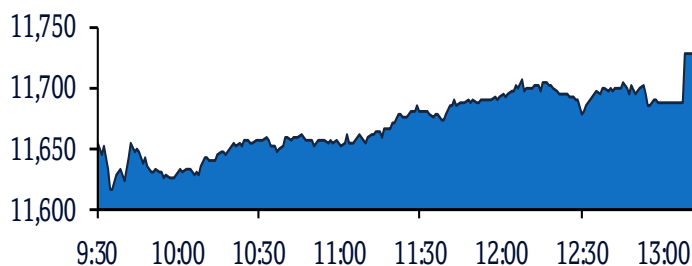


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.6% to close at 11,727.4. Gains were led by the Telecoms and Industrials indices, gaining 1.1% and 1.0%, respectively. Top gainers were Qatari German Co for Med. Devices and Mesaieed Petrochemical Holding, rising 3.3% and 2.7%, respectively. Among the top losers, Dlala Brokerage & Inv. Holding Co. fell 1.3%, while Doha Insurance Group was down 1.2%.

GCC Commentary

Saudi Arabia: The TASI Index gained marginally to close at 11,024.7. Gains were led by the Retailing and Pharma, Biotech & Life Science indices, rising 1.4% each. Al-Baha Development & Invest and Tourism Enterprise Co. were up 9.9% each.

Dubai: The DFM Index gained 0.9% to close at 3,276.2. The Banks index rose 1.7%, while the Services index gained 1.2%. Al Ramz Corporation Investment and Development rose 14.1%, while International Financial Advisors was up 10.1%.

Abu Dhabi: The ADX General Index fell 1.0% to close at 8,841.7. The Investment & Financial Services index declined 2.8%, while the Services index fell 2.6%. Alpha Dhabi Holding declined 8.9%, while Foodco National Foodstuff was down 8.5%.

Kuwait: The Kuwait All Share Index gained 0.2% to close at 7,026.7. The Banks index rose 0.4%, while the Basic Materials index gained 0.1%. Gulf Franchising Holding Co. rose 6.4%, while Burgan Co. for Well Drilling was up 6.3%.

Oman: The MSM 30 Index gained 0.5% to close at 4,025.9. The Financial index gained 0.5%, while the other indices ended in red. Ahli Bank and Sohar International Bank were up 2.7% each.

Bahrain: The BHB Index gained 0.1% to close at 1,785.5. The Materials index rose 0.3%, while the Communications Services index gained 0.2%. Bahrain Islamic Bank rose 1.2%, while Ahli United Bank was up 0.3%.

| Market Indicators | 14 Dec 21 | 13 Dec 21 | %Chg. |
|---------------------------|-----------|-----------|-------|
| Value Traded (QR mn) | 421.7 | 386.3 | 9.2 |
| Exch. Market Cap. (QR mn) | 671,361.2 | 668,423.8 | 0.4 |
| Volume (mn) | 126.2 | 127.4 | (0.9) |
| Number of Transactions | 13,046 | 13,688 | (4.7) |
| Companies Traded | 45 | 46 | (2.2) |
| Market Breadth | 26:14 | 20:20 | - |

| Market Indices | Close | 1D% | WTD% | YTD% | TTM P/E |
|------------------------|-----------|-------|-------|-------|---------|
| Total Return | 23,215.02 | 0.6 | 0.9 | 15.7 | 16.4 |
| All Share Index | 3,702.59 | 0.4 | 0.6 | 15.7 | 162.4 |
| Banks | 4,966.68 | 0.4 | 0.4 | 16.9 | 15.4 |
| Industrials | 4,056.20 | 1.0 | 1.4 | 30.9 | 16.8 |
| Transportation | 3,573.70 | (0.3) | 0.8 | 8.4 | 17.8 |
| Real Estate | 1,839.44 | 0.3 | 2.4 | (4.6) | 15.8 |
| Insurance | 2,602.52 | (0.4) | (0.8) | 8.6 | 15.5 |
| Telecoms | 1,040.45 | 1.1 | 0.4 | 2.9 | N/A |
| Consumer | 8,083.17 | (0.1) | (0.0) | (0.7) | 21.6 |
| Al Rayan Islamic Index | 4,800.88 | 0.7 | 0.9 | 12.4 | 18.8 |

| GCC Top Gainers ^{##} | Exchange | Close [#] | 1D% | Vol. '000 | YTD% |
|-------------------------------|--------------|--------------------|-----|-----------|--------|
| Ahli Bank | Oman | 0.11 | 2.7 | 51.0 | (11.0) |
| Bank Sohar | Oman | 0.11 | 2.7 | 8,582.1 | 25.3 |
| Mesaieed Petro. Holding | Qatar | 2.24 | 2.7 | 8,335.2 | 9.3 |
| Bank Al Bilad | Saudi Arabia | 42.95 | 2.4 | 999.2 | 51.5 |
| United Electronics Co | Saudi Arabia | 131.60 | 2.3 | 250.5 | 52.1 |

| GCC Top Losers ^{##} | Exchange | Close [#] | 1D% | Vol. '000 | YTD% |
|------------------------------|--------------|--------------------|-------|-----------|-------|
| GFH Financial Group | Dubai | 1.23 | (2.4) | 30,041.2 | 107.5 |
| First Abu Dhabi Bank | Abu Dhabi | 19.70 | (1.6) | 18,858.3 | 52.7 |
| Kingdom Holding Co. | Saudi Arabia | 9.96 | (1.6) | 390.4 | 25.3 |
| Saudi British Bank | Saudi Arabia | 29.00 | (1.5) | 502.6 | 17.3 |
| Saudi National Bank | Saudi Arabia | 60.70 | (1.5) | 1,741.4 | 40.0 |

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

| QSE Top Gainers | Close* | 1D% | Vol. '000 | YTD% |
|---------------------------------|--------|-----|-----------|--------|
| Qatari German Co for Med. Dev. | 3.40 | 3.3 | 6,101.3 | 52.0 |
| Mesaieed Petrochemical Holding | 2.24 | 2.7 | 8,335.2 | 9.3 |
| Qatar General Ins. & Reins. Co. | 2.00 | 2.0 | 76.2 | (24.8) |
| Ooredoo | 6.92 | 1.6 | 1,287.3 | (8.0) |
| Aamal Company | 1.06 | 1.1 | 1,482.1 | 24.0 |

| QSE Top Volume Trades | Close* | 1D% | Vol. '000 | YTD% |
|--------------------------------|--------|-----|-----------|-------|
| Gulf International Services | 1.74 | 0.2 | 13,736.5 | 1.3 |
| Doha Bank | 2.98 | 0.7 | 10,274.2 | 25.9 |
| Masraf Al Rayan | 4.87 | 1.0 | 9,340.0 | 7.5 |
| Mesaieed Petrochemical Holding | 2.24 | 2.7 | 8,335.2 | 9.3 |
| Barwa Real Estate Company | 3.22 | 1.1 | 8,141.2 | (5.3) |

| QSE Top Losers | Close* | 1D% | Vol. '000 | YTD% |
|--------------------------------|--------|-------|-----------|--------|
| Dlala Brokerage & Inv. Holding | 1.39 | (1.3) | 1,521.5 | (22.5) |
| Doha Insurance Group | 1.91 | (1.2) | 9.1 | 36.9 |
| Qatar Insurance Company | 2.54 | (1.1) | 680.7 | 7.7 |
| Ezdan Holding Group | 1.44 | (1.0) | 5,280.7 | (19.0) |
| Qatar Gas Transport Company | 3.33 | (0.6) | 1,505.1 | 4.7 |

| QSE Top Value Trades | Close* | 1D% | Val. '000 | YTD% |
|---------------------------|--------|-----|-----------|-------|
| QNB Group | 20.00 | 0.1 | 49,373.9 | 12.2 |
| Masraf Al Rayan | 4.87 | 1.0 | 45,288.7 | 7.5 |
| The Commercial Bank | 6.69 | 0.4 | 32,389.1 | 52.1 |
| Doha Bank | 2.98 | 0.7 | 30,616.0 | 25.9 |
| Barwa Real Estate Company | 3.22 | 1.1 | 26,190.3 | (5.3) |

Source: Bloomberg (* in QR)

| Regional Indices | Close | 1D% | WTD% | MTD% | YTD% | Exch. Val. Traded (\$ mn) | Exchange Mkt. Cap. (\$ mn) | P/E** | P/B** | Dividend Yield |
|------------------|-----------|-------|-------|------|------|---------------------------|----------------------------|-------|-------|----------------|
| Qatar* | 11,727.36 | 0.6 | 0.9 | 3.0 | 12.4 | 115.25 | 182,811.6 | 16.4 | 1.8 | 2.5 |
| Dubai | 3,276.18 | 0.9 | 1.5 | 6.6 | 31.5 | 165.63 | 114,091.6 | 21.5 | 1.1 | 2.4 |
| Abu Dhabi | 8,841.70 | (1.0) | (0.5) | 3.5 | 75.2 | 545.79 | 432,662.0 | 24.1 | 2.7 | 2.6 |
| Saudi Arabia | 11,024.68 | 0.0 | 0.8 | 2.4 | 26.9 | 1,926.34 | 2,603,875.0 | 24.3 | 2.3 | 2.3 |
| Kuwait | 7,026.67 | 0.2 | (0.2) | 3.5 | 26.7 | 138.29 | 134,885.3 | 20.9 | 1.6 | 2.0 |
| Oman | 4,025.88 | 0.5 | 0.4 | 0.6 | 10.0 | 8.01 | 18,812.6 | 11.5 | 0.8 | 3.9 |
| Bahrain | 1,785.51 | 0.1 | (0.0) | 3.2 | 19.9 | 5.00 | 28,615.9 | 10.0 | 0.9 | 3.5 |

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

Qatar Market Commentary

- The QE Index rose 0.6% to close at 11,727.4. The Telecoms and Industrials indices led the gains. The index rose on the back of buying support from GCC, Arab and foreign shareholders despite selling pressure from Qatari shareholders.
- Qatari German Co for Med. Devices and Mesaieed Petrochemical Holding were the top gainers, rising 3.3% and 2.7%, respectively. Among the top losers, Dlala Brokerage & Inv. Holding Co. fell 1.3%, while Doha Insurance Group was down 1.2%.
- Volume of shares traded on Tuesday fell by 0.9% to 126.2mn from 127.4mn on Monday. Further, as compared to the 30-day moving average of 138.9mn, volume for the day was 9.2% lower. Gulf International Services and Doha Bank were the most active stocks, contributing 10.9% and 8.1% to the total volume, respectively.

| Overall Activity | Buy %* | Sell %* | Net (QR) |
|-------------------------|---------------|---------------|-----------------------|
| Qatari Individuals | 26.39% | 31.15% | (20,058,222.8) |
| Qatari Institutions | 19.66% | 29.64% | (42,111,165.5) |
| Qatari | 46.05% | 60.79% | (62,169,388.3) |
| GCC Individuals | 0.33% | 0.67% | (1,431,645.6) |
| GCC Institutions | 4.81% | 1.01% | 16,001,335.0 |
| GCC | 5.14% | 1.68% | 14,569,689.4 |
| Arab Individuals | 9.51% | 8.24% | 5,326,537.1 |
| Arab Institutions | 0.00% | 0.00% | – |
| Arab | 9.51% | 8.24% | 5,326,537.1 |
| Foreigners Individuals | 1.76% | 2.04% | (1,182,064.9) |
| Foreigners Institutions | 37.56% | 27.25% | 43,455,226.7 |
| Foreigners | 39.31% | 29.29% | 42,273,161.9 |

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

Global Economic Data

Global Economic Data

| Date | Market | Source | Indicator | Period | Actual | Consensus | Previous |
|-------|--------|--|-------------------------------|--------|--------|-----------|----------|
| 12-14 | US | Nat'l Fed. of Ind. Business | NFIB Small Business Optimism | Nov | 98.4 | 98.4 | 98.2 |
| 12-14 | US | Bureau of Labor Statistics | PPI Final Demand MoM | Nov | 0.80% | 0.50% | 0.60% |
| 12-14 | UK | UK Office for National Statistics | Claimant Count Rate | Nov | 4.90% | -- | 5.00% |
| 12-14 | UK | UK Office for National Statistics | Jobless Claims Change | Nov | -49.8k | -- | -58.5k |
| 12-14 | UK | UK Office for National Statistics | ILO Unemployment Rate 3Mths | Oct | 4.20% | 4.20% | 4.30% |
| 12-14 | UK | UK Office for National Statistics | Employment Change 3M/3M | Oct | 149k | 225k | 247k |
| 12-14 | EU | Eurostat | Industrial Production SA MoM | Oct | 1.10% | 1.20% | -0.20% |
| 12-14 | EU | Eurostat | Industrial Production WDA YoY | Oct | 3.30% | 3.00% | 5.10% |
| 12-14 | Japan | Ministry of Economy Trade and Industry | Industrial Production MoM | Oct | 1.80% | -- | 1.10% |
| 12-14 | Japan | Ministry of Economy Trade and Industry | Industrial Production YoY | Oct | -4.10% | -- | -4.70% |
| 12-14 | Japan | Ministry of Economy Trade and Industry | Capacity Utilization MoM | Oct | 6.20% | -- | -7.30% |
| 12-14 | India | Press Information Bureau of In | Wholesale Prices YoY | Nov | 14.23% | 11.98% | 12.54% |
| 12-14 | India | Directorate General of Commerce | Imports YoY | Nov | 56.60% | -- | 62.50% |
| 12-14 | India | Directorate General of Commerce | Exports YoY | Nov | 27.20% | -- | 43.00% |

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

Qatar

- QNBK announces the closure of nominations for board membership** – QNB Group (QNBK) announced the closure of the period for nomination for the membership of its board of directors for 2022 - 2024 on December 14, 2021 at 01:00 PM. (QSE)
- QNBK launches 'WeChat Pay' to retailers in Qatar** – QNB, the largest financial institution in Middle East and Africa, has launched WeChat Pay, the premier mobile payment solution in China, to retailers in Qatar, affirming its keenness to support retail sector clients wishing to attract Chinese customers. Used by more than 1.2 billion monthly worldwide, the WeChat Pay mobile payment solution constitutes an additional powerful tool for retailers wishing to attract – and win the loyalty of – Chinese consumers travelling abroad. The new partnership enables QNB's merchant network in Qatar to cater to the Chinese customers by giving them the opportunity to make use of WeChat Pay as a safe and secure payment option and to go cashless. With WeChat Pay, QNB is pursuing its policy of offering innovative payment acceptance options on the market targeting the international customers of its retail sector clients. The latest offering by QNB will also provide more benefit for local retailers targeting the travel and tourism industry. (QNB Press Release)
- QIBK launches Qatar's 'first-of-its-kind' Visa Direct new remittance service** – Qatar Islamic Bank (QIBK) has launched a new remittance service, 'Visa Direct', in partnership with Visa, the world's leader in digital payments. The "first of-its-kind" solution in Qatar will allow QIBK customers to transfer funds to overseas Visa cards in near real-time. Visa Direct is a cross border fund transfer service that allows QIBK savings and current account holders to transfer funds from their banking accounts to overseas Visa debit, credit, or prepaid cards through the QIBK Mobile App. Initially, Visa Direct service will be available to more than 25 countries in Mena region, Europe and Asia with plans to include many more countries across the globe in the near future. The new remittance service is designed to simplify QIBK customers' remittance experience allowing them to enjoy near real-time fund transfers to friends and families overseas crediting the fund directly to the recipient's Visa card. Customer will only need to enter the Visa card details of the beneficiary and make the transfer in a fast and secured manner. Visa Direct is a single gateway for QIBK to reach global beneficiaries for payments. The new remittance service leverages QIBK's award-winning digital banking platform, as well as Visa's extensive global reach offering an innovative approach in global payment convenience. (Gulf-Times.com)
- PSA: CPI surges 6.09% YoY in November 2021** – The Planning and Statistics Authority (PSA) has released the consumer price index (CPI) for the month of November 2021. The CPI for the month reached to 101.75 points, showing an increase by 1.33% compared to CPI for October. Compared to CPI for November 2020 Y-o-Y, an increase of 6.09% has been recorded in the CPI for November 2021. An analysis on M-o-M basis of CPI for November 2021 compared with CPI for October, showed that there were five main groups, where respective indices in this month increased, namely "recreation and culture" by 7.92%, "transport" by 2.63%, "clothing and footwear" by 2.09%, "food and beverages" by 0.58%, and a slight increase in "miscellaneous goods and services" by 0.06%. A decrease has been recorded in "housing, water, electricity and other fuel" by 0.46%, "restaurants and hotels" by 0.06%, and "education" by 0.01%. "Tobacco", "furniture and household equipment", "health", and "communication" had remained flat at. In a comparison of the CPI for November 2021 with the CPI for November 2020 (annual change), an increase has been recorded by 6.09%. This Y-o-Y price increase was primarily due to prices rising in nine groups namely: "recreation and culture" by 35.25%, followed by "transport" by 13.62%, "food and beverages" by 6.80%, "furniture and household equipment" by 3.72%, "miscellaneous goods and services" by 3.07%, "clothing and footwear" by 2.10%, "restaurants and hotels" by 2.04%, "education" by 1.77%, and "communication" by 0.60%. A decrease has been shown in price levels in "housing, water, electricity and other fuel" by 4.02%, and "health" by 1.39%. No changes were recorded on "tobacco". The CPI for November 2021 excluding "housing, water, electricity and other fuel" group stands at 105.62 points, an increase by 1.74% compared to the index of October 2021, and by 8.63% when compared to the CPI for November 2020. (Gulf-Times.com)
- VFQS official telecom partner of Qatar Balloon Festival** – Vodafone Qatar (VFQS), in partnership with Asfary and Safe Flight Solutions, has been officially announced as the Telecom Partner of the Qatar Balloon Festival, which was launched on December 9 at Aspire Park and runs until December 18. The festival in its second edition brings more than 40 hot air balloons with a wide diversity of colors, shapes and designs. Besides the balloons, the festival offers a variety of stage activities and competitions targeting families and tourists in the lead-up to Qatar National Day. (Gulf-Times.com)
- Al-Khater: Qatar-India bilateral trade totals \$9bn in first nine months of 2021** – India is now Qatar's third largest trading partner with bilateral trade amounting to \$9bn in the first nine months of 2021, noted HE Sultan bin Rashid Al-Khater, Undersecretary at the Ministry of Commerce and Industry. He was virtually addressing the 27th edition of the Partnership Summit 2021, themed 'Partnering for Building a New World: Growth, Competitiveness, Sustainability, Technology'. The three-day summit until December 15 was inaugurated by India's Minister of Commerce and Industry Piyush Goyal via video conferencing. In his address, Al-Khater praised the "close relations" between Qatar and India, which are founded on solid historical roots. Al-Khater said Qatar is home to about 55 companies wholly-owned by the Indian side operating in the Qatari market, and more than 15,000 companies jointly-owned by the Qatari and Indian sides. Moreover, Qatar has been keen to invest in the economies of its strategic partners, especially India, Al-Khater pointed out. (Gulf-Times.com)
- Qatar renews pledge to give and achieve more prosperity** – HE the Chairman of Qatar Chamber (QC) Sheikh Khalifa bin Jassim bin Mohamed Al-Thani said that Qatar National Day is a precious occasion in which the meanings of solidarity and cooperation are evident, as well as loyalty to parents and grandparents, highlighting their achievements for the sake of the nation's elevation and development, and in which Qatar renews the pledge to give and achieve more prosperity. In a statement to Qatar News Agency (QNA) on the occasion of Qatar National Day, he expressed on his and QC's Board of Directors and the private sectors' behalf warmest congratulations to His Highness the Amir Sheikh Tamim bin Hamad Al-Thani and His Highness the Father Amir Sheikh Hamad bin Khalifa Al-Thani on an occasion dear to everyone's hearts. He affirmed that the private sector is proud of the great support given by the wise leadership as a real partner in the development process the country is witnessing. He added that the private sector pledges to the Amir that it will do what it can to achieve the goals sought by the State, whether at the level of Qatar National Vision 2030 or beyond. He noted that this year's National Day celebration is distinctive

because it coincides with Qatar's hosting of the FIFA Arab Cup Qatar 2021, as well as the countdown to hosting the FIFA World Cup Qatar 2022, the global event that is anticipated by all countries of the world, which will turn their eyes to Qatar to follow up on the best hosting of the international championship. (Gulf-Times.com)

- **GCC leaders express support for successful World Cup Qatar 2022** – The final statement of the 42nd summit of the GCC Supreme Council held yesterday in Riyadh reiterated the support of the GCC member countries to the State of Qatar in successful hosting of the FIFA World Cup Qatar 2022. The GCC summit praised the success of organizing the FIFA Arab Cup, which is currently being hosted by Qatar, and for the outstanding organization and efforts made by the country to make this tournament a success. The Council also praised the support provided by the State of Qatar, amounting to \$90m, to Yemen through the World Food Program. In the final statement, the Supreme Council of the GCC valued raising the level of the presidency of the Qatari-Saudi Coordination Council to the level of Amir H H Sheikh Tamim bin Hamad Al Thani and H R H Prince Muhammad bin Salman bin Abdulaziz Al Saud, Crown Prince, Deputy Prime Minister and Minister of Defence of the Kingdom of Saudi Arabia. The Council welcomed the positive results of the meeting of the Coordination Council on December 8, 2021, to develop joint bilateral cooperation in a way that enhances integration between the two brotherly countries. (Peninsula Qatar)
- **Qatar Airways Expects to Ground More Airbus A350s, SCMP Reports** – Qatar Airways is expecting to ground more Airbus A350 jets over issues in their finish, the South China Morning Post reports, citing an interview with the airline's CEO Akbar Al Baker. Qatar planning to lease aircraft to make up for more planes being grounded. Warns it will be difficult to repair relationship with Airbus. "With Airbus, the damage is very severe. I don't know how we will be able to work with them again," Al Baker told the SCMP. (Bloomberg)
- **Al Baida Group signs exclusive agreement with Saudi-based Alkhorayef Group** – Al Baida Group has signed an exclusive business agreement with Saudi Arabian industrial firm, Alkhorayef Group, to further their cooperation in the field of investment, as well as in agricultural and industrial development. Engineer Ali Abdullatif Al-Misnad, chairman of Al Baida Group, signed the agreement with Sheikh Mohamed Abdulla Alkhorayef, chairman of Alkhorayef Group. The agreement aims at strengthening co-operation between both sides in the fields of industrial and agricultural equipment and in irrigation systems, which include Western irrigation systems. It also aims to enhance co-operation between both firms in providing pumping solutions, such as the deep well pumps, horizontal pumps, rivers and aqueduct pump solutions, in addition to providing the iron tubes (polyethylene), generators, diesel engines, and electrical control panels. (Gulf-Times.com)
- **OIL TENDER: Qatar offers 4 Al-Shaheen cargoes for February loading** – Qatar Petroleum for the Sale of Petroleum Products Company Limited (QPSPP) offered four cargoes of Al-Shaheen crude for February 1-2, February 15-16, February 25-26 and February 26-27 loading, according to traders who asked not to be identified. Company also offers Qatar Marine for February 1-28 and Qatar Land for February 1-28 loading in same tender. Cargo size 500k barrels; bids due Tuesday. The company sold three cargoes of January-loading Al-Shaheen crude at an average premium of ~\$3.40-\$3.50 per barrel to Dubai benchmark price via tender last month. (Bloomberg)

International

- **US producer prices soar as supply bottlenecks persist** – US producer prices increased more than expected in November as supply constraints persisted, leading to the biggest annual gain since the series was revamped 11 years ago and supporting views that inflation could remain uncomfortably high for some time. The report from the Labor Department on Tuesday, which also showed strong growth in underlying producer inflation, followed on the heels of news last Friday that annual consumer prices surged by the most since 1982 in November. Soaring inflation complicates President Joe Biden economic agenda, including a \$1.75tn social policy and climate bill stuck in Congress. Together with a tightening labor market, rising price pressures will likely see the Federal Reserve announcing that it will accelerate the tapering of its massive bond purchases when officials end a two-day meeting on Wednesday and potentially start raising interest rates sooner than previously expected. The producer price index for final demand jumped 0.8% last month after advancing 0.6% in October. The broad-based increase in the PPI was led by a 0.7% rise in services, which followed a 0.2% gain in October. The acceleration in services reflected a 2.9% jump in prices for portfolio management. There were also increases in prices for hotel and motel accommodation as well as airline fares and transportation of freight and mail. But prices for wholesale furnishings and bundled wired telecommunications access services fell. Wholesale goods prices rose 1.2% after increasing 1.3% in October. Prices for iron and steel scrap rose 10.7%. There were also increases in wholesale gasoline and food prices. But prices for diesel fuel fell as did the cost of light motor trucks. (Reuters)
- **IHS Markit: Two thirds of Britons expect BoE rate rise by June 2022** – A record two thirds of British households expect the Bank of England to raise interest rates within the next six months, but the proportion expecting a rise in the very short term has fallen due to the Omicron variant, a survey showed. "Although dented slightly due to pandemic-related concerns, households' interest rate expectations are at levels where the Bank of England have historically hiked," said Lewis Cooper, an economist at IHS Markit which commissioned the poll. Market researchers Ipsos MORI surveyed around 1,500 working-age people in Britain between December 2 and December 6. Some 67% of people expected the BoE to raise its main interest rate from its current record-low 0.1% within six months, up from 66% in November's survey and the highest percentage since the series began in 2013. But the proportion expecting a move within three months fell to 43% from 44%, and just 12% expect a rise when the BoE announces its December policy decision on Thursday. Last month the BoE wrongfooted many professional investors when it kept interest rates on hold and decided to wait for more evidence on the impact of the end of the government's job furlough program. (Reuters)
- **IMF tells UK to plug gaps in fast growing 'non-bank' sector** – Britain needs to plug data and monitoring gaps in its fast growing 'non-bank' sector where liquidity during market crises could be helped by having access to government bond operations, the International Monetary Fund said on Tuesday. Non-banks comprise hedge funds, mutual funds, pension funds, money market funds and insurance companies, which collectively now account for half of global financial activity. Britain is a global financial hub whose non-banking sector has grown significantly, said Udaibir Saran Das, adviser and deputy director of Monetary Capital Markets at the IMF. "That is something we have flagged with some sense of urgency to the UK authorities, that there are data gaps that need to be plugged, the perimeter of surveillance... needs to be broadened," Saran Das told a news conference on the IMF's latest assessment of Britain's economy and financial sector. "It's no longer just the UK's problem, this thing has

become very much an international issue." The Bank of England, like its counterparts in the United States and the euro zone, injected liquidity into markets as economies went into lockdown in March 2020 to fight COVID-19, creating a "dash for cash". Intervention prevented money market funds and other market participants from freezing up, but regulators globally are looking at what measures can be taken to avoid having to do the same again in the next market crisis. (Reuters)

- **Eurozone bond yields rise, eyes on central banks** – Eurozone government bond yields were mostly higher on Tuesday as investors focused on a likely hawkish shift from the US Federal Reserve at its policy meeting, which ends on Wednesday. Major central banks are due to meet this week, including the Fed and the European Central Bank, to assess the risks posed by the Omicron coronavirus variant and to decide how and when to reduce pandemic emergency measures put in place nearly two years ago. On Tuesday, US producer prices increased more than expected in November, supporting views that US inflation could remain uncomfortably high for some time. That pushed US yields higher and Eurozone markets followed suit, with Germany's 10-year government bond yield, the benchmark of the bloc, rising as much as 3 bps on the day to -0.35%. The German yield curve as measured by the gap between two and 10-year yields briefly flattened to 29.5 bps, the narrowest since late August. Most Southern European bonds outperformed, with yields rising less than their higher-rated peers in a sign that the ECB was expected to remain supportive even when its bond purchases slow. (Reuters)
- **China's factory output speeds up but retailers struggle on new COVID hit** – China's factory output grew faster than expected in November, supported by stronger energy production and a moderation in raw materials prices, but retail sales slowed as new COVID-19 outbreaks hit the world's second-largest economy. The data, along with a slowdown in investment growth, underlined persistent headwinds facing the world's second-largest, prompting policymakers to ratchet up support. "The economy remained quite weak in November," said Zhiwei Zhang, chief economist at Pinpoint Asset Management. "Domestic consumption weakened further, which is driven by the zero tolerance policy that hurts the service sector and the continued slowdown in the property sector." Factory output rose 3.8% in November from a year earlier, official data showed on Wednesday, beating expectations for a 3.6% rise and accelerating from a 3.5% increase in October. Retail sales in November rose 3.9% from a year earlier, however, below the 4.6% growth expected in the poll and October's 4.9% rise. Fixed asset investment rose 5.2% in the first 11 months from the same period a year earlier, slower than the 5.4% increase tipped by a Reuters poll and the 6.1% in January-October. China's economy, which is losing steam after a solid recovery from the pandemic, faces multiple challenges heading into 2022, due to a property downturn and strict COVID-19 curbs that have hit consumer spending. Some analysts expect fourth-quarter gross domestic product growth to dip below 4% from the 4.9% pace in the previous quarter, although the full-year growth could still be about 8%, above the official target of over 6%. (Reuters)
- **China November new home prices suffer biggest decline in 6 years** – China's new home prices suffered their biggest month-on-month slump since February 2015 in November, as tighter policies and a liquidity crunch in the property sector hurt demand, official data showed. New home prices fell 0.3% month-on-month after easing 0.2% in October, according to Reuters' calculations of data released by the National Bureau of Statistics (NBS). They rose 3.0% in November from a year earlier after gaining 3.4% in October. China's property sector has been grappling with tighter regulation this year, including curbs on banks lending and limits

on how much property developers can borrow, and growing financial woes. Last week, China Evergrande Group and another major developer Kaisa missed payment deadlines on their offshore bonds, prompting Fitch to downgrade the companies to "restricted default" status. The country's top leaders said "houses are for living in, not for speculation" during an agenda-setting meeting on Friday. They also pledged to promote the healthy development of the property market and better meet the reasonable demand of home buyers. In November, monthly prices rose in 9 of 70 cities, less than the 13 cities that reported price gains in October. Faced with property market woes and tighter regulation, at least six cities have introduced measures to boost home purchases since November, including providing subsidies or deed tax reductions, local media has reported. Unsold housing stock in China's 100 biggest cities rose to the highest level in five years in November, according to a private sector survey last Friday. S&P ratings agency said in a recent note it expected the property downturn to persist on the back of credit tightening and restrictive policies in the sector, potentially leading to a 10% decline in nationwide residential sales next year. (Reuters)

Regional

- **IEA: Omicron impact aside, oil supply set to top demand** – A surge in COVID-19 cases and the emergence of the Omicron variant will dent global demand for oil, the International Energy Agency (IEA) said on Tuesday, but the broader picture is one of increasing output set to top demand this month and soar next year. "The surge in new COVID-19 cases is expected to temporarily slow, but not upend, the recovery in oil demand that is underway," the Paris-based IEA said in its monthly oil report. "New containment measures put in place to halt the spread of the virus are likely to have a more muted impact on the economy versus previous COVID waves," it said. (Reuters)
- **Saudi Arabia's economy expanded 7% in 3Q** – Saudi Arabia's economy grew 7% in the third quarter from a year earlier, official data showed on Tuesday. The expansion was slightly bigger than official estimates of a 6.8% annual growth during the period. QoQ, the economy of the world's biggest oil exporter grew by 5.7%, the General Authority for Statistics said. (Reuters)
- **Saudi PIF holds 64% stake in Saudi telecom after offering** – Saudi Arabia's Public Investment Fund now holds a stake of 64% of Saudi Telecom's issued shares after a secondary offering, according to statement to Saudi stock exchange. (Bloomberg)
- **Saudi Arabia's central bank says monetary conditions reassuring** – Saudi Arabia's Central Bank Governor Fahad Al Mubarak says monetary conditions in the kingdom are reassuring and that the banking sector enjoys financial solvency and good liquidity to face the current challenges, according to statement on the regulator's website. Central bank ready to support financial and monetary stability immediately if need be. (Bloomberg)
- **MIS renews facility with NBK** – Al Moammar Information Systems Company (MIS) has renewed a Sharia-compliant facility worth SR155mn with the National Bank of Kuwait (NBK). Valid until 31 August 2022, the facility aims to finance new project contracts and issue bank guarantees, according to a bourse filing on Tuesday. The facility agreement is secured by a promissory note to the amount of total facilities limit. (Zawya)
- **Saudi Arabia sees spending on power and renewable projects to hit SR1.1tn** – Saudi Arabia expects spending on power and renewable energy projects to hit SR1.1tn until 2030, according to a presentation from the Kingdom's energy ministry. The country sees most of the spending being made in power transmission projects with SR430bn, showed the presentation that was presented on Monday by the energy minister during the Saudi budget forum in Riyadh. (Zawya)

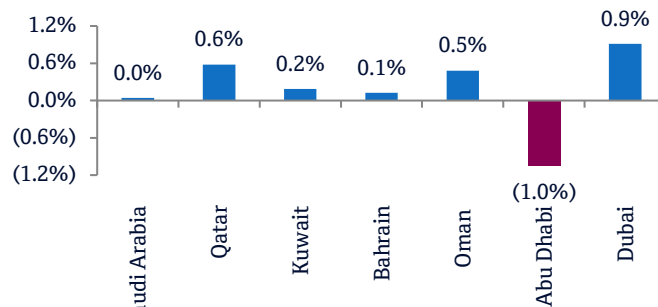
- **ICAEW: UAE economy will return to pre-pandemic level in 1Q 2022** – The UAE economy will grow by 6.5% in 2022, meaning it will reach its pre-pandemic level in the first quarter, according to forecasts by the ICAEW. Higher oil output, loosening of the COVID-19 restrictions and the start of Expo 2020 Dubai are driving recovery, with the economy growing by 1.7% this year, according to the chartered accountants' professional body. Following the OPEC+ easing of production limits, the ICAEW forecasts a significant oil production increase in 2022, with the UAE benefitting from its production baseline being raised to over 3.5mn barrels from May 2022, from just under 3.2mn. (Zawya)
- **CBUAE slaps AML/CFT sanctions on bank operating in UAE** – The Central Bank of the UAE (CBUAE) has imposed administrative measures and a subsequent financial sanction on a bank operating in the UAE, the apex bank said in a statement without mentioning the name of the financial institution. According to the central bank, the sanctions are pursuant to Article 14 of the Federal Decree Law No. (20) of 2018 on Anti Money Laundering and Combating the Financing of Terrorism and Illegal Organization's (AML/CFT), and pertinent articles and decisions of the Cabinet and the CBUAE's Board of Directors in relation to AML/CFT. (Zawya)
- **Dubai's Global Ventures close to raising \$100mn target for second fund** – Dubai-based Global Ventures is close to meeting a \$100mn target for its new fund after attracting investments from Abu Dhabi and Saudi Arabia's state investors, insurer Bupa Arabia and US investors, founder Noor Sweid said. This is the startup investment company's second fund, which has raised double that of its inaugural venture and will participate in pre-series "A" and series "A" funding for startups in the Middle East and Africa region. (Reuters)
- **Mubadala, Bahrain's Mumtalakat sign MOU to explore investments** – Abu Dhabi's Mubadala and Bahrain's Mumtalakat Holding sign MoU to facilitate strategic cooperation, explore worldwide co-investment opportunities. As part of the deal, the two sovereign wealth funds will exchange best practices to enhance investment and operational capabilities. (Bloomberg)
- **LNG TENDER: Oman offers cargo for January 16-18 loading** – Oman LNG offers a cargo on an FOB basis for loading from Qalhat terminal on January 16-18, according to people familiar. Same cargo also offered on DES basis for January 31-February 3 delivery. (Bloomberg)
- **Kuwait sells KWD290mn 91-day bills; bid-cover 8.8** – Kuwait sold KWD290mn of bills due March 15, 2022 on December 14. Investors offered to buy 8.8 times the amount of securities sold. The bills have a yield of 1.125% and settled December 14. (Bloomberg)
- **Zain Jordan agrees to sell, leaseback telecom towers to TASC** – Kuwait-based telephone operator Zain says its Jordan unit entered into a 15-year pact to sell and leaseback the passive physical infrastructure of its 2,607 tower portfolio to TASC Towers for \$88mn. Transaction includes an additional 223 sites transferring to TASC Towers on a managed basis. Zain Group holds a 25% minority stake in TASC Towers, which is headquartered in Dubai. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

| Asset/Currency Performance | Close (\$) | 1D% | WTD% | YTD% |
|--------------------------------------|------------|-------|-------|--------|
| Gold/Ounce | 1,770.85 | (0.9) | (0.7) | (6.7) |
| Silver/Ounce | 21.95 | (1.7) | (1.1) | (16.9) |
| Crude Oil (Brent)/Barrel (FM Future) | 73.70 | (0.9) | (1.9) | 42.3 |
| Crude Oil (WTI)/Barrel (FM Future) | 70.73 | (0.8) | (1.3) | 45.8 |
| Natural Gas (Henry Hub)/MMBtu | 3.64 | (9.3) | 0.3 | 52.3 |
| LPG Propane (Arab Gulf)/Ton | 104.88 | (1.3) | 0.6 | 39.4 |
| LPG Butane (Arab Gulf)/Ton | 135.00 | (3.1) | (3.7) | 94.2 |
| Euro | 1.13 | (0.2) | (0.5) | (7.8) |
| Yen | 113.70 | 0.1 | 0.2 | 10.1 |
| GBP | 1.32 | 0.1 | (0.3) | (3.2) |
| CHF | 1.08 | (0.2) | (0.4) | (4.2) |
| AUD | 0.71 | (0.4) | (0.9) | (7.7) |
| USD Index | 96.57 | 0.3 | 0.5 | 7.4 |
| RUB | 73.79 | 0.4 | 0.6 | (0.8) |
| BRL | 0.18 | 0.0 | (1.2) | (8.6) |

Source: Bloomberg

| Global Indices Performance | Close | 1D%* | WTD%* | YTD%* |
|----------------------------|------------|-------|-------|--------|
| MSCI World Index | 3,138.06 | (0.8) | (1.6) | 16.7 |
| DJ Industrial | 35,544.18 | (0.3) | (1.2) | 16.1 |
| S&P 500 | 4,634.09 | (0.7) | (1.7) | 23.4 |
| NASDAQ 100 | 15,237.64 | (1.1) | (2.5) | 18.2 |
| STOXX 600 | 469.56 | (1.0) | (1.7) | 8.5 |
| DAX | 15,453.56 | (1.3) | (1.5) | 3.3 |
| FTSE 100 | 7,218.64 | (0.1) | (1.3) | 8.3 |
| CAC 40 | 6,895.31 | (0.9) | (1.8) | 14.5 |
| Nikkei | 28,432.64 | (0.9) | (0.3) | (5.9) |
| MSCI EM | 1,222.10 | (0.7) | (1.3) | (5.4) |
| SHANGHAI SE Composite | 3,661.53 | (0.5) | (0.1) | 8.1 |
| HANG SENG | 23,635.95 | (1.3) | (1.5) | (13.7) |
| BSE SENSEX | 58,117.09 | (0.6) | (1.6) | 16.9 |
| Bovespa | 106,759.90 | (0.8) | (2.2) | (18.4) |
| RTS | 1,548.81 | 0.0 | (3.9) | 11.6 |

Source: Bloomberg (*\$ adjusted returns)

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