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Qatar, South Korea build on legacy, strategic ties in energy, ICT, smart farming

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BUSINESS

BROADER STRATEGY : Page 2

QIB drives innovation, sustainability as 'Arab Banking Conference 2024' platinum sponsor

QatarEnergy set to maintain leadership in global LNG market with fleet expansion

By Pratap John
Business Editor

QatarEnergy's historic LNG fleet expansion programme will help the energy major maintain its leadership position in the global LNG market.

Recently, QatarEnergy signed an agreement with China State Shipbuilding Corporation (CSSC) for the construction of six additional state-of-the-art QC-Max vessels, bringing the total number of LNG vessels on order under its fleet expansion programme to 128, including 24 QC-Max mega vessels.

The QC-Max vessels, which will be built at China's Hudong-Zhonghua Shipyard, a wholly-owned CSSC subsidiary, are the largest LNG vessels ever built with a capacity of 271,000 cubic metres each. The new advanced carriers are scheduled to be delivered between 2028 and 2031.

The new ship order is a testament to QatarEnergy's focus on quality and reliability. The six new advanced vessels are in addition to 18 QC-Max vessels recently ordered from Hudong-Zhonghua Shipyard.

This brings the total number of QC-Max vessels ordered by QatarEnergy to 24, with a total value of about $8bn.

The QC-Max vessels, designed with cutting-edge technology, will enhance QatarEnergy's capacity to meet the growing global LNG demand while reinforcing its dedication to operational excellence and environmental sustainability.

HE the Minister of State for Energy Affairs, Saad bin Sherida al-Kaabi said, "The signing of the agreement is underscored by the strategic importance of QatarEnergy's historic LNG fleet expansion programme and its commitment to maintaining a leadership position in the global LNG market."

Minister al-Kaabi added, "We are very pleased to expand our excellent working relationship with CSSC and Hudong-Zhonghua, one of the world's premier shipbuilders. We look forward to receiving these advanced LNG vessels and expanding our role in providing the world with the cleaner energy needed for a realistic and practical energy transition."

Recently, QatarEnergy named two of the 12 conventional-size LNG vessels contracted with the Hudong-Zhonghua Shipyard – 'Rex Tillerson' and 'Umm Ghuwailina'.

All these vessels will be equipped with the latest maritime technology, ensuring optimal operational efficiency and compliance with the most stringent environmental regulations reflecting QatarEnergy's commitment to sustainability and environmental stewardship.

The two vessels, set to be delivered ahead of their contracted delivery schedule, are under long-term charter by QatarEnergy Trading (QET).

With the highest and most advanced safety, technical, and environmental standards, the vessels are equipped with state-of-the-art dual-fuel engines, generators, and boilers to further reduce both fuel consumption and emissions.

QatarEnergy has named two of the 12 conventional-size LNG vessels contracted with China's Hudong-Zhonghua Shipyard: 'Rex Tillerson' and 'Umm Ghuwailina.'

The CSR initiative is one of many undertaken by Commercial Bank and focuses on empowering the next generation with essential knowledge of retail banking, money management, and the seamless benefits of digital banking

'CB Young Bankers' programme participants gain insights into financial responsibility

Commercial Bank has successfully concluded its eighth 'CB Young Bankers' summer internship programme for the youth of Qatar.

The programme was initially launched in 2014 under the purview of Commercial Bank's Premium Banking Services.

The occasion took place at Commercial Bank Plaza for interns, who were cited for successful completion of the internship, in the presence of parents and senior management.

This CSR initiative is one of many undertaken by the bank and focuses on empowering the next generation with essential knowledge of retail banking, money management, and the seamless benefits of digital banking.

Through hands-on experiences at Commercial Bank's premium lounges and flagship branches, participants gained practical insights into financial responsibility and the importance of saving for the future.

The CB Young Bankers programme has solidified its place as a cornerstone of Commercial Bank's calendar, taking place every July and August.

Commenting on the initiative, Shahnawaz Rashid, executive general manager and head, Retail Banking at Commercial Bank, said, "We believe that with the right support, anything is possible for Qatar's youth. This programme has been designed to educate the youth about retail banking and financial management, giving them a valuable competitive edge over their peers."

Reham S Thawabi, assistant general manager, senior director, Premium Banking at Commercial Bank, said, "Since its inception in 2014, the CB Young Bankers programme has empowered over 500 young minds, fostering self-confidence and equipping them with foundational banking knowledge, laying a strong pillar for their future careers and financial management success."

Fintech Revolut eyes expansion in Gulf

Bloomberg
Dubai

Revolut Ltd is seeking licenses to start operating in the Middle East as the London fintech hunts for growth beyond its home market.

The firm has submitted applications to the Central Bank of the United Arab Emirates to become an electronic-money institution and offer remittances in the country, according to people familiar with the matter. The goal, the people said, is to eventually apply for a full banking license, similar to the one it recently received from regulators in the UK after years of work.

A spokesperson for Revolut declined to comment, while a representative for the UAE's central bank did not respond to requests for comment.

With 9mn customers in the UK, Revolut already has three times as many customers compared with rivals like Metro Bank Holdings Plc, which has branches across the country. But the push into the UAE is the latest sign that Revolut — which has begun operating in countries as far away as Mexico, Brazil and New Zealand in recent months — will have to count on geographic expansion as it tries to get its app in the hands of more customers.

Revolut first set up an office in the United Arab Emirates in 2022 and now has a workforce of 140 housed in offices in the Dubai International Financial Center. In many cases, early staffers in the city were those who were displaced from the company's offices in Ukraine after Russia's invasion of the country in 2022.

Nik Storonsky, Revolut's billionaire chief executive officer who frequently visits Dubai, has long espoused goals of expanding into the Gulf. For years, though, it has not been possible for UAE residents to open an account because Revolut lacked the requisite licenses.

In addition to its plans to expand its operations in the UAE, Revolut is also looking at ways to expand in neighbouring Saudi Arabia, the people familiar with the matter said.

"We want to build a truly global bank," Storonsky said at the Dubai Fintech Summit in May.

The London-headquartered digital bank is now hunting for a head of finance to join its team in the UAE, according to a job posting seen by Bloomberg. The company is hoping to hire someone for the role with at least 10 years of experience in finance functions and knowledge of local tax regulations.

The company is also searching for a head of legal for the region and has open roles in Dubai in compliance, engineering, crypto and product, according to the job listings.

With its plans to expand in the UAE, Revolut is targeting a country where expatriates far outnumber Emirati nationals. It's also grown to become one of the top spots for remittances, according to a recent report from the Global Partnership for Financial Inclusion.

The upstart's latest plans come as ministers in its home market have sought to entice the UAE — which is home to nearly $2tn in sovereign wealth — to invest more in British projects and expand a free trade deal with the six Gulf nations that form the Gulf Co-operation Council. Revolut executives have previously attended diplomatic events with UK lawmakers hoping to make inroads with those countries, according to people familiar with the matter.

QIIB announces winners of 'exclusive' summer Visa credit, debit cards campaign

Khaled Abdulrahman al-Shaibei, QIIB head, Business Development.

QIIB announced the winners of its 'exclusive' Summer Visa credit and debit card campaign, which ran from July 11 to August 31 and gave opportunity to all cardholders to enter the draw to win one of the 31 cash prizes totalling QR400,000.

The draw as part of the campaign was held in the presence of an official representative from the Ministry of Commerce and Industry and officials concerned from QIIB.

The following customers won each of the 30 prizes, valued at QR10,000 each, and one grand prize worth QR100,000.

Saoud Ahmed al-Jefairi, Sheikh Abdulrahman Mubarak al-Thani, Abdulaziz Saoud al-Tamimi, Nawaf Nasser al-Jahrami, Mohamed Farhoud al-Hajri, Ibrahim Saeed al-Mohannadi, Ahmed Khalid al-Sumaiti, Ali Abdulla al-Buenain, Khalifa Salman al-Mamari, Fahad Mohammed al-Qeraisi, Ahmad Hassan al-Fadala, Maymona Mohamadmowaffak Lotfi, Khalid Hassan al-Obaidly, Khalid Abdullatif al-Showaiter, Kholoud Hadi al-Marri, Omar Nabih Abdrabbo, Rashid Eisa al-Sulaiti, Ali Saad al-Hababi, Saeed Mohammed al-Qeetani, Ghanim Thamer al-Hemaidi, Nasser Ajlan al-Kaabi, Mohannad Zain al-Muraqab, Wadha Salem Abuqaba, Anoud Khelaif al-Ghafel, Refaa Mesfer al-Marri, Abdulla Mohammed al-Maadeed, Ahmad Mohammed al-Yafei, Sara Powell, Kaltam Mubarak al-Kaabi and Sheikha Mooza Abdulla al-Thani.

QIIB launched the campaign to coincide with the holiday and travel season as it gave the opportunity to bank customers, who used their Visa credit and debit cards, to increase their benefits and rewards by entering the draw to win the grand prize valued at QR100,000, or one of the 30 prizes worth QR10,000 each.

QIIB head, Business Development Khaled Abdulrahman al-Shaibei said, "We extend our congratulations to all our Visa card Summer Campaign winners. We are pleased to work with Visa, which is present with us continuously and effectively. We are also pleased to see that our efforts and hard work have proven successful in getting our customers the best benefits, rewards, and prizes.

"We have launched the campaign at an ideal time for the customers who got equal opportunities to win valuable prizes while enjoying their vacation and using their Visa cards at different destinations in our global network that includes millions of sale points, which are available round the clock".

Al-Shaibei noted, "The bank will continue to work on providing an enhanced banking experience for various categories of clients, and meeting their expectations in line with the highest recognised standards in the banking sector".

QIIB's summer Visa credit and debit card campaign, which ran from July 11 to August 31, gave opportunity to all cardholders to enter the draw to win one of the 31 cash prizes totalling QR400,000

Qatar Chamber explores opportunities in Malaysia's Selangor state

Qatar Chamber has hosted a trade delegation from Malaysia led by Tengku Sulaiman Shah al-Haj, Prince of the State of Selangor.
The chamber's first vice-chairman, Mohammed bin Ahmed bin Towar al-Kuwari, met the delegation, which included representatives of several Malaysian companies. Maryam Masyitah Ahmad Termizi, charge d'affaires of the Malaysian Embassy to Qatar, also attended the meeting.
The meeting reviewed the commercial and economic relations between Qatar and Malaysia, investment opportunities available in Selangor, and the most prominent incentives Malaysia generally offers to draw foreign investors, in addition to inviting Qatari investors to invest in the Malaysian state.
Speaking at the meeting, al-Haj said the delegation's visit aims to inform the Qatari business community about investment opportunities available in Selangor across various sectors.
The delegation included representatives of 10 companies specialising in infrastructure, tourism, renewable energy, telecommunication, food security, real estate, and pharmaceuticals, among others.
Al-Haj invited Qatar Chamber members, Qatari businessmen, and investors to visit Malaysia to learn about investment opportunities across all sectors. He called on Qatari investors to invest in Malaysia, which offers a host of incentives and facilitations for foreign investors.
Al-Kuwari commended the commercial and economic relations between both countries, emphasising the shared desire to develop bilateral relations in all fields. He also underscored the interest of Qatari investors to explore opportunities available in Malaysia, describing it as "an attractive and stimulating destination for investment."
He underlined the chamber's keenness to bolster co-operation between the Qatari private sector and its Malaysian counterpart, noting that Qatar Chamber is encouraging Qataris to invest in Malaysia. He further affirmed the chamber's readiness to assist Malaysian companies willing to invest in Qatar and find a local partner.
Al-Kuwari called on Malaysian companies to invest in Qatar, pointing to incentives and opportunities offered by the Qatar free and logistic zones. He also highlighted Qatar's world-class infrastructure and advanced legislation.

Qatar Chamber and Tengku Sulaiman Shah al-Haj, the Prince of the State of Selangor, are joined by members of a Malaysian trade delegation visiting Doha recently.

QIB drives innovation and sustainability as 'Arab Banking Conference' platinum sponsor

Qatar Islamic Bank (QIB) has announced its role as the Platinum Sponsor of the Union of Arab Banks (UAB) 'Arab Banking Conference 2024' held in Doha recently.

Held under the patronage of HE Sheikh Bandar bin Mohammed bin Saoud al-Thani, the Governor of the Qatar Central Bank, the conference brought together economic and financial leaders from across the Arab world, along with representatives from Arab banks and financial institutions.

QIB's sponsorship was part of its broader strategy to reinforce its leadership in digital banking transformation, while addressing the region's pressing need for sustainable economic growth.

At the event, Dinos Constantinides, Chief Strategy and Digital officer at QIB, took part in the panel of discussion, where he explored the synergy between Islamic finance principles and fintech solutions to promote financial inclusion, particularly for underserved communities, by advancing digital inclusion and access to information.

He further highlighted QIB's use of technology to support economic growth by empowering SMEs and entrepreneurs with streamlined access to finance.

Additionally, Constantinides discussed QIB's development of innovative financial products and services aligned with sustainability goals, reinforcing the bank's commitment to integrating fintech into sustainable banking practices.

The conference featured several key panels that discussed critical topics, such as sustainable development requirements, the financing gap in the Arab region, and the role of financial markets and institutions in fostering development, including climate finance. It also highlighted key challenges and opportunities related to sustainable development and financial inclusion, with a strong focus on the role of technology in driving growth and addressing these issues.

Bassel Gamal, QIB Group CEO, and HE Sheikh Bandar bin Mohammed bin Saoud al-Thani, Governor of the Qatar Central Bank.

Bassel Gamal, QIB Group CEO, said: "As the banking landscape continues to evolve, integrating sustainable practices into the financial ecosystem is more critical than ever. At QIB, we believe partnerships are instrumental in driving this transformation by creating new opportunities for growth, improving access to finance, and fostering economic resilience.

"Through our participation in the Arab Banking Conference, we aimed to showcase how digital innovation can support sustainable development goals, particularly in empowering SMEs and entrepreneurs across the region."

In recent years, QIB has significantly invested in digital solutions, developing a suite of advanced banking services that not only enhance the customer experience but also contribute to financial inclusion and sustainability.

As part of its ongoing commitment to leadership in the Islamic banking sector, QIB remains focused on integrating sustainable finance principles into its operations while leveraging cutting-edge technologies to benefit customers and communities alike.

Japan's PM hopeful Takaichi warns BoJ against raising rates

Reuters
Tokyo

Sanae Takaichi, Japan's minister in charge of economic security and a leading candidate in the ruling party's leadership race, said on Saturday the central bank should maintain ultra-low interest rates to support the fragile economic recovery.

"Frankly, it was too early," she told a news conference gathering the nine candidates running in the race, when asked about the Bank of Japan's (BoJ) interest rate hikes this year.

"Interest rates ought to be kept low," said Takaichi, who is emerging as a strong candidate for the leadership of the Liberal Democratic Party (LDP).

Takaichi's remarks follow those she made on her personal YouTube channel on Friday stressing the need to maintain fiscal and monetary support for the economy.

The BoJ ditched negative interest rates in March and raised short-term rates to 0.25% in July on the view the economy was making progress toward durably achieving its 2% inflation target.

BoJ Governor Kazuo Ueda has signalled the bank's readiness to raise rates further if inflation stays around 2% in coming years accompanied by solid wage gains, as it currently projects.

The LDP will choose a new leader on September 27, with the winner due to take over as prime minister due to the party's majority in parliament.

Incumbent Prime Minister Fumio Kishida announced last month that he would step down as LDP chief in September, effectively ending a three-year term as leader of the world's fourth-largest economy. A majority of economists polled by Reuters expect the BoJ to raise rates again this year with more than three-quarters of them betting on a December hike. None in the poll projected a rate increase next week.

Silent power plays: Challenges for central banks aiming for autonomy

By Abdulla Ali Abdulla al-Siddiqi al-Emadi

Central banks are major players in the financial market; their role is to control the industry and carry out their missions. Mandates differ according to the central bank's monetary policy structure.
Globally, central banks endeavour to achieve price and financial stability. Many central banks, including the US Federal Reserve system, claim independence from external pressures, which means they can make monetary policy choices free of political interference. This also includes separating monetary policy from fiscal policy in order to prevent political leaders from manipulating inflation to reduce the real worth of public debt.
Without such independence, a government with a lot of debt may be inclined to influence the central bank to create inflationary conditions. This inflation reduces the real value of money, making future debt repayments more affordable, but at the expense of economic stability and public trust in the currency. On the other hand, some central banks have determined that independence is inefficient for their economic structure.
So, are these statements true? Is a central bank truly immune from such violations?
To successfully address these problems, numerous essential components of independence must be examined, including political independence, operational independence, and financial market independence.
Many say that central banks operate independently of political considerations, making choices based only on economic data and unbiased research. However, the reality of central bank governor appointments frequently refutes this premise. Typically, the government has the power to appoint the governor of the central bank. This implies that the government could select a governor who aligns with its own political or economic goals, thereby undermining the central bank's declared independence.
The influence is especially strong when the governor's term is short, causing the governor to pursue policies that will win favour with the government in order to be reappointed. This process can quietly force the central bank into supporting government policies that disagree with what is economically prudent, undermining the institution's actual independence.
For example, when a president openly instructs the central bank to reduce interest rates in order to stimulate economic growth, even if this contradicts the central bank's purpose, it demonstrates an obvious lack of independence.
However, the story does not end there; we still need to investigate the second highlight, which is operational independence. This means that the central bank should be able to deploy any instrument it wants and control its own balance sheet independently of external factors.
To support their claim of independence, we must look at the key accounts on their balance sheet, which include "assets," the largest of which are securities, and "liabilities," the majority of which are reserves.
To begin, they hold securities, typically government bonds, often known as risk-free, in order to conduct open market operations, which are critical activities. This entails buying and selling financial instruments to either infuse or subtract funds to influence the economy.
The government issues these debt instruments, meaning that it has influence over one of the central bank's most vital tools. This suggests a potential conflict between the

central bank's goals of price stability, financial stability, monetary policy, and independence and the government's goals of supporting economic growth and fiscal stability through government spending and taxes. The government, which owns and issues this tool, can use it to pursue its own goals and meet its financial obligations, resulting in a conflict of interest.
When faced with a deficit, the government may issue bonds to borrow from the central bank and finance the shortfall. The Qatari government is in surplus and does not need to issue debt instruments to borrow from the central bank; however, they do so primarily for the benefit of the central bank's open market operations.
Furthermore, while independence and separation of fiscal and monetary policy are essential, the government usually prioritises its own interests over those of the central bank. They may use these debt instruments to fund their deficits, and if they were in excess, they might not issue these bonds, limiting the central bank's decision-making power, especially during times of financial instability.
This suggests that, without coordination between fiscal and monetary measures, managing government finances can be challenging. This case clearly indicates that efficient coordination of various programs is often preferable to keeping them separate.
The central bank owns reserves, the second component of balance-sheet liabilities, which are bank deposits. The big banks, who hold the majority of these reserves, have the biggest say over them, allowing them to influence the central bank's decisions.
We will now answer the final question about central bank independence: Are these institutions actually independent of the financial markets?
This subject demands that we investigate the roles of significant market participants, particularly large banks. While I have previously stated that huge banks have influence on central bank policies, it is critical to acknowledge that they also dominate financial markets and have a significant impact on the economy. Furthermore, central banks must occasionally coordinate their activities with market trends.
In this regard, large institutions, such as huge banks with significant capital and influence, play a critical role. For instance, the US Federal Reserve would likely have to intervene to prevent widespread economic disruption if a major institution like JP Morgan faced extreme difficulties or potential failure. Furthermore, these financial giants can react to central bank policies in ways that encourage the entire market to put pressure on central banks.
This pressure may compel central banks to pursue policies that vary from their stated missions, offering short-term gains but posing long-term hazards, such as asset bubble inflation, in which asset prices considerably exceed their intrinsic values.
These enormous institutions (big banks) have the reach to engage directly with legislators and even run public campaigns (lobbying).
One example of lobbying is assuming the central bank continues to raise interest rates, which banks dislike because it increases the cost of borrowing. These banks can apply pressure on central banks to lower interest rates, even if it means jeopardising the central bank's autonomy.
Finally, central banks seek financial stability, occasionally intervening in financial markets or providing liquidity support to avoid widespread catastrophes. For example, central banks want to raise interest rates, yet they are concerned about financial instability (stock market crashes). This interference reduces their autonomy because they rely on financial market conditions.
The arguments regarding central banks' independence are patently false because they are not completely independent. This is not a negative aspect, however, as the central banks work with the government's budgetary policy to achieve goals that benefit both parties.
However, if they desire complete independence, the country's laws must fully support and empower them, which I believe is unnecessary because central banks can collaborate with the government, which is more helpful in my opinion, and can lead to more positive outcomes. Furthermore, attempting to align with the needs of the financial market is not a bad thing, but they must evaluate what they see fit to avoid bubbles (which can trigger crises).

■ *Abdulla Ali Abdulla al-Siddiqi al-Emadi is a Finance and Economics honor student at Qatar University*

Europe's stock leaders fading in bad sign for future returns

Bloomberg
Paris

The engines behind two years of European stock gains are losing power, leaving the region's equities facing a void at a time when concerns over slowing growth and China tensions are testing investor confidence.

A luxury sector led by LVMH Moët Hennessy Louis Vuitton SE has tumbled over the past six months along with automotive firms, while in more recent months healthcare heavyweights such as Novo Nordisk A/S and tech leaders including ASML Holding NV have slid from their peaks. And with no obvious candidates to take the baton, the region's equity performance has been left looking exposed.

Already this year, investors have withdrawn billions of dollars from Europe-focused funds and ETFs, in stark contrast to large amounts being pumped into US and international equity funds. A key issue is that the main drivers of the region's gains have fallen off the pace of America's Magnificent Seven group of tech companies.

A visitor enters the Euronext Paris stock exchange. The engines behind two years of European stock gains are losing power, leaving the region's equities facing a void at a time when concerns over slowing growth and China tensions are testing investor confidence.

"Leadership is changing" in the European market, said Ariane Hayate, a fund manager at Edmond de Rothschild Asset Management. "Smaller and more defensive sectors are leading the pack."

The European market is by definition a more cyclical one than its US counterpart, with those economically-sensitive sectors accounting for about two-thirds of the benchmark Stoxx 600.

Consequently, the index's correlation to the group is typically very high. But any support from these firms is now at risk with a double blow from slowing growth and trade risks with China. "These companies also have a large percentage of their top line coming from the US and China," said Barclays Plc strategist Ajay Rajadhyaksha. "If the risks of a global trade war rise, it is very easy to see these names de-rating somewhat out of trade concerns."

Meanwhile, Europe is geared more to Chinese demand, with firms getting about 8% of their revenues in the Asian country, according to Goldman Sachs Group strategists, compared with just 2% for S&P 500 peers.

While some say the risk of trade wars could be amplified in the event of a Donald Trump administration, Europe is already planning additional tariffs on Chinese-made electric vehicles in the face of heavy competition.

Another spillover effect from China's economic problems is oil prices at lows unseen since 2021, blurring the outlook for Europe's energy heavyweights such as BP Plc, Shell Plc and TotalEnergies SE. London's mining stocks are also suffering from iron ore and copper prices falling.

Inflation to hit 2% target, but ECB must stay focused: Official

Bloomberg
Frankfurt

European Central Bank (ECB) policymakers must remain on alert even with consumer-price growth on track to slow to 2% by the end of next year, Bundesbank President Joachim Nagel said. "If we look at the inflation picture for this year and next year, we assume that we will reach our target by the end of 2025 at the latest," he said at his institution's open day in Frankfurt on Saturday. "But I also know — unfortunately, that's the way with inflation — that we have to stay focused because as a central bank there are many things, such as energy prices, that we can't control."

The German central banker spoke two days after the ECB cut interest rates for a second time since June and confirmed economic projections which see consumer-price growth averaging 2.2% next year and 1.9% in 2026.

Nagel, who is among the more hawkish members of the ECB Governing Council, said inflation had been a "greedy beast" in the past, but now no longer can be described in such a way.

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LAB TECHNOLOGIST with 8 years professional experience specialising in biochemistry. Contact: 74436394, email: nasfathn@gmail.com

HSE MANAGER/ENGINEER/SUPERVISOR with over 16 years of experience in Oil & Gas, Construction, Infrastructure, Marine, Aviation and Container Terminal Operations. Mechanical Engineering graduate holding NEBOSH International Diploma, NEBOSH IGC, IOSH, OSHA, ISO 45001 Lead Auditor, HABC and other HSE certification. Looking for a suitable position, available with NOC/Transferable Visa, Qatar Driving Licence. Contact: 30617000, email: hsepersonal8987@gmail.com

INDIAN FEMALE, 27 YEARS, under fathers sponsorship, studied in Qatar and graduated in MBA in HR and Finance, worked for 4 months in a reputed company in Qatar, looking for a job. Contact: 50230234, Email: meghanair997@gmail.com

BUSINESS

The Qatar Stock Exchange (QSE) Index rose by 75.00 points or 0.73% during the week to close at 10,398.32. Market capitalization moved up by 0.8% to reach QR602.0bn from QR597.2bn at the end of the previous trading week. Of the 51 traded companies, 24 ended the week higher, 24 ended lower and three were unchanged. Doha Bank (DHBK) was the best performing stock for the week, going up 6.3%. Meanwhile, QLM Life & Medical Insurance Company (QLMI) was the worst performing stock for the week, moving down by 3.8%.

QNB Group (QNBK), Qatar Islamic Bank (QIBK) and Commercial Bank (CBQK) were the main contributors to the weekly index rise. QNBK and QIBK added 56.71 and 26.10 points to the index, respectively. Further, CBQK put on another 13.05 points.

Traded value during the week increased by 3.1% to reach QR1,629.0mn from QR1,579.6mn in the prior trading week. QNB Group (QNBK) was the top value traded stock during the week with total traded value of QR230.7mn.

Traded volume declined 4.6% to 609.9mn shares compared with 639.6mn shares in the prior trading week. The number of transactions was higher by 3.4% to 63,118 vs 61,040 in the prior week. Masraf Al Rayan (MARK) was the top volume traded stock during the week with total traded volume of 53.4mn shares.

Foreign institutions turned bearish, ending the week with net selling of QR46.6mn vs net buying of QR74.4mn in the prior week. Qatari institutions turned bullish with net buying of QR51.7mn vs net selling of just QR40,550 in the week before. Foreign retail investors ended the week with net buying of QR20.8mn vs net selling of QR24.4mn in the prior week. Qatari retail investors recorded net selling of QR26.0mn vs net selling of QR49.9mn the week before. YTD (as of Thursday's closing), global foreign institutions were net sellers by $22.8mn, while GCC institutions were net sellers of Qatari stocks by $304.0mn.

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QNB FINANCIAL SERVICES

Weekly Market Report

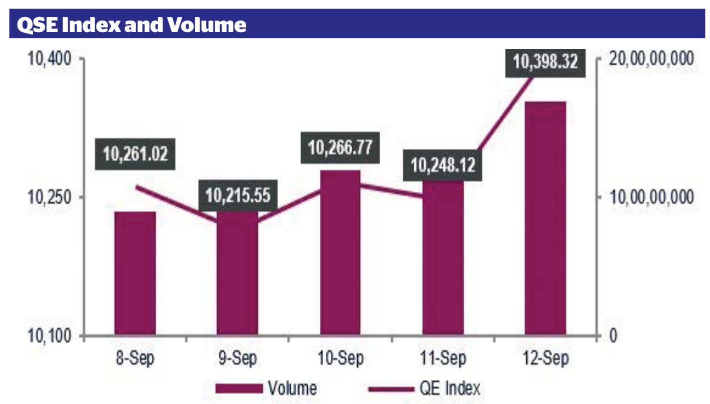
Market Indicators	Week ended. Sept 12, 2024	Week ended. Sept 05, 2024	Chg. %
Value Traded (QR mn)	1,629.0	1,579.6	3.1
Exch. Market Cap. (QR mn)	602,001.6	597,174.5	0.8
Volume (mn)	609.9	639.6	(4.6)
Number of Transactions	63,118	61,040	3.4
Companies Traded	51	52	(1.9)
Market Breadth	24:24	32:17	–

Source: Qatar Exchange (QE)

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	23,713.65	0.9	2.1	2.0
ALL Share Index	3,700.74	1.0	2.1	2.0
Banks and Financial Services	4,563.37	2.4	3.9	(0.4)
Industrials	4,224.48	(0.4)	0.5	2.6
Transportation	5,421.64	(0.4)	(1.0)	26.5
Real Estate	1,546.37	(0.2)	1.0	3.0
Insurance	2,353.97	(0.6)	(0.3)	(10.6)
Telecoms	1,723.29	(1.4)	(0.3)	1.0
Consumer Goods & Services	7,656.24	0.3	0.9	1.1
Al Rayan Islamic Index	4,819.60	(0.0)	1.1	1.2

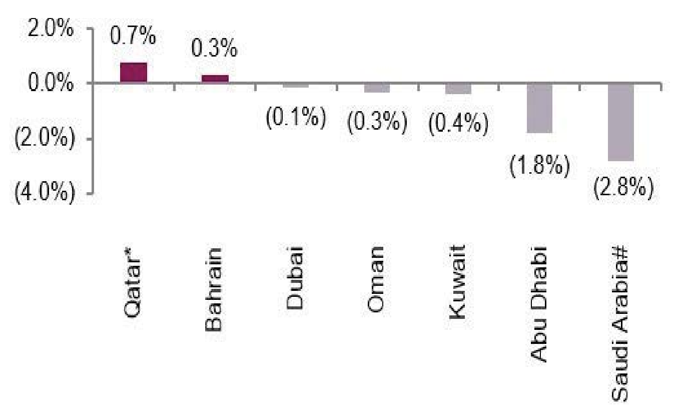
Source: Qatar Exchange (QE)

QSE Index and Volume



Source: Qatar Exchange (QE)

Weekly Index Performance



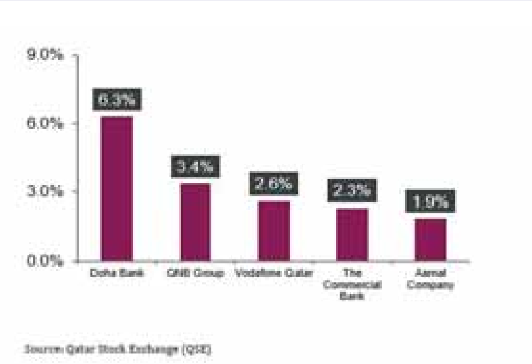
Source: Bloomberg

Regional Indices	Close	WTD%	MTD%	YTD%	Weekly Exchange Traded Value ($ mn)	Exchange Mkt. Cap. ($ mn)	TTM P/E**	P/B**	Dividend Yield
Qatar*	10,398.32	0.7	1.9	(4.0)	448.07	165,129.0	11.4	1.3	4.1
Dubai	4,364.87	(0.1)	0.9	7.5	335.54	198,575.1	8.4	1.3	5.5
Abu Dhabi	9,307.72	(1.8)	0.2	(2.8)	1,167.61	699,577.3	17.0	2.6	2.1
Saudi Arabia#	11,766.40	(2.8)	(3.1)	(1.7)	8,472.08	2,636,246.7	19.5	2.3	3.6
Kuwait	7,158.56	(0.4)	(0.3)	5.0	1,234.55	152,853.2	18.9	1.7	3.3
Oman	4,735.05	(0.3)	(0.0)	5.1	31.60	24,128.6	12.2	0.9	5.3
Bahrain	1,952.36	0.3	(0.3)	(1.0)	32.54	20,146.5	7.7	0.7	8.9

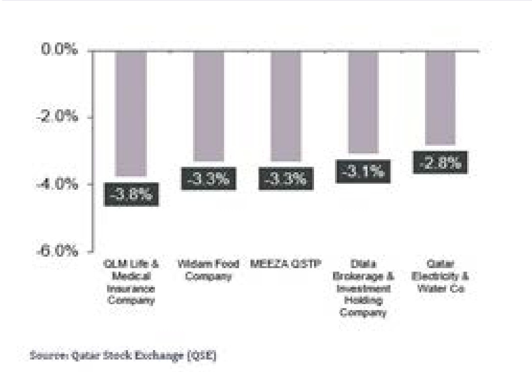
Source: Bloomberg

Qatar Stock Exchange

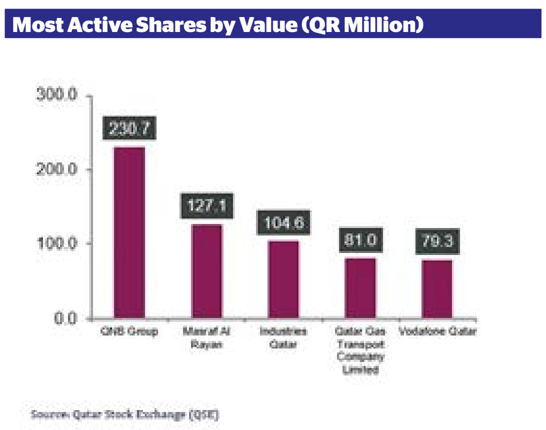
Top Five Gainers



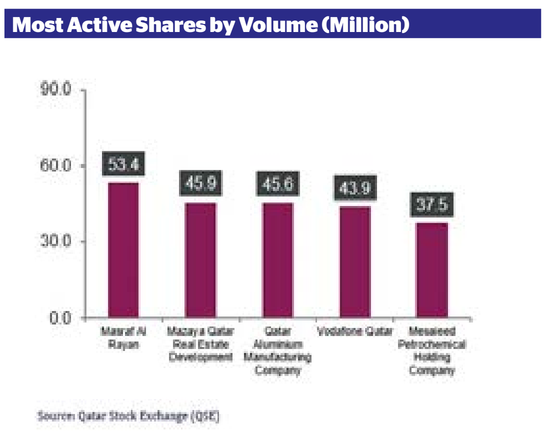
Top Five Decliners



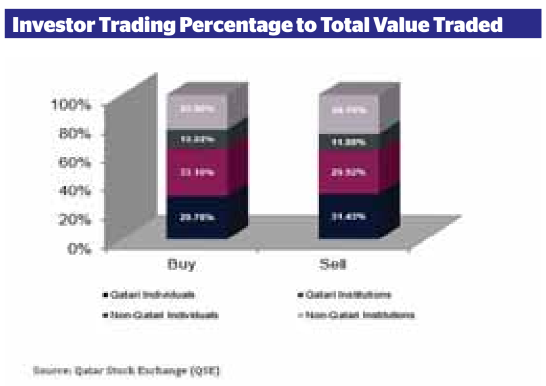
Most Active Shares by Value (QR Million)



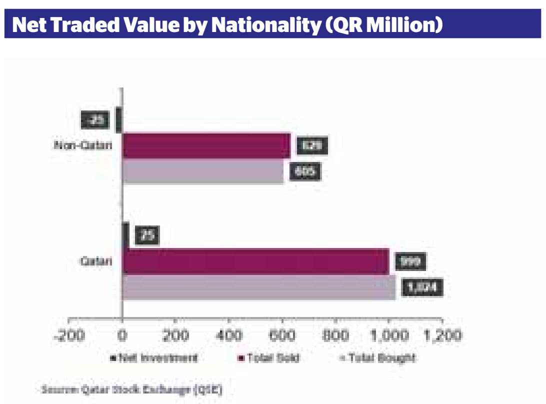
Most Active Shares by Volume (Million)



Investor Trading Percentage to Total Value Traded

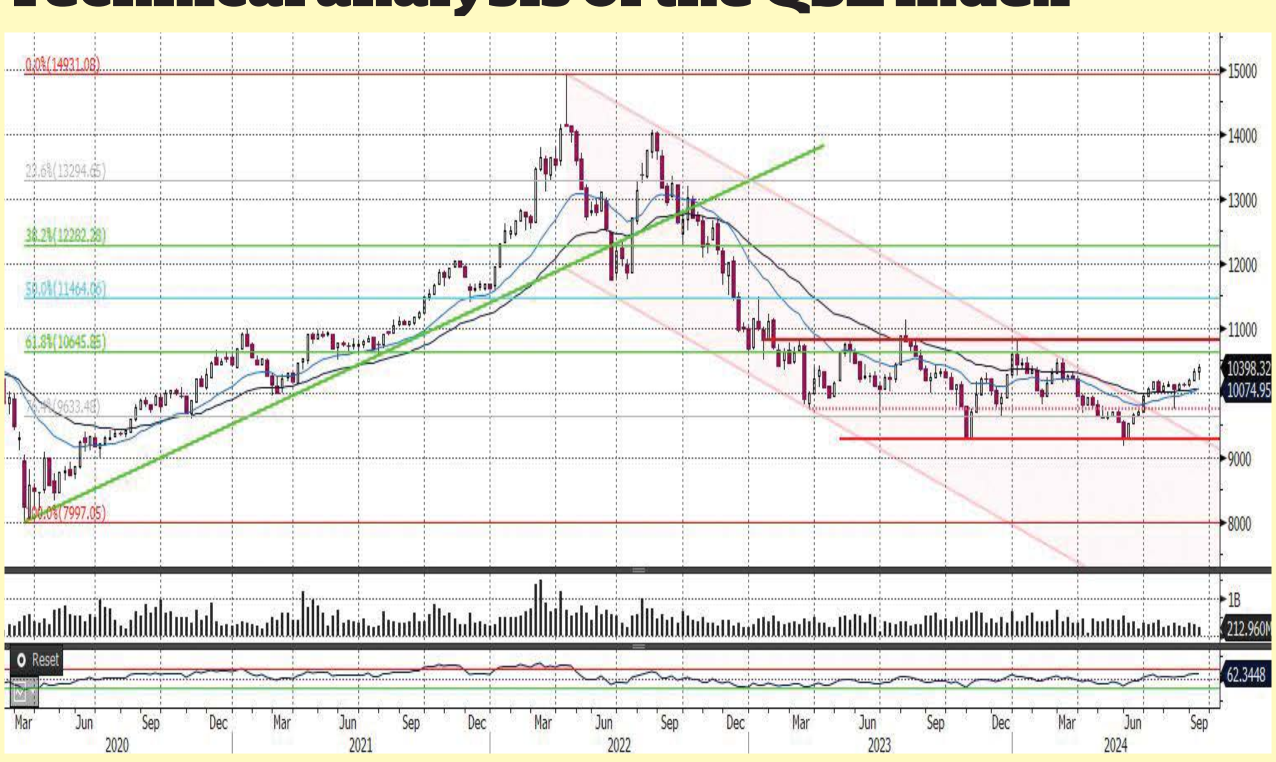


Net Traded Value by Nationality (QR Million)



Company Name	Price September 12	% Change Weekly	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	16.46	3.39	(0.42)	152,032	10.2	1.7	4.0
Qatar Islamic Bank	20.35	1.75	(5.35)	48,086	11.5	1.9	2.5
Commercial Bank of Qatar	4.37	2.34	(29.52)	17,686	6.2	0.9	5.7
Doha Bank	1.70	6.31	(7.05)	5,274	6.6	0.5	4.4
Al Ahli Bank	3.74	0.40	3.26	9,541	11.7	1.4	6.7
Qatar International Islamic Bank	11.03	1.01	3.18	16,696	16.3	2.3	4.2
Masraf Al Rayan	2.40	1.35	(9.57)	22,329	15.6	1.0	4.2
Lesha Bank	1.39	1.16	5.14	1,558	14.0	1.2	N/A
National Leasing	0.72	0.00	(1.23)	356	21.6	0.6	4.2
Dlala Holding	1.20	(3.07)	(9.24)	228	468.3	1.2	N/A
Qatar & Oman Investment	0.75	(2.73)	(21.24)	236	N/A	1.1	N/A
Islamic Holding Group	4.21	0.26	1.52	238	14.8	1.5	1.2
Dukhan Bank	3.75	(1.58)	(5.79)	19,602	15.8	1.5	4.3
Banking and Financial Services				**293,863**			
Zad Holding	13.80	0.44	2.22	3,966	20.1	3.1	4.7
Qatar German Co. for Medical Devices	1.77	(1.50)	22.12	205	1081.1	5.5	N/A
Salam International Investment	0.69	(1.42)	1.32	791	12.4	0.5	4.3
Baladna	1.36	(1.02)	10.78	2,578	15.4	1.1	5.1
Medicare Group	4.42	(1.38)	(19.51)	1,243	16.6	1.3	5.0
Qatar Cinema & Film Distribution	2.66	0.00	(8.17)	167	39.6	1.3	2.6
Qatar Fuel	14.77	1.10	(10.92)	14,685	14.3	1.7	5.4
Widam Food	2.78	(3.30)	17.80	500	91.1	3.1	N/A
Mannai Corp.	3.85	0.78	(8.31)	1,757	N/A	1.9	6.5
Al Meera Consumer Goods	14.45	0.98	4.79	2,977	16.2	1.9	5.9
Mekdam Holding Group	3.64	0.89	(9.35)	600	12.8	2.3	N/A
Meeza QSTP	3.44	(3.29)	19.73	2,229	36.9	3.2	2.4
Al Faleh Education Holding	0.83	(0.36)	(2.48)	198	16.5	0.8	3.8
Consumer Goods and Services				**31,898**			
Qatar Industrial Manufacturing	2.56	0.47	(14.67)	1,217	8.9	0.6	5.1
Qatar National Cement	3.66	1.81	(7.35)	2,390	12.8	0.8	8.2
Industries Qatar	13.01	(0.15)	(0.54)	78,711	15.1	2.1	4.8
Qatari Investors Group	1.50	1.28	(8.64)	1,866	12.0	0.6	10.0
Qatar Electricity and Water	15.45	(2.83)	(17.82)	16,995	11.5	1.1	3.2
Aamal	0.82	1.87	(3.43)	5,141	13.2	0.6	N/A
Gulf International Services	3.31	(1.10)	20.12	6,159	12.5	1.6	4.5
Mesaieed Petrochemical Holding	1.64	(1.62)	(8.45)	20,566	23.1	1.3	3.3
Estithmar Holding	1.86	1.09	(11.31)	6,325	17.1	1.3	N/A
Qatar Aluminum Manufacturing	1.24	(0.40)	(11.21)	6,936	15.7	1.1	4.8
Industrials				**146,304**			
Qatar Insurance	2.14	(0.56)	(17.45)	6,983	11.3	1.1	4.7
QLM Life & Medical Insurance	2.20	(3.76)	(11.96)	770	10.8	1.2	5.7
Doha Insurance	2.50	0.00	4.60	1,250	6.9	1.0	7.0
Qatar General Insurance & Reinsurance	1.16	0.26	(21.09)	1,015	N/A	0.3	N/A
Al Khaleej Takaful Insurance	2.34	(1.52)	(21.21)	597	9.1	1.0	5.1
Qatar Islamic Insurance	8.33	0.37	(6.39)	1,250	7.9	2.3	6.0
Damaan Islamic Insurance Company	4.00	0.00	0.30	800	10.3	1.6	4.5
Insurance				**12,665**			
United Development	1.11	(0.80)	4.60	3,945	11.0	0.4	4.9
Barwa Real Estate	2.82	(0.11)	(2.56)	10,973	8.9	0.5	6.4
Ezdan Real Estate	0.75	0.81	(12.82)	19,841	172.8	0.6	N/A
Mazaya Qatar Real Estate Development	0.60	0.50	(16.87)	601	N/A	0.6	4.2
Real Estate				**35,360**			
Ooredoo	10.91	(2.59)	(4.30)	34,947	11.3	1.3	5.0
Vodafone Qatar	1.84	2.63	(3.67)	7,765	13.5	1.6	6.0
Telecoms				**42,712**			
Qatar Navigation (Milaha)	11.46	(1.97)	18.14	13,020	12.9	0.8	3.3
Gulf Warehousing	3.23	(0.43)	2.97	189	9.4	0.8	3.4
Qatar Gas Transport (Nakilat)	4.40	(0.81)	25.11	24,399	15.1	2.0	3.2
Transportation				**37,609**			
Qatar Exchange				**602,002**			

Technical analysis of the QSE index



The QE Index closed up (+0.7%) for the week; it closed at 10,398.3 points. As expected last week, an uptick seen on the Index inside the broader flat price-range. We expect further travel further north from current levels in the short term. We update our weekly resistance level to the 10,650 points level and the support remains at 9,600 points.

Definitions of key terms used in technical analysis

RSI (Relative Strength Index) indicator – RSI is a momentum oscillator that measures the speed and change of price movements. The RSI oscillates between 0 to 100. The index is deemed to be overbought once the RSI approaches the 70 level, indicating that a correction is likely. On the other hand, if the RSI approaches 30, it is an indication that the index may be getting oversold and therefore likely to bounce back.

MACD (Moving Average Convergence Divergence) indicator – The indicator consists of the MACD line and a signal line. The divergence or the convergence of the MACD line with the signal line indicates the strength in the momentum during the uptrend or downtrend, as the case may be. When the MACD crosses the signal line from below and trades above it, it gives a positive indication. The reverse is the situation for a bearish trend.

Candlestick chart – A candlestick chart is a price chart that displays the high, low, open, and close for a security. The 'body' of the chart is portion between the open and close price, while the high and low intraday movements form the 'shadow'. The candlestick may represent any time frame. We use a one-day candlestick chart (every candlestick represents one trading day) in our analysis.

Traders' big bet on a half-point Fed cut is back in bond markets

Bloomberg
New York

Bond traders are once again ramping up wagers on a half-point interest-rate cut by the Federal Reserve next week, just days after that bet seemed all-but-over.

The likelihood of a 50-basis-point move climbed to 40% on Friday, up from as low as 4% earlier in the week. The repricing added to a rally in US government bonds, lifted small-cap stocks and weighed on the dollar.

This shift marks a rapid about-face for traders who earlier this week had almost completely discounted the possibility of a large cut in the wake of hotter-than-forecast consumer-prices data and signs the US labour market remains relatively robust. The trigger for the revision was a *Wall Street Journal* report on Thursday that Fed policymakers were considering whether to reduce rates by a regular quarter point, or opt for half a percentage point.

The debate over the size of the Fed's first rate cut this cycle has captivated markets for weeks. But with time running out before the Fed's September 17-18 meeting, the stage is set for a volatile few days as traders attempt to gauge whether they are adequately positioned for either a quarter- or half-point move, and how the few remaining data points — including August retail sales on Tuesday — will factor into the Fed's thinking.

"If the Fed cuts by 25 basis points next week, they are putting themselves behind the curve," said Bryan Whalen, chief investment officer at The TCW Group. He said momentum for a half-point cut next week will increase should retail sales data show unexpected weakness. "If they only do 25, that's more bullish for bonds because it means the Fed will have to be more reactive down the road."

The chief US economist at JPMorgan Chase & Co on Friday reiterated its call for a half-point cut next week — leading to a volume surge in fed funds futures that would benefit from that outcome. JPMorgan is the lone large Wall Street bank forecasting a half-point rather than a quarter-point cut. Citigroup Inc had the same forecast until Wednesday, when August consumer prices data prompted a revision.

While acknowledging the possibility of a smaller cut, "we're sticking with our call that they will do the 'right thing' and cut 50bp," JPMorgan's Michael Feroli said in a report.

Amid Friday's tussle between traders calling for a large cut now and those seeing a more gradual path, the swaps market briefly priced in cuts of 75 basis points by the November meeting, implying one half-point move over the next two decisions.

Yet activity in the futures market painted a slightly different picture; there, sellers emerged to fade a rally in contracts that cover next week's policy meeting, suggesting some hesitation to push the chance of a large cut beyond 40%.

And Thursday's trading indicated traders quickly covering wagers on a quarter-point move now that the prospect of a bigger cut is once again on the table.

After paring their advance in tandem with the move in futures, Treasuries resumed rising, sending yields back toward session lows. The policy sensitive two-year yield fell 6 basis points to 3.58% while the 10-year fell 2 basis points to 3.65%, exceeding the two-year by the widest margin since July 2022. The yield curve has normalised over the past week, ending a more than two-year inversion — a record stretch for this measure — as the prospect of more aggressive Fed cuts boosts short-dated Treasuries more than their longer-dated counterparts.

US equities advanced led by smaller-company shares, which have tended to outperform when investor expectations for Fed rate cuts rise. Those companies, along with other cohorts such as profitless tech, disproportionately benefit from lower borrowing costs as many have variable-rate debt.

The dollar, meanwhile, weakened versus most of its 10 major peers.

"If Powell wants 50, they will go; the other members of the Fed will jump on board," said Gregory Faranello, head of US rates trading and strategy for AmeriVet Securities. Citing the current Fed policy rate of 5.25% to 5.5%, "they are a hundred basis points too high," he added. Speaking Friday in Singapore, former New York Fed President William Dudley, a Bloomberg Opinion columnist and adviser, and chair of the Bretton Woods Committee said there was "a strong case for 50. I know what I'd be pushing for."

The case for easing has been building for some time now. The central bank's favoured gauge of inflation has retreated toward its longer-term target of 2% from a high of over 7% two years ago. Disappointing US data releases, including a surprise drop in jobs openings, have further supported calls for Fed cuts.

But others worry that a half-point cut by the Fed next week would be an over reaction, and that the economy is not in urgent need of looser monetary policy.

"The market is a bit ahead of itself," said Mark Dowding, the CIO at RBC BlueBay, who said the Fed is likely to reduce rates gradually, starting with a 25-basis-point cut. "From our perspective, it looks like the economy is doing fine."

Traders work on the floor of the New York Stock Exchange. The Federal Reserve is in focus next week, as uncertainty swirls over how much the US central bank will cut interest rates at its monetary policy meeting and the pace at which it will reduce borrowing costs in coming months.

Wall Street investors set sights on Fed rate move

Reuters
New York

The Federal Reserve is in focus next week, as uncertainty swirls over how much the US central bank will cut interest rates at its monetary policy meeting and the pace at which it will reduce borrowing costs in coming months.

The S&P 500 index is just 1% shy of its July record high despite weeks of market swings sparked by worries over the economy and seesawing bets on the size of the cut at the Fed's September 17-18 meeting.

After fluctuating sharply throughout the week, Fed funds futures on Friday showed traders pricing an almost equal chance of a 25 basis point cut and a 50 basis point reduction, according to CME Fedwatch. The shifting bets reflect one of the key questions facing markets today: whether the Fed will head off weakening in the labour market with aggressive cuts, rather than take a slower wait-and-see approach.

"The market wants to see the Fed portray a level of confidence that growth is slowing but not falling off a cliff," said Anthony Saglimbene, chief market strategist at Ameriprise Financial. "They want to see… that there's still this ability to gradually normalise monetary policy." Investors will focus on the Fed's fresh economic projections and interest rate outlook.

Markets are pricing in 115 basis points of cuts by the end of 2024, according to LSEG data late on Friday. The Fed's June forecast, by comparison, pencilled in one 25-basis point cut for the year.

Walter Todd, chief investment officer at Greenwood Capital, said the central bank should opt for 50 basis points on Wednesday. He pointed to the gap between the 2-year Treasury yield, last around 3.6%, and the Fed funds rate of 5.25%-5.5%.

That gap is "a signal that the Fed is really tight relative to where the market is," Todd said. "They are late in starting this cutting cycle and they need to catch up." Aggressive rate cut bets have helped fuel a Treasury rally, with the 10-year yield down some 80 basis points since the start of July to around 3.65%, near its lowest level since June 2023.

But if the Fed continues to project significantly less easing than the market does for this year, bonds will have to reprice, pushing yields higher, said Mike Mullaney, director of global markets research at Boston Partners.

Rising yields could pressure stock valuations, Mullaney said, which are already high relative to history. The S&P 500 was last trading at a forward price-to-earnings ratio of 21 times expected 12-month earnings, compared to its long-term average of 15.7, according to LSEG Datastream.

"I find it implausible that you're going to get P/E multiple expansion between now and year-end in a rising (yield) environment," Mullaney said.

With the S&P 500 up about 18% so far this year, it may not take much to disappoint investors with next week's Fed meeting. Focus has turned to the employment market as inflation has moderated, with job growth coming in less robust than expected in the past two monthly reports.

The unemployment rate jumped to 4.2% in August, one month after the Fed projected it reaching that level only in 2025, said Oscar Munoz, chief US macro strategist at TD Securities. That indicates the central bank may need to show it will move aggressively to bring down rates to their "neutral" level, he added.

"If the (forecast) disappoints, meaning they turn more conservative and they don't ease as much… I think the market might not take it well," Munoz said.

Small markets steal limelight as global stocks rally broadens

Bloomberg
London

After being sidelined by investors for much of this year, some smaller equity markets are suddenly winning favour.

The trend is particularly evident in Asia, where Thailand, Singapore and New Zealand rank as the top performers in September. Their benchmarks have risen at least 3% each so far, even as MSCI Inc's gauge of global stocks has fallen about 1% following a four-month winning streak.

Investor focus seems to be shifting as the world's biggest equity markets such as the US, Japan and India take a breather, and China's slump deepens. For many of the smaller Asian markets, a limited exposure to the artificial intelligence theme means their valuations aren't expensive, making them attractive just as the Federal Reserve's dovish pivot helps boost their currencies and allows some central banks to embark on rate cuts.

"Some investors are seeking diversification away from larger, more volatile markets, leading to increased capital inflows into smaller ones," said Manish Bhargava, chief executive officer at Straits Investment Management in Singapore. "The desire is maybe to mitigate risks associated with larger economies and to tap into the growth potential of smaller markets."

The outperformance of under-appreciated markets in an otherwise challenging September isn't just an Asia phenomenon. Equity indexes in Argentina, Lebanon and Zambia also rank among the world's top performers this month in a list of more than 90 global gauges tracked by Bloomberg. In Asia, foreigners are on course to mark a fifth consecutive week of inflows into Southeast Asian stocks.

Meanwhile, volatility has been picking up in the US as traders debate the pace of the Fed's easing, the outcome of the US election and whether the AI boom has run its course. In Japan, the yen's strength has halted a record-breaking stock rally as the Bank of Japan prepares for another rate hike. India is also grappling with valuation concerns after world-beating gains.

The tech-heavy markets of South Korea and Taiwan have both witnessed foreign outflows from stocks this month amid uncertainty over the outlook for AI-linked shares.

Some of the smaller economies meanwhile are enjoying local tailwinds, such as Thailand's return to political stability and Singapore's focus on REITs, a sector that benefits from lower global rates.

And valuations are clearly in their favour, even after the latest gains. Benchmarks for Thailand, Singapore and the Philippines are trading at less than 15 times their 12-month forward earnings estimates, and all below their three-year average ratios. That compares with a multiple of more than 17 for the MSCI global gauge and ratios in excess of 20 for the S&P 500 and India's NSE Nifty 50 indexes.

Asia has seen some economies already easing monetary policy before the Fed, as a softening dollar gives central banks the room to focus on supporting economic growth.

The Reserve Bank of New Zealand lowered rates last month in an earlier-than-expected move. Bets that it will ease further and faster have bolstered the country's equity benchmark. The Philippines also slashed rates for the first time in almost four years and signalled there's more easing to come, while Indonesia and Thailand are widely expected to ease in the fourth quarter.

"The hope is that with US interest-rate cuts and a dollar that is biased toward weakness, the smaller countries can act a bit independently on interest policy," said Gary Dugan, chief executive officer of the Global CIO Office.

To be sure, the size of these markets and a relatively limited pool of large-cap stocks can be a deterrent for long-term investors like pension funds, and can thus restrict the potential for large foreign capital inflows.

Goldman Sachs ramps up Birmingham hiring in Europe expansion

Bloomberg
New York

Goldman Sachs Group is looking to hire dozens more workers in its new Birmingham office as part of the Wall Street bank's plans to expand in lower-cost European cities outside traditional financial hubs such as London.

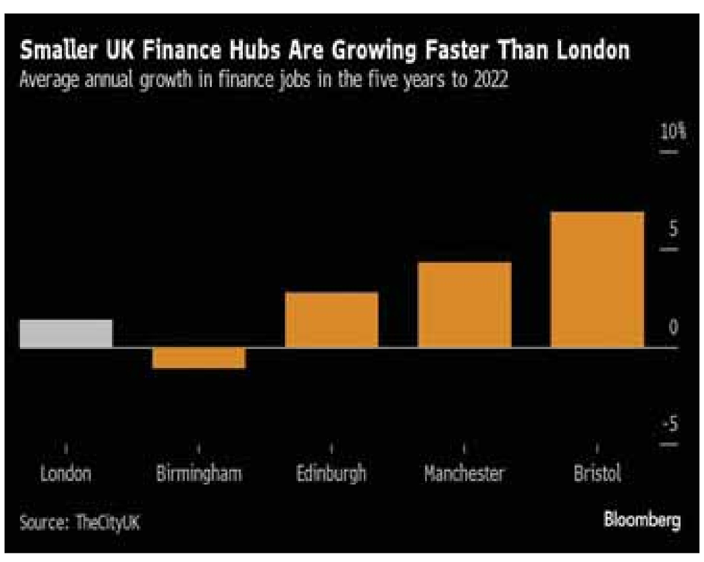
The New York-based firm first opened an office in Birmingham in 2021 with 30 people and now employs about 400 in Britain's second-largest city. After this year's relocation to new premises that could house as many as 1,000 staff, the company has room to attract more local talent, according to Gurjit Jagpal, Goldman Sachs' global head of investment banking engineering and the local office chief.

The UK has "exceptional universities, but not everybody lives in London, or aspires to live in and around London," Jagpal said in an interview this week. Coming to Birmingham has been "very much a talent play," he added.

The widening of Goldman Sachs' footprint in Birmingham underscores how Chief Executive Officer David Solomon is seeking to reshape his operations geographically while reining in expenses by placing thousands of jobs in cheaper locales. The financial-services firm plans to cut a few hundred jobs as part of an annual cull of low-performing staff, Bloomberg News reported last month.

Goldman Sachs has been adding offices in a number of what it calls "strategic locations" globally, including places like Warsaw, Dallas and Bengaluru, formerly known as Bangalore. The company had a headcount of 44,300 as of end-June. Across Europe, Goldman Sachs has offices in locations including Prague, Athens, Dublin, Bucharest and Stockholm, according to its website.

Rivals such as JPMorgan Chase & Co, Citigroup, Bank of America Corp and Bank of New York Mellon Corp have also been hiring hundreds of cheaper and skilled graduates outside of London. Their expansion has come as a boost to cities such as Birmingham, which has struggled with a



high rate of youth unemployment and a financial crisis. The West Midlands city's council declared itself bankrupt last year.

Finance and related services employ more than 2.4mn people in the UK, lobby group TheCityUK said in a report on Wednesday, based on the latest available figures from 2022. London is by far the biggest hub, with about 837,000 of those jobs, but cities like Birmingham, Edinburgh and Manchester each employ about 50,000 people working in the industry.

Despite Brexit, Goldman Sachs renewed its commitment to the UK about five years ago by opening a new building — its European investment banking headquarters — at Plumtree Court in the City of London. Today, that office employs some 6,000 workers.

Goldman Sachs' website currently has dozens of job listings for engineering, compliance, risk and human resources functions in its Birmingham office. Occupying four floors in the city's One Centenary Way building, the new facility is just a few minutes' walk from the offices of HSBC Holdings Plc, whose UK bank is based in the city, and Deutsche Bank AG, which operates a foreign-exchange and rates sales desk there.

Goldman Sachs' presence in Birmingham is "pivotal to what we want to do here in developing a tech-based economy and creating new jobs for the future," said Richard Parker, the Labour party mayor of the West Midlands region.

The UK needs about £1tn ($1.3tn) of investment over the next decade to put the economy on track to achieve 3% annual growth in real wages and real per capita GDP, according to a report by the Capital Markets Industry Taskforce published earlier this month. The new Labour government under Prime Minister Keir Starmer is planning to hold an investor summit next month, betting the event could bring in some of the money.

"We need to do more to attract businesses like Goldman Sachs," Parker said. To do that, "we need to sell the region better."

Other banking giants have been hiring hundreds of workers in cities other than London as well, with the expansion partly fuelled by the need for more back-office functions amid increasing regulations around the world.

JPMorgan in April opened a new office for its 2,600 employees in Glasgow, one of the Wall Street firm's global technology hubs. Barclays Plc opened a tech campus in the Scottish city in 2021, which now employs more than 6,000 people.

Investment bank Panmure Liberum, meanwhile, this year set up a new team in Cambridge that helps health-care and life-sciences companies raise capital. Mid-cap focused rivals are looking at similar moves to avoid being too focused on London-based businesses.

WEEKLY ENERGY MARKET REVIEW

Oil falls on resuming US output after storm, rising rig count

www.abhafoundation.org

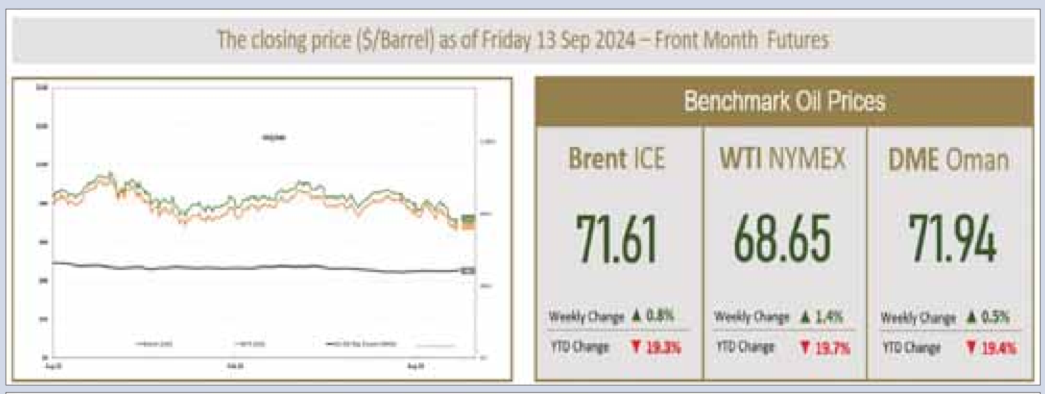
Oil

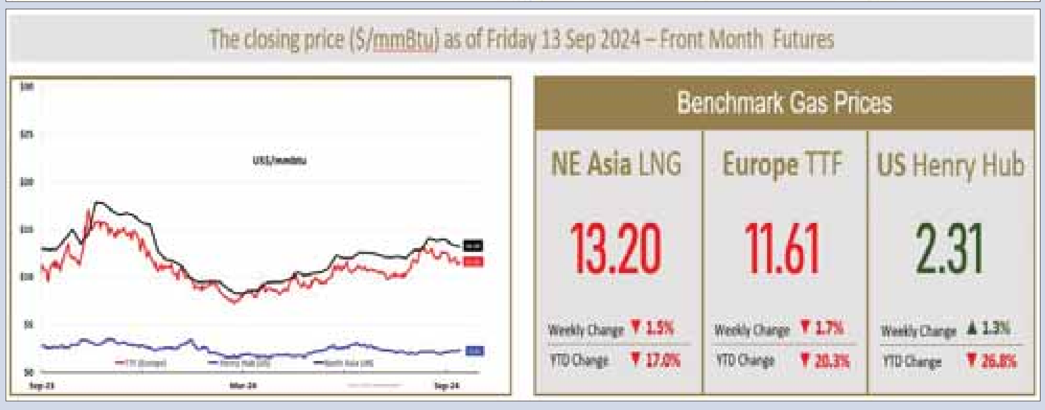
Oil prices fell on Friday as US Gulf of Mexico crude production resumed following Hurricane Francine and rising data showed a weekly rise in US rig count. Brent crude futures settled at $71.61 a barrel, down 36 cents, or 0.5%. US West Texas Intermediate crude (WTI) settled at $68.65 a barrel, down 32 cents, or 0.5%. As US Gulf Coast production and refining activity resumes, investors have opted to offload oil contracts going into the weekend, analysts said. For the week, Brent logged an increase of about 0.8% since the close of last Friday's session, while WTI registered a roughly 1.4% gain. Crude prices also took a hit from the US rig count from energy services group Baker Hughes, which reported the biggest weekly rise in oil and natural gas rig in a year. Crude oil rigs rose by five to 488 last week. Both the Organisation of the Petroleum Exporting Countries and the International Energy Agency lowered their demand growth forecasts last week, citing economic struggles in China, the world's largest oil importer. US oil stockpiles also rose across the board last week as crude imports grew and exports dipped, while fuel demand weakened, the Energy Information Administration said on Wednesday.

A view of an offshore oil rig during cargo operations. Oil prices fell on Friday as US Gulf of Mexico crude production resumed following Hurricane Francine and rising data showed a weekly rise in US rig count. *Picture supplied by the Abdullah Bin Hamad Al-Attiyah International Foundation for Energy and Sustainable Development.*

Gas

Asian spot liquefied natural gas (LNG) prices fell last week amid limited demand for November deliveries and as supply concerns related to Hurricane Francine's impact on US LNG facilities eased. The average LNG price for October delivery into north-east Asia was at $13.20 per million British thermal units (mmBtu), industry sources estimated, down from $13.40 per mmBtu last week. In Europe, Dutch and British wholesale gas prices were little changed on Friday morning as supply risks eased due to the US Hurricane Francine weakening and amid forecasts for warmer weather. The market remains in a comfortable position, with high underground gas storage levels ahead of winter and no significant extensions to ongoing Norwegian maintenance. For the week, the benchmark front-month contract for Dutch TTF hub edged down by 1.7% to $11.61 per mmBtu. In the US, natural gas futures fell on Friday, as traders took profits after prices rose to a two-month high early, supported by higher demand forecasts and a drop in output in recent days. For the week, the front-month gas futures for October delivery rose by 1.3%, to settle at $2.31 per mmBtu, rising for the third consecutive week.





■ *This article was supplied by the Abdullah Bin Hamad Al-Attiyah International Foundation for Energy and Sustainable Development.*

Qatar and South Korea build on legacy, strategic ties in energy, ICT, smart farming

By Peter Alagos
Business Reporter

The governments of South Korea and Qatar are significantly expanding areas of co-operation, including collaboration in areas like renewable energy, smart agriculture, ICT, health, smart shipping, and logistics.

This was announced by South Korean ambassador Yun Hyunsoo during the 'Korea-Qatar 50th Anniversary Future Forum' held in Doha recently under the theme '50 Years and Beyond'.

In his speech, Yun stressed: "During President Yoon Suk-yeol's historic state visit last year, the relationship between Korea and Qatar was elevated to a Comprehensive Strategic Partnership.

"This marks a new era, filled with potentials, ambitions, and the promise of lasting progress together. Under this new partnership, the two countries now work more closely through frequent consultation and co-ordination on many policy issues of mutual interest."

According to Yun, South Korea-Qatar trade stood at $16bn in 2023, marking a "4,000-fold increase" since both countries established diplomatic and economic ties 50 years ago. He stressed that Qatar is "a critical energy partner" for South Korea, exporting approximately "10mn tonnes of LNG annually."

Citing the role played by South Korean companies in Qatar's development, the ambassador stated that these firms participated in "over 130 construction and infrastructure projects," including the Qatar National Museum, built by Hyundai E&C utilising cutting-edge technology.

South Korean ambassador Yun Hyunsoo.

Underlining the impact of climate change on global agriculture production, Yun emphasised that both nations could share best practices in deploying technology to address various issues, such as applying South Korea's smart farming techniques that incorporate temperature-resistant techniques and water-efficient irrigation schemes.

"Another major issue that calls for close co-operation is energy transition. Most countries consider energy transition to be a necessity, not an option. There are many areas of co-operation between the two countries, such as renewable energy, hydrogen economy, and carbon capture and storage (CCS).

"Co-operation in hydrogen economy has significant potential. Korea is leading the establishment of a global hydrogen market and has declared to become a major hydrogen buyer. Qatar is exerting tireless efforts to become a leading producer of blue ammonia. If the strengths of the two countries combine, Korea and Qatar can lead the future global hydrogen market," the ambassador stated.

Yun noted that ICT is also another potential area of collaboration between South Korea and Qatar. He said new and emerging technologies provide opportunities in multiple sectors, including education, employment, innovation, and research.

"Korea is a leading country in establishing new norms and sharing best practices in the use of Artificial Intelligence (AI). We hosted the '2nd AI Seoul Summit in May and this week, we successfully hosted the 'Responsible AI in Military Domain (REAIM) Summit' in Seoul. We are looking forward to becoming a reliable partner in contributing to the tech-propelled development of Qatar," he stressed.

He added: "The significance of the Future Forum lies in its purpose: to reflect on Korea-Qatar co-operation and to chart the course for our future commitments. We will review our existing partnerships in political and economic sectors. We will examine how we can further strengthen our 50-year-long ties to another level."

24 participants kickstart innovation journey at QFC Digital Assets Lab

The Qatar Financial Centre (QFC) has activated the QFC Digital Assets Lab with 24 participants, who have successfully cleared a meticulous screening process. This cohort will benefit from a comprehensive support system for developing, testing, and commercialising their digital solutions and services.

The participants will develop transformative solutions tailored to a variety of use cases across different industries. By leveraging distributed ledger technology, these innovators seek to address industry challenges and drive digital transformation in their respective sectors. Among the 24 successful candidates are ALT Realtech, Bladelabs, Polygon, and Partior.

To bolster the capabilities of the Digital Assets Lab, QFC has partnered with leading international organisations, such as Google Cloud, Masraf Al Rayan, The Hashgraph Association, and R3.

These strategic partners will offer subject matter expertise, providing participants with valuable knowledge and industry insights.

The Digital Assets Lab supports the stakeholders in exploring and experimenting with various use cases, such as trade finance, real-world asset tokenisation, carbon credit tokenisation, and various ancillary services to support end-to-end tokenisation.

To facilitate these processes, the lab and its participants will operate under the newly launched QFC Digital Assets Framework, established to ensure a secure and transparent digital asset ecosystem for asset tokenisation processes and implementing a trusted technology infrastructure.

QFC CEO Yousuf Mohamed al-Jaida said, "I am delighted that the Digital Assets Lab has officially commenced with 24 participants working on technologies with different applications. Their collective effort and expertise will be pivotal in advancing digital asset solutions across multiple industries.

"The technologies we aim to develop through the Lab will support our goal of creating a resilient and secure financial sector, fostering a thriving wealth management hub, and positioning Qatar at the forefront of innovation."

The QFC Digital Assets Lab was launched in October 2023 to accelerate the development of Qatar's digital ecosystem and provide a platform for transforming promising digital concepts into cutting-edge technologies that can be practically applied in various industries.

Southern European Economies set to outperform euro area this year: QNB

The Southern European Economies (SEE) are set to outperform the euro area, on the back of a boom in tourism, improved relative competitiveness, as well as the correction of financial imbalances, according to QNB.

The Global Financial Crisis that ignited in 2007 marked the beginning of a prolonged period of economic under-performance for the SEE, which comprise Spain, Greece, Italy, and Portugal.

The significant fiscal and structural challenges faced by the SEE (among others, escalating sovereign debt, rigid labour markets, and over-indebted private sectors), had made these countries particularly vulnerable to large negative shocks, QNB said in an economic commentary.

Over the period of 2007-2022 that includes the major disruptions caused by the Global Financial Crisis (GFC), the Sovereign Debt Crisis (SDC) and the Covid-pandemic, real GDP of the SEE grew on average at a rate of 0.1% per year, almost 1 percentage point (pp) less than the 1% annual growth rate of the Euro Area as a whole.

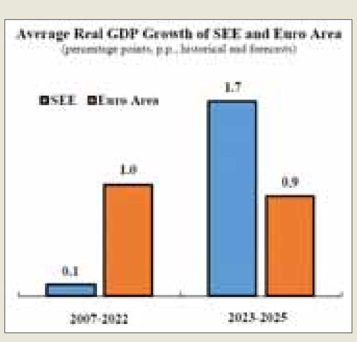
After the Covid-pandemic, the SEE finally embarked on a path of relative recovery on the back of cyclical and structural factors.

Over the period 2023-2025, real GDP growth is expected to average 1.7%, almost double the 0.9% of the euro area.

In this article, QNB discusses three key reasons that explain why the SEE's growth performance has improved.

First, the end of the Covid-pandemic sparked a boom in tourism that provided a boost to the SEE, where this sector has a large overall impact on the economy. As the pandemic receded and travel restrictions were lifted, tourism rebounded strongly and began a sustained period of expansion. Various measures of the numbers of visitors, total revenues, and hotel occupancy are growing at rates of 15%-20% across the SEE. This implies a significant boost to the SEE, where the estimates of the total direct and indirect weight of tourism in GDP vary from 8 to 20%.

Similarly, the weight in total employment is substantial. With a labour force of 25mn, Italy has 4.5mn workers in tourism-related sectors, while in Spain, 2.7mn of the 24mn workers are engaged in these industries.



In addition to consumption by tourists, the spending of tourism workers and firms acts as a multiplier in the rest of the economy. Thus, the post-pandemic "revenge" spending on tourism is having a major positive impact on the SEE through both direct and indirect channels.

Second, compared to the most manufacturing-intensive economies in the Euro Area, the SEE has benefited from a relative improvement in its competitiveness after the GFC and SDC, as well as from a better insulation from the energy crisis due to the Russo-Ukrainian war.

The SEE were less reliant on gas imports from Russia, relative to the more energy-intensive countries in the euro area, namely Germany, Austria, and Slovakia (the GAS countries), making the SEE less exposed to energy shortages and price increases. Additionally, the GFC and SDC triggered major adjustments in labour markets in the SEE, which put downward pressure on wages and therefore a decline in relative labour costs.

Unemployment rates across the SEE increased on average by 13.3 percentage points from the pre-crises lows to their peaks. These massive adjustments led to a reduction in wage pressures and the labour costs for firms.

As a result, unit labour costs show a significant divergence between the SEE and the GAS since the onset of the GFC: they have increased on average by 34% in the SEE, compared to 62% for the GAS countries, QNB noted.

The effects of the energy crisis and competitiveness have become evident in manufacturing: Between Q2,2023 to Q2,2024 average industrial production expanded by 1% in the SEE, while contracting by 4.1% in the GAS economies.

The relative gain in competitiveness and lower exposure to the energy crisis have given manufacturing in the SEE an advantage relative to the most manufacturing-intensive European neighbours.

Third, the deleveraging process in the private sector and the improvement of sovereign debt sustainability reduce financial instability fears and restore investor confidence.

Since the crises, households and firms in the SEE have deleveraged at an impressive pace: the average ratio of private sector credit to GDP in the SEE has fallen by 65pp from its peak of 134% in 2011 to the current levels of 69%.

The adjustment efforts by governments have also been significant, even if smaller, considering the large fiscal expansions that were necessary during the Covid-pandemic: average gross debt in the SEE dropped by 14 p.p. from 139% of GDP in 2014 to 125% this year.

These improvements have allowed for higher rates of private investment, a key component of GDP from an expenditure perspective: between Q1, 2023 and Q1, 2024, average investment spending in the SEE expanded by 2.2%, while it contracted by 0.6% in the Euro Area. Thus, the correction of financial imbalances have improved the conditions for investment and growth in the SEE.

"All in all, the SEE are set to outperform again this year with expected average real GDP growth of 1.6%, compared to 0.8% for the Euro Area, on the back of a boom in tourism, improved relative competitiveness, as well as the correction of financial imbalances," QNB added.