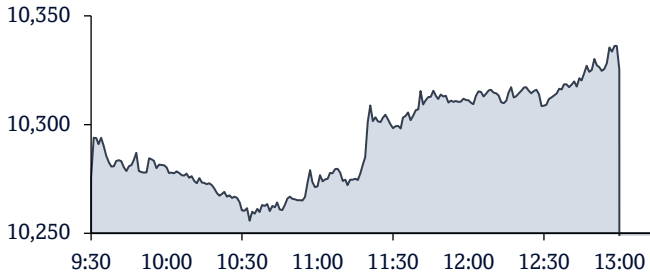


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.6% to close at 10,325.3. Gains were led by the Insurance and Banks & Financial Services indices, gaining 3.7% and 1.5%, respectively. Top gainers were QLM Life & Medical Insurance Co. and Gulf International Services, rising 10.0% and 5.4%, respectively. Among the top losers, Qatar Oman Investment Company fell 1.9%, while Ooredoo was down 1.8%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.4% to close at 10,918.2. Gains were led by the Pharma, Biotech & Life Science and Food & Beverages indices, rising 2.7% and 1.4%, respectively. Al Sagr Cooperative Insurance Co. rose 7.9%, while Saudi Automotive Services Co. was up 7.8%.

Dubai: The DFM Index fell 0.7% to close at 4,154.1. The Real Estate index and The Consumer Staples index both were down 1.7% each. Takaful Emarat declined 3.2%, while Emaar Properties was down 2.4%.

Abu Dhabi: The ADX General Index fell 0.2% to close at 9,813.3. The Consumer Discretionary index declined 1.0%, while the Industrial index fell 0.9%. Palm Sports declined 8.9%, while Rak Co. for White Cement & Construction was down 8.3%.

Kuwait: The Kuwait All Share Index gained 0.4% to close at 6,895.3. The Technology index rose 2.7%, while the Basic Materials index gained 1.3%. Al Masaken International Real Estate Development rose 17.5%, while Senergy Holding Company was up 13.8%.

Oman: The MSM 30 Index gained 0.1% to close at 4,669. Gains were led by the Financial and Services indices, rising 0.8% and 0.5%, respectively. Asaffa Foods rose 9.3%, while Sembcorp Salalah Power and Water Co. was up 7.8%.

Bahrain: The BHB Index gained 0.1% to close at 1,937.7. The Consumer Discretionary Index rose 2.0%, while the Real Estate index gained 0.5%. Bahrain Duty Free Shop Complex rose 5.4%, while Al Salam Bank was up 1.2%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
QLM Life & Medical Insurance Co.	3.057	10.0	765.0	(36.3)
Gulf International Services	2.950	5.4	25,681.5	102.2
Qatar Insurance Company	2.578	4.6	3,783.8	34.1
Qatari German Co for Med. Devices	1.810	4.4	10,369.9	44.0
Al Khaleej Takaful Insurance Co.	3.395	3.2	1,749.7	47.5

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatar Aluminum Manufacturing Co.	1.370	0.5	25,729.1	(9.9)
Gulf International Services	2.950	5.4	25,681.5	102.2
Dukhan Bank	3.810	0.0	13,866.1	(4.8)
Qatar Oman Investment Company	0.931	(1.9)	13,153.5	69.3
Masraf Al Rayan	2.185	(0.0)	10,523.1	(31.1)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,325.25	0.6	0.0	1.3	(3.3)	157.70	166,402.9	12.9	1.4	4.8
Dubai	4,154.11	(0.7)	(0.6)	1.7	24.5	100.71	189,792.9	9.5	1.4	4.4
Abu Dhabi	9,813.31	(0.2)	(0.3)	0.0	(3.9)	307.10	754,611.5	31.8	3.0	1.6
Saudi Arabia	10,918.24	0.4	(0.3)	(5.0)	4.2	1,672.27	2,984,414.3	18.3	2.1	3.4
Kuwait	6,895.27	0.4	(0.6)	(1.6)	(5.4)	163.83	143,275.2	16.0	1.5	4.1
Oman	4,669.02	0.1	(0.2)	(2.7)	(3.9)	6.18	22,216.9	12.9	0.9	4.7
Bahrain	1,937.68	0.1	0.4	(0.7)	2.2	1.34	54,769.7	7.3	0.7	8.6

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

Market Indicators	26 Sep 23	25 Sep 23	%Chg.
Value Traded (QR mn)	574.2	530.1	8.3
Exch. Market Cap. (QR mn)	606,867.0	602,954.1	0.6
Volume (mn)	200.3	200.1	0.1
Number of Transactions	18,576	18,360	1.2
Companies Traded	48	49	(2.0)
Market Breadth	31:12	14:28	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	22,159.43	0.6	0.0	1.3	12.9
All Share Index	3,480.24	0.9	0.5	1.9	13.5
Banks	4,175.18	1.5	1.1	(4.8)	13.4
Industrials	4,224.12	(0.3)	(0.5)	11.7	14.9
Transportation	4,596.07	0.4	(0.9)	6.0	11.9
Real Estate	1,484.51	0.2	(1.3)	(4.8)	13.8
Insurance	2,607.72	3.7	4.3	19.3	154
Telecoms	1,588.02	(1.2)	(1.5)	20.4	12.4
Consumer Goods and Services	7,529.79	0.7	0.4	(4.9)	20.4
Al Rayan Islamic Index	4,562.84	0.1	(0.6)	(0.6)	9.2

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Bank Al Bilad	Saudi Arabia	42.85	3.9	1,157.3	(3.6)
Dallah Healthcare Co.	Saudi Arabia	140.40	3.1	57.2	(5.1)
QNB Group	Qatar	15.67	2.4	4,475.4	(12.9)
Saudi Arabian Mining Co.	Saudi Arabia	39.70	2.2	1,019.2	(8.0)
Al Ahli Bank of Kuwait	Kuwait	0.25	2.1	10,533.7	(18.5)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Emaar Properties	Dubai	7.71	(2.4)	11,777.9	31.6
Mouwasat Medical Services	Saudi Arabia	98.60	(2.4)	351.7	(5.6)
Americana Restaurants Int.	Abu Dhabi	4.07	(2.2)	3,013.4	37.0
Riyad Bank	Saudi Arabia	27.40	(2.1)	1,922.4	(13.8)
Arabian Drilling Co.	Saudi Arabia	193.40	(1.9)	332.6	71.8

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%
Qatar Oman Investment Company	0.931	(1.9)	13,153.5	69.3
Ooredoo	10.55	(1.8)	1,112.5	14.7
Industries Qatar	13.85	(1.7)	3,390.1	8.1
Inma Holding	4.691	(1.6)	153.2	14.1
Zad Holding Company	13.73	(1.4)	6.5	(1.3)

QSE Top Value Trades	Close*	1D%	Vol. '000	YTD%
Gulf International Services	2.950	5.4	74,680.1	102.2
QNB Group	15.67	2.4	69,493.3	(12.9)
Dukhan Bank	3.810	0.0	53,157.0	(4.8)
Industries Qatar	13.85	(1.7)	47,557.2	8.1
Qatar Aluminum Manufacturing Co.	1.370	0.5	35,146.2	(9.9)

Qatar Market Commentary

- The QE Index rose 0.6% to close at 10,325.3. The Insurance and Banks & Financial Services indices led the gains. The index rose on the back of buying support from Foreign shareholders despite selling pressure from Qatari, GCC and Arab shareholders.
- QLM Life & Medical Insurance Co. and Gulf International Services were the top gainers, rising 10.0% and 5.4%, respectively. Among the top losers, Qatar Oman Investment Company fell 1.9%, while Ooredoo was down 1.8%.
- Volume of shares traded on Tuesday rose by 0.1% to 200.3mn from 200.1mn on Monday. Further, as compared to the 30-day moving average of 188mn, volume for the day was 6.6% higher. Qatar Aluminum Manufacturing Co. and Gulf International Services were the most active stocks, contributing 12.8% and 12.7% to the total volume, respectively.

Overall Activity	Buy%*	Sell%*	Net (QR)
Qatari Individuals	24.92%	25.81%	(5,105,595.93)
Qatari Institutions	44.58%	44.68%	(536,125.40)
Qatari	69.50%	70.49%	(5,641,721.33)
GCC Individuals	0.51%	0.58%	(408,274.24)
GCC Institutions	1.12%	1.64%	(3,002,211.95)
GCC	1.63%	2.22%	(3,410,486.19)
Arab Individuals	9.74%	11.62%	(10,772,565.16)
Arab Institutions	0.00%	0.00%	-
Arab	9.74%	11.62%	(10,772,565.16)
Foreigners Individuals	1.80%	2.03%	(1,335,852.70)
Foreigners Institutions	17.33%	13.65%	21,160,625.37
Foreigners	19.13%	15.68%	19,824,772.67

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

Global Economic Data

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
09-26	US	U.S. Census Bureau	New Home Sales	Aug	675k	698k	739k
09-26	US	U.S. Census Bureau	New Home Sales MoM	Aug	-8.70%	-2.20%	8.00%
09-26	US	Federal Housing Finance Agency	FHFA House Price Index MoM	Jul	0.80%	0.40%	0.40%
09-26	US	Richmond Fed	Richmond Fed Manufact. Index	Sep	5.00	-7.00	-7.00
09-26	Japan	Bank of Japan	PPI Services YoY	Aug	2.10%	1.80%	1.70%

Qatar

- Fitch affirms Commercial Bank's rating at 'A-' with positive outlook** - Fitch Ratings has again affirmed Commercial Bank's unchanged long-term issuer default rating at "A-" with a positive outlook. The rating is driven by a "strong propensity" of support from the Qatari authorities and reflects Qatar's strong ability to support domestic banks. As per the report released by Fitch, Commercial Bank's strong commercial banking franchise is underpinned by established public and private corporate relationships. According to Fitch, Commercial Bank has succeeded in executing its sound strategy and the rating reflects: Improving profitability. Having a strong domestic franchise that holds a competitive edge and is supported by a clear strategy. Stable domestic operating environment. Joseph Abraham, Group Chief Executive Officer of Commercial Bank said: "The reaffirmation of Commercial Bank's positive outlook reflects the continued successful execution of our strategic plan". With Fitch's rating in place, Commercial Bank currently enjoys strong credit ratings from all the major agencies. The Bank's long-term outlook is rated A2 by Moody's, and A- by Standard & Poor's. Both ratings with a stable outlook. (Peninsula Qatar)
- Wasata Financial Securities will start Market Making activity for number of companies as of Sunday 1 October 2023** - Qatar stock exchange announces that Wasata Financial Securities will start Market Making Activity for the following Companies as of Sunday 1 October 2023: Qatar International Islamic Bank (QIIB), Woqod (QFLS), Electricity & Water Co. (QEWS) (QSE)
- QatarEnergy announces 10-year naphtha supply agreement with Marubeni Corporation** - QatarEnergy has announced the signing of a long-term naphtha supply agreement with Japan-based Marubeni Corporation, a leading integrated trading and investment business conglomerate. The agreement was signed by QatarEnergy, for and on behalf of Qatar Petroleum for the Sale of Petroleum Products Company Ltd. (QPSPP), and Marubeni Petroleum Co. Ltd, a subsidiary of Marubeni Corporation. The 10-year sale agreement stipulates the supply of up to 1.2mn tons per annum of Naphtha to Marubeni starting from October 2023. This agreement is based on the successful and long-term relationship enjoyed

between both entities and builds on the 5-year Naphtha sales agreement signed in 2018, which expires in September 2023. In remarks marking this occasion, H E Saad Sherida Al Kaabi, the Minister of State for Energy Affairs, the President and CEO of QatarEnergy, said: "This agreement further enhances the long-standing, strategic, and fruitful relationship between QatarEnergy and Marubeni Corporation, spanning several decades. We are proud of the continued cooperation with our Japanese partners such as Marubeni Corporation, which reinforces Japan's trust in Qatar as a reliable energy provider while further fostering cooperation between the two countries." QatarEnergy and Marubeni Corporation have a long-standing strategic partnership through several shared investments in the energy industry in Qatar, including investment in Al-Kharsaah solar power plant and Mesaieed power plant. Marubeni Corporation is the largest petrochemical feedstock trading entity and aggregator in Asia. It has received continuous and stable supplies of various grades of Naphtha from Qatar since 1986, which has enabled Marubeni Corporation to reliably supply a variety of end users in Japan. (Peninsula Qatar)

- Korea Eximbank contributes \$1bn for Samsung Engineering's Qatar project** - The Export-Import Bank of Korea announced on Tuesday that it will provide project financing totaling \$1bn towards Samsung Engineering Co.'s construction of ethylene cracker facilities in Qatar. The Qatar ethylene facilities project, valued at \$7.3bn, is the largest petrochemical project in history under Qatar's state-owned company, Qatar Energy. Samsung Engineering, in a consortium with Taiwan's CTCI Corp., was awarded the ethylene production facility package for \$2.5bn in January 2023, with Samsung Engineering's share totaling \$1.3bn. Korea Eximbank expressed its intention to provide financial support to Samsung Engineering as early as the bidding stage. Some observers believe that the favorable relationship between the bank and Qatar Energy, built up over time, was one of the driving forces behind the bank's support for the bid.
- S. Korea, Qatar discusses stronger energy, shipbuilding ties** - Top industry officials of South Korea and Qatar discussed ways Wednesday to enhance bilateral cooperation on the energy and shipbuilding industries, Seoul's industry ministry said. During the meeting in Seoul, South Korea's Industry Minister Bang Moon-kyu and Qatar's Minister of State for Energy Affairs Saad Sherida Al-Kaabi discussed how to boost bilateral

investment and technology exchanges regarding renewable energy use, hydrogen production and various other energy fields, according to the Ministry of Trade, Industry and Energy. The two nations have maintained close relations based on the liquefied natural gas (LNG) trade and LNG carriers and are pushing to deepen ties on a wider range of energy resources and related sectors. Bang asked for the Middle Eastern nation's support for South Korean firms seeking to take part in major energy plant construction projects and win LNG carrier contracts. Qatar is South Korea's No. 2 LNG supplier, accounting for around 20 % of the country's total LNG imports. Last year, South Korean shipbuilders won contracts to build 54 LNG carriers. "The two sides agreed to work more closely through high-level exchanges to draw tangible results of their energy cooperation," the ministry said in a release. In 2022, two-way trade hit an all-time high of US\$17.1bn, and Qatar was South Korea's third-largest trading partner among Middle Eastern nations, government data showed. (Bloomberg)

- **Egypt awards oil blocks to Eni, BP, QatarEnergy, Zarubezhneft** - Egypt awarded oil and gas exploration licenses to international companies, the ministry of petroleum said. Eni won two blocks in the Mediterranean Sea. Another was awarded to a coalition of Eni, BP and QatarEnergy. Zarubezhneft won a concession in the Nile Delta. Egypt expects a minimum of \$281mn in investments to drill at least 12 wells. There's a \$7.5mn signing bonus during the exploration phases. (Bloomberg)
- **Expo 2023 Doha site ready to receive over 3mn visitors** - The Expo 2023 Doha Organizing Committee announced the readiness of the Expo site which hosts the pavilions of the participating countries in the upcoming event. The Organizing Committee, in a statement, said that Expo 2023 Doha will be inaugurated on October 2 and will run for six months, adding that this global event is expected to attract over 3mn visitors offering attendees the opportunity to explore exquisitely landscaped gardens and experience cultures from around the world. The Expo 2023 Doha embodies the spirit of international innovation and cooperation in line with the theme "Green Desert, Better Environment". The Expo offers its visitors a variety of advanced technological innovations in a number of fields and provides the participating countries with an opportunity to highlight their cultures, technological development and unique vision to attendees from all over the world. Expo 2023 Doha is expected to be a destination for international creativity and cooperation and welcomes visitors from all over the world to learn about the international efforts being made to build a sustainable and prosperous world. (Peninsula Qatar)
- **Amir, Saudi FM discuss bilateral relations** - Amir HH Sheikh Tamim bin Hamad Al Thani met Minister of Foreign Affairs of Saudi Arabia HH Prince Faisal bin Farhan bin Abdullah Al Saud, and the accompanying delegation, on the occasion of his visit to the country yesterday. The meeting touched on the fraternal relations between the two countries and ways of promoting and enhancing them, in addition to regional and international issues of common concern. The meeting was also attended by Prime Minister and Minister of Foreign Affairs HE Sheikh Mohammed bin Abdulrahman bin Jassim Al Thani. The Saudi Foreign Minister conveyed greetings of the Custodian of the Two Holy Mosques King Salman bin Abdulaziz Al Saud, and the Crown Prince and Prime Minister HRH Prince Mohammed bin Salman bin Abdulaziz Al Saud, and their wishes to HH the Amir of the best of health, and to the Qatari people continued progress and prosperity. HH the Amir entrusted the Saudi Foreign Minister to convey his greetings to the Custodian of the Two Holy Mosques and to the Crown Prince and Prime Minister, wishing them good health and the brotherly Saudi people further development and growth. (Peninsula Qatar)
- **Qatar, Saudi Arabia discuss boosting coordination, cooperation** - Prime Minister and Minister of Foreign Affairs H E Sheikh Mohammed bin Abdulrahman bin Jassim Al Thani, who is the Qatari head of the political committee and executive committee of the Qatari-Saudi Coordination Council, and Minister of Foreign Affairs of Saudi Arabia HH Prince Faisal bin Farhan bin Abdullah Al Saud, who is the Saudi head of the political committee and executive committee of the council, chaired the meeting of the political committee emerging from the Qatari-Saudi Coordination Council. During the meeting, they discussed developing solid fraternal relations between the two countries within the framework of the political

committee and ways to deepen this cooperation through various initiatives that should boost the relations to broader horizons in a way that fulfils the aspirations of the leadership of both the countries and achieves the interests of their people. On the other hand, the two heads of the executive committee discussed the preparatory work of the seven sub-committees and their work teams during the last period, including the initiatives, outputs, and memorandums of understanding that are scheduled to be signed on the sidelines of the next meeting of the Qatari-Saudi Coordination Council. The two sides praised the existing cooperation and coordination between the council's subcommittees and the work teams of the council's general secretariat on both sides, which comes in preparation for the seventh meeting of the council. They stressed the importance of continuing coordination between the two sides to achieve the common qualitative interests of the two fraternal countries and their peoples. (Peninsula Qatar)

- **Minister of Finance meets UK Chancellor of Exchequer** - Minister of Finance H E Ali bin Ahmed Al Kuwari met with HE Chancellor of the Exchequer of the United Kingdom Jeremy Hunt, on the side-lines of his recent visit to the United Kingdom. During the meeting, they discussed a number of topics of mutual interest between the two countries, in addition to the most important recent developments in the fields of economy, investment and trade. (Peninsula Qatar)
- **Minister of Finance meets CEO of Barclays Bank** - Minister of Finance, H E Ali bin Ahmed Al Kuwari held a bilateral meeting with CEO of the British Bank Barclays, CS Venkatakrishnan. This was on the sidelines of his recent visit to the friendly United Kingdom. During the meeting, a number of issues related to the common interests of both parties were discussed, especially in the economic and financial fields, as well as developing ways to enhance joint cooperation. (Peninsula Qatar)
- **Minister Al Kaabi concludes working visit to Tokyo** - The Minister of State for Energy Affairs and the President and CEO of QatarEnergy, H E Saad Sherida Al Kaabi concluded a working visit to Japan during which he held meetings with Japanese officials and executives on cooperation in the field of energy. Minister Al Kaabi met in Tokyo with H E Nishimura Yasutoshi, the Minister of Economy, Trade, and Industry of Japan for a discussion of bilateral relations in the field of energy between Qatar and Japan and means to enhance them. Minister Al Kaabi also held high level discussions with senior executives of major Japanese energy, power, and shipping companies and partners on existing and future energy cooperation. They included meetings with JERA, Chubu Electric, Tohoku Electric, Marubeni, Mitsui, Mitsubishi, Idemitsu, Cosmo, JAPEX, LNG Japan, Iwatani, Chiyoda, NYK Line, K-Line, MOL and Japan Bank for International Cooperation. Minister Al Kaabi was accompanied on the visit and talks by a delegation of senior QatarEnergy and QatarEnergy LNG executives. (Peninsula Qatar)
- **Qatar is strategically important partner of Poland** - As we stand on the cusp of 2023, we find ourselves at the epicenter of a technological revolution that holds the promise of transforming industries, economies and societies. And Qatar and Poland are uniquely positioned to harness this wave of innovation. Thanks to our shared commitment to progress and remarkable opportunities that lie ahead of us both here and in Poland. Sheikha Alanoud highlighted the key areas of collaboration and innovation which include digital transformation, fintech and payments, e-commerce, healthcare technology and cyber security. She noted that Qatar can play a platform that enables companies to propel from and access other markets within the region. "Polish tech firms are important to Qatar because they offer expertise, collaborative opportunities and the diverse range of solutions that are aligned with our goals for technological advancement, economic diversification and global competitiveness," she added. Daniel Dybala, President, Qatar-Poland Business Council said, The Council is open platform to promote Qatari and Polish business interests. "We are always coming with different ideas how we can link both the countries together. Qatar is a very exciting place to do business and so is Poland which is the gateway to Europe and it is fifth largest country in the EU by population, size but it is number one when it comes to the recent number of IT graduates. (Peninsula Qatar)

International

- Fed's Kashkari: 40% chance of needing 'meaningfully' higher rates** - A "soft landing" for the US economy is more likely than not, Minneapolis Federal Reserve Bank President Neel Kashkari said on Tuesday, but there is also a 40% chance that the Fed will need to raise interest rates "meaningfully" to beat inflation. Under the more likely scenario Kashkari pegged the probability at about 60% -- the Fed "potentially" raises rates one more quarter of a percentage point and then holds borrowing costs steady "long enough to bring inflation back to target in a reasonable period of time," he said in an essay published on the regional Fed bank's website. Inflation by the Fed's preferred measure has dropped from 7% last summer to 3.3% this past July, and US unemployment has only ticked up a bit, reaching 3.8% at last read. That is substantial progress on inflation and a still-healthy labor market, Kashkari said, and under the more-probable scenario he sees, "the policy tightening we would soon achieve would prove enough to finish the job" and deliver "the proverbial soft landing that we are hoping to achieve." But under a still very possible turn of events, Kashkari puts the likelihood at 40% -- inflation stays sticky at near 3%, but households feel confident enough about the economy that they continue to spend, keeping upward pressure on prices already elevated by post-pandemic supply constraints. "Once supply factors have fully recovered, is policy tight enough to complete the job of bringing services inflation back to target?" Kashkari said, playing this less-rosy scenario forward. "It might not be, in which case we would have to push the federal funds rate higher, potentially meaningfully higher." The Fed last week held its policy rate steady in a range of 5.25%-5.50%, but most policymakers signaled they believe one more interest-rate hike by the end of the year will likely be appropriate. Kashkari said on Monday he was in that majority. "The good news is that we don't need to make this determination right now," Kashkari said in the essay. "We can observe the actual progress in bringing inflation down over the next several months to determine which scenario is the dominant one." The US economy has displayed surprising resilience in recent months, despite 5.25 percentage points of Fed rate hikes over the last 18 months, and Fed policymakers have become increasingly confident they can avoid recession and still get inflation down to their 2% target with only a little more policy tightening. To do so they see interest rates on a "higher for longer" path than they had just three months ago, with most expecting rates to still be above 5% by the end of next year. Financial markets are pricing in an even more benign path for rates, giving a no-more-rate-hikes view about a 60% probability, based on pricing of short-term-interest rate futures, and pointing to the Fed policy rate at about 4.64% at the end of 2024. (Reuters)
- US consumer confidence dives to four-month low; home sales tumble** - US consumer confidence dropped to a four-month low in September, weighed down by persistent worries about higher prices and rising fears of a recession, though households remained generally upbeat about the labor market. The second straight monthly decline in confidence reported by the Conference Board on Tuesday also reflected higher interest rates and concerns about the political environment. The nation faces a potentially disruptive shutdown of the federal government on Saturday amid political wrangling. Confidence fell across all age groups and was most pronounced among consumers with annual incomes of \$50,000 or more. "Inflation is slowing, but prices are still higher than they were before the pandemic and this is taking a toll on consumer confidence," said Christopher Rupkey, chief economist at FWDBONDS in New York. The Conference Board said its consumer confidence index dropped to 103.0 this month, the lowest reading since May, from an upwardly revised 108.7 in August. Economists polled by Reuters had forecast the index easing to 105.5 from the previously reported 106.1. Consumers' perceptions of the likelihood of a recession over the next year ticked back up. A separate report from the Commerce Department showed new home sales plunged 8.7% to a seasonally adjusted annual rate of 675,000 units in August after racing to a 17-month high in July. Economists had forecast new home sales, which account for a small share of US home sales, falling to a rate of 700,000 units. New home sales are counted at the signing of a contract, making them a leading indicator of the housing market. They, however, can be volatile on a month-to-month basis. Sales increased 5.8% on a year-on-year basis in August. Though new home sales remain supported by a dearth of previously owned homes on the market, the resurgence in
- mortgage rates is reducing affordability for prospective home buyers. (Reuters)
- US new vehicles sales to rise in September** - US new-vehicle sales are set to rise in September from a year ago, helped by sustained demand, according to Cox Automotive. Sales volumes in the current month are set to touch nearly 1.3mn units, up more than 13% from a year ago, according to the auto research firm. Despite rising interest rates on new vehicle loans and a strike by the United Auto Workers (UAW) union against major US automakers, industry-wide inventory levels are up more than 63%, the report said. The ongoing labor strike between the UAW and automakers Ford, General Motors and Chrysler parent targeting some US facilities at each company, has threatened the supply of newer models. "Pent-up demand has been fueling the vehicle market this year. Consumers, and even more so large fleets, have become buyers as inventory improves," said Charlie Chesbrough, Cox Automotive senior economist. The auto research firm also raised full-year new-vehicle sales forecast to between 15.3mn and 15.4mn units, from 15mn units. (Reuters)
- Some Evergrande creditors plan to join winding-up petition if no new debt plan by Oct 30** - A major group of offshore creditors of China Evergrande Group is planning to join a court petition to liquidate the cash-strapped developer if it doesn't submit a new debt revamp plan by next month, two sources familiar with the matter said. The creditor group holds a large portion of Evergrande offshore bonds and, if it decides to join, would add more weight to the petition filed against the developer by an investor in a Hong Kong court. Evergrande's offshore debt restructuring plan, unveiled in March, has been thrown into uncertainty after the developer said on Sunday it was unable to issue new debt due to an ongoing regulatory investigation into its main unit in China. Deepening turmoil in China's debt-laden property sector is threatening to undermine Beijing's efforts to get the sputtering economy back on more solid footing, and raising fears among investors of a spillover into the country's banking system. Evergrande has been in the process of seeking creditors' approval for its proposals to restructure offshore debt worth \$31.7bn, which includes bonds, collateral, and repurchase obligations. Under the plan, Evergrande, the poster child of China's property sector crisis, had proposed various options to offshore creditors, including swapping some of their debt holdings into new bonds with maturities of 10 to 12 years. The group of Evergrande bondholders were surprised by the firm's weekend announcement which said it was unable to issue new notes, and have been seeking meetings with the developer to seek more information, said the two sources. If Evergrande fails to submit a new debt restructuring plan by Oct. 30, that bondholders' group will support a winding-up petition or petition to liquidate already filed against the developer, said the sources, declining to be identified due to the sensitivity of the matter. The group has been in favor of finding a restructuring resolution for Evergrande's debt, but the developer's weekend announcement has reduced hopes that would eventually happen, the sources added. Top Shine Global, an investor in Evergrande unit Fangchebao, in June 2022 filed a petition to liquidate in Hong Kong because it said the developer had not honored an agreement to repurchase shares the investor bought in the unit. In July, the hearing for that winding-up petition against Evergrande was adjourned to Oct. 30, in order to wait for the result from the developer's meeting with creditors to vote on its debt restructuring plan. Evergrande needs approval from more than 75% of the holders of each debt class to approve the plan. That meeting is scheduled for mid-October. However, the latest disclosure by Evergrande puts the meeting, as well as its outcome, in doubt and it's not clear if the meeting with offshore creditors will go ahead as planned. Evergrande did not immediately respond to Reuters request for comment. (Reuters)
- BOJ's July debate highlights rift in view on rate hike timing** - Bank of Japan policymakers agreed on the need to maintain ultra-loose monetary settings but were divided on how soon the central bank could end negative interest rates, minutes of its July meeting showed on Wednesday. The nine board members also diverged in their views on whether companies would keep hiking wages next year, the minutes showed, highlighting uncertainty on how quickly the BOJ could begin phasing out its massive stimulus program. One member said there was "still a significantly long way to go" before the BOJ can revise its negative interest rate policy, the minutes showed. Another member, however, said

achievement of the BOJ's 2% inflation target had "clearly come in sight," adding that it might be possible to assess whether the target has been met "around January through March 2024," the minutes showed. Many members agreed the central bank must keep interest rates ultra-low for now as stable, sustainable achievement of its 2% target was not yet in sight, the minutes showed. At the July meeting, the BOJ maintained its easy policy settings but took steps to allow long-term borrowing costs to rise more freely in line with increasing inflation and economic growth. While Governor Kazuo Ueda dismissed the view the July action was a prelude to a future exit from its current policy, many market players now expect the BOJ to begin phasing out its massive stimulus program later this year or in 2024. Ueda has said the BOJ has no pre-set idea on what order it will dismantle yield curve control (YCC), a policy that guides short-term interest rates at -0.1% and caps the 10-year bond yield around 0%. The board members agreed in July that it was important to check whether wages will continue to rise next year and beyond, to project the outlook for inflation, the minutes showed. One member said inflation could overshoot expectations as a tight job market prod firms to hike pay. Another said wage and price growth could keep accelerating "at a pace unseen in the past," warning that Japan could face the kind of sharp inflation seen in the United States and Europe, the minutes showed. A few members said the pace of growth in service prices, seen as key to whether inflationary pressure will spread to broader sectors of the economy, was accelerating. Others, however, were more cautious about the price outlook. "Many small and medium-sized firms complain that they are struggling to pass on higher costs. Wage growth could lose momentum ahead," one member was quoted as saying. "Goods prices are rising sharply. But rises in labor unit costs and unit profits have been limited, suggesting that recent inflation was driven mostly by higher import costs," another member was quoted as saying. Japan's core inflation hit 3.1% in August, staying above the BOJ's 2% target for a 17th straight month, as more firms hike prices to pass on rising raw material costs to households. Companies also offered wage hikes unseen in three decades this year. But the BOJ has maintained its dovish guidance on the view a premature exit from ultra-loose policy could hurt a fragile recovery, and push Japan back into economic stagnation. (Reuters)

Regional

- **UAE, GCC countries to see an extended period of higher interest rates** - The UAE and other countries of the Gulf Cooperation Council (GCC) will experience an extended period of higher interest rates, say economists. Gulf central banks have been raising interest rates in line with the Federal Reserve over the past couple of years as the US central bank tries to bring down inflation from a multi-decade high. The UAE and other Gulf countries follow the Fed as their currencies are pegged to the US dollar. The Central Bank of the UAE (CBAUAE) decided to maintain the Base Rate applicable to the Overnight Deposit Facility (ODF) at 5.40%, effective from Thursday, September 21. The UAE Central Bank raised the rates last time on July 26 by 25 basis points from 5.15% to 5.40% following the US Federal Reserve Board's announcement to increase the Interest on Reserve Balances (IORB) by 25 basis points. Oxford Economics said the Fed recently paused its rate hiking cycle, offering respite to the GCC countries whose rates have reached the highest level in over 20 years. "However, inflation is rising once more, so we cannot rule out another Fed rate hike before the end of 2023, which could force the dollar-pegged nations to adapt accordingly until a strategy to cut rates is gradually rolled out. The Central Bank of the UAE kept its rate at 5.4% this week, and we expect other GCC banks will follow suit," said Scott Livermore, chief economist for the Middle East at Oxford Economics. "We think the GCC countries will have to become accustomed to an extended period of higher interest rates. As expected, the US Federal Reserve left policy rates unchanged at its latest meeting, but it hasn't ruled out further rate hikes," he said. Oxford Economics said continued easing of inflation and an ongoing cooling in labor market conditions will keep the Fed on the sidelines. "We anticipate the Fed will gradually cut interest rates starting in mid-2024," said Livermore. Ipek Ozkardeskaya, senior analyst at Swissquote Bank, said the Fed's hawkish pause triggered a fresh wave of worries that the rates would stay higher for longer. "The dollar index entered the bullish consolidation zone after the Fed kept the possibility of another rate hike before the year ends on the table when it met last week,

and said that the rates will likely stay higher for longer next year," said Ozkardeskaya. David Kohl, chief economist, Julius Baer, said the Fed left interest rates unchanged at its last meeting but signaled its readiness to hike rates by an additional 25 basis points until the end of the year. "The updated economic projections were revised and affirm the message that interest rates will stay high for longer than previously envisaged. We stick to our view that the Fed is done with its rate hikes and adjust our expectations for the first rate cut from July 2024 to September 2024," said Kohl. (Zawya)

- **Saudi Arabia looks to increase cooperation with Singapore to boost economy** - Saudi Arabia is looking to strengthen cooperation with Singapore to further boost the economy and develop special zones for businesses. The kingdom's Minister of Commerce Majid Al-Qasabi has met with chairman of Singapore Economic Development Board Png Cheong Boon and the chairman of JTC Corporation Tan Chong Meng to discuss economic cooperation. Among the items discussed at the meeting was "cooperation to stimulate the economy", as well as the development of industrial zones and business parks, digitization in manufacturing and commercial solutions offered to companies, the Saudi Press Agency reported on Monday. Saudi Arabia was Singapore's second-largest trading partner in the Middle East in 2021, with bilateral trade reaching \$9.56bn (\$6.9bn), according to the Singapore Ministry of Trade and Industry. Al-Qasabi also met on Monday Singapore's Minister of Education Chan Chun Sing and Minister of Social and Family Development and Minister-in-charge of Muslim Affairs Masagos Zulkifli to discuss cooperation in education. (Reuters)
- **Delegation of 36 Saudi officials discuss enhancing trade, economic partnership with Singapore** - Minister of Commerce Dr. Majid Al-Qasabi headed Saudi Arabia's delegation, which included 36 officials from the public and private sectors, on a working visit to Singapore to discuss enhancing trade and economic partnership between the two countries. The working visit, which will last until the Sept. 27, aims to enhance bilateral trade in products and services, and raise the level of economic partnership between the two countries, in addition to participating in the Saudi-Singapore Business Forum. During the visit, Dr. Al-Qasabi met with Singapore's Education Minister Chan Chun Sing, and Singapore's Minister for Social and Family Development, Minister-in-charge of Muslim Affairs Masagos Zulkifli in the presence of Dr. Iman Al-Mutairi, deputy minister of commerce and CEO of the National Competitiveness Center (NCC). Saudi Ambassador Abdullah Al-Madhi attended the meetings. The two sides have agreed to cooperate on the fields of providing students with the necessary skills for future industries, digital literacy, and entrepreneurship. This is in addition to discussing the main features of the Singaporean education system, exchanging experiences and training courses, cooperation between universities and schools, and expanding educational mission programs between the two countries, as well as the cooperation in the field of endowments. Dr. Al-Qasabi discussed with the heads and officials of the industrial and economic sector cooperation in the fields of economic stimulation, commercial solutions services provided to companies, the development of industrial zones and business parks, and the transformation to digitize manufacturing processes. The minister also discussed bilateral cooperation in the areas of the service economy, reviewing best practices and key programs to enhance competitiveness, as well as prospects for research cooperation between the National Competitiveness Center (NCC) and the Asia Competitiveness Institute (ACI) at the Lee Kuan Yew School of Public Policy (LKYSPP). The minister's visit includes meetings with ministers and officials, as well as visits to a number of specialized educational academies, business innovation centers, in addition to Tuas, the largest automated port in the world, to learn about the best experiences in various fields. The Saudi delegation is scheduled on Tuesday to participate in the Saudi-Singapore Business Forum, which is organized by the National Competitiveness Center in cooperation with the Federation of Saudi Chambers and the Singapore Business Federation. The forum will address the progress made in implementing Saudi Vision 2030 since its launch in 2016, and opportunities to enhance economic and trade partnership, and exchange experiences. This is in addition to discussing increased cooperation between the business sectors in Saudi Arabia and Singapore

in a number of vital sectors, including the logistics sector, e-commerce, modern technologies, and others. (Zawya)

- S&P: UAE economy to grow 3% in 2023; 4% in 2024** - The UAE economy is forecast to grow 3% in 2023 and 4% in 2024, driven by the non-oil sector, which is expected to benefit from strong growth in tourism, government initiatives, and technological advancements, according to S&P. In statements to the Emirates News Agency (WAM), analysts at the credit rating agency underscored the UAE government's comprehensive implementation of economic and social initiatives over the past few years. These initiatives are strategically designed to set the stage for sustained, long-term economic expansion. S&P analysts also anticipate continued growth within the UAE's robust tourism sector. The country's ability to host major international events is expected to play a pivotal role in achieving the UAE's ambitious goal of attracting 40mn visitors by 2030, accompanied by plans to expand the number of hotel rooms to 250,000 during the same period. Analysts expect the UAE banking sector to remain robust, with profitability improving beyond pre-pandemic levels due to rising interest rates. The Dubai real estate sector is also expected to become more flexible, with stable housing prices supported by strong demand. Trevor Cullinan, sovereign ratings analyst at S&P, said that the UAE economy is expected to grow by 3% in 2023, driven by the non-oil sector. He added that the economy is expected to grow by 4% in 2024, supported by both the oil and non-oil sectors. Cullinan highlighted the key contributors to the country's economic growth, including oil and gas, wholesale trade, industry, real estate, construction, financial services, and tourism. He expects that the non-oil economy will be bolstered by inflows of expatriates and tourists, as well as positive sentiment from investors, consumers, and the private sector. This is in line with the "We Are the Emirates 2031" vision, which aims to increase trade volume and the tourism share of GDP through cooperation between government agencies, institutions, and the private sector to advance the development process. Cullinan pointed out that the UAE government has implemented a wide range of commercial and social initiatives over the past few years that are expected to drive long-term economic growth. These initiatives include allowing 100% direct foreign ownership in more than 1,000 commercial and industrial activities, introducing an insolvency law to help individuals facing financial difficulties reorganize their debts and borrow again on favorable terms, improving the UAE's competitiveness in terms of ease of doing business, introducing new visas, including the Golden Residence Visa, the Green Residence Visa, and multiple-entry tourist visas, which will attract skilled workers and tourists to the UAE. Cullinan said that the UAE's recent initiatives to develop the yield curve denominated in the UAE dirham through the launch of treasury bonds and instruments denominated in the local currency will lead to the development of local capital markets and expand the sources of financing for UAE companies and banks. He also noted that the UAE's implementation of the corporate tax system will contribute to diversifying government revenues away from the oil sector and modernizing the business environment in the UAE. Tatiana Lysenko, Lead Economist for Emerging Markets at S&P expected that the expansion of the tourism sector would support greater economic growth in the UAE. She noted that the Emirate of Dubai succeeded in attracting 14.7mn international visitors in 2022, double what was achieved in 2021. This indicates that the number of visitors may return this year 2023 to the peak of 16.7mn visitors in 2019. The Emirate of Abu Dhabi also attracted 4.1mn hotel guests in 2022, an increase of 24% from 2021. Leskova expects the tourism sector in the UAE to continue growing, supported by the regular hosting of prominent events such as the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP28). This growth is expected to help the UAE achieve its goal of increasing the number of visitors to 40mn by 2030, with the number of hotel rooms reaching 250,000 during the same period. Leskova also expects the emirates of Abu Dhabi and Dubai to remain at the forefront of attracting business and tourism to the country, while other emirates such as Ras Al Khaimah and Sharjah are working to promote their tourism sectors. This will increase the diversification of tourism offerings in the country, especially since the Emirate of Sharjah is a showcase for Arab and Islamic culture and a safe family destination, while the Emirate of Ras Al Khaimah is known for its picturesque nature, entertainment activities, and authentic shows. Tatiana Leskova expects the real estate sector in

Dubai to show greater flexibility with expectations for housing prices to stabilize in light of strong demand. She also notes that Dubai's attractiveness for companies is evident through the increase in the number of new commercial licenses. Mohamed Damak, senior director and global head of Islamic finance at S&P, said that the UAE banking sector remains strong, with profitability expected to improve and exceed pre-pandemic levels due to rising interest rates and technological advancements. He also expects the capitalization of the UAE banking system to remain strong, supported by improved internal capital generation, good financing and liquidity conditions, and a strong net external assets position, which will protect it from the pressures of declining global liquidity and rising costs. (Zawya)

- Dubai cuts public debt by \$7.8bn to 25% of GDP** - Dubai has reduced its public debt by AED29bn (\$7.8bn) as it managed to settle some of its loans amid strong economic recovery. The reduction consequently brings down the emirate's debt burden as a share of its gross domestic product (GDP) to 25%, the Dubai Media Office said on social media, citing the Public Debt Management Office of the Department of Finance. The decline is achieved across all debt classes in the government's debt portfolio, including a full redemption of Sukuk certificates worth AED3.3bn. It also includes the repayment of bilateral and syndicated facilities amounting to AED5.2bn and a partial settlement of AED20bn from the financing extended by the Abu Dhabi government and UAE Central Bank. As of 2020, public debt reached a cyclical high of 78% of the GDP. Ratings agency S&P had forecast in May a reduction in the emirate's government debt to about 51% (\$66bn) of the economy this year, citing economic growth. Dubai outperformed several economies after the COVID-19 pandemic as it emerged as a destination for investors, high-net-worth individuals and tourists following the easing of restrictions. Between 2020 and the first quarter of 2023, Dubai had been making debt repayments, including \$2.9bn in bonds, S&P said. The emirate also reduced its loans from Emirates NBD by a third over the same period. Dubai's real GDP growth, however, could decelerate from an estimated 4.2% in 2022 to 3.8% in 2023, Fitch Solutions forecast early this year. The easing in economic growth will be due to elevated cost of living, high and rising borrowing costs and fading base effects. (Zawya)
- UAE, Netherlands to collaborate on sustainability, energy transition, advanced technology** - Dr Thani bin Ahmed Al Zeyoudi, Minister of State for Foreign Trade, and Mark Rutte, Prime Minister of The Kingdom of the Netherlands, have agreed to deepen collaboration on industries of the future during a CEO roundtable in Dubai held under the theme "Energizing the Future". They both expressed the desire to catalyze investment flows and joint ventures in priority sectors such as renewable energy, space industry, artificial intelligence, entrepreneurship, agri-tech and smart mobility solutions, and concluded the meeting by witnessing the signing of an agreement to cooperate on water management. Mark Rutte was leading a Dutch delegation to the United Arab Emirates to seek stronger trade and investment ties between the two nations, including the establishment of a sustainable economic corridor that can leverage the opportunities created by Net Zero and the drive for decarbonized value chains. This includes the potential for the transportation of green hydrogen between the two nations. The UAE and The Netherlands have been expanding bilateral relations in recent years, with The Netherlands among the UAE's top-five trading partners in the EU. In the first half of 2023, bilateral non-oil trade reached AED11.2bn, representing a 20.4% increase on the same period in 2022. Al Zeyoudi said that the roundtable, which also featured Gerard Paul Marie Hubert Steigs, Ambassador of The Kingdom of the Netherlands to the UAE, helped underline a commitment to working together to develop pioneering solutions to the world's most pressing issues. "The Kingdom of the Netherlands is a long-standing ally in our journey to develop an agile economy that is built on knowledge and innovation. Our private sectors have already forged important joint ventures in sectors such as agri-tech and energy transition, and we believe that there are many more high-value opportunities to explore on the path to Net Zero. We both share a vision of long-term, sustainable growth based on technology and talent, and believe our meeting today will spark a new wave of cooperation on multiple fronts." Prime Minister Mark Rutte agreed that both sides have many synergies on the issue of sustainability. "The United Arab Emirates and the Netherlands have a lot

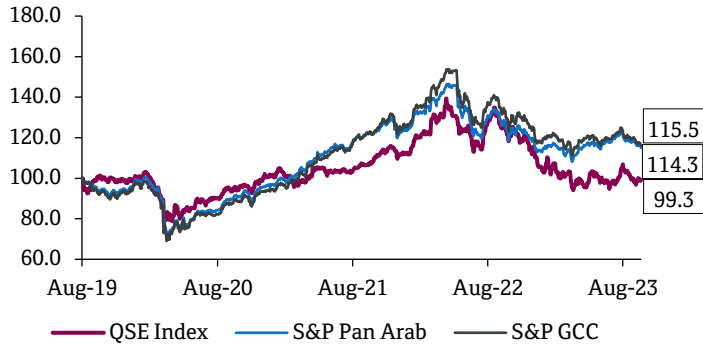
in common. We are both trading nations with a big global impact, so it's only logical that our relationship has a strong focus on trade and investment. But we also both have major ambitions for green hydrogen and that's why we are strengthening ties to create a green hydrogen corridor of the future." The minister also invited Dutch entities to take advantage of the many incentives offered within the UAE's dynamic business ecosystem, which include full foreign ownership, flexible tax policies, and fast-track business setup and licensing. He also highlighted the nation's global connectivity, which is supported by world-class infrastructure and a new generation of trade deals under the Comprehensive Economic Partnership Agreement program. UAE-based exporters now have seamless access to the markets of India, Israel, Indonesia, Türkiye and Cambodia, which represent almost a quarter of the world's population. (Zawya)

- UAE, China explores prospects for cooperation on labor and human resources development** - Dr. Abdulrahman Al Awar, Minister of Human Resources and Emiratisation, welcomed Li Zhong, Vice Minister of Human Resources and Social Security of the People's Republic of China, and his accompanying delegation at the Ministry's headquarters in Dubai. The meeting explored opportunities for the two countries to cooperate and exchange experiences in areas related to labor, human resources development, and skills enhancement. It also discussed the vital role that joint efforts play in promoting growth and encouraging entrepreneurship at a time of significant developments and widespread digital transformation. The two sides went on to present their respective plans for developing priority business sectors. Moreover, the meeting included a review of the UAE's labor market legislation ecosystem and the guarantees it provides for both parties in labor relations to uphold their respective rights, in addition to highlighting processes set up to facilitate business operations and provide social protections for workers around the country. The two sides emphasized their commitment to enhancing cooperation in areas related to labor and human resources development, by organizing future meetings to discuss developments. The meeting was attended by Khalil Ibrahim Al Khoori, Under-Secretary for Human Resources Affairs at the Ministry of Human Resources and Emiratisation (MoHRE); Mohammed Saqer Alnuaimi, Assistant Undersecretary of Support Services Affairs Sector; Shayma Al Awadhi, the Ministry's Assistant Under-Secretary for Communication, and International Relations; and Ayyoob Abdulla Al Marzooqi, Acting Assistant Undersecretary for Policy and Strategy Affairs at the MoHRE. Meanwhile, from the Chinese side, Li Xuhang, Consul-General of the People's Republic of China in Dubai, was present. (Zawya)
- Minister of Economy leads UAE delegation to France to develop economic partnerships** - An official UAE delegation led by Abdullah bin Touq Al Marri, Minister of Economy, will arrive in France this week to explore further development of economic partnerships between the two countries. The visit will focus on enhancing partnerships in the sectors of trade, entrepreneurship, tourism, aviation, travel, new and circular economies, education, health, energy, anti-money laundering, space, AI, and intellectual property in particular. Bin Touq will hold several bilateral meetings with French ministers, officials, and private sector representatives to further enhance the economic and trade relations between the two sides by exploring more promising investment opportunities. The Minister will also participate in a meeting with the private sector, which will also be attended by several officials from both sides, to highlight the promising investment and commercial opportunities offered by the UAE economy. It will turn the spotlight on the advantages that the UAE's business environment offers to investors and entrepreneurs, especially since French investments in the UAE continue to grow. More than 12,500 French economic licenses are active in the UAE as of 10 July 2023. Bin Touq will visit some of the largest business incubators and accelerators in France, namely 'Station F' and the 'Airbus' Creative Centre to exchange experiences and best practices in entrepreneurship, startups and technology, and to learn more about their operations. In addition, he will visit the First Abu Dhabi Bank branch in France. The UAE and France enjoy distinguished trade relations, as reflected by their non-oil trade indicators. The total volume of non-oil foreign trade between the two countries amounted to approximately AED31bn (US\$8.36bn) by the end of 2022, up 22% from 2021. (Zawya)
- India to export 75,000 tons of non-Basmati white rice to UAE** - India has allowed the export of 75,000 tons of non-Basmati white rice to the UAE, according to a government notification. "Export of 75,000 tons of non-Basmati white rice to the UAE is permitted through National Cooperative Exports Limited," the Directorate General of Foreign Trade (DGFT) said in a notice issued on Monday. India exported \$2.2bn of non-Basmati white rice this year, with the UAE, Kenya, Madagascar and Benin among the top destinations, Economic Times, an Indian financial daily, reported. In September 2022, the government banned the export of broken rice to control rising prices and boost domestic supply. The government has allowed non-basmati rice exports to Bhutan, Mauritius and Singapore through the NCEL. In July, India banned exports of widely consumed non-basmati white rice, following a ban on broken rice exports last year. New Delhi imposed a 20% duty on parboiled rice exports a month later. India accounts for more than 40% of world rice exports. (Zawya)
- Dubai Cuts Total Debt to 25% of GDP By Repaying Local Loans** - Dubai said it lowered its total debt to 25% of GDP by repaying loans including those it had secured from Abu Dhabi and the United Arab Emirates central bank, taking advantage of an economic recovery. The emirate repaid a combined 28.5bn dirhams (\$7.8bn) within a year and a half, its media office said on social media site X, citing its debt management office. It repaid 20bn dirhams as part of its total financing from Abu Dhabi and the central bank. The burden has eased as Dubai's economy booms, according to S&P Global Ratings, declining from a high of 78% in 2020. Dubai emerged from the global pandemic as an investment safe haven and a magnet for tourists and the wealthy, helping it recover from a near default in 2009 after receiving a bailout from neighboring Abu Dhabi, the oil-rich capital of the UAE. The luxury real estate market has been a main driver of growth in the past two years, fueled by an influx of newcomers — from crypto millionaires and bankers relocating from Asia to wealthy Russians seeking to shield assets. The government has also brought in a slew of reforms, such as introducing visas for job seekers and freelancers. The repayments were part of a 2022 - 2024 debt sustainability plan that helped reduce liabilities to "a safe and low level," the media office said, citing Rashed Ali Bin Obood Al Falasi, head of the Public Debt Management Office. (Bloomberg)
- Omani economy grows by 2.1% in first half of 2023** - Dr. Said Mohammed Al Saqri, Minister of Economy has affirmed the recovery of the Omani economy from the impact of the Covid-19 pandemic. This, said the minister, reflects positive developments in the performance of overall indicators, as the Omani economy witnessed a growth in fixed prices, amounting to 2.1% during the first half of 2023. In his speech during the media gathering organized by the Ministry of Economy today, the minister explained that this rise was driven by the growth achieved in oil activities by 1.4% and in non-oil activities by 2.1%. He said that the GDP at fixed prices witnessed positive growth rates during 2021 and 2022, amounting to 3% and 4.3%, respectively, in addition to positive developments in the performance of the trade balance and the performance of the financial sector. Moreover, the size of public debt, added the minister, decreased to about 37% of the GDP, which was also reflected in the improvement of the credit rating by many agencies. Dr. Al Saqri pointed out that the policies espoused by the government contributed to improving macroeconomic indicators, as the government prioritized reducing public debt, enhancing development spending and promoting an attractive investment environment to stimulate the performance of the national economy, in addition to rearranging priorities for sustainability and balance in public finance. These policies, said the minister, made it possible to benefit directly from the improvement in global energy prices. In his turn, Dr. Nasser Rashid Al Ma'awali, Undersecretary of the Ministry of Economy, presented the first topic of the media gathering's presentation. He highlighted developments in the global and local economy and reviewed the global economy's future prospects. The Undersecretary also touched on the burdens of global debt and the concern regarding controlling global inflation, as well as the issue of geo-economic competition and the impacts of climate change on the global economic scene. Al Ma'awali pointed out that according to July 2023 report, the International Monetary Fund (IMF) expects growth rate to be at 3% for 2023 and 2024. Global inflation rate is also expected to decrease to 6.8% in 2023 and 5.2% in 2024. He stressed that the

macroeconomic indicators of the national economy point out to improved economic growth paths, which in turn enables the Sultanate of Oman to enhance its competitive capabilities regionally and globally. The performance of most of the major economic sectors are progressing towards achieving the economic goals of Oman Vision 2040, he affirmed. Al Ma'awali said that GDP at fixed prices achieved a growth of 2.1% during the first half of this year, reaching about OMR17bn, compared to about OMR16.7bn during the first half of 2022. He added that as for the GDP at current prices, it reached about OMR20.4bn during the first half of this year, compared to the same period in 2022. The Ministry of Economy's expectations for economic growth rates forecast achieving a growth rate of 2.3% in 2023. The Ministry indicates that the inflation rate is expected to reach about 1% in 2023, compared to about 1.9% according to the International Monetary Fund data, Al Ma'awali said. The Undersecretary explained that the actual data indicate that inflation rates in the national economy are still at safe low levels. The inflation rate, as measured by the consumer price index during the first eight months of 2023, reached about 1.2%. The most prominent initiatives aimed at reducing the effects of inflation are fixing fuel prices, expanding the time frame for redirecting subsidies to electricity, expanding the list of goods exempted from value-added tax (VAT) to reach 513. Other initiatives also include supporting the purchase of wheat, the initiative to support farmers, calculating imported inflation and other initiatives. Meanwhile, Intisar Abdullah Al Wahibi, Director General of Development Planning at the Ministry of Economy, reviewed the executive position on the performance of the tenth five-year development plan 2021-2025 at the level of national axes and priorities. She pointed out that there are 337 strategic programs out of 430 currently being implemented, at a rate of 78%. She said that with regard to the distribution of financial allocations for projects being implemented at the sectors level, as many as 1,915 projects were endorsed from the beginning of the tenth five-year plan until the end of July 2023, noting that the development budget endorsed during the tenth five-year plan amounted to about OMR8bn. She pointed out that in terms of the relative distribution of these projects among the main sectors, the infrastructure sector got the largest share with 940 projects or 53%, followed by the social structures sector with 524 projects or 26%, the service production sector with 258 projects, at a rate of 15%, and the commodity production sector with 193 projects, at a rate of 6%. The meeting also reviewed the key projects being implemented during the tenth five-year plan for the period 2021-2023 in various social and economic sectors such as health, education, governorate development, energy, mining, agricultural and fisheries wealth, in addition to reviewing the most prominent projects approved in 2023 that will be implemented during this year and the coming years. Regarding the performance of the economic diversification sectors compared to the targeted values in 2025, the Director General of Development Planning at the Ministry of Economy explained that the contribution of the converting industries sector to the GDP at fixed prices amounted to about 9.7% in the first half of this year compared to the targeted value of about 11.8% in 2025, while the contribution of the transportation and logistics sector reached 5.9%, compared to the target of 7.3% in 2025. At the level of the food security sector, the contribution of the agricultural activity exceeded the target value of 1.2%, reaching about 1.5%. Meanwhile, the contribution of the fisheries activity reached about 0.8%, compared to the target of 1.7%. At the level of the mining sector, it exceeded the target value of 0.6%, reaching a contribution of 0.7%, while the tourism sector's contribution reached about 2.4% in 2022 compared to the target values of 3% in 2025. During the gathering, Dr. Salim Al Alsheikh, Director General of Research and Development Studies, reviewed the economic programs and initiatives undertaken by the Ministry of Economy in various fields. He said that the Ministry of Economy is working on a group of projects in the field of behavioral economics, notably developing applied guides on behavioral economics and a professional diploma in behavioral economics. The Ministry also provides institutional consultations in this field, in addition to participating in a number of government initiatives and projects. Dr. Salim said that the "Behavior Change Challenge" initiative will be launched during the coming period with the aim of finding solutions and alternatives to some challenges using behavioral economics tools and methods. Regarding the most important international indicators monitored by the National Competitiveness Office, he said that the office monitors the Sultanate of Oman's

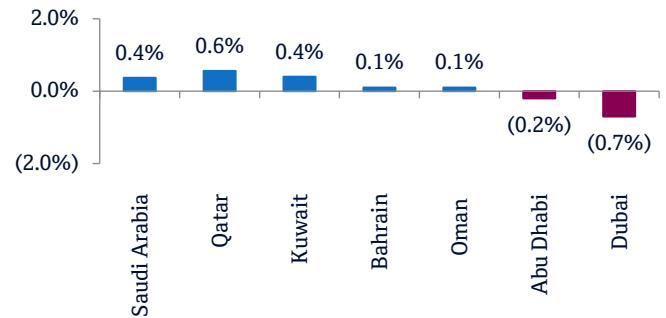
performance in 13 international indicators, including 7 main indicators and 6 secondary ones. Dr. Salim added that among the indicators in which the Sultanate of Oman has achieved progress are the economic freedom index, in which Oman ranked 95 out of 184 countries in 2023, the soft power index (ranked 46 out of 121 countries), and the food security index (ranked 35 out of 113 nations). He also highlighted the executive position of the National Initiative towards Empowering an AI-Enhanced Economy, which is a national initiative that aims to enable and encourage investment and integration of artificial intelligence applications and technologies into development projects and programs in the economic diversification sectors. The number of projects, specified in the tenth five-year development plan, stand at 18. The number of units that have proposed artificial intelligence projects are 11. Work is currently underway to evaluate and approve these projects at a later time. He pointed out that in the field of international cooperation, the Sultanate of Oman signed 34 agreements on the encouragement and mutual protection of investments between the government of Oman and other countries of the world. On the Arab level, the Sultanate of Oman, signed the Agreement on Liberalization of Trade in Services among Arab States. (Zawya)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,900.65	(0.8)	(1.3)	4.2
Silver/Ounce	22.85	(1.3)	(3.0)	(4.6)
Crude Oil (Brent)/Barrel (FM Future)	93.96	0.7	0.7	9.4
Crude Oil (WTI)/Barrel (FM Future)	90.39	0.8	0.4	12.6
Natural Gas (Henry Hub)/MMBtu	2.55	(2.7)	(3.0)	(27.6)
LPG Propane (Arab Gulf)/Ton	71.80	1.8	1.1	1.5
LPG Butane (Arab Gulf)/Ton	85.50	17.1	18.3	(15.8)
Euro	1.06	(0.2)	(0.8)	(1.2)
Yen	149.07	0.1	0.5	13.7
GBP	1.22	(0.4)	(0.7)	0.6
CHF	1.09	(0.4)	(1.0)	1.0
AUD	0.64	(0.4)	(0.7)	(6.1)
USD Index	106.23	0.2	0.6	2.6
RUB	110.69	0.0	0.0	58.9
BRL	0.20	(0.5)	(1.1)	5.9

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,844.83	(1.2)	(1.2)	9.3
DJ Industrial	33,618.88	(1.1)	(1.0)	1.4
S&P 500	4,273.53	(1.5)	(1.1)	11.3
NASDAQ 100	13,063.61	(1.6)	(1.1)	24.8
STOXX 600	447.70	(0.8)	(2.0)	4.0
DAX	15,255.87	(1.2)	(2.7)	8.1
FTSE 100	7,625.72	(0.3)	(1.4)	3.0
CAC 40	7,074.02	(0.9)	(2.3)	7.8
Nikkei	32,315.05	(1.2)	(0.7)	8.9
MSCI EM	947.18	(1.1)	(1.8)	(1.0)
SHANGHAI SE Composite	3,102.27	(0.4)	(1.1)	(5.2)
HANG SENG	17,466.90	(1.6)	(3.3)	(11.9)
BSE SENSEX	65,945.47	(0.3)	(0.5)	7.6
Bovespa	114,193.43	(1.7)	(2.7)	10.4
RTS	998.49	0.1	(0.2)	2.9

Source: Bloomberg (*\$ adjusted returns if any #)

Contacts

QNB Financial Services Co. W.L.L.
Contact Center: (+974) 4476 6666
info@qnbfs.com.qa
Doha, Qatar

Saugata Sarkar, CFA, CAIA
Head of Research
saugata.sarkar@qnbfs.com.qa

Shahan Keushgerian
Senior Research Analyst
shahan.keushgerian@qnbfs.com.qa

Phibion Makuwerere, CFA
Senior Research Analyst
phibion.makuwerere@qnbfs.com.qa

Roy Thomas
Senior Research Analyst
roy.thomas@qnbfs.com.qa

Dana Saif Al Sowaidi
Research Analyst
dana.alsowaidi@qnbfs.com.qa

Disclaimer and Copyright Notice: This publication has been prepared by QNB Financial Services Co. W.L.L. ("QNBFS") a wholly-owned subsidiary of Qatar National Bank (Q.P.S.C.). QNBFS is regulated by the Qatar Financial Markets Authority and the Qatar Exchange. Qatar National Bank (Q.P.S.C.) is regulated by the Qatar Central Bank. This publication expresses the views and opinions of QNBFS at a given time only. It is not an offer, promotion or recommendation to buy or sell securities or other investments, nor is it intended to constitute legal, tax, accounting, or financial advice. QNBFS accepts no liability whatsoever for any direct or indirect losses arising from use of this report. Any investment decision should depend on the individual circumstances of the investor and be based on specifically engaged investment advice. We therefore strongly advise potential investors to seek independent professional advice before making any investment decision. Although the information in this report has been obtained from sources that QNBFS believes to be reliable, we have not independently verified such information and it may not be accurate or complete. QNBFS does not make any representations or warranties as to the accuracy and completeness of the information it may contain, and declines any liability in that respect. For reports dealing with Technical Analysis, expressed opinions and/or recommendations may be different or contrary to the opinions/recommendations of QNBFS Fundamental Research as a result of depending solely on the historical technical data (price and volume). QNBFS reserves the right to amend the views and opinions expressed in this publication at any time. It may also express viewpoints or make investment decisions that differ significantly from, or even contradict, the views and opinions included in this report. This report may not be reproduced in whole or in part without permission from QNBFS.

COPYRIGHT: No part of this document may be reproduced without the explicit written permission of QNBFS.