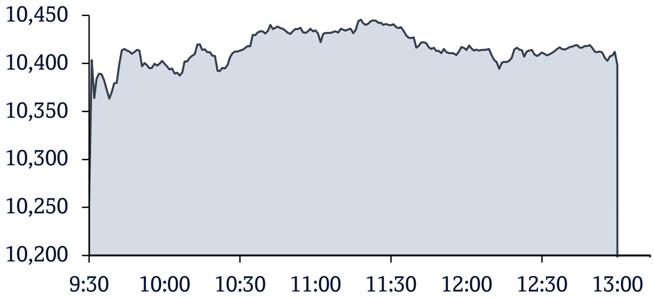
QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 1.5% to close at 10,398.3. Gains were led by the Banks & Financial Services and Real Estate indices, gaining 2.9% and 1.1%, respectively. Top gainers were QNB Group and The Commercial Bank, rising 4.8% and 2.3%, respectively. Among the top losers, Ahli Bank fell 3.3%, while Qatar Navigation was down 1.5%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.6% to close at 11,842.6. Gains were led by the Transportation and Food & Beverages indices, rising 1.7% and 1.6%, respectively. Rasan Information Technology Co. rose 6.9%, while Nayifat Finance Co. was up 5.7%.

Dubai: The DFM Index gained 0.4% to close at 4,380.4. The Real Estate index rose 0.7%, while the Financials index gained 0.6%. International Financial Advisors rose 11.6%, while Al Ramz Corporation Investment and Development was up 9.0%.

Abu Dhabi: The ADX General Index gained 0.5% to close at 9,350.3. The Telecommunication index rose 1.4%, while the Energy index gained 1.0%. Apex Investments rose 10.6%, while Abu Dhabi National Co. For Building Materials was up 8.6%.

Kuwait: The Kuwait All Share Index gained 0.2% to close at 7,158.6. The Insurance index rose 2.1%, while the Energy index gained 2.0%. Senergy Holding Company rose 11.7%, while Kuwait Business Town Real Estate Co. was up 9.7%.

Oman: The MSM 30 Index gained 0.4% to close at 4,745.6. Gains were led by the Industrial and Services indices, rising 0.4% and 0.3%, respectively. Construction Materials Industries & Contracting rose 7.1%, while Majan College was up 4.8%.

Bahrain: The BHB Index fell 0.1% to close at 1,952.4. Ithmaar Holding declined 7.7%, while Aluminum Bahrain was down 0.9%.

Market Indicators	12 Sep 24	11 Sep 24	%Chg.
Value Traded (QR mn)	513.5	356.7	44.0
Exch. Market Cap. (QR mn)	602,001.6	592,224.1	1.7
Volume (mn)	168.3	125.1	34.6
Number of Transactions	17,363	14,754	17.7
Companies Traded	51	49	4.1
Market Breadth	39:7	14:33	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	23,713.65	1.5	0.9	2.0	11.5
All Share Index	3,700.74	1.6	1.0	2.0	12.0
Banks	4,563.37	2.9	2.4	(0.4)	9.8
Industrials	4,224.48	0.3	(0.4)	2.6	16.1
Transportation	5,421.64	(0.1)	(0.4)	26.5	13.9
Real Estate	1,546.37	1.1	(0.2)	3.0	23.6
Insurance	2,353.97	(0.1)	(0.6)	(10.6)	167.0
Telecoms	1,723.29	0.3	(1.4)	1.0	11.4
Consumer Goods and Services	7,656.24	0.6	0.3	1.1	17.5
Al Rayan Islamic Index	4,819.60	0.7	(0.0)	1.2	14.6

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Agility Global PLC	Abu Dhabi	1.24	6.0	15,660.4	0.0
QNB Group	Qatar	16.46	4.8	5,722.8	(0.4)
Bupa Arabia for Coop. Ins.	Saudi Arabia	222.40	3.4	136.9	4.2
Phoenix Group	Abu Dhabi	1.63	2.5	11,300.3	(27.2)
MBC Group	Saudi Arabia	45.40	2.5	316.6	0.0

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Kingdom Holding Co.	Saudi Arabia	9.33	(2.8)	801.3	30.5
Bank Nizwa	Oman	0.11	(1.9)	3,084.3	9.4
Emirates Central colling Sys	Dubai	1.67	(1.8)	1,160.3	0.6
Al Ahli Bank of Kuwait	Kuwait	0.29	(1.7)	676.5	29.8
Saudi Kayan Petrochem. Co	Saudi Arabia	7.91	(1.1)	4,310.2	(27.8)

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%
QNB Group	16.46	4.8	5,722.8	(0.4)
The Commercial Bank	4.370	2.3	5,432.5	(29.5)
Qatar Islamic Bank	20.35	2.2	1,244.0	(5.3)
Qatar National Cement Company	3.657	2.0	956.1	(7.3)
Barwa Real Estate Company	2.820	1.8	6,970.5	(2.6)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Ahli Bank	3.740	(3.3)	94.4	3.3
Qatar Navigation	11.46	(1.5)	1,293.4	18.1
Qatar Electricity & Water Co.	15.45	(0.6)	495.6	(17.8)
Meeza QSTP	3.435	(0.4)	443.3	19.7
Qatar Insurance Company	2.138	(0.4)	203.6	(17.5)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Masraf Al Rayan	2.401	1.4	21,252.8	(9.6)
Mazaya Qatar Real Estate Dev.	0.601	1.0	13,291.4	(16.9)
Qatar Aluminum Manufacturing Co.	1.243	0.6	12,689.8	(11.2)
Mesaieed Petrochemical Holding	1.637	1.1	9,443.5	(8.4)
Doha Bank	1.701	0.7	8,333.8	(7.0)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	16.46	4.8	94,038.5	(0.4)
Masraf Al Rayan	2.401	1.4	51,019.0	(9.6)
Industries Qatar	13.01	0.3	34,791.0	(0.5)
Dukhan Bank	3.745	0.4	25,441.9	(5.8)
Qatar Islamic Bank	20.35	2.2	25,316.8	(5.3)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,398.32	1.5	0.7	1.9	(4.0)	141.05	165,068.8	11.5	1.3	4.1
Dubai	4,380.49	0.4	0.4	1.3	7.9	53.89	200,415.8	8.5	1.3	5.5
Abu Dhabi	9,350.32	0.5	0.5	0.7	(2.4)	1,482.95	701,934.2	17.0	2.6	2.1
Saudi Arabia	11,842.55	0.6	(2.1)	(2.5)	(1.0)	1,729.89	2,647,636.0	19.6	2.3	3.6
Kuwait	7,158.56	0.2	(0.4)	(0.3)	5.0	170.54	153,154.2	19.0	1.7	3.3
Oman	4,745.56	0.4	(0.3)	(0.0)	5.1	8.40	24,126.7	12.2	0.9	5.3
Bahrain	1,952.36	(0.1)	0.3	(0.3)	(1.0)	7.23	20,151.0	7.7	0.7	8.9

*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 1.5% to close at 10,398.3. The Banks & Financial Services and Real Estate indices led the gains. The index rose on the back of buying support from GCC and Arab shareholders despite selling pressure from Qatari and Foreign shareholders.
- QNB Group and The Commercial Bank were the top gainers, rising 4.8% and 2.3%, respectively. Among the top losers, Ahli Bank fell 3.3%, while Qatar Navigation was down 1.5%.
- Volume of shares traded on Thursday rose by 34.6% to 168.3mn from 125.1mn on Wednesday. Further, as compared to the 30-day moving average of 123.9mn, volume for the day was 35.9% higher. Masraf Al Rayan and Mazaya Qatar Real Estate Dev. were the most active stocks, contributing 12.6% and 7.9% to the total volume, respectively.

Overall Activity	Buy%*	Sell%*	Net (QR)
Qatari Individuals	29.26%	36.07%	(34,976,280.27)
Qatari Institutions	31.13%	28.53%	13,379,101.12
Qatari	**60.39%**	**64.60%**	**(21,597,179.14)**
GCC Individuals	0.40%	1.00%	(3,035,331.30)
GCC Institutions	8.63%	3.02%	28,798,156.86
GCC	**9.03%**	**4.02%**	**25,762,825.56**
Arab Individuals	9.73%	8.77%	4,923,105.68
Arab Institutions	0.00%	0.00%	-
Arab	**9.73%**	**8.77%**	**4,923,105.68**
Foreigners Individuals	3.43%	2.68%	3,858,273.51
Foreigners Institutions	17.42%	19.94%	(12,947,025.60)
Foreigners	**20.85%**	**22.62%**	**(9,088,752.09)**

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

Global Economic Data

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
12-09	US	Bureau of Labor Statistics	PPI Final Demand MoM	Aug	0.20%	0.10%	0.00%
12-09	US	Department of Labor	Initial Jobless Claims	07-Sep	230k	226k	228k
09-13	EU	Eurostat	Industrial Production SA MoM	Jul	-0.30%	-0.30%	0.00%
09-13	EU	Eurostat	Industrial Production WDA YoY	Jul	-2.20%	-2.30%	-4.10%
12-09	Germany	German Federal Statistical Office	Wholesale Price Index YoY	Aug	-1.10%	NA	-0.10%
12-09	Germany	German Federal Statistical Office	Wholesale Price Index MoM	Aug	-0.80%	NA	0.30%
09-14	China	National Bureau of Statistics	Industrial Production YoY	Aug	4.50%	4.70%	5.10%

Qatar

- **Qatar mulls increasing its stake in Iberdrola -** The Qatar Investment Authority, the country's sovereign wealth fund, is considering raising its stake in Spanish power company Iberdrola, Spanish newspaper Expanción reported on Friday, citing unidentified energy sector sources. Qatar, which has an 8.8% stake in Iberdrola, according to LSEG data, and is the utility's largest shareholder, has discussed the possibility with the Spanish government, the newspaper said. Under Spanish rules, a foreign investor requires government approval to own more than 10% of a strategic company, such as Iberdrola. Spain recently blocked the acquisition of a local train maker by a Hungarian investor. (Bloomberg, Reuters)
- **Qatar ranks among top 10 countries for investments -** Qatar took the 9th spot in attracting foreign investments and the 25th 'Best Country' worldwide, up by one place compared to 2023, as per the latest 'Best Countries in the World' rankings by US News & World Reports. This significant milestone enabled the country to move up four places Y-O-Y in the attribute that assesses where respondents would like to live, signaling that Qatar is drawing more interest in this sector. Speaking to The Peninsula, Elliott Davis, Analyst and Reporter at US News & World Report on Best Countries said that Qatar's robust performance has boosted the growing GDP, eventuating the country to rank among the best countries globally. He said: "Qatar turned in a solid performance for the 2024 version of rankings, entering the top 25 overall. It ranks in the top 30 for six of the 10 sub rankings, including a number 3 placement in movers, which assesses a country's prospects for future growth depending on factors such as how prepared it is to weather challenges posed by the global economy." However, Qatar ranks in the bottom half, ranking 58 on the 'Start a business' list, landing at number 23 in entrepreneurship and 34 in 'Business Opportunities', respectively. "It did not rise or fall in the entrepreneurship sub-ranking, but Qatar did jump 37 spots in 'Open for Business', which represented the largest sub-ranking increase among all countries we assessed," Davis noted. On the other hand, Qatar is placed at number 18 in the 'Cultural Influence' sub ranking. The researcher stressed that it "Assesses how much of a 'trendsetter' a country is perceived to be – jumping three spots in that sub-ranking compared to 2023. But in terms of tourism – one of the attributes that informs the separate adventure sub ranking – Qatar ranks number 36, which is still close to the top third of countries on our list." Meanwhile, the country declined one spot in the movers' sub ranking as compared to last year to rank three among the top 89 nations in the US News & World rankings. "Its massive rise in the 'Open-for-Business' category, however, paints a positive picture of how global citizens view Qatar's economy. It is also in the top 25 for the agility sub ranking, which assesses a country's adaptability," he said. Qatar also indicated a staunch performance by jumping three places in the 'Power' sub-ranking, coupled with the improved 'Open for Business' category, a resounding indicator of respondents' and investors' viewpoints on its progression in global standing. In its overall 'Best Countries' rankings in 2024, Switzerland continued to dominate the list for the third consecutive time, followed by Japan and the United States. (Peninsula Qatar)
- **Real estate trading volume exceeds QR827mn in August 2024 -** The volume of real estate trading in sale contracts registered with the Real Estate Registration Department at the Ministry of Justice in August 2024, amounted to QR827,058,956. The data of the real estate analytical bulletin issued by the Ministry of Justice revealed that 249 real estate transactions were recorded during the month, as the number of properties sold index recorded an increase of 01%, compared to the previous month. Doha, Al Rayyan, and Umm Salal municipalities topped the most active transactions in terms of financial value in August, according to the real estate market index, followed by Al Dhaayen, Al Wakrah, Al Khor and Al Dhakira, and Al Shamal. The real estate market index for August 2024 revealed that the financial value of Doha municipality's transactions amounted to QR287,587,480. The financial value of Al Rayyan municipality's transactions amounted to QR235,384,093, financial value of Umm Salal municipality's transactions amounted to QR110,585,490, while the financial value of Al Dhaayen municipality's transactions amounted to QR91,296,641. The financial value of Al Wakrah municipality's transactions amounted to QR52,272,200. The financial value of Al Khor and Al Dhakira municipality's transactions amounted to QR31,750,093, while Al Shamal municipality recorded transactions with a value of QR17,786,959mn. In terms of the traded space index, indicators revealed that Al Rayyan, Doha, and Umm Salal municipalities recorded the most active municipalities, in terms of traded real estate spaces during August 2024, with 34% for Al Rayyan municipality, followed by Doha

municipality with 21%, and Umm Salal with 14%. Concerning the index of the number of real estate transactions (sold properties), trading indices revealed that the most active municipalities during August were Al Rayyan with 31%, followed by Doha with 23%, then Al Dhaayen with 14%. Umm Salal recorded traded transactions with 13%, Al Wakrah with 8%, Al Khor and Al Dhakira with 6%, and Al Shamal with 5% of the total real estate transactions. The trading volume revealed the highest value of 10 properties sold in the month of August. (Peninsula Qatar)

- **CWQ: Qatar's hotel pipeline set to ease despite robust occupancy -** Qatar is likely to witness reduced pipeline of new hotels in future although occupancy levels and average daily rate (ADR) were seen robust, according to Cushman and Wakefield Qatar (CWQ). While overall occupancy rates and ADRs have performed relatively well this year to date, several hotels have struggled to gain traction in an increasingly competitive market, CWQ said in its recently released report. "The prevailing market conditions have resulted in reluctance from investors to support new hotel development, which has reduced the pipeline of future supply in Doha," it said. By April, the overall supply of hotel key in Qatar reached 39,715, of which approximately 10,000 were hotel apartments, it said, adding about 90% of hotel rooms in Qatar are classed as four star of five-star, with the majority of apartments being classed as 'deluxe'. "While the pace of new supply has slowed over the past year, the total number of rooms reflects an increase of more than 45% in five years, putting pressure on hotel occupancies and the performance of hotel restaurants over a sustained period," according to the report. In June, the Prime Minister and Minister of Foreign Affairs HE Sheikh Mohammed bin Abdulrahman bin Jassim al-Thani launched the Simaisma Project, led by Qatari Diar and represents the most significant tourism project in Qatar to date. It aims to establish an internationally recognized tourist destination and forms part of Qatar's ambitious National Development Strategy 2024-30, which seeks to diversify economic growth. It will feature 16 resort hotels, a theme park, an international standard golf club, a yacht club and marina and significant retail and restaurants provisions. The National Tourism Council's latest statistics report reflected a buoyant tourism and hotel sector in Q1-2024. Tourist arrivals to Qatar surpassed 1.6mn in the first three months of the year, a 40% increase on 2023. This created a demand for room nights in hotels of 2.6mn, up 37% on the previous year. Saudi Arabia is Qatar's largest source market for visitors for Qatar with 28% of overall visitors coming from the neighboring country. India represents the second biggest market at 7%, while the third highest number of visitors came from Germany (5%) in the review period. The increase in visitors has boosted the performance metrics for the hotel real estate sector with occupancy up from 54% in Q1- 2023 to 75% this year. Monthly occupancy peaked at 85% in February, coinciding with Qatar hosting the Asian Cup and Web Summit. The increase in demand also boosted hotel revenues in Q1-2024 with ADR's up 10% year-on-year to QR481 and RevPARs (revenue per available room) up 53% to QR361. According to statistics released by the National Planning Council in April, overall occupancy was 63% while ADRs were QR463, up from 47% and QR442 in April 2023 respectively. (Gulf Times)
- **QIA's $1bn 'fund of funds' seen as key catalyst for VC activity in Qatar -** The Qatar Investment Authority's (QIA) $1bn 'fund of funds', announced this year by HE the Prime Minister and Minister of Foreign Affairs Sheikh Mohamed bin Abdulrahman bin Jassim al-Thani, could catalyze venture capital (VC) activity in the country. This was among the main points industry experts agreed upon during a panel discussion titled 'Venture Capital Unplugged: The Ecosystem and Funding Blueprint' hosted recently by Startup Grind Qatar. Moderated by Salman Surti, program lead at Qatar FinTech Hub (QFTH), the panel discussion highlighted insights from Alex Wiedmer, partner at Rasmal Ventures; Michael Lints, partner at Golden Gate Ventures; and Muhhanad Taslaq, director of investments at Alchemist Doha. Wiedmer underscored the significance of having "more funds on the ground" in attracting VCs, noting that this would translate to more entrepreneurs. He further stated that Qatar is following the successful model of other jurisdictions where governments actively support venture capital growth. He also explained that the impact of the fund of funds extends beyond direct investments: "Even if they don't invest directly, these funds interact with the entrepreneur ecosystem. They advise, mentor, and attract more entrepreneurs to set up around where they are." According to Wiedmer, Qatar witnessed "a sharp rise in entrepreneurial activity" in the last four years. Before the prime minister's fund of funds announcement at Web Summit Qatar 2024, he emphasized that there have been other government initiatives that have contributed to the "increase in the sophistication of projects" across the country. Lints, on the other hand, drew parallels with Singapore's experience in cultivating a thriving venture capital environment, citing the Technology Incubation Scheme (TIS), a government funding program of the National Research Foundation (NRF) established in 2009. He said the impact of the TIS was significant in the "massive growth" in the number of Singapore's VCs to almost 400 in over a decade. Speaking on the QIA's fund of funds initiative, Lints acknowledged its positive impact, saying: "It's good for Qatar and the ecosystem. It's brought a lot of attention from global funds. Today, many of them are looking at Qatar." But Lints also cautioned about the importance of balanced growth in the venture capital ecosystem, citing the importance of the need for "a mixture of funds that are on the ground. Meanwhile, Taslaq underscored the importance of collaboration in building Qatar's startup ecosystem. "One of the great things that we agreed on when we started Alchemist Doha is that we're not here to compete with anybody. We want to work and collaborate with everybody," Taslaq emphasized. "Any incubation center or accelerator in Doha is a potential partner with us. So, we're not competing with them; we want to work with them and support the ecosystem," Taslaq explained, saying this collaborative approach extends to all players in the ecosystem. Highlighting Alchemist Doha's vision for Qatar, Taslaq said: "The whole vision here is to transform Qatar into a hub for tech startups for the benefit of entrepreneurs, and that doesn't happen without partnerships. This approach involves engaging with various stakeholders, including venture capital firms." (Gulf Times)
- **Qatar tops countries in Global Cybersecurity Index 2024 -** The National Cybersecurity Agency (NCSA) announced that Qatar has achieved a major accomplishment in the Global Cybersecurity Index (GCI) 2024, as it was classified as a "model" country at the international level in the field of cybersecurity. According to the index issued on Friday by the International Telecommunication Union of the United Nations, Qatar was classified in this classification due to its excellence in the various pillars that represent cybersecurity obligations at the state level, namely, legal, technical, regulatory, capacity development, and cooperation. Qatar obtained full scores in the five pillars, reflecting its strong commitment to enhancing cybersecurity at the local and international levels and its leading role in developing effective cybersecurity strategies. These results confirm the importance of the continuous efforts made by Qatar to provide a safe digital environment and enhance international cooperation in confronting increasing cyber threats. The Global Cybersecurity Index (GCI 2024) assesses national efforts through a new analysis that will contribute to a greater focus on each country's progress in terms of cybersecurity commitments and the resulting impacts. The report places 46 countries in Tier 1, the highest of five levels, and is designated for "model" countries that demonstrate a strong commitment to all five pillars of cybersecurity. (Qatar Tribune)
- **PM launches National Health Strategy 2024-2030 -** Prime Minister and Minister of Foreign Affairs H E Sheikh Mohammed bin Abdulrahman bin Jassim Al Thani launched the National Health Strategy 2024-2030 titled 'Health for All'. The strategy builds on the progress of National Health Strategy 2018-2022, to enhance the health and well-being of Qatar's people by providing excellence in services, with an emphasis on sustainability and efficiency in a strong and interconnected and resilient healthcare system. Minister of Public Health H E Dr. Hanan Al Kuwari and several other dignitaries and officials were present at the National Health Strategy 2024-2030 launch event. In a media statement H E Dr. Al Kuwari said, "The National Health Strategy 2024-2030 marks the beginning of a new phase in our journey towards achieving Qatar National Vision 2030 and the Third National Development Strategy for 2024-2030. Our aim is to provide a long and healthy life for current and future generations." Prime Minister and Minister of Foreign Affairs H E Sheikh Mohammed bin Abdulrahman bin Jassim Al Thani, Minister of Finance H E Ali bin Ahmed Al Kuwari (third right); Minister of Public Health H E Dr. Hanan Al Kuwari (fifth right) and Their Excellencies the Ministers during the launch of National Health Strategy 2024-2030 yesterday. She added, "Under the

wise leadership of Amir H H Sheikh Tamim bin Hamad Al Thani, we are committed to ensuring [the] sustainability [of our healthcare system] and meeting the health needs of the population in accordance with the highest standards. Our goal is to achieve excellence, ensuring that Qatar enjoys the highest quality of life. We are working to achieve several key healthcare objectives, including increasing life expectancy to 82.6 years, reducing mortality from non-communicable diseases by 36%, and lowering infant mortality to 2 per 1,000 live births." The National Development Strategy for 2024-2030 has set three priority areas. Among them, the priority area 'Improved Population Health and Wellbeing' aims to promote a more health-conscious population that actively manages their health, with a focus on reducing non-communicable diseases. The second priority area of 'Excellence in service delivery and patient experience' aims to build public trust in care quality and consistency through modernizing and integrating care delivery. The third priority area of 'Health system efficiency and resilience' aims for system sustainability through enhancing governance, financing, digitalization, workforce skills, innovation, and operational efficiency. (Peninsula Qatar)

- **QCB governor: Fixed exchange rate key to financial stability in GCC -** Qatar recently hosted the first edition of the annual conference aimed at strengthening joint cooperation among the central banks of Gulf Cooperation Council (GCC) countries. Titled "The Impact of Exchange Rate Policy, Digital Transformation, and Artificial Intelligence on Financial and Monetary Stability in GCC Countries," this groundbreaking event brought together distinguished leaders from the central banks of the GCC countries. The conference's first session began with remarks from Qatar Central Bank Governor Sheikh Bandar bin Mohammed bin Saoud Al Thani who emphasized the central role of exchange rate policy in the economic framework of each country. He explained that each nation adopts a currency policy tailored to its unique economic nature. In the case of the Gulf countries, most have implemented a fixed exchange rate system, which has proven successful in stabilizing their financial and monetary environments. Sheikh Bandar highlighted that the fixed exchange rate policy has brought numerous benefits, including attracting foreign investment, preserving domestic capital, and mitigating fluctuations in import prices and inflation. Furthermore, this policy has reduced the cost of major infrastructure projects across the region. Despite the challenge posed by the limited independence of monetary policy under a fixed exchange rate regime, Sheikh Bandar argued that the advantages, such as financial stability and economic diversification, far outweigh the drawbacks. He stressed that adopting a fixed exchange rate policy is not a decision taken lightly but rather one that is based on careful study of each country's economic structure and infrastructure. Through these assessments, the fixed exchange rate policy has emerged as the most effective strategy for the Gulf states. Sheikh Bandar added that transitioning to a different exchange rate policy would require significant changes to the economic structure, a process that would take decades rather than happen overnight. He also noted that the International Monetary Fund (IMF) has commended the success of the GCC's current exchange rate policies. Sheikh Bandar further discussed the success of Gulf countries in maintaining moderate inflation levels. While global inflation rates surged to 9-10% over the past two years, inflation in the GCC remained around 5-6%, demonstrating the effectiveness of the region's monetary policies in controlling inflation. Saudi Central Bank Governor Ayman bin Mohammed Al Sayari elaborated on the broader role of monetary policy in maintaining economic stability. He emphasized that monetary stability is crucial for the long-term sustainability of Gulf economies, which rely heavily on energy exports. With around 70% of the GCC's exports priced in US dollars, maintaining a fixed exchange rate helps reduce currency fluctuations and mitigate imported inflation. Al Sayari also highlighted the role of exchange rate stability in supporting economic diversification, noting that it enables better financial planning and long-term economic policy formulation. This stability makes the Gulf economies more attractive to foreign investors, particularly in sectors that rely on the import of intermediate and capital goods essential for the production process. Furthermore, Al Sayari underscored that the fixed exchange rate policy has bolstered the credibility of the Gulf's central banks, allowing them to maintain lower interest rate margins compared to other emerging markets. He cited the COVID-19 pandemic as a test of the effectiveness of the GCC's monetary and financial stability, noting that the region's central banks successfully supported the private sector's access to credit, which in turn helped safeguard national economies during the global crisis. The Saudi governor also pointed to the growth of the Gulf economies between 2000 and 2023, with an average GDP growth of around 4% compared to 1.8% in developed economies over the same period. Inflation rates in the GCC remained stable at around 2%, further illustrating the success of the region's monetary policies. Al-Sayari concluded by reaffirming that maintaining monetary stability is the central bank's top priority, as it helps alleviate inflationary pressures and promotes economic growth. Tahir bin Salem Al Amri of Central Bank of Oman spoke about the diversity of exchange rate regimes, explaining that the choice of exchange rate policy—whether fixing the exchange rate or pegging it to a particular currency—is driven by purely economic considerations. He praised the GCC economies for achieving various gains through their chosen exchange rate policies, noting that these policies have proven beneficial for regional stability. Al Amri also emphasized that the Gulf economies are among the largest and most important globally, and therefore require appropriate exchange rate policies to meet their economic goals. Historically, the fixed exchange rate system has provided a stable environment for attracting investments, supporting economic development, and facilitating integration between monetary and fiscal policies across the region. Central Bank of Bahrain Governor Khalid Ibrahim Humaidan echoed the sentiments of his fellow panelists by emphasizing the advantages of a fixed exchange rate policy. He highlighted that over the past 40 years, the Gulf economies have recorded high growth rates, averaging 15% faster growth compared to other parts of the world. In addition, inflation in the GCC has remained lower than the global average, standing at around 2% compared to 5.1% globally. Governor Humaidan also pointed out that the region has successfully attracted foreign direct investment, with annual growth rates of 5.5% compared to 3.1% in the rest of the world. He stressed that the fixed exchange rate policy has played a critical role in this achievement by providing a stable currency environment that supports investment and economic expansion. (Qatar Tribune)

- **Doha Bank signs MoU with Estithmar Holding to provide exclusive privileges to Himyan Card customers -** Doha Bank has announced the signing of a memorandum of understanding (MoU) with Estithmar Holding to provide exclusive discounts on several entertainment facilities and outlets when paying using the Himyan Card. The discounts apply in several hotels including Katara Hills Resort LXR, and Maysan Doha Resort LXR, among others, in addition to dozens of restaurants spread across The Pearl Island, Lusail Boulevard, Mall of Qatar, Souq Waqif. Himyan cardholders also enjoy discounts on Lusail Winter Wonderland packages, the world-class amusement park on Al Maha Island. Sheikh Abdulrahman bin Fahad al-Thani, CEO of Doha Bank Group, stressed that the bank is keen to provide the best competitive advantages to its Himyan customers. He said: "This national initiative, supervised by the Qatar Central Bank and supported by Doha Bank, aims to provide a safe and easy-to-use digital payment method, which enhances the shift towards non-cash payments by taking advantage of modern technologies. We are keen to provide the best offers and features to Himyan holders, and we are pleased to have Estithmar Holding and its distinguished projects join the list of providers of exclusive offers to our customers." Engineer Mohammed bin Badr al-Sada, CEO of Estithmar Holding, said: "This step comes in response to the national initiative supervised by the Central Bank and we have launched this program, in cooperation with Doha Bank. "We invite Himyan card customers to benefit from these exclusive offers in our world-class hotels and facilities, and we hope that through these offers we will contribute to supporting the card, which is a remarkable step towards digitizing payment systems in Qatar." The Himyan debit card is a national payment card issued under the supervision of Qatar Central Bank and is available upon request to all Doha Bank customers. Customers can use the Himyan Card locally for financial transactions carried out at Point of Sale (POS) devices, ATMs, and e-shopping sites within Qatar through the National ATM and Point of Sale (NAPS) network, and the QPay payment gateway. Doha Bank is the first bank to offer these exclusive benefits and discounts on the Himyan debit card. (Gulf Times)

- **QFC activates Digital Assets Lab with 24 participants -** Qatar Financial Centre (QFC) has activated the QFC Digital Assets Lab with 24 participants who have successfully cleared a screening process. This cohort will benefit from a comprehensive support system for developing, testing and commercializing their digital solutions and services. The participants will develop transformative solutions tailored to a variety of use cases across different industries. By leveraging distributed ledger technology, the innovators seek to address industry challenges and drive digital transformation in their respective sectors. Among the 24 successful candidates are ALT Realtech, Bladelabs, Polygon, and Partior. To bolster the capabilities of the Digital Assets Lab, QFC has partnered with leading international organizations such as Google Cloud, Masraf Al Rayan, The Hashgraph Association, and R3. These strategic partners will offer subject matter expertise, providing participants with valuable knowledge and industry insights. The Digital Assets Lab supports the stakeholders in exploring and experimenting with various use cases, such as trade finance, real-world asset tokenization, carbon credit tokenization and various ancillary services to support the end-to-end tokenization. To facilitate these processes, the Lab and its participants will operate under the newly launched QFC Digital Assets Framework, established to ensure a secure and transparent digital asset ecosystem for asset tokenization processes and the implementation of a trusted technology infrastructure. Yousuf Mohamed Al-Jaida, Chief Executive Officer, QFC, commented on the diversity of the first cohort, stating: "I am delighted that the Digital Assets Lab has officially commenced, with 24 participants working on technologies with different applications. Their collective effort and expertise will be pivotal in advancing digital asset solutions across multiple industries. The technologies we aim to develop through the Lab will support our goal of creating a resilient and secure financial sector, fostering a thriving wealth management hub, and positioning Qatar at the forefront of innovation." The QFC Digital Assets Lab was launched in October 2023 to accelerate the development of Qatar's digital ecosystem. (Qatar Tribune)

- **Qatar-Thailand trade hit $3.8bn in 2023 -** Qatar and Thailand have fostered a robust and multi-faceted partnership since the establishment of diplomatic relations in 1980. Over the past four decades, cooperation between the two nations has expanded across numerous key areas, including political and security collaboration, trade and investment, sustainable development, technology and innovation, food and energy security, tourism, health and wellness tourism, and people-to-people connections. The extensive collaboration reflects the shared commitment to advancing mutual interests and strengthening bilateral ties for the benefit of both nations. Thai Ambassador to Qatar, H E Sira Swangsilpa, speaking to The Peninsula, said, "In 2023, bilateral trade between Thailand and Qatar reached a substantial value of $3.789bn. Thailand's major exports to Qatar include automobile parts, gems and jewelry, and air conditioners, while Qatar exports liquefied natural gas (LNG), crude oil, and fertilizers to Thailand. The establishment of QatarEnergy's office in Bangkok underscores the growing importance of LNG trade between our countries. "Thailand, as a major global food exporter, is keen to expand its trade in food and agricultural products, thereby supporting Qatar's food security efforts. In August 2024, the Royal Thai Embassy co-organized a landmark visit for executives from Qatar's Food Safety Department of the Ministry of Public Health to Thailand. "This initiative marks the first joint project between the Embassy and the Food Safety Department, representing a significant step in aligning our national development agendas, such as Ignite Thailand, Qatar National Vision 2030, and the upcoming Qatar National Food Security Strategy 2024 - 2030. During the visit, both sides exchanged insights on Thai-land's food safety protocols, including pre-export inspections, port control and management, and the detection of Haram components at the Halal Forensic Sciences Laboratory. (Peninsula Qatar)

- **Municipality Ministry enhances private sector role in recycling -** The Ministry of Municipality has granted several waste management contracts to private sector entities, with the objective of strengthening the involvement of companies in recycling and waste treatment. This initiative aligns with the ministry's strategy to advance sustainability efforts and fulfill the objectives outlined in Qatar National Vision 2030 and the Third National Development Strategy 2024-2030.Director of the Waste Recycling and Treatment Department at the Ministry of Municipality Eng. Hamad Jassim Al Bahr said that the contracts include the privatization of all waste transfer stations in Qatar, the construction of a new engineered landfill, the rehabilitation of old landfills, and the operation of the Al Khor waste sorting station, which is designed to recover recyclable materials and differs technically from other transfer stations. Additionally, all cleaning operations in the northern region will be handed over to private companies. He pointed out that handing these recycling projects to the private sector underscores the ministry's commitment to sustainable waste management and the circular economy, aiming to improve waste management efficiency in Qatar. He also highlighted that these projects cater to a comprehensive waste management system, ensuring safe disposal. He noted the increasing interest from Qatari private companies in waste management, as evidenced by their participation in international exhibitions focused on the latest technologies and systems in order to apply them in Qatar. Successful collaborations between the public and private sectors in waste management have already yielded significant results, including achieving "zero waste" during the FIFA World Cup Qatar 2022 and the complete removal of discarded tires across the country by private sector factories. These efforts have significantly reduced waste sent to landfills and increased the recovery of recyclable materials, in line with Qatar's national development goals. In January this year, the Ministry of Municipality, represented by the Waste Recycling and Treatment Department, won the Gulf Excellence Award for Sustainable Project Management for its participation in the Household and Solid Waste Treatment Center. This came on the sidelines of the activities of the Second Gulf Forum for Development and Sustainable Project Management under the slogan (Recycling Solutions, Clean Energy and Water, Green Smart Cities), which was organized by the Ministry of Electricity, Water and Renewable Energy, Kuwait's Ministry of Defense and the Environment Public Authority in Kuwait. Winning the award reflects the ministry's commitment to sustainability and enhances its accomplishments in recycling initiatives through this project, along with other endeavors that meet high-quality standards. The administration is dedicated to advancing sustainable development. (Peninsula Qatar)

International

- **Fed seen nearly as likely to cut rates by 50 bps as 25 bps -** The Federal Reserve is nearly as likely to deliver an outsized interest-rate cut next week as a more-usual-sized reduction, trading in rate-futures contracts suggested on Friday, as financial markets priced in a bigger chance that the Fed will move more aggressively. A quarter-point reduction at the Fed's Sept. 17-18 meeting is still seen as the slightly more likely outcome, but only marginally so. Futures tied to the Fed's policy rate now reflect about a 47% chance that the Fed will cut its policy rate, currently in the 5.25%-5.50% range, by a half of a percentage point. That's up from about 28% on Thursday. The market move reflects increasing bets by traders that the Fed may try to head off deterioration in the labor market, rather than take a slower see-what-happens-next approach with a smaller opening reduction. "Our view is that the Fed is behind the curve - that it should have been easing from June even, or potentially May - and that now it needs to catch up and may have to front-load some of the rate cuts," Parthenon economist Gregory Daco said. Fed Chair Jerome Powell last month said he would not want to see any further cooling in the labor market, and "the time has come" to cut rates. Since then, other Fed policymakers have signaled their sympathy with that view, including San Francisco Fed President Mary Daly who said a weakening job market would be unwelcome. Fed Governor Chris Waller said he would support front-loading rate cuts should conditions merit. Typically Powell spends the Thursday and Friday before a policy-setting meeting in half-hour one-on-ones with each of his fellow policymakers to discuss the options on the table and the economic conditions that may warrant one over another. The change in market sentiment amplifies a discussion that began in earnest at the Fed's July 30-31 meeting, when "several" policymakers said there was already a "plausible case" to cut rates, according to minutes of the session - a fact that may leave some officials now advocating for a bigger increase in September if they think the Fed should have cut already. Within days of that meeting, the case grew even stronger when the employment report for July showed the jobless rate rising to 4.3% and employers adding a fewer-than-expected 114,000 new jobs - a slow pace by recent standards that was subsequently revised down to just 89,000.

Revisions to benchmark data also showed job creation for the 12 months ending in March had been slower to the tune of 818,000 positions. The new data fueled sentiment that the Fed was slipping behind the curve in protecting the job market just as it was slow to begin hiking rates when inflation took off in 2021. Data for August showed the unemployment rate easing back to 4.2% but job growth slowing to just 116,000 a month on average since June, well below the rate officials see as necessary to prevent the jobless rate from rising. Powell in comments at the Fed's annual research symposium in Jackson Hole last month made clear that rates would fall at the Fed's September meeting. He was noncommittal, though, on how far or how fast the decline might be, or whether officials would open the door with a conventional quarter-point reduction or something larger. Outside of clear economic threats, easing cycles have tended to begin with quarter-point reductions as central bankers try to reset financial conditions to account for easing inflationary pressures - and several Fed officials ahead of this meeting used words like "gradual" and "methodical" to describe the likely pace. Others are concerned the labor market is weaker than headline data suggest. Fed Governor Adriana Kugler in particular voiced concern that alternate measures of unemployment beyond the headline rate suggest labor market conditions may be eroding faster than thought. Alongside the interest rate decision on Sept. 18, the Fed will issue new economic projections from policymakers that will indicate how far they anticipate reducing rates by the end of the year. Investors currently expect 1.25 percentage points of cuts by then, though markets have jockeyed back and forth between bets for smaller and larger cuts over a volatile month of trading. The way data has evolved does suggest a quicker pace of cuts than suggested not only in June, when Fed policymakers penciled in just one 25 basis point rate cut this year, but also than in March, when the median projection was for three quarter-point rate cuts by the end of the year. In March, policymakers also saw an unemployment rate at 4% at year end and a closely watched inflation measure at 2.6%. That core inflation measure - the Personal Consumption Expenditures price index excluding food and energy costs - hit that year-end projection in July, and the unemployment rate is now higher than they expected it to be at the end of 2024. "Yes it is an uphill climb, but I think the Federal Reserve will cut its policy rate by 50 basis points at its upcoming meeting," wrote Renaissance Macro Head of Economic Research Neil Dutta. "The case for doing more upfront is strong." (Reuters)

- **Downbeat China factory output, retail sales add to urgency for stronger stimulus -** China's industrial output growth slowed to a five-month low in August, while retail sales and new home prices weakened further, bolstering the case for aggressive stimulus to shore up the economy and help it hit its annual growth target. The sluggish data released on Saturday echoed soft bank lending figures on Friday, underscoring weak growth momentum of the $18.6 trillion economy, the world's second-largest, in the third quarter. Industrial output in August expanded 4.5% year-on-year, slowing from the 5.1% pace in July and marking the slowest growth since March, data from the National Bureau of Statistics (NBS) showed on Saturday. That missed expectations for 4.8% growth in a Reuters poll of 37 analysts. Retail sales, a key gauge of consumption, rose only 2.1% in August despite the summer travel peak, decelerating from a 2.7% increase in July. Analysts had expected retail sales, which have been anemic this year, to grow 2.5%."The momentum is slowing down...The bottleneck remains domestic demand," said Xing Zhaopeng, ANZ's senior China strategist. China's oil refinery output fell for a fifth month while crude steel output in August fell 6.1% from July, suggesting disappointing demand. Faltering Chinese economic activity has already prompted global brokerages to scale back their 2024 China growth forecasts to below the government's official target of around 5%. The economy grew by 4.7% in the second quarter. "The Q3 GDP is likely to be lower than Q2 based on current data flows. We expect large-scale stimulus to come soon," said Xing. President Xi Jinping urged authorities on Thursday to strive to achieve the country's annual economic and social development goals, state media reported, amid expectations that more steps are needed to bolster a flagging economic recovery. "As we are already toward the tail-end of the third quarter, time is running low for policymakers to introduce measures to buoy the economy amid numerous headwinds," said Lynn Song, chief China economist at ING. (Reuters)

Regional

- **Moody's: GCC banks' profitability to stay stronger over next 12-18 months -** The profitability of Islamic banks in Gulf Co-operation Council (GCC) will remain stronger over the next 12-18 months, according to Moody's, an international credit rating agency. "This will be supported by their focus on higher margin retail lending and strong business activity as a result of government economic diversification agendas," Moody's said in its latest report. The economic growth in the GCC will continue to provide supportive operating conditions for Islamic banks during the next 12-18 months as the non-oil economy – where banks conduct the bulk of their lending activity – will remain strong as a result of governments' economic diversification agendas, it said. The GCC Islamic banks will also maintain strong capital and liquidity, which will allow them to capitalize on the growing demand for Shariah-compliant financial services in the Gulf region. Sustained economic growth, governments' commitment to the promotion of the broader Islamic finance industry and growing demand for Shariah-compliant products across the GCC region will continue to drive Islamic financing growth, which will outpace that of conventional peers, it said. "While there is ample capacity for organic growth we also expect continued industry consolidation as the sector seeks to improve revenue generation and cut costs," Moody's said, expecting more Islamic banks to pursue mergers, particularly of smaller banks crowded out by large competitors. Highlighting that return on assets will remain above conventional peers; the rating agency said net profit margins of the GCC Islamic banks will be shielded against a likely easing of the US Federal Reserve's monetary policy, given their fixed rate retail financing focus. "They will retain a net profit margin advantage over conventional banks and return on assets will also remain above conventional peers," it said. Historically, the retail heavy portfolios of Islamic banks in the region drive higher financing yields and therefore stronger margins than conventional banks, particularly because current and savings accounts (CASA) deposits continue to make up a large portion of their deposit bases and present little pressure on cost of funds. The asset quality of GCC Islamic banks will remain stable during the next 12 to 18 months on continued economic growth across the region backed by infrastructure spending and strong business sentiment, particularly in Saudi Arabia. Strong capital and liquidity buffers will continue to allow Islamic banks in the GCC to capitalize on strong demand for Shariah-compliant financial services. The GCC Islamic banks have capital ratios far above regulatory requirements and similar to their conventional lending peers. At 15.7% of risk-weighted assets on average, tangible common equity will continue to shield Islamic banks from unexpected losses, it said, adding regulatory core capital is robust and broadly on a par with conventional peers. (Gulf Times)
- **GASTAT: Saudi Arabia's IPI rises 1.6% in July -** Saudi Arabia's Industrial Production Index (IPI) for July 2024 rose by 1.6% compared to the same month in 2023. This growth was attributed to heightened activity in the manufacturing industry, electricity, gas, steam, and air conditioning supply activities, as well as water supply, sewerage, waste management, and remediation activities, a General Authority for Statistics (GASTAT) bulletin said. The report also highlighted a 4.6% increase in the sub-index for manufacturing activity compared to July 2023. Conversely, the sub-index for mining and quarrying activities decreased by 0.8% in July 2024, a Saudi Press Agency (SPA) report said. The sub-index for electricity, gas, steam, and air conditioning supply activity showed a notable 8.2% increase, while the sub-index for water supply, sewerage, waste management, and remediation activities saw a growth of 1.1% over July 2023. Non-oil activities rise 8.2pc: Data revealed a 1.1% decrease in the index for oil activities in July 2024, along with an 8.2% increase in non-oil activities, compared to the same period the previous year. IPI is an economic indicator that tracks the development and relative changes in the volume of industrial production quantities. This data is derived from the Industrial Production Survey, conducted among a sample of industrial establishments involved in mining, manufacturing, electricity and gas supply, water supply, sanitation, waste management, and remediation activities. (Zawya)
- **UAE banks' capital, reserves hit $134.93bn -** The total capital and reserves of banks operating in the UAE reached AED 495.2bn at the end of June

2024, a year-on-year (YoY) increase of 10.6% compared to AED 447.8bn in June 2023, according to the latest statistics of the Central Bank of the UAE (CBUAE). The apex bank's figures showed that the capital and reserves of banks operating in the country increased on a monthly basis by 1.5%, while during the first half of this year, it increased by 1.2%. The CBUAE explained that banks' capital and reserves do not include subordinated borrowings/deposits but do include the current year's profits. National banks accounted for 86.3% of the total capital and reserves of banks operating in the country, with their value reaching AED427.5bn at the end of June, a YoY increase of 10.6%, compared to AED386.6bn in June 2023. The share of foreign banks reached 13.7% of the total capital and reserves of banks operating in the UAE, with a value of AED67.7bn at the end of June, up 10.6% YoY, compared to AED61.2bn in June 2023. In a related context, Central Bank statistics showed that the investments of banks operating in the UAE exceeded AED680bn at the end of June, achieving the highest level in its history. The statistics showed that the investments of banks operating in the UAE increased YoY by 18.4% to AED680.2bn at the end of June, compared to about AED574.3bn in June 2023, an increase of AED 105.9bn in 12 months. On a monthly basis, banks' investments increased by 1.07% compared to AED673bn in May, while during the first half of this year, they increased by 7.1% compared to AED635.1bn at the end of last year, an increase equivalent to AED45.1bn. Bonds held to maturity accounted for the largest share of banks' investments at 48.8% with AED332.2bn at the end of May, a month-on-month (MoM) increase of 0.1% and a YoY increase of 26.2%. The share of banks' investments in securities representing third-party debt (debt securities) reached 41.1% of total investments with AED 279.6bn at the end of June, up MoM by 2% and YoY by 12.5%. Banks' investments in equities reached AED16.7bn in June, up 38% YoY and 1.8% MoM, while banks' other investments reached 51.7%, up 2.2% MoM and 2.6% YoY. Banks' investments do not include the banks' deposits with the Central Bank in the form of Certificates of Deposit and Monetary Bills. (Zawya)

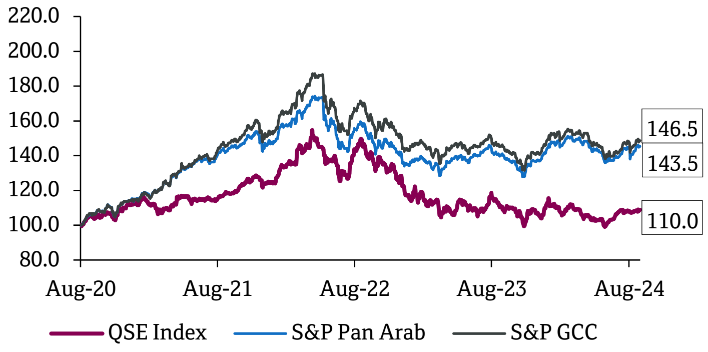
- **KEZAD official: UAE offers attractive investment environment -** Mansoor Al Marar, Vice President, Industrial Business Development at Khalifa Economic Zones Abu Dhabi (KEZAD Group), has emphasized that the UAE offers an attractive investment environment, encouraging entrepreneurs and investors from around the world to live and work in the country, due to the ease of doing business, cultural diversity, safety, and stability. During a session on Middle East and North Africa markets, held on the sidelines of the second day of the 9th Belt and Road Summit in Hong Kong, which highlighted Abu Dhabi's strategic role in the Belt and Road Initiative as a gateway to the Middle East and beyond, Al Marar highlighted the UAE's commitment to diversifying income sources and investing in various sectors beyond oil and gas. He stated that the UAE has developed world-class infrastructure to support the growth of various industries. "We are global leaders in maritime transport, operating more than 300 ships that connect East and West through the shortest possible routes," he said, noting that the UAE's extensive logistics network spans over 40 countries, making the UAE a trusted partner for global companies in transporting goods and services. He also pointed out that Abu Dhabi has developed integrated industrial zones covering 550 square kilometers, equipped with world-class infrastructure and hosting over 3,000 high-level industrial projects. Through its digital platform and integrated services, KIZAD seeks to facilitate global trade and connect markets. Al Marar also highlighted the UAE's "Operation 300bn" project, launched to develop and stimulate the country's industrial sector, aiming to increase its contribution to the gross domestic product (GDP) from AED133bn to AED300bn by 2031. He called for investment in the UAE, which provides an ideal business environment characterized by flexibility and diversity, with the freedom to choose from more than 1,000 business activities. He also pointed to the Comprehensive Economic Partnership Agreements signed by the UAE with several countries, allowing companies to operate and import from these nations either free of customs duties or at reduced tariffs. Al Marar concluded by reaffirming KIZAD's commitment to supporting investor growth in Abu Dhabi by providing all the necessary tools to achieve their goals and ambitions. (Zawya)
- **UAE-China Business Forum explores strategies to enhance bilateral trade, investments -** H.H. Sheikh Ahmed bin Mohammed, Second Deputy Ruler of Dubai, attended the UAE-China Business Forum, which concluded successfully with the participation of over 300 delegates. The Chinese delegation at the Forum was led by Li Qiang, Premier of the State Council of the People's Republic of China. The event, organized by Dubai Chambers, and the China Chamber of Commerce for Import and Export of Machinery and Electronic Products (CCCME), was hosted by the Ministry of Economy of the UAE, and the Ministry of Commerce of the People's Republic of China. The Forum brought together businessmen and investors from the UAE and China to discuss ways to enhance economic and trade relations and boost mutual investments involving business communities in both countries. The event coincides with celebrations to mark the 40th anniversary of the establishment of diplomatic relations between the UAE and the People's Republic of China. Abdullah bin Touq Al Marri, Minister of Economy, said that the UAE and China share a historical and strategic relationship characterized by the building of closer cooperation across all areas, particularly in the economic and investment sectors. He attributed the strength and vitality of bilateral relations to the shared commitment of both leaderships to advancing them through constructive cooperation, promoting mutual investments, and enhancing the growth of Emirati and Chinese companies operating in both markets. During his speech at the Forum, Bin Touq said, "We consider the Chinese business community a key economic partner of the UAE's business sector. The total number of Chinese businesses operating in the UAE's markets has reached around 15,500 so far. We are confident that the shared visions and strategies to expand cooperation into new economic sectors will further strengthen and advance our economic and investment relations." He noted, "The UAE-China Business and Investment Forum is an important platform for advancing bilateral economic and investment cooperation, supporting joint efforts to develop more fruitful partnerships and agreements at the governmental and private sector levels. The platform contributes to enhancing the ability of Emirati and Chinese companies to benefit from the diverse economic and investment opportunities in the markets of the two countries, particularly as the UAE and China boast promising economic fundamentals and strategic geographical locations that enable access to strategic markets in Asia, Africa and Europe." Bin Touq elaborated on the UAE's new economic model and its role in supporting the economic goals of the 'We the UAE 2031' vision and discussed the advancements in the country's legislative and economic landscape. These include the introduction of new legislation and policies that have increased the UAE's attractiveness for foreign direct investments. These measures have strengthened the competitiveness of the national economy at both regional and global levels and improved its overall attractiveness. Within this context, Bin Touq invited Chinese companies to leverage the available opportunities in the UAE's business environment and expand their presence across various key sectors, including tourism, aviation, circular economy, FinTech, e-commerce, infrastructure, Artificial Intelligence (AI), healthcare, smart transportation, and sustainable manufacturing. Furthermore, he highlighted that the tourism industry serves as a key pillar of economic cooperation between the two countries, having witnessed continued growth across all its sub-sectors. The total number of Chinese visitors to the UAE stood at around 1.2mn in 2023, marking a remarkable growth of 213% compared to 382,206 tourists in 2022. There are currently 44 flights operated by the UAE's national carriers connecting the two countries every week. In his opening address, Abdul Aziz Abdulla Al Ghurair, Chairman of Dubai Chambers, highlighted that China's status as the UAE's top trading partner speaks volumes about the thriving relations between the two nations. He emphasized that, considering the growing importance of the Chinese market and its strategic partnership role, the Dubai International Chamber has established three overseas offices in China – located in Shanghai, Shenzhen, and Hong Kong – representing the highest number of offices in a single country. These offices serve as vital gateways to enhance investment opportunities and facilitate mutually beneficial trade exchanges. (Zawya)
- **Astra Tech: AI to contribute $100bn to UAE's GDP by 2030 -** AI is projected to have a transformative impact on the UAE's economy, contributing up to 14% of its GDP by 2030, which is equivalent to approximately $100bn (AED367bn). This is according to Abdallah Abu-Sheikh, Founder of Astra Tech and CEO of Botim, a WAM report said. Abu-Sheikh said in

statements on the sidelines of the inaugural Dubai AI & Web3 Festival that the UAE is firmly establishing itself as a dominant force in the global AI economy. With the sector on the brink of a major expansion, projections indicate the country's AI market could swell to $50bn by 2031, he said. Revolutionizing industries: He added that Artificial intelligence is revolutionizing industries such as healthcare, finance, and government. Its adoption, he added, is fueling growth by improving operational efficiency and providing personalized services. He explained that the UAE enjoys a strategic position as a global hub for technology and innovation, thanks to its wise leadership and decisive investments in digital infrastructure, explaining that through initiatives such as the National Innovation Strategy and the Dubai Smart City Initiatives, the UAE has become a business environment designed to attract high-growth technology companies. He pointed out that the digital economy in the UAE contributed 4.3% of the GDP in 2022 and is expected to grow further as technology companies flourish in this ecosystem. (Zawya)

- **Food prices in Kuwait surged by 30% since start of 2024 -** Head of the Kuwait Society for Consumer Protection Mishal Al-Manea has highlighted the significant rise in food prices in Kuwait since the beginning of 2024. He attributed this increase to several key factors, with the primary one being a surge in shipping and transportation costs in recent months compared to the end of 2023. Al-Manea explained that increased demand and ongoing crises in the Red Sea have impacted global shipping rates and consequently led to higher prices in the local market. The shipping costs were lower last year when shipping routes were operating normally. The combination of higher shipping and transportation costs, along with rising global inflation rates, has contributed to an increase in the prices of basic commodities in Kuwait by approximately 25 to 30%. The ongoing Russian-Ukrainian war continues to influence the rise in prices, particularly for food items. The prices of some food commodities have increased up to 28% this year. The relevant local authorities are actively working to address artificial price hikes and are fulfilling their responsibilities in this regard. However, global circumstances remain challenging, affecting most food and beverage prices. Al-Manea also pointed out additional factors contributing to the rise in global prices, such as climate change and the challenges facing global agriculture. On the other hand, economic expert Dr. Ahmad Al-Hisham called for allocating a portion of Kuwait's annual budget to expand the country's agricultural area. He highlighted the importance of preserving Kuwait's strategic food reserves, focusing on local agriculture, and establishing food packaging factories. Dr. Al-Hisham said the ongoing reliance on imported goods and food materials exposes the country to fluctuations in global markets and political instability. He stressed the need to address high prices in the country, as some traders exploit global crises to impose excessive price increases. Dr. Al-Hisham cited the tense political situation in Bab al-Mandab and the Red Sea for the significant disruption in food trade that contributed to a price rise of at least 40%, partly due to the Houthi siege. He explained that the Russian-Ukrainian war and the ongoing conflict in Sudan have exacerbated food supply shortages. Climate change has led to reduced rice supplies, with countries like India limiting their export quotas, which in turn increased global rice prices. Similarly, climate-related issues such as humidity in India and extreme heat in Australia have adversely impacted wheat production. (Zawya)
- **Kuwait: No more transfers of domestic workers to the private sector -** The Public Authority for Manpower (PAM) has confirmed the expiration of Ministerial Resolution No. (6) of 2024, which permitted the transfer of domestic workers to the private sector. In an official statement, the authority emphasized that the resolution, which was enacted earlier this year, is no longer in effect. The expiration marks the end of a policy that allowed domestic workers to move from household employment to roles within the private sector under specific conditions. The authority did not specify whether a new resolution or extension would be introduced to address future transfers. (Zawya)
- **Industrial sector leads Oman's GDP growth in 2024 first quarter -** The industrial sector has secured the highest growth in the Gross Domestic Products (GDP) during the first quarter of 2024 compared to other sectors to become one of the strongest pillars of economic diversification of Oman Vision 2040. The latest statistics issued by the National Centre for Statistics and Information (NCSI) showed that the industrial sector achieved a growth rate of 9.2% during the first quarter of 2024 at the current price compared to the same period in 2023. Industrial productivity also increased from OMR871mn to OMR951mn in all industrial activities, representing 10% of the GDP at the fixed price. The basic petrochemical industries' results increased by 6.4% from OMR317.8mn to OMR338.2mn. Dr. Saleh bin Said Masan, Undersecretary of the Ministry of Commerce, Industry and Investment Promotion for Commerce and Industry, said that the growth rate of the industrial sector is higher than the world growth. The latest reports of the United Nations Industrial Development Organization (UNIDO) showed that the world industrial productivity registered a moderate growth of 0.9% during the first quarter in 2024, despite the challenges faced by the global economy such as the increase in the rate of inflation, the fluctuation in prices of energy and the impacts of the regional conflicts. Expressing satisfaction over the qualitative shifts and the continued improvement in the industrial sector, Dr. Masan hailed the remarkable efforts accorded by industrialists and the various government establishments for development of the industrial sector. He also said that the Sultanate has achieved the 53rd place at the world level and 4th at the regional level in the competitive industrial performance index 2024, issued by the United Nations Industrial Development Organization (UNIDO). (Zawya)
- **Oman ranks 21st to do business, investments -** Oman has been ranked 21st globally in the 2024 list of World's Best Countries to Invest In or Do Business compiled by CEOWORLD magazine. The ranking underscores Oman's strategic efforts to foster a business-friendly environment and highlights the initiatives that have positioned the country as a prime destination for international investment. Oman's standing is a testament to its commitment to Oman Vision 2040, which aims to diversify the national economy, reduce dependency on oil revenues and create a sustainable, innovation-driven future. The Ministry of Commerce, Industry and Investment Promotion (MoCIIP) has been instrumental in driving reforms, providing a solid framework for enhancing economic growth, promoting the private sector and boosting investor confidence. Through Invest OMAN, the government's dedicated arm for large-scale investments, the sultanate continues to streamline the investor journey, offering a comprehensive suite of services that guide investors from inquiry to project realization. The report by CEOWORLD magazine – a New York based business publication providing insights and rankings related to global economic trends – highlights key metrics contributing to Oman's success. The country has an economic stability score of 92.12 and received commendable ratings for its government policies (92.36) and skilled labor force (92.75). These factors, coupled with Oman's institutional framework rating of 92.34, underscore its attractiveness for foreign investment and entrepreneurship. Additionally, Oman's infrastructure development – from free zones to special economic zones, such as Duqm and Sohar – further enhances its ability to attract foreign direct investment. (Zawya)
- **Oman showcases investment opportunities before US Congress -** Qais Mohammed al Yousef, Minister of Commerce, Industry and Investment Promotion, and his accompanying delegation yesterday met with officials United States Administration and Congress, as well as representatives of US companies specialized in the sectors of energy, health, information technology and tourism. The two sides discussed ways to develop investment and trade partnerships between Oman and the United States. The Omani side showcased investment opportunities available in Oman with the objective of realizing the goals of Oman Vision 2040. The two sides also looked into measures to make optimum use of the Oman-US free trade agreement (FTA). During the visit, Al Yousef also met with Omani students studying in the states of New York, Washington and Arizona. His delegation toured a number of American cities. On the sidelines of the visit, the Embassy of the Sultanate of Oman to the United States of America organized a reception at the Sultan Qaboos Cultural Center in Washington. In a speech on the occasion, Al Yousef outlined the objectives of the visit and its desired outcomes. For his part, the Vice President of the US Export-Import Bank spoke about the strong bonds between Oman and United States. She expressed appreciation for Oman's efforts to enhance joint economic cooperation. The visiting delegation went on tour of the Sultan Qaboos Cultural Center where it was briefed

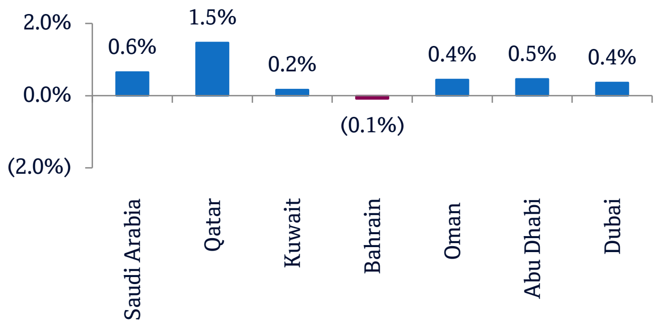
about efforts to spotlight Omani culture and ancient history, as well as Omani heritage valuables collected by Center. (Zawya)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	2,577.70	0.8	3.2	25.0
Silver/Ounce	30.72	2.8	10.0	29.1
Crude Oil (Brent)/Barrel (FM Future)	71.61	(0.5)	0.8	(7.0)
Crude Oil (WTI)/Barrel (FM Future)	68.65	(0.5)	1.4	(4.2)
Natural Gas (Henry Hub)/MMBtu	2.25	5.6	7.7	(12.8)
LPG Propane (Arab Gulf)/Ton	61.80	(1.6)	(6.4)	(11.7)
LPG Butane (Arab Gulf)/Ton	74.60	2.2	3.2	(25.8)
Euro	1.11	0.0	(0.1)	0.3
Yen	140.85	(0.7)	(1.0)	(0.1)
GBP	1.31	0.0	(0.0)	3.1
CHF	1.18	0.3	(0.7)	(0.9)
AUD	0.67	(0.3)	0.5	(1.6)
USD Index	101.11	(0.2)	(0.1)	(0.2)
RUB	110.69	0.0	0.0	58.9
BRL	0.19	0.8	0.8	(10.0)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,634.86	0.7	3.3	14.7
DJ Industrial	41,393.78	0.7	2.6	9.8
S&P 500	5,626.02	0.5	4.0	18.0
NASDAQ 100	17,683.98	0.7	6.0	17.8
STOXX 600	515.95	1.1	1.9	7.9
DAX	18,699.40	1.3	2.2	11.8
FTSE 100	8,273.09	0.7	1.2	10.1
CAC 40	7,465.25	0.8	1.6	(0.9)
Nikkei	36,581.76	0.5	1.7	9.3
MSCI EM	1,082.30	0.6	0.7	5.7
SHANGHAI SE Composite	2,704.09	(0.1)	(2.2)	(9.0)
HANG SENG	17,369.09	0.8	(0.5)	2.0
BSE SENSEX	82,890.94	(0.1)	2.2	13.8
Bovespa	134,881.95	2.3	1.0	(12.0)
RTS	1,151.93	(0.0)	0.0	6.3

Source: Bloomberg ($ adjusted returns if any)*

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