

### QSE Intra-Day Movement



### Qatar Commentary

The QE Index rose 0.6% to close at 10,204.5. Gains were led by the Banks & Financial Services and Transportation indices, gaining 1.0% and 0.9%, respectively. Top gainers were Qatari German Co for Med. Devices and Qatar Oman Investment Company, rising 5.1% and 3.6%, respectively. Among the top losers, QLM Life & Medical Insurance Co. fell 1.6%, while Qatar National Cement Company was down 1.2%.

### GCC Commentary

**Saudi Arabia:** The TASI Index fell 0.1% to close at 11,702.9. Losses were led by the Software & Services and Utilities indices, falling 1.5% and 0.9%, respectively. Al-Baha Investment and Development Co. declined 7.1%, while Alamar Foods Co. was down 4.0%.

**Dubai:** The DFM Index rose 0.4% to close at 4,014.3. The Real Estate index rose 0.8%, while the Financials index was up 0.8%. International Financial Advisors and Commercial Bank of Dubai both gained 3.0%.

**Abu Dhabi:** The ADX General Index fell 0.1% to close at 9,482.1. The Industrial index declined 1.9%, while the Telecommunication index fell 1.8%. Fujairah cement industries fell 5.0% while Easy lease motorcycle rental was down 4.0%.

**Kuwait:** The Kuwait All Share Index gained 0.8% to close at 6,820.0. The Banks index rose 1.3%, while the Real Estate index gained 0.8%. The Energy House Holding Company rose 10.0%, while Privatization Holding Company was up 7.0%.

**Oman:** The MSM 30 Index gained 0.5% to close at 4,592.6. The Services Index rose 0.5% while the Industrial index was up marginally. Aman real estate rose 5.4%, while Albatinah power was up 5.0%.

**Bahrain:** The BHB Index rose 0.2% to close at 1,917.9. The Real Estate Index rose 2.6%, while the Consumer Staples was up 1.2%. Seef Properties gained 3.4%, while Zain Bahrain was up 3.2%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatari German Co for Med. Devices	1.537	5.1	6,924.5	22.3
Qatar Oman Investment Company	0.917	3.6	3,041.5	66.7
Salam International Inv. Ltd.	0.690	2.8	7,688.3	12.4
Diala Brokerage & Inv. Holding Co.	1.318	2.2	435.6	15.4
Qatar Gas Transport Company Ltd.	3.300	2.1	6,401.3	(9.9)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Ezdan Holding Group	0.858	0.2	12,133.8	(14.3)
Masraf Al Rayan	2.460	0.4	11,836.6	(22.4)
Mazaya Qatar Real Estate Dev.	0.725	0.1	11,661.4	(10.0)
Dukhan Bank	3.970	(0.4)	11,486.2	(4.0)
Qatar Aluminum Manufacturing Co.	1.294	0.5	11,029.7	(14.9)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,204.50	0.6	2.8	1.6	(4.5)	121.85	162,796.9	12.2	1.3	4.8
Dubai	4,014.28	0.4	0.8	0.5	20.3	53.84	184,479.7	9.0	1.3	4.5
Abu Dhabi	9,482.08	(0.1)	0.1	(0.8)	(7.1)	353.21	717,958.8	26.9	3.0	1.7
Saudi Arabia	11,702.90	(0.1)	1.4	4.7	11.7	1,538.36	2,981,471.8	19.8	2.3	2.9
Kuwait	6,820.01	0.8	0.8	2.5	(6.5)	177.67	142,625.4	14.4	1.5	4.1
Oman	4,592.64	0.5	0.1	(1.4)	(5.5)	4.82	23,445.6	14.1	0.9	4.8
Bahrain	1,917.93	0.2	0.1	(1.1)	1.2	7.14	53,828.9	6.8	0.7	8.7

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	20 Dec 23	19 Dec 23	%Chg.
Value Traded (QR mn)	443.3	719.8	(38.4)
Exch. Market Cap. (QR mn)	592,702.4	589,042.8	0.6
Volume (mn)	146.2	206.0	(29.0)
Number of Transactions	16,323	25,165	(35.1)
Companies Traded	48	48	0.0
Market Breadth	33:10	42:6	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	21,900.28	0.6	2.8	0.1	12.2
All Share Index	3,428.61	0.7	2.6	0.4	12.2
Banks	4,287.37	1.0	3.2	(2.3)	11.4
Industrials	3,935.50	(0.2)	2.1	4.1	15.2
Transportation	4,162.02	0.9	1.1	(4.0)	11.0
Real Estate	1,452.77	0.3	1.7	(6.9)	15.1
Insurance	2,446.50	0.8	0.8	11.9	54
Telecoms	1,575.41	0.8	4.1	19.5	11.4
Consumer Goods and Services	7,289.02	0.4	1.3	(7.9)	20.1
Al Rayan Islamic Index	4,517.06	0.3	2.3	(1.6)	13.9

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Emaar Properties	Dubai	7.75	2.1	7,274.2	32.3
Qatar Gas Transport Co. Ltd	Qatar	3.30	2.1	6,401.3	(9.9)
Oman Telecommunications Co.	Oman	1.08	1.9	51.4	17.4
Abu Dhabi National Energy Co.	Abu Dhabi	3.25	1.9	1,342.0	(4.6)
Nahdi Medical	Saudi Arabia	132.60	1.8	915.5	(20.7)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Saudi Arabian Mining Co.	Saudi Arabia	41.70	(2.2)	1,369.7	(3.3)
Saudi Basic Industries	Saudi Arabia	81.20	(1.9)	1,167.9	(9.2)
Emirates Telecommunications	Abu Dhabi	19.02	(1.9)	1,147.6	(16.8)
Dallah Healthcare	Saudi Arabia	170.20	(1.4)	37.6	15.0
Makkah Construction & Development	Saudi Arabia	75.70	(1.3)	91.2	23.3

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%
QLM Life & Medical Insurance Co.	2.480	(1.6)	636.9	(48.3)
Qatar National Cement Company	3.900	(1.2)	886.9	(19.4)
Aamal Company	0.846	(0.9)	269.2	(13.2)
Lesha Bank	1.319	(0.7)	4,576.0	15.2
Qatar Navigation	9.809	(0.5)	974.2	(3.4)

QSE Top Value Trades	Close*	1D%	Vol. '000	YTD%
QNB Group	15.62	1.4	65,726.2	(13.2)
Dukhan Bank	3.970	(0.4)	45,729.1	(4.0)
Qatar Islamic Bank	19.90	1.4	35,685.9	7.2
Masraf Al Rayan	2.460	0.4	29,007.3	(22.4)
Industries Qatar	12.66	(0.5)	27,198.7	(1.2)

### Qatar Market Commentary

- The QE Index rose 0.6% to close at 10,204.5. The Banks & Financial Services and Transportation indices led the gains. The index rose on the back of buying support from Foreign and Arab shareholders despite selling pressure from Qatari and GCC shareholders.
- Qatari German Co for Med. Devices and Qatar Oman Investment Company were the top gainers, rising 5.1% and 3.6%, respectively. Among the top losers, QLM Life & Medical Insurance Co. fell 1.6%, while Qatar National Cement Company was down 1.2%.
- Volume of shares traded on Wednesday fell by 29.0% to 146.2mn from 206.0mn on Tuesday. Further, as compared to the 30-day moving average of 155.7mn, volume for the day was 6.1% lower. Ezdan Holding Group and Masraf Al Rayan were the most active stocks, contributing 8.3% and 8.1% to the total volume, respectively.

Overall Activity	Buy%*	Sell%*	Net (QR)
Qatari Individuals	22.22%	26.65%	(19,669,243.96)
Qatari Institutions	38.23%	39.39%	(5,103,341.78)
<b>Qatari</b>	<b>60.45%</b>	<b>66.04%</b>	<b>(24,772,585.74)</b>
GCC Individuals	0.30%	0.59%	(1,257,706.83)
GCC Institutions	4.83%	5.23%	(1,789,148.15)
<b>GCC</b>	<b>5.13%</b>	<b>5.82%</b>	<b>(3,046,854.98)</b>
Arab Individuals	10.38%	9.96%	1,873,197.45
Arab Institutions	0.00%	0.00%	0.00
<b>Arab</b>	<b>10.38%</b>	<b>9.96%</b>	<b>1,873,197.45</b>
Foreigners Individuals	2.43%	3.74%	(5,809,374.19)
Foreigners Institutions	21.62%	14.45%	31,755,617.46
<b>Foreigners</b>	<b>24.04%</b>	<b>18.19%</b>	<b>25,946,243.27</b>

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

### Global Economic Data and Earnings Calendar

#### Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
12-21	US	Bureau of Economic Analysis	GDP Annualized QoQ	3Q T	--	5.20%	5.20%
12-21	US	Bureau of Economic Analysis	Personal Consumption	3Q T	--	3.60%	3.60%
12-21	US	Bureau of Economic Analysis	GDP Price Index	3Q T	--	3.60%	3.60%
12-21	US	Bureau of Economic Analysis	Core PCE Price Index QoQ	3Q T	--	2.30%	2.30%
12-21	US	Department of Labor	Initial Jobless Claims	16-Dec	--	215k	202k
12-21	US	Department of Labor	Continuing Claims	09-Dec	--	1880k	1876k
12-21	US	Philadelphia Federal Reserve	Philadelphia Fed Business Outlook	Dec	--	-3	-5.9
12-21	US	Conference Board	Leading Index	Nov	--	-0.50%	-0.80%
12-21	US	U.S. Department of Energy	EIA Natural Gas Storage Change	15-Dec	--	-82	-55
12-21	US	Federal Reserve Bank of Kansas	Kansas City Fed Manf. Activity	Dec	--	-4	-2
12-21	UK	UK Office for National Statistics	Public Finances (PSNCR)	Nov	--	--	13.3b
12-21	UK	UK Office for National Statistics	Public Sector Net Borrowing	Nov	--	13.0b	14.0b
12-21	UK	UK Office for National Statistics	PSNB ex Banking Groups	Nov	--	13.0b	14.9b
12-21	UK	Confederation of British Indus	CBI Retailing Reported Sales	Dec	--	-14	-11

#### Earnings Calendar

Tickers	Company Name	Date of reporting FY23 results	No. of days remaining	Status
ABQK	Ahli Bank	18-Jan-24	28	Due

### Qatar

- Amir approves the State's general budget for fiscal year 2024** - HH the Amir Sheikh Tamim bin Hamad Al-Thani issued Law No. (17) of 2023 approving the State's general budget for the fiscal year 2024. The Law is effective as of Jan. 1, 2024, and shall be published in the official gazette. (Gulf Times)
- Minister of Finance: QR202bn total revenues for 2024 general budget; expenditures rise by 1%** - HE Minister of Finance Ali bin Ahmed Al Kuwari announced that the total revenues expected in the general budget of the State of Qatar for the fiscal year 2024, issued by HH the Amir Sheikh Tamim bin Hamad Al-Thani earlier Wednesday, amounts to QR202.0bn, a 11.4% decrease compared to the 2023 budget total revenues estimates. In a statement on Wednesday, HE the Minister of Finance attributed the decrease in revenues to the adoption of an average oil price of \$60 per barrel for 2024 instead of \$65 per barrel in 2023, based on international institutions' estimates for oil prices in 2024, and the conservative estimates for oil and gas revenues. HE the Minister of Finance explained that estimates of total oil and gas revenues for 2024 amount to QR159.0bn, compared to QR186.0bn in 2023, a 14.5% decrease; indicating that the estimates of non-oil revenues for 2024 amounts to QR43.0bn, an increase of approximately 2.4% compared to the budget for the fiscal year

2023. HE added that expenditures in the fiscal year 2024 budget will see an increase by 1.0% from 2023 to reach QR200.9bn, due to allocations for salaries and wages increased in the 2024 budget by QR1.5bn, a 2.4% increase from 2023 to reach QR64bn. Allocations for current expenditures and secondary capital expenditures increased by 6.4% and 27.5%, respectively, compared to 2023. Major capital expenditures budget decreased by nearly 8.3% compared to the 2023 budget given the completion of many vital economic projects and projects related to the infrastructure plan. HE the Minister of Finance affirmed that the general budget continues to focus on achieving the goals of Qatar National Vision 2030 related to the development of human capital by focusing on the health and education sectors - allocations for the two sectors constitute 20% of the total budget - in addition to the goals related to diversifying the local economy and enhancing its competitiveness - allocations for the communications and information technology sector have been doubled compared to 2023. HE Minister of Finance Ali bin Ahmed Al Kuwari noted the State's commitment to pay approximately QR7.3bn of public debt dues in 2024 translates to cash deficit of about QR6.2bn, at the estimated oil price of \$60 per barrel. This can be covered from the surplus of the year 2023 in addition to using domestic and external debt instruments as needed.

Qatari Budget 2024 (QR Billion)	2023	2024	(% Change)
Oil and Gas Revenue	186.0	159.0	-14.5%
Non-Oil and Gas Revenue	42.0	43.0	2.4%
<b>Total Revenue</b>	<b>228.0</b>	<b>202.0</b>	<b>-11.4%</b>
Salaries and Wages	62.5	64.0	2.4%
Other Current Expenditures	67.5	71.8	6.4%
Minor Capex	5.1	6.5	27.5%
Major Capex	63.9	58.6	-8.3%
<b>Total Expenditures</b>	<b>199.0</b>	<b>200.9</b>	<b>1.0%</b>
<b>Fiscal Surplus</b>	<b>29.0</b>	<b>1.1</b>	<b>-96.2%</b>
<b>Public Debt Repayment</b>		<b>7.3</b>	
<b>Cash Deficit</b>		<b>6.2</b>	

(Gulf Times; QNBFS Research)

- **Edaa postpones reduction of transaction settlement period till March** - Edaa company announced the postponement of reducing the settlement period from T+3 to T+2 until March 2024, in coordination with Qatar Financial Market Authority (QFMA), and at the request of the custodians. In this context, Chief Executive Officer of Edaa Sheikh Saif bin Abdullah Al Thani underscored the preparedness of the company's infrastructure to implement the procedures of reducing the settlement period, pointing out that the announcement comes out of concern for the public interest of Qatar's financial market and its participants. He indicated that this deadline was granted so that market participants, financial intermediaries, and custodians could update their systems and notify their clients of the new procedures in preparation for its implementation in compliance with the legislation of the QFMA, as well as to strengthen and develop Qatar's financial market, attract investments in securities, as well as speed up the turnover of the investment process for the general benefit of the market and investors. This strategic move focuses on shortening the settlement period at the Qatar Stock Exchange (QSE) from T+3, three working days after the date of the sale or purchase, to T+2, a two working day period from the date of the sale or purchase. Thus, leading to a qualitative leap in the speed of trading at QSE. Aligned with international best practices, this initiative promises to strengthen Qatar's position in the global capital markets arena. (Peninsula Qatar)
- **QNB Financial Services stops Liquidity Provider activity for Masraf Al Rayan effective Tuesday, 26 December 2023** - Qatar Stock Exchange announces that QNB Financial Services will stop liquidity provider activity for Masraf Al Rayan stating from Tuesday, 26 December 2023 and the last trading day will be on Monday, 25 December 2023. (QSE)
- **Qatari Investors Group: Announced appointment of new Chairman** - Qatari Investors Group announced the appointment of H.E SH. Hamad Bin Faisal Al -Thani as Chairman with effect from 20/12/2023. (QSE)
- **Qatar General Insurance & Reinsurance opens nominations for its board membership 2024** - Qatar General Insurance & Reinsurance announces the opening of nominees for the board memberships, years from 2024 to 2026. Applications will be accepted starting from 21/12/2023 till 02:00 PM of 04/01/2024. (QSE)
- **Gulf Warehousing Co.: Opens nominations for its board membership 2024** - Gulf Warehousing Co. announces the opening of nominees for the board memberships, years from 2024 to 2026. Applications will be accepted starting from 02/01/2024 till 02:00 PM of 16/01/2024. (QSE)
- **Mannai Corporation: Board of directors meeting results** - Mannai Corporation announces the results of its Board of Directors' meeting held on 20/12/2023 and approved progress of the business of the company. (QSE)
- **Dlala Brokerage and Investment Holding Co.: Board of directors meeting on December 26** - The Dlala Brokerage and Investment Holding Co. has announced that its Board of Directors will be holding a meeting on 26/12/2023 to discuss the Company's operations and approval the company's budget for 2024. (QSE)
- **Qatar, Korea sign MoU to develop radio spectrum management** - Qatar, represented by the Communications Regulatory Authority (CRA), and the

Republic of Korea, represented by the Central Radio Management Service (CRMS) of the Korean Ministry of Science and ICT, have signed a memorandum of understanding (MOU) for the development of radio spectrum management. The MOU was signed by President of CRA Eng. Ahmad Abdulla AlMuslemani, and Director General of CRMS Jeongsam Kim. Per the MOU, Qatar and South Korea will cooperate in radio spectrum management field according to the changes of radio spectrum environment, joint response to radio spectrum monitoring methods including satellite radio monitoring, and exchange education and training experience to promote human resources in the radio spectrum management field. (Peninsula Qatar)

- **QT's 2023/24 cruise season to welcome 350,000 passengers** - Captain Abdulla Mohamed Al-Khanji, CEO of Mwani Qatar, said: "We are delighted to welcome the Norwegian Cruise Line maiden voyage to the shores of Qatar and the Gulf region. This important event reflects the growing interest of cruise operators to dock at Doha's Old Port and depart from it to other cruise terminals in the region. Qatar has rapidly evolved within the cruise tourism industry, emerging as a prominent global destination in this expanding sector. Its captivating attractions and ideal geographical location have been strongly recognized and have made Qatar a highly sought-after destination by both cruise operators and passengers. At Mwani Qatar, and in line with the Ministry of Transport's strategic plan, we continue to work with our stakeholders and cruise partners to ensure that Qatar is the most popular travel destination in the region." Qatar Tourism's 2023/24 cruise season is expected to welcome 79 cruises and 350,000 passengers, surpassing the 2022/23 cruise season which saw 54 cruises and a total of 253,191 visitors. Passengers are welcomed at the new Cruise Terminal which houses an aquarium and is in proximity to the primary tourist attractions. (Qatar Tribune)

### International

- **US consumer confidence jumps to five-month high; home sales eke out gains** - US consumer confidence increased to a five-month high in December, with Americans growing more optimistic about current and future business conditions as well as the labor market, which could help to underpin the economy early next year. The jump in confidence reported by the Conference Board on Wednesday occurred across all age groups and household income levels. Though consumers continued to worry about inflation, many were planning to buy motor vehicles, houses and major appliances like refrigerators and clothes dryers over the next six months. More Americans also intended to go on vacations. The improvement in confidence was likely driven by rising stock markets, a decline in the average rate on the most popular mortgage from 23-year highs as well as lower gasoline prices. That fits in with economists' expectations that the economy would avoid a recession next year. "Consumer spirits are perking up for the holiday season which is a sign Christmas is still coming this year," said Christopher Rupkey, chief economist at FWDBONDS in New York. "This makes us more optimistic that economic growth will continue to stay in the plus column in the coming year." The Conference Board's consumer confidence index increased to 110.7 this month, the highest reading since July, from a downwardly revised 101.0 in November. Economists polled by Reuters had forecast the index would rise to 104.0 from the previously reported 102.0. The increase in confidence was largest among households in the 35-54 age group and with annual incomes of \$125,000 and above. The survey's present situation index, based on consumers' assessment of current business and labor market conditions, rose to 148.5 from 136.5 last month. Its expectations index, based on consumers' short-term outlook for income, business and labor market conditions, jumped to 85.6 from 77.4 in November, bouncing above 80, a level historically associated with a recession within the next year. (Reuters)
- **US current account deficit narrows in third quarter on petroleum exports** - The US current account deficit was the smallest in more than two years in the third quarter amid rising petroleum exports, government data showed on Wednesday. The Commerce Department's Bureau of Economic Analysis said that the current account deficit, which measures the flow of goods, services and investments into and out of the country, contracted \$16.5bn, or 7.6%, to \$200.3bn last quarter. That was the smallest since the second quarter of 2021. Economists polled by Reuters had forecast the

current account deficit at \$196.0bn. The current account gap represented 2.9% of gross domestic product, the smallest share since the first quarter of 2021, and down from 3.2% in the second quarter. The deficit peaked at 6.3% of GDP in the fourth quarter of 2005. The United States is now a net exporter of crude oil and fuel. Though the deficit remains large, it has no impact on the dollar given its status as the reserve currency. Exports of goods increased \$19.1bn to \$516.4bn, driven by petroleum and related products. Exports of services rose \$2.7bn to \$252.2bn as an increase in personal travel partially offset a decline in technical, trade-related, and other business services. Imports of goods increased \$4.6bn to \$777.4bn, boosted by passenger cars, other parts and accessories. That partly offset a drop in imports of non-monetary gold. Imports of services fell \$1.9bn to \$176.0bn, reflecting a decline in sea freight transport. Primary income receipts increased \$11.8bn to \$362.1bn, while payments of primary income rose \$14.0bn to \$332.1bn. (Reuters)

- US vehicles set fuel economy record in 2022 as EV sales climb** - US new vehicles set a record high for fuel economy in 2022, with the biggest yearly improvement in nine years to an average of 26 miles per gallon (mpg) as electric vehicle sales jumped but the Detroit Three automakers continued to lag rivals. Vehicles were up 0.6 mpg over 2021 after being unchanged versus 2020, the Environmental Protection Agency said, noting electric vehicles and plug-in hybrid electric vehicles improved the average fuel economy by 1.2 mpg in 2022. Fuel economy is forecast to increase to 26.9 mpg in 2023, the EPA said. EPA Administrator Michael Regan said the report "highlights the historic progress made so far by the industry to reduce climate pollution and other harmful emissions." The report showed Tesla (7203.T) sold additional emissions credits and General Motors (GM.N) and Mercedes-Benz (MBGn.DE) purchased credits in 2022. Automakers use credits to meet requirements. Stellantis had the lowest fuel economy of major automakers, followed by GM and Ford (F.N), while Tesla is the most efficient followed by Hyundai (005380.KS) and Honda (7267.T). Horsepower, vehicle weight and size all hit new records in 2022 -- and are projected to hit again hit record levels in 2023. The EPA said EVs, plug-in hybrid and fuel-cell production rose to 7% in 2022 and are projected to hit 12% in 2023. Average range of EVs rose to a new high of 305 miles -- more than four times the 2011 range. The report showed Americans kept moving away from cars and are buying more SUVs. Sedans and wagons fell to just 27% of vehicles sold in 2022, while SUVs rose to 54%. Dave Cooke, senior vehicles analyst at the Union of Concerned Scientists, said the report showed emissions from gas-powered vehicles have barely moved since 2015. "Automakers are lagging in their efforts to clean up conventional gasoline vehicles, which are still the vast majority of new vehicles sold and will be on the road for years to come," Cooke said. The EPA in April, proposed sweeping emissions cuts for new vehicles through 2032, including a 56% reduction in projected fleet average emissions over 2026 requirements that it says would result in 67% of new vehicles by 2032 being electric. Dan Becker, director of the Center for Biological Diversity's Safe Climate Transport Campaign, said EPA should finalize even tougher rules, while automakers and the United Auto Workers union want the EPA to soften its proposal set to be finalized. (Reuters)
- US business equipment borrowings flat year-on-year in November** - US companies borrowing rate remained flat in November compared to a year ago, industry body Equipment Leasing and Finance Association (ELFA) said on Wednesday. Companies signed up for new loans, leases and lines of credit worth \$8.3bn in November, down 19% from \$10.4bn a month ago. "Both losses and delinquencies show more acceptable levels, and no further rate increases by the Fed for the foreseeable future is more good news," ELFA President and CEO Leigh Lytle said. (Reuters)
- Big UK inflation drop bolsters bets on Bank of England cuts early next year** - British inflation plunged in November to its lowest rate in over two years, prompting investors to pile further into bets that the Bank of England will cut interest rates in the first half of next year. The annual rate of increase in consumer prices dropped to 3.9% from 4.6% in October, pushed down in part by cheaper petrol, for its lowest reading since September 2021, the Office for National Statistics said on Wednesday. The headline Consumer Prices Index (CPI) inflation reading was below all forecasts in a Reuters poll of economists which had pointed to a figure of 4.4%. Core and services measures of inflation - closely watched by the BoE

- also dropped. Investors moved to fully price in a BoE rate cut by May 2024 and now see a nearly 50% chance of a cut by March. The pound shed almost half a cent against the U.S. dollar, falling from \$1.271 to \$1.266. British government bond yields also tumbled. With its headline rate of inflation now matching that of France, Britain no longer looks like such an outlier in international terms. But the almost 21% rise in consumer prices since 2020 is still more than any other Group of Seven advanced economy and the joint-highest increase in western Europe. CPI inflation peaked at a 41-year high of 11.1% in October 2022, driven higher by a surge in energy prices after Russia's full-scale invasion of Ukraine, which aggravated existing bottlenecks that were pushing up prices after the COVID-19 pandemic. (Reuters)

- UK business confidence slips in December, economic concerns weigh** - British businesses became more downbeat about the economic outlook in December, with the biggest monthly decline in confidence in more than a year, a survey showed on Thursday, adding to signs of a slowdown in the country's economy. The Lloyds Bank Business Barometer, which surveyed 1,200 firms across the economy, fell by seven points to 35% from November's 21-month high of 42%, and the largest monthly fall since August 2022. Thursday's reading was still above the survey's long-run average of 28% but heading in a downward direction. This contrasts with the similar composite S&P Purchasing Managers' Index for services and manufacturing, which beat expectations last week but remains weak by historic standards. Last week the Bank of England revised down its near-term forecast for output, which is now expected to be "broadly flat" in the final quarter of this year and held interest rates at 5.25% for the third meeting in a row after 14 back-to-back increases since late 2021. Official figures showed Britain's gross domestic product shrank 0.3% in October. Paul Gordon, a managing director at Lloyds Bank, said the economic outlook "remains tough", and that businesses should prioritize a strong cashflow and look carefully at staffing. Lloyds' survey showed hiring intentions cooled but the proportion of companies planning to raise salaries rose. Pricing expectations fell for the first time since July. (Reuters)
- Japan aims to trim budget for first time in 12 years, 2024-25 draft shows** - Japan's government aims to reduce its budget next fiscal year for the first time in 12 years, highlighting concerns over the massive public debt of the world's third-largest economy, a draft of the 2024-25 budget reviewed by Reuters showed. The budget is estimated to come to 112.1tn yen (\$782bn), compared with the initial 114.4tn yen set out in this fiscal year's budget, reflecting the government's will to restore the tattered public finances and revive a lackluster economy. Decades of stop-start fiscal spending and reform have left Japan with the industrial world's heaviest public debt burden - double the size of its economic output. It is now fighting to achieve an even tougher goal of a balanced budget, excluding new bond sales and debt-servicing costs, by the fiscal year ending in March 2026. Tax revenue for fiscal 2024-25 is estimated to come to 69.6tn yen, slightly overshooting this year's estimate at 69.4tn yen, which would be a record amount if corporate profits recover and wage growth spreads. Next year the government plans to forego paying into a to boost defense spending in the first of several years and reduce its 5tn yen emergency budget so as not to squeeze its annual spending. The government plans to trim new bond issuance for a third straight year, counting on tax revenue growth and spending cuts. Fresh borrowing would stand at around 34.9tn yen, down from 35.6tn yen for this year's initial amount. Finance ministry officials were not immediately available for comment. The budget draft will be compiled on Friday before being sent to parliament for debate and approval by the start of next fiscal year starting in April. (Reuters)
- Japan government lifts economic growth estimates** - Japan's government on Thursday slightly raised its economic growth projections for this fiscal year from its previous estimates, as external demand is likely to more than offset weak domestic consumption, the Cabinet Office said. In the twice-yearly economic outlook, the real economic growth rate for fiscal 2023/24 is estimated at 1.6%, up from 1.3% seen half a year ago as external demand contributed 1.4 percentage points to overall growth, due to a recovery in inbound tourism and automobile output. Auto manufacturing had been hit earlier by chip shortages. The economic growth rate is forecast to slow down slightly to 1.3% in the next fiscal year starting in April as the external demand contribution weakens sharply reflecting a

rebound in domestic consumption. The fiscal 2024 economic growth projection is slightly higher than the previous estimate of 1.2%. Domestic demand is expected to rebound in the next fiscal year with the help of planned income tax cuts on top of the ongoing trend of wage hikes, a Cabinet Office official said. The government projections were a little rosier than forecasts from private-sector economists, who expect the world's third largest economy to grow 1.5% this fiscal year and 0.9% next. The growth projections provide the basis for government policy such as the annual budget for the coming fiscal year. Overall consumer prices are forecast to rise 3.0% this fiscal year, taking energy subsidies that cut 0.6 percentage points off inflation into account. The growing ability of companies to pass on costs to customers backs the trend of price hikes, the official said. Overall inflation is seen slowing down to 2.5% for the next fiscal year as effects of energy subsidies fade away, according to the government projections. Nominal gross domestic product (GDP) is projected to rise 5.5% this fiscal year and 3.0% next, bringing the amount of nominal GDP to a record 615tn yen (\$4.29tn) in fiscal 2024, it said. (Reuters)

## Regional

- 2024 MENA markets forecasts: Non-oil sector on the rise, diversification drives growth** - Global monetary policy is likely to set the tone for the Gulf Middle East and North Africa (Mena) markets next year, as more countries in the region seek to rebuild their economic development models away from oil, experts note. 2023 has been an eventful year from all standpoints, ending unexpectedly with the Israel-Gaza conflict breaking out in the Middle East. Financial and economic observers agree on the importance of remaining cautious when making projections about Middle Eastern markets for 2024 noting the possible spill-out of the conflict into other neighboring countries. However, forecasts related to key regional players remain easier to make due to their commitment to their respective, long-term visions; transformational programs; diversification efforts; and rather geographic distance from the main conflict's location. (Zawya)
- Report: GCC countries slowly diversifying from US dollar as foreign assets near \$4.4tn** - Countries in the Gulf Cooperation Council (GCC) countries have been slowly diversifying away from the US dollar, with bilateral trade growing exponentially with other countries — most notably China and India — said a new report. The six-nation GCC's holdings of US Treasury securities have decreased in recent years, accounting for 7% of their total foreign assets, according to a study on GCC: How are petrodollar invested? — released by the Institute of International Finance (IIF) late on Tuesday. "GCC countries have begun to slowly diversify away from the greenback as bilateral trade with other countries, most notably China and India, increases. While the US remains the most important geopolitical and military partner in the region, it has long trailed both China and the EU when it comes to trade," said Garbis Iradian, chief economist for Mena at IIF. "China is now the region's largest trade partner by a wide margin. While trade is still mostly conducted in US dollars, GCC countries have slowly started to sign bilateral trade agreements that would allow them to settle trade in other currencies," Iradian added. The UAE has signed the Comprehensive Economic Partnership Agreement (Cepa) with India, which resulted in a massive increase in bilateral trade. In July 2023, the UAE and India also signed a deal to settle trade in rupees, instead of dollars, which will help cut transaction costs by eliminating dollar conversions. The two countries also agreed to set up a real-time payment link to facilitate easier cross-border money transfers. (Zawya)
- Egypt, Saudi Arabia's Acwa power sign \$4bn green hydrogen deal** - Egypt has signed a \$4bn deal with Saudi Arabia's Acwa power company to develop a green hydrogen project, Egypt's cabinet said in a statement on Wednesday. Following this agreement, a work plan will be drawn up to develop the first phase of the green hydrogen project, with a production capacity of up to 600,000 tons annually of green ammonia, the statement added. (Reuters)
- Saudi Arabia, Egypt sign MoU to cooperate in space activities for peaceful purposes** - The Saudi Space Agency (SSA) has signed a Memorandum of Understanding (MoU) with the Egyptian Space Agency (ESA) to cooperate in space activities for peaceful purposes. The MoU was signed

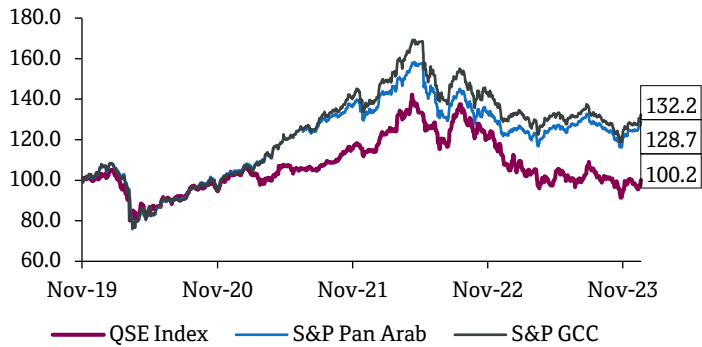
in Riyadh by the SSA's CEO Dr. Mohammed Al-Tamimi and ESA's CEO Dr. Sharif Sedqi. The signed Memorandum of Understanding aims to provide a framework for cooperation in space activities and discuss ways of cooperation in the fields of common interest related to the peaceful use of space. It also aims to facilitate the exchange of information and technologies, in addition to developing their cooperation in the fields of research and development in related fields. This in a way that enhances their gains and develops their cooperation in the fields of space and its technologies. Through this MoU, the Saudi Space Agency seeks to strengthen international partnerships to localize technologies and industries. It also seeks to sustain qualitative space systems in Saudi Arabia, in order to achieve SSA's goals for developing the space sector and its technologies. It is noteworthy that the signed MoU comes as a continuation of the joint cooperation between Saudi Arabia and Egypt in various fields and sectors. This will contribute to strengthening the role of the economic and technical space sector and would also contribute to the two countries reaching an advanced position in the field of space at the regional and global levels. (Zawya)

- Saudi: Justice Ministry unveils online notification service for financial claims** - The Saudi Ministry of Justice (MoJ) has launched an innovative online service designed for businesses and legal representatives, streamlining the process of handling notifications for financial claims. Accessible through the Najiz.sa platform, this service represents a significant step in digital legal facilitation. The new feature enables creditors to issue official notices directly to debtors, clearly stating the amounts due and specifying payment deadlines. "In cases where debtors fail to meet their financial obligations, creditors are empowered to initiate legal proceedings to claim their dues," explained a spokesperson for the MoJ. He said the primary aim of this service is to reduce the need for litigation in instances where there is no dispute over the debt itself, aligning with Article 19 of the Law of Commercial Courts. By simplifying the process, the MoJ intends to save valuable time and effort for both individuals and businesses. Additionally, the service is designed to provide a reliable and authoritative method of notification, ultimately aiming to decrease financial litigation and expedite the overall litigation process. (Zawya)
- Saudi minister proposes supply of key minerals to Japanese industries** - Saudi Arabia's Minister of Industry and Mineral Resources Bandar Alkhorayef met with the officials from the Japan Organization for Metals and Energy Security (JOGMEC), during his official visit to the country. During the meeting, the minister discussed strategic cooperation with the organization to supply mineral resources to Japanese manufacturers as Saudi Arabia owns huge mineral wealth, which includes dozens of important minerals used in advanced industries, in addition to competitive advantages of becoming a hub for metal production. The two sides also discussed ways for the mining sector to benefit from the potential of the organization's expertise operating in the fields of surveying, exploration and development, production, storage, recycling, in addition to environmental protection while implementing geological surveys in potential areas for mineral deposits. The Saudi minister called on the JOGMEC's officials to participate in the 3rd edition of the Future Minerals Forum, which will be held from January 9 to 11, 2024 in the Saudi capital, Riyadh. (Zawya)
- UAE: Central Bank reports 10% growth in cash deposits** - The Central Bank of the UAE (CBUAE) released data showing cash deposits surged to AED687.2bn this October, marking a substantial annual increase of 10.2%, or AED63.7bn, compared to AED623.5bn in October 2022. Breaking it down further, the Central Bank's cash aggregates statistics reveal a monthly increase of 0.19%, or AED1.3bn, compared to around AED685.9bn in September 2023. During the first ten months of this year, cash deposits increased by 8.12% compared to AED635.6bn at the end of last year, an increase of AED51.6bn. The quasi-cash deposits rose to AED1.123tn in October, up 24% year-on-year from AED906.3bn in October 2022, an increase of AED216.7bn. Quasi-cash deposits increased by 0.93% on a monthly basis, equivalent to AED10.4bn, compared to AED1.112tn in September 2023. Quasi-cash deposits in the UAE rose by about 16.24% during the first ten months of this year, compared to AED966.1bn at the end of last year. According to the Central Bank, quasi-cash deposits are term deposits and savings deposits in dirhams for

residents in addition to deposits by residents in foreign currency. Cash deposits, on the other hand, are defined as all short-term deposits that a bank customer can withdraw without prior notice. (Zawya)

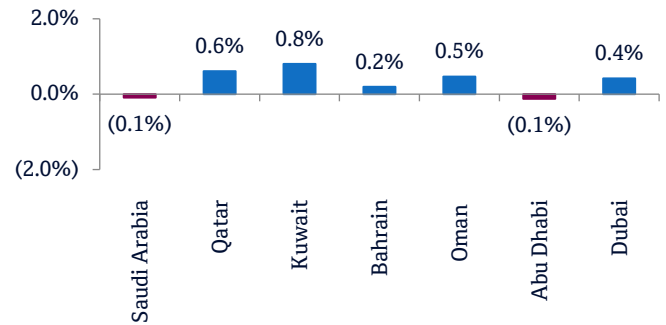
- **Abu Dhabi Chamber of Commerce and Industry launches Abu Dhabi International Arbitration Centre** - Abu Dhabi Chamber of Commerce and Industry has launched the Abu Dhabi International Arbitration Centre (arbitrateAD), an international arbitration center based in Abu Dhabi. From 1st February 2024, the governance structure and arbitration rules of arbitrateAD will replace those of the Abu Dhabi Commercial Conciliation and Arbitration Centre (ADCCAC). arbitrateAD supports efforts to establish Abu Dhabi as a regional and global hub for efficient and expeditious dispute resolution, upholding the principles of impartiality, independence, transparency and efficiency. arbitrateAD's dispute resolution services support Abu Dhabi's growth as an ideal environment for businesses to thrive and cross-border relations to flourish. Abdulla Mohamed Al Mazrui, Chairman of the Abu Dhabi Chamber of Commerce and Industry, will serve as arbitrateAD's Chairman of the Board. Gary Born, who chairs the international arbitration practice group at Wilmer Cutler Pickering Hale and Dorr, will serve as Vice Chairman. The Board of Directors will supervise the implementation of arbitrateAD's general policy and strategic plans required for the achievement of its objectives. Maria Chedid, global co-chair of Arnold & Porter's international arbitration practice group, has been appointed as the President of the Court of Arbitration. The court's mandate for the cases administered by arbitrateAD will be independent from the board. (Zawya)

### Rebased Performance



Source: Bloomberg

### Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	2,031.39	(0.4)	0.6	(0.2)
Silver/Ounce	24.15	0.4	1.2	(4.5)
Crude Oil (Brent)/Barrel (FM Future)	79.70	0.6	4.1	(3.8)
Crude Oil (WTI)/Barrel (FM Future)	74.22	1.1	3.9	(2.3)
Natural Gas (Henry Hub)/MMBtu	2.48	1.6	1.6	(9.8)
LPG Propane (Arab Gulf)/Ton	66.80	1.8	3.9	0.6
LPG Butane (Arab Gulf)/Ton	100.50	0.0	1.6	11.9
Euro	1.09	(0.4)	0.4	0.5
Yen	143.57	(0.2)	1.0	(3.1)
GBP	1.26	(0.7)	(0.3)	0.1
CHF	1.16	(0.2)	0.9	1.4
AUD	0.67	(0.5)	0.5	1.9
USD Index	102.41	0.2	(0.1)	(1.1)
RUB	110.69	0.0	0.0	58.9
BRL	0.20	(1.0)	0.6	0.1

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,121.79	(1.0)	(0.1)	19.9
DJ Industrial	37,082.00	(1.3)	(0.6)	11.9
S&P 500	4,698.35	(1.5)	(0.4)	22.4
NASDAQ 100	14,777.94	(1.5)	(0.2)	41.2
STOXX 600	477.94	0.0	0.7	15.1
DAX	16,733.05	(0.2)	0.3	22.9
FTSE 100	7,715.68	0.5	1.6	8.4
CAC 40	7,583.43	(0.0)	0.3	19.8
Nikkei	33,675.94	1.3	0.8	17.5
MSCI EM	997.46	(0.1)	(0.3)	4.3
SHANGHAI SE Composite	2,902.11	(1.3)	(1.6)	(9.2)
HANG SENG	16,613.81	0.6	(1.1)	(16.1)
BSE SENSEX	70,506.31	(1.4)	(1.5)	15.3
Bovespa	130,804.17	(1.4)	1.4	28.8
RTS	1,075.11	0.1	1.4	10.8

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

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