

QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 2.1% to close at 10,810.6. Gains were led by the Banks & Financial Services and Industrials indices, gaining 2.9% and 2.1%, respectively. Top gainers were Qatar General Insurance & Reinsurance Co. and Zad Holding Company, rising 7.4% and 4.1%, respectively. Among the top losers, Widam Food Company fell 3.3%, while Gulf Warehousing Company was down 2.3%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.2% to close at 10,682.0. Gains were led by the Food & Staples Retailing and Pharma, Biotech & Life Science indices, rising 2.0% and 1.2%, respectively. Bin Dawood Holding Co. rose 4.9%, while Al Kathiri Holding Co. was up 4.8%.

Dubai: The DFM Index fell marginally to close at 3,352.5. Losses were led by the Utilities and Industrials indices, falling 0.7% and 0.5%, respectively. Al Firdous Holdings declined 6.3%, while Ektitab Holding Co. was down 2.5%.

Abu Dhabi: The ADX General Index fell marginally to close at 10,128.4. The Consumer Discretionary index and the Utilities index both were down 0.3% each. Hily Holding declined 5.5%, while Aram Group was down 3.7%.

Kuwait: The Kuwait All Share Index gained 0.6% to close at 7,256.9. The Telecommunications index rose 1.7%, while the Banks index gained 0.8%. Kuwait Telecommunication Company rose 4.4%, and Ektitab Holding Co. was up 4.3%.

Oman: The MSM 30 Index fell 0.8% to close at 4,798.5. Losses were led by the Financial and Industrial indices, falling 0.9% and 0.3%, respectively. Oman Qatar Insurance declined 9.6%, while Takaful Oman was down 6.7%.

Bahrain: The BHB Index gained 0.8% to close at 1,927.2. The Materials index gained 4.9%, while the Real Estate index gained 0.9%. Aluminum Bahrain rose 5.2%, while Seef Properties was up 1.2%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar General Ins. & Reins. Co.	1.45	7.4	30.9	(1.2)
Zad Holding Company	15.10	4.1	4.2	3.4
QNB Group	17.60	3.5	4,398.9	(2.2)
Industries Qatar	13.71	3.5	6,498.2	7.0
Mekdam Holding Group	7.66	3.3	343.8	2.4

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Masraf Al Rayan	3.03	1.8	30,305.8	(4.3)
National Leasing	0.77	2.8	20,856.2	9.5
Qatar Aluminum Manufacturing Co.	1.70	0.0	15,742.8	11.5
Ezdan Holding Group	0.98	(0.5)	13,673.4	(2.2)
Mazaya Qatar Real Estate Dev.	0.70	0.6	10,611.8	0.6

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,810.57	2.1	(1.6)	1.2	1.2	178.66	168,309.7	12.0	1.4	4.2
Dubai*	3,352.50	(0.0)	(0.0)	0.5	0.5	48.21	159,209.4	20.9	2.2	1.6
Abu Dhabi*	10,128.38	(0.0)	(0.0)	(0.2)	(0.2)	313.73	687,377.9	18.0	2.9	2.0
Saudi Arabia	10,682.01	0.2	(0.6)	1.9	1.9	920.13	2,655,876.1	16.0	2.1	2.7
Kuwait	7,256.91	0.6	1.8	(0.5)	(0.5)	173.26	152,591.4	19.9	1.7	2.8
Oman	4,798.46	(0.8)	(1.7)	(1.2)	(1.2)	14.20	22,095.1	13.6	1.1	3.5
Bahrain	1,927.19	0.8	1.9	1.7	1.7	25.67	65,870.8	5.2	0.7	5.5

Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (** TTM; * Value traded (\$ mn) do not include special trades, if any # Data as of January 20, 2023)

Market Indicators	19 Jan 23	18 Jan 23	%Chg.
Value Traded (QR mn)	651.4	489.5	33.1
Exch. Market Cap. (QR mn)	614,268.8	601,427.5	2.1
Volume (mn)	176.6	119.7	47.6
Number of Transactions	24,636	18,682	31.9
Companies Traded	48	49	(2.0)
Market Breadth	34:12	20:28	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	22,143.55	2.1	(1.6)	1.2	12.0
All Share Index	3,476.85	2.2	3.2	3.9	128.6
Banks	4,397.54	2.9	3.0	3.0	13.4
Industrials	3,982.47	2.1	0.7	5.3	10.9
Transportation	4,353.35	0.3	2.5	0.4	13.8
Real Estate	1,525.56	0.2	(4.0)	(2.2)	16.2
Insurance	2,185.00	0.2	(0.2)	(0.1)	14.8
Telecoms	1,329.41	2.1	4.2	0.8	12.0
Consumer Goods and Services	7,989.69	0.5	(2.2)	0.9	21.9
Al Rayan Islamic Index	4,629.02	1.3	(1.3)	0.8	8.4

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Aluminum Bahrain	Bahrain	1.24	5.2	1,013.3	13.8
Industries Qatar	Qatar	13.71	3.5	6,498.2	7.0
Advanced Petrochem. Co.	Saudi Arabia	46.60	2.6	896.6	9.6
Dr. Sulaiman Al Habib Medical Services Gr.	Saudi Arabia	227.80	1.4	115.5	3.3
Abu Dhabi Ports Co.	Abu Dhabi	6.20	1.1	4,861.1	8.0

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Saudi Kayan Petrochem. Co	Saudi Arabia	13.18	(3.4)	2,356.9	(3.5)
Saudi Tadawul Gr. Holding	Saudi Arabia	167.00	(2.0)	379.9	(7.7)
National Shipping Co.	Saudi Arabia	27.75	(1.6)	315.2	(5.9)
Saudi Arabian Mining Co.	Saudi Arabia	74.80	(1.1)	1,222.9	15.6
Multiply Group	Abu Dhabi	4.68	(1.1)	20,767.2	0.9

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

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Widam Food Company	1.74	(3.3)	713.3	(14.4)
Gulf Warehousing Company	3.81	(2.3)	18.1	(5.9)
Medicare Group	6.00	(2.1)	1,156.1	(3.3)
Doha Insurance Group	2.00	(1.9)	156.6	1.0
United Development Company	1.23	(0.8)	1,893.8	(5.4)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Masraf Al Rayan	3.03	1.8	89,758.9	(4.3)
Industries Qatar	13.71	3.5	88,316.0	7.0
QNB Group	17.60	3.5	77,034.6	(2.2)
Qatar Islamic Bank	19.00	3.3	63,289.4	2.4
Qatar Fuel Company	18.00	(0.3)	52,718.2	0.3

Qatar Market Commentary

- The QE Index rose 2.1% to close at 10,810.6. The Banks & Financial Services and Industrials indices led the gains. The index rose on the back of buying support from foreign shareholders despite selling pressure from Qatari, Arab and GCC shareholders.
- Qatar General Insurance. & Reinsurance Co. and Zad Holding Company were the top gainers, rising 7.4% and 4.1%, respectively. Among the top losers, Widam Food Company fell 3.3%, while Gulf Warehousing Company was down 2.3%.
- Volume of shares traded on Thursday rose by 47.6% to 176.6mn from 119.7mn on Wednesday. Further, as compared to the 30-day moving average of 112.4mn, volume for the day was 57.1% higher. Masraf Al Rayan and National Leasing were the most active stocks, contributing 17.2% and 11.8% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	26.95%	32.99%	(39,358,263.4)
Qatari Institutions	28.98%	30.73%	(11,372,766.3)
Qatari	55.93%	63.72%	(50,731,029.8)
GCC Individuals	0.32%	0.18%	891,381.3
GCC Institutions	3.61%	5.20%	(10,329,176.3)
GCC	3.93%	5.38%	(9,437,795.0)
Arab Individuals	9.91%	10.31%	(2,653,632.3)
Arab Institutions	0.00%	0.00%	2,768.0
Arab	9.91%	10.31%	(2,650,864.3)
Foreigners Individuals	2.13%	1.98%	956,437.9
Foreigners Institutions	28.11%	18.61%	61,863,251.2
Foreigners	30.23%	20.59%	62,819,689.1

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

Earnings Releases, Global Economic Data and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 4Q2022	% Change YoY	Operating Profit (mn) 4Q2022	% Change YoY	Net Profit (mn) 4Q2022	% Change YoY
Dhofar Poultry Co	Oman	OMR	9.36	3.6%	-	-	(0.7)	-48.69
Muscat City Desalination Co.	Oman	OMR	18.64	3.2%	-	-	2.3	-3.8%
Dhofar Generating Co.	Oman	OMR	47.04	11.7%	-	-	1.9	-31.7%
Barka Water and Power Co.	Oman	OMR	14.67	-62.9%	-	-	(2.3)	-126%
Omani Euro Foods Industries	Oman	OMR	2.20	7.2%	-	-	(0.2)	35%
National Biscuit Industries	Oman	OMR	7.91	39.8%	-	-	0.0	-98.7%
Hotels Management Co. International	Oman	OMR	7.36	122.6%	-	-	0.2	112%
Musandam Power Co.	Oman	OMR	18.47	1.6%	-	-	2.7	-12.8%
Emirates Driving Company	Abu Dhabi	AED	339.42	30.5%	-	-	253.4	50.8%
Palms Sports	Abu Dhabi	AED	301.86	11.7%	-	-	133.3	45.1%

Source: Company data: DFM, ADX, MSM, TASI, BHB. (#Values in Thousands, *Financial for 4Q2022)

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
01-19	US	U.S. Census Bureau	Housing Starts	Dec	1,382k	1,358k	1,401k
01-19	US	U.S. Census Bureau	Building Permits	Dec	1,330k	1,365k	1,342k
01-19	US	U.S. Census Bureau	Housing Starts MoM	Dec	-1.40%	-4.80%	-1.80%
01-19	US	U.S. Census Bureau	Building Permits MoM	Dec	-1.60%	1.00%	-11.20%
01-19	US	Philadelphia Federal Reserve	Philadelphia Fed Business Outlook	Jan	-8.9	-11	-13.8
01-19	US	Department of Labor	Initial Jobless Claims	Jan	190k	214k	205k
01-19	US	Department of Labor	Continuing Claims	Jan	1,647k	1,655k	1,630k
01-19	US	U.S. Department of Energy	EIA Natural Gas Storage Change	Jan	-82	-76	11
01-20	US	National Assoc. of Realtors	Existing Home Sales	Dec	4.02m	3.95m	4.08m
01-20	US	National Assoc. of Realtors	Existing Home Sales MoM	Dec	-1.50%	-3.40%	-7.90%
01-19	UK	Royal Institution of Chartered	RICS House Price Balance	Dec	-42%	-30%	-26%
01-19	EU	European Central Bank	ECB Current Account SA	Nov	13.6b	NA	-0.5b
01-20	Germany	German Federal Statistical Office	PPI MoM	Dec	-0.40%	-1.20%	-3.90%
01-20	Germany	German Federal Statistical Office	PPI YoY	Dec	21.60%	20.70%	28.20%
01-19	Japan	Ministry of Finance Japan	Trade Balance	Dec	-¥1,448.5b	-¥1,670.0b	-¥2,027.4b
01-19	Japan	Ministry of Finance Japan	Trade Balance Adjusted	Dec	-¥1,724.2b	-¥1,615.7b	-¥1,779.4b
01-19	Japan	Ministry of Finance Japan	Exports YoY	Dec	11.50%	10.60%	20.00%
01-19	Japan	Ministry of Finance Japan	Imports YoY	Dec	20.60%	22.60%	30.30%

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

Earnings Calendar

Tickers	Company Name	Date of reporting 4Q2022 results	No. of days remaining	Status
GWCS	Gulf Warehousing Company	24-Jan-23	2	Due
CBQK	The Commercial Bank	24-Jan-23	2	Due
VFQS	Vodafone Qatar	24-Jan-23	2	Due
QIIK	Qatar International Islamic Bank	25-Jan-23	3	Due
QNCD	Qatar National Cement Company	25-Jan-23	3	Due
MKDM	Mekdam Holding Group	28-Jan-23	7	Due
MARK	Masraf Al Rayan	29-Jan-23	8	Due
QATR	Al Rayan Qatar ETF	30-Jan-23	10	Due
QAMC	Qatar Aluminum Manufacturing Company	02-Feb-23	12	Due
QIGD	Qatari Investors Group	05-Feb-23	15	Due
QIMD	Qatar Industrial Manufacturing Company	08-Feb-23	18	Due
SIIS	Salam International	12-Feb-23	22	Due
QISI	Qatar Islamic Insurance Group	13-Feb-23	23	Due

Source: QSE

Qatar

- Moody's: Qatari banks' loan books will 'remain strongest' in 2023** - Qatari banks' loan books will "remain strongest" this year because a sizeable share of their lending activities is to the government and related entities, Moody's Investor Service said in a report. Banking sector profitability is on a firm path toward pre-pandemic levels. Economic growth, margin preservation, solid efficiency and moderate provisioning needs will support net earnings, it said. The dollar peg keeps interest rate increases tied to the US Fed hiking cycle. Rising rates will largely preserve net interest margins with a delay since US monetary policy tends to pass through to deposits and other liabilities more quickly, while loans and other assets tend to reprice with a lag, often due to competition. "This is relevant for banking sectors that rely heavily on market funding like Qatar, or in Kuwait where the central bank recently fully passed a rate hike onto deposits while the increase on the lending side was partial," Moody's noted. GCC Islamic banks will benefit from the rising rate cycle because they focus on higher-yielding household lending and have near-zero deposit costs. Their efficiency will remain stronger than global peers because banks have invested in IT infrastructure as well as cost-saving digital offerings and operate limited branch networks. Ongoing consolidation aims to achieve cost synergies. Qatari banks' aggregate cost-to-income ratio is among the lowest globally (22.2% in the first half of 2022) with a small and concentrated population, that does not require an extensive branch network. Provisioning costs will rise slightly after post-Covid dips but will remain contained since loan-loss reserves remain ample. The report also noted the North Field liquefied natural gas expansion project will create new business opportunities for Qatari banks. The North Field expansion plan, which is the global industry's largest ever LNG project includes six LNG trains that will ramp up Qatar's liquefaction capacity from 77mtpy to 126 mtpy by 2027. Strong capital provides a "substantial loss-absorbing buffer", Moody's said and noted GCC banks' core capital levels are among the "highest" globally, a key credit strength. At 15% of risk-weighted assets on average, tangible common equity will continue to shield GCC banks from unexpected losses. These robust levels will remain stable, balancing loan growth with unchanged net profit retention efforts over 2023. Core capital is resilient under our low probability, high-stress scenario analysis. According to Moody's the regulatory capital requirements in the GCC far exceed Basel III guidance. This is to capture risks posed by high concentrations of loans in economies that remain dominated by government-related entities and a few large family-owned conglomerates. Loan-loss provisioning against expected losses fully covers problem loans in Saudi Arabia, Kuwait, Qatar, Oman and Bahrain, providing an extra layer of protection to core capital cushions. Problem loans do not exceed 16% of shareholders' equity and loan-loss reserves on average across the region, it said. (Gulf Times)

- Dlala Brokerage and Investment Holding Co. opens nominations for its board membership 2023** - Dlala Brokerage and Investment Holding Co. announces the opening of nominees for the board memberships, years from 2023 to 2025. Applications will be accepted starting from 24/01/2023 till 02:00 PM of 07/02/2023. (QSE)
- Qatar Electricity & Water Co. opens nominations for its board membership 2023** - Qatar Electricity & Water Co. announces the opening of nominees for the board memberships, years from 2023 to 2026. Applications will be accepted starting from 22/01/2023 till 02:30 PM of 26/01/2023. (QSE)
- Resignation of Baladna CEO** - Baladna Chief Executive Officer Mr. Piet Johannes Hilarides has resigned from his post and the Board of Directors has appointed Mr. Malcolm Jordan as the Chief Executive Officer for Baladna QPSC and delegated him with all powers required for that post. The appointment of Mr. Malcolm was based on his multi-years of industry experience in the region and previous experience with Baladna as a CEO from 2019 to 2021, leading the company through the IPO process and pandemic. He is returning to Baladna to steer its next phase in the local market and international expansion, with the company looking to take its innovative model to new markets. (QSE)
- Qatar National Cement Co. to hold its investors relation conference call on January 26 to discuss the financial results** - Qatar National Cement Co. announces that the conference call with the Investors to discuss the financial results for the Annual 2022 will be held on 26/01/2023 at 01:00 PM, Doha Time. (QSE)
- Al Faleh Educational Holding announces that its Doha Academy Al Waab and Salwa Branches have been awarded full and immediate international accreditation by the New England Association of Schools and Colleges ("NEASC")** - Doha Academy, a wholly owned subsidiary of Al Faleh Educational Holding, has been admitted to NEASC membership and recognized as a fully accredited group of schools with immediate effect. This follows the schools' success in gaining Qatar National Schools Accreditation ("QNSA") earlier in 2022. NEASC is an independent, voluntary, nonprofit membership organization that works with public, independent, and international schools in over 85 countries worldwide to assess, support, and promote high-quality education for all students through accreditation, professional assistance, and pursuit of best practices. Gaining full international accreditation follows an intensive 14-month period at Doha Academy, including substantial investment and staff training. NEASC's "Foundation Standards" cover all aspects of a school's operational and strategic activities. Equal evaluative focus is placed during the visits on learning and teaching, governance and leadership, health and safety, finance and resources, and ethical practices. Following the inspections from mid to late October 2022, Doha Academy has been informed by the Association that its schools not only

meet all of NEASC's five exacting "Foundation Standards" but are also eligible to follow its "ACE Learning" protocol. NEASC provides a differentiated accreditation pathway, with ACE Learning being the highest and only recommended to schools NEASC believe have the capacity, commitment and competency to develop even further. Doha Academy Al Waab and Salwa are now preparing hard for the first stage of the ACE Learning pathway. As part of this preparation, which culminates in follow-up external evaluations in early 2024, the schools are especially focused on language support and technology use in the classroom. Upon receiving the news of the accreditation, Doha Academy's Principal Mr. Edward Cooper said: "This success is testament to our team's ability to accurately self-evaluate, plan and implement change, and to work collaboratively to achieve goals in a relatively short timeframe." Mr. Cooper added: "Our achievement with QNSA demonstrated that our schools were already functioning at a high level. However, there are aspects of international accreditation that are not necessarily expectations or requirements of national accreditation. Therefore, the schools have come a long way over the last 14 months. We've hit the ground running in January in preparation for the follow-up visits in just over 12 months' time. "What's particularly effective about working with NEASC is the conversation about the 'impact of our input' – in other words, they expect us to think about the desired impact of our work and investment, and how these link to our Vision, Mission and understanding of what high-quality learning in our context looks like. It's also great for Doha Academy that our work with NEASC is regularly scheduled and reviewed, so our ongoing development is validated and benefits more members of our community more often." Dr. Sheikha Aisha Faleh Al-Thani, Founder and Chairperson of Al Faleh Educational Holding, stated: "The accreditation marks a culmination of the team's hard work. We aim to help learners reach their academic goals and equip them with the necessary skills and knowledge to fulfil their future endeavors with God's will." Sheikha Anwar Al Thani, CEO of Al Faleh Educational Holding, expressed her gratitude to everyone that made this achievement. (QSE)

- Moody's: Qatar may reduce debt-to-GDP ratio by 35 percentage points by end of 2023** - Qatar is expected to reduce its debt-to GDP ratio by 35 percentage points of GDP by end-2023, Moody's Investor Service has said in a report. Improvements in fiscal metrics will be the greatest in Qatar and Oman in the GCC region this year, it said. For all GCC sovereigns, sustained growth in nominal GDP following the large rebound in 2022 will continue to reduce debt-to-GDP ratios. However, in Oman and Qatar, debt burdens will also likely decline further in nominal terms as they did in 2022, as the governments prioritize deleveraging. Oman reduced its debt stock by nearly 15% in nominal terms in the year to December 2022 and Moody's expect another, albeit much smaller, nominal debt reduction in 2023. "By the end of 2023, we expect Oman and Qatar to have reduced their debt-to-GDP ratios by around 25 and 35 percentage points of GDP, respectively, compared to peaks at the end of 2020. By contrast, in Saudi Arabia, Kuwait and the UAE, where government debt is relatively low, we expect governments to prioritize accumulation of liquid fiscal reserves and sovereign wealth fund assets. "Kuwait is the standout, with nearly no debt to repay in 2023 out of its already very small debt stock of only 3% of GDP at the end of 2022," Moody's noted. According to Moody's another year of fiscal surpluses will allow GCC governments to consolidate the reductions in debt burdens and improvements in debt affordability, which took place in 2021-22. In most cases, greater debt affordability will be sustained despite rising global interest rates as relatively long maturities of existing government debt will delay repricing of the outstanding debt stock. Governments will also have the opportunity to use their surpluses to rebuild fiscal buffers that were eroded over the 2015-20 period. In some cases, these buffers are already very large and significantly exceed government debt, lending material support to our assessment of the sovereigns' fiscal strength. As of 2021, government financial assets amounted to around 340% of GDP in Kuwait, 280% in the United Arab Emirates, and 185% in Qatar. The assets were more modest, but still large by international comparison, in Saudi Arabia (around 33% of GDP) and Oman (26% of GDP). Moody's noted high oil prices will continue to bolster GCC sovereigns' credit quality in 2023. "We assume Brent crude oil will average around \$95/barrel, below the 2022 average of \$100/b, but significantly above the average of \$57/b in 2015-21," the report said. Although GCC crude oil output is likely to decline in 2023 on strategic

production cuts by Opec+, hydrocarbon revenue will remain robust, allowing most GCC sovereigns to run substantial fiscal and current account surpluses. These surpluses will offer governments a further opportunity to pay down debts, rebuild fiscal reserves, accumulate foreign currency buffers, and advance structural reforms and diversification projects. (Gulf Times)

- MEPI Index up 0.17% in second half of 2022** - Machinery and Equipment Price Index (MEPI) for the second half 2022 which reached 100.19 points increased by 0.17% compared with the second half of 2021, and a 0.72% increase of MEPI, when compared with the counterpart of the previous year 2021 according to the Planning and Statistics Authority (PSA) data. An analysis on H-o-H basis of MEPI second half, 2022 against first half, 2021 shows that seven of the main groups had increased. The groups that had increased are: "Musical instruments" by 5.0%, "Office, accounting and computing machinery" by 3.75%, "Metal tools and tools" by 2.95%, "Medical appliances precision and optical" by 2.38%, and "Machinery and electrical appliances" by 0.81%, "General, purpose machinery" by 0.48%, and "Special purpose machines" by 0.05%, a decrease recorded in "Radio, television and communication equipment" by 3.27%, "Transport" by 1.28%. A comparison of the MEPI of second half, 2022 with the second half, 2021, showed that, there has been an increase by 0.72%, affected by prices rise in groups, namely: "Metal tools and tools" by 18.27%, "Musical instruments" by 3.69%, "Office, accounting and computing machinery" by 1.44%, and "General, purpose machinery" by 1.25%, "Transport" by 1.06%. "Special-purpose machines" by 0.80%. As for the decrease, it was recorded in three groups that were "Radio, television and communication equipment" by 2.83%, "Machinery and electrical appliances" by 1.41%, and "Medical appliances precision and optical" by 0.16%. The MEPI is one of the economic indicators produced by the Authority. This indicator calculated as semi-annual, with base year 2013. (Peninsula Qatar)
- Residential sector optimistic to grow by 11.5%** - Qatar's residential market shows a buoyant growth of 11.5% at a compound annual growth rate (CAGR) in the years to come. The report by Mordor intelligence reveals that the increasing projects in the residential real estate industry are upbeat on revitalizing the country's economy. Albeit a lot of restrictions due to the pandemic affected the market in the previous years, 2023 is witnessing vital progress in its projects and is expected to prosper in the same way over the next five years. "Qatar's economy is one of the thriving in the Middle East. High GDP growth and population influx, aided by job opportunities and government legislation, are some of the drivers propelling the country's residential real estate market forward," it said. On one hand, when it's the global investments that drive the economy, on the other, it is the citizens of Qatar. A major propelling factor that boosts the market is construction, while the citizens in the country opt to choose and invest in luxurious residential estates. The report stated that "The high net worth of the ordinary Qatari inhabitant, both local and expatriate, considerably impacts the construction industry, increasing the demand for luxury and well-organized residential areas." This shapes up the economy-boosting with more investments and trade deals in the region. Segmented by type, the affluent residential real estate in Qatar consists of various apartments and condominiums, villas, landed houses, etc purchased by global and local investors in prime cities. UrbaCon Trading and Contracting (UCC) had agreed to build two residential complexes in Al Wakra, totaling over QR5bn (\$1.37bn). In this project, Al Wakra built Qatar's second-largest city and home to the 40,000-seat Al Janoub stadium. The city was one of the highlighted top destinations for tourists during the World Cup. Various other projects at The Pearl Qatar and Lusail City also shed light on the futuristic infrastructures that allured most of the investors to buy properties and residencies. The report outlined that "There is a huge competition between residential real estate companies in Qatar. The sales proportion of residential real estate properties through online channels has consistently grown, owing to the rising internet penetration, growing demand, increasing personal disposable incomes, surging middle-class youth population, and opportunities offered by government infrastructure investments." "Foreign investment in Qatar's residential real estate market is estimated to increase in the coming years, as non-Qataris may invest in selected real estate projects, such as the West Bay Lagoon and The Pearl. Major real

estate players in the market are Al Mana Real Estate, United Development Company and Ezdan Holdings,” it added. (Peninsula Qatar)

- Demand for office space surges in 2023** - Qatar’s office space witnesses a positive impact with the expansion of state-of-the-art infrastructures built to be utilized by various companies in the region. According to Saakin, a fastest-enhancing real estate researcher, the demand for office space in Qatar is set to grow this year with enthralling features and world-class facilities that fit every office room. The report states that with the developing areas and modern locations in Qatar, the supplies for office rooms are in high demand resulting in an increased number of clients flowing to the Gulf State. The Middle Eastern hub has also become one of the finest destinations for all types of work with regular and expanding projects in the region. Projects related to leasing commercial properties for residencies, office, and other real estate purposes have escalated in the previous years due to the international tournaments held in Qatar and is expected to soar as the country is limbering to host several other upcoming events and is also a hotspot for tourism. The report said that “These tendencies improve the strength of commercial real estate and workouts within Qatar. Moreover, forthcoming buyers can scour the investment chances and prospects in entire projects and properties. It is even a good chance for commercial movements and investment experiences.” Numerous locations across the country have diverse spots for all types of organizations suiting their needs and budget, the report noted. West Bay for example varies between QR80 and QR120 per sq. m. On the other hand, Lusail with the same office type offers between QR65 and QR120 sq. m. Various projects to lease office spaces are being carried out in these areas expanding it into a significant business hub. “In West Bay and Lusail, shell-and-core office rental price is between QR70 and QR100 per sqm per month, and in Doha, they can be rented for as little as QR50 per sqm every month”, the report added. (Peninsula Qatar)
- Minister of Commerce and Industry participates in World Economic Forum** - Minister of Commerce and Industry HE Sheikh Mohammed bin Hamad bin Qassim Al Thani took part in the activities of the 53rd World Economic Forum annual meeting in Davos, Switzerland that was held until last Friday, under the slogan: “Cooperation in a Fragmented World”. During his participation in the forum, he held several meetings with a number of ministers and senior officials from countries and international organizations participating in the event. His agenda also included bilateral meetings with several officials from international firms participating in the forum. During the meetings, they discussed ways to boost international cooperation in trade, investment and industry sectors, and share the viewpoints on the topics incorporated into the forum’s agenda, as well as highlighting the leading position of the State of Qatar as a major destination for global investments. Davos annual forum is considered one of the absolutely critical global forums, and represents a vital platform for the convergence of leaders of states, heads of government and ministers, CEOs of major global companies and officials of international and civil organizations to discuss international challenges and variations, in addition to reviewing the solutions in various economic and development sectors. (Peninsula Qatar)
- Al-Kuwari meets dignitaries in Davos** - HE the Minister of Finance Ali bin Ahmed al-Kuwari headed Qatar’s delegation during separate meetings with Professor Klaus Schwab, executive chairman, World Economic Forum and Magdalena Rzeczkowska, Poland’s Minister of Finance. The meetings took place on the sidelines of his participation in the World Economic Forum Davos 2023 in Switzerland. During the meetings, they reviewed the existing co-operation with respective sides and prospects of enhancing and developing them especially in investment, finance, and economy, in addition to a number of issues of mutual interest. Also, al-Kuwari met with several top executives of financial and governmental institutions, and international banks. The meetings were held, among others, with Christian Sewing, chief executive officer, Deutsche Bank; Gary Nagle, CEO, Glencore; Nick Studer, president and CEO, Oliver Wyman Group; Christian Klein, CEO, SAP; Axel Lehmann, chairperson, Credit Suisse; and Jane Fraser, CEO, Citigroup. Bilateral relations were discussed at these meetings, the Ministry of Finance said. (Gulf Times)
- Real estate trading volume at over QR230mn in week** - The volume of real estate trading in sales contracts at Department of Real Estate Registration

at the Ministry of Justice during the period from Jan.8 to Jan.12, 2023 reached QR230,623,819. The weekly bulletin issued by the Department shows that the list of real estate properties traded for sale has included vacant lands, houses, Residential Buildings, Multipurpose Building. Sales were concentrated in, Doha, AL Rayyan, Al Daayen, Al Wakrah, Al Shamal, municipalities. It is worth noting that the volume of real estate trading in sales contracts at Department of Real Estate Registration at the Ministry of Justice during the period from Jan.1 to Jan. 5, 2023 reached QR,116,340,669. (Peninsula Qatar)

- Abu Samra border reports around 850,000 crossings during World Cup** - The General Authority of Customs has disclosed that the Land Customs Administration at Abu Samra received 844,737 passengers entering and exiting during the FIFA World Cup Qatar 2022. In its monthly newsletter, the GAC said in 28 days during the tournament, 406,819 passengers entered the country, and 437,918 passengers exited. According to the GAC, the Abu Samra border recorded 140,987 vehicular traffic during the FIFA World Cup Qatar 2022. Around 65,755 vehicles entered the country, while 75,232 cars exited during the same period. The newsletter revealed that the Land Customs Administration had provided all customs facilities for the entry of travelers and fans of the World Cup tournament through joint work plans with the permanent committee of Abu Samra port. New halls, entry and exit gates, and vehicle inspection platforms were created, and old ones were expanded to accommodate visitors during the World Cup. Also, the Customs inspection processes were strengthened with X-ray machines and lanes dedicated to entry, providing a sufficient number of the Authority’s employees to complete the required procedures as soon as possible. Besides, in partnership with the Public Works Authority (Ashghal), the Land customs also prepared two new halls with the permanent committee of Abu Samra port. On the other hand, the newsletter disclosed that the GAC, represented by the Operations and Risk Analysis administration and the Information Systems administration, completed the electronic link between the customs and the insurance office at Abu Samra to expedite the insurance process for vehicles coming through the port. Through the electronic link, insurance processes were completed in less than one minute for each vehicle. The procedure used to take 10 minutes before. The information was sent to the Al Nadeeb system for registered vehicles to ease entry and exit. Last month, Chairman of the General Authority of Customs, Ahmed bin Abdullah Al Jamal, while speaking to Qatar Radio, said the Sports Event Management System launched ahead of the World Cup, helped reduce the time of customs clearance for imported consignments by about 80%. (Peninsula Qatar)
- Katara launches 7th Mahaseel Festival** - The Cultural Village Foundation (Katara) launched the 7th edition of the Mahaseel Festival on the southern side of Katara. The festival will run through January 28, in collaboration with the Ministry of Municipality and the Qatari farmers forum. Director of Human Resources Department at Katara Saif Saad Al Dosari, who opened the festival, hailed the festival as an important annual occasion for shopping for Katara visitors. Al Dosari added that this seventh edition of the festival proved its success in achieving the goals for which it was established, particularly spreading the culture of consuming local agricultural and industrial products, which has achieved great development over the years. He highlighted the festival’s high-quality products and multiple choices, which made it attract shoppers. Director of Agricultural Affairs Department at the Ministry of Municipality, Youssef Khaled Al Khulaifi, said that the festival is being held in cooperation between (Katara) and the Ministry, which is keen on participation and coordination between the two sides, and because of the importance that Katara represents as a tourist and entertainment destination that attracts visitors from different nationalities. He noted that all of this contributed to enhancing the role of the festival as a unique destination for displaying national products of various varieties. The 7th edition of the festival shows the development of the agricultural product at the level of quantity and quality, in addition to being an opportunity for citizens and residents to learn about the diversity of the local product, Al Khulaifi added. Chairman of Mahaseel organizing committee Salman Al Nuaimi said that this edition brought together 28 local farms and eight plant nurseries, in addition to poultry, meat and dairy companies. The festival will be open to public from 9 am to 9 pm until January 28, while

the Mahaseel market will continue after that on Thursdays, Fridays and Saturdays of each week until mid-April, he added. He highlighted this edition's accompanying activities of art workshops and various activities, providing a beautiful opportunity for the family to shop and spend enjoyable times. The opening of the festival was attended by a number of Qatari farm owners and representatives of the participating national companies, Al Nuaimi said. (Peninsula Qatar)

- Marketing platforms sold 58,500 tonne local vegetables in 2022** - The marketing platforms for agricultural produce provided by the Ministry of Municipality to local farms helped sell 58,500 tonnes of vegetables in 2022. The marketing program 'Qatar Farms' and Mahaseel recorded the highest sale as they sold 20,000 tonnes vegetables each, last year. The vegetable markets also contributed greatly in selling over 14,500 tonnes vegetables in 2022. As many as 4,000 tonnes of agricultural produce were sold under 'Premium Products' program. This came in a report issued by the Ministry of Municipality on the achievements of its Agricultural Affairs Department in 2022. The marketing platforms for agricultural produce provided by the Agricultural Department at the Ministry to local farms include five vegetable markets (Yards for Selling Agricultural Produce), two programs at major commercial outlets and Mahaseel for Marketing and Agri. Services Company. The marketing programs aim at proving reasonable prices to local farmers for their investments and hard-work, enabling them to offer their produce directly to the customers. The good yield also encourages local farms to increase their products by cultivating in free spaces at their farms and setting up greenhouses. Director of Agricultural Affairs Department at the Ministry of Municipality, Youssef Khalid Al Khulaifi, had said the Department is providing marketing platforms to local farms to sell their produce directly to consumers without any middlemen. (Peninsula Qatar)
- Qatar's e-commerce market sees healthy growth** - Qatar's e-commerce market is showing healthy growth as more consumers expect delivery of products and services to be digital, seamless, and timely. Businesses are racing to compete and join the e-commerce trend and its adoption is growing globally. Ministry of Communications and Information Technology (MCIT) said on its twitter handle, "With Theqa trustmark badge on your site show your customers that your business is trustworthy, improving their confidence in your offering." Theqa trustmark is first of its kind that is launched by Qatar to empower or enhance the e-commerce industry. In a video presentation, MCIT elaborated the benefits of Theqa for e-merchants which include consumer confidence, high standards, increased visibility and digital credentials. It said Theqa trustmark website ensures that the site is trustworthy. Its membership differentiates the business and gains a significant competitive advantage in the market and also gives recognition as forefront towards technological advancement. The e-commerce market is showing a significant growth rate in the country, widening its opportunities in business sectors to expand further. According to Market Research, a leading provider of industry intelligence for businesses, consultants, and investors noted that the firms in Qatar are having a positive impact on e-commerce worldwide and the country's industry is gaining momentum. Small business owners face unique challenges as they seek to scale up, grow margins and diversify their customer-base, all while complying with government regulations. Theqa is Qatar's first e-commerce trustmark, which offers not only immediate credibility, but also access to new business opportunities and improved knowledge and skills through best practice guidelines, the Ministry said on its website. MCIT is trying to fill the gap by bringing in the Theqa trustmark for customers in the country. (Peninsula Qatar)
- QDB launches green financing program for SMEs in Qatar** - Qatar Development Bank (QDB) has launched the clean energy and eco-friendly financing program, also known as green financing, for Qatar-based Small and Medium Enterprises (SMEs) operating in QDB-mandated sectors. The program is aimed at supporting SMEs that are seeking to introduce or use clean and sustainable projects or infrastructures (green projects) to support their business operations in the reduction of their energy cost, environmental degradation, and carbon footprint. QDB Acting CEO Abdulrahman Hesham Al Sowaidi said that supporting sustainability through this and other programs is part of the bank's strategy to support environmentally friendly projects, in keeping with the necessities of this

period nationally and globally. Al Sowaidi indicated that the bank is moving in accordance with its institutional responsibility to support entrepreneurs in line with the country's national vision for building a sustainable knowledge-based economy. QDB Acting CEO stressed that this financing program is the first of its kind, and it will support SMEs operating in any of the various QDB-mandated sectors, encouraging them to benefit from the bank's programs, indicating that the Green Financing program will first finance 85% of a project's cost for enterprises that will add technological solutions or environmentally friendly operations to their business or their business model. QDB offers a long-term financing repayment period of up to 15 years, including a three-year grace period. Al Sowaidi added that QDB will finance 80% of a project's total cost for companies that will produce final green products with a positive and sustainable environmental impact, this time with a repayment period of up to 20 years, including a three years grace period. The Green Financing program enables enterprises to obtain competitive and preferential pricing with admin and profit rates to encourage them to make an environmentally friendly transformation and produce sustainable green products. QDB encourages SMEs to achieve their environmental goals in various fields such as renewable energy, waste management, water treatment, recycling, clean and green technical innovations, and projects that promote energy efficiency and reduce carbon footprint. According to a statement issued by QDB, interested entrepreneurs can apply for financing on QDB's website. (Qatar Tribune)

- Envoy: South Korea eyes expanding Qatar economic ties via high-level exchanges, various projects** - South Korea has slated several initiatives this year to expand and enhance its trade and economic relations with Qatar in various sectors, including semi-conductors, e-mobility, and green energy, among others, the nation's top diplomat in Doha told Gulf Times. Ambassador Lee Joon-ho said he believes South Korea and Qatar have the potential to deepen further and expand bilateral co-operation in various areas, including trade and investment based on the mutually complementary industrial and trade structure of both countries. "In particular, as Qatar National Vision 2030 aims at transforming Qatar into a more diversified economy, we will seek to expand the scope of co-operation to include semiconductors, electric vehicles, and renewable energy sources, such as hydrogen. "And South Korean companies, based on their excellent technologies and extensive experience, will continue to participate in various projects related to QNV 2030, including Qatar's North Field Expansion plan and other infrastructure projects, contributing to further strengthening bilateral economic co-operation," Lee explained in a statement. He said: "Furthermore, we will explore ways to enhance investment between our two countries for mutual benefits on the occasion of high-level exchanges, including the Korea-Qatar High-Level Strategic Co-operation Committee Meeting, as well as the Korea-Qatar Business Forum. By doing so, I believe we can further consolidate bilateral economic relations between Korea and Qatar." In 2022, the South Korean embassy in Doha, in co-operation with different Qatari government ministries and private sector players like Korea Trade-Investment Promotion Agency (Kotra), Qatar Chamber, and Investment Promotion Agency Qatar (IPA Qatar), as well as South Korean companies, among others, held different initiatives and events aimed at enhancing bilateral trade and economic relations. These initiatives focused on areas, such as agriculture, smart farming, blue and green hydrogen production, health and Information and Communications Technology (ICT), and finance, among others. Speaking at the 2022 South Korea-Qatar Business Forum held in Doha, Lee underscored the need for both countries to expand co-operation ties "in new horizons" and forge close partnerships in various fields. Citing co-operation in digital technology, Lee said the South Korean government's 'Digital Strategy' is seen to cement its leadership in digital infrastructure, which may open new co-operation projects in the digital field. He stressed that both countries could enhance co-operation in sectors like smart farming and healthcare, noting that many South Korean companies are well-equipped with state-of-the-art technologies and are "capable and effective partners" for Qatar's future development in the smart farming sector. As one of the major pillars of the state's 2030 national vision, Lee also lauded Qatar's investments in its public health system. He said the Korea Medical Centre, which is planned to be open this year, may lead to further collaboration on joint medical projects. The ambassador also emphasized the need for Qatar and South Korea to



advance co-operation in energy sectors, such as liquefied natural gas and solar power. According to Lee, South Korean companies are joining Qatar's mega LNG projects like the NFE EPC2, as well as LNG shipbuilding projects. Lee added that South Korea is joining Qatar's efforts to fight climate change and invest in renewable energy. (Gulf Times)

- Qatar-South Korea trade up 45.3% to \$15.4bn in January-November 2022** - Qatar and South Korea recorded a 45.3% year-on-year (y-o-y) growth in bilateral trade volume to reach \$15.4bn from January-November 2022. South Korea's cumulative exports to Qatar also grew 21.5% in the same period in 2022 to \$450mn. Similarly, imports from Qatar rose 46.2% to \$14.9bn, according to South Korean ambassador Lee Joon-ho, who said as of November 2022, Qatar is the 18th largest trading partner to South Korea. In a statement to Gulf Times, Lee pointed out that the increase in the value of both countries' trade volume is "attributable mainly to the rise in oil prices affected by the conflict in Ukraine." Asked to give an overview of Qatar-South Korea bilateral economic relations in 2023, Lee said South Korea and Qatar have developed a "close and friendly relationship" since both countries concluded diplomatic ties in 1974. The ambassador noted that Qatar is the largest supplier of liquefied natural gas (LNG) to South Korea and that South Korea is the second largest trading partner to Qatar. "Building on the longstanding co-operation in the fields of LNG, our two countries are working closely together to diversify fields of our cooperation into new areas, such as healthcare, agriculture, and ICT," he said. In this regard, Lee said Qatar and South Korea had "fruitful" high-level exchanges last year. In March, South Korean Prime Minister Han Duck-soo visited Qatar to promote partnerships in the fields of energy, investment, agriculture, and healthcare, he said. Lee also said HE the Deputy Prime Minister and Minister of Foreign Affairs Sheikh Mohamed bin Abdulrahman al-Thani visited South Korea in August 2022 to further strengthen bilateral relations, especially in the energy, technology, and food security sectors. "In addition, bilateral economic collaboration linked to Qatar's North Field Expansion plan and the construction of LNG carriers is on track. In particular, South Korean companies won the contract for the construction of 53 LNG carriers and the Engineering, Procurement and Construction (EPC) contract for QatarEnergy Renewable Solutions' 875MW Industrial Cities (IC) solar power plant in 2022. "I believe that our mutually beneficial partnership will continue and step forward to the greater economic collaboration between our two countries in the coming years," Lee emphasized. (Gulf Times)

International

- US hits debt ceiling as partisan standoff sparks economic worries** - The US government hit its \$31.4tn borrowing limit on Thursday, amid a standoff between the Republican controlled House of Representatives and President Joe Biden's Democrats on lifting the ceiling, which could lead to a fiscal crisis in a few months. Treasury Secretary Janet Yellen informed congressional leaders including House Speaker Kevin McCarthy that her department had begun using extraordinary cash management measures that could stave off default until June 5. Republicans, with a newly won House majority, aim to use the time until the Treasury's emergency maneuvers are exhausted to exact spending cuts from Biden and the Democratic-led Senate. Corporate leaders and at least one credit ratings agency warned a long standoff could rattle markets and unsettle an already shaky global economy. Yellen warned that the June date was subject to "considerable uncertainty" due to the challenge of forecasting payments and government revenues months into the future. "I respectfully urge Congress to act promptly to protect the full faith and credit of the United States," Yellen told congressional leaders in a letter Thursday. But there was no sign that either Republicans or Biden's Democrats were willing to budge. Republicans are trying to use their narrow House majority and the debt ceiling to force cuts to government programs and argue that the Treasury could avoid default during a standoff by prioritizing debt payments. This idea has been explored in past standoffs, but financial experts have questioned its feasibility. The White House is rejecting the idea out of hand. "There will be no negotiations over the debt ceiling," White House deputy press Secretary Olivia Dalton reiterated Thursday aboard Air Force One. "Congress must address this without conditions as they did three times under (Republican former President) Donald Trump, every time The prospect for
- brinkmanship has raised concerns in Washington and on Wall Street about a bruising fight over the debt ceiling this year that could be at least as disruptive as the protracted battle of 2011, which prompted a downgrade of the US credit rating and years of forced domestic and military spending cuts.** Moody's Investors Service on Thursday said it believed Congress would reach a deal to avert default, but that negotiations would go down to the wire, contributing to market volatility. "We're not going to default on the debt. We can manage servicing and paying our interest. But we similarly should not blindly increase the debt ceiling," Representative Chip Roy, a leading conservative, told Reuters. Roy dismissed concerns about unsettling markets and risking a recession. "That's what they say every time. It's like clockwork," Roy said in an interview. "We're already barreling toward a recession. The question is what it's going to look like - unless the combination of monetary policy and fiscal policy saves us from our stupidity of having spent so much money." But corporate leaders expressed concern over the standoff. "I'm concerned and I'm going to take any opportunity that I can, and we can as a firm, to engage with people in Washington to try to make sure they understand that we don't think that this is something that should be played with," Goldman Sachs Group Inc Chief Executive David Solomon said in an interview on Thursday. Senate Republican leader Mitch McConnell predicted that the debt ceiling would be lifted sometime in the first half of 2023 under conditions negotiated by Congress and the White House. "It's always a rather contentious effort," McConnell told reporters at the University of Louisville. "The important thing to remember is that America must never default on its debt. It never has, and it never will," McConnell said, adding, "The very basic business of funding the government has become very controversial in my party." Congress adopted a comprehensive debt ceiling, the statutory maximum of debt the government can issue, in 1939, intending to limit its growth. The measure has not had that effect, as, in practice, Congress has treated the annual budget process deciding how much money to spend separately from the debt ceiling in essence, agreeing to cover the costs of previously approved spending. The Republican plan calls for balancing the federal budget in 10 years by capping discretionary spending at 2022 levels. In the meantime, House Republicans are vowing to reject sweeping government funding bills from Senate Majority Leader Chuck Schumer, akin to the \$1.66tn bipartisan omnibus package that Congress passed late last year. Schumer, the Senate's top Democrat, said in a statement: "Political brinkmanship with the debt limit would be a massive hit to local economies, American families and would be nothing less than an economic crisis at the hands of the Republicans." "We are optimistic that Democrats will come to the table and negotiate in good faith," said Republican Representative Ben Cline, who leads a conservative task force on the budget and spending. "There's a lot of room to negotiate when it comes to steps that can be taken to address the fiscal crisis that we find ourselves in." (Reuters)
- Fed can likely slow runoff as bank reserves near 10% to 11% of GDP** - The Federal Reserve can probably start to slow its balance sheet runoff once bank reserves fall to around 10% or 11% of gross domestic product, Fed Governor Christopher Waller said on Friday. "We'll start slowing as we approach maybe reserves being 10% to 11% of GDP," Waller said at a Council of Foreign Relations event in New York. "And then we'll kind of feel our way around to see where we should stop." In January 2019, Waller noted, reserves at the Fed amounted to around 8% to 9% of GDP, and "everything was working fine," though he admitted there are arguments that the level might need to be somewhat higher. The Fed currently holds a portfolio of Treasury and mortgage-backed securities as assets on its \$8.5tn balance sheet against the liabilities represented by reserves that banks deposit with the US central bank, and against overnight repurchase agreements also deposited there. Those reserves and repurchase agreements currently total just over \$5.6tn, roughly around 22% of gross domestic product as of the third quarter of last year. The Fed is reducing its holdings of Treasuries by up to \$60bn a month, and its MBS holdings by up to \$35bn per month. That process will need to stop once the Fed determines the amount of reserves banks need to hold. (Reuters)
- US home sales slump to 12-year low; glimmers of hope emerging** - US existing home sales plunged to a 12-year low in December, but declining mortgage rates raised cautious optimism that the embattled housing market could be close to finding a floor. The report from the National

Association of Realtors on Friday also showed the median house price increasing at the slowest pace since early in the COVID-19 pandemic as sellers in some parts of the country resorted to offering discounts. The Federal Reserve's fastest interest rate-hiking cycle since the 1980s has pushed housing into recession. "Existing home sales are somewhat lagging," said Conrad DeQuadros, senior economic advisor at Brean Capital in New York. "The decline in mortgage rates could help undergird housing activity in the months ahead." Existing home sales, which are counted when a contract is closed, fell 1.5% to a seasonally adjusted annual rate of 4.02mn units last month, the lowest level since November 2010. That marked the 11th straight monthly decline in sales, the longest such stretch since 1999. Sales dropped in the Northeast, South and Midwest. They were unchanged in the West. Economists polled by Reuters had forecast home sales falling to a rate of 3.96mn units. December's data likely reflected contracts signed some two months earlier. Home resales, which account for a big chunk of US housing sales, tumbled 34.0% on a year-on-year basis in December. They fell 17.8% to 5.03mn units in 2022, the lowest annual total since 2014 and the sharpest annual decline since 2008. (Reuters)

- US manufacturing has probably entered recession** - US manufacturers probably entered a recession in the fourth quarter of 2022, based on a range of high-frequency indicators, part of a global downturn in industrial output that is creating some slack in commodity markets. The Institute for Supply Management's (ISM) manufacturing purchasing managers' index fell below the 50-point threshold dividing expanding activity from a contraction in both November and December. The Federal Reserve's manufacturing production index declined in both November and December and showed output down 0.4% at the end of 2022 compared with 2021. US manufacturers continued to increase their selling prices in the fourth quarter, but the rate of producer price inflation has decelerated as input cost pressures have eased and demand for goods has fallen. Producer price inflation for goods other than food and energy slowed to an annualized 4.2% in the three months ending in December 2022 from 11.5% in the three months ending in April 2022. US manufacturers also continued to increase employment, but jobs are a lagging indicator, and the rate of growth has decelerated as the sector responds to falling demand for merchandise. Manufacturing payrolls increased at an annualized rate of 1.6% in the three months ending in December, down from annualized growth of 5.5% in the three months ending in April. Container freight handled through the nine biggest ports slowed to 2.49mn twenty-foot equivalent units (TEUs) in November from 2.81mn in the same month a year earlier and the lowest for the time of year since 2015. Container freight hauled on the major US railroads slowed to 1.07mn TEUs in November from 1.13mn in the same month a year earlier and the lowest for the time of year since 2012. The most recent weekly data from the Association of American Railroads shows containerized freight volumes were down 9% in the first two weeks of 2023 compared with the same period in 2022. Slacking demand for merchandise and freight is starting to show up in increased discounting to stimulate sales and clear excess inventories. US consumer prices for merchandise other than food and energy fell at an annualized rate of 4.8% in the three months to December. The overall picture is one where manufacturing and freight volumes are falling in response to significant price increases, declining real incomes and rising interest rates. The weakness of manufacturing in the United States and even more so in Europe and China explains the slump in a broad range of commodity prices towards the end of 2022. The downturn is likely to deepen over the next few months as real incomes continue to erode and interest rates increase further. (Reuters)
- JPMorgan expects smaller contraction in UK economy in 2023** - JPMorgan said the UK economy was expected to contract by 0.1% this year, revising it from the previously forecast 0.3% decline in the gross domestic product (GDP), buoyed by a recent drop in natural gas prices. The UK government is likely to pull back plans to raise household energy bills to 3,000 Pounds (\$3,710.70) in April, which should help bring down inflation faster than expected, JPMorgan economists wrote in a research note on Thursday. (Reuters)
- UK shoppers cut back on spending as inflation takes its toll** - Inflation-pinched British consumers cut their shopping by the most in the key month of December in at least 25 years, official data showed on Friday,

dashing hopes for a Christmas boost for the country's flagging retail sector. Sales volumes were down by 5.8% compared with December 2021, the biggest fall for that month in records going back to 1997, and the ninth month in a row that they fell in annual terms. Sales unexpectedly fell by 1% from November, the Office for National Statistics said, confounding a forecast for a 0.5% monthly increase in a Reuters poll of economists. Sterling fell against the US dollar and the Euro. Olivia Cross, with consultancy Capital Economics, said the surprise fall suggested that some of the resilience seen in the economy in late 2022 petered out in December. "What's more, we think the bulk of the drag on activity from high inflation and rising interest rates has yet to be felt," she said. A survey showed the first drop in three months in consumer confidence in January, which fell back close to its lowest level since at least 1974. Britain's economy is widely expected to fall into a recession. Retail sales volumes fell by 3.0% in 2022, their worst full-year performance since at least 1997. Heather Bovill, ONS deputy director for surveys and economic indicators, said food sales had risen in November as shoppers stocked up early for Christmas, but they fell again in December with supermarkets linking the drop to the rising cost of living. Food sales fell by 0.3% in December after a monthly rise of 1.0% in November. Non-food stores' sales volumes fell by 2.1%. In terms of value, overall spending was down by a month-on-month 1.2% from November. (Reuters)

- German producer prices rose in December but at slower pace** - German producer prices rose in December at a slower rate than the previous month as inflation eases in Europe's largest economy due in part to lower energy prices, data showed on Friday. Producer prices of industrial products rose 21.6% on the same month last year, the federal statistics office reported, compared with analysts' expectations for the rate to ease to 20.8% from 28.2% in November. Compared with the previous month, prices fell 0.4%, less than the consensus for a drop of 1.2%. This was the third consecutive monthly fall, as energy prices ease. "The good news is that upward momentum is clearly easing at this point," LBBW bank senior economist Jens-Oliver Niklasch said. The month-on-month decline in December was driven by a 1.0% dip in energy costs, due to easing prices for natural gas and mineral oil products. In November, energy prices had fallen by 9.6% compared with October. Germany's producer price index peaked at 45.8% year-on-year in August and September. There has been a downward trend since then. "Today's figures strengthen hopes that the core inflation rate for consumer prices will also reach its high point in the coming months," said Ralph Solveen, head of economic research at Commerzbank. The German government is expected to revise down its inflation forecast for 2023 later this month from 7% to 6%, a source told Reuters citing its draft annual economic report. Over the whole of 2022, producer prices for industrial products increased by 32.9% compared to 2021. "This was the highest price increase since the start of the survey in 1949," the office said. (Reuters)

Regional

- Report: GCC's IPO pipeline to remain strong in 2023 despite growing risks** - The initial public offering (IPO) pipeline in the Gulf Cooperation Council (GCC) remains strong for 2023, with more issuances expected over the next several months. The GCC could see between 27 and 39 IPO issuances, which include announced and rumored offerings, Kamco Invest said in a new report. "While we expect the trajectory of interest rate hikes, geopolitics, secondary stock market volatility and oil price volatility to continue to remain risks this year," the investment bank added. However, the report stated that the prevalence of the above factors did not stop strong IPO activity in 2022. The total number of IPOs from the GCC climbed to 48 issuances in 2022 from 20 in 2021. Proceeds from GCC issuers rose around three times to \$23.38bn from \$7.52bn in 2021, Kamco Invest said, citing data from Bloomberg and stock exchanges. The report also stated that the GCC will continue to generate interest for its strong idiosyncratic businesses and family office listings from international investors, given their strong competitive positioning and established reach in the market. In December 2022, EFG Hermes reported that GCC companies raised about \$21bn (77bn UAE Dirhams), or 23%, out of \$91bn raised through IPOs worldwide. In 2021, GCC IPOs accounted for a mere 2%, or \$10bn, of the global IPOs. (Zawya)



- Among GCC sovereigns, UAE and Qatar are best placed to face softening oil price** - UAE and Qatar, among the GCC states, are the best placed to weather softening in oil prices in 2023 as they can maintain external financing surpluses even at lower oil prices, according to a new report from Bank Paribas. "Qatar and the UAE aside, we estimate the rest of the region would require oil close to \$100/barrel (bbl) or above to restore an external financing surplus," Mohamed Abdelmeguid, bnPP Middle East and North Africa economist, said in the report. The bank sees oil prices softening to 96/bbl on average in 2023, down from \$103/bbl in 2022. "Both Qatar and the UAE can retain external financing surpluses at prices as low as 80/bbl – hence we expect their financing positions to remain comfortable this year." With oil price at below \$80, Saudi Arabia, Kuwait, Oman and Bahrain all would have to revert to financing requirement, implying borrowing needs to finance a fiscal or a current account gap, the report said. Oil is the key driver of fiscal balance fluctuations. "Every 5/bbl change in the oil price moves the fiscal balance of GCC members by approximately 1.2pp of GDP." Among the investment grade sovereigns, Saudi Arabia is more sensitive to oil price changes than Qatar and the UAE, while among the high-yield credits, Bahrain is more exposed to such fluctuations than Oman. (Zawya)
- Green bonds market to boost GCC net zero agenda** - In 2016-2020, green bonds in the GCC region grew by 38% and in 2020 alone, Middle Eastern governments drove 97% of green bonds compared to a mere 13% four years prior, reports BCG in its latest sustainability report. Green and sustainable debt issuance has been growing rapidly in the Middle East, despite the comparative lack of regulation of green financial instruments. In 2021, the total issuance of green and sustain-ability-linked debt in the region increased more than four times compared to 2020, the report notes. In these early stages of the climate transition, there is a critical need for patient, high-risk capital for investments in sectors whose paths to decarbonization are dependent on technologies that are still in the early stages of development, such as iron and steel, heavy road transport, and shipping. A new report titled "Financing a Net-Zero Middle East" by Boston Consulting Group (BCG) shows how regulatory pressure in most Middle East countries is not yet strong enough to compel banks to take immediate action on climate issues, even though climate change poses an array of risks to their portfolio. Larger banks in fossil fuel-exporting countries typically have high exposures to the oil and gas industry and other high-emitting sectors of the economy such as transportation, construction and infrastructure, and shipping. Shelly Trench, Managing Director and Partner at Boston Consulting Group and co-author of the report told The Peninsula "The Middle East banking sector has an opportunity to benefit significantly from financing the transition of the oil and gas industry and other strategically important sectors to cleaner, more sustainable technologies. Regulators and policymakers could address this challenge by establishing carbon prices that adequately represent the cost of greenhouse gases and are aligned with international carbon price levels. In addition, they could create financial and other incentives to support decarbonization and develop environmental and industrial policies that align with climate objectives." Considering development banks and funds have a critical role to play in supporting green investments, BCG's report offers three core recommendations to meet the above mandate such as providing financing for non-bankable green projects with lower risk-adjusted returns or higher investment risks, such as supporting research and development of innovative technologies such as renewable power and CCUS, mobilizing private capital investments in green projects by improving their risk-adjusted returns with various risk mitigation instruments and using their expertise to provide support and advice to policymakers and regulators on the reforms needed to scale up climate finance.² Regional bank alliances prove key to this end, such as the Net Zero Banking Alliance (NZBA) and the Science-Based Targets initiative (SBTi), as well as joining working groups such as the Partnership for Carbon Accounting Financials, to influence the global standard-setters. The report further draws on the need for key regulatory interventions to drive climate action through climate reporting and disclosure to then create taxonomies of sustainable activities. The Network for Greening the Financial System (NGFS), an association of central banks and supervisors, is a key forum for coordinating these efforts and exchanging best practices among regulators. Currently, several of the Middle East region's financial

services regulators have already joined NGFS, including the Abu Dhabi Financial Services Regulatory Authority, the Dubai Financial Services Authority, the Financial Regulatory Authority of Egypt, and the central banks of Egypt, Jordan, Lebanon, Morocco, and Tunisia.³ The report highlights another potential intervention such as the creation of carbon pricing structures that could stimulate demand for investments in renewables and low-carbon technologies while reducing subsidies for high-carbon projects, leveling the playing field and making cleaner projects more economically attractive. (Peninsula Qatar)

- Standard Chartered: Gulf outlook at its strongest in 30 years** - Increased diversification efforts, the transition to clean energy and political stability have placed economies in the Gulf in their strongest position for growth in 30 years, Standard Chartered's regional head has said. Sunil Kaushal, the lender's chief executive for Africa and the Middle East, said he had not seen the region stronger. "I have not seen a confluence of positive factors coming together at the same time in at least the last 30 years [such as] the political stability, [high] oil prices, the human capital that has been developed ... and the focus on diversification of the economy, focus on renewables and alternate energy sources. All this is creating a flywheel effect," he said. Across Africa and the Middle East, Kaushal remains "cautiously optimistic" about 2023, "although in Davos, the view is overwhelmingly that it is going to be a year of recession in at least larger markets". "We are in some of the most dynamic and most interesting growth markets, and it is not that every market is going to go through a recession," he said. There would be "large swathes of growth", including in China and India. "You are going to see strong growth in Asean [economies], China, India, which are natural markets for the energy exported out of the Gulf," he said. "As well as Europe, having weaned itself partially off from Russian energy, is looking at the Gulf." Despite forecasts of very weak growth or even contraction in some regions, Kaushal said while "they are facing severe challenges", it was not a case of Europe "hurtling towards a deep recession". Inflation, including high energy prices and rising borrowing costs last year, did not hinder the group's performance, said Kaushal. "The business has performed very strongly at a group level, as well as [in the region] we have grown [in] double digits. And that is a pretty healthy growth," he said. "We had challenges, headwinds in terms of currency fluctuations, in some cases a 60% devaluation. But we have held on in terms of our underlying performance and delivered good results. Standard Chartered said last year it would exit Jordan and Lebanon in the Middle East, as well as Sierra Leone, Angola, Cameroon, Gambia and Zimbabwe in Africa. In Tanzania and the Ivory Coast, it said it would focus on corporate, commercial and institutional banking services only. "We put the money back into markets that we believed would grow — which were three times the size of the markets we were exiting — to Saudi and Egypt," said Kaushal. "Saudi Arabia has gone really well. Timing was almost perfect in terms of, you know, the economy getting back on a strong footing, oil prices going up. A lot of focus on diversification, investments, etc. So, that has gone well, and the other one is Egypt, which, hopefully, by the middle of this year, we should be in a position to open." (Qatar Tribune)
- CEO: 20% of NEOM infrastructure completed** - Nadhmi Al-Nasr, CEO of NEOM, said 20% of the project's infrastructure is complete. Al-Nasr told Al-Arabiya TV from Davos that the work progress is on schedule to deliver infrastructure to the areas ready for construction. Al-Nasr stressed NEOM's keenness to be a vital part for the national and international private sectors, after completing the infrastructure. NEOM project is an opportunity for financing and investment. This will prove the project's success, he said. Sindalah, the first luxury island destination in NEOM and one of the most important projects supporting Saudi Arabia's national tourism strategy is expected to open in 2024. Extending over an area of approximately 840,000 square meters, Sindalah is one of a group of islands that will be developed in NEOM, each according to its unique vision and design. Adding to NEOM's growing tourism offerings, Sindalah will reshape the luxury international yachting calendar offering a new season for visitors and guests to enjoy. It will feature a prestigious 86-berth marina, an ideal destination for accommodating luxury vessels, while offshore buoys will house superyachts. Earlier, Al-Nasr said that the NEOM project seeks to build renewable energy from wind and solar power in order to achieve the goal of NEOM being an environmentally friendly

tourist city. He added that the NEOM project includes Oxagon, which would be the largest floating industrial city in the world. Oxagon is featuring an automated port and an integrated supply chain where advanced manufacturing industries will be stimulated. It will be a new paradigm where people, industries and technology come together in harmony with nature. The new floating city is touted to be the "world's largest floating structure." (Zawya)

- Saudi Arabia joins WEF jobs consortium to promote better future of work** - Saudi Arabia, represented by the Ministry of Economy and Planning (MEP), has joined the World Economic Forum's (WEF) Jobs Consortium, it was announced at the organization's 2023 Annual Meeting in Davos. The Jobs Consortium is a coalition of CEOs, IOs, ministers and other leaders with a common aim to promote a better future of work for all by enabling job creation and job transitions. The community of leaders works to boost foresight on labor market trends, support high job quality and fair wages, and identify investments in key sectors leading to good job creation. The Kingdom's membership in the Jobs Consortium aligns with Saudi Vision 2030 and its commitment to building a thriving, vibrant economy that creates new sectors, hundreds of thousands of new jobs, and cross-cutting innovation. "People are the key driver of any successful transformation and the sustainability of its outcome. Everything we do is focused on empowering our people by equipping them with the evolving set of tools and skills, and creating the opportunities for them to capture, grow, and flourish," Minister of Economy and Planning Faisal Alibrahim said. Members of the Jobs Consortium met in Davos this week to exchange views and agree on priority areas for action to build a better future of work. In the coming months, members will develop case studies to showcase pathways to achieve the consortium's vision. They will also seek to implement the vision through scaling country and industry-level action. Saudi Arabia is participating in WEF23 between 16-20 January to bridge global divides and facilitate near-term stability while driving multilateral reform and long-term transformation. (Zawya)
- Al-Jubeir: Saudi Arabia revitalizing its cities** - Saudi Arabia is working on revitalizing more than 20 cities, according to Minister of State for Foreign Affairs and Climate Envoy Adel Al-Jubeir. Speaking at "The Evolution of Urban Life" session at the World Economic Forum in Davos on Thursday, Al-Jubeir said, "Saudi Arabia's downtown project is revitalizing more than 20 cities to make them more environmentally friendly." He said the key to building socially vibrant, resilient cities is making them user-friendly, and attractive physically through planting and greening. "The objective is for people to live wherever they want to live. The objective is to make life for individuals as productive, pleasant and efficient as possible, whether they live in a small town or a large metropolis like Riyadh or Jeddah. The objective is quality of life." He added that "Saudi Arabia's transformative giga projects are designed to create environmentally sustainable and socially resilient cities of the future." Speaking on NEOM, he said NEOM and The Line will revolutionize the way people look at cities and urban planning. "It's thinking outside the box that has not been attempted before." (Zawya)
- Davos 2023: Riyadh city developing fast with eye on Expo 2030 bid** - Saudi Arabia, which has bid to host the Expo 2030 world fair, is pushing ahead with plans to turn its capital Riyadh into a major global metropolis, a government official said on Thursday. The kingdom has ambitions to double the size and population of its capital city with total investments of some \$800bn under its Vision 2030 plan to modernize the Gulf Arab state and diversify the economy to wean it off oil export revenues. Fahd Al-Rasheed, president of Riyadh's royal commission, said the \$8bn bill to build the Expo site paled in comparison to the \$400bn of construction investment currently in the city of eight million people. "We are building the largest transport network in the world, we are building the largest airport in the world, and over 30 mega-projects as we speak are being constructed, so the city is a hive of economic activity," Al-Rasheed told reporters on the sidelines of the World Economic Forum in Davos, Switzerland. Should Riyadh win Expo hosting rights it would be ready, but the build-up, which includes an additional 120,000 hotel rooms by 2030, was needed regardless to meet tourism goals, he said. The host country for the 2030 Expo is expected to be selected in November. Riyadh is competing with Italy's Rome, South Korea's Busan and Ukraine's Odesa. Saudi Arabia has also pushed through social reforms to modernize the

conservative country, the birthplace of Islam, including lifting a ban on women driving and permitting public entertainment like concerts. Asked if alcohol would be allowed in Riyadh by 2030, Al Rasheed said: "No, but I think you can ... consider it a wellness detox." On religious freedom in a state that does not allow non-Muslims to practice their faith publicly, he said there was "a level of openness happening". The kingdom has faced Western criticism over its human rights record, which came under intense scrutiny after the 2018 murder of journalist Jamal Kashoggi by Saudi agents. If Saudi Arabia wins its bid it would be the second Arab country to host Expo after the United Arab Emirates. Last year neighboring Qatar hosted soccer's World Cup, which drew sharp criticism over Doha's human rights record. (Zawya)

- Davos 2023: Saudi HQ licenses granted to 80 companies** - Saudi Investment Minister Khalid al-Falih, speaking from the World Economic Forum in Davos on Thursday, told Asharq TV that 80 companies had been granted licenses to set up regional headquarters in the kingdom. (Zawya)
- Saudi Arabia's crude exports dip to a five-month low in November** - Saudi Arabia's crude oil exports slid to a five-month low in November alongside lower production, the International Energy Forum (IEF) said on Thursday, citing data from the Joint Organizations Data Initiative (JODI). The kingdom's crude exports in November fell by 493,000 barrels per day (kb/d) to 7.28mn barrels per day (mb/d), a five-month low. Production fell by 489,000 to 10.47mn bpd. Global crude production too declined by 599,000 b/d in November to a four-month low, led by reductions in Saudi Arabia and Iraq, the data showed. (Zawya)
- RCRC chief: Riyadh Expo 2030 is an investment in the future of our people** - Saudi Arabia's bid to host Expo 2030 is not a one-off investment, but it would rather be an investment "in the future of our citizens, residents and visitors," explained Fahd Al-Rasheed, the head of the Royal Commission for Riyadh City. "We're thinking about the legacy of the site itself and how it can be used. It cannot just be built and then everybody packs their bags and leaves. It has to be used beyond us. So, we're thinking about the design of the buildings, and we have a masterplan in a way that we can use them for the future of work, the future of education and re-skilling," he said. Speaking at a fireside chat with award-winning broadcaster Emma Crosby at a special event on the Davos promenade on the sidelines of the World Economic Forum's Annual Meeting, Al-Rasheed said the Expo 2030 infrastructure would come naturally, given the work already being carried out in accordance with Crown Prince Mohammed bin Salman's Vision 2030. His vision, however, for the expo is not solely in the look and feel of the site, but rather in its legacy. "Our legacy from Expo 2030 is not going to be a building. It has to be mass engagement, and at a scale never seen before," he explained. "It is literally going to be the largest event in the world, and so what we committed to is the following: not only are we going to get 30 to 40mn people to the site, which is fantastic... it's a record. We're going to get a billion people to interact with it on the Metaverse and we are now translating that vision into reality." This virtual expo will cater to those who wouldn't be able to fly over to the Saudi capital, but for the chief executives, it will be more than just a virtual tour. "You'd give a billion persons the opportunity to actually come and see it, and that would be the first win," he said. "The second win is they would actually come in and do something experiential about water use and energy use, learn something and apply it in their home. That will get you a mass impact. "And third, maybe even transact, do a job virtually, or meet somebody or a company, get an investment, etc. So again, it has to be useful to everybody for it to be used." Even then, achieving an onsite presence of over 30mn is a feat not yet seen before, with the Dubai Expo 2020 attracting 26mn visitors over the span of 6 months. "You have to have a great site, great mobility, which we are already doing now. And the metro will connect to the site," he said, "The site is just south of the airport. So, it's basically the gateway into the city of Riyadh. And we are going to have 140,000 hotel rooms by then anyway. And so, the expo will come in naturally." The capital has already begun working on climate action and sustainability, with over \$70bn invested in such projects. "We said we cannot announce a strategy of hypergrowth without having a sustainability commitment. So last year we formally announced the real sustainability strategy," Al-Rasheed said. "We love our environment, we love our city, and we have a commitment to the world. So, we will change all our systems, we will change all our plans. We will make 30% of our

car's electric vehicles by 2030 and 50% renewable energy sources by 2030." The fireside chat was attended by a large number of WEF delegates, business executives, journalists and investors. (Zawya)

- Saudi Arabia stays top crude supplier to China in 2022, Russian barrels surge** - Russia remained China's second-largest source of crude oil in 2022, following repeat top supplier Saudi Arabia, as Chinese refiners snapped up low-cost Russian barrels while Western countries shunned them after the Ukraine crisis. China's crude oil imports from Russia jumped 8% in 2022 from a year earlier to 86.25mn tonnes, equivalent to 1.72mn barrels per day (bpd), data from the General Administration of Customs showed on Friday. Russian crude has been trading in widening discounts to global oil benchmarks following Western sanctions over its invasion of Ukraine, which the Kremlin has called a "special operation". China, which refused to condemn the attack, cranked up procurement of Russian barrels and has largely ignored the sanctions imposed by Western nations on seaborne Russian crude from Dec. 5. In December, it brought in 6.47mn tonnes of crude oil from Russia, or 1.52mn bpd, compared to 1.7mn bpd in the same period in 2021. China's state-backed refiners have wound down the purchase of Russian oil since November, but the independent refineries have continued buying from intermediary traders who arrange shipping and insurance, shielding them from the risk of secondary sanctions. Saudi Arabia shipped a total of 87.49mn tonnes of crude to China in 2022, equivalent to 1.75mn bpd, customs data showed, on par with the level in 2021. China's state-backed oil refiners largely fulfilled their term contracts with Saudi in 2022 despite the sluggish domestic demand. Saudi Arabia is expected to remain a key, if not the dominant, crude exporter to China after President Xi Jinping's visit to Riyadh in December, where he told Gulf leaders that China would work to buy oil in Chinese yuan, rather than US Dollars. Customs data also showed that crude imports from Malaysia almost doubled in 2022 to 35.68mn tonnes. The Southeast Asian country is a transfer point for sanctioned shipments originating from Iran and Venezuela. No Venezuelan crude imports were recorded by Chinese customs throughout 2022 and a total of 780,392 tonnes of crude oil from Iran arrived in China. China is Iran's biggest oil buyer, but most Iranian exports are rebranded as crude from other countries to evade US sanctions. Vortexa, a ship tracking specialist, assessed that China's December imports of Iranian oil rose to a record of 1.2mn bpd, up 130% from a year earlier. Crude shipments from the United States reached 7.89mn tonnes in 2022, down 31% year-on-year. (Zawya)
- UAE signs international cooperation agreements during WEF** - During the second day of Davos, the UAE Government signed a number of partnerships and agreements with the World Economic Forum, aiming to enhance the framework of cooperation and joint efforts in strategic sectors and areas of global interest. The partnership agreements were unveiled during a high-level meeting between Mohammad bin Abdullah Al Gergawi, Minister of Cabinet Affairs, and Prof. Klaus Schwab, WEF Founder and President, on the sidelines of the World Economic Forum annual meeting in Davos, Switzerland. The meeting witnessed the presence of Dr. Thani Bin Ahmed Al Zeyoudi, Minister of State for Foreign Trade; Mohamed Ali Al Shorafa Al Hammadi, Chairman of the Abu Dhabi Department of Economic Development (ADDED); Majid Al Suwaidi, director general of Cop28; Abdulla Nasser Lootah, Director General of the Prime Minister's Office at the Ministry of Cabinet Affairs; and Mona Ghanem Al Marri, Vice-President of the UAE Gender Balance Council. Mohammad Al Gergawi affirmed that the vision of the UAE aims to consolidate its position as a reliable partner and a global hub for positive change at the regional and international levels. He said: "The partnership with the World Economic Forum contributes to strengthening the UAE's efforts aimed at meeting the current and future stages' requirements. It also strengthens the UAE's position as a regional and global center for studying innovative government practices and developing mechanisms to support government work." Prof. Klaus Schwab said: "The United Arab Emirates has been a longstanding partner of the World Economic Forum. The complex and interconnected challenges of today require global cooperation to drive tangible, systems-positive change for the long-term. The Forum is proud to partner with the United Arab Emirates and its forward-looking leadership on cross-cutting initiatives to bring this transformative approach to accelerating climate action and bolstering trade resilience." Klaus noted that the Forum is pleased to announce its

collaboration with the Government of the United Arab Emirates to organize the Annual Meeting of the Global Future Councils 2023 (AMGFC23), to be held in Dubai, on 16-17 October 2023. The Ministry of Economy of the UAE and The Department of Economic Development of Abu Dhabi signed a grant agreement with the World Economic Forum, regarding the organization of an annual forum for TradeTech Global: Catalyzing trade technology deployment (the "Project"). The Collaboration will include Research and Dialogue, Policy Incubation & Reform & Implementation. The UAE signed a framework agreement with WEF about the Global Future Councils, to be organized in the UAE, Dubai on October 2023. During the second day's activities, Huda Al Hashmi, Deputy Minister of Cabinet Affairs for Strategic Affairs participated in the meeting of the Metaverse Governance Steering Committee. The meeting discussed milestones around the Defining and Building the Metaverse Initiative and the Global Collaboration Village, where members have provided an overview of the Global Collaboration Village and discussed key past and future GCV milestones. (Zawya)

- Masdar City, ADGM to create new pathways for Abu Dhabi businesses** - Masdar City, Abu Dhabi's flagship sustainable urban community and innovation hub, and the Abu Dhabi Global Market (ADGM) have signed a strategic Memorandum of Understanding (MoU) to strengthen foreign investment in Abu Dhabi and support innovation that enhances the UAE's economic competitiveness. The agreement was signed by Ahmed Baghoum, the acting CEO of Masdar City, and Hamad Sayah Al Mazrouei, the CEO of ADGM Registration Authority, during Abu Dhabi Sustainability Week 2023. The two entities will exchange best practices, promote institutional integration, and explore opportunities to enhance Abu Dhabi's international position as a destination for direct foreign investment, innovation, and entrepreneurship. Masdar City and ADGM will work together to attract new investors to their free zones and benefit from each other's capabilities. They will also explore the possibility of providing office space to ADGM entities at Masdar City and enabling Masdar City companies to operate within ADGM's legal standards, which would subject them to English common law. "This partnership demonstrates our shared interest in advancing Abu Dhabi as the preferred destination for foreign investors," Ahmed Baghoum said. "As an innovation hub and one of the world's leading clean-tech clusters advancing solutions across the sustainability domain, Masdar City shares ADGM's ambition to attract innovative businesses to Abu Dhabi that will grow regionally and internationally." With its efforts to expand the number of companies within its jurisdiction, ADGM's Registration Authority has been collaborating with established businesses in the UAE's capital city to support mutual strategic cooperation that helps achieve greater targets. (Zawya)
- ENEC showcases success of Barakah Plant at World Future Energy Summit** - The Emirates Nuclear Corporation (ENEC) has showcased the critical role of nuclear energy as a global climate change solution at the World Future Energy Summit (WFES), held in Abu Dhabi from 17-19 January 2023. WFES is a key element of the 15th edition of the annual Abu Dhabi Sustainability Week, the leading business event for energy and sustainability that brings together local and global leadership, industry experts and policymakers for inclusive action. ENEC showcased the continued progress of the Barakah Nuclear Energy Plant, a nation-defining strategic energy infrastructure project, which is spearheading efforts towards achieving UAE's Net Zero by 2050 target by preventing millions of tons of carbon emissions annually. Today, the Barakah Plant is the largest source of clean electricity in the region. ENEC's commitment to international collaboration was further strengthened following the signing of a new Memorandum of Understanding (MoU) during the visit of President Yoon Suk Yeol of the Republic of Korea to the UAE. Mohamed Ibrahim Al Hammadi, Managing Director and Chief Executive Officer of ENEC, signed a new agreement to establish strategic working groups for a Net Zero Acceleration Program. The agreement was signed with the President of Korea Electric Power Corporation (KEPCO) Cheong Seung-il, and President of Korea Hydro and Nuclear Power Ju-Ho Hwang, to pave the way for a new era in nuclear energy and clean molecule technologies. In a wider bilateral agreement, the UAE announced plans to invest \$30bn in Korea's industries as the two countries seek to expand economic cooperation. The UAE is driving sustainable economic development

across a range of sectors and is hosting COP28 this November in Dubai to accelerate climate progress. As COP28 approaches, there is an increased momentum towards investments in nuclear energy as part of international cooperation agreements. Recently, the UK said it expects to reach the inbound investment amount of £10bn from the UAE in various sectors including nuclear energy, while late last year, the UAE and United States agreed to spend \$100bn on clean energy projects with a goal of adding 100 gigawatts globally by 2035. (Zawya)

- Dubai's DFSA slams fines on firms for repeated money laundering breaches** - The Dubai Financial Services Authority (DFSA) has imposed fines of \$14,000 on two companies for lapses related to anti-money laundering (AML) regulations. The two unidentified businesses have been asked to pay financial penalties of \$5,600 and \$8,400, respectively, for their "repeated" failure to submit annual AML returns despite several reminders. "The DFSA expects all authorized firms to submit AML returns within the set deadlines and will look to escalate fines against recalcitrant firms," said Ian Johnston, CEO of DFSA. "The DFSA will continue to take all the necessary actions to ensure strict compliance with AML-related requirements in the DIFC." In a statement on Thursday, the DFSA said the two companies were granted a discount on their financial penalties. Were it not for the settlement, the total fines for the two firms would have reached \$20,000. The AML return is used by the DFSA to assess compliance with AML obligations. Firms are required to complete it every year. The UAE has strengthened its regulatory framework in relation to anti-money laundering and counter terrorist financing. Last year, the UAE central bank alone fined a number of entities, including exchange houses, for breaches of AML regulations. Among the offenders, an exchange house in the UAE was asked to pay a hefty fine of more than AED1.9mn (\$517,000). The company reportedly failed to obtain letters of no objection from the central bank to enter into "certain business relationships". (Zawya)
- BEEAH Group, Masdar trailblaze sustainable waste management** - BEEAH Group, the Middle East's sustainability pioneer, and Masdar, a global clean energy powerhouse, in 2022 inaugurated the region's first waste-to-energy plant, in an unprecedented step towards achieving the ambitious goals of the UAE's Net Zero by 2050 initiative. In an informative fireside chat, titled "Pioneering Waste to Energy for a Better Future", the CEOs of both leading organizations, Khaled Al Huraimel, Group CEO of BEEAH, and Mohamed Jameel Al Ramahi, CEO of Masdar, share their thoughts on the critical role that clean energy and sustainable waste management plays in global carbon reduction efforts, and the UAE's transition towards a circular economy and clean energy future. Moderated by Hind Al Huwaidi, Managing Director of BEEAH Education, they both underscore the importance of adopting new technologies, processes, and standards, as they showcase their ambitions in seeking out public and private sector partners throughout the region to advance their shared sustainability goals. They also share a practical understanding of the important role that waste to energy and other technologies can play in achieving Net Zero, addressing the global climate challenge. With high-level insights from these industry leaders, this chat explores how BEEAH and Masdar began their journey, and how they are driving forward their shared vision of championing sustainability and transforming the future of energy projects in the Middle East and around the world. (Zawya)
- UAE launches Trade Tech Initiative at World Economic Forum** - The UAE has signed a Memorandum of Understanding (MoU) with the World Economic Forum (WEF) during its annual meeting in Davos, Switzerland, to support the UAE's new Trade Tech Initiative, which is designed to accelerate the digitization of international supply chains, enhance customs procedures, improve developing countries' access to the global trading system and, as a result, spur a new era of trade growth. From the UAE's side, the MoU was jointly signed by Dr. Thani bin Ahmed Al Zeyoudi, Minister of State for Foreign Trade, and Mohamed Ali Al Shorafa, Chairman of the Abu Dhabi Department of Economic Development (ADDED), and Prof. Klaus Schwab, WEF Founder and President. The agreement will support the UAE's efforts to deliver the initiative's four key components: a global forum to gather trade, industry and technology leaders to share best-practice; an annual research report into the trade tech landscape, real-life applications and emerging trends; a regulatory sandbox to enable companies and startups to experiment with trade-tech

innovations; and an incubator for promising startups in the trade tech space. Dr. Al Zeyoudi said, "The Trade Tech Initiative is a crucial step in modernizing global trade, using the tools of the Fourth Industrial Revolution (IR 4.0) to reduce the cumbersome and inefficient paper-based processes that continue to dominate supply chains. The UAE has emerged as a vocal champion of trade innovation and, at a time when global supply chains are still recovering from the impact of the pandemic, we believe it is essential to harness the benefits of advanced technology to catalyze global trade. From using artificial intelligence to automate customs processes and warehouse management to deploying blockchain to revolutionize trade finance, cross-border payments, and know-your-customer procedures, the potential for enhancement is limitless." "International buy-in and regulatory frameworks are essential for these ideas to take root and our partnership with the World Economic Forum is a vital first step in realizing the goals of the Trade Tech Initiative. In 2024, the UAE will host MC13, the leading decision-making body of the World Trade Organization, and we are determined to build consensus over the next 12 months to begin pioneering a new era of fully digitized, operationally efficient global trade," he added. Al Shorafa stated, "The UAE has a strong track record in developing and deploying innovative technologies to enhance efficiencies in the trade process. Forming an important complementary extension to the federal system, Abu Dhabi's continuously evolving trade facilitation solutions simplify procedures, reduce time and cost, and increase trade volumes. A typical example is our Advanced Trade & Logistics Platform (ATLP), the one-stop shop for all trade operations. The emirate utilizes advanced technology such as AI-powered systems to enable traders facilitate their import and export transactions." "We believe The UAE's new Trade Tech Initiative further strengthens our efforts to enable traders to export and import seamlessly by accelerating the digitization of supply chains, and enhancing customs procedures," Al Shorafa added. (Zawya)

- UAE and India discussing settling non-oil trade in rupees** - The United Arab Emirates is in early discussions with India to trade non-oil commodities in Indian rupees, Emirati Minister for Foreign Trade Dr Thani Al Zeyoudi said on Thursday. The UAE signed a wide-ranging free trade agreement last year with India, which, along with China, is among the biggest trade partners for Gulf Arab oil and gas producers, most of whose currencies are pegged to the US Dollar. Al Zeyoudi, asked by Reuters whether trade in rupees with India was on the table, replied "yes, we are in discussion with the Indians". The talks are related to non-oil commodities, he added. "They are in the early stages," he said in an interview on the sidelines of the World Economic Forum in Davos. The UAE's trade deal with India aims to increase bilateral non-oil trade to \$100bn in the next five years. Other countries, including China, had also raised the issue of settling non-oil trade payments in local currencies, the minister said, but discussions were not at any advanced stage. The large majority of Gulf trade is conducted in US dollars but countries such as India and China are increasingly seeking to pay in local currencies for various reasons, including lowering transaction costs. "We have to be realistic; we are planning our budgets based on (US) Dollars so it is not an overnight movement," Al Zeyoudi said. "There is a discussion, not only with India, but we are managing it in a way that does not conflict with the overall interests of the nation." He said any advance in discussions would have to make sense for all countries involved, and for the UAE, would have to add value to the growth of the Gulf Arab state's economy. The UAE has said its trade relations were increasingly looking to Asia, while its primary security and investment ties were in the West where Gulf Arab states have long-standing strategic partnerships especially with the United States. Zeyoudi said that following bilateral trade deals with India and Indonesia, an agreement with Cambodia was expected to conclude in the first quarter. China's president visited Saudi Arabia in December where he participated in a Gulf Arab summit and called for oil trade in yuan as Beijing seeks to establish its currency internationally. Saudi Arabia's finance minister said this week that the kingdom, the world's top oil exporter and the largest Arab economy, would be open to trade in other currencies, aside from the US dollar. (Zawya)
- UAE: Employers encouraged to register domestic workers for WPS** - The Ministry of Human Resources and Emiratization (MoHRE) has called on employers to register their domestic workers in the Wage Protection

System (WPS) to benefit from its innovative solutions as well as pay their wages in an easy and convenient manner. In cooperation with the UAE Central Bank, the Ministry provides all employers with the option to pay the wages of their domestic workers electronically through banks, exchange houses or financial institutions accredited to provide the service by the Central Bank. Abdullah Al Nuaimi, Assistant Under-Secretary for Domestic Workers at MoHRE, said, "Enabling the employers to pay the wages of their domestic workers through the Wage Protection System comes under the Ministry's efforts to develop services that meet the aspirations and needs of the employers, including the national and resident families, in a manner that is consistent with the legislation regulating the work of this category. The system would also enable employers to document the payment of wages to the domestic workers, and at the same time safeguard the payment process." Al Nuaimi highlighted the importance of the WPS in enhancing transparency, stability and protection of both parties to the contractual relationship, in addition to ensuring that the Ministry is constantly informed of data related to wages which helps reduce labor disputes related to wages, as well as providing a safe working environment for domestic workers, thus reflecting positively on enhancing the UAE's reputation as the ideal destination to live and work. Employers can benefit from the advantages of paying the wages electronically, after registering in the system and contracting with the financial authorities accredited by the UAE Central Bank to provide the service. This service will be applied to 5 out of 19 professions within the domestic workers category, as of 1st April, in line with the Ministerial Resolution No. 675 of 2022 regarding the payment of wages for some professions of domestic service workers through the WPS. These professions include private agricultural engineer, personal assistant, housekeeper, personal tutor, and personal trainer, with the exception of a domestic worker who has a pending labor complaint, or is unemployed, or against whom a notice of absence from work is registered, or a domestic worker who is yet to complete 30 days since the start of his/her employment contract. The Ministry has defined 19 domestic workers' professions, which include the housemaid, sailor/boatman, security guard, household shepherd, household horse groomer, household falcon trainer, physical labor worker, housekeeper, cook, nanny/babysitter, farmer, gardener, personal driver, private agricultural engineer, personal assistant, personal nurse, personal tutor and personal trainer. The UAE began applying the WPS to workers in private sector establishments in 2009, which has had a significant positive impact on the stability of the contractual labor relationships between the employers and the workers in this sector. (Zawya)

- UAE: Abu Dhabi reveals healthcare sustainability goals** - In conjunction with Abu Dhabi Sustainability Week 2023, the Department of Health – Abu Dhabi (DoH), the regulator of the healthcare sector in the Emirate, revealed Abu Dhabi's healthcare sustainability goals. The goals aim to reduce carbon emissions by 20% in 2030 and Net Zero by 2050. Through these goals, DoH seeks to set a roadmap for the Emirate's healthcare sustainability progress and accelerate alignment across the ecosystem. Segmented into long- and short-term goals, DoH's healthcare sustainability agenda focuses on three key pillars including infrastructure, operations, and healthcare waste. With focus on infrastructure, DoH will work closely with healthcare facilities in an effort to enable the sector to implement green building methodologies by using sustainable, recyclable and natural materials in hospital construction and maintenance, while transitioning to clean and renewable energy sources. Dr. Jamal Mohammed Al Kaabi, Under-Secretary of DoH, said, "DoH continues to lead the sector's sustainability agenda through ensuring the availability of a solid roadmap and to equip the healthcare ecosystem with the means to achieve sustainable operations. The sustainability goals announced today seek to set the stage for strategic targets that will help us create a better future for generations to come, as well as ensure a future-proof healthcare ecosystem in the Emirate. Reflecting Abu Dhabi's position as a leading destination for healthcare, we remain committed to ensuring the availability of a conscious and innovative operations across all levels." The Department will support the healthcare sector in leading sustainable operations related to chemicals food, procurement, transportation, and water, as well as promote and support nutritious and sustainable food systems that are locally produced. With a global focus on waste management, and through its newly set guidelines, DoH aims to

enable healthcare facilities to decrease, treat and safely dispose healthcare waste. (Zawya)

- UAE to get first methanol facility under new agreement** - Abu Dhabi Chemicals Derivatives Company RSC Ltd (TA'ZIZ) and PROMAN AG (Proman), one of the world's leading producers of methanol, have signed a shareholders' agreement to develop the UAE's first world-scale methanol production facility at the TA'ZIZ Industrial Chemicals Zone in Al Ruways Industrial City, Abu Dhabi. The facility has an anticipated annual capacity of up to 1.8mn tonnes and will meet growing domestic and international demand for this clean and versatile chemical commodity. Methanol has a variety of uses including in fuels, solvents, pharmaceuticals and construction materials and has growing potential as a lower-emission fuel, particularly in the maritime sector. Khaleefa Yousef Al Mheiri, TA'ZIZ Acting Chief Executive Officer, said, "This agreement continues to build momentum at TA'ZIZ and advances our mission to diversify the UAE's economy and accelerate industrial development. Our partnership with Proman underlines the UAE's attractiveness as a destination for international partners and investors as we progress plans to produce methanol at world-scale in Al Ruways. New chemicals in the UAE will enable new local supply chains and support long-term industrial growth for Abu Dhabi's private sector." Methanol production in the UAE is in line with the Ministry of Industry and Advanced Technology's mission to diversify the UAE's economy and accelerate industrial development. Growth of this versatile chemical is expected to be driven by emerging economies in Africa and Asia, while in the UAE it will support decreased reliance on imports, enabling local manufacturers to "Make it In the Emirates" and establish greater resiliency among domestic supply chains. Richard Brink, Managing Director Proman in the UAE, stated, "We welcome the shareholders' agreement, which is a vital next step towards Abu Dhabi's first world-scale methanol plant. As well as being Proman's first investment in the UAE, we are working to ensure that this proposed project will be one of the most technologically advanced and low-emission natural gas-to-methanol facilities in the world. With growing global demand for methanol as a cleaner fuel, this agreement demonstrates the huge potential for the TA'ZIZ Industrial Chemicals Zone and Abu Dhabi's evolving downstream industry." TA'ZIZ continues to advance at pace with site preparation underway and a Joint Venture incorporation agreement for the development of a world-scale ethylene dichloride (EDC), chlor-alkali, polyvinyl chloride (PVC) production facility signed with Reliance Industries Limited and Shaheen Chem Holdings Investments LLC (Shaheen). Fertiglobe, Mitsui & Co., Ltd (Mitsui) and GS Energy Corporation (GS Energy) are also partnering with TA'ZIZ to develop a world-scale low-carbon ammonia facility. The total investment in the first phase of TA'ZIZ will be in excess of \$5bn (AED18bn), with most of the chemicals produced in the UAE for the first time. All agreements are subject to regulatory approvals. Launched at the end of 2020, by ADNOC and ADQ, TA'ZIZ is driving and enabling expansion of Al Ruways Industrial City, as well as Abu Dhabi's wider chemicals, manufacturing and industrial sectors. (Zawya)
- Abu Dhabi's DoE, NYUAD sign MoU during ADSW 2023** - The Abu Dhabi Department of Energy (DoE) has signed a Memorandum of Understanding (MoU) with New York University Abu Dhabi (NYUAD) at the Abu Dhabi Sustainability Week (ADSW) 2023. The MoU aims to strengthen commercial, economic, and technical cooperation in energy and water efficiency, sustainability, and conservation and is in line with both parties' endeavor to achieve Abu Dhabi's long-term economic development. The MoU was signed by Ahmed Al Falasi, Acting Executive Director of the Energy Efficiency Sector and NYUAD Director of Sustainability and Stewardship Antonios Vouloudis, in the presence of dignitaries from both parties. The MoU aims to enhance cooperation and exchange of information and expertise between the DoE and NYUAD in capability development. It calls for scientific, technical, technological, legislative, and administrative cooperation in energy and water efficiency, sustainability, and conservation. They will jointly identify opportunities in Demand Side Management (DSM), energy and water efficiency, behavioral change, end-use consumption measurement, renewable energy, carbon footprint assessment, retrofits, energy and water resource issues, and clean energy certification. (Zawya)

- Pakistan Ambassador discusses investment opportunities with RAK Chamber** - Faisal Niaz Tirmizi, Pakistan's Ambassador to the UAE has discussed investment opportunities offered by Pakistan in energy, hospitality, tourism, IT and manufacturing sectors in a meeting with Mohamed Ali Musabbeh Al Nuaimi, Chairman of Ras Al Khaimah Chamber of Commerce and Industry. Ambassador Tirmizi appreciated Ras Al Khaimah Chamber's role in the economic development of the UAE. He invited chamber members to visit Pakistan and explore the immense economic opportunities in Pakistan. They expressed their desire to collaborate with Pakistan in Education, Sports, Culture, and Architecture. It was decided to initiate mutual exchange of trade delegations and participate in trade fairs, a press release issued by the Pakistani Embassy in Abu Dhabi said. (Zawya)
- Mohammad Al Gergawi announced as member of WEF Leadership Council** - The World Economic Forum 2023 has announced the joining of Mohammad bin Abdullah Al Gergawi, Minister of Cabinet Affairs, to the WEF Leadership Council, which includes 13 members from various countries. The Council will be an important institutional community to act as a sounding board for the Forum's long-term strategy and help it to play a particular role as an informal, yet efficient global bridge-builder and annual platform that encourage business growth and establish international cooperation and dialogue. Al Gergawi stressed that the UAE's participation in the World Economic Forum over more than 20 years reflects the pioneering role of the country, which was able to consolidate its position as a global hub for positive future change under the leadership of President His Highness Sheikh Mohamed bin Zayed Al Nahyan, who seeks to maximize the UAE's international role in achieving prosperity and development in the world. Al Gergawi added that the UAE valuable presence in global forums and international platforms reflects the directives of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President, Prime Minister and Ruler of Dubai, aiming at strengthening the country's role as a pivotal partner in global efforts to confront the economic, social and environmental challenges. The Forum concluded its annual meetings for 2023, today, in Davos, Switzerland, by holding the first meeting of the WEF Leadership Council, which includes a group of the most prominent international figures in the fields of economy and business. The World Economic Forum has become one of the most important global platforms concerned with working on developing and formulating visions and strategies for the good of humanity and contributing to creating a bright future for current and future generations. The WEF leadership Council membership, in addition to Mohammad Al Gergawi, includes Dan Schulman, President of Paypal, USA; Jane Fraser, Chief Executive Officer, Citi, USA; Luis Moreno, Managing Director, Allen & Company, USA; Peter Maurer, President, Basel Institute, Switzerland; Mark Carney, UN Special Envoy for Climate Action and Finance, USA; Punit Renjen, Chief Executive Officer, Deloitte, USA; Ray Dalio, Founder, Bridgewater Associates, USA; Robert E. Moritz, Chief Executive Officer, PwC, USA; Tak Niinami, Chief Executive Officer, Suntory Holdings, Japan; Vicki Hollub, Chief Executive Officer, Occidental Petroleum, USA; and Christian Mumenthale, Chief Executive Officer, Swiss Re, Switzerland. (Zawya)
- Al Zeyoudi: UAE seeks to accelerate global trade, economic growth** - The UAE seeks to drive global economic expansion at a time when many worry about deglobalization, Dr Thani bin Ahmed Al Zeyoudi, Minister of State for Foreign Trade, declared on the second day of the World Economic Forum in Davos as he sought to position Arab world's second-largest economy as a vital "gateway to the world and a leading voice on trade reform." The UAE, the minister said, wants to be the bridge to the private sector, driving new trade deals, partnerships, FDI, and talent migration, and helping to connect the world's fastest-growing economies. "This is why we are working with the World Economic Forum to study ways to inject technology into our global trading system and drive that change." "At a time when many worry about deglobalization, we are looking to drive global economic expansion – to the benefit of us all," Al Zeyoudi said as he sought to champion multilateralism during his discussions with leaders across the world. The UAE minister's upbeat stance on multilateralism and the clarion call to accelerate international trade came amid a gloomy forecast for global trade, prompting the World Trade Organization to call for a new form of globalization dubbed

"reglobalization." After a record year for global trade, with the total value exceeding \$32tn and world container shipping hitting an all-time high in August 2022, the WTO has trimmed its forecast for trade growth to just one% in 2023, citing increasing downside risks from inflation, consumer spending, and the ongoing energy crisis. Citing the UAE's own trade success in 2022, including record exports, with the first half-year trade value exceeding Dh1tn, Al Zeyoudi positioned the UAE as a gateway to the world – and a leading voice on trade reform. Highlighting the centrality of trade to the global economy and the importance of modernizing supply chains to meet the challenges in the year ahead, Al Zeyoudi said: "Amid an uncertain global economic global climate, the UAE remains an open, ambitious, dynamic economy that is reaching out to the world to accelerate trade. "The center of economic gravity is slowly shifting south and east, and we are right at the heart of this evolution. In the first half of 2022, the Middle East experienced the highest year-on-year trade growth in the world at 74%, and we believe our foreign trade agenda can continue to facilitate global trade," the UAE minister said at WEF. The minister also called for accelerating the adoption of technology "to catalyze the flow of goods and ensure all nations have equal, unrestricted access to the global trading system." (Zawya)

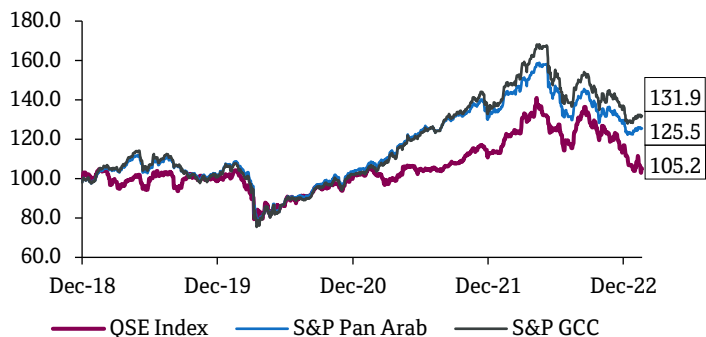
- Dubai second best city in the world for expats** - In the Expat City Ranking 2022, by InterNations, the top 3 destinations Valencia, Dubai, and Mexico City all do very well when it comes to the ease of settling in. In the ranking of cities, the second position went to Dubai. Most expatriates indicated that it is easy to deal with local authorities and that they are happy with the government services made available online by the city. Additionally, 70% said they are satisfied with their jobs and believe the local business culture encourages creativity. Valencia, in Spain, topped the list. Dubai comes first worldwide in the Expat Essentials Index and its Admin Topics Subcategory. Expats report that it is easy to deal with the local authorities (66% vs. 40% globally), and 88% are happy with the availability of government services online (vs. 61% globally). However, 18% are unhappy with the access they have to online services (vs. 7% globally). In the Ease of Settling in Index Dubai comes 8th; expats are happy with their social life (68% happy vs. 56% globally) and feel welcome in Dubai (81% vs. 66% globally) — and the Quality-of-Life Index (6th) are two more highlights. Nearly all expats (95%) are satisfied with the infrastructure for cars (vs. 75% globally), and they rank both the culture and nightlife (5th) and the culinary variety and dining options (3rd) highly. Dubai comes sixth in the Working Abroad Index. Expats are happy with their job (70% happy vs. 64% globally) and report that the local business culture encourages creativity (78% vs. 51% globally). The Expat Insider survey listed which were the best countries and cities for expatriates to live and work in 2022. The study has been carried out annually, since 2017, by the company InterNations. In the 2022 survey, indices related to the quality of life and satisfaction of approximately 12,000 expatriates from 177 nationalities were evaluated. (Zawya)
- Report: UAE NFT industry expected to grow by over 45% every year** - The non-fungible token (NFT) industry in the UAE is expected to grow by 45.5% on an annual basis to reach \$982.1mn in 2022, according to a businesswire report last month. The NFT industry is expected to at a compounded annual growth rate (CAGR) of 32.1% during 2022-2028. The NFT spend value in the country will increase from \$982.1mn in 2022 to reach \$4.75bn by 2028, the data showed. The adoption of new technology driving the NFT market growth in the UAE. More and more entrepreneurs, businesses, and celebrities are entering the fast-growing industry. With the country being long considered a desirable destination for doing business, the UAE appears to become a global hub in the flourishing field of NFTs, the report showed. "Consumers are interested in buying into stories, in buying into experiences. When you're buying a product, you're just buying the physical product. But when you are buying an NFT you're buying a whole lot of things that are linked with it," Arshad Zaheer, Senior Partner at YAAP, told Khaleej Times in an interview. The biggest advantage of NFTs is the fact that they sit on blockchain. "Thus, every ownership can be tracked. The content creator knows that my work cannot be copied there can't be any pilferage that could be happening," Zaheer said. While more and more countries are seeking to impose strict regulatory measures on NFTs, there has been a notable surge in the buying, selling, and creation of the NFTs in the UAE, the businesswire

report said. "In the Middle East and Africa region, particularly in the UAE, there has been an uptake in NFT-related activities. In 2022, Art Dubai - the largest contemporary art fair in the Mena region - welcomed nearly 100 international and local art dealers and a digital collection of 17 platforms and galleries dedicated to showcasing and selling NFTs," the report pointed out. Over the last 12 months, several innovative NFT marketplaces have also emerged in the country, which has made it relatively simpler for the general public to buy, sell, and trade in NFTs. "From NFT-based startups to cryptocurrency exchanges, several players are entering the UAE NFT market; the presence of several NFT marketplaces has also supported the rise in NFT trading transaction value and volume, the trend expected to gain further momentum over the next three to four years in the UAE," the report said. A major positive about NFTs is the social impact that they can bring about. Recently, TOMS, the apparel company, released an NFT on one of its iconic shoes, with proceeds from the sales being donated to TOMS Impact Partner International Medical Corps. "So if you just buy the shoe, the proceeds will be donated once. But as an NFT, every time it is sold and resold, because there is a very smart contract linked to it, the benefits will go on and on," Zaheer said. The value of NFTs will go up by way of scarcity by way of design and by way of people talking about it in content in social media, Zaheer said. "So social causes get amplified on blockchain and NFTs and thus brands are adapting to it," he added. Zaheer believes that the opportunity for NFTs is immense. "Since the emergence of social media almost a decade and a half ago brands have tasted community building. This is only going to get bigger with time," he added. (Zawya)

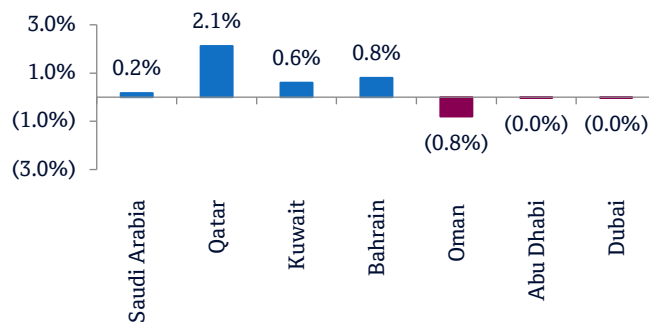
- Central Bank of Kuwait wants list of high-risk transfers** - The Central Bank of Kuwait has requested exchange companies to urgently provide it with a statement that includes "high-risk" customers, (company's clients, divided according to the degree of risk specified for each of them [low - medium - high]) including those who conduct money transfers to countries included in the red list of high-risk countries classification as well as the number of suspected cases of money laundering or terrorist financing that it has been monitored during the last 3 years, reports Al-Rai daily. Relevant sources told the daily the regulator's moves in this regard come within a broader supervisory coordination, led by the Central Bank, to ensure the ability of exchange companies, banks and finance companies to bypass the expected assessment to be conducted by the Financial Action Task Force (FATF) next May, on the extent of compliance by Kuwait and its financial institutions with anti-money laundering and terrorist financing requirements. The sources stated that, based on the provisions of Law No. (106) of 2013 regarding combating money laundering and terrorist financing, its executive regulations, and related decisions and instructions, the Central Bank requested exchange companies to provide it with the data within 10 working days. The CBK suggested to exchange companies and local financial institutions earlier that the "FATF" team would ask them if they had discovered suspicious cases in which the information kept about the real beneficiaries did not match the information updated about them, and their number, in addition to the procedures for verifying the identity of the real beneficiary. Among the expected questions is to assess their efficiency in combating money laundering and terrorist financing operations is that if there are systems used to detect conformity, what are the applicable scenarios for issuing an alert, what is the percentage of similarity established in the system for issuing the alert and what are the bases for building this ratio? When providing bank credit services, how is the identity of the goods and their relevance to dual-use goods ascertained? It is noteworthy that the tasks of the "FATF" are to set standards and promote the effective implementation of legal, regulatory and operational measures to combat money laundering, terrorist financing, proliferation, and other threats related to the integrity of the international financial system. (Zawya)
- Kuwait Official: Expats must return before expiry of 6 months outside** - The Director General of the General Department of Public Relations and Security Media at the Ministry of Interior, Major General Tawheed Al-Kandari, said that the residence affairs sector in the ministry receives, through the residence departments in the six governorates, requests for leave of absence for expatriates, provided that an acceptable and documented excuse is presented according to each case. Al-Kandari added, in a statement to Al-Jarida, that "immigrant students who

complete their studies outside the country and who hold Article 22 residence permit can apply through their guardian for permission to stay outside the country for more than six months provided they submit a proof from the university in which they are registered and the same has to be attested by the Kuwaiti embassy in the respective country," reports Al-Jarida daily. (Zawya)

- Kuwait project deals surge 688% quarter-on-quarter to \$1.25bn** - Project activity in Kuwait picked up pace in the final quarter of 2022 after a lackluster third quarter, but the total value of contracts awarded remained low compared to 12 months earlier. The Gulf state's project market, which saw record falls in deals activity for the most part of 2021 due to several factors including high costs and supply-chain issues, will continue to recover this year on the back of high oil prices, solid economic growth and slower interest rate increases, according to National Bank of Kuwait (NBK) research. Like its Gulf neighbors, Kuwait is looking to diversify its economy from oil through the implementation of National Vision 2035, which seeks to transform Kuwait into a major commercial and financial hub. According to the bank's report, businesses and other entities in Kuwait awarded deals worth KD383mn (\$1.25bn) during the last three months of 2022, up by 688% from a near 20-year low in the third quarter. However, the value of deals awarded in the final quarter of the year was still down 32.5% when compared to the same period in 2021. The bank said project activity last year was marred by legislative delays, supply-chain disruptions and higher labor and materials costs. From January to December 2022, the total value of awarded projects came in at KD832mn, also down by 46.6% compared to a year ago. The value was the second lowest full-year outcome since 2005, NBK said. "[But] looking ahead, high oil prices, solid economic growth, slowing interest rate rises and the government's commitment to infrastructure development as per its draft 'Plan of Action' and longer-term Vision 2035 strategy could help sustain the recovery in the projects market," NBK said. The International Monetary Fund (IMF) said in December that Kuwait's overall real gross domestic product (GDP) could further increase to above 8% in 2022. The growth will be supported by higher oil production, oil price increases and a sustained improvement in domestic demand. (Zawya)

Rebased Performance


Source: Bloomberg

Daily Index Performance


Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,926.08	(0.3)	0.3	5.6
Silver/Ounce	23.93	0.4	(1.4)	(0.1)
Crude Oil (Brent)/Barrel (FM Future)	87.63	1.7	2.8	2.0
Crude Oil (WTI)/Barrel (FM Future)	81.31	1.2	1.8	1.3
Natural Gas (Henry Hub)/MMBtu	2.92	0.0	(16.2)	(16.1)
LPG Propane (Arab Gulf)/Ton	89.75	(0.3)	9.1	26.9
LPG Butane (Arab Gulf)/Ton	117.50	(1.6)	4.9	15.8
Euro	1.09	0.2	0.2	1.4
Yen	129.60	0.9	1.4	(1.2)
GBP	1.24	0.0	1.4	2.6
CHF	1.09	(0.5)	0.7	0.4
AUD	0.70	0.8	(0.1)	2.2
USD Index	102.01	(0.0)	(0.2)	(1.5)
RUB	118.69	0.0	0.0	58.9
BRL	0.19	(0.5)	(1.9)	1.5

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,725.40	1.5	(0.4)	4.7
DJ Industrial	33,375.49	1.0	(2.7)	0.7
S&P 500	3,972.61	1.9	(0.7)	3.5
NASDAQ 100	11,140.43	2.7	0.6	6.4
STOXX 600	452.12	0.4	0.1	7.7
DAX	15,033.56	0.8	(0.2)	9.3
FTSE 100	7,770.59	0.4	0.5	6.8
CAC 40	6,995.99	0.6	(0.2)	9.4
Nikkei	26,553.53	0.6	0.1	2.8
MSCI EM	1,036.24	0.8	0.6	8.4
SHANGHAI SE Composite	3,264.81	0.6	0.9	7.5
HANG SENG	22,044.65	1.8	1.2	11.1
BSE SENSEX	60,621.77	(0.4)	0.9	1.7
Bovespa	112,040.64	(0.8)	(0.9)	4.0
RTS	991.88	(0.1)	(1.8)	2.2

Source: Bloomberg (*\$ adjusted returns, Data as of January 20, 2023)



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