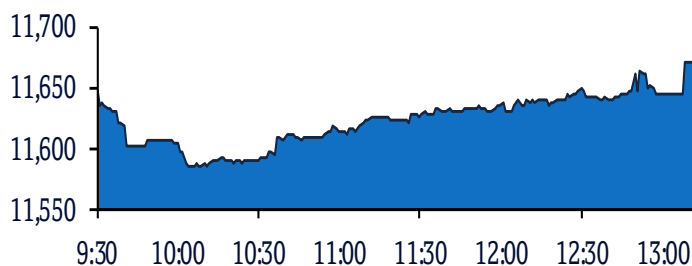


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.4% to close at 11,670.1. Gains were led by the Industrials and Transportation indices, gaining 0.8% and 0.7%, respectively. Top gainers were Ahli Bank and Mesaieed Petrochemical Holding, rising 4.2% and 2.6%, respectively. Among the top losers, Al Khaleej Takaful Insurance Co. fell 2.1%, while Islamic Holding Group was down 1.8%.

GCC Commentary

Saudi Arabia: The TASI Index fell marginally to close at 11,327.5. Losses were led by the Commercial & Professional Svc and Consumer Durables & Apparel indices, falling 2.7% and 2.2%, respectively. Sadr Logistics Co. declined 10.0%, while Sedco Capital Reit Fund was down 6.4%.

Dubai: The DFM Index fell 0.2% to close at 3,191.0. The Investment & Financial Services index declined 2.9%, while the Services index fell 0.8%. Dubai National Insurance declined 9.2%, while Dubai Financial Market was down 7.4%.

Abu Dhabi: The ADX General Index fell 0.3% to close at 8,464.6. The Investment & Financial Services index declined 1.1%, while the Energy index fell 0.9%. Sharjah Insurance Company declined 9.4%, while Alpha Dhabi Holding was down 3.9%.

Kuwait: The Kuwait All Share Index gained 0.1% to close at 7,051.2. The Consumer Discretionary index rose 0.4%, while the Telecommunications index gained 0.4%. Yiacco Medical Co. rose 9.6%, while Gulf Franchising Holding Co. was up 9.5%.

Oman: The MSM 30 Index gained 0.6% to close at 4,172.1. Gains were led by the Financial and Services indices, rising 0.8% and 0.2%, respectively. Ominvest rose 4.6%, while Al Omaniya Financial Services was up 2.4%.

Bahrain: The BHB Index fell 0.3% to close at 1,792.2. The Real Estate index declined 1.7%, while the Communications Services index fell 0.5%. Al Baraka Banking Group declined 2.3%, while Seef Properties was down 2.2%.

Market Indicators	03 Jan 22	02 Jan 22	%Chg.
Value Traded (QR mn)	162.6	169.8	(4.2)
Exch. Market Cap. (QR mn)	668,133.1	665,147.8	0.4
Volume (mn)	75.4	75.2	0.2
Number of Transactions	4,760	4,172	14.1
Companies Traded	43	43	0.0
Market Breadth	19:21	10:31	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	23,101.66	0.4	0.4	0.4	16.3
All Share Index	3,697.38	0.4	(0.0)	(0.0)	162.2
Banks	4,974.94	0.3	0.3	0.3	15.4
Industrials	4,029.56	0.8	0.2	0.2	16.6
Transportation	3,575.31	0.7	0.5	0.5	17.8
Real Estate	1,772.73	0.5	1.9	1.9	15.2
Insurance	2,628.94	(0.3)	(3.6)	(3.6)	15.7
Telecoms	1,043.34	0.2	(1.4)	(1.4)	N/A
Consumer	8,097.90	(0.5)	(1.4)	(1.4)	21.7
Al Rayan Islamic Index	4,753.89	0.4	0.8	0.8	18.7

GCC Top Gainers###	Exchange	Close#	1D%	Vol. '000	YTD%
Bank Al Bilad	Saudi Arabia	50.00	4.6	2,121.0	7.9
Ominvest	Oman	0.32	4.6	6.0	4.6
Mesaieed Petro. Holding	Qatar	2.19	2.6	4,876.7	4.9
Arab National Bank	Saudi Arabia	23.82	2.5	644.8	4.2
Bank Dhofar	Oman	0.13	2.4	50.0	2.4

GCC Top Losers###	Exchange	Close#	1D%	Vol. '000	YTD%
Sahara Int. Petrochemical	Saudi Arabia	40.50	(3.2)	4,884.6	(3.6)
Advanced Petrochem. Co.	Saudi Arabia	68.20	(2.3)	259.6	(3.1)
Rabigh Refining & Petro.	Saudi Arabia	20.52	(2.2)	1,968.9	(0.9)
Banque Saudi Fransi	Saudi Arabia	47.00	(1.8)	432.1	(0.5)
United Electronics Co	Saudi Arabia	139.40	(1.7)	147.2	3.0

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%
Ahli Bank	3.99	4.2	0.2	4.2
Mesaieed Petrochemical Holding	2.19	2.6	4,876.7	4.9
Qatar Navigation	7.74	1.8	673.5	1.3
Widam Food Company	3.59	1.4	39.8	(0.0)
United Development Company	1.58	1.1	1,107.8	2.6

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Salam International Inv. Ltd.	0.80	(1.6)	12,974.1	(2.3)
Mazaya Qatar Real Estate Dev.	0.91	(0.5)	10,705.4	(1.4)
Investment Holding Group	1.21	(0.7)	7,805.2	(1.9)
Gulf International Services	1.68	(0.8)	6,938.4	(2.1)
Mesaieed Petrochemical Holding	2.19	2.6	4,876.7	4.9

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Al Khaleej Takaful Insurance Co.	3.54	(2.1)	73.2	(1.7)
Islamic Holding Group	3.81	(1.8)	389.2	(3.4)
Qatari German Co for Med. Dev.	3.07	(1.6)	695.3	(3.6)
Salam International Inv. Ltd.	0.80	(1.6)	12,974.1	(2.3)
Al Meera Consumer Goods Co.	19.31	(1.5)	13.2	(1.5)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	20.18	0.4	17,195.1	(0.0)
Gulf International Services	1.68	(0.8)	11,637.2	(2.1)
Mesaieed Petrochemical Holding	2.19	2.6	10,520.9	4.9
Salam International Inv. Ltd.	0.80	(1.6)	10,409.6	(2.3)
Mazaya Qatar Real Estate Dev.	0.91	(0.5)	9,664.0	(1.4)

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*	11,670.10	0.4	0.4	0.4	0.4	44.51	182,066.3	16.3	1.7	2.5
Dubai	3,190.97	(0.2)	(0.2)	(0.2)	(0.2)	77.32	111,735.2	19.9	1.1	2.4
Abu Dhabi	8,464.57	(0.3)	(0.3)	(0.3)	(0.3)	350.48	412,165.8	23.0	2.6	2.7
Saudi Arabia	11,327.52	(0.0)	0.4	0.4	0.4	1,763.21	2,661,861.9	25.0	2.4	2.4
Kuwait	7,051.20	0.1	0.1	0.1	0.1	73.00	135,839.3	21.0	1.6	2.0
Oman	4,172.14	0.6	1.0	1.0	1.0	8.46	19,121.5	11.7	0.8	3.8
Bahrain	1,792.24	(0.3)	(0.3)	(0.3)	(0.3)	2.29	28,854.4	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 0.4% to close at 11,670.1. The Industrials and Transportation indices led the gains. The index rose on the back of buying support from GCC and foreign shareholders despite selling pressure from Qatari and Arab shareholders.
- Ahli Bank and Mesaieed Petrochemical Holding were the top gainers, rising 4.2% and 2.6%, respectively. Among the top losers, Al Khaleej Takaful Insurance Co. fell 2.1%, while Islamic Holding Group was down 1.8%.
- Volume of shares traded on Monday rose by 0.2% to 75.4mn from 75.2mn on Sunday. However, as compared to the 30-day moving average of 119.1mn, volume for the day was 36.7% lower. Salam International Inv. Ltd. and Mazaya Qatar Real Estate Dev. were the most active stocks, contributing 17.2% and 14.2% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	39.67%	52.00%	(20,053,070.0)
Qatari Institutions	19.96%	19.93%	42,908.3
Qatari	59.63%	71.93%	(20,010,161.7)
GCC Individuals	1.16%	0.62%	870,399.7
GCC Institutions	2.01%	2.42%	(664,148.5)
GCC	3.17%	3.04%	206,251.2
Arab Individuals	13.15%	14.93%	(2,900,468.5)
Arab Institutions	0.00%	0.00%	-
Arab	13.15%	14.93%	(2,900,468.5)
Foreigners Individuals	3.32%	5.76%	(3,962,840.2)
Foreigners Institutions	20.74%	4.34%	26,667,219.2
Foreigners	24.06%	10.10%	22,704,379.0

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

Global Economic Data and Earnings Calendar

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
03-01	US	Markit	Markit US Manufacturing PMI	Dec	57.7	57.7	57.8
03-01	US	U.S. Census Bureau	Construction Spending MoM	Nov	0.40%	0.60%	0.40%
03-01	EU	Markit	Markit Eurozone Manufacturing PMI	Dec	58	58	58
03-01	Germany	Markit	Markit/BME Germany Manufacturing PMI	Dec	57.4	57.9	57.9
03-01	France	Markit	Markit France Manufacturing PMI	Dec	55.6	54.9	54.9
03-01	India	Markit	Markit India PMI Mfg	Dec	55.5	--	57.6

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

Earnings Calendar

Tickers	Company Name	Date of reporting 4Q2021 results	No. of days remaining	Status
QNBK	QNB Group	11-Jan-22	7	Due
ABQK	Ahli Bank	13-Jan-22	9	Due
QIBK	Qatar Islamic Bank	16-Jan-22	12	Due
QFLS	Qatar Fuel Company	18-Jan-22	14	Due

Source: QSE

Qatar

- Qatar's LNG exports rise 1% to 84mn tons in 2021** – Qatar's total exports of liquefied natural gas rose in 2021 by 1.1% to about 83.9mn tons, according to data compiled and monitored by CNBC Arabia. Last year, Qatar topped the list of major suppliers for the fifth year in a row, equivalent to 22% of the world's trade of liquefied natural gas. In 2021, Qatar's exports of liquefied natural gas reached 25 destinations around the world, of which about 54.2mn tons were for the Asian market, with a rate of 67.6%, and the European market is about 16.4mn tons, or 20.5%. Last year, South Korea topped the destinations for Qatari gas with a total of 10.8mn tons, then India with 10.1mn tons, and Qatar's exports of liquefied gas to China are expected to jump from 8.5mn tons last year to 13.5mn tons as of 2022, pursuant to three agreements signed by Qatar. Energy with Chinese companies in 2021. (Bloomberg)
- QatarEnergy awards contract for North Field Expansion Project offshore facilities** – QatarEnergy announced Monday the awarding of a major Engineering, Procurement, Construction, and Installation (EPCI) Contract for the offshore scope of its North Field Expansion Project to McDermott Middle East Inc. The scope for the awarded contract includes 13 normally unmanned wellhead platforms topsides (eight for NFE and five for NFS), in addition to various connecting pipelines and the shore approaches for the NFE pipelines, beach valve stations and buildings. In a statement, QatarEnergy said that the jackets and the pipelines for the NFS Project will be subject to a separate tender which is expected to be awarded in the first half of 2022. The expansion project will increase the State of Qatar's liquefied natural gas (LNG) production capacity from 77mn tons per annum (MTPA) to 126 MTPA, through the North Field East (NFE) and North Field South (NFS) expansion projects, with first LNG expected in 2025. (Gulf-Times.com)
- VFQS opens nominations for its board membership for 2022** – Vodafone Qatar (VFQS) announced the opening of nominees for the board memberships, years from 2022 to 2024. Applications will be accepted starting from January 04, 2022 till 02:00 PM of January 18, 2022. (QSE)
- QFLS board of directors to meet on January 19 and Conference Call on January 20** – Qatar Fuel Company (QFLS) has announced that its board of directors will be holding a meeting on January 19, 2022 to discuss the company's business and activities report and its financial statements for the year 2021 that ended on December 31, 2021. Further, it announced that the conference call with the Investors to discuss the financial results for the Annual 2021 will be held on January 20, 2022 at 11:00 AM , Doha Time. (QSE)
- QIIK to disclose its Annual financial results on January 24** – Qatar International Islamic Bank (QIIK) will disclose its financial statement for the period ending December 31, 2021 on January 24, 2022. (QSE)
- QATI holds 'Time Capsule' event, aims to be world's largest insurance company** – Qatar Insurance Group (QATI), the largest insurance company in the Mena region, held the "Time Capsule" event at its head-quarters recently where it welcomed employees, staff and management to a one-of-a-kind end of the year event which also coincided with the day the company was established 57 years ago. The Group's successes, full fledged digital transformation and international expansion is well underway and the event was an opportunity to gather on-site to celebrate the Group's accomplishments and ensure that a selection of pertinent documents, photos, messages and items that best symbolize QATI's achievements will be available to remind the future generation of the Company's present vision. During the event, Salem Al Mannai, Group CEO of QATI Group, joined the other officials on stage to place the selected items in the 'Time Capsule', which will be opened in 2064. "The time capsule will provide snapshots of this era when it's opened on the Group's 100th anniversary. The items placed are symbolic of QATI's history and are well representative of our core asset - our employees' - hopes for the Group's future," said Al Mannai. (Peninsula Qatar)
- Indosat Ooredoo records 24% increase in data traffic during new year** – Indosat Ooredoo has managed to maintain good network performance in anticipating the digital telecommunications needs of its customers during the 2021 Christmas holiday and 2022 New Year's holidays. In this holiday season, Indosat Ooredoo recorded the highest daily data traffic growth with a 24% increase on January 1, 2022, where up to 98% of them can be served on the 4G network. (Bloomberg)
- ORDS launches three new express shops** – Ooredoo Qatar (ORDS) inaugurated three new Ooredoo Express shops during December 2021, it was announced. On December 12, a shop each opened at Al Shafi Street, Muither, managed by PD Jumbo, and at Al Maha complex in New Industrial Area, managed by Telegraph & Telecom (TT). The following day, an additional TT-managed Ooredoo Express shop opened in Al Khor industrial area. (Gulf-Times.com)
- Qatar Chamber survey recommends increasing QDB's capital to QR50bn** – A recent study by Qatar Chamber has recommended increasing the capital of Qatar Development Bank (QDB) to QR50bn and reconsidering procedures of finance and allocation of lands, as well as reconsidering some aspects of the Investment of Non-Qatari Capital in the Economic Activity Law. Titled 'Qatar's Current Investment Climate', the study focused on the adequacy of incentives and facilities provided by the State to attract foreign investments, and how encouraging they are for local businessmen and investors. The study touched on direct and indirect incentives and facilities provided by the State to local and foreign investors. It also delved into how these incentives are provided and how easy and comprehensive they are. It also reported the views of a number of Qatari businessmen and private sector stakeholders focusing on two main elements: the finance and the allocation of equipped lands for investment projects. The study noted that the State launched a host of strategies over the past years for the purpose of providing more incentives and facilities to local and foreign investors and paving the way for the private sector to expand its activities and maximize its GDP share to expand sources of income away from oil and gas. (Gulf-Times.com)
- 4,300 firms benefitted from QDB guarantees worth QR3.6bn** – Qatar Development Bank (QDB) has concluded 2021 with numerous feats added to its record of achievements, and the marking of several milestones in its ongoing journey to empower private sector companies and contribute to the development of the SME ecosystem in Qatar across its three access-based pillars to private-enterprise support; access to finance, access to capability, and access to local, regional, and international markets. In 2021, QDB was able to continue its support for the private sector against the repercussions of the pandemic. In this endeavor, the number of beneficiaries of the National Guarantee Program by the end of 2021 reached approximately 4,300 eligible companies across various sectors that were issued guarantees amounting to QR3.6bn, in addition to helping companies thrive in the new economy by harnessing digital and smart solutions, such

as its newly launched NUMU digital platform for financing industrial SMEs and the Qatar Virtual Exhibition, which connects exporting Qatari SMEs with importers and buyers from all over the world. In parallel, financing reached QR7.2bn, which was used to support over 800 SMEs, in addition to a boost in export financing by 22% with a cumulative total support of QR1.54bn. Moreover, capital deployed in SMEs reached QR66mn, marking an 11% growth over the previous year. (Qatar Tribune)

- QCB: Qatar payment systems process nearly 134mn transactions worth QR4.1tn in 2020** – Qatar’s payment systems processed close to 134mn transactions worth QR4.1tn in 2020, the QCB said and noted customer payments accounted for more than 99% of the total payments. In the previous year, some 135mn transactions worth QR4.3tn were processed, the Qatar Central Bank said in its latest Financial Stability Review (FSR). In terms of the value of transactions, customer payments accounted for 46.8% of the total payments in Qatar in 2020, followed by central bank operations (36.4%) and other interbank payments (16.7%). Among the QCB-operated payment systems, Real Time Gross Settlement System (RTGS) and National ATM and Point of Sale Switch (NAPS) remained the most systemically important systems with RTGS handling 83.1% of the total customer and interbank payments in value terms and NAPS handling 90.2% of the payments in terms of volume. Qatar’s payment system consists of several wholesale and retail payment systems that handle the financial transactions, in Qatari riyals, among the banks within Qatar. It includes RTGS, Electronic Cheque Clearing System (ECCS), QATCH that facilitates settlement of bulk direct credit and direct debit transactions, NAPS, the electronic payment gateway used for switching and settling of ATM/POS/e-commerce transactions and the newly launched Qatar Mobile Payment System (QMPS). (Gulf-Times.com)
- QFC wraps up a successful year** – The Qatar Financial Centre (QFC), a leading onshore financial and business center in the region, has wrapped up a successful year as it attracted companies from different geographies and sectors, signed several important agreements and hosted many high-level event in 2021. The number of registered firms on QFC’s platform crossed over 1450, exceeding its target of registering 1,000 companies by 2022. QFC witnessed significant growth in 2021 and demonstrated resilience to navigate extreme economic times, turning these unprecedented conditions into another successful year. “We reached over 1,452 registered firms to date, surpassing our target of 1,000 companies by 2022,” said QFC on one of its social media sites. By attracting companies from across the world, QFC is playing a key role in further advancing economic diversification in the country. Last year was also a busy period for QFC as it organized several important events. The year 2021 was also a year of forging new ties with organizations and companies. QFC signed a total of 20 Memoranda of Understanding (MoU) last year. On top of the MoUs signed with Russian firms during the 24th St. Petersburg International Economic Forum (SPIEF), QFC also forged partnerships with the Ministry of Justice (MoJ), Qatar Central Securities Depository, the Supreme Committee for Delivery & Legacy, Qatar Credit Bureau, Qatar Museums, Ooredoo Qatar, Qatar Development Bank, Qatar Research and Development Institute, the Institute of Chartered Accountants of India, Rwanda Finance, and Labuan International Business and Financial Centre. (Peninsula Qatar)
- Qatar tops quality of life index in Arab world** – Qatar has ranked first among Arab countries in the assessment index on quality of life of citizens, according to Kuwait-based think-tank CSRGulf. This is Qatar’s second straight year to top the 20-list survey, while the UAE and Kuwait completed the top three. Bahrain, Oman, Saudi Arabia, Jordan, Morocco, Algeria, and

Tunisia finished in the top ten. According to the index, this year’s classification was based on over 15 indicators and sub-indicators. The survey considered the response to the COVID-19 pandemic, measuring the security threats index provided by the Global Peace Index, climate threats, and pollution. Other indicators are human development, education, the efficiency of distance education, social integration, social progress, freedom, democracy, crime and anti-corruption efforts, and unemployment. (Peninsula Qatar)

- Bu Garn vaccination facility for business, industry to open on January 9** – The Ministry of Public Health (MoPH) on Monday reiterated that the Qatar Vaccination Center – for Business and Industry Sector will open in Bu Garn on January 9 and administer Covid-19 vaccines to key business and industry workers. The initiative follows a similar set up and operational model to the Qatar Vaccination Center – for Business and Industry Sector which was open in Doha’s Industrial Area from June to October 2021. (Gulf-Times.com)
 - Grace period to correct visa status extended until March 31** – The Ministry of Interior (MOI) has extended the time limit to correct the illegal status of expatriates, who have violated the provisions of Law No. (21) of 2015 regulating the entry, exit and residence of expatriates, until March 31. In a statement, the ministry said that this procedure comes within the framework of its keenness to take into account the interests of company owners and expatriate workers to benefit from the 50% reduction in the amount of reconciliation. Accordingly, every violating expatriate or violating applicant must, during the period specified above, submit a request for reconciliation to the Search and Follow-up Department or to any of the following service centers that receive requests to transfer residence permit from one applicant to another (Umm Salal, Al Rayyan, Mesaimeer, Al Wakra, and Umm Sanim), or any of the following service centers that accept reconciliation applications and the issuance and renewal of the Residence Permit (RP) for the same employer (Al Shamal, Al Khor, Al Daayen, Umm Salal, Al Lulu, Unaizah, Souq Waqif, Al Rayyan, Umm Sanim, Al Sheehaniya, Mesaimeer, Al Wakra, and Dukhan). (Gulf-Times.com)
 - France Tax Agency posts synthesized text of DTA with Qatar** – The French General Directorate of Public Finance Dec. 30 posted online a synthesized text of the 1990 DTA, 1993 protocol, and 2008 protocol with Qatar and the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (MLI), which entered into force April 1, 2020. The MLI applies from: 1) Jan. 1, 2021, for withholding taxes; and 2) Oct. 1, 2020, for all other taxes. The synthesized text is to facilitate the application of the MLI but isn’t a source of law. (Bloomberg Law)
 - Domestic production ‘stable’ amid lull amongst global supply chains, says agri expert** – Qatar’s domestic agricultural production has remained stable amid the impact of the Covid-19 pandemic on global logistics and supply chains, an expert has told Gulf Times. Nasser Ahmed Al-Khalaf, also the Managing Director of Agrico, said this resiliency of Qatar’s local agri production is one of the milestones the country’s agricultural sector has achieved at the height of the global health crisis and in 2021. (Gulf-Times.com)
- International**
- Homebuilding lifts US construction spending in November** – US construction spending increased in November amid strong gains in single-family homebuilding, but outlays on public projects were weak. The Commerce Department said on Monday that construction spending rose 0.4% after a similar advance in October. Economists polled by Reuters had forecast construction spending climbing 0.6%. Construction spending increased 9.3%

on a YoY basis in November. Spending on private construction projects rose 0.6% in November. Outlays on residential construction surged 0.9%. Single-family homebuilding spending shot up 1.2%, but outlays on multi-family housing projects dipped 0.3%. Homebuilding remains constrained by shortages, which are boosting prices of building materials. Residential investment contracted for a second straight quarter in the third quarter, weighed down by decreases in home improvements and single-family homebuilding. Investment in private non-residential structures like gas and oil well drilling edged up 0.1% in November. Spending on structures declined for a second straight quarter in the July-September period, led by commercial and healthcare structures. Spending on public construction projects fell 0.2% in November. Outlays on state and local government construction projects dropped 0.2%, while federal government spending decreased 0.4%. (Reuters)

- **UK government seeks to mitigate workforce disruption from Omicron** – The British government has asked public sector managers to test their contingency plans against a worst-case scenario of 25% staff absence as part of efforts to minimize disruption from the rapid spread of the Omicron variant of COVID-19. With daily infection numbers at a record high and people who test positive required to self-isolate for at least seven days, the government expects businesses and public services to face disruption in the coming weeks, it said in a statement. "So far, disruption caused by Omicron has been controlled in most parts of the public sector, but public sector leaders have been asked to test plans against worst case scenarios of workforce absence of 10%, 20% and 25%," it said. Prime Minister Boris Johnson has asked ministers to work closely with their respective sectors to develop robust contingency plans, said the Cabinet Office, which is coordinating the government's efforts. The impact of Omicron on workforces in supply chains, public services and schools is being closely monitored, it said. Mitigations being considered include asking for volunteers such as retired teachers to go back to work. "There is work ongoing to identify potential regulatory, policy or operational changes which could minimize or alleviate potential disruption," the Cabinet Office said. The daily number of new COVID-19 infections across the UK rose to a record 189,846 on Friday, far higher than during previous peaks. However, hospitalizations and deaths have remained at much lower levels than in previous waves. (Reuters)
- **PMI: Eurozone factory growth stayed strong in Dec as supply issues eased** – Manufacturing activity in the euro zone remained resilient at the end of 2021 as factories took advantage of an easing in supply chain bottlenecks and stocked up on raw materials at a record pace, a survey showed. The global coronavirus pandemic had left factories struggling to get the materials they need and sent costs soaring, but a tentative easing of the supply issues led to a marked decrease in price pressures. IHS Markit's final manufacturing Purchasing Managers' Index (PMI) dipped to 58.0 in December from November's 58.4, matching an initial "flash" estimate and still comfortably above the 50 mark separating growth from contraction. An index measuring output, which feeds into a composite PMI due on Wednesday and seen as a good guide to economic health, held steady at November's 53.8. "It has been an incredibly challenging period for euro zone manufacturers this second half of 2021, but the latest survey data hasn't spoiled the festive cheer too much," said Joe Hayes, senior economist at IHS Markit. "We're seeing some tentative, but very welcome signs that the supply chain crisis which has plagued production lines all across Europe is beginning to recede. Although what gains to be had were only marginal ... PMI data showed stocks of purchases rising at a survey- record rate in December". That easing meant the input prices index sank to an albeit still high eight-month low of 86.7 from 88.9, allowing

factories to raise their prices at a much slower pace than in November. "Easing inflation rates are again a welcome sign, but we're still in hot territory," Hayes added. The European Central Bank took another small step in rolling back crisis-era stimulus last month but raised its inflation projections and now sees it at 3.2% this year, well above its 2.0% target. (Reuters)

- **PMI: French manufacturing growth slowed less than first thought in December** – French manufacturing growth slowed a little less than initially thought in December, a survey showed on Monday, helped by new orders and some improvements in the supply-chain situation. Data compiler IHS Markit said its final Purchasing Managers' Index for December dipped to 55.6 points from 55.9 points in November. However, the final December figure was better than a preliminary "flash" reading of 54.9 points, and the index remained well above the 50-point line dividing expansions in activity from contractions. "The December PMI survey gave us a few reasons to be a bit more optimistic towards the manufacturing sector," said IHS Markit senior economist Joe Hayes. "Manufacturers expect order books to begin filling a lot faster as the supply situation improves. Overall, the stabilization in the output and new order indices following the harsh slowdown in the second half of 2021, combined with some alleviation of supply-side constraints, suggests growth rates could get better in 2022," added Hayes. French companies such as transport equipment manufacturer Alstom and plane maker Airbus won major contracts in December. (Reuters)
- **PMI: Japan's factory activity growth softens in December** – Japan's manufacturing activity grew for an 11th straight month in December, but at a slower pace than in the prior month as output and new order growth softened while cost pressures stayed elevated. Businesses benefited from the weakening impact of the coronavirus pandemic as they shook off some of the drag of the health crisis, though new export sales growth eased amid a rise in COVID-19 cases in South Korea. The final au Jibun Bank Japan Manufacturing Purchasing Managers' Index (PMI) in December fell to 54.3 on a seasonally adjusted basis, easing from the previous month's 54.5. The figure, which compared with a 54.2 flash reading, still pointed to a solid improvement in operating conditions in the manufacturing sector. "Domestic markets were buoyed by a gradual recovery from the COVID-19 pandemic," said Usamah Bhatti, economist IHS Markit, which compiles the survey. A recovery in parts supplies eased some of the strains in car manufacturing, even as high-tech chips remain in great demand around the world. But foreign orders for Japanese manufactured goods saw their growth rate soften compared to the average for the year as a whole as a sharp rise in coronavirus infections, especially in South Korea, hurt demand, the survey showed. Japan's economy suffered from the global chip supply shortage in the third quarter of 2021, declining an annualized 3.6% in part due to a blow to output and exports in that quarter from production bottlenecks. While output is expected to rebound in the final quarter last year, manufacturers' average lead times across that period registered their worst quarterly performance since the survey began, Bhatti said. "Though still optimistic, Japanese goods producers were wary of the continued impact of the pandemic and supply chain disruption, which resulted in confidence dipping to the softest since August," he added. (Reuters)
- **Caixin PMI: China's December factory activity returns to growth, beats forecasts** – China's factory activity grew at its fastest pace in six months in December, driven by production hikes and easing price pressures, but a weaker job market and business confidence added uncertainty, a private survey showed on Tuesday. The Caixin/Markit Manufacturing Purchasing Managers' Index (PMI) rose to 50.9 in December - its highest level since June. Economists in a Reuters poll had expected the index

to rise to 50.0, which separates growth from contraction on a monthly basis, from November's 49.9. The relative strength in the Caixin PMI tallies with an official survey released on Friday which showed China's factory activity edged up. Factory output increased at the fastest pace in a year, the private survey showed, helped by easing price pressures. A gauge of input prices fell to the lowest level since May 2020. Soaring raw materials prices, which have weighed on manufacturers, have eased recently amid government efforts to increase supply and stabilize prices. But the survey also showed new export orders fell, albeit at a slower pace, and a gauge for employment continued to contract, hitting the lowest level since February. The world's second-largest economy has lost momentum since the early summer after rebounding from last year's pandemic slump, weighed down by a slowing manufacturing sector, debt problems in the property market, and small-scale COVID-19 outbreaks. Analysts expect a further slowdown in fourth-quarter gross domestic product (GDP), after the economy grew 4.9% in July-September. The wealthy Zhejiang province on China's eastern coast saw a small-scale COVID-19 outbreak in December, which has now subsided, but some firms were forced to suspend production. In the northwest, the industrial and tech hub of Xian has been under lockdown as a local outbreak continues to spread in the city of 13mn. This year, debt crises at major real estate developers amid a crackdown on the property sector have also hurt an industry critical to China's economic growth. The central bank has said it will keep monetary policy flexible next year as it seeks to stabilize growth and lower financing costs for businesses amid growing economic headwinds. "Policymakers should focus on shoring up employment as well as on targeted support to small and midsize businesses," said Wang. (Reuters)

- **Brazil posts 2021 record trade surplus of \$61bn** – Brazil posted a record \$61bn trade surplus in 2021, official data showed on Monday, and the Economy Ministry expects that figure to reach \$79.4bn this year due to a decline in imports. Last year, exports reached a record \$280.4bn in Latin America's largest economy, mainly due to a rise in prices amid the COVID-19 pandemic, while imports totaled \$219.4bn. There was growth in exports mainly to the US, which surged 44.9%. Sales to China - Brazil's biggest trading partner - rose 28%. The biggest increase in imports in 2021 came from goods from the Mercosur trade bloc, rising 44.7%, followed by the US at 41.3% and China at 36.7%. For 2022, the government's expectations are for an increase in exports of 1.4% to \$284.3bn, while imports are expected to fall 6.6% to \$204.9bn, the ministry said. Forecasts call for more moderate growth in global trade this year. In December, Brazil had a trade surplus of \$4bn, on exports of \$24.4bn and imports of \$20.4bn. (Reuters)

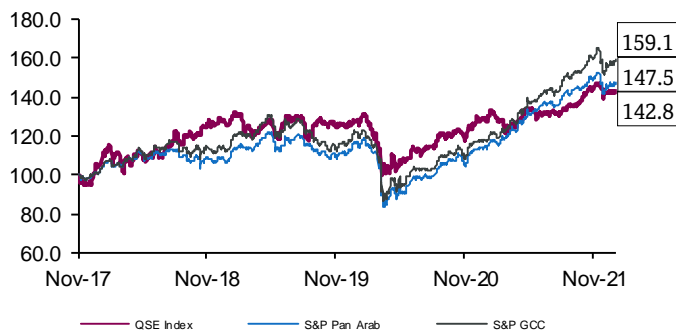
Regional

- **OPEC appoints Kuwaiti al-Ghais as new secretary general** – OPEC on Monday agreed to appoint Haitham al-Ghais, a former Kuwaiti governor to OPEC, as its new secretary general, to succeed Nigeria's Mohammad Barkindo. Al-Ghais will take over the role on Aug. 1. OPEC's secretary general-elect said on Monday a top priority for him is to keep the group's pact with Russia and other producers in place, since it is in the wider interest of the oil industry.. The OPEC+ alliance between OPEC and other oil producers, called the Declaration of Cooperation, has helped support the global oil market since 2017 when it was set up. (Reuters)
- **OPEC+ set to boost supply again with oil market looking tighter** – OPEC and its allies are poised to revive more halted oil production when they meet on Tuesday after giving a tighter outlook for global markets. The 23-nation alliance led by Saudi Arabia and Russia is on track to ratify another modest output revival of 400,000 bpd, restoring supplies shuttered during the

pandemic, delegates said. At a preliminary meeting on Monday, the group's analysts cut estimates for the surplus expected in the first quarter, predicting weaker supply growth from its rivals. (Bloomberg)

- **Saudi Aramco awards AED8.2bn contract to Abu Dhabi's NPCC** – Saudi Aramco has awarded a contract worth AED 8.2bn to the Abu Dhabi's National Petroleum Construction Company (NPCC) for two packages in the Zulf Offshore Field. The project is expected to be executed over three-years. No further details about the project were given in a statement to Abu Dhabi Securities Exchange (ADX) by National Marine Dredging Company (NMDC) which wholly owns NPCC. (Zawya)
- **Saudi Riyad REIT invests SR233mn in US logistics portfolio** – Saudi Arabia's Riyad Capital said its fund, Riyad REIT, has invested SR233mn in a US Logistics portfolio consisting of five logistics properties. The properties, which are fully leased with a weighted average term of 15.5 years, are newly developed, built-to-suit logistics totaling over 4.5mn square feet across the Southeast US, the investment banking arm of Riyad Bank said in a statement on Tadawul on Monday. (Zawya)
- **Al Rajhi bank start offering of riyal-denominated tier 1 sukuk** – The lender starts private placement of riyal-denominated sukuk in Saudi Arabia. Amount and terms of offer subject to the market conditions. Offer will start from January 3, and will end at January 26. (Bloomberg)
- **UAE's Alpha Dhabi increases stake in Aldar to 30%** – UAE-based conglomerate Alpha Dhabi said on Monday it has increased its stake in Abu Dhabi developer Aldar Properties to 29.8% after acquiring an additional 17%. The increase in ownership came after Alpha Dhabi acquired the entire share capital from three companies: Sublime 2, Sogno 2 and Sogno 3, the company said, without providing any details on the deal value. Alpha Dhabi also increased its stake in National Marine Dredging Co by 3.38% and acquired 25.24% of Al Qudra Holding as part of the acquisition. (Reuters)
- **Etisalat's 2022-2024 federal royalty rates to remain unchanged** – Federal royalty rate on regulated revenue of UAE operations remains unchanged at 15% and royalty rate on profit at 30%, the Abu Dhabi-based telecom operator says, citing the UAE ministry of finance. (Bloomberg)
- **Nine-point agenda for Oman's 2022 budget** – Oman's budget for the year 2022 has listed nine salient points that form its economic and social guidelines for this year. "The State's General Budget for the financial year 2022 is consistent with the objectives of the Tenth Five Year Development Plan," said the Ministry of Finance in its budget report. "The 2022 budget aims to achieve a set of economic and social development objectives." These include maintaining prudent, sustainable levels of public spending; enhancing the contributions of non-oil revenue; prioritizing projects linked to productive sectors; redirecting government subsidies to targeted low-income households; maintaining spending levels on basic services; prioritizing digital transformation programs; continued improvement of Oman's credit ratings to increase investor confidence; support training programs and those linked to job schemes, while boosting job creation; and continued support for small and medium enterprises. (Zawya)
- **Bahrain sells BHD70mn 91-day bills; bid-cover 2.29** – Bahrain sold BHD70mn of bills due April 6 on January 3. Investors offered to buy 2.29 times the amount of securities sold. The bills were sold at a price of 99.6505, have a yield of 1.39% and will settle on January 5. (Bloomberg)

Rebased Performance

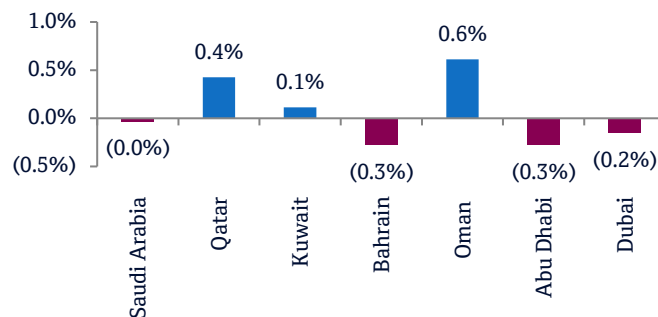


Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,801.45	(1.5)	(1.5)	(1.5)
Silver/Ounce	22.90	(1.8)	(1.8)	(1.8)
Crude Oil (Brent)/Barrel (FM Future)	78.98	1.5	1.5	1.5
Crude Oil (WTI)/Barrel (FM Future)	76.08	1.2	1.2	1.2
Natural Gas (Henry Hub)/MMBtu	3.59	(1.9)	(1.9)	(1.9)
LPG Propane (Arab Gulf)/Ton	110.50	(1.6)	(1.6)	(1.6)
LPG Butane (Arab Gulf)/Ton	150.00	7.7	7.7	7.7
Euro	1.13	(0.6)	(0.6)	(0.6)
Yen	115.32	0.2	0.2	0.2
GBP	1.35	(0.4)	(0.4)	(0.4)
CHF	1.09	(0.7)	(0.7)	(0.7)
AUD	0.72	(1.0)	(1.0)	(1.0)
USD Index	96.21	0.6	0.6	0.6
RUB	74.55	(0.2)	(0.2)	(0.2)
BRL	0.18	(1.9)	(1.9)	(1.9)

Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,241.43	0.3	0.3	0.3
DJ Industrial	36,585.06	0.7	0.7	0.7
S&P 500	4,796.56	0.6	0.6	0.6
NASDAQ 100	15,832.80	1.2	1.2	1.2
STOXX 600	489.99	(0.5)	(0.5)	(0.5)
DAX	16,020.73	0.6	0.6	0.6
FTSE 100	7,384.54	-	-	-
CAC 40	7,217.22	(0.0)	(0.0)	(0.0)
Nikkei	28,791.71	-	-	-
MSCI EM	1,233.50	0.1	0.1	0.1
SHANGHAI SE Composite	3,639.78	-	-	-
HANG SENG	23,274.75	(0.5)	(0.5)	(0.5)
BSE SENSEX	59,183.22	1.7	1.7	1.7
Bovespa	103,921.60	(2.7)	(2.7)	(2.7)
RTS	1,622.75	1.7	1.7	1.7

Source: Bloomberg (*\$ adjusted returns)

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

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