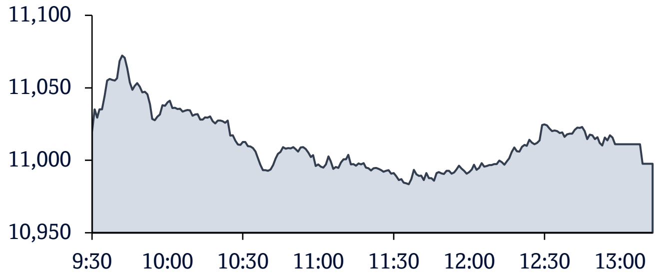
# Daily Market Report

*Thursday, 22 December 2022*

## *QSE Intra-Day Movement*




## *Qatar Commentary*

The QE Index rose 0.3% to close at 10,997.7. Gains were led by the Real Estate and Banks & Financial Services indices, gaining 0.7% and 0.5%, respectively. Top gainers were Estithmar Holding and Qatar German Co. for Med. Devices, rising 3.6% and 2.4%, respectively. Among the top losers, Al Meera Consumer Goods Co. fell 3.1%, while Zad Holding Company was down 1.9%.

## *GCC Commentary*

*Saudi Arabia:* The TASI Index fell marginally to close at 10,276.9. Losses were led by the Utilities and Food & Beverages indices, falling 1.3% and 0.9%, respectively. Tourism Enterprise Co. declined 3.1%, while Alamar Foods Co. was down 2.2%.

*Dubai:* The DFM Index fell 0.3% to close at 3,339.8. The Utilities index declined 1.7%, while the financial index fell 0.3%. Takaful Emarat declined 4.4%, while National Central Cooling Co. was down 4.1%.

*Abu Dhabi:* The ADX General Index fell marginally to close at 10,331.8. The Energy index declined 0.9%, while the Utilities index fell 0.8%. Al Wathba National Insurance Co. declined 10.0%, while Hayah Insurance Co. was down 8.1%.

*Kuwait:* The Kuwait All Share Index fell 0.3% to close at 7,205.6. The Energy index declined 2.4%, while the Banks index fell 0.6%. Warba Capital Holding Co. declined 11.3%, while Kuwait And Middle East Financial Investment Co. was down 10.6%.

*Oman:* The MSM 30 Index fell 0.4% to close at 4,797.3. Losses were led by the Industrial and Services indices, falling 0.8% and 0.5%, respectively. Raysut Cement fell 5.7%, while Muscat Finance was down 4.6%.

*Bahrain:* The BHB Index gained marginally to close at 1,857.0. The Industrial index gained 0.3% while the financial index gained marginally. Nass Corporation rose 5.4% and National Bank of Bahrain was up 0.3%.

| Market Indicators | 21 Dec 22 | 20 Dec 22 | %Chg. |
|---|---|---|---|
| Value Traded (QR mn) | 304.3 | 301.9 | 0.8 |
| Exch. Market Cap. (QR mn) | 622,830.9 | 620,663.2 | 0.3 |
| Volume (mn) | 77.6 | 77.8 | (0.2) |
| Number of Transactions | 11,023 | 11,494 | (4.1) |
| Companies Traded | 44 | 44 | 0.0 |
| Market Breadth | 23:16 | 15:23 | – |

| Market Indices | Close | 1D% | WTD% | YTD% | TTM P/E |
|---|---|---|---|---|---|
| Total Return | 22,526.86 | 0.3 | 0.2 | (2.1) | 12.3 |
| All Share Index | 3,535.35 | 0.3 | 1.7 | (4.1) | 129.9 |
| Banks | 4,562.14 | 0.5 | 3.4 | (7.6) | 13.9 |
| Industrials | 3,847.49 | 0.3 | (0.7) | (4.4) | 10.5 |
| Transportation | 4,421.24 | 0.0 | (0.2) | 24.3 | 14.0 |
| Real Estate | 1,620.54 | 0.7 | (0.2) | (6.9) | 17.2 |
| Insurance | 2,239.69 | (0.3) | 0.5 | (17.9) | 15.1 |
| Telecoms | 1,318.15 | 0.4 | 0.3 | 24.6 | 11.9 |
| Consumer Goods and Services | 8,068.66 | (0.8) | (2.4) | (1.8) | 22.5 |
| Al Rayan Islamic Index | 4,744.65 | 0.4 | (0.4) | 0.6 | 8.7 |

| GCC Top Gainers## | Exchange | Close# | 1D% | Vol. '000 | YTD% |
|---|---|---|---|---|---|
| Arab National Bank | Saudi Arabia | 31.85 | 2.1 | 360.1 | 39.3 |
| Etihad Etisalat Co. | Saudi Arabia | 33.30 | 1.7 | 1,038.7 | 6.9 |
| Aldar Properties | Abu Dhabi | 4.62 | 1.3 | 14,526.8 | 15.8 |
| Barwa Real Estate Co. | Qatar | 2.99 | 0.9 | 1,428.3 | (2.3) |
| Bupa Arabia for Coop. Ins. | Saudi Arabia | 172.00 | 0.7 | 206.7 | 30.9 |

| GCC Top Losers## | Exchange | Close# | 1D% | Vol. '000 | YTD% |
|---|---|---|---|---|---|
| Q Holding | Abu Dhabi | 3.86 | (3.3) | 4,537.6 | (14.6) |
| Ooredoo Oman Qatar Teleco. | Oman | 0.42 | (2.3) | 32.8 | 10.5 |
| Saudi Basic Ind. Corp. | Saudi Arabia | 84.80 | (1.4) | 1,501.0 | (26.9) |
| Qatar Gas Transport Co. Ltd | Qatar | 3.75 | (1.3) | 2,423.0 | 13.6 |
| Multiply Group | Abu Dhabi | 4.82 | (1.2) | 18,487.4 | 162.0 |

*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% |
|---|---|---|---|---|
| Estithmar Holding | 1.88 | 3.6 | 8,044.4 | 53.0 |
| Qatar German for Med. Devices | 1.26 | 2.4 | 2,990.1 | (60.5) |
| Lesha Bank (QFC) | 1.18 | 2.0 | 2,092.4 | (24.6) |
| Qatar Navigation | 10.36 | 1.9 | 1,790.8 | 35.6 |
| Baladna | 1.55 | 1.8 | 1,174.3 | 7.5 |

| QSE Top Losers | Close* | 1D% | Vol. '000 | YTD% |
|---|---|---|---|---|
| Al Meera Consumer Goods Co. | 15.99 | (3.1) | 146.0 | (18.4) |
| Zad Holding Company | 14.71 | (1.9) | 28.1 | (7.5) |
| Qatar Gas Transport Company Ltd. | 3.75 | (1.3) | 2,423.0 | 13.6 |
| Gulf Warehousing Company | 3.90 | (1.2) | 111.5 | (14.1) |
| Qatar Islamic Insurance Company | 8.31 | (1.1) | 33.8 | 3.8 |

| QSE Top Volume Trades | Close* | 1D% | Vol. '000 | YTD% |
|---|---|---|---|---|
| Masraf Al Rayan | 3.24 | 0.5 | 14,832.9 | (30.3) |
| Estithmar Holding | 1.88 | 3.6 | 8,044.4 | 53.0 |
| Salam International Inv. Ltd. | 0.63 | (1.1) | 6,095.0 | (23.7) |
| Gulf International Services | 1.53 | 0.6 | 3,957.8 | (10.9) |
| Qatar Aluminum Manufacturing Co. | 1.60 | 0.6 | 3,706.4 | (11.2) |

| QSE Top Value Trades | Close* | 1D% | Val. '000 | YTD% |
|---|---|---|---|---|
| Masraf Al Rayan | 3.24 | 0.5 | 47,996.2 | (30.3) |
| QNB Group | 18.17 | 0.9 | 45,430.4 | (10.0) |
| Industries Qatar | 13.06 | 0.2 | 39,025.3 | (15.7) |
| Qatar Islamic Bank | 20.58 | (0.1) | 30,949.2 | 12.3 |
| Qatar Navigation | 10.36 | 1.9 | 18,593.3 | 35.6 |

| Regional Indices | Close | 1D% | WTD% | MTD% | YTD% | Exch. Val. Traded ($ mn) | Exchange Mkt. Cap. ($ mn) | P/E** | P/B** | Dividend Yield |
|---|---|---|---|---|---|---|---|---|---|---|
| Qatar* | 10,997.70 | 0.3 | 0.2 | (7.8) | (5.4) | 83.57 | 169,441.1 | 12.3 | 1.5 | 4.1 |
| Dubai | 3,339.79 | (0.3) | 0.7 | 0.5 | 4.5 | 53.66 | 157,689.7 | 9.4 | 1.1 | 3.1 |
| Abu Dhabi | 10,331.78 | (0.0) | 1.7 | (2.0) | 21.8 | 293.02 | 695,236.9 | 18.3 | 2.9 | 2.0 |
| Saudi Arabia | 10,276.94 | (0.0) | (0.1) | (5.7) | (8.9) | 943.35 | 2,545,073.1 | 15.9 | 2.1 | 2.8 |
| Kuwait | 7,205.61 | (0.3) | (2.0) | (5.0) | 2.3 | 113.43 | 151,731.5 | 19.4 | 1.6 | 2.9 |
| Oman | 4,797.35 | (0.4) | (1.2) | 4.0 | 16.2 | 3.51 | 22,224.9 | 13.6 | 1.1 | 3.6 |
| Bahrain | 1,856.97 | 0.0 | 0.2 | (0.4) | 3.3 | 1.07 | 65,542.5 | 5.1 | 0.7 | 5.7 |

*Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (** TTM; * Value traded ($ mn) do not include special trades, if any)*

# Daily Market Report

*Thursday, 22 December 2022*

## Qatar Market Commentary

- The QE Index rose 0.3% to close at 10,997.7. The Real Estate and Banks & Financial Services indices led the gains. The index rose on the back of buying support from non-Qatari shareholders despite selling pressure from Qatari shareholders.
- Estithmar Holding and Qatar German Co for Med. Devices were the top gainers, rising 3.6% and 2.4%, respectively. Among the top losers, Al Meera Consumer Goods Co. fell 3.1%, while Zad Holding Company was down 1.9%.
- Volume of shares traded on Wednesday went down by 0.2% to 77.6mn from 77.8mn on Tuesday. However, as compared to the 30-day moving average of 108.4mn, volume for the day was 28.2% lower. Masraf Al Rayan and Estithmar Holding were the most active stocks, contributing 29% and 7.6% to the total volume, respectively.

| Overall Activity | Buy %* | Sell %* | Net (QR) |
|---|---|---|---|
| Qatari Individuals | 25.68% | 23.05% | 7,986,669.2 |
| Qatari Institutions | 26.52% | 36.63% | (3,084,194.7) |
| **Qatari** | **52.19%** | **59.69%** | **(22,797,525.5)** |
| GCC Individuals | 0.27% | 0.33% | (192,815.4) |
| GCC Institutions | 8.98% | 7.72% | 3,819,077.7 |
| **GCC** | **9.24%** | **8.05%** | **3,626,262.3** |
| Arab Individuals | 9.88% | 8.34% | 4,703,726.5 |
| Arab Institutions | 0.00% | 0.00% | - |
| **Arab** | **9.88%** | **8.34%** | **4,703,726.5** |
| Foreigners Individuals | 2.24% | 2.54% | (915,676.8) |
| Foreigners Institutions | 26.44% | 21.39% | 15,383,213.6 |
| **Foreigners** | **28.68%** | **23.93%** | **14,467,536.8** |

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

## Global Economic Data

| Date | Market | Source | Indicator | Period | Actual | Consensus | Previous |
|---|---|---|---|---|---|---|---|
| 12/21 | US | National Assoc. of Realtors | Existing Home Sales | Nov | 4.09m | 4.20m | 4.43m |
| 12/21 | US | National Assoc. of Realtors | Existing Home Sales MoM | Nov | -7.70% | -5.20% | -5.90% |
| 12/21 | US | Conference Board | Conf. Board Consumer Confidence | Dec | 108.3 | 101 | 101.4 |
| 12/21 | UK | UK Office for National Statistics | Public Finances (PSNCR) | Nov | 20.3b | N/A | 10.0b |
| 12/21 | UK | UK Office for National Statistics | Public Sector Net Borrowing | Nov | 21.2b | 14.5b | 13.4b |
| 12/21 | UK | UK Office for National Statistics | PSNB ex Banking Groups | Nov | 22.0b | 14.8b | 14.2b |
| 12/21 | Germany | GfK AG | GfK Consumer Confidence | Jan | -37.8 | -38 | -40.1 |
| 12/21 | Japan | Japan Machine Tool Builders' A | Machine Tool Orders YoY | Nov | -7.70% | N/A | -7.80% |

*Source: Bloomberg (s.a. = seasonally adjusted; n.s.a. = non-seasonally adjusted; w.d.a. = working day adjusted)*

## Qatar

- **Mannai Corporation Board of directors meeting results -** Mannai Corporation announces the results of its Board of Directors' meeting held on 21/12/2022 and approved discussed the progress of the business of the company. (QSE)
- **Qatar National Cement Company Opens nominations for its board membership -** Qatar National Cement Company announces the opening of nominees for the board memberships, years from 2023 to 2025. Applications will be accepted starting from 26/12/2022 till 02:00 PM of 08/01/2023. (QSE)
- **Salam International Board of directors meeting on 26/12/2022 -** The Salam International has announced that its Board of Directors will be holding a meeting on 26/12/2022 to discuss and follow up on the implementation of previous decisions. (QSE)
- **Qatar's economy offers promising opportunities -** Qatar's economy holds promise of several opportunities. Hosting the biggest sporting event - the FIFA World Cup Qatar 2022, and the strategic national goal of diversifying the economy away from hydrocarbons attracts foreign investment according to a recent report by EY. The report entitled 'Qatar Investment Outlook Pulse 2022' stated that Qatar is on the world stage with the prestigious football tournament, the North Field South (NFS) expansion underway, a new global sporting event on the horizon with the award of the 2030 Asian Games, and the strategic national goal of diversifying the economy away from hydrocarbons. All these considerations have drawn the attention of foreign investors and resulted in positioning Qatar as an investment destination of choice. Executives in Qatar remain bullish about future prospects for the country, with around 82% expecting the economic growth of the coming five years to meet or exceed forecasts. "The past two years have been turbulent and challenging globally, from both economic and social perspectives. Qatar has also faced challenges but has shown resilience and resolutely navigated unique as well as challenging regional and global events. On the social and public health front, Qatar brought the COVID-19 pandemic under control through an efficient and agile vaccination program. On the economic front, Qatar maintained balanced growth rates of its GDP in 2021 and 2022. This was achieved through the economic policies adopted in line with the Qatar National Vision 2030 to develop a diversified and competitive knowledge-based economy," the report noted. It further added that recent initiatives and mega projects such as the development of Hamad Port Qatar Free Zones Authority (QFZA), the significant expansion of Hamad International Airport, the establishment of the Investment Promotion Agency, and the development of Media City as well as Doha Metro are a few such examples of strategic initiatives and projects that bolstered the resilience of the Qatari economy and aided in its sustained growth. FDI Markets data from 2016 to 2022 shows that foreign direct investments (FDIs) in Qatar have exhibited a significant compounded annual growth rate (CAGR) of 32% in projects, 28% in jobs and 19% in capex. Leading global businesses including Google, DB Schenker, Volkswagen, DHL and UPS choosing Qatar as their business hub exemplify the achievement of the country in enhancing its position as a key business destination in the region. This report aims to provide insights into investment and economic sentiments in Qatar and the publication is based on extensive one-on-one discussions we have had, from Q4 2021 to Q1 2022, with executive decision-makers across the largest businesses in Qatar. The report revealed that 82% of interviewed executives believe that hosting the prestigious football event would make a 'strong' to a 'very strong' impact in shifting the perception of Qatar as a global tourism hub, ultimately resulting in improved tourism flows and spending. While 55% indicated that they have invested in projects specifically to capitalize on the opportunities presented by the football event. Half of these investments went into tourism, hospitality, and real estate. (Peninsula Qatar)
- **'Tourism industry will make a major contribution to economy this year' -** Tourism sector experts and industry personnel are optimistic that Qatar's

travel and tourism industry would make a major contribution to the economy this year following the success of the state hosting the FIFA World Cup which will trickle down benefits to the rapidly growing tourism industry of the country. M Grand Managing Director and Finance Controller Kumudu Fonseka said that even though the contribution of the tourism sector compared to the other sectors such as oil and gas is not so big it has enormous potential to spur further economic growth in the years ahead with many major tourism related sports events lined up for 2023."Ambitious programs such as the ATP and WTA tennis tournaments, Motor GP and Formula 1 Grands Prix 2023 and many MICE tourism events lined up for next year will be a boon for the travel and tourism," Fonseka said adding that transit passengers on pilgrimages to regional countries will return to the country following all the positive sentiments that were conveyed by visitors and fans of the World Cup. He said that the business sector will also be a beneficiary as the travel industry due to the new shops and malls that are to come up in the coming year. "Not undermining the interest by locals and foreigners towards camel and horse rides, desert safaris and visits to the sand dunes which have been the highlights of the travelers to Qatar. There is lot of planning going on under the 2030 Vision which will augur well for the travel and tourism industry of Qatar," he said. Al Manzil Residence and Suites of Doha Operations Manager Kashif Javed Khan said the tourism industry in Qatar is witnessing rapid growth with milestones such as hosting the FIFA World Cup 2022. Qatar Tourism, guided by the Qatar National Tourism Sector Strategy 2030, is liaising with various public bodies, policy advocates, tourism-enabling entities, private enterprises and media to improve the business environment, diversify the country's tourism portfolio and increase visitor traffic as well as spending. "Qatar strives to be counted among the top tourist destinations, in terms of leisure and MICE tourism. Strong offline representation in Asia Pacific and European countries, alongside widespread marketing campaigns help highlight the country's tailored visitor offerings. While business travel will be the main driver for tourism services, leisure tourism should pick up on the back of diversification in source markets, lifting of the regional blockade, investments in sporting events and development of tourism infrastructure," Khan said. (Peninsula Qatar)

- **Qatar Airways flies nearly 14,000 flights during World Cup -** Qatar Airways, the Official Airline Partner of FIFA, concluded its FIFA World Cup Qatar 2022 journey in style, presenting the medals and individual awards to Argentina after their historic 4-2 victory on penalties over 2018 champions, France. Following a thrilling month of non-stop action and entertainment, the airline operated nearly 14,000 flights, uniting the world in Qatar for the greatest sporting show on Earth. As the Official Airline Partner of FIFA and the Official Airline of the Journey, Qatar Airways celebrated the historic World Cup with its global passengers through countless international, local, and onboard football-themed activations and entertainment experiences. The tournament was a resounding success, with impressive attendance figures of over 3.4mn fans throughout the 64 matches. Throughout the duration of the tournament, the Qatar Airways Sky House, located at the FIFA Fan Festival at Al Bidda Park, welcomed more than 1.8mn fans. The iconic pavilion provided a range of interactive activities, including a Neymar challenge, Qverse experience, Swing the World, foosball, and face painting. (Peninsula Qatar)
- **GAC's dedicated System for World Cup saves clearance time by 80% -** Sports Event Management System, which was rolled out by General Authority of Customs (GAC) ahead of FIFA World Cup Qatar 2022, has helped reduce the time of customs clearance for imported consignments by about 80% compared to the regular system, said an official. "The system helped issue 2,500 simplified customs declarations for imported consignments related to associated activities of the mega sporting event," said Chairman of the General Authority of Customs, Ahmed bin Abdullah Al Jamal. Speaking to Qatar Radio recently, he said that the General Authority of Customs in coordination with the authorities concerned implemented several projects successfully notably Sports Event Management System. "The system was developed to ease the process of trade exchange and import of goods related to the mega sporting event. It saved the time of customs clearance of imported consignments by about 80% compared to the regular system," said Al Jamal. He said that the Sports Event Management System was implemented in coordination with a number of partners whose permission was needed for the clearance of consignments. "The partners include the Ministry of Public Health, Ministry of Municipality, Ministry of Environment and Climate Change and Ministry of Interior among others," said Al Jamal. "All products which entered the country during the World Cup underwent strict monitoring process to ensure the safety and health of the people," said Al Jamal. (Peninsula Qatar)
- **Qatar, Morocco discuss boosting cooperation in transportation, logistics, and civil aviation -** Minister of Transport HE Jassim Saif Ahmed Al Sulaiti met Minister of Transport and Logistics of Morocco HE Mohammed Abdeljalil in Rabat. The two ministers reviewed bilateral cooperation and ways to develop them in areas of transportation, its services, logistics services, commercial harbors, and civil aviation. The Moroccan Minister congratulated Qatar on the successful hosting of the FIFA World Cup Qatar 2022. Mohamed Faleh Alhajri, who is in charge of managing the Qatar Civil Aviation Authority (QCAA) also attended the meeting. (Peninsula Qatar)
- **Qatar Rail carries 18.2mn passengers onboard its networks during World Cup –** The total number of passengers who used the Doha Metro and Lusail Tram networks during the 2022 FIFA World Cup Qatar – from November 20 to December 18, 2022 – reached 18.2mn, with 17.4mn and 0.8mn passengers using Doha Metro and Lusail Tram respectively, Qatar Rail has announced. This translates to an average daily ridership of 600,000 for Metro, and 27,000 for Tram. Doha Metro trains performed a total of more than 79,000 trips, traveling a total of almost 1.5mn kilometers, equivalent to two journeys to the moon and back. The total distance passengers traveled during the tournament exceeded 200mn kilometers, which is 1.4 times the distance to the sun. Throughout the tournament, metro and tram services witnessed a huge turnout, especially during the first thirteen days when the group stage saw four daily matches played across eight stadiums. With the tournament hitting the highest-ever attendance in FIFA's history during group stages, Doha Metro & Lusail Tram made an exceptional contribution to providing a safe and reliable travel experience to fans who attended up to four matches a day, in addition to carrying them to fan zones, event areas, and key destinations across the city. During this period, Doha Metro trains were amongst the busiest trains anywhere in the world. (Peninsula Qatar)
- **Doha Festival City, Kahramaa launch EV charging stations -** Doha Festival City has announced the completion of the first phase of its electric vehicle (EV) charging stations in partnership with Qatar General Electricity and Water Corporation (Kahramaa), represented in the National Program for Conservation and Energy Efficiency (Tarsheed). The project, undertaken under the mall's sustainability efforts and Tarsheed's guidance and regulations, has seen the completion of 23 stations, which are now all operational. The inauguration ceremony was attended by Eng. Rashid Al Rahimi, Manager of Conservation and Energy Efficiency Department from Kahramaa, and Jihad Zarkout, Assistant General Manager of BASREC, owner and operator of DFC mall, and Robert Hall, Doha Festival City's General Manager, along with a number of managers and personnel. The EV charging stations are now available for public use and can be found in 46 locations across the mall in the Lower Ground Floor, near Monoprix and Sacoor Brothers and on the first floor near the VIP valet area, Harvey Nichols, and VOX. This step came in the context of the joint action Kahramaa, represented by Tarsheed, is leading in cooperation with different entities in Qatar to achieve environmental sustainability, and it is in line with Doha Festival City's long commitment to promoting the use of clean energy and reducing the carbon footprint from visitor's vehicles. The mall has further plans to install more charging stations in two phases in the coming two years to promote energy efficiency. (Peninsula Qatar)
- **Ookla hails Qatar mobile network, internet performance during World Cup -** A report issued by Ookla, a global leader in network intelligence and connectivity insights, praised the performance of the mobile phone network and the Internet during the FIFA World Cup Qatar 2022, pointing out that the network was not affected by the increasing number of users during the tournament. In a report, it said that there were no problems or disturbances in the Internet, despite the network's performance reaching

its peak. The report pointed out: "Ahead of the event, we outlined the important role of the Qatar Communications Regulatory Authority (CRA) and both Ooredoo Qatar and Vodafone Qatar in driving performance gains in the market. A competitive, pro-investment market environment has paid dividends, coupled with firm commitments from both operators to roll out commercial 5G networks in all densely populated areas and all venues associated with the FIFA World Cup." "As of December 3, 2022, after almost two weeks and 48 games, the FIFA World Cup has seen over 2.45mn cumulative stadium attendees. For a country with a population of 2.93mn, ensuring mobile network performance meets expectations has been no easy feat. Ookla was keen to understand how Qatari mobile networks were handling the deluge of visitors and additional traffic. According to Speedtest Intelligence, median download performance in November rose to 263.37 Mbps on modern chipsets across all mobile technologies combined, with median 5G download performance hitting 472.13 Mbps." (Peninsula Qatar)

- **PwC: Shoppers in Qatar socially aware, localized and globally connected -** PwC Middle East has released its first in-depth consumer insights survey of Qatar, which highlights the distinctive characteristics and attitudes of consumers in Qatar. In the 2022 Global Consumer Insights Pulse Survey, the Qatar findings reveal that shoppers in the country are socially aware, localized and globally connected. The survey revealed that consumers in Qatar have a strong sense of local identity and take pride in supporting their country when buying domestic brands or products. The survey also found that most shoppers comprised a young demographic that was well-adapted to both in-store and online retail channels. A striking feature of consumers in Qatar, however, was that they were found to be more conscious of environmental and social factors than their peers in other global regions. With the first country-level survey of consumer attitudes in Qatar, PwC Middle East has launched a regular series that will track shopping behavior in one of the Middle East's leading economies. These findings form part of PwC's Global Consumer Insights Pulse series, allowing retailers, investors and policymakers to compare Qatar with wider regional and worldwide trends. PwC Middle East in Qatar Deals Partner Kamal Fayed said, "The Qatar survey findings are a great indication of how younger generations are reacting to a changing retail environment and various key socio-economic factors. These regular pulse surveys will allow us to identify themes and changing behaviors to better understand consumers in Qatar." He said, "Qatar continues to transform at a rapid pace and organizations are striving for more integrated business and workforce strategies, reinforced by robust strategic planning. This is where consumer trends provide valuable insights on consumers in a country that is taking its place on the global stage." Consumers in Qatar who answered the PwC survey have a similar profile as their peers in other Gulf countries. Almost 90% of the sample group is between 18 and 44 years old, reflecting the country's young demographic profile, while 73% are fully employed. In line with attitudes and preferences found among other Middle East consumers, Qatar respondents also are in favor of in-store and online retailers who provide efficient delivery. The common trend is that they would pay more for locally made products; and take environmental, social and governance (ESG) issues more seriously than the global consumer survey average when buying a brand or product. An intriguing fact uncovered by the PwC Global Consumer Insights survey is that Qatar (45%) has the third-highest proportion of respondents who have used or purchased virtual reality devices or media in the previous six months, only behind India (46%) and China (59%). PwC Middle East Consumer Leader Norma Taki commented: "Consumer habits in Qatar have shown that the country has a young community of socially aware and environmentally considerate shoppers who are increasingly digitally savvy, especially in the retail environment. Our latest findings reveal these traits as key to the consumer industry in Qatar and we look forward to watching these trends develop over the coming pulses and the future implications for suppliers and retailers in the country." Employers in Qatar also seemed relatively set on employees working from their main place of work. The survey findings revealed that only 21% of respondents have a hybrid weekly working pattern compared with an average of 33% for the wider Middle East survey, which covered Saudi Arabia, Egypt and the UAE. This gap suggests that the pandemic may have reshaped Qatar's employment landscape somewhat less than in neighboring countries. In general, consumers in Qatar also appear to be markedly patriotic: 64% of consumers in Qatar are willing to pay more for a product to support their domestic economy, compared with an average of 55% for the Middle East survey. (Qatar Tribune)

## *International*

- **US current account deficit shrinks in third quarter -** The US current account deficit narrowed sharply in the third quarter as exports jumped to a record high, data showed on Wednesday. The Commerce Department said that the current account deficit, which measures the flow of goods, services and investments into and out of the country, contracted 9.1% to $217.1bn last quarter. That was the smallest gap since the second quarter of 2021. The current account gap represented 3.4% of gross domestic product, down from 3.8% in the second quarter. That was the smallest share in two years. The deficit peaked at 6.3% of GDP in the fourth quarter of 2005. The United States is now a net exporter of crude oil and fuel. Though the deficit remains wide, it has no impact on the dollar given its status as the reserve currency. Exports of goods increased $7.2bn to a record $547.0bn, boosted by non-monetary gold and capital goods such as civilian aircraft engines and parts as well as other industrial machinery. But soybean and corn exports fell. Imports of goods dropped $32.5bn to $818.2bn, pulled down by widespread decreases in consumer goods and industrial supplies and materials. The decline in consumer goods was led by household and kitchen appliances and other household goods. Imports have slowed as businesses assess their inventory needs amid cooling domestic demand against the backdrop of aggressive interest rate increases from the Federal Reserve. The resulting smaller trade deficit was one of the drivers of the rebound in economic growth in the third quarter, adding nearly three percentage points to the 2.9% annualized rate of increase in gross domestic product. Primary income receipts increased $15.2bn to $314.0bn, while primary income payments raised $26.8bn to $268.4bn. The increases in both receipts and payments were largely driven by interest on loans and deposits, which were boosted by the Fed's rate hikes. Secondary income receipts fell $0.8bn to $42.7bn amid a decrease in general government transfers, mostly fines and penalties. Secondary income payments increased $9.0bn to $94.9bn, reflecting a rise in general government transfers, mostly international cooperation. (Reuters)

- **Report - All-cash deals accounted for a third of US home purchases in Oct -** About a third of all home purchases in the United States in October was paid for with cash, as affluent homebuyers look to avoid high interest payments amid surging mortgage rates, a report from online real estate brokerage Redfin showed. The housing market has borne the brunt of the Federal Reserve's fastest interest rate-hiking cycle since the 1980s as the US central bank wages a war against inflation. Cash purchases accounted for about 31.9% of all home purchases in October, the highest share since 2014, according to the report. The share of home purchases using all cash shot up in the beginning of 2021 after hitting a record low of 20.1% in April 2020, the report said. "During the pandemic housing boom, buyers were incentivized to pay in cash because of low rates, which drove up competition and made all-cash offers an effective bargaining chip for those who could afford them," Redfin Economics research lead Chen Zhao said. The data in this report is from a Redfin analysis of county records across 39 of the most populous US metropolitan areas, going back through 2011. (Reuters)

- **US existing home sales fall for 10th straight month in November -** US existing home sales slumped to a 2-1/2 year low in November as the housing market continued to be squeezed by higher mortgage rates. Existing home sales plunged 7.7% to a seasonally adjusted annual rate of 4.09mn units last month, the lowest level since May 2020, the National Association of Realtors said on Wednesday. Outside the plunge during the first wave of the COVID-19 pandemic in the spring of 2020, this was the lowest level since November 2010. Sales have now declined for 10 straight months, the longest such stretch since 1999. They dropped in all four regions in November. Economists polled by Reuters had forecast home sales would drop to a rate of 4.20mn units. House resales, which account for a big chunk of US home sales, tumbled 35.4% on a year-on-year basis in November. The Federal Reserve's fastest interest rate-hiking cycle since the 1980s has had the most impact on housing. The US central bank is seeking to slow unacceptably high inflation by bringing down demand for everything from housing to labor. Reports this week showed confidence among homebuilders dropping for a record 12th straight month in December, while single-family homebuilding and permits tumbled to a 2-1/2-year low in November. The average rate on a 30-year fixed-rate mortgage surged to above 7% a few months ago, the highest since 2002, according to data from mortgage finance agency Freddie Mac. Though the rate has since retreated to 6.31% last week, it is double what it was that time a year ago. The housing market boomed early in the pandemic as Americans sought bigger properties to accommodate home offices, driving up prices beyond the reach of many. Even with demand down, supply remains tight, keeping home prices elevated, though the pace of increases is slowing. The median existing house price increased 3.5% from a year earlier to $370,700 in November. It was still the highest house price for any November and prices remain about 37% above their pre-pandemic level. There were 1.14mn previously owned homes on the market, up 2.7% from a year ago. At November's sales pace, it would take 3.3 months to exhaust the current inventory of existing homes, up from 2.1 months a year ago. A four-to-seven-month supply is viewed as a healthy balance between supply and demand. "In essence, the residential real estate market was frozen in November, resembling the sales activity seen during the COVID-19 economic lockdowns in 2020," NAR Chief Economist Lawrence Yun said. Properties typically remained on the market for 24 days last month, up from 21 days in October. Sixty-one% of homes sold in November were on the market for less than a month. First-time buyers accounted for 28% of sales, up from 26% a year ago. All-cash sales made up 26% of transactions compared to 24% a year ago. (Reuters)

- **Report: US new vehicle sales to fall in December as high prices deter buyers -** US total new vehicle retail sales are expected to decline in December as high vehicle prices and rising borrowing costs pushed consumers to cut back spending, a report from industry consultants J.D. Power-LMC Automotive showed on Wednesday. "Elevated pricing, coupled with repeated interest rate increases, continue to inflate monthly loan payments," said Thomas King, president of the data and analytics division at J.D. Power. The average monthly payment for a new vehicle loan in December was $718, up $47 from a year ago, per the report. Retail sales of new vehicles this month are expected to touch over 1.04mn units, down 2.8% from last year. Total new vehicle sales in December, including retail and non-retail transactions, are likely to be over 1.25mn units, a 5.3% increase from last year, according to the report. The consultants expect retail sales in the United States to increase next year, with improving inventory levels. "Even with the probability of an economic downturn, pent-up consumer demand from the past two years will keep inventory levels relatively low," King said. Globally, vehicle sales are projected to end at 80.7mn units this year, a 1% contraction from 2021. They project global sales to grow 6% to 85.7mn units in 2023, even as markets grapple with the prospects of an economic recession. "We expect 2023 to carry a high level of risk and uncertainty as several markets could be dealing with a recession," Jeff Schuster, president, global forecasts, LMC Automotive said. (Reuters)
- **CBI: UK retail sales pick up unexpectedly in December -** British retailers reported an unexpected pick-up in demand in December but expect consumer spending to slide again in 2023 as shoppers are pressured by the rising cost of living, a survey from the Confederation of British Industry showed on Wednesday. The CBI's monthly distributive trades' index rose to +11 in December from -19 in November, well above both the -21 forecast by retailers and the -23 median in a Reuter's poll of economists. However, for January retailers see the sales balance falling back to -17. The survey of 50 retail chains took place between Nov. 24 and Dec. 12. (Reuters)
- **Soaring energy costs push UK public borrowing to November record -** British public borrowing unexpectedly jumped last month to hit its highest for any November on record, reflecting the mounting cost of energy subsidies, debt interest and the reversal of an increase in payroll taxes, official figures showed on Wednesday. Borrowing rose to 22.0bn Pounds ($26.7bn) from 8.1bn Pounds a year earlier - before Britain was hit by surging natural gas prices that have forced the government to subsidies heating and electricity costs for millions of households and businesses. Economists polled by Reuters had forecast a much smaller increase to 13.0bn Pounds. The news comes as the government faces a wave of strikes in the public sector - including nurses and ambulance drivers - as well as in the rail industry which relies heavily on subsidies. Responding to the data, finance minister Jeremy Hunt repeated his position that he had no wish to change his spending plans. These allow no scope for public-sector pay to keep up with inflation, which hit a 41-year high in October. "We have a clear plan to help halve inflation next year, but that requires some tough decisions to put our public finances back on a sustainable footing," Hunt said. Last month the British government's Office for Budget Responsibility (OBR) revised up its forecast for borrowing in 2022/23 to 177.0bn Pounds, or 7.1% of gross domestic product, from an earlier estimate of 99.1bn Pounds. Borrowing had looked set to rise even higher under Hunt's predecessor, Kwasi Kwarteng, who was forced to quit in October along with then-prime minister Liz Truss after markets rejected their 'Plan for Growth' and pushed sterling to a record low. (Reuters)
- **GFK: German consumer sentiment maintains upward trajectory -** German consumer sentiment is set to extend its recovery heading into the new year as government relief measures meant to take the bite out of soaring energy prices seem to be having an effect, a GfK institute survey showed on Wednesday. The institute said its consumer sentiment index rose to -37.8 heading into January from a slightly revised reading of -40.1 in December, and above forecasts from analysts polled by Reuters of -38.0. "With the third rise in a row, the consumer climate is slowly working its way out of the trough. The light at the end of the tunnel is getting a little brighter," said GfK consumer expert Rolf Buerkl. However, despite the slight improvement, consumer confidence is still at a low point. October had marked the lowest reading in over a decade at -42.8. A negative reading suggests a year-on-year drop in private consumption. Buerkl said the recovery was still on shaky ground and could be thrown off balance, for example, by a significant jump in energy prices should the geopolitical situation deteriorate. "The light at the end of the tunnel would become darker again very quickly, or even go out altogether," he said. All three sub-indices saw an increase in December, with the largest jump seen in income expectations, rising to -43.4 from -54.3 the previous month, as energy prices have developed more moderately in recent weeks and a one-off gas relief payment for households in December kicks in. (Reuters)
- **Japan Government revises up fiscal 2023 growth forecast on higher capex, wages -** Japan's government revised up on Thursday its growth forecast for the next fiscal year on prospects for higher business expenditure and substantial wage hikes that are seen underpinning consumption. The upgraded projections, which provide a basis for the government's annual budget plan due on Friday, underscore how Japan is set to buck a global growth slowdown thanks to robust domestic demand supported by inbound tourism reopening. "Private sector demands will drive growth in fiscal 2023," the government said in a statement, although warning of downside risks from an overseas economic slowdown, inflation, supply bottlenecks and market fluctuations. Japan's real gross domestic product (GDP) is expected to expand 1.5% in the fiscal year beginning in April 2023, the government said in its new semi-annual projection, up from 1.1% in the previous forecast made in July. The official forecast was much higher than economists' median estimate of a 1.1% expansion in a recent Reuters poll. The size of nominal GDP will likely reach 560.2tn Yen ($4.25tn) in fiscal 2022 and 571.9tn Yen in fiscal 2023, to hit fresh records for two consecutive years, exceeding the pre-pandemic level seen in 2019, the estimate showed. The government left its overall consumer price index (CPI) forecast for fiscal 2023 unchanged at an 1.7% increase from the July projection, pointing to the government subsidies to curb gasoline and utility bills and offset the rising living costs from higher import prices. The government's estimate underscores its hope that companies will increase wages next year to make up for the rising expenses due to higher commodity and import costs. Japanese real wages have been falling for seven months since April as consumer inflation has recently surged to 40-year-high levels, well above the Bank of Japan's (BOJ) 2% target. The government and the BOJ have repeatedly called for higher pay hikes as a key to Japan's post-pandemic economic growth with sustainable price inflation. For the current fiscal 2022, the government cut its growth to an 1.7% expansion from a 2.0% increase projected in July, due to a bigger-than-expected decline in overseas demand. Meanwhile, it raised its consumer inflation forecast to a 3.0% increase from 2.6% seen in July. Higher wage growth and a sustained solid economic recovery are crucial

to how quickly the BOJ can unwind its massive monetary stimulus. On Tuesday, the BOJ stunned markets by announcing a surprise tweak to its long-term yield cap - a move some analysts saw as a prelude to an exit from ultra-easy policy. (Reuters)

## *Regional*

- **Bilateral Trade Between India and GCC Up 77% -** The Bilateral Trade between India and the Gulf Cooperation Council grew from $87.35bn in the financial year 2020-21 to $154.66bn in the financial year 2021-22. This growth helped in registering an increase of 77.06% on a year-on-year basis. This was stated in the parliament on Wednesday by Union Minister of State for Commerce and Industry Anupriya Patel. Patel was replying to a question raised in the Lok Sabha. Giving details, Patel said that during the current financial year 2022-23, for the period April-October 2022, bilateral trade between India and the GCC stood at $111.71bn. This was up from $79.49bn during the same period in the financial year 2021-22. This is an increase of 40.53% on a year-on-year basis. She added that during the financial year 2017-18 to FY 2021-22, bilateral trade between India and the GCC has grown by 10.57% on a compounded annual growth rate basis. (Bloomberg)
- **MENA CEOs more bearish about 2023 than global peers -** CEOs in the Middle East region are more negative about the macroeconomic outlook for 2023 than their European and American counterparts, with more saying they believe it will worsen over the first half of the year. In a survey by CEO advisory firm Teneo, 11% of CEOs in the Middle East and North Africa (MENA) region think that the outlook for the global and domestic economies, access to capital, industry conditions and customer demand will worsen a lot. A further 44% think the outlook will worsen a little. But, in the Americas, 32% think there will be a lot of improvement, while 3% think it will worsen a lot, and 12% think it will worsen a little. In Europe, 3% expect a lot of improvement, compared with 17% who think it will worsen a lot and 56% who think it will worsen a little. “The level of complexity and uncertainty facing CEOs around the world is at unprecedented levels,” said Paul Keary, CEO of Teneo. “The sheer magnitude of macro issues places a premium on companies taking steps to control their fate amid an increasingly deglobalized world. These dynamics will create opportunities for companies who are nimble and decisive.” CEOs globally showed a trend towards balancing environmental, social and corporate governance needs with core business, with the majority saying that would be their focus. The trend is strongest in the MENA and Asia regions, where 80% said they will strike a balance, versus 20% prioritizing core business. In the Americas, 14% said they will prioritize ESG, 67% said they will strike a balance and 25% said they will prioritize core business. In Europe, 17% said they will prioritize ESG, 59% said they will strike a balance and 17% said they will prioritize the core business. CEOs in the Asia and MENA regions said they are preparing for further disruption in capital markets, technology and geopolitics next year. In the Americas, more disruption is expected in supply chain, capital markets and technology, while in Europe, disruption is expected in ESG, geopolitics and society. (Zawya)
- **Saudi oil minister: Opec+ will remain pre-emptive -** Opec and its allies have no choice but to remain proactive given the uncertainties that face the market, the Saudi Arabian oil minister said. “The market has been subject to some extreme shocks and if it were not for the proactive approach and the preemptive steps that Opec+ adopted, these shocks would have created havoc in oil markets,” Prince Abdulaziz bin Salman told the Saudi Press Agency in an interview published late on Tuesday. Oil markets experienced a surge in volatility this year, driven mainly by Russia’s invasion of Ukraine. As crude skyrocketed into triple digits, many government leaders fretted over prices and demanded oil producers take measures to lower them. In October, Opec+ said it would cut production due to its expectations that the market would be oversupplied in the fourth quarter and into 2023. That move angered the US, though tensions have since eased. “We leave politics out of our decision-making process, out of our assessments and forecasting, and we focus solely on market fundamentals,” Prince Abdulaziz said. Brent prices have slumped around 35% since early June to $80 a barrel because of growing concerns about a global economic slowdown. “The signal they want to send to the market is that they stand ready to cut, if they need to,” Vandana Hari, founder of Vanda Insights, said to Bloomberg TV on Wednesday, referring to Opec+ and the prince’s comments. “Opec+ is really worried about declining demand next year leading the markets into oversupply again.” The 23-nation alliance, led by the Saudi Arabia and Russia, may look to defend Brent prices at $70 a barrel, she said. “Perhaps when prices reach those levels you can expect them to start talking again,” she said. “They’ll remain in wait-and-watch mode for the time being because there are huge uncertainties with regard to demand and China’s reopening.” (Gulf Times)
- **Saudi Arabia's Hassana invests $2.4bn in DP World's UAE assets -** Saudi Arabia-based Hassana Investment Co. has invested $2.4bn for a 10.2% stake in three of DP World's assets in the UAE - Jebel Ali Port, Jebel Ali Free Zone and National Industries Park. The investment is in a new joint venture with DP World through which it will hold its economic interest in a stake of around 10.2% in the three UAE assets. The investment by Hassana implies a total enterprise value of approximately $23bn for the three assets, the companies said in a joint statement on Wednesday. Following the investment, which closed on 19 December 2022, the three assets will remain fully consolidated businesses within the DP World Group, it said. Sultan Ahmed Bin Sulayem, Group Chairman and CEO of DP World, said the new partnership will enhance the company's assets and strengthen the balance sheet, and support the company’s “target of achieving a strong investment-grade rating for the DP World group." The sale of a strategic minority stake follows an earlier transaction in June 2022, when the company sold a 22% minority stake to Canadian pension fund, Caisse de Depot et Placement du Quebec, for $5bn. Hassana is the investment manager for Saudi Arabia's General Organization for Social Insurance, which owns one of the world's largest pension funds. The assets, Jebel Ali Port, Free Zone and National Industries Park, generated pro-forma 2021 revenue of $1.9bn, according to the statement. (Zawya)
- **Almost 60% of Saudis choose 'only digital money transfer' -** Consumers in Saudi Arabia predominantly view digital money transfers as the preferred way to send money now and in the future, according to research commissioned by Western Union. Yet many still want the power to choose between online and retail (in-person) experiences - depending on their convenience and needs. Exclusive insights show that today almost 60% of consumers who send money abroad prefer digital money-transfer services, compared to 22% who want choice, and 17% who send cash through retail channels only. The study, which surveyed over 1,500 money-sending and receiving citizens and residents of Saudi Arabia, asked how, when and why they move money internationally. The results bolster Western Union’s recently announced, ‘Evolve 2025’ (E25) strategy combining high-value, accessible digital and retail financial services. The research also aligns to Western Union data, which has demonstrated strong customer preferences to move money digitally. In the first three quarters of 2022, the Company experienced double-digit year-on-year growth in the volume of digital transactions from Saudi Arabia. (Zawya)
- **Central bank: UAE economy set to grow 7.6% this year -** The UAE economy is projected to grow by 7.6% this year, driven by both oil and non-oil sectors, the country's central bank estimates. This compares with the mid-year forecast of 5.4% for 2022. For 2023, overall real gross domestic product (GDP) is projected to grow by 3.9%, the Central Bank of the UAE (CBUAE) said in its latest quarterly economic review on Tuesday. "There are increased chances for growth being stronger in 2022 due to mainly better-than-expected performance in some of the non-oil sectors such as tourism and hospitality, real estate, transportation and manufacturing," the report noted. Last October, International Monetary Fund (IMF) projected the UAE's GDP to grow 5.1% this year, revising the previous estimate of 4.2%. The UAE central bank said real oil GDP is projected to grow by 11% and 3% in 2022 and 2023, respectively. However, this will depend on the evolution of the Russia-Ukraine conflict, potential global economic slowdown, further OPEC+ decisions on production levels, potential reduction in output by some of the other OPEC members and further post-COVID recovery, it added. The UAE's oil production in Q3 averaged 3.17mn barrels per day, with the hydrocarbon GDP estimated to have grown 13%, the report said. The OPEC oil producer has benefitted from the steep rise in oil prices following the Russian invasion of Ukraine. For the non-oil sector, the bank projects growth of 6.1% and 4.2%, respectively. "After another significant rise in the non-hydrocarbon sector in Q2 2022, the sector is estimated to have grown

compared to a year ago slightly less in Q3." The sector benefited from the removal of most COVID-19 related restrictions and from the recovery in global travel and tourism, the booming real estate and construction sectors, expanding manufacturing activities and from world class events, such as the FIFA World Cup in Qatar in Q4 2022, the report noted. CBUAE also revised its projection for the UAE headline inflation downwards to 4.9% in 2022, as oil and food prices moderate. (Zawya)

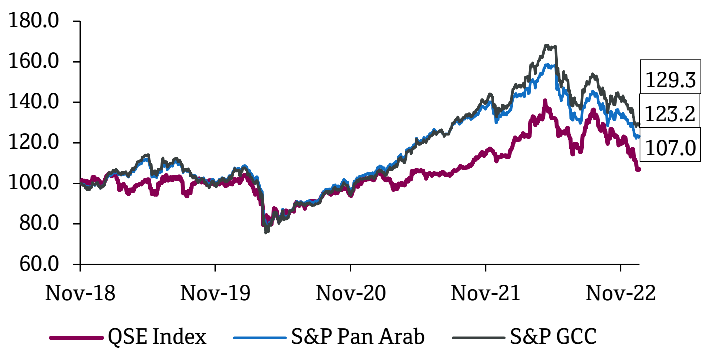
- **Over $600mn in credit limits submitted on DP World's trade finance platform -** Efforts to close the US$1.7tn annual global trade finance gap are gaining traction, especially in the small-to-medium-enterprise (SME) sector, with DP World announcing that its platform has received requests for more than US$600mn in credit limits. DP World Trade Finance offers businesses of every size a quick and simple route to secure the capital they need to trade in global markets. The aim is to bridge the US$1.7tn of trade finance gap that exists, stemming from struggles that many businesses face in securing the upfront funds required to move cargo. Since its launch in July 2021, DP World Trade Finance has generated over US$600mn in credit limit submissions by facilitating a streamlined connection between SMEs and financial institutions on its trade finance platform. The platform has registered over 56,000 global clients from more than 50 countries around the world to provide them with affordable access to trade finance. The latest financial institution to join the platform is India Factoring and Finance Solutions Pvt. Ltd, a leading, independent provider of specialized trade finance products in India. The company will now be able to use the DP World Trade Finance platform to lend with confidence and help companies access the capital they need to trade efficiently. Sinan Ozcan, Senior Executive Officer of DP World Financial Services, outlined the importance of Trade Finance in DP World's efforts to enable world trade. He said, "DP World's extensive outreach to businesses across the globe, visibility on trade data and control over cargo help financiers connect with businesses, identify risks, build confidence and provide credit, while businesses gain access to affordable and innovative financing options to grow their business. So far, we've onboarded 20 financial institutions onto the platform, covering 80 countries total, and the registration process for new clients is less than five minutes. By enabling more business through finance, we can support growth and generate greater value for all of our partners and customers." Ravi Valecha, CEO of India Factoring and Finance Solutions Pvt. Ltd, said, "As a leader in worldwide smart end-to-end supply chain logistics, DP World handles over 10% of global container traffic and has terminals in countries across the world. Being part of trade finance is a natural extension for them and India Factoring and Finance Solutions Pvt. Ltd. is glad to be associated to be part of their cross-border trade finance solutions – a natural extension as a leader in India's cross border factoring space." Many SMEs have their finance applications rejected every year when they are unable to provide the credit history along with additional trade data that financiers routinely require for credit approvals. These are businesses who buy, sell, import and export goods around the world, meaning a vast amount of trade is being lost. Fundamentally, the level of access to trade finance is critical not only to the survival and growth of exporters, importers and logistics companies, but to the growth of economies as a whole. (Zawya)
- **UAE fines six companies for violating anti-money laundering legislation -** The Ministry of Economy has conducted inspection tours to monitor the operations of designated non-financial business or professions (DNFBP) sector companies that are subject to its supervision, which include real estate agents and brokers; precious metals and gemstone dealers; auditors; and corporate service providers. The initiative falls in line with the Ministry's annual plan to ensure the sector's compliance with the provisions stipulated by Federal Decree-Law No. (20) of 2018 on anti-money laundering and combating the financing of terrorism and illegal organizations (AML/CFT), and its executive regulations and related laws, in addition to ensuring the country's full compliance with the international standards issued by the Financial Action Task Force (FATF). The inspections fined six DNFBP companies for their failure to adhere to the internal policies and controls established to combat crime; engaging in suspicious business relationships; and failure to adopt necessary measures to limit the risks of crime in the field of work; in addition to their failure to strengthen AML procedures and monitor/report suspicious transactions. As a result, total of 59 fines amounting to AED 3,200,000 were levied on them for the violation of Cabinet Decision No. 16 of 2021 on the unified list of the violations and administrative penalties for the said violations. The total number of companies/entities operating in the DNFBP sector under the Ministry's supervision is approximately 15,000. (Zawya)
- **UAE's ADNOC to acquire nearly 25% stake in Austria's OMV -** State oil giant Abu Dhabi National Oil Company (ADNOC) has confirmed it will acquire a 24.9% stake in Austria-based global energy and chemicals group OMV AG (OMV) from Mubadala Investment Company (Mubadala). The transaction will increase ADNOC's shareholdings in both Borealis and Borouge, thereby expanding the company's footprint in the chemicals sector, according to a statement on Wednesday. OMV holds a 75% stake in Borealis. The transaction is in line with ADNOC's strategy to grow its business globally. It also aligns with Mubadala's long-term investment strategy, the statement said. "The transaction marks the next major milestone for ADNOC as it accelerates its ambitious domestic and international chemicals growth strategy and also aligns with Mubadala's long-term investment strategy," the statement said. "As we continue to meet the growing global demand for lower carbon energy, we are fast-tracking the delivery of our growth strategy and expanding our footprint across key strategic markets and sectors," added Sultan Al Jaber, UAE Minister of Industry and Advanced Technology and ADNOC Managing Director and Group CEO. The transaction is still subject to certain closing conditions and regulatory approvals. (Zawya)
- **Relocation of firms, professionals to UAE gains pace -** The UAE's world-class ease of doing business environment, investor-friendly legislative ecosystem, and trail-blazing reforms have positioned the nation as a global destination of choice for international companies, professionals, and talents to relocate. After being elevated to 11th place globally from 21st position by the World Bank in ease of doing business in 2022, the UAE saw an increased pace of migration by corporates and professionals keen to take advantage of the vibrant investment landscape underpinned by sweeping reforms and policies that facilitate and speed up the establishment of companies through electronic platforms. According to Dr. Thani Al Zeyoudi, Minister of State for Foreign Trade, dozens of international companies are setting up regional bases in the UAE attracted by the nation's ongoing drive to reinforce its status as a global tech hub. The drive is part of the NextGen FDI initiative that seeks to attract advanced technology companies from all over the world with a spate of incentives. These include making licensing and financing easier, offering golden visas, providing commercial and residential lease incentives, relocation guidance, cloud infrastructure, and affordable education for families. The minister was hopeful that scores of firms would announce their relocation to the Emirates before the end of the year. "As a global mobility service provider, we have witnessed that the number of c-suite executives looking to settle in the UAE is significantly higher than in other countries in the world. We have also observed that people who choose the UAE for business, employment, or retirement, make it their permanent nest. As a niche service provider for mobility services, we have handled 468 moves in the past 8 months that is from April 2022 to November 2022," pointed out Simon Mason, chief operating officer and chief revenue officer, Writer Relocations, a key player in the global relocation industry. The UAE also seeks to attract firms in sectors including food technology, robotics, and blockchain, and encourage them to set up global or regional headquarters in the Middle Eastern business hub. Dubai and Abu Dhabi are already home to the regional headquarters of a large number of global technological and financial firms. According to the minister, the timing was very crucial because many companies would like to move from elsewhere because of inflation, and the tighter regulatory environment in many parts of the world, including Asia, especially Singapore and Hong Kong. The World Bank's top ranking makes the UAE the first regional economy to secure a place in the top 20 categories even though the country has led the Arab world for the past six years. According to the World Bank, the UAE has carried out four different significant economic reforms such as the elimination of fees for industrial and commercial connections and easy-to-pursue improvements to the online registration system for new businesses. "The UAE is one of the world's fastest-growing markets and has become the destination of choice

for millions of expat professionals and their families. Renowned for its secured business environment, rising economy, world-class career opportunities and strong regulatory structure, the UAE has firmly established itself as one of the world's most live able countries," added Mason. (Zawya)

- **UAE-Israel trade more than doubles in 11 months of 2022 -** Cranes are moving containers from vessel at Jebel Ali Terminal. The UAE and Israel are targeting to advance bilateral trade beyond $10bn in five years. Bilateral trade between the UAE and Israel has more than doubled in the first 11 months of this year, helped by the signing of the Comprehensive Economic Partnership Agreement (Cepa). Amir Hayek, Israel's ambassador to the UAE, took to Twitter to announce the new record in bilateral trade. "After the first 11 months of 2022, we reached $2.357bn (excluding software), an increase of 115.1% compared to the same period in 2021," said Hayek. The UAE and Israel signed the Abraham in September 2020 to normalize relations and improve trade relations. The UAE-Israel Cepa deal, signed earlier this year, will further build on the exponential growth in trade and investment the UAE and Israel have enjoyed since the signing of the Abraham Accords. From September 2020 to March 2022, UAE-Israel non-oil trade surpassed $2.5bn, while it reached $1.06bn in the first three months of 2022 – five times the total from the same period in 2021. The CEPA deal provides unprecedented economic benefits for both parties by lowering or eliminating tariffs on more than 96% of tariff lines and 99% value of trade, enhancing market access for exporters, attracting new investment, and creating opportunities in key industries, including energy, environment, and digital trade. The two countries are targeting to advance bilateral trade beyond $10bn in five years. The two nations are expanding their ties beyond bilateral trade as well. Earlier this year, Etihad Credit Insurance (ECI), the UAE Federal export credit company, also entered into a historic collaboration with Israel Export Insurance Corporation Limited to provide buyer's credit guarantees to the funding bank for Ghana's Dh540mn healthcare project, which will see the construction of four hospitals and the first main central medical storage facility in the country. (Zawya)
- **Dubai's Tabreed confirms PIF has taken 30% stake in Saudi venture -** Dubai-based National Central Cooling Co., also known as Tabreed, said Saudi Arabia's Public Investment Fund (PIF) has taken a 30% stake in its Saudi venture by way of private placement of shares. In a regulatory filing on Wednesday to the Dubai Financial Market (DFM), where its shares trade, Tabreed said it has also entered into a deal to acquire additional shares in Saudi Tabreed from Al Mutlaq Group for Industrial Investments LLC for 55mn riyals ($14.7mn). This consolidates Tabreed's existing shareholding in Saudi Tabreed at 21.8% shareholding, it added in a separate disclosure. Tabreed did not mention the value for the stake acquisition by PIF. A Bloomberg report on Tuesday, however, said the stake is estimated to be worth $250mn. Tabreed's shares, which closed more than 10% higher on the DFM on Tuesday, was last trading 2.5% lower at AED3.07. (Zawya)
- **AmCham Abu Dhabi's Annual Roundtable Summit to discuss business opportunities and challenges -** Over 200 key American industry and government leaders from across Abu Dhabi's and UAE's commercial spectrum come together for AmCham Abu Dhabi's Annual Roundtable Summit on 12th January 2023 to discuss business opportunities and challenges, identify key concerns and issues, and discuss solutions and ways forward for long-term sustainability and success. The summit will be held under the theme: "The US-UAE relationship bilateral trade at work". Through this dialogue, delegates identify specific business practices, laws, and government policies that can realistically be acted upon, in order to further the goals of increasing foreign direct investment in the UAE, enhancing UAE-US commercial relations, and ultimately assisting the UAE in achieving the development plans set forth in The Abu Dhabi Economic Vision 2030, and ultimately, Vision 2071. A special focus will be on key industry sectors of defense/aerospace, energy, healthcare and climate change. (Zawya)
- **GAJ named lead architect for Palma's Dubai residential complex -** Godwin Austen Johnson (GAJ), one of the largest British architectural and design practices in the UAE, has been appointed by Palma Development as the lead architects for its new Serenia Living residential complex, featuring 225 located on The Palm Jumeirah. The contract award comes following the success of Palma's earlier project - Serenia Residences, also on The Palm Jumeirah, designed and handed over by GAJ in 2018, said the company in a statement. Spanning over 1.3mn sq ft, Serenia Living offers a collection of 225 exclusive residences, including a mix of two- three- and four-bedroom units, as well as half floor and full floor penthouses, across four unique buildings. Two of the towers will be dedicated to a collection of 22 penthouses and each building will be crowned with a one-off duplex Sky Mansion, it stated. According to GAJ, the project features one of the largest wellness clubs in Dubai, which includes a spacious gym with dedicated training studio and a spa with sauna, steam room and an ice plunge pool. It will also include a children's play area with games room, outdoor pool, cinema and an array of external sports facilities and courts, stated the top UK design firm. The project is likely to be completed in December 2025. (Zawya)
- **Abu Dhabi sets out rules on utility bills, pricing, defaults to protect consumers -** The Abu Dhabi government has rolled out a new set of regulations to protect the rights of electricity and utility consumers in the emirate. The new regulations are stipulated in the Consumer Protection Policy of the Abu Dhabi Department of Energy (DoE) that was launched on Wednesday. It includes rules pertaining to service disconnections and utility service fees and charges, and mandates service providers to avoid collecting hidden charges and ensure price transparency in their monthly billings. It also urges service providers to allow defaulting customers to settle their dues in instalments. The regulatory framework applies to companies that supply energy, water, sewerage and district cooling services in Abu Dhabi. "The regulatory framework ensures the provision of the best possible services and supply safety at reasonable rates to all segments of society," according to a statement. "The new comprehensive policy includes clauses that support and regulate the operations of companies and service providers within the water and energy sector in Abu Dhabi." (Zawya)
- **UAE, Morocco discuss strategic relations and cooperation -** During an official visit to Morocco, Dr. Sultan Ahmed Al Jaber, Minister of Industry and Advanced Technology, met with Aziz Akhannouch, Prime Minister of Morocco, and several ministers from the Moroccan government. The meeting was attended by Al Asri Saeed Ahmed Al Dhaheri, UAE Ambassador to Morocco. At the beginning of the meeting, Dr. Al Jaber conveyed the greetings and best wishes of the UAE's leadership, government and people to Morocco and its people, and went on to highlight the deep-rooted historical ties between the two countries. The two sides also discussed ways of boosting their cooperation and investment opportunities in a number of vital sectors. The visit aligns with the mutual keenness of the UAE and Morocco leaderships to enhance and expand their relations in new strategic fields, and boost their cooperation across industry, economy, investments, culture, and tourism. During the visit, Dr. Al Jaber met with Nasser Bourita, Morocco's Minister of Foreign Affairs, African Cooperation and Moroccan Expatriates, to discuss their bilateral relations and ways of enhancing them, in addition to several regional and international issues of mutual concern. Al Jaber also held separate meetings with Riyad Mazour, Moroccan Minister of Industry and Trade, and Leila Benali, Moroccan Minister of Energy Transition and Sustainable Development, to discuss boosting their cooperation in the areas of energy, renewable energy, industry and technology, and the importance of continuing relevant coordination and consultations between the two countries. The discussions also covered the UAE's hosting of COP28 and uniting efforts to ensure energy security and support climate action towards achieving sustainable economic development goals. The total UAE-Morocco non-oil trade exchange reached AED2.8bn in the first nine months of 2022, a growth of 24% compared to the same period in 2021. (Zawya)
- **Sharakah outlines future vision for Oman SMEs -** Sharakah, Fund for Development of Youth Projects, made by Royal Decree for supporting the SME sector in Oman, recently attended the 18th annual meeting of the International Network for Small and Medium Enterprises (INSME), held in Baku, Azerbaijan. INSME, based in Rome, Italy, holds an annual general meeting to address diverse subjects and significant challenges that concern the SME industry besides discussing the achievements and goals of the association. This year's INSME conference, with the theme

'Empowering SMEs - Economic Diversification & Green Growth', was held at the JW Marriott Hotel, Baku under the patronage of Mikayil Jabbarov, Minister of Economy of the Republic of Azerbaijan. Recognizing that SMEs are essential to the global economy as a driver, contributors and employer, Sharakah discussed future cooperation and joint projects during the highly strategic meeting. On the role of SMEs in global diversification and sustainability efforts, Ali Ahmed Muqaibal, CEO of Sharakah stated, "The speed of energy transition in any economy depends on many factors, such as the energy situation of the country, social and economic factors, etc. Amidst this environment, the incubation provided by multinational organizations and universities for SMEs has played a vital role in promoting green innovation by providing funds, closing gaps for research and development and acting as a catalyst in their integration of a green ecosystem as part of their ESG contribution." The two-day meeting included many sessions and discussion panels for the attendees to deliberate and exchange market expertise and knowledge. Sessions covered sustainability and energy challenges for SMEs, contingency planning, innovation and green growth, policy and response, annual general assembly as well as a fruitful matchmaking session to pair SMEs with potential investors and stakeholders. The event also included sideline meetings for attendees to hold one-on-one discussions. Furthering its efforts to identify opportunities for growth and international engagement, Sharakah organized a side meeting with Orkhan Mammadov, Chairman of the Management Board of the Small and Medium Business Development Agency of the Republic of Azerbaijan (KOBİA), who has expressed his interest in visiting the Sultanate to seek out potential partnerships and areas of collaboration with Sharakah. (Zawya)

## *Rebased Performance*




*Source: Bloomberg*

## *Daily Index Performance*


*Source: Bloomberg*

| Asset/Currency Performance | Close ($) | 1D% | WTD% | YTD% |
|---|---|---|---|---|
| Gold/Ounce | 1,814.39 | (0.2) | 1.2 | (0.8) |
| Silver/Ounce | 23.97 | (0.8) | 3.2 | 2.8 |
| Crude Oil (Brent)/Barrel (FM Future) | 82.20 | 2.8 | 4.0 | 5.7 |
| Crude Oil (WTI)/Barrel (FM Future) | 78.29 | 2.9 | 5.4 | 4.1 |
| Natural Gas (Henry Hub)/MMBtu | 6.00 | 14.3 | (9.1) | 63.9 |
| LPG Propane (Arab Gulf)/Ton | 68.25 | 5.0 | 0.9 | (39.2) |
| LPG Butane (Arab Gulf)/Ton | 92.00 | 0.8 | 0.7 | (33.9) |
| Euro | 1.06 | (0.2) | 0.2 | (6.7) |
| Yen | 132.46 | 0.6 | (3.0) | 15.1 |
| GBP | 1.21 | (0.8) | (0.5) | (10.7) |
| CHF | 1.08 | (0.1) | 0.8 | (1.6) |
| AUD | 0.67 | 0.4 | 0.3 | (7.7) |
| USD Index | 104.16 | 0.2 | (0.5) | 8.9 |
| RUB | 118.69 | 0.0 | 0.0 | 58.9 |
| BRL | 0.19 | 0.1 | 2.0 | 7.1 |

*Source: Bloomberg*

| Global Indices Performance | Close | 1D%* | WTD%* | YTD%* |
|---|---|---|---|---|
| MSCI World Index | 2,626.92 | 1.3 | 0.8 | (18.7) |
| DJ Industrial | 33,376.48 | 1.6 | 1.4 | (8.2) |
| S&P 500 | 3,878.44 | 1.5 | 0.7 | (18.6) |
| NASDAQ 100 | 10,709.37 | 1.5 | 0.0 | (31.5) |
| STOXX 600 | 431.44 | 1.6 | 1.5 | (17.7) |
| DAX | 14,097.82 | 1.4 | 1.4 | (16.9) |
| FTSE 100 | 7,497.32 | 1.1 | 1.3 | (9.5) |
| CAC 40 | 6,580.24 | 1.9 | 1.9 | (14.4) |
| Nikkei | 26,387.72 | (1.6) | (1.2) | (20.2) |
| MSCI EM | 952.98 | 0.2 | (0.5) | (22.6) |
| SHANGHAI SE Composite | 3,068.41 | (0.5) | (3.2) | (23.3) |
| HANG SENG | 19,160.49 | 0.2 | (1.7) | (18.1) |
| BSE SENSEX | 61,067.24 | (1.4) | (0.6) | (5.8) |
| Bovespa | 107,433.14 | 1.3 | 6.5 | 10.0 |
| RTS | 940.03 | (2.8) | (9.5) | (41.1) |

*Source: Bloomberg (*$ adjusted returns)*

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