expected in recent months. Markets see a roughly 50% chance that BoE rates will peak at 6.5% early next year, up from 5% now - a greater degree of tightening than is expected for the US Federal Reserve or the European Central Bank. "A continuous review of the pace and magnitude of monetary tightening is warranted," IMF directors said after an annual review of Britain's economy. "Should inflationary pressures show signs of further persistence, the policy rate may have to be raised further and would need to remain higher for longer to durably lower inflation and keep inflation expectations anchored." BoE Governor Andrew Bailey on Monday vowed to "see the job through" on returning inflation to its 2% target. The IMF's latest comment is similar to language by staff in a preliminary version of its annual report on the British economy in May. The agency also repeated the forecast it made in May that Britain would avoid recession this year and that the economy would grow by 0.4%. Inflation will slow to "around 5.25%" by the end of the year, it said. May's forecast said inflation at the end of 2023 would be "around 5%". Both forecasts suggested inflation would be below the BoE's 2% target by the middle of 2025. The IMF's directors discouraged finance minister Jeremy Hunt from spending any unexpected fiscal windfalls. Instead, Britain should raise more money over the medium term from carbon and property taxes, and by removing loopholes in wealth and income taxation, in order to fund public services better and stop government debt rising, they said. (Reuters)
- **German inflation bucks downward trend in June -** German inflation rose in June, interrupting a steady decline since the start of the year. German consumer prices, harmonized to compare with other European Union countries, increased by 6.8% on the year in June, the federal statistics office said on Tuesday, confirming preliminary data. The year-on-year rebound in German inflation midway through the second quarter is almost exclusively due to base effects from last year's fuel discount and a temporarily reduced rail fare. In June 2022, in a bid to counter rising energy prices, the German government cut taxes on fuel and introduced a public transport ticket allowing travel across the country for 9 euros a month, causing inflation to dip. Germany's core inflation rate, which excludes volatile items such as food and energy, stood at 5.8% in June, up from 5.4% in May. The statistics office offers a breakdown of the data for June on its website. (Reuters)
- **German EU-harmonized consumer prices up 6.8% Y-O-Y in June -** German consumer prices, harmonized to compare with other European Union countries, increased by 6.8% on the year in June, the federal statistics office said on Tuesday, confirming preliminary data. The statistics office offers a breakdown of the data for June on its website. (Reuters)

Regional

- **OPEC: Global energy demand to rise 23% by 2045 -** Global demand for all forms of energy is forecast to rise by 23% through 2045, OPEC Secretary General Haitham “Al Ghais told a Nigerian oil and gas conference on Tuesday. Oil executives and officials from the Organization of the Petroleum Exporting Countries (OPEC) have repeatedly made the case for continued investment in oil, warning that prices will otherwise spike higher. Al Ghais also said calls to limit or stop funding new oil projects were unrealistic and unwise. He acknowledged, however, the need for technology to tackle continued fossil fuel emissions. “Global primary energy demand is forecast to increase by a significant 23% in the period up to 2045, which means we will need all forms of energy,” he said. “We will require innovative solutions such as carbon capture utilization and storage, and hydrogen projects in addition to a circular carbon economy, which has received a positive endorsement from the G20.” The global oil industry needs $12.1tn in investment during the same period, Al Ghais said, adding the industry was not on track to reach that level of investment yet. Sources close to OPEC have said it will likely maintain an upbeat view on oil demand growth for next year when it publishes its first outlook later this month, predicting a slowdown from this year but still an above-average increase. OPEC's forecast for 2024 will likely be lower than the growth it expects for this year of 2.35mn barrels per day, or 2.4%, an abnormally high rate as the world moves out of the COVID-19 pandemic. Meanwhile, Oil prices edged higher on Tuesday supported by supply cuts by the world's biggest oil exporters and hopes for higher demand in the developing world in the second half of 2023 despite a sluggish economic outlook. Brent crude futures was up 64 cents to $78.33 a barrel at 01324 GMT and U.S. West Texas Intermediate crude was up 71 cents at $73.7. Supply cuts by top exporters Saudi Arabia and Russia for August helped to lift the benchmark prices, which were also supported by the U.S. dollar hitting a two-month low. A weaker dollar makes crude cheaper for holders of other currencies and often boosts oil demand. “Oil has found a floor and the only thing ... that could break that is if U.S. inflation is scorching hot and the Fed is forced to tighten this economy into a recession," said OANDA analyst Edward Moya. Markets are awaiting U.S. inflation data on Wednesday to see if price pressures are continuing to moderate, which could provide clues on the interest rate outlook. While central bank officials said the U.S. Federal Reserve is likely to raise interest rates further to tame inflation, markets are somewhat pacified by indications that months of monetary policy tightening are nearing an end. "Nevertheless, nerves are not completely calmed just yet. Anxiety is still palpable that recession fears could lead to downgrades in oil demand," said PVM analyst Tamas Varga. Still, the International Energy Agency (IEA) is standing firm with the expectation that oil demand from China and developing countries, combined with recently announced supply cuts, is likely to keep the market tight in the second half of the year despite a sluggish global economy, its head said on Monday. (Qatar Tribune)

- **Saudi cabinet reaffirms desire to boost OPEC+ bid to stabilize oil markets -** Saudi Arabia's cabinet has reaffirmed the kingdom's desire to boost precautionary efforts by the Organization of the Petroleum Exporting Countries (OPEC) and their allies to stabilize oil markets, it said in a statement on Tuesday. (Reuters)
- **Pakistan gets $2bn in Saudi financial support -** Pakistan has received $2bn in financial support from Saudi Arabia, Finance Minister Ishaq Dar said on Tuesday, a day before the International Monetary Fund's board is expected to give final approval for a much-needed $3bn bailout. Saudi Arabia has deposited the funds with the central bank, Dar said, boosting foreign exchange reserves when Pakistan was left with barely enough to cover a month of controlled imports. "I thank Saudi Arabia on behalf of the prime minister and army chief," Dar said in a recorded video statement, terming it a "great gesture" from the longtime ally. The Middle Eastern country pledged the funds in April but had held off depositing the money with the State Bank of Pakistan until it was sure that the IMF bailout would be forthcoming. "It reflects the growing confidence of our brotherly countries and the international community in Pakistan's economic turnaround," Prime Minister Shehbaz Sharif said. Teetering on the cusp of a sovereign debt default, Pakistan secured the $3bn IMF bailout on the last day of June, though it still needs approval from the IMF board, which is meeting on Wednesday. Under the nine-month arrangement, Pakistan will receive about $1.1bn upfront and the IMF will stagger disbursements of the rest. The IMF deal will unlock more bilateral and multilateral financing in addition to the money from Saudi Arabia, and Dar has said that he expects Pakistan's foreign exchange reserves to rise to $15bn by the end of this month. Credit rating agency Fitch on Monday upgraded Pakistan's sovereign rating to CCC from CCC-, with the bailout bringing some relief to investors in the country's stocks and bonds. Its sovereign dollar bonds on Tuesday rallied as much as 1.8 cents, according to Tradeweb data, after the Saudi assistance was announced. Shorter-dated bonds enjoyed the biggest gains, with the 2024 issue rising to 77.75 cents on the dollar, having gained almost 30 cents from late-June lows. Pakistan's bonds have had a stellar rally since the heavily indebted nation secured the IMF deal. Sharif's coalition government, which is due to face a national election later this year, has to undertake more painful fiscal discipline measures to satisfy the IMF, and the central bank has raised its policy interest rate to a record high of 22% while ordinary Pakistanis struggle with inflation running at about 29%. (Reuters)
- **Japan PM to offer energy tech to Saudi Arabia, UAE -** Japanese Prime Minister Fumio Kishida plans to offer cutting-edge energy technology to Saudi Arabia and the United Arab Emirates when he visits the Middle Eastern nations this month, Yomiuri reports, citing unidentified government officials. Japan looks to provide technology for fuel ammonia production, solar power generation and hydrogen-carrying ships. Kishida is set to make the offer when he meets with Saudi Crown Prince Mohammed bin Salman and UAE President Sheikh Mohammed bin Zayed during his July 16-19 trip, which also includes a stop in Qatar. (Bloomberg)
- **UAE raises 2030 emissions cut target to 40% -** The United Arab Emirates has updated its national climate pledge under the Paris Agreement to cut emissions by 40% by 2030, raising its target from 31%, the climate ministry said on Tuesday. The plan is part of a third update of the UAE's second Nationally Determined Contribution (NDC), it said in a statement. (Reuters)
- **Dubai property prices surge at fastest pace since 2014 -** Dubai residential property prices in the year to June 30 rose at their fastest in almost a decade, climbing by 16.9%, while average rents jumped by 22.8%, property consultancy CBRE said on Tuesday. The average apartment price per square foot reached 1,294 dirhams ($352.31) and villas averaged 1,525 dirhams per sq ft. Dubai, home to the world's tallest skyscraper and palm-shaped man-made islands, has become one of the fastest-growing cities, recording a population of 3.6mn at July 5, according to the emirate's statistic center. Its property market has boomed after a swift post-pandemic economic rebound and relaxed residency rules. In June 9,876 residential units were sold, up 18.8% from a year earlier, with off-plan sales jumping 44.9% while the secondary market's sales weakened by 0.5%, CBRE added. Average rent was up 22.8% in the year to June 30, slowing from the 24.2% growth recorded at the end of May. "Rental growth rates in several major areas are moderating and many listings within these communities are reducing asking rents," said Taimur Khan, CBRE's head of research. (Reuters)
- **FATF report: UAE compliant on nearly all recommendations -** The UAE has complied with nearly all recommendations and has addressed most of the shortcomings by conducting complementary assessments using a wide range of information sources and with the wide participation of the competent authorities, according to a new Financial Action Task Force (FATF) follow-up report. The FATF recommendations are the technical and legal building blocks for an effective framework to combat money laundering, terrorist financing, and proliferation financing. In March 2022, the country was placed on the grey list. The UAE has committed to implementing the recommendations of the International Cooperation Review Group's (ICRG) Action Plan to remove itself from the grey list swiftly. Industry executives expect the country will come out of the grey list soon as it has been aggressively implementing anti-money laundering and other guidelines in line with FATF. The follow-up report, released last week, stated that the UAE is compliant with most of its 40 recommendations. The UAE was rated compliant in 15 recommendations, largely compliant in 24 and partially compliant in 1. The report lauded the country's enhancement of financial and human resources to combat money laundering and terrorist financing. "In order to achieve this objective, the National Committee detailed it into action plans for all concerned sectors (especially the most at-risk ones). Whereas the country's authorities increased their human resources, established special departments, and issued many legislations and guides in accordance with the identified risks," it said. (Zawya)
- **UAE: Ministry of Finance announces its 5 major strategic transformational projects -** The Ministry of Finance (MoF) announced five major strategic transformational projects to support its ongoing endeavors to implement national priorities and improve government financial work with the aim of further enhancing future readiness. These projects align with the 'We the UAE 2031' vision, which represents a national plan through which the UAE will continue its development path for the next decade and toward the next 50 years and are part of the initiatives conforming with the UAE Digital Government Strategy to reaffirm the UAE's global position as a leading and advanced country in the field of digital government. Mohamed Bin Hadi Al Hussaini, Minister of State for Financial Affairs, noted that the next stage of government work requires defining government priorities, making qualitative transformations, managing resources and budgets and implementing projects that aim to achieve the strategic goals, while strengthening joint action to lead the government development process and meet future requirements of the country. He said, "In an ever-changing world, we must harness more flexible and efficient work tools and methods to keep up with developments in various vital sectors. Through announcing these transformational projects, The Ministry of Finance aims to achieve comprehensive strategic goals and promote its leading role within various vital sectors such as procurement and supply. The ministry also aims to establish effective partnerships with the private sector to improve government services and finance projects and implement them in an optimal way. This is in addition to stimulating expenditure on climate and environment to ensure a sustainable future for tomorrow's generations.

Additionally, the ministry is working on projects related to drawing tax policies and facilitating tax returns to ensure tax compliance and strengthen the tax legislative structure in the country while preserving the competitiveness of the economic environment and its ability to attract foreign investment." Supply Strategy of the Federal Government: The first project, "Promising Future in the Supply Strategy of the Federal Government", aims to incorporate new categories of suppliers for the federal government to support national economic growth and enhance government efforts aimed at expanding and diversifying the supplier base in the federal government. This, in turn, contributes to improving the quality of services and products for federal procurement at competitive prices and achieves returns on the local economy through the application of the National In-Country Value Program's (ICV) standards. During the past period, the Ministry has been keen on working proactively with government entities to identify all government requirements and ensure that the government achieves the largest possible return from this continuously developing national transformational project. Transparency in Climate and Environment Spending Data: The second project, "Enhancing Competitiveness and Transparency in Data Related to Climate and Environment Spending Data," is based on providing data related to state-level government expenditure on the climate and environment to be submitted to the International Monetary Fund and published on the Climate Change Indicators Dashboard, which calculates the indicators of countries' policies related to spending on climate and the environment to measure their impact on macroeconomic sustainability and transparency. Users of the dashboard will be able to assess how economic and financial activities and government policies are linked to climate change and, on a wider scale, the environment. This project falls in line with the UAE's ambitions as it works to boost sustainability efforts and the country's readiness to host COP28. The project will reflect the country's overall efforts in climate action that it launches within the year of sustainability. Public-Private Sector Partnership: The third transformational project, "The Future Phase of Regulating Public-Private Partnerships," will establish an advanced mechanism for organizing partnership projects between public and private sectors to achieve sustainable economic development and diversify financial resources. The Ministry of Finance has set up an effective and flexible mechanism that enables the public sector to attract and establish fruitful partnerships with the private sector in development projects, enhancing the efficiency of services provided by the federal government. With a proactive vision, The Ministry began implementing this project by involving all parties from the government and the private sector and launching various consulting practices to ensure that the project outputs are in line with the two sectors' visions and the country's aspirations in this field. The project is scheduled to be completed in December 2025. Corporate Tax: The "Imposing a Federal Tax on Corporations and Businesses " project, which is being implemented by the Ministry of Finance through the preparation and establishment of the corporate tax policy, includes the legislative system for the policy, the issuance of the law, as well as executive regulations and related ministerial resolutions. E-Billing System: The Ministry of Finance works on the "E-Billing System" project to develop an advanced electronic billing system and activate it at the country level. The system will automate the procedures for filing tax returns with the tax system to facilitate filing tax returns, improve tax compliance, and reduce cases of tax evasion. The project includes different phases and targets that are set to be completed by July 2025. (Zawya)

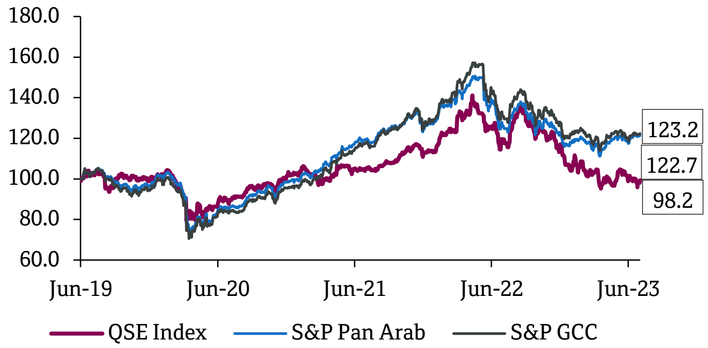
- **Strong momentum in Dubai's non-oil sector lifts PMI to 10-month high in June -** Dubai's non-oil private sector gathered strong momentum in June with increases in new businesses and output driving up employment and inventory levels, a survey showed on Tuesday. The seasonally adjusted S&P Global UAE Purchasing Managers' Index (PMI) rose to 56.9 in June after slipping to 55.3 the previous month, signaling the strongest overall improvement in operating conditions in the sector since August 2022. "Moreover, the headline index remained well above its long-run trend level of 54.6 and the month-on-month rise at 1.6 points was the largest recorded since October 2021," the report said. The expansion in new business was underpinned by strong rise in demand, which rose for the 21st successive month, and at the fastest rate since August 2022. "Dubai's non-oil private sector economy enjoyed accelerating growth of new business in June, supporting another marked rise in overall output. All three of the key sectors monitored - construction, wholesale & retail and travel & tourism - registered faster increases in new work mid-way through the year," said Trevor Balchin, Economics Director at S&P Global Market Intelligence. Hiring continued for the 14th successive month in June, the longest run of continuous job creation in over six years. This was seen to be particularly robust in the construction sector. Supply chains improved and firms continued to build inventory. Companies were also able to continue offering lower prices to customers despite a slightly faster rate of input price inflation during the month. Meanwhile, the 12-month outlook for activity eased slightly since May but was still the second strongest since October 2021. Of the three key sectors monitored, construction was the most optimistic, followed closely by wholesale & retail. (Zawya)
- **UAE: Emiratization targets to be expanded for private companies in 2024 and 2025 -** In implementation of a UAE Cabinet resolution, the pool of private sector establishments subject to Emiratization targets will be expanded to include companies and individual establishments with 20 to 49 employees in specific economic activities, the Ministry of Human Resources and Emiratization (MoHRE) announced. The decision aims to increase the number of Emiratis employed in targeted establishments across 14 key economic sectors, requiring them to hire at least one UAE citizen in 2024 and another in 2025. A yearly financial contribution of AED96,000 will be imposed in January 2025 on establishments that do not comply with the decision in 2024, while non-compliant establishments in 2025 will face a AED108,000 fine in January 2026. The Ministry said non-compliant establishments will be allowed to pay the contributions in installments. The decision requires establishments to hire a UAE national as a replacement in not more than two months or pay the financial contribution of the targeted year if they reduced the numbers of their UAE national staff after the targeted year. Dr. Abdulrahman Al Awar, Minister of Human Resources and Emiratization, said, "Expanding the pool of establishments subject to Emiratization targets is based on a study of the economic sectors in the UAE and the business activities and nature of work of companies with 20 to 49 employees, which indicated the rapid growth this segment of establishments is experiencing and its ability to provide additional jobs and a suitable work environment." He added, "These conditions will attract UAE citizens to work at these establishments, providing a strong boost to Emiratization endeavors and enhancing the private sector's contribution to this national initiative, which has achieved remarkable results with the support and guidance of our wise leadership and the close supervision of His Highness Sheikh Mansour bin Zayed Al Nahyan, Vice President, Deputy Prime Minister, Minister of the Presidential Court and Chairman of the Board of Directors of the Emirati Talent Competitiveness Council. "We are confident that expanding the establishments targeted by Emiratization targets will have a positive impact and bring benefits for both our citizens and the establishments themselves, where the latter will be able to benefit from the support of the Nafis program." The economic activities of the establishments targeted by the decision include specific sectors: information and communications, financial and insurance activities, real estate, professional and technical activities, administrative and support services, arts and entertainment, mining and quarrying, transformative industries, education, healthcare and social work, construction, wholesale and retail, transportation and warehousing, and hospitality and residency services. The targeted establishments will be informed via the Ministry's digital channels, as they will be chosen based on criteria such as types of jobs, work environment, geographical location, nature of growth in these economic sectors, as well as Emiratization priorities. UAE Cabinet Resolution No. 95 of 2022, its amendments or other fines stipulated by the legislation will be applied if an establishment proven circumventing or applying fake Emiratization or providing false information. The decision will be implemented in parallel with the policies to meet Emiratization targets for establishments employing 50 or more employees, who are required to achieve a 1-% growth in the number of Emiratis working in skilled jobs every six months. (Zawya)
- **UAE Economy Minister visits Samsung HQ in Korea -** Abdullah bin Touq Al Marri, Minister of Economy, led the UAE delegation on a visit to Samsung's headquarters in the Republic of Korea to learn about the company's future expansion and investment plans and strengthen its

partnership with the UAE market. The Minister was received by Oh-Hyun Kwon, CEO and Vice President of Samsung Electronics. The UAE delegation was in Seoul to participate in the eighth UAE-Korea Joint Economic Committee aimed at strengthening the existing economic and trade ties and exploring new opportunities for cooperation and investment partnerships with the Korean private sector. Bin Touq emphasized that thanks to the directives of its wise leadership and the competitiveness of its legislative and economic environment, the UAE has succeeded in establishing a stable and attractive investment climate for the technology and the new economy sectors. The country has today become a major trading and investment hub for several leading global companies, which has further contributed to the growth of its FDI balance, attracting more foreign investors from around the world. Furthermore, Bin Touq highlighted the measures adopted by the UAE to drive investments and expansion in new economic sectors, acknowledging its importance in building the future economy and achieving sustainable economic and social development. A wide array of future-oriented economic legislation and policies were introduced to this end, most notably the issuance of new laws on cooperatives, family enterprises, business transactions and trade records, in addition to the launch of the Comprehensive Economic Partnerships (CEPA) program to strengthen its partnership with strategic global markets. Bin Touq said, “Korean FDI in the UAE continues to grow, totaling AED 8.1bn (US$2.2bn) by the beginning of 2021 with a 73% growth compared to that of early 2013. Today, the Republic of Korea is one of the top 20 foreign investors in the UAE. Their investments span several economic and trade sectors including insurance, mining, financial services, retail, real estate, transport, energy and technology.” He added, “Over the past 12 months, 200 new Korean companies have entered the country's markets, taking the total number of economic licenses obtained by Korean companies operating in the UAE to nearly 1,100, up 22% compared to 900 in June 2022.” During the visit, the UAE Minister was briefed on the progress of work and production at Samsung headquarters and the modern digital technologies used in the production of electronic chips, screens and smartphones. (Zawya)

- **Higher revenues boost Oman’s budget surplus to $1.5bn -** The Ministry of Finance announced on Monday that the government achieved a budget surplus of RO581mn this year till May, compared to a surplus of RO631mn in the same period last year. Public revenue was RO5.463bn in this period, a 3% increase compared to RO5.325bn in 2022. This growth is primarily attributed to higher net oil revenue and current revenue, constituting 52% and 30% of total public revenue, respectively. Net oil revenue witnessed a 9% increase to RO2.810bn, compared to RO2.568bn in 2022. This increase is attributed to the average oil price of US$84 per barrel and a rise in average oil production to 1,064,000 barrels per day, the ministry stated. However, net gas revenue declined 26% to RO1.003bn from RO1.356bn in 2022 due to deductions in gas purchase and transport expenses from total revenue collected from Integrated Gas Company. Current revenue saw a significant 18% growth, totaling RO1.644bn, surpassing the RO1.393bn collected in the same period last year. Public spending increased to RO4.882bn, up 4% or RO188mn compared to the previous year’s spending. Current expenditure decreased 9% to RO3.365bn, down by RO320mn from RO3.685bn spent in the same period in 2022. Development expenditure by civil ministries accounted for RO289mn, representing 32% of the total development spending allocated for 2023, amounting to RO900mn. Contributions and other expenses reached RO678mn, a significant 31% increase compared to RO516mn recorded in 2022. This increase is primarily attributed to the electricity sector and oil product subsidies – totaling RO244mn and RO143mn, respectively. Additionally, RO166mn was transferred to future debt obligations. According to National Centre for Statistics and Information data released in June, the GDP at constant prices increased 4.7% in Q1 2023 to RO8.7bn compared to RO8.3bn in the same period last year. The value add of oil activities also rose – 3.5% amounting to RO2.8bn – during Q1 2023. (Zawya)
- **Bahrain approves 2023-26 National Labor Market Plan -** Bahrain's Cabinet has approved the National Labor Market Plan 2023-2026, amending some provisions with regard to regulation of the labor market, in bid to provide an attractive environment for investments and a conducive atmosphere for growth of businesses, reportedbnA. Jamil bin Mohammad Ali Humaidan, Minister of Labor and Chairman of the Board of Directors of the Labor Market Regulatory Authority (LMRA) affirmed the keenness of His Royal Highness Prince Salman bin Hamad Al Khalifa, the Crown Prince and Prime Minister, in sustaining the labor market’s growth to generate more jobs in various sectors. The current plan aims to create job opportunities for citizens and align educational outputs with the needs of the labor market, in addition to enhancing partnerships with the private sector, promoting local and foreign investments in Bahrain, and further consolidating regulation and laws that attract investments and organize workers in the labor market, said the report. The minister highlighted HRH’s directives to set strategic plans to provide an attractive environment for investments and enhance Bahrain’s economic position within an environment conducive for the growth of businesses, it stated. The Labor Minister made a statement following the Cabinet's approval of the National Labor Market Plan 2023-2026, within the framework of implementing the provisions of Decree-Law 21/2021 amending some provisions of Law 19/2006 with regard to the regulation of the labor market, by which the Labor Ministry is assigned to preparing the national plan every four years. The minister said that the National Labor Market Plan has come after completing 91% of the initiatives of the previous plan of 2021-2023 that resulted in increasing employment rates of citizens in the private sector, stated the report. The previous plan also supported the economic recovery plan and attracted investments, which led to higher employment rates and the launching of new training programs, reportedbnA. Humaidan pointed out that the remaining initiatives will be completed within the current plan, which is based on four strategic goals that include 30 initiatives. The minister said that the implementation of the plan will be in collaboration with other government agencies, including the Ministry of Interior, Ministry of Education, Ministry of Industry and Commerce, Council of Higher Education, LMRA, Labor Fund (Tamkeen), Social Insurance Organization (SIO), the Information and e-Government Authority (iGA), the Education and Training Quality Authority (BQA). The minister affirmed that cooperation between public and private sectors is a prerequisite for the success of the plan and for ensuring sustainable growth of the labor market in the kingdom, in line with the Government Program 2023-2026. He stressed that the plan will contribute to enhancing cooperation between government agencies to update data, address challenges, and evaluate and monitor decisions to support the implementation of all initiatives in the National Labor Market Plan. The 2023-2026 plan focuses on contributing to reducing the cost difference between Bahraini and foreign workers and creating more job opportunities for citizens in the private sector. It also contributes to expanding partnerships between the government and the private sector by encouraging institutions and companies to apply all modes of employment in the labor market that contribute to enhancing economic participation, such as part-time employment, and remote work to contribute to the creation of employment opportunities, said thebnA report. The Labor Ministry will also work to develop programs to further integrate women into the labor market and create more recruitment options for them. Through the current plan, the ministry and Tamkeen are seeking to develop the skills and capabilities of national workers by launching training and capacity building initiatives and programs for job seekers that face difficulty in entering the labor market, it stated. This is in addition to training opportunities that Tamkeen provides newly recruited Bahraini with for professional development and advanced technology training. The plan will include a strategy of aligning educational outputs with the labor market needs and focusing on technical and vocational education to create balance between academic and vocational qualifications of national human resources, stated the report. The concerned authorities will develop a plan for post-school education and create educational and training options that cover a variety of technical and practical courses. The partnership with the private sector will be strengthened to enhance productivity and quality of offerings to ensure job stability for citizens in the labor market. Tamkeen will launch a line up of programs aimed at career development in economic sectors; supporting investments and the growth of start-ups small and medium enterprises (SMEs); providing financing and technical consultation and other services aimed at encouraging Bahraini entrepreneurship. The Labor Ministry said the plan aims to strengthen its partnership with the private sector and enhance the investment environment, by stimulating productivity and work quality to ensure job stability for citizens in the job

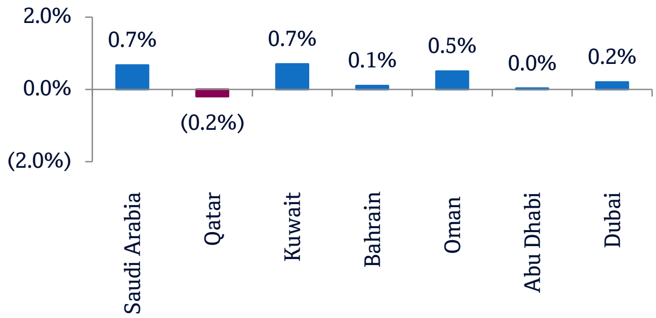
market within the priorities that the government is working to achieve by supporting promotion and development programs for Bahrainis in qualitative jobs. Within the current labor market plan, enhancing supervision is consolidated through cooperation between various organizations to regulate the presence of the foreign working force and legislation pertaining to them, to ensure the stability of the labor market and achieve a balance between Bahraini and foreign workers, reportedbnA. This aims to increase the flow of employment opportunities for citizens in various economic and commercial sectors, in addition to developing procedures and legislation and taking all measures aimed at controlling illegal works; developing laws and regulations aimed at protecting workers; promoting occupational health and safety in the workplace; and improving the quality of life of the workforce, it added. (Zawya)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,932.23	0.4	0.4	5.9
Silver/Ounce	23.12	(0.0)	0.1	(3.5)
Crude Oil (Brent)/Barrel (FM Future)	79.40	2.2	1.2	(7.6)
Crude Oil (WTI)/Barrel (FM Future)	74.83	2.5	1.3	(6.8)
Natural Gas (Henry Hub)/MMBtu	2.57	0.8	3.6	(27.0)
LPG Propane (Arab Gulf)/Ton	64.60	7.1	9.5	(8.7)
LPG Butane (Arab Gulf)/Ton	49.10	11.6	14.7	(51.6)
Euro	1.10	0.1	0.4	2.8
Yen	140.36	(0.7)	(1.3)	7.0
GBP	1.29	0.6	0.7	7.0
CHF	1.14	0.7	1.1	5.1
AUD	0.67	0.2	(0.1)	(1.9)
USD Index	101.73	(0.2)	(0.5)	(1.7)
RUB	110.69	0.0	0.0	58.9
BRL	0.21	0.9	0.3	8.9

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,953.12	0.8	1.0	13.5
DJ Industrial	34,261.42	0.9	1.6	3.4
S&P 500	4,439.26	0.7	0.9	15.6
NASDAQ 100	13,760.70	0.5	0.7	31.5
STOXX 600	451.72	0.9	1.2	9.2
DAX	15,790.34	0.9	1.5	16.5
FTSE 100	7,282.52	0.7	0.9	4.4
CAC 40	7,220.01	1.2	1.8	14.6
Nikkei	32,203.57	0.9	0.7	15.2
MSCI EM	994.89	1.3	1.5	4.0
SHANGHAI SE Composite	3,221.37	0.8	1.0	(0.2)
HANG SENG	18,659.83	1.0	1.6	(6.0)
BSE SENSEX	65,617.84	0.6	0.8	8.3
Bovespa	117,219.95	(0.7)	(1.8)	15.8
RTS	997.64	0.4	2.2	2.8

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