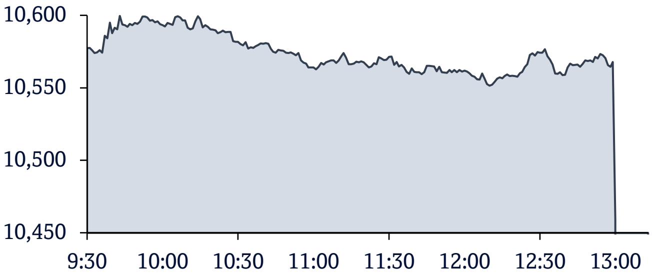
QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 1.1% to close at 10,458.7 on Tuesday 17 December. Losses were led by the Transportation and Industrials indices, falling 2.4% and 1.8%, respectively. Top losers were Qatar General Ins. & Reins. Co. and Qatar Navigation, falling 4% and 2.9%, respectively. Among the top gainers, Qatar Insurance Company gained 4.9%, while Qatari Investors Group was up 1.5%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.6% to close at 11,892.4. Losses were led by the Utilities and Food & Staples Retailing indices, falling 2% and 1.6%, respectively. Fitaihi Holding Group declined 6.7%, while Arabian Contracting Services Co. was down 4.2%.

Dubai The DFM Index gained 0.2% to close at 5,057.3 The Utilities index rose 1.5%, while the Real Estate Index gained 1.4%. Emirates Central Cooling Systems Corporation rose 3.9%, while Dubai Taxi Company was up 3.0%.

Abu Dhabi: The ADX General Index gained 0.8% to close at 9,351.3. The Financials Index rose 1.4%, while the Health Care index gained 1.2%. National Bank of Fujairah rose 3.8%, while MAIR Group was up 3.3%.

Kuwait: The Kuwait All Share Index fell 0.1% to close at 7,278.7. The Industrials index declined 0.8%, while the Real Estate index fell 0.6%. Kuwait Business Town Real Estate Co. declined 7.2%, while Amar Finance & Leasing Co. was down 6.2%.

Oman: The MSM 30 Index gained 0.9% to close at 4,508.7. Gains were led by the Financial and Industrial indices, rising 0.9% and marginally, respectively. Bank Dhofar rose 8.2%, while Raysut Cement Company was up 4.8%.

Bahrain: The BHB Index fell 0.2% to close at 2,000.6. Bank of Bahrain and Kuwait was down 1.0%.

Market Indicators	17 Dec 24	16 Dec 24	%Chg.
Value Traded (QR mn)	666.3	401.0	66.1
Exch. Market Cap. (QR mn)	619,074.5	624,907.4	(0.9)
Volume (mn)	166.0	119.3	39.2
Number of Transactions	15,752	14,108	11.7
Companies Traded	51	49	4.1
Market Breadth	14:35	21:26	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	23,851.42	(1.1)	(0.7)	2.6	11.4
All Share Index	3,747.97	(0.8)	(0.4)	3.3	12.0
Banks	4,690.89	(0.6)	(0.5)	2.4	10.1
Industrials	4,184.87	(1.8)	(0.4)	1.7	15.1
Transportation	5,095.48	(2.4)	(1.9)	18.9	12.8
Real Estate	1,640.73	(0.8)	(0.4)	9.3	20.4
Insurance	2,427.22	2.5	3.3	(7.8)	167.0
Telecoms	1,807.32	(0.6)	(1.0)	6.0	11.6
Consumer Goods and Services	7,649.84	(0.2)	0.4	1.0	16.8
Al Rayan Islamic Index	4,831.58	(1.1)	(0.6)	1.4	14.0

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Savola Group	Saudi Arabia	36.95	10.0	14,430.4	57.2
Bank Dhofar	Oman	0.16	8.2	0.6	(1.2)
Emirates Central Cooling	Dubai	1.85	3.9	4,282.9	11.4
Fertiglobe PLC	Abu Dhabi	2.48	2.5	1,849.4	(16.5)
Emaar Properties	Dubai	12.90	2.4	38,399.7	62.9

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Dallah Healthcare Co.	Saudi Arabia	152.40	(3.3)	137.3	(11.3)
Saudi Investment	Saudi Arabia	14.26	(3.0)	2,155.5	11.7
Nahdi Medical	Saudi Arabia	117.40	(2.8)	574.3	(14.3)
Al Rajhi Bank	Saudi Arabia	89.90	(2.6)	10,487.9	3.9
Arabian Drilling	Saudi Arabia	112.80	(2.6)	286.6	(40.9)

Source: Bloomberg (# in Local Currency) (## GCC Top gainers/ losers derived from the S&P GCC Composite Large Mid Cap Index)

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar Insurance Company	2.229	4.9	1,712.7	(13.9)
Qatari Investors Group	1.579	1.5	1,240.4	(3.9)
Estithmar Holding	1.828	1.0	9,816.6	(12.7)
Gulf International Services	3.220	0.9	8,063.5	16.7
Doha Insurance Group	2.590	0.7	86.8	8.4

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatar Aluminium Manufacturing Co.	1.235	(1.7)	25,379.9	(11.8)
Ezdan Holding Group	1.152	(2.3)	12,215.5	34.3
Masraf Al Rayan	2.48	(0.8)	11,183.8	(6.6)
Estithmar Holding	1.828	1.0	9,816.6	(12.7)
Dukhan Bank	3.570	(1.1)	9,379.1	(10.2)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatar General Ins. & Reins. Co.	1.152	(4.0)	210.0	(21.6)
Qatar Navigation	10.770	(2.9)	1,147.5	11.0
Al Khaleej Takaful Insurance Co.	2.420	(2.8)	2,257.4	(18.5)
Industries Qatar	12.900	(2.7)	7,785.8	(1.4)
Ezdan Holding Group	1.152	(2.3)	12,215.5	34.3

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Ooredoo	11.570	(0.7)	101,841.8	1.5
Industries Qatar	12.900	(2.7)	101,284.2	(1.4)
QNB Group	17.250	(0.2)	80,351.1	4.4
Qatar Islamic Bank	20.860	(1.1)	39,081.3	(3.0)
Dukhan Bank	3.570	(1.1)	33,698.7	(10.2)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,458.74	(1.1)	(0.7)	0.4	(3.4)	183.2	169,750.2	11.3	1.3	4.1
Dubai	5,057.30	0.2	0.2	4.3	24.6	329.2	238,800.9	9.7	1.5	4.8
Abu Dhabi	9,351.25	0.8	0.8	1.3	(2.4)	532.1	731,471.1	16.7	2.5	2.2
Saudi Arabia	11,892.44	(0.6)	(1.7)	2.2	(0.6)	2,910.9	2,764,451.1	19.2	2.3	3.8
Kuwait	7,278.70	(0.1)	(0.7)	0.5	6.8	231.9	154,011.2	18.7	1.7	4.1
Oman	4,508.73	0.9	(0.8)	(1.2)	(0.1)	10.4	31,268.5	11.2	0.9	6.0
Bahrain	2,000.61	(0.2)	(0.3)	(1.5)	1.5	7.5	20,611.0	16.2	1.3	3.6

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

Qatar Market Commentary

- The QE Index declined 1.1% to close at 10,458.7. The Transportation and Industrials indices led the losses. The index fell on the back of selling pressure from Foreign shareholders despite buying support from Qatari, GCC and Arab shareholders.
- Qatar General Ins. & Reins. Co. and Qatar Navigation were the top losers, falling 4% and 2.9%, respectively. Among the top gainers, Qatar Insurance Company gained 4.9%, while Qatari Investors Group was up 1.5%.
- Volume of shares traded on Tuesday rose by 39.2% to 166mn from 119.3mn on Monday. Further, as compared to the 30-day moving average of 121.7mn, volume for the day was 36.4% higher. Qatar Aluminium Manufacturing Co. and Ezdan Holding Group were the most active stocks, contributing 15.3% and 7.4% to the total volume, respectively.

Overall Activity	Buy%*	Sell%*	Net (QR)
Qatari Individuals	17.69%	16.09%	10,664,799.36
Qatari Institutions	23.43%	16.26%	47,800,119.39
Qatari	**41.12%**	**32.35%**	**58,464,918.75**
GCC Individuals	0.29%	0.28%	83,625.48
GCC Institutions	1.35%	0.93%	2,820,744.37
GCC	**1.64%**	**1.20%**	**2,904,369.86**
Arab Individuals	5.48%	4.56%	6,095,837.09
Arab Institutions	0.00%	0.02%	(130,926.36)
Arab	**5.48%**	**4.58%**	**5,964,910.73**
Foreigners Individuals	2.51%	1.76%	4,984,172.05
Foreigners Institutions	49.25%	60.10%	(72,318,371.39)
Foreigners	**51.76%**	**61.87%**	**(67,334,199.33)**

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

Global Economic Data and Earnings Calendar

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
12-19	US	Bureau of Economic Analysis	GDP Annualized QoQ	3Q T	3.10%	2.80%	2.80%
12-19	US	Department of Labor	Initial Jobless Claims	14-Dec	220k	230k	242k
12-18	UK	UK Office for National Statistics	CPI MoM	Nov	0.10%	0.10%	0.60%
12-18	UK	UK Office for National Statistics	CPI YoY	Nov	2.60%	2.60%	2.30%
12-18	UK	UK Office for National Statistics	CPI Core YoY	Nov	3.50%	3.60%	3.30%
12-20	Germany	German Federal Statistical Office	PPI MoM	Nov	0.50%	0.30%	0.20%
12-20	Germany	German Federal Statistical Office	PPI YoY	Nov	0.10%	-0.30%	-1.10%

Earnings Calendar

Tickers	Company Name	Date of reporting 4Q2024 results	No. of days remaining	Status
BEMA	Damaan Islamic Insurance Company	26-Jan-25	36	Due
GWCS	Gulf Warehousing Company	21-Jan-25	31	Due

Qatar

- **QCB reduces interest rates by 0.30% -** Qatar Central Bank (QCB) decided to reduce the current interest rates for deposits, lending and repo by 0.30% or 30 basis points (bps) Wednesday night. The new rates will take effect on Sunday, December 22, QCB noted. Qatar Central Bank's deposit rate (QCBDR) will now be 4.60%, lending rate (QCBLR) 5.10% and repo rate (QCBRR) 4.85%. In a message on X, QCB said the rate cut followed its "assessment of the current monetary policy of the State of Qatar. Meanwhile, the United States Central Bank - Federal Reserve announced a quarter-point cut to its key interest rate last night, an effort to keep stable what appears to be a steady but cooling economy. (Gulf Times)
- **QNB Group: Announces the closure of nominations for board membership -** QNB Group announces the closure of the period for nomination for the membership of its Board of Directors for 2025 - 2027 on 17/12/2024 at 02:30 PM. (QSE)
- **Estithmar Holding Q.P.S.C. announces the issuance of the second tranche of Sukuk Program -** Estithmar Holding Q.P.S.C. announces the issuance of the second tranche of its QAR 3.4bn Sukuk program, listed on the London Stock Exchange. In Q3 2024, Estithmar Holding Q.P.S.C. has announced the successful issuance of Sukuk worth QAR 500mn, while the second tranche amounts to around QAR 150mn. The 3-year Sukuk offers 8.75% coupons and has attracted significant interest from institutional governmental and non-governmental investors. The mix of investors includes banks, insurance companies and asset managers. (QSE)
- **United Development Co. signs an agreement -** United Development Co. announces it has signed agreement of real estate banking facility agreement for the development of Gewan Island Hotel with Qatar National Bank for amount of QR.782mn as illustrated below: - The objective to be achieved is providing real estate banking facilities obtained from Qatar national Bank; - The value of the facility is 782mn Qatari Riyals; - The method of payment and the sources of financing is on installments over 12 years; - There is no negative impact on UDC financial position due to the completion of this process; - The advantage is to provide real estate banking facilities; (QSE)
- **QCB: POS transactions in Qatar total QR7.9bn in November -** Point of sale (POS) transactions in Qatar totaled QR7.9bn in value in November this year compared to QR7.21bn in the same period last year, the Qatar Central Bank (QCB) said. In November 2022, POS transactions totaled QR6.84bn. The total number of POS transactions last month stood at 38.3mn compared to 31.6mn in November last year and 30.01mn in November 2022, QCB said in a posting on 'X'. A point of sale transaction is a payment for goods or services, usually made in a retail setting. POS transactions can be conducted in person or online and are typically completed using credit or debit cards. The total number of POS devices in Qatar stood at 75,755 in November this year. In November 2023, the number of POS devices in Qatar totaled 69,128 and in November 2022, it was 63,821. According to QCB, e-commerce transactions totaled QR3.38bn in November this year compared to QR3.11bn in November last year and QR2.82bn in November 2022. The volume of e-commerce transactions totaled 7.68mn in November compared to 5.66mn in November 2023 and 5.08mn in November 2022. QCB data indicated that debit cards issued by local banks outnumbered credit cards in the country. The total number of active (debit) cards in Qatar in November stood at 2.42mn, followed by credit cards (754,839) and prepaid cards (759,962). QCB introduced the National Network System for ATMs and Points of Sale (NAPS), which is the Central payment system, in 1996 to facilitate the acceptance of cards transactions (debit cards and prepaid) on ATM, POS and ECommerce terminals throughout the GCC region and Egypt. Additionally, the system accept cards issued by QCB, GCC and Egypt regulated banks. According to QCB, NAPS is one of the first switches in the region to achieve full (EMV) compliance both as an acquirer and issuer. The system was upgraded in

2023 in line with the latest global standards in cards industry. It is a round-the-clock service, which supports card tokenization and card-less payments. All banks in Qatar are members of the National Network System for ATMs and Points of Sale. (Gulf Times)

- **IMF: Qatar's banking sector remains healthy on robust buffers and diligent QCB supervision -** Qatar's banking sector remains healthy, thanks to robust buffers, diligent QCB supervision and ample hydrocarbon liquidity, the International Monetary Fund (IMF) has said in its latest report. An IMF team had visited Qatar for consultation with the authorities. In the report, IMF said, "Continued vigilance is important to ensure (Qatar's) banking sector stability, including to manage banks' net foreign liabilities (although their average maturity have lengthened and external funding sources have become more diversified), address asset quality concerns in some banks, and monitor the interconnectedness between banks and the public sector. "Moreover, formalizing the financial safety net would further enhance predictability, efficiency, and confidence. Keeping the momentum in domestic financial market deepening is also important, guided by the Third Financial Sector Strategy. Qatar's excellent progress in fighting financial crimes should continue." Following the post-World Cup growth moderation in 2023, Qatar's economy has shown signs of a gradual rebound, IMF noted. Real GDP growth declined from 4.2% in 2022 to 1.2% in 2023, mainly due to contracting construction activities and moderating services growth after the 2022 FIFA World Cup. Tourism, on the other hand, strengthened significantly since the World Cup. Recent high frequency indicators and labor market development point to gradual growth strengthening in 2024. The 2024-25 real GDP growth is expected to reach 2%, supported by public investment, spillovers from the ongoing LNG expansion project, and strong tourism. The medium-term outlook is more favorable, with the average annual growth projected to be around 4.75%, benefitting from the significant LNG production expansion and NDS3 reform implementation. Following the earlier monetary policy tightening, headline inflation is likely to ease to 1% in 2024 and gradually converge to 2%. The fiscal and current accounts are projected to remain in surpluses over the medium term. Risks to the outlook are broadly balanced. "While some fiscal space was deployed to support the slowing economy in 2023, the fiscal stance remained consistent with the level that ensures intergenerational equity. Continued fiscal discipline is expected for 2024, and broadly prudent spending plans are envisaged under the upcoming 2025 budget. The extension of the medium-term budget to cover five years and progress in implementing program-based budgeting are commendable," IMF noted. Adopting a full-fledged medium-term fiscal framework, with a fiscal anchor to ensure intergenerational equity and complemented by greater transparency and risk management, will enhance fiscal sustainability and support economic transformation. The Qatar Central Bank has broadly maintained the monetary policy in line with the US Federal Reserve, consistent with the currency peg to the dollar. Its progress in enhancing liquidity management is commendable, and continued efforts are important to further strengthen the eff effectiveness of the monetary operational framework. "Achieving Qatar's vision to shift from a state-led growth model to a more knowledge-based and private sector-driven one requires enhancing human capital and economic complexity. Strong reform momentum created by NDS3 is encouraging, and the success hinges on proper prioritization and enhanced inter-agency co-ordination in reform implementation. (Gulf Times)

- **Alpen Capital: Qatar retail sales projected to grow at annualized rate of 2.2% up to 2028 -** Retail sales in Qatar projected to grow at an annualized rate of 2.2% up to 2028, according to researcher Alpen Capital. Main drivers are government's ambitious strategy to make Qatar a tourist destination, growing population and rising income levels, Alpen Capital said in a recent report. The government's efforts are anchored around three pillars, which are business facilitation, family-oriented activities and enhancing cultural experiences, it said. The country is actively leveraging its modern infrastructure to enhance the MICE market while also establishing new leisure destinations and districts, launching luxury shopping centers and investing in its natural assets. Qatar is also likely to benefit from the long-list of global sporting events lined up to take place in the country during the forecasted period. Qatar's retail industry is currently going through a period of rapid expansion with several regional and international brands expanding their presence across the country. This has led to increased footfall in markets such as Doha and the market is expected to witness significant traction as Qatar gears up to host numerous global sporting events. As part of Qatar National Vision 2030, the government is working to diversify the country's economy with the travel and retail sectors being recognized as two of the main drivers, Alpen Capital noted. The high level of wealth coupled with rising population (1.5% CAGR between 2018 and 2023), an expanding tourism sector (74.1% CAGR between 2020 and 2023), and continued investments towards infrastructure development has thus positioned the country as a promising retail market in the GCC. Consequently, the retail sector is undergoing transformation from traditional independent shops and souqs to modern shopping malls, supermarkets, and digital platforms that feature a wide range of domestic and international brands. "This transition not only offers a broader variety of products but also enhances shopping experiences, attracting a diverse consumer base," the report said. Amid a rising demand for global brands, sales across e-commerce platforms in Qatar is estimated to have grown at a CAGR of 8.1% between 2018 and 2023 to reach $2.8bn in 2023. The sector's contribution to GDP stood at 1.2% as of 2023, second highest in the region and above the GCC average of 1%, Alpen Capital said. This has been primarily driven by the government's NDS-3 (2024-2030), a commitment to diversification and sustainability for future prosperity. In order to facilitate growth within the sector, the country has been leveraging customs programs and trade agreements, investing in strong ICT infrastructure and advanced technologies, as well as using PPP models to bolster its logistics and industrial infrastructure. Although it accounted for just 13.2% of the total GCC e-commerce market as of 2023, the industry is witnessing an influx of platforms offering niche products and services. Post-pandemic, several retailers in Qatar have moved to a blended, omni-channel distribution strategy, which involves boosting and expanding their digital offerings while also maintaining a brick-and-mortar footprint. Qatar is also regarded as the world's fastest-growing luxury market that encompasses a diverse range of goods, spanning from high-end fashion attire, accessories, timepieces, jewelry, cosmetics, fragrances, and high-end vehicles among others. Qatari luxury goods market is also in the midst of a digital transformation, as brands are adopting e-commerce platforms, utilizing social media for marketing, and employing digital engagement tactics to connect with millennial and tech-savvy affluent consumers. As of 2023, Qatar's supply of organized retail space exceeded 2.3mn sq m of gross leasable area (GLA). Supply in the organized retail real estate sector in the country has remained largely static in 2023, Alpen Capital said. (Gulf Times)

- **Real estate trading volume reaches QR1.1bn in November -** The volume of real estate trading in sales contracts registered with the Real Estate Registration Department at the Ministry of Justice during November amounted to QR1,144,987,437. Data from the analytical real estate bulletin issued by the Ministry of Justice showed that 324 real estate deals were registered during the month. The municipalities of Doha, Al Rayyan, and Al Dhaayen topped the most active transactions in terms of financial value during November, according to the real estate market index, followed by the municipalities of Umm Salal, Al Khor and Al Thakhira, Al Wakrah, Al Shamal, and Al Sheehaniya in terms of deal volumes. The real estate market index for November revealed that the financial value of transactions in Doha Municipality amounted to QR 544,386,829, Al Rayyan Municipality amounted to QR 245,137,436, and QR 126,702,613 in Al Dhaayen Municipality, while the financial value of transactions in Umm Salal Municipality recorded QR 85,006,147, Al Khor and Al Thakhira Municipality recorded transactions worth QR75,378,658, Al Wakrah Municipality recorded transactions worth QR52,960,254, Al Shamal Municipality reached QR 15,271,000, while Al Sheehaniya Municipality recorded transactions worth QR 162,500. In terms of the traded areas index, the indicators showed that Al Rayyan, Doha, and Al Dhaayen Municipalities recorded the most active municipalities for the traded real estate areas during November, with a rate of 31 percent for Al Rayyan, followed by Doha with 26 percent, then Al Dhaayen with 12 percent, while the Municipalities of Umm Salal and Al Khor and Al Thakhira recorded transactions worth 10 percent each, Al Wakrah Municipality 8 percent, Al Shamal Municipality 3 percent of the total traded areas. In terms of the number of real estate transactions (sold properties), trading indicators showed that the most active municipalities during November were Doha Municipality with a rate of (33 percent), followed by Al Rayyan Municipality with a rate of (23 percent), then Al Dhaayen and Al Khor and Al Thakhira Municipalities with a rate of (12 percent) each, while Umm Salal Municipality recorded transactions with a rate of (10 percent) and Al Shamal Municipality recorded (4 percent) of the total real estate transactions. The average price per square foot for November ranged between (QR 367 - 922) in Doha, (QR 223 - 375) in Al Wakrah, (QR 294 - 446) in Al Rayyan, (QR 245 - 459) in Umm Salal, (QR 301 - 533) in Al Dhaayen, (QR 208 - 410) in Al Khor and Al Dhakira, (QR 161 - 211) in Al Shamal, and (QR 159) in Al Shahaniya. The trading volume revealed the highest value of (10) properties sold for November, of which Doha Municipality had 8 properties, and Al Rayyan and Al Dhaayen Municipalities had one property each. (Peninsula Qatar)

- **Demand for consumer electronics to further accelerate in 2025 -** The consumer electronics market in Qatar is expected to witness soaring demand in the coming year as per market researchers. Statista's latest data indicates that the sector in 2025 is poised to exhibit a volume growth of 0.5 percent. The study revealed that the market volume is projected to reach 4,467.0k pieces by 2029, while the average volume per person in the consumer electronics industry is anticipated to be 1.4 pieces by 2024-end. This year, the revenue for consumer electronics in Qatar amounts to $736.1m. Statista notes that it is projected for a compound annual growth rate of 1.06 percent until 2029. In terms of per-person revenues, in 2024, an average of $239.30 is generated in Qatar. Analysts state that the largest segment in this market is 'Telephony', with a market volume of $334.2m in 2024. Additionally, this year, Qatar's online sales are expected to contribute 42.3 percent of the total revenue in the market. The report said: "Qatar's consumer electronics market is booming, driven by high disposable incomes and a strong demand for premium brands." In the global market data, Statista notes that China generates the highest revenue, amounting to $198.5bn in 2024. Reports mention that the Consumer Electronics market generated a revenue of a staggering $950bn in the current year. It is also projected that the consumer electronics market globally will experience an annual growth rate of 2.90 percent from 2024 to 2029. The largest segment within the Consumer Electronics market globally is again 'Telephony, with a market volume of $486.7bn in 2024. According to per capita figures in the current year, each person contributes approximately $122.60 to the total revenue in the Consumer Electronics market. Market experts forecast that by 2024, online sales will account for 33.5 percent of the total revenue in this market. The data shows that on average, each person is expected to contribute a volume of 1.1 pieces to the consumer electronics market in 2024. By 2029, the volume of the Consumer Electronics market will reach 9,007.0m pieces. Furthermore, a volume growth of 1.6 percent in the consumer electronics market worldwide is anticipated in 2025, the report added. (Peninsula Qatar)
- **Demand for non-energy sectors leads to robust output expansion -** Qatar's economy is shifting towards a positive momentum with non-energy sectors playing a critical role in enhancing the growth rate. According to Johnny Archer, Director of Consulting and Research in Qatar at Cushman and Wakefield, "Demand for goods and services appears strong across non-energy sectors, leading to near-record employment growth and robust output expansion." The analyst noted that business confidence is advancing, and the projected economy in 2025 is estimated at 2.8% next year. Qatar's GDP grew by 1.2 percent annually in 2023, slightly above the 1.1 percent forecast by the group towards the end of Q3. The decline in energy output left growth flat in Q4, marking the weakest quarter since early 2021 despite a 1.7 percent Y-O-Y expansion in non-energy activities. The latest PMI survey showed business conditions have continued to improve, consistent with a 2024 non-energy sector growth projection of 2.4 percent. Oxford Economics has cut their 2024 GDP growth forecast for Qatar by 0.1 percent to 1.9 percent to reflect the ongoing "drag" from industry. The report also indicates that energy prices are lower than a month ago despite a ramping up of geopolitical tensions in the region. 2025 Brent oil price forecasts are lowered to $72.6 per barrel. A lower oil price will weigh on the external and fiscal balances. But with next year's budget unlikely to bring markedly looser fiscal policy, the data shows that the fiscal surplus will reach QR26.4bn (3.2 percent of GDP) in 2025, higher than the QAR24.5bn outturn projected for this year. Meanwhile, the average inflation prediction remains unchanged at 0.9 percent in 2024 and will increase to 1.8 percent in 2025. Headline inflation rose to 1.2 percent in August, from 0.2 percent in July, lifted primarily by higher communications and recreation and culture prices. On the other hand, restaurant and hotel prices also elevated rapidly, while clothing, housing, and utilities remained on a disinflationary path. Rising wage pressures and non-staff costs will push output prices higher in the months ahead, contributing to a rise in inflation into 2025, said Oxford Group. The central bank lowered rates by 55bps in September in the wake of the US Federal Reserve's bold 50bps rate cut. Oxford Economics' updated baseline includes 25bps cuts in November and December. Market experts at the group, however, anticipate one 25bps cut per quarter in 2025, which will lend support to the economy and the local equity market. (Peninsula Qatar)
- **Oxford Economics: Qatar's 2025 budget balances key investments with conservative projections -** Qatar's conservative oil price assumption of $60/ barrel "underscores the country's fiscal discipline and sustainable policies", Oxford Economics said in a report released. Qatar has announced its 2025 budget, focusing on education, healthcare, and sustainability, with total expenditure set at QR210bn. The municipality and environment sector is allocated QR21.9bn, while the sports sector will receive QR6.6bn. The budget forecasts revenue of QR197bn, resulting in a projected defi cit of QR13.2bn, which Oxford Economics noted is due to conservative oil price assumptions. "This supports Qatar's strong credit rating, but we believe these oil price assumptions are conservative since Qatar has maintained a budget surplus over the past three years. We expect a surplus of around QR25bn for 2024, narrowing to QR12bn in 2025. These projections underscore Qatar's fiscal discipline and sustainable policies," Oxford Economics said. In a recent report, Oxford Economics estimated Qatar's nonenergy economy would grow by 2.4% in 2024 (versus its previous projection of 2.5%), up from 1.1% in 2023. Growth in the non-energy sector improved at the end of last year, picking up to 1.7% y-o-y in Q4, from an average of 0.8% in the preceding three quarters. Performance was mixed across sectors at the end of last year, with positive trends in the wholesale and retail and hospitality-related sectors off set by drags spanning administrative and professional services, finance and insurance, and information and communications technology. Tourism has provided a key support to non-energy activities and will remain a driver of future growth. Data show the number of foreign arrivals near 3mn in the year to July, on track to meet the researcher's forecast of 4.5mn overnight visitors this year. The launch of the pan-GCC visa should help extend the positive performance in 2025. Oxford Economics sees Qatar's energy sector growing just 1% in 2024, amid the weak performance of industry year-to-date, before strengthening to 2% next year. The authorities have doubled down on the North Field gas expansion project, which will have a positive medium-term impact. The target liquefied natural gas (LNG) capacity was raised to 142mn tons per year (mtpy) by the end of 2030, up nearly 85% from 77 currently and 13% on the intermediate target of 126 mtpy by 2027. Last year, Qatar awarded a $10bn contract for the second phase of the project, North Field South, which will include the delivery of two LNG trains.(Gulf Times)
- **Meeza strengthens Qatar's AI readiness at World AI Summit 2024 -** Meeza has participated as the Strategic AI Data sponsor at the World AI Summit Qatar 2024, underscoring its pivotal role in shaping Qatar's AI ecosystem. Through a series of impactful engagements, Meeza showcased its commitment to accelerating Qatar's AI readiness by emphasizing advancements in data center efficiency, robust infrastructure, and the development of essential skill sets. The event marked a significant milestone with record-breaking attendance, reflecting the growing global interest in AI and Qatar's role as a hub for technological innovation. During the summit, Meeza delivered a thought-provoking presentation titled 'Accelerating Qatar's AI Readiness: From Data Centre Efficiency to Infrastructure and Skillset Development'. The presentation highlighted how Meeza's cutting-edge technologies and strategic initiatives are enabling a sustainable and scalable AI environment in line with Qatar National Vision 2030 and the Digital Agenda 2030. Meeza also moderated a high-profile panel discussion titled 'When Machines Create: Managing Risk, Ethics, Bias, and Privacy', featuring panelists from across the AI and

technology spectrum. The discussion delved into critical topics, offering valuable insights on navigating the challenges of AI governance and ethical implementation. As part of its continued efforts to foster collaboration, Meeza signed several high-profile agreements during the event, including memorandums of understanding (MoUs) Sambanova and Cytomate to drive joint innovation and accelerate the adoption of AI technologies in key sectors, and a significant partnership with I Horizon, cementing a collaborative framework to advance AI-driven solutions and services in the region. Through these partnerships, Meeza reinforces its dedication to empowering organizations in Qatar and beyond with innovative AI solutions, ensuring the nation remains at the forefront of the global AI revolution. Meeza's participation at the World AI Summit 2024 not only underscores its leadership in the technology sector but also reaffirms its commitment to driving Qatar's digital transformation and AI ambitions. (Gulf Times)

- **IOSCO launches dedicated network to support members in adoption and other use of ISSB Standards -** With the membership of the State of Qatar, International Organization of Securities Commissions (IOSCO) announced the launch of a dedicated network to support the adoption and other use of IFRS Sustainability Disclosure Standards (ISSB Standards), with the support of the International Sustainability Standards Board (ISSB). According to a statement by IOSCO, the network will start with a group of 32 IOSCO members of its Growth and Emerging Markets (GEM) Committee, representing 31 Jurisdictions, including the State of Qatar. ISSB Chair Emmanuel Faber said: "We are delighted to see considerable interest from emerging markets jurisdictions towards adopting the ISSB's global baseline of sustainability disclosures for capital markets." Chairman of the IOSCO Board Jean-Paul Servais said: "We have seen a strong interest from our Growth and Emerging Markets members wanting to introduce the ISSB Standards into their respective regulatory frameworks. These members are willing to implement international standards that enhance international consistency and comparability of climate-related and other sustainability-related disclosures for investors." "We are also acutely aware that Growth and Emerging Markets members have signaled a strong desire for support to help them progress their adoption or other use of the ISSB Standards. This dedicated network will offer them expert support with the help of the ISSB and other partners." Chairman of the GEM Committee and Vice-Chair of the IOSCO Board Dr Mohamed Farid Saleh called for the completion of the efforts to avail the Standards in different languages for speed of adoption or other use. (Gulf Times)
- **IMF hails Qatar's 'strong reform momentum' -** The International Monetary Fund (IMF) has hailed Qatar for the "strong reform momentum", which the IMF said should continue to build a knowledge-based, private sector-led, and sustainable economy. Achieving Qatar's vision to shift from a state-led growth model to a more knowledge-based and private sector-driven one requires enhancing human capital and economic complexity. Strong reform momentum created by the Third National Development Strategy (NDS3) is encouraging, IMF said and noted the success hinges on proper prioritization and enhanced interagency coordination in reform implementation. Priorities are to build a highly skilled labor force, foster innovation, promote trade diversification, foreign direct investment (FDI) and domestic knowledge spillovers, and further enhance business efficiency. Qatar is well positioned to benefit from AI adoption and broader digitalization while due attention is needed to monitor their labor market impact. A concerted eff ort among stakeholders is critical to fulfil Qatar's climate goals. Enhancing data availability and quality would support the path forward. Qatar's economy has shown signs of a gradual rebound from the post-World Cup growth moderation, IMF said. Near-term real GDP growth is expected to reach 2%, and the medium-term outlook is more favorable, supported by the significant liquefied natural gas (LNG) production expansion and intensified structural reforms. Broad fiscal prudence and progress in strengthening fiscal institutions in recent years are commendable. Sustaining fiscal discipline and accelerating revenue and expenditure reforms, underpinned by a medium term fiscal framework, would help ensure fiscal sustainability and support economic transformation. Qatar Central Bank (QCB)'s diligent policies have helped to safeguard banking sector stability. QCB has broadly maintained the monetary policy in line with the US Federal Reserve, consistent with the currency peg to the dollar. Its progress in enhancing liquidity management is commendable, and continued eff orts are important to further strengthen the effectiveness of the monetary operational framework. The banking sector remains healthy, thanks to robust buffers, diligent QCB supervision and ample hydrocarbon liquidity. However, continued vigilance to address pockets of vulnerabilities is important. Maintaining the momentum in deepening domestic financial market is also crucial, guided by the Third Financial Sector Strategy. Strong reform momentum following the launch of the Third National Development Strategy should continue to build a knowledge-based, private sector-led, and sustainable economy. The Third National Development Strategy for the State of Qatar 2024–2030, prepared under the guidance of His Highness the Amir Sheikh Tamim bin Hamad al-Thani, has outlined the plan for the next phase of Qatar's development journey towards realizing the Qatar National Vision (QNV) 2030. The Third National Development Strategy defines bold and transformative initiatives and reforms designed to achieve the remaining QNV 2030 goals. By implementing NDS3, Qatar will provide its citizens with the necessary skills required for them to succeed, with meaningful and fulfilling careers, in the workforce of tomorrow. Through this strategy, Qatar seeks to sustainably develop its economy to remain competitive amidst a turbulent and rapidly changing global landscape. This will entail diversifying through priority economic sectors and creating a leading investor and business-friendly environment, making Qatar a favored destination for foreign investment and skilled talent. (Gulf Times)
- **Robust initiatives accelerate stock market investments -** Robust economic and strategic diversification initiatives within key sectors are driving the country's stock market, states analysts as Qatar continues to experience increasing foreign and local investments. According to a report by the global market researcher, Statista, Qatar's stock market capitalization in 2024 has amounted to \$174.5bn (QR633.59bn) and projects a total amount of \$172.10bn (QR624.88bn) in the coming year, a decline of 1.38 percent in the market. However, economists predict that the market remains optimistic due to government initiatives, state-of-the-art infrastructures, and booming businesses accelerating investments in the years ahead. Statista notes that the market volume in the Stock market in Qatar amounts to \$44.95bn (QR163.21bn) this year as the number of trades in 2025 is expected to reach \$4.31m (QR15.65m). From a global comparison perspective, reports indicate that the US achieved the highest market capitalization of \$48,750bn in the current year. Statista highlights that the market capitalization in the Stock market globally is estimated at \$124.40tn (QR451.68tn) in 2024. Researchers state that is anticipated to exhibit an annual growth rate (CAGR 2024-2025) of 2.41 percent, resulting in a projected total amount of \$127.40tn (QR462.58tn) by 2025. The market volume in the Stock market in the world amounts to \$41.5tn (QR150.68tn) this year as the number of trades across the globe is expected to amount to \$259.40bn (QR941.86bn) by 2025. Market experts remarked that Qatar is transitioning into an investment hub across all sectors and the region is witnessing growth as the country's Foreign Direct Investment (FDI) increased by \$439m (QR1.5bn) in June 2024, as per the CEIC data. The data adds that "As global economic uncertainties rise, investor sentiment in worldwide stock markets is increasingly shifting towards defensive sectors and sustainable investments." According to the International Monetary Fund (IMF), Qatar's extensive public infrastructure investment programme, has been a significant driver of the country's economic diversification. In addition to the investments, the government is also encouraging innovation and supporting entrepreneurship drawing businesses to the region and beyond. A fundamental element of Qatar's diversification goals is the Third National Development Strategy (NDS3), aiming to drive investment and promote sustainable and socioeconomic development. The FDI objectives also play a crucial role in this strategy, accelerating annual economic growth to an average of 4 percent until 2030, and positioning Qatar among the top 10 destinations for global investors and businesses. By deploying high-skilled jobs and boosting labour productivity by an average of 2 percent per annum, Qatar expects to reach an FDI target of \$100bn (QR363.09bn). (Peninsula Qatar)

- **Mortgage transactions exceed QR3.7bn in Nov -** The volume of mortgage transactions recorded during November of this year reached 87 with a total amount of QR3.763bn. Al Rayyan Municipality registered the highest number of mortgage transactions with 29 (equivalent to 33.3 percent) of the total number of mortgaged properties, followed by Doha Municipality with 26 transactions (equivalent to 29.9 percent). Then Al Dhaayen Municipality with 16 transactions (equivalent to 18.4 percent) of the total number of mortgaged properties. This was followed by Doha Municipality (26), Al Dhaayen Municipality (16), Al Wakrah (8), Umm Salal (8), Al Khor, Al Dhakira and Al Shamal with one transaction each, according to data by Ministry of Justice. Regarding the value of mortgages in November 2024, Doha Municipality comes first with amount of QR1.872bn while Al Shamal Municipality registered the lowest value which reached QR1.800m. Considering the indicator of movement of mortgage transactions by studying the ratio of the number of mortgaged properties to the ratio of their financial value, it is found that the ratio of the number of mortgage transactions in all municipalities that witnessed mortgage transactions, except for Doha and Wakrah municipalities. It was found that the amounts of mortgage transactions achieved a higher rate compared to the number of mortgage transactions. A quick glance and tracking the movement and volume of mortgage transactions that were processed during November 2024 it was found that Doha Municipality has registered six mortgaged properties while Al Rayyan Municipality has registered three properties, Al Wakrah Municipality recorded one property of the top ten mortgaged properties. The volume of mortgage transactions for the top ten properties reached 89 percent of the total value of all the mortgage transactions that were processed during November 2024. The volume of mortgage transactions achieved during the third quarter (Q3) of this year reached 351 transactions with a total amount of QR1.671bn. The real estate sector in Qatar is distinguished by factors that makes it one of the leaders of global competitiveness indicators and the most attractive for ownership and benefit in the region. (Peninsula Qatar)

International

- **US consumer spending solid; inflation showing progress as year ends -** U.S. consumer spending increased in November amid strong demand for a range of goods and services, underscoring the economy's resilience, which saw the Federal Reserve this week projecting fewer interest rate cuts in 2025 than it had in September. There was also good news on inflation last month after a series of warmer readings. The report from the Commerce Department on Friday showed moderate monthly rises in prices, with a measure of underlying inflation posting its smallest gain in six months. Nonetheless, the annual increase in core inflation, excluding food and energy, remained stubbornly well above the U.S. central bank's 2% target. There are also worries that plans by President-elect Donald Trump's incoming administration to cut taxes, impose or raise tariffs on imports and department of undocumented immigrants would stoke inflation. "The economy continues to grow from strong consumer demand as income growth and the wealth effect from higher portfolio values give consumers capacity to spend," said Jeffrey Roach, chief economist at LPL Financial. "Inflation was more benign than expected but the stickiness of some categories supports the Fed's hesitancy to materially lower rates next year." Consumer spending, which accounts for more than two-thirds of U.S. economic activity, rose 0.4% last month after a downwardly revised 0.3% gain in October, the Commerce Department's Bureau of Economic Analysis said. Economists polled by Reuters had forecast consumer spending advancing 0.5% after a previously reported 0.4% rise in October. The nearly broad-based increase in spending was led by new motor vehicles, likely in part as households replaced vehicles damaged during Hurricanes Helene and Milton. That accounted for the bulk of the 0.8% rebound in goods outlays. Spending on recreational goods and vehicles also rose as did outlays on financial services and insurance, mostly charges, fees and commissions. There was also increased spending on recreation services, healthcare, clothing and footwear, furniture as well as housing and utilities. Spending at restaurants and bars as well as on hotel and motel stays also increased. Spending on services rose 0.2%. When adjusted for inflation, consumer spending rose 0.3% after edging up 0.1% in October. The so-called real consumer spending is running at an annualized rate of 3.1% in the first two months of the fourth quarter. "That will lay the foundation for another very solid GDP number for the fourth quarter," said Lou Crandall, chief economist at Wrightson ICAP. Consumer spending surged at a 3.7% pace in the third quarter, the fastest in 1-1/2 years, helping to propel the economy to a 3.1% growth rate following a 3.0% pace of expansion in the April-June quarter. The Atlanta Fed is forecasting gross domestic product increasing at a 3.1% rate in the fourth quarter. Fed Chair Jerome Powell on Wednesday described the economy as having "just been remarkable," adding "I feel very good about ... the performance of the economy and we want to keep that going." The central bank on Wednesday cut its benchmark overnight interest rate by 25 basis points to the 4.25%-4.50% range. It forecast only two rate reductions in 2025, in a nod to the economy's continued resilience and still-high inflation. In September, Fed officials had forecast four quarter-point rate cuts next year. The shallower rate cut path in the latest projections also reflected uncertainty over policies from the incoming Trump administration. (Reuters)

- **Japan's core inflation accelerates, keeps BOJ rate-hike chance alive -** Japan's core inflation accelerated in November as rising food and fuel costs hit households, data showed on Friday, keeping the central bank under pressure to raise interest rates. The data, which came in the wake of the Bank of Japan's decision to maintain interest rates at 0.25% on Thursday, highlights broadening inflationary pressure that could prod the bank to raise borrowing costs further. Renewed yen declines could pressure prices higher by pushing up import costs. The BOJ's decision to stand pat and Governor Kazuo Ueda's dovish comments drove the dollar to a five-month high of 157.80 yen on Friday. The nationwide core consumer price index (CPI), which includes oil products but excludes fresh food prices, rose 2.7% in November from a year earlier, government data showed, roughly in line with a median market forecast for a 2.6% gain. It accelerated from a 2.3% rise in October due partly to stubbornly high prices of rice and the phase-out of government subsidies to curb utility bills. "November's surge in inflation wasn't a surprise," Capital Economics wrote in a research note. "The Bank of Japan will have known it was on the cards when it decided not to hike rates. But it should add to the Bank's confidence that it can resume rate hikes over the months ahead," it said. A separate index that strips away the effects of volatile fresh food and fuel, scrutinized by the BOJ as a better gauge of demand-driven inflation, rose 2.4% in November from a year earlier after a 2.3% gain in October. Service-sector inflation was steady at 1.5% in a sign firms continued to pass on rising labor costs, the data showed. The BOJ ended negative interest rates in March and raised its short-term policy rate to 0.25% in July on the view Japan was on the cusp of durably achieving its 2% inflation target. It has stressed the BOJ's readiness to raise rates again if Japan continues to make progress in durably achieving its price target backed by domestic demand and sustained wage gains. Ueda said on Thursday the BOJ needed more information to hike rates again, stressing the need for clarity on next year's wage growth and incoming U.S. president Donald Trump's economic policies. "Given the (BOJ's) assessment that import price rises are subsiding, it's hard to expect the BOJ to hike rates in January," said Naoya Hasegawa, chief bond strategist at Okasan Securities, who projects a hike in March. "Most market players likely viewed Ueda's news conference as quite dovish," he said. (Reuters)

Regional

- **Fitch: GCC debt capital market surges 11% to $1tn this year -** The Gulf Cooperation Council (GCC) debt capital market surged 11% year-on-year to reach $1tn between January and November 2024, said Bashar Al Natoor, Global Head of Islamic Finance at Fitch Ratings. Almost 40% of the debt was raised through sukuk, he said, predicting the market is poised for growth in 2025. The key drivers include financing government projects, maturing debt, fiscal deficits, diversification goals, and regulatory reforms. Fitch rates around 70% of GCC US dollar sukuk, 81% of which is investment-grade and with no defaults. The GCC is expected to remain among the largest emerging-market dollar debt issuers in 2025 and 2026, excluding China, and the largest sukuk issuers and investors globally, stated Al Natoor. Oil revenues are among the main drivers of debt capital market activity, he said. However, sovereign issuances will likely rise as oil prices fall to $70 and $65 per barrel in 2025 and 2026, respectively. Fitch expects the US Fed to cut rates by 125 basis points to

3.5% by Q4 2025, with most GCC central banks likely to follow suit. "This should make the funding environment more favorable," Al Natoor said. However, the evolution of the Middle East conflict is uncertain and escalation could limit debt capital market growth. In addition, Sharia complexities, including those linked to AAOIFI Standard 62, could be a risk for sukuk. The debt capital market remains fragmented across the GCC. Saudi Arabia and the UAE have the most developed debt markets, followed by Qatar, Bahrain, and Oman. While Kuwait is the least mature, the new government aims to update the liquidity law to permit borrowing in capital markets, but the timeline is uncertain, Al Natoor said. The introduction of GCC fund passporting regulations could further enhance regional debt market investment opportunities, he added. (Zawya)

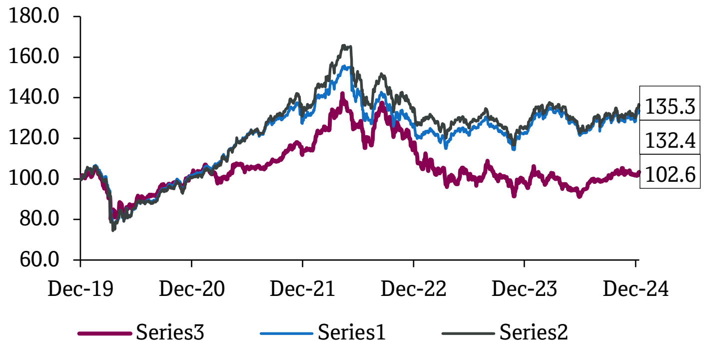
- **Fitch picks four GCC banks including FAB as flagship banks -** Fitch Ratings has identified four banks in the Gulf Cooperation Council (GCC) (in Abu Dhabi, Qatar, Kuwait and Oman) as flagship banks. The banks are First Abu Dhabi Bank (FAB; AA-/Stable/a-), Qatar National Bank (QNB; A+/Stable/bbb+), National Bank of Kuwait (NBK; A+/Stable/a-) and Bank Muscat (BM; BB+/Stable/bb+). There are no flagship banks in Saudi Arabia, the GCC's largest economy, as Fitch does not view any banks' links with the sovereign to be sufficiently strong and strategic, compared with other GCC flagship banks, to merit this. This is despite Saudi National Bank's (SNB; A-/Stable/a-) leading market position and 37.4% government ownership through the Public Investment Fund (A+/Stable). Highest strategic importance - The flagship banks have the highest strategic importance, including dominant market positions as typically the largest franchise in their country, strong and strategic state links, typically high government or ruling family ownership, and also the important role they play for their respective sovereigns. "The four flagship banks in the GCC have strong and strategic state links, very high systemic importance, and typically high government or ruling family ownership. This results in stronger standalone creditworthiness, which is visible through more stable metrics through the cycle, and our assessment of stronger government support than other domestic peers," said Amin Sakhri, Director, Fitch Ratings. The term flagship bank is not explicitly mentioned in Fitch's Bank Rating Criteria. Fitch only distinguishes between commercial and policy banks, with the latter typically being government-owned and having a clear and defined policy role. Strong and strategic government links - Flagship banks have close relationships with their respective governments, and this drives Fitch's view of a heightened likelihood of sovereign support. Sovereigns in the GCC are typically very highly rated, highly reliant on oil revenues, and have a strong influence over the economy. The banking sectors are highly concentrated and exposed to their respective sovereigns. These large exposures are typically direct, mostly in the form of lending and investment securities, to the government or its related entities and large corporates, themselves often with government ownership and strategic roles. GCC banks' liabilities are also highly concentrated, with around 30% of banking sector deposits typically from the government and related entities. In addition, the banks have an important role in the diversification and the development of these emerging-market economies, and have high contagion risk. Fitch expects a very high level of sovereign support for these reasons. High shares of government deposit - Flagship banks have the strongest and most strategic links with the sovereign, with high shares of government deposits or lending, or via managing the sovereigns operational accounts, and a role in supporting economic and political agenda, through presence in markets that the state or government-related entities (GREs) are doing business in, or technical expertise for government projects. Flagship banks typically have prime lending access to the countries' highest-quality entities and projects. They also have best access to funding and liquidity, as well as capital – incorporating ordinary support – supporting their higher standalone creditworthiness – often resulting in the highest Viability Ratings in the country. (Zawya)

- **UAE Central Bank, Hong Kong Monetary Authority deepen financial market cooperation -** The Central Bank of the United Arab Emirates (CBUAE) and the Hong Kong Monetary Authority (HKMA) on Friday held the second bilateral meeting in Hong Kong, further solidifying cooperation and connectivity between the financial services sectors of the two jurisdictions. The meeting was attended by Saif Humaid Al Dhaheri, Assistant Governor for Banking Operations and Support Services at CBUAE, Stanley Chan, President of the Central Money markets Unit of the HKMA, and senior officials from both sides. Following the first bilateral meeting in Abu Dhabi in May 2023, the CBUAE and the HKMA and have continued engaging in in-depth discussions covering several major areas, including cross-border debt capital market connectivity, financial infrastructure development, and investment outlook and opportunities in both the Middle East and North Africa (MENA) region and Mainland China. In this connection, a Memorandum of Understanding was signed by Khaled Mohamed Balama, Governor of the CBUAE, and Eddie Yue, Chief Executive of the HKMA, to strengthen and formalize the cooperation arrangements. Under the MoU, the two authorities have agreed to establish connectivity of the debt capital markets and the related financial market infrastructures between Hong Kong and the UAE with a view to facilitating cross-border debt securities issuance and investment activities. Governor of the CBUAE said, "I am glad to see encouraging progress made between the two central banks in agreeing on the way forward on capital debt market development and collaboration. We aim at unlocking the potential of the two capital debt markets to allow seamless and cost-effective cross-border debt securities issuance, trading, investment, settlement as well as collateral management. This initiative will help the UAE become the gateway for issuers and investors in the MENA region to have efficient access to the China and Asian debt markets, whilst also, allowing Chinese and Asian issuers and investors to gain direct access to the MENA debt market through the UAE." Chief Executive of the HKMA said, "We are delighted to welcome the CBUAE delegation to Hong Kong. discussions strengthened the financial collaboration between the two central banks in several important areas. The MoU, in particular, will further enhance mutual cooperation and the exchange of expertise between the HKMA and the CBUAE in debt capital markets, and reinforce Hong Kong's strategic role as a gateway to both the Chinese and international debt markets. There is significant potential for the financial sectors of both sides to explore new business opportunities. We look forward to our continued collaboration with the CBUAE to strengthen investment and financial market connectivity between the Middle East and Asia." (Zawya)

- **'Iraq is UAE's top trading partner' with $27bn annual trade -** Iraq is the UAE's top global trading partner, with trade exceeding $27bn annually, said Abdullah Al Saleh, Undersecretary of the Ministry of Economy, UAE. Giving his welcome address at the Iraq Britain Business Council (IBBC) Autumn Conference 'Growing Opportunities', Al Saleh emphasized the UAE's continuous commitment to strengthening its partnership with Iraq, citing the longstanding political, social and economic ties between the two nations. "The 10th session of the IRAQ UAE joint committee held last year explored prospects of cooperation in various areas of mutual interests including economic investment, educational, cultural, agricultural, food, technological, and energy sectors among others. The UAE is keen to build further on these outcomes through continued dialogue and collective actions and contribute to Iraq's sustainable economic prosperity," he said. Flexible and resilient economy Al Saleh stated: conference comes at a pivotal moment for the UAE as we undergo a transformation into a more flexible and resilient economy. The strengthening of ties with our global and regional partners remains a key focus area. The widening network of our massive economic partnerships is providing our partners for all enablers to access international market." Vikas Handa, Managing Director of GulfTek & Chairman of the IBBC Conference highlighting Iraq's significant growth opportunities, said: "Iraq is undergoing the most substantial expansion in three decades, driven by improvements in stability, security and a wealth of investment opportunities worth approximately $400bn. The positivity reflects from IMF prediction that Iraq's GDP is set to rise 5.3% in 2025, and, also, the fact that the stock exchange funds have increased by 17% this year. The ground reality is visible in various infrastructure and housing projects being implemented providing potent business confidence in the economy." The national census in Iraq has recorded a population of 45mn, positioning the country as the largest market in the Middle East. The conference witnessed prominent industry players, including major energy companies such as BP, Shell, BGC, and their construction partners, including Wood Group, GulfTek KSA, GE, and Siemens. Financial institutions such as Standard Chartered, the International Finance Corporation (IFC), and the Central Bank of Iraq were also represented. Al

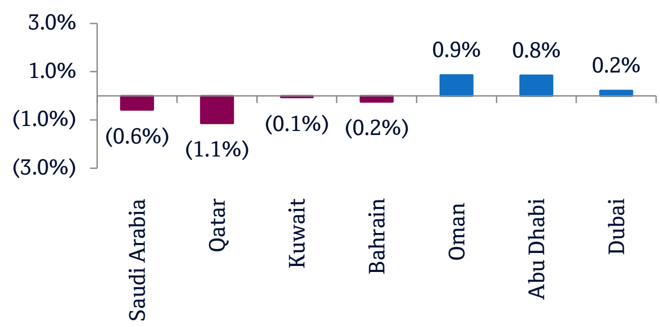
Saleh was joined at the event by Mohammed Darraji, Senior Advisor to the Iraqi Prime Minister, leading the Iraqi Government Delegation, and Dr Mohammed Al Shukri, Chairman of the Kurdistan Investment Board, who headed the Kurdistan Regional Government's delegation. (Zawya)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	2,622.91	1.1	(1.0)	27.1
Silver/Ounce	29.52	1.6	(3.4)	24.1
Crude Oil (Brent)/Barrel (FM Future)	72.94	0.1	(2.1)	(5.3)
Crude Oil (WTI)/Barrel (FM Future)	69.46	(0.6)	(2.6)	(3.1)
Natural Gas (Henry Hub)/MMBtu	3.14	0.0	0.0	21.7
LPG Propane (Arab Gulf)/Ton	77.40	0.8	(0.9)	10.6
LPG Butane (Arab Gulf)/Ton	111.40	1.2	1.9	10.8
Euro	1.04	0.6	(0.7)	(5.5)
Yen	156.31	(0.7)	1.7	10.8
GBP	1.26	0.5	(0.4)	(1.3)
CHF	1.12	0.6	(0.0)	(5.8)
AUD	0.63	0.2	(1.7)	(8.2)
USD Index	107.62	(0.7)	0.6	6.2
RUB	110.69	0.0	0.0	58.9
BRL	0.17	(1.0)	0.5	(1.4)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,723.22	0.7	(2.5)	17.5
DJ Industrial	42,840.26	1.2	(2.3)	13.7
S&P 500	5,930.85	1.1	(2.0)	24.3
NASDAQ 100	19,572.60	1.0	(1.8)	30.4
STOXX 600	502.19	(0.2)	(3.4)	(1.2)
DAX	19,884.75	0.2	(3.2)	11.9
FTSE 100	8,084.61	0.5	(2.7)	3.2
CAC 40	7,274.48	0.4	(2.4)	(9.1)
Nikkei	38,701.90	0.8	(3.4)	4.4
MSCI EM	1,072.25	(0.9)	(3.1)	4.7
SHANGHAI SE Composite	3,368.07	(0.1)	(1.0)	10.2
HANG SENG	19,720.70	(0.1)	(1.2)	16.3
BSE SENSEX	78,041.59	(1.3)	(5.1)	5.8
Bovespa	122,102.15	1.3	(2.9)	(27.5)
RTS	1,151.93	(0.0)	0.0	6.3

Source: Bloomberg ($ adjusted returns if any)*

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