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QDB offers new advisory services to support companies



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Qatar Chamber and Czech Confederation of Industry sign MoU to boost business ties



# Commercial Bank issues Qatar's largest ever green, CHF-denominated bond following strong demand

Commercial Bank has successfully issued its inaugural green bond denominated in CHF (Swiss Franc). This is Commercial Bank's debut green bond issuance under its Sustainable Finance Framework published in 2023 and represents the next step in its sustainable financing journey.

The bond is the largest ever CHF green bond issued in Qatar, the largest CHF bond issuance from Qatar since 2013, and the largest CHF green bond out of the Central and Eastern Europe, Middle East and Africa (CEEMEA) region since 2021.

Initial pricing terms of a spread of 130bps was tightened by 10bps due to significant demand to a final spread of 120bps with the final size up tiered to CHF225mn from a range of institutional investors.

Commercial Bank considers sustainable financing as an integral part of its overall financing strategy and seeks to provide global and domestic bond investors with access to the positive environmental impacts associated with green projects in Qatar through the Green Bond issuance.

Commercial Bank expects to allocate proceeds to categories such as sustainable water and wastewater management, green buildings and clean transportation, which is expected to contribute towards achieving the goals of the Qatar National Vision 2030 and Qatar's National Environment and Climate Change Strategy.

Commercial Bank Group CEO Joseph Abraham said, "Commercial Bank's debut Green CHF-denominated bond issuance marks a significant milestone in our sustainable financing journey, reinforcing our commitment to driving impactful green projects in Qatar.

"This issuance not only aligns with our strategic vision but also demonstrates our capability to tap into international markets, offering investors a unique opportunity to support Qatar National Vision 2030. By integrating sustainability into our financing strategy, we are positioning ourselves at the forefront of environmental stewardship, while delivering value to our investors and the broader community."

The issuance was under Commercial Bank's existing EMTN programme and received substantial interest from investors. The Bank issued a 3-year bond raising CHF225mn at a coupon rate of 1.7075% payable annually. The bonds are listed on SIX Swiss Exchange and is rated A- by S&P and A by Fitch.


**The bond is the largest ever CHF green bond issued in Qatar, the largest CHF bond issuance from Qatar since 2013, and the largest CHF green bond out of the Central and Eastern Europe, Middle East and Africa since 2021**

Commercial Bank executive general manager (Treasury and Investments) Parvez Khan said, "Our inaugural Green Bond issuance reflects our commitment to advancing sustainable projects in Qatar. This achievement underscores our dedication to responsible financing, with a vision to drive meaningful environmental impact.

"The overwhelming interest from investors not only highlights their confidence in our approach but also reinforces the growing importance of green initiatives in shaping the future of global finance."

Commerzbank, Deutsche Bank, and Standard Chartered Bank acted as Joint Lead Managers for the transaction. Standard Chartered acted as the Sole Sustainability Structurer supporting the Bank's Treasury and Investment and ESG Team in structuring the transaction. Sustainalytics issued a second party opinion on the Bank's sustainable finance framework.

## Al-Kaabi meets Czech Republic's minister of industry and trade

HE the Minister of State for Energy Affairs Saad bin Sherida al-Kaabi met Jozef Sikela, Minister of Industry and Trade of Czech Republic in Doha yesterday. Discussions during the meeting dealt with energy relations and co-operation between Qatar and Czechia and means to enhance them.

## Qatar-India relations 'strong and sound'

Hailing the bilateral relations as "strong" and "sound", India is keen on attracting more foreign investments, including from Qatar, according to New Delhi's envoy to Doha.

"India-Qatar relations are on a strong, sound footing, with ties that are historically deep and multifaceted," ambassador Vipul told a seminar on 'Foreign Investments in India: Regulation and Protection', organised by The Institute of Chartered Accountants of India (ICAI) Doha Chapter.

He highlighted the government of India has taken numerous steps over the past decade to attract foreign investment, and it is encouraging to see such efforts are being actively promoted overseas.

The keynote address was delivered by Sreejith Kuniyil, managing partner at CAPITAIRE, who provided a detailed analysis of India's regulatory framework governing foreign investments and the mechanisms in place to protect investors.

The event saw a large participation of ICAI Doha Chapter members, entrepreneurs, bankers and professionals, reflecting the strong interest in foreign investment opportunities and regulations.

With the chapter's longstanding presence in Qatar and the active involvement of its members, the event underscored the importance of continued engagement between India and Qatar in economic matters.

The Doha chapter chairman Kamesh Tibrewal highlighted two upcoming initiatives: a plantation drive and the flagship annual conference "Startup Surge: Igniting Innovation, Transforming Future" which are scheduled to take place this month and in October 2024.

ICAI members and attendees at the seminar on 'Foreign Investments in India: Regulation and Protection.'

## Qatar proactive in taking steps to reduce carbon footprint: QFC

**By Santhosh V Perumal**
Business Reporter

Doha, which has placed environmental stewardship at the core of its developmental agenda, is proactively taking steps to reduce carbon footprint, while fostering economic growth, according to a top official of the Qatar Financial Centre (QFC).

Addressing a sustainability forum, "Revamping Energy and Industry Landscapes: Financing the Accelerated Low-GHG Transition in the MENA Region"; Yousuf Mohamed al-Jaida, chief executive officer of the QFC Authority, said the urgency of addressing climate change has never been more apparent.

Nations are committing to reduce greenhouse gas emissions and the Middle East and North Africa (Mena) region is uniquely positioned to contribute significantly to this effort, he said highlighting the need to enhance capabilities and sustainable finance and support industrial transformation to meet the region's long-term development objectives.

Finding a notable jump in the availability of green financial instruments, thus reducing the reliance on self-funding for sustainability initiatives; he said "Qatar is on a similar trajectory, placing environmental stewardship at the core of its developmental agenda."

In this regard, he said, from investments in renewable energy to pioneering carbon capture and storage technologies; the country "is taking proactive steps to reduce its carbon footprint while fostering economic growth."

In 2019, Qatar commissioned the Middle East and North Africa's largest carbon dioxide recovery and sequestration facility, which is designed to capture more than 5mn tonnes of carbon dioxide emissions annually by 2025, al-Jaida said at the event, co-hosted by Capacity-building Alliance of Sustainable Investment (CASI), the Institute of Finance and Sustainability (IFS), the Industrial and Commercial Bank of China, and the QFC. In 2022, Qatar launched the Al Kharsaah solar plant, which can supply 10% of the country's peak power demand, he said, adding over its lifetime, the plant is expected to prevent 26mn tonnes of carbon dioxide.


Yousuf Mohamed al-Jaida, chief executive officer of the QFC Authority, addressing the sustainability forum.

Qatar Energy has announced that it will build one of the world's largest solar power plants in Doha, with a capacity to produce 4,000MW of energy. This is in addition to two other solar power plants with a combined capacity of 880 megawatts under development, al-Jaida said.

Highlighting that Qatar aims to source 20% of its energy from renewables by 2030 and achieve a net zero carbon footprint by 2050; he said it is also exploring waste-to-energy solutions and assessing large-scale wind farm projects to further diversify its energy portfolio.

"These efforts highlight the crucial role of financing in achieving sustainability goals, he said, adding Green and ESG-oriented financial instruments are key to unlocking these opportunities," al-Jaida said.

"With the right investments, we can drive innovation, scale up renewable energy projects, and help industries reduce their carbon footprint" but enhancing sustainable financial capabilities requires addressing several key factors, he said, seeking clear and supportive regulatory frameworks, accessible financial products and active engagement with investors, businesses, and communities to align financial strategies with sustainability objectives.

Leveraging emerging technologies is also crucial for tracking and assessing environmental impacts while broadening access to green financing, he added.

Stressing that Qatar has taken "significant" steps to align its financial sector with global standards and unlock its economic potential in line with the Qatar National Vision 2030; he said as part of its Third Financial Sector Strategic Plan, the country is focused on strengthening governance and risk management, promoting digital innovation, and advancing its Islamic financial framework to foster a more resilient and forward-looking financial ecosystem.

In addition, Qatar is reinforcing its commitment to meeting evolving ESG standards and nurturing local talent through targeted education initiatives, ensuring that sustainability remains central to its financial development and long-term efforts.

"We will explore market dynamics, policy frameworks, the role of financing in green technology innovation, and the integration of innovative financial products and Islamic finance," al-Jaida added.

# Chamber, Czech Confederation of Industry sign MoU to boost ties

The Qatar Chamber and the Confederation of Industry of the Czech Republic signed a memorandum of understanding (MoU) yesterday, aimed at bolstering co-operation and strengthening relations between the private sectors of both countries.

The MoU was signed by Qatar Chamber board member Abdulla bin Mohamed al-Emadi and Petr Jonak, board member of the Confederation of Industry of the Czech Republic, on the sidelines of the Qatar-Czech Business Meeting, attended by Jozef Sikela, Minister of Industry and Trade of the Czech Republic, and Qatar Chamber first vice-chairman Mohamed bin Towar al-Kuwari. The meeting focused on enhancing co-operation between both entities and to promote trade volume between the two countries.

Al-Kuwari said Qatar and the Czech Republic enjoy strong relations across various fields, emphasising a shared desire to further enhance these relations, especially in the commercial and economic fields.

Trade exchange between both countries stood at QR630mn last year, said al-Kuwari, who believes this figure could increase through strengthened co-operation of the private sectors of both countries.

Al-Kuwari also noted that there are many companies from the Czech Republic operating in Qatar across various sectors, including services, hospitality, sports consultancy, food trade, and others.

Elaborating on Qatar's investment climate, al-Kuwari said the state offers an attractive environment for foreign investors, supported by integrated infrastructure and a strategic location that provides significant access to global markets.

Al-Kuwari stressed that Qatar provides a wide range of incentives to attract foreign investments, including allowing foreign investors to own up to 100% of various sectors and economic activities. Furthermore, it boasts advanced infrastructure, and favourable economic laws and legislation. He called on Czech companies to invest in Qatar and capitalise on its attractive investment climate and the incentives it offers to foreign investors, emphasising that Qatar has become a global logistic hub.

He added: "Qatar Chamber encourages Qatari businessmen to invest in the Czech Republic, which enjoys a privileged location within Europe, making it a significant market that links EU countries. Furthermore, Czech products are known for their quality, and the country offers innovative projects in many fields." Sikela said Qatar is an important trade partner for his country, noting that it is one of the top five importers of Czech exports in the Middle East. The minister underscored that the two countries' trade volume has doubled in recent years, stressing the private sector's key role in developing trade between both sides.

He emphasised the interest of Czech companies in boosting co-operation with their counterparts from Qatar and forming economic alliances across various sectors, including energy, smart cities, infrastructure, and more. The minister further praised the advancements Qatar is witnessing in all fields in line with the Qatar National Vision 2030, especially in cutting-edge technology, infrastructure, and tourism.

For his part, Jonak said the Czech Republic's economy depends on innovative industries, stressing the need for both sides to focus on these areas and integrate the country's technology into Qatari industries.

He also noted that Czech companies have a strong presence in the Qatari market, especially in high-value goods. Jonak said the Czech delegation included representatives of 12 companies specialising in mining, energy, agriculture, cyber security, healthcare, and pharmaceuticals. He added that these companies are eager to strengthen co-operation with Qatari companies and establish economic alliances.

Qatar Chamber first vice-chairman Mohamed bin Towar al-Kuwari and Jozef Sikela, Minister of Industry and Trade of the Czech Republic, join Qatar Chamber board member Abdulla bin Mohamed al-Emadi and Petr Jonak, board member of the Confederation of Industry of the Czech Republic, on the sidelines of the Qatar-Czech Business Meeting held in Doha yesterday.

## TSMC and Samsung weigh adding chip factories in UAE: *WSJ*

**Bloomberg**
Dubai

Taiwan Semiconductor Manufacturing Co and Samsung Electronics Co have discussed building major new factories in the United Arab Emirates in coming years to help satisfy soaring demand for artificial intelligence computing, the *Wall Street Journal* reported.

Executives from TSMC, the world's largest chipmaker, have visited the UAE recently to discuss building a plant complex that could rival the company's advanced facilities in Taiwan, the newspaper said Sunday, citing people familiar with the interactions.

South Korea's Samsung has also sent emissaries to the Middle Eastern country recently to talk about major new operations there, the *Journal* said, citing separate people with knowledge of the company's strategy.

The *Journal* said the discussions are in early phases and the projects might not pan out, given the array of technical and other hurdles they face. Projects of the scale under consideration could cost more than $100bn to complete, the paper said.

Samsung declined to comment. TSMC said in an e-mailed statement that it is focused on existing global expansions projects and it does not have new investment plans to disclose at this time. The Taiwanese chipmaker is building new facilities in the US, Japan and Germany at the moment.

The UAE is angling to become a regional hub and testing ground for AI. That includes potentially backing an ambitious plan by OpenAI Chief Executive Officer Sam Altman to expand machinery and systems for the technology.

More broadly, the Gulf States have been trying to decrease their reliance on petrochemicals. They have been targeting the semiconductor industry as a growth opportunity for more than a decade. Abu Dhabi's Mubadala investment arm is the majority owner of GlobalFoundries Inc, the former factory operations of Advanced Micro Devices Inc. That purchase was originally intended to lead to the building of a factory in the Middle East.

But such efforts have struggled in part because the Gulf lacks the infrastructure needed to justify building chip plants, which cost tens of billions of dollars to construct and equip — and rapidly become obsolete if they're not updated. Chipmakers prefer to build the factories in clusters where they can take advantage of skilled worker pools, existing infrastructure, and proximity to suppliers and support.

G42, an Abu Dhabi-based firm, is central to the UAE push into AI. It lined up a $1.5bn investment from Microsoft Corp earlier this year, and the companies just announced plans to create two centres locally to develop AI industry standards.

## Eurozone's teetering economy fuels bets on faster ECB rate cuts

**Bloomberg**
Frankfurt

A shock decline in the eurozone's main survey of the private sector economy just gave the European Central Bank a reason to speed up interest-rate cuts — at least in the eyes of investors.

Whether that means another reduction next month is unclear — markets assign a 40% chance to such a move. But Monday's unexpectedly large decline in the region's composite Purchasing Managers' Index has them pricing 43 basis points of monetary easing by year-end — up from 38 earlier — suggesting a bigger step at December's meeting is also possible.

Similar sentiments rippled through bond and currency markets: A key segment of the German yield curve normalised and the euro slipped after Mondays' data from S&P Global.

"Today's PMI data surely adds to growth worries and increases the likelihood of another cut in October," said Jussi Hiljanen, a strategist at SEB. "But it's not decisive — they will make a comprehensive analysis where PMIs are just one piece of the puzzle."

Fears are growing that Europe's early-year recovery has run out of steam. Output in the bloc's 20 nations already began to fade in the second quarter, with consumers still hesitant to open their wallets even as they benefit from cooling inflation and rising wages.

Weak foreign demand — especially in China — is also weighing on factories. Troubles at German carmakers like Volkswagen AG underscore the issue.

S&P Global's release showed that much of September's economic weakness was down to an unwinding of the boost France got from hosting the Summer Olympics. As a result, its index of services activity fell well below the 50 mark separating growth from contraction. Germany's manufacturing malaise worsened, meanwhile, contributing to a fall in the overall gauge for the euro area to 48.9. Economists had predicted 50.5.

While ECB staff have already trimmed this year's economic-growth forecasts, they still see expansion of 0.8% — driven to a large extent by a pickup in consumer spending. Households have remained cautious so far, with conflicts in Ukraine and the Middle East — as well as volatile politics — all casting a shadow over their situations.

Some of the ECB's more dovish policymakers warn that if rates stay too high for too long, the economy could suffer unnecessary damage. Executive Board member Piero Cipollone said recently that "there's a real risk that our stance could become too restrictive." "The composite PMI has flagged a deterioration in the economic outlook. In part, that reflects a back-to-reality drop in France after the completion of the Paris Olympic Games. We expect the euro area to grow 0.2% in the third quarter, unchanged from 2Q. For the ECB, a pronounced growth slowdown would be unwelcome. If further evidence of a slowdown builds, that could make the October gathering a live meeting." Says Jamie Rush, chief European economist, Bloomberg Economics.

Hawks, though, are in no rush to deliver more easing, citing stubbornly high services-sector inflation that could delay a return to the 2% target. Latvia's Martins Kazaks said Monday, before the PMI data, that the price threats still trump growth concerns.

"The risk of service-price inflation is still more significant at the moment, but as we move forward step by step, we'll see how the situation develops," he told the *Leta* newspaper.

Slovak central-bank chief Peter Kazimir said last week he'd need a "powerful signal" about the economic outlook to support an October cut.

The question is whether the PMI release amounts to that. Other data due before the next ECB meeting include the monthly Ifo survey on Germany's economy and September's eurozone inflation reading.

Speculation on quicker loosening has also been fuelled by the Federal Reserve's forceful start to its rate-cutting campaign, even as the US economy keeps growing. PMI data later Monday are expected to show a broadly unchanged reading of 54.3.



The headquarters of the European Central Bank in Frankfurt am Main. A shock decline in the eurozone's main survey of the private sector economy just gave the European Central Bank a reason to speed up interest-rate cuts — at least in the eyes of investors.

# Malaysian halal expo's Gulf debut to expand global appeal

By Peter Alagos
Business Reporter

The internationalisation of the Malaysia International Halal Showcase (MIHAS) acknowledges the importance of extending the annual halal exhibition's reputation beyond domestic borders, the top official of the Malaysia External Trade Development Corporation (MATRADE) has said.

MATRADE chairman Reezal Merican Naina Merican told reporters on the sidelines of the recently concluded MIHAS 2024 in Kuala Lumpur that the event is poised for international expansion, first in Dubai from November 18 to 20, and followed by China and other European countries.

"We are set to organise 'MIHAS@Dubai', which will be held within the 'Middle East Organic and Natural Products Expo', featuring a 600-strong Malaysian delegation occupying 200 booths.

"This move aims to tap into the Middle East and North Africa (Mena) region, which is a key market with significant potential. This expansion offers Malaysian companies direct access to one of the world's most dynamic halal markets and provides international businesses with yet another platform to engage with the Malaysian halal industry players," Merican said in a speech.

According to Merican, halal "has stood as a beacon of innovation and opportunity in the global market," thus MATRADE's efforts of charting a new course for the future of the global halal market.

Merican said the clusters to be showcased during 'MIHAS@Dubai' will include sectors, such as beauty care, healthcare and wellness, franchise, lifestyle, food and beverages (F&B), Muslim-friendly travel, Islamic finance, and many other halal sectors and products.

"The internationalisation of MIHAS is crucial to our success and underscores our commitment to advancing Malaysian businesses in the global halal market. By elevating the MIHAS brand to new heights, we aim to position it alongside the leading global exhibitions, which demonstrates our strong dedication to achieving excellence at the global fora," Merican explained.

Figures provided by MATRADE revealed that Malaysia's halal export value is expected to reach nearly RM55bn in 2024, marking the second consecutive year it has surpassed the RM50bn mark.

Merican noted that this signifies the robust performance of Malaysia's halal sector, which is mainly contributed by a variety of products, F&B, halal ingredients, cosmetics, palm oil derivatives, and industrial, chemical, and pharmaceuticals.

He said, "The scale of the opportunities in the global halal market before Malaysia is indeed sizeable. The global halal market now is expected to grow to $5tn by 2030. This isn't just a number. It represents a seismic shift in consumer preference and market dynamics.

"With the global Muslim consumer and population expected to reach 2.2bn, accounting for 26%of the entire world population, the demand for halal products and services is set to rise."

Merican added: "But what makes this market truly fascinating is its broad appeal, which extends far beyond the Muslim demographic. This demonstrates that halal is no longer merely a religious requirement, but it has also become a global standard for quality, safety, and ethical production."


Reezal Merican Naina Merican, MATRADE chairman.

# QDB offers new advisory services to support companies' development journey

Qatar Development Bank (QDB) has announced the launch of three new advisory bundles designed to support entrepreneurs and startups at various stages of their development.

The new bundles provide comprehensive support for startups from the onset and empower small and medium-sized enterprises (SMEs) seeking to expand or improve their performance.

The new advisory bundles feature field consultations and a comprehensive assessment of the company's operations, to develop detailed business plans and improve overall performance, with a focus on the use of technical solutions to increase efficiency and competitiveness.

As part of its endeavour to support startups, QDB launched the dedicated 'Starting Up Advisory' bundle that was specifically designed to meet the needs of entrepreneurs and startups. The bundle features a set of specialised consulting services that aim to ensure strong foundations for the successful launch of a business.

These services include detailed market reports, guidelines, and practical models to build an integrated business plan that takes into account best practices and guidance based on real data. The bundle also features direct consultations to familiarise companies with the required government procedures to establish and manage their businesses, streamlining the launch process and reducing associated risks.

The 'Scaling Up Advisory' bundle targets companies seeking to enhance their performance and expand the scope of their operations. The bundle provides comprehensive advisory support for companies that wish to grow and expand locally and internationally.

Under this bundle, a careful analysis of the company's current situation is conducted, including an assessment of the gaps in the administrative, technical, and financial processes.

Based on this analysis, a comprehensive strategic plan is developed to improve the company's overall performance and internal operations, enhance the quality of products and services, and boost competitiveness in local and international markets. The bundle also helps companies prepare for the export phase by assessing export readiness and developing a strategic roadmap to succeed in global markets.

The 'Business Turnaround Advisory' bundle targets companies that face major challenges and require restructuring or a radical shift in their strategies. Through this bundle, QDB provides specialised consultations aimed at identifying the fundamental issues that these companies face and developing practical solutions to restructure the business and achieve sustainability.

The bundle features support from specialised experts to conduct a comprehensive assessment of the company's current situation and provide recommendations based on global best practices to enable the company to grow. The bundle provides applicable solutions that help companies improve their financial and administrative balance and become profitable. The bundle also includes consultations on how to enhance the company's market value and how to plan for a successful exit from the market if necessary.

QDB CEO Abdulrahman Hesham al-Sowaidi said, "By re-offering our advisory services in the form of specialised bundles, we aim to build long-term relationships with our clients, enabling clients to access the advisory services that best suit their needs. The launch of these new bundles reflects our firm commitment to providing comprehensive and specialised support to SMEs in Qatar, enhancing their ability to grow and expand, address challenges and achieve sustainable success."

The advisory bundles build on QDB's strategy to enhance brand awareness among target customers and foster customer loyalty by providing advice that empowers companies to succeed and grow, which in turn prompts businesses to benefit from the bank's various financial products and services.

The three new bundles provide comprehensive support for startups from the onset and empower SMEs seeking to expand or improve their performance.

# Qatar's debt issuance to be broadly 'stable', says Fitch

By Santhosh V Perumal
Business Reporter

Qatar's debt capital market (DCM), which is the third-largest in the Gulf Co-operation Council (GCC), is slated to see its issuance broadly stable amid the government's continued debt repayments and limited corporate DCM access, according to Fitch, an international credit rating agency.

Bank issuances are expected to continue as they replace upcoming maturities and strive to diversify their funding bases, Fitch said.

Qatar's DCM reached about $130bn outstanding at end of first half or H1 of 2024, same as end H1-2023, with sukuk at 10% (H1-2023: 13%). Since the start of 2024, the diversity of issuance has increased with the issuance of the first sovereign green bond in the GCC, the first Qatari riyal corporate sukuk and a Formosa bond.

Qatar's DCM is the third-largest in the GCC after Saudi Arabia and the UAE, it said, adding the sovereign holds the majority of the DCM.

Fitch said most Qatari banks have issued senior unsecured debt to extend their maturity profiles and diversify funding. Corporate issuances have been small, it said, adding the majority of the DCM outstanding was denominated in US dollars at 65%, followed by riyals at 30%.

About 9.1% of the DCM has maturities in the second half or H2-2024, 13.4% in 2025, and 77.5% in 2026 and beyond.

The regulator has taken steps to advance the still-developing DCM in recent years, but DCM limitations remain, such as the nascent riyal-DCM market, the concentration of the investor base in banks and most corporates preferring bank financing over bonds or sukuk.

**Qatar's DCM reached about $130bn outstanding at end of first half or H1 of 2024, same as end H1-2023, with sukuk at 10% (H1-2023: 13%). Since the start of 2024, the diversity of issuance has increased with the issuance of the first sovereign green bond in the GCC, the first Qatari riyal corporate sukuk and a Formosa bond**

The Qatar Central Bank (QCB) published its ESG (environmental, social and governance) and sustainability strategy for the financial sector in June 2024, aiming to boost sustainable finance and develop ESG sukuk and bonds.

The strategy includes outcomes as the increased transparency of the financial sector's role in national sustainability through taxonomy of sustainable activities and guidelines for issuing sustainable products like loans, bonds and sukuk.

The ESG debt in Qatar was $3.8bn at end of H1-2024, with sukuk at 19.5%. The inclusion of sukuk will attract investors seeking Shariah-compliant, ESG options. These initiatives are intended to enhance Qatar's appeal to global investors focused on sustainability.

In H1-2024, sukuk issuance expanded by 122% year-on-year to $500mn, while bond issuance was up 59% to $12.4bn.

The QCB regularly issues treasury bills and sukuk, which provide domestic Islamic banks a venue to invest their excess liquidity.

Fitch rated about $3.2bn of Qatari sukuk, and rated 'A' at the end of H1-2024. Fitch has recently upgraded Qatar's rating to 'AA' with a stable outlook – the highest credit rating among the GCC countries.

The Qatari government has been repaying external debt as it matures, and debt decreased by QR27bn in 2023, Fitch said, adding "we project debt/GDP (gross domestic product) to fall to about 48% of GDP in 2024 and 46% in 2025, from a peak of 85% in 2020."

This reflects its expectation that the sovereign will continue to repay maturing external debt in 2024 ($4.8bn), but is likely to refinance its $2bn 2025 maturity in 2024, and will gradually pay down some of its domestic debt.

"We assume the government will repay the upcoming maturities in 2025. The subsequent debt path will depend on how the government chooses to deploy its fiscal surpluses," it said, forecasting Qatar's general government budget surplus at about 8.6% of GDP in 2024 (9.3% of GDP in 2023).

# QSE edges up amid strong buy interests from foreign, Gulf funds

By Santhosh V Perumal
Business Reporter

The Qatar Stock Exchange yesterday settled marginally up with its key index gaining mere 0.04% despite strong buying at the telecom and insurance counters.

The foreign funds were seen increasingly net buyers as the 20-stock Qatar Index rose about four points to 10,443.04 points, although the index touched an intraday high of 10,489 points.

The Gulf institutions were also seen increasingly bullish in the main market, whose year-to-date losses truncated to 3.5%.

As much as 51% of the traded constituents extended gains to investors in the main bourse, whose capitalisation was up QR0.55bn or 0.09% to QR607.6bn on the back of microcap segments.

The domestic funds' weakened net profit booking had its influence on the main market, which saw 103 exchange traded funds (sponsored by Doha Bank) valued at QR1,026 trade across a deal.

However, the Arab retail investors were seen net sellers in the main bourse, which saw no trading of treasury bills.

The foreign individuals were increasingly bearish in the main market, which saw no trading of sovereign bonds.

The Islamic index was seen outperforming the other indices in the main bourse, whose trade turnover and volumes were on the increase.

The Total Return Index was up 0.04%, the All Islamic Index by 0.17% and the All Share Index by 0.06% in the main market.

The telecom sector index shot up 1.43%, insurance (0.93%), transport (0.4%), consumer goods (0.39%) and real estate (0.27%); while industrials declined 0.18% and banks and financial services 0.14%.

Major gainers in the main bourse included Qatar General Insurance and Reinsurance, Aamal Company, Ezdan, Alijarah Holding, Ooredoo, Mannai Corporation, Qatari Investors Group, QLM, Mazaya Qatar, United Development Company, Vodafone Qatar and Nakilat.

In the venture market, Techno Q saw its shares appreciate in value.

Nevertheless, Ahlibank Qatar, QIIB, Mekdam Holding, Barwa, Widam Food, Mesaieed Petrochemical Holding and Qamco were among the losers in the main market.

In the junior bourse, Al Mahhar Holding saw its shares depreciate in value.

The foreign institutions' net buying increased substantially to QR16.81mn compared to QR0.31mn on September 22.

The Gulf institutions' net buying strengthened considerably to QR5.23mn against QR1.21mn the previous day.

The domestic institutions' net profit booking decreased noticeably to QR0.51mn compared to QR9.58mn on Sunday.

However, the Arab individuals were net sellers to the extent of QR9.63mn against net buyers of QR0.7mn on September 22.

The foreign retail investors' net profit booking expanded perceptibly to QR7.47mn compared to QR1.16mn the previous day.

The Qatari individuals turned net sellers to the tune of QR3.88mn against net buyers of QR7.4mn on Sunday.

The Gulf retail investors were net profit takers to the extent of QR0.55mn compared with net buyers of QR1.13mn on September 22.

The Arab institutions had no major net exposure for the second straight session.

Trade volumes in the main market rose 10% to 135.93mn shares, value by 22% to QR311.74mn and transactions by 44% to 13,017.

The venture market saw a 72% plunge in trade volumes to 0.09mn equities, 74% in value to QR0.2mn and 74% in deals to 7.

**The foreign funds were seen increasingly net buyers as the 20-stock Qatar Index rose about four points to 10,443.04 points, although the index touched an intraday high of 10,489 points**