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bolstering co-operation ties with
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GULF TIMES
BUSINESS



COOLING INFLATION: Page 7

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البنك التجاري
COMMERCIAL BANK



HE the Minister of Commerce and Industry Sheikh Mohamed bin Hamad bin Qassim al-Abdullah al-Thani joins other dignitaries during the opening ceremony of QDB Entrepreneurship Conference 2023, which will run until November 22 at the Qatar National Convention Centre.

**QDB kicks off 3-day
Entrepreneurship
Conference 2023**

By Peter Alagos
Business Reporter

Qatar Development Bank (QDB) kicked off yesterday the ninth edition of the Entrepreneurship Conference 2023 (Rowad), which will run until November 22 at the Qatar National Convention Centre (QNCC). Speaking at the opening ceremony, QDB CEO Abdulrahman Hesham al-Sowaidi emphasised that Rowad is also hosting the '3rd GCC Entrepreneurship Forum', which is gathering ministerial representatives from the GCC, startups, small and medium-sized enterprises (SMEs), and several industry experts from the region. "This event has become a very interesting conference where we aspire to new horizons of joint and common work and cooperation to manifest the visions and direc-

tives of their majesties and the highnesses of the GCC," al-Sowaidi emphasised in the presence of HE the Minister of Commerce and Industry Sheikh Mohamed bin Hamad bin Qassim al-Abdullah al-Thani. Also, al-Sowaidi noted that the third edition of the 'GCC Entrepreneurship Forum' aims to encourage creativity and innovation to address common challenges and to leverage the region's rich resources for economic development. He stressed that Rowad aims to enrich entrepreneurship through the different panel discussions, workshops, and exhibitions by participating startups, as well as to open new markets for entrepreneurs and their companies. In his speech, Khalid Ali Salim al-Sunaidi, the assistant secretary-general for Economic and Development Affairs at the General Secretariat of the GCC, under-

scored the value of encouraging SMEs considering their vital role and contribution in the economies of the GCC countries. He pointed out that SMEs are a source of innovation, hence their significance in reinforcing competitiveness in GCC economies and the international community, as well as in the creation of employment opportunities. Al-Sunaidi also underlined the value of the conference, which he described as an opportunity for SMEs to explore new ideas, discover investment opportunities, and exchange ideas among entrepreneurs and key decision-makers in the GCC. "We hope that this is going to flourish and lead to decisions to be undertaken as a source of economic stability and development in GCC countries and also to reinforce their positions as a financial centre and as a global economic hub," he said.

**Sheikh Mohamed meets caretaker minister
of economy and trade of Lebanon**



HE Sheikh Mohamed bin Hamad bin Qassim al-Thani, Minister of Commerce and Industry, yesterday met with Dr Amin Salam, caretaker Minister of Economy and Trade of Lebanon. The meeting previewed issues of common interest aimed at strengthening co-operation between the two countries in trade, investment, and industry. Sheikh Mohamed showcased the successful economic policies Qatar to support the private sector and pointed out the incentives, legislations, and promising opportunities to encourage investors and businessmen to invest in Qatar.

**Al-Kaabi meets Lebanese caretaker
minister of economy and trade**



HE Saad bin Sherida al-Kaabi, the Minister of State for Energy Affairs, yesterday met with Dr Amin Salam, caretaker Minister of Economy and Trade of Lebanon. Discussions dealt with energy relations and co-operation between Qatar and Lebanon and means to enhance them.

Dukhan Bank partners with Gord to boost sustainable financing

The Gulf Organisation for Research and Development (Gord) and Dukhan Bank have announced a significant partnership aimed at bolstering sustainable finance practices and fostering environmental and societal development in line with the Qatar National Vision 2030 and the UN Sustainable Development Goals (SDGs). The collaboration was formalised through a signing ceremony at the International Horticultural Expo 2023 Doha, further cementing the expo's status as a breeding ground for climate-focused collaborations and sustainable initiatives. The recent partnership between Gord and Dukhan builds upon the memorandum of understanding (MoU) inked between Gord and Dukhan Bank last year at the 27th Conference of the Parties to the UN Framework Convention on Climate Change (COP27) in Sharm El-Sheikh, Egypt, and marks a milestone in the organisations' commitment to realising a sustainable and eco-friendly future. At the same time, it aligns with Dukhan Bank's ESG strategy, to guarantee sustainable management of its banking operations, and enhance its capacity to lead banking institutions supporting



Dukhan Bank and Gord officials during the partnership-signing ceremony.

transformation into a sustainable community. Dr Yousef al-Horr, founding chairman of Gord, said: "Our collaboration with Dukhan Bank serves as a model for how financial institutions can proactively channel their resources into sustainable, eco-friendly ventures. It will encompass various strategic elements, including the development of comprehensive

frameworks tailored to sustainable finance. "Simultaneously, it will focus on building the capacity of Dukhan's employees, equipping them with the expertise needed to successfully implement these frameworks. Additionally, we are committed to raising awareness across the wider community, encouraging clients and investors to take full advantage of the sustainable finance offerings Dukhan Bank is putting in place."

Talal Ahmed al-Khaja, chief marketing and communications officer at Dukhan Bank, stated: "We're delighted to partner with Gord in establishing a foundation for a sustainable financial system. Recognising the pivotal role of sustainable finance in attaining sustainable development goals and fostering balanced growth, we've actively embedded it into our business framework as a fundamental pillar of our ambitious ESG strategy. "Moreover, we're glad to join hands with our partner institutions to raise awareness among community members and encourage our customers and investors to take advantage of our sustainable financing options, which aligns with the growing global momentum in financing climate action and sustainable development initiatives." Sheikh Mohamed bin Abdulaziz al-Thani, AGM - head of Government & Environmental Social Governance (ESG) at Dukhan Bank, commented: "The Sustainable Finance Framework, a pivotal initiative within this partnership, will be formulated by Gord to assist Dukhan Bank in meeting its green finance requisites. "This framework outlines clear and practical

criteria to appraise projects seeking financing, ensuring their compliance with set conditions, assessing their environmental and societal impact, and establishing key performance indicators (KPIs) to measure the effectiveness of funded projects in reducing their carbon footprint through the implementation of sustainable practices." Furthermore, this partnership entails combining the efforts of both parties to enhance the comprehension of sustainable financing projects among the bank's staff. It involves furnishing them with the essential mechanisms and methodologies to appraise and bolster green projects. Additionally, it aims to facilitate the transfer of knowledge to ensure the bank's team is equipped to actively contribute to implementing sustainable financing initiatives and play a pivotal role in supporting Qatar's sustainable development goals. Through this forward-thinking collaboration, Gord and Dukhan Bank are set to catalyse the development of a sustainable, environmentally responsible, and socially conscious financial ecosystem in Qatar and the broader Mena region.



Bloomberg QuickTake Q&A

Why fight for ‘critical minerals’ is heating up

By Mark Burton

Oil companies spent more than a century developing a vast industrial network to extract, refine and deliver their product to customers around the world. Sourcing the materials needed to build an alternative, less carbon-intensive economy presents a whole new set of challenges. China has been tackling these successfully for more than a decade, making it the undisputed leader in the “critical minerals” used in equipment such as electric vehicle batteries, solar panels and wind-turbine magnets. If the US and Europe are going to have a chance of challenging its dominance in these clean technologies, they need to catch up fast.

1. What are critical minerals?

Nations have long sought to secure supplies of materials they deem vital to their industrial and military capabilities. About 50 metallic elements and minerals met those criteria in the US and European Union, including lithium, graphite, cobalt, manganese and rare earths – elements with unique chemical behaviours that make them indispensable to the manufacture of some electronic, magnetic and optical products. Most critical minerals were chosen for their role in building the infrastructure required to reduce carbon emissions blamed for climate change, a mission that’s backed by hundreds of billions of dollars in subsidies and tax breaks. Some are also used in semiconductors for civil and military communications.

2. Why is sourcing them a challenge?

While many critical minerals can be found in a raw state in large quantities across the globe,

extracting and refining them into a usable form can be technically complex, energy intensive and polluting. China has come to dominate the value chain for many of these products. Even in the case of more abundant metals such as copper, massive demand growth means there might not be enough to go around. In 2023, the EU categorised copper and nickel as critical raw materials for the first time, even though there are lots of places where they can be found.

3. Why is relying on China a problem for western nations?

Manufacturers try to avoid over-dependence on supplies from any single country because it leaves them exposed when that nation’s industrial output is disrupted by things like power shortages, epidemics or social unrest. With China, there’s also a strained relationship with the US to consider, as the tensions could snowball into a trade war involving punitive tariffs or export restrictions. In July 2023, China said it was imposing restrictions on exporting gallium and germanium, a move that’s likely to raise costs for some manufacturers of electronic and optical equipment. In October, it announced export controls on some types of graphite, an ingredient in EV batteries.

4. How did China get so dominant?

As early as 1992, Chinese leader Deng Xiaoping was highlighting his country’s potential to lead the world in critical minerals, saying “The Middle East has oil. China has rare earths.” As its economic growth accelerated, Chinese demand for industrial commodities began to far outstrip local reserves. It responded with heavy investments in mining assets overseas and came gradually to dominate the refining and processing of virtually every industrial

commodity, as well as a host of obscure byproducts. As China stepped in, Western companies withdrew, happy to outsource the production. Today, China is the leading producer of 20 critical raw materials, as measured by its share of global mined or refined production. In the case of the rare earth element dysprosium, used in lighting and lasers, China is responsible for 84% of mined supply and 100% of refined production, according to an EU analysis. It’s also the largest producer of refined forms of cobalt and nickel, and Chinese companies have been investing heavily in cobalt and nickel mines in countries such as Congo and Indonesia.

5. What are China’s economic rivals doing about it?

President Joe Biden’s Inflation Reduction Act of 2022 aims to help the US meet its climate goals through job-creating investments in renewables and EVs and ease reliance on unreliable or hostile overseas suppliers. The EU’s Critical Raw Materials Act, agreed by the bloc’s parliament and member states in November, aims to ease financing and permitting for new mining and refining projects at home and strike trade alliances to reduce Europe’s dependence on Chinese suppliers. The US and European nations are also looking to strike supply deals and investment partnerships with other producing nations. But China’s established position in many of those countries gives it an early advantage. For example, more than half of the cobalt mines in the Democratic Republic of Congo are owned or controlled by Chinese companies. While the US is building lithium supply networks with free-trade partners such as Canada and Australia, China is consolidating relationships with African nations that are set to be among the world’s biggest producers of the metal by the end of the decade.

More Opec+ cuts likely next year as oil prices plunge, say analysts

Reuters
London

The Organisation of the Petroleum Exporting Countries and allies (Opec+) are likely to extend or even deepen oil supply cuts into next year, after a more than 15% drop in Brent prices from a peak in September, eight analysts have predicted.

Opec+ is set to consider whether to make additional cuts when the group meets later this week, sources told Reuters on Friday.

The sharp selloff in oil prices has come despite a supply deficit due to Opec+ cuts, in the fourth quarter and the risk of further supply disruption due to escalating tensions in the Middle East, as investors fret about burgeoning non-Opec supply and softening demand in major economies.

Saudi Arabia, Russia and other members of Opec+ have already pledged total oil output cuts of about 5mn barrels per day (bpd), or about 5% of daily global demand, in a series of steps that started in late 2022.

The Kingdom first made the voluntary cut of 1mn barrels per day (bpd) for July and extended it to the end of the year, as an addition to a broad supply-limiting Opec+ deal.

GOLDMAN SACHS: “We believe that Opec will ensure Brent in a \$80-\$100 range by leveraging its pricing power, with a \$80 floor from the Opec put, and a \$100 ceiling from spare capacity. While higher non-Opec supply or lower GDP are downside risks to prices, we estimate that Brent would remain close to \$80 unless Opec became less assertive.”

JP MORGAN: “Our base case scenario for the Opec meeting is that existing cuts should be extended. We think Saudi Arabia does have meaningful flexibility to cut further, if needed. We may see, in addition, Saudi seek to “share the load” of any potential further cuts among Opec+ peers – a collective effort, rather than unilateral. We believe this is possible assuming relationships continue to remain strong within the group. However, we don’t rule out a scenario of deepening the cuts by up to 1mn barrels to preemptively clear potential demand weakness in the first half of next year associated with a worse than expected DM-led (developed markets) recession.”

ENERGY ASPECTS: “Saudi Arabia and Russia have not yet confirmed whether they will extend their additional voluntary cuts...beyond December, but we expect them to do so to keep inventories low. Market conditions would need to deteriorate dramatically to persuade most Opec+ members to consider deeper cuts beyond what they have already agreed.”

SEB: “For 2024, the general forecasts are that global economic growth will slow. Global oil demand growth will slow and also that the need for oil from Opec will fall...this is a bearish environment for oil.

If Saudi Arabia is to carry the burden alone, it will likely need to keep its production at around 9.0mn bpd on average for 2024, dropping it down towards 8.5mn bpd in Q1-24. This may be too much to ask from Saudi Arabia and it may demand some of the other Opec members to step up and join in on the task to regulate the market. More specifically they would look to Iraq, Kuwait and UAE.”

ING: “...prices are trading down at levels which will raise some concerns among Opec members, particularly Saudi Arabia. The price weakness we are seeing means that it is increasingly likely that the Saudis will roll over their additional voluntary cut of 1mn bpd into early next year. Doing this should help erase the expected surplus and provide some support to the market.”

PVM: “I believe the Saudi cut will be extended into January provided the recent weakness in oil prices. Any sign of tapering, even if it is a gradual one, would be met with renewed selling. On the other hand, it is an intriguing proposition to contemplate, how long the Kingdom is willing to support the oil market unilaterally, something that might be a hotly debated topic at the next meeting.”

UBS: “Not sure the announcement will be done on November 26 or early December, both are possible, but at present I think with Saudi Arabia’s policy still focused on being proactive, preemptive and precautionary, their voluntary supply cuts are likely to be extended into 1Q24-given seasonally weaker oil demand at the start of every year, ongoing economic growth concerns, and the aim to support the oil market’s stability and balance.”

BARCLAYS: “We have maintained that Opec+ are likely to maintain a relatively aggressive stance in managing market expectations and...we will not be surprised to see the voluntary reductions being extended into next year.”

Chinese, Saudi central banks sign currency swap worth \$7bn

Bloomberg
Hong Kong/Riyadh

China and Saudi Arabia have signed a local-currency swap agreement worth around \$7bn, deepening their ties as countries across the Middle East look to shift more of their non-oil trade away from the dollar.

The two countries’ central banks have agreed on a three-year deal for a maximum of 50bn yuan or 26bn riyals, according to their separate statements on Monday. China, which has been promoting the yuan’s use in transactions with major energy and commodity exporters, is Saudi Arabia’s biggest trade partner.

The swap arrangement will “help strengthen financial co-operation” and “facilitate more convenient trade and investment” between the two countries, the People’s Bank of China said in a statement. The Saudi central bank made similar comments.

The deal is the latest sign of strengthening relations between Beijing and Riyadh. Though Saudi Arabia has long been one of China’s main suppliers of oil, business ties have expanded in recent years, with Saudi Aramco investing billions of dollars in China’s petrochemicals sector and the kingdom trying to attract Chinese tech companies.

Chinese President Xi Jinping visited Riyadh last year, with the two nations signing agreements-in-principle valued at \$50bn.

They’re also working more closely



A Saudi woman shows Saudi riyal banknotes at a money exchange shop in Riyadh. **Right:** Chinese 100 yuan banknotes are seen in a counting machine at a branch of a commercial bank in Beijing, China, which has been promoting the yuan’s use in transactions with major energy and commodity exporters, is Saudi Arabia’s biggest trade partner.



on geopolitical issues. In August, Saudi Arabia was invited into the Brics grouping of Brazil, Russia, India, China and South Africa. It’s expected to join in January along with five other nations including Iran, the United Arab Emirates and Argentina.

Saudi Arabia is the world’s largest oil exporter and a pillar of a petrodollar system established in the 1970s that relies on pricing crude exports in the US currency. While maintaining a peg to the dollar for decades, it’s now also seeking to strengthen its relations with crucial trade partners including China as part of an effort

to diversify the economy away from energy. At the same time, Saudi officials have consistently played down the idea that the kingdom would start to sell its oil to China or other major importers in currencies other than the dollar.

Apart from Saudi Arabia, major oil producers including the UAE and Iraq are also planning or exploring ways to conduct non-oil trade using currencies other than the dollar.

And as more countries try to reduce their reliance on the US currency, China’s swaps have grown in importance over the past decade.

Global central banks used them to a record degree in the first quarter of this year, indicating the yuan’s growing international prominence and a shift toward settling trade transactions with China in local currencies rather than the dollar.

The outstanding balance of China’s foreign-exchange swap lines rose to a fresh high of 117.1bn yuan at the end of September, according to the PBoC. The Chinese central bank has 29 active swap agreements, with their combined quota at over 4tn yuan in total, according to its report last month.

Turkiye’s lira lures carry traders once again

Bloomberg
Istanbul

The unnatural steadiness of Türkiye’s currency depreciation is drawing the attention of investors who borrow where interest rates are low and seek to put money to work where returns are higher.

So far this year, the lira’s chronic weakness and one of the fastest inflation rates globally have yielded the worst carry returns in the world. But the trade’s fortunes may be about to change.

While the currency is still consistently losing value – extending its record-low level nearly every day for the past three months – its daily losses have been contained within a very narrow range, averaging just above 0.1%. As a result, one-month implied volatility, a gauge of expected price swings in the currency, sunk below 10% this month to near the lowest level this year. That low volatility, when paired with surging yields on Turkish bonds, is creating an attractive proposition for carry trades, according to Emre Akcakmak, a senior consultant at East Capital in Dubai. “Some investors are now dusting off their old spreadsheets,” he said. Akcakmak described the lira as displaying “crawling peg-like behaviour,” a reference to a government policy of allowing only gradual shifts in a currency. Also noteworthy, he said, “is the shift in dynamics, with short-term yields now surpassing the recent changes in parity.” By that he means that investors can now earn more from short-dated Turkish bonds than they’ll lose from currency depreciation. At the same time, cumulative monthly declines in the currency have been less than monthly inflation

since August, meaning that the lira is appreciating in real terms. While the government hasn’t signalled that attracting foreign capital via carry trades is part of its policy, Finance Minister Mehmet Simsek, a former investment banker, said earlier this month that ensuring real appreciation of the currency was. Strategists at Barclays Plc expect depreciation of the lira to continue at a pace that “stabilises the currency’s real effective exchange rate,” which accounts for inflation differentials between a nation and its main trading partners. For now though, Barclays also predicts that the lira will decline more than investors will earn, making the carry trade unattractive. By contrast, strategists at Goldman Sachs Group Inc think the “lira could outperform the elevated risk premium in year-ahead forwards as real rates turn positive.” Carry trades on Turkish assets, once a favourite of emerging-market investors, were abandoned years ago after officials in Ankara imposed a series of measures aimed at discouraging short-selling of the lira. A more market-friendly team of economic officials, led by Simsek and central bank Governor Hafize Gaye Erkan, also a former investment banker, was appointed by President Recep Tayyip Erdogan after an election in May. They have been gradually unwinding earlier regulations in an effort to regain investors’ confidence. But among barriers to attracting money to Türkiye again are its low level of foreign-exchange reserves and sticky inflation that could force more interest-rate increases. The biggest concern among investors, however, is more than a decade of policymaking and the possibility that its latest turn to orthodoxy could also be abandoned.

KPMG Qatar partners with Sparklo for AI-driven reverse vending machine

KPMG in Qatar has taken a significant leap forward in corporate sustainability by partnering with Sparklo, a global innovator in clean technology.

This collaboration introduces the Sparklomat, an artificial intelligence-driven Reverse Vending Machine (RVM), to KPMG’s Doha office. The sophisticated AI software behind the Sparklomat ensures a 99.9% accurate identification process for recyclables, contributing to a more efficient and contamination-free recycling system.

This joint initiative aligns with KPMG’s commitment to lead by example in the environmental, social, and governance (ESG) sphere.

The Sparklomat offers KPMG employees and visitors an intuitive and rewarding way to recycle, integrating seamlessly with the Sparklo mobile app to provide instant rewards for their sustainable actions. This innovative approach to recycling represents a shift in workplace culture towards environmental consciousness and action.

“At KPMG in Qatar, we recognise that the health of our planet rests in the hands of each individual and organisation. Our collaboration with Sparklo reflects our role as custodians of the environment, transforming our office into a hub of sustainability where every recycled item signifies a step towards a greener tomorrow,” said Huda Ibrahim, head of Marketing and Communications at KPMG in Qatar.

Maxim Kaplevich, owner and chief executive officer of Sparklo, said the Sparklomats are revolutionising the recycling process, providing incentives that encourage eco-friendly actions.

“This strategic alliance with KPMG in Qatar places our innovative technology at the forefront of Qatar’s corporate environment, offering employees a firsthand experience with our product. Together, we are driving a sustainability transformation in Qatar, fostering a positive change by advocating environmentally conscious practices in the corporate world,” he said.



The sophisticated AI software behind the Sparklomat ensures a 99.9% accurate identification process for recyclables, contributing to a more efficient and contamination-free recycling system

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S&P 500 rally may be at risk after a 9.6% gain in three weeks

Bloomberg
New York

The S&P 500's 9.6% rally in three weeks is looking increasingly unsustainable to some market watchers.

Concerns about the gauge include the fact that stocks often rally on signs of softness in the US economy because that means the Federal Reserve is less likely to continue raising rates.

But in the end, weaker data also is just that — weaker. In addition, some technical indicators are starting to look stretched.

Strategists tracked by Bloomberg predicted on average in mid-October that the S&P 500 would end the year at 4,370, but the gauge had already reached 4,514.02 by Friday's close.

Rick Bensignor, a former Morgan Stanley strategist, suggested reducing exposure by midweek if the gauge rises to near 4,560 and completes a Setup +9, a technical indicator meant to identify potential trend reversals.

Matt Maley of Miller Tabak + Co said in a note on Saturday that while markets currently cheer the weaker economic data, ultimately fundamentals will change enough to have a negative impact on equities.

"Eventually, the stock market is going to realize that a decline in inflation does not mean that the era of 'free money' has returned," Maley said.

Also, the S&P 500 has become overbought according to its relative strength index, "so it could/



A monitor displays S&P 500 market data on the floor of the New York Stock Exchange. The S&P 500's 9.6% rally in three weeks is looking increasingly unsustainable to some market watchers.

should be due for at least some sort of a short-term pullback soon."

That comes after Bank of America Corp's Michael Hartnett told investors to sell into the "epic risk rally," citing technical and macroeconomic factors.

He said investors should fade the gains in areas like distressed tech and China-exposed assets.

Investors who believe that "Santa has come early" to markets may want to consider put-option spreads through year-end on companies like Expedia Group

Inc, Carnival Corp, Nvidia Corp and Intel Corp, RBC Capital Markets derivatives strategist Amy Wu Silverman wrote in a note on Saturday.

Some strategists see reasons to be optimistic. Goldman Sachs Group Inc's David Kostin says investors are too concerned about the corporate earnings outlook.

Morgan Stanley's Michael Wilson has been bearish much of the year, but the bank has predicted that US assets will outperform the rest of the world

next year, and that American corporate earnings will trough in the first quarter. Still, the heady advance in recent weeks has many investors on their toes.

"At least some sort of drop does seem likely at some point soon," Maley said. "If it does, the key support level will be at 4,400. A drop below that level would take the SPX back below its trend-line from the summer high.

That, in turn, would suggest that the decline is more than just a 'breather' — and would raise concerns about a bigger decline."

Lasting recovery in small-cap stocks still elusive as debt costs bite

Bloomberg
New York

The powerful rally in small-cap stocks looks like yet another false start rather than a lasting recovery. The Russell 2000 Index — the world's most closely followed gauge of smaller companies — rose over 5% last week as softer US inflation data bolstered bets that interest rates have topped out. Still, it will be hard for the gauge to avoid notching its worst year since 1998 against a benchmark of larger peers, given how vulnerable it is to damagingly high debt costs and a potential economic downturn.

What's more, unlike its bigger counterpart, the Russell small-cap index has tried and failed three times in the past 18 months to sustain a rally into a bull market — defined as a 20% gain from the most recent trough.

All that is making investors fearful of calling a turning point, even though the small-cap index is hovering near the cheapest

valuations since 2007 relative to the S&P 500 Index.

"You can rent the small-cap rally, but don't own them yet," said Manish Kabra, head of US equity strategy at Societe Generale SA. "The biggest issue is the upcoming refinancing cycle, as a quarter of firms have been loss-making in the last three years despite super-strong nominal GDP growth."

US small caps do tend to outperform the broader market between the last Fed rate hike and its first cut. But what's different this time is that the US rate-hike cycle has been the most powerful since the 1980s. It's feeding into the economy, just as companies face repaying debt they gorged on during the cheap-money years.

And even before recession hits, 40% of Russell 2000 companies are loss-making, data from Apollo Global Management showed.

Debt costs are going to be problematic for companies more broadly, of course — Bloomberg Intelligence estimates corporates that borrowed in dollars may incur an extra \$27bn in interest

costs when they refinance debt maturing between 2024 and 2026. But headwinds could be magnified for small firms as they tend to carry more leverage. US small caps have more than two-thirds of their debt coming due in the next five years, compared with less than half for the S&P 500, according to data compiled by Bloomberg.

That's enough reason to shun small caps, Peter Garrny, head of equity strategy at Saxo Bank AS, said, noting that "higher rates for longer and, potentially, a slowdown in the economy are key risks that hit these small cap companies harder than large caps."

Small-cap fund managers are banking on an extreme discount in share prices relative to earnings to drive a rebound. Valuations are "beyond cheap" according to Nicholas Galluccio, portfolio manager of the Teton Westwood Small Cap Equity Fund. "If we're going into a slowing economy, small caps are already predicting a recession. So the valuation gap between small and large caps will

begin to close," he added. Such bets have lured nearly \$1.7bn to US small-cap funds so far in November, EPFR Global data showed, the first inflow in four months. And history bodes well — since the late-1980s, US small caps have typically gained 16.5% in the average of nine months between the last rate hike and the first cut, according to CFRA Research. The S&P 500, meanwhile, has risen 13.2%.

A fair-value model based on consensus rate and macro forecasts does imply a roughly 20% upside for the Russell 2000 of US small caps, according to Bloomberg Intelligence strategists Michael Casper and Gina Martin Adams. But even that gain would leave the index short of a record high hit in 2021.

"For the small-cap gauge to break out of that range, the economy would have to re-accelerate — but with such a surge likely met by higher interest rates, the model indicates that upside in the most bullish scenario could be capped below former all-time highs," the strategists wrote in a note.

QSE MARKET WATCH			
COMPANY NAME	Lt Price	% Chg	Volume
Zad Holding Co	13.06	-3.26	48,796
Widam Food Co	2.35	-1.47	6,442,020
Vodafone Qatar	1.80	-0.28	2,269,160
United Development Co	1.01	-1.28	3,007,725
Salam International Investme	0.69	-1.01	5,123,101
Qatar & Oman Investment Co	0.91	0.00	256,316
Qatar Navigation	9.92	3.99	3,446,278
Qatar National Cement Co	3.73	-0.95	260,901
Qatar National Bank	15.81	-1.06	2,771,449
Qim Life & Medical Insurance	2.70	-0.04	2,677
Qatar Islamic Insurance Grou	8.80	-0.02	152,699
Qatar Industrial Manufactur	3.00	0.00	29,200
Qatar International Islamic	9.83	-1.66	724,123
Qatari Investors Group	1.61	-1.29	905,643
Qatar Islamic Bank	18.94	-0.05	1,108,264
Qatar Gas Transport(Nakilat)	3.35	-0.74	2,174,199
Qatar General Insurance & Re	1.21	0.00	-
Qatar German Co For Medical	1.57	-0.57	2,673,308
Qatar Fuel Qsc	16.20	-0.31	175,783
Lesha Bank Lic	1.36	-1.23	698,801
Qatar Electricity & Water Co	17.17	-1.44	515,084
Qatar Exchange Index Etf	9.74	0.00	-
Qatar Cinema & Film Distrib	3.01	0.00	12,176
AI Rayan Qatar Etf	2.22	0.95	8,765
Qatar Insurance Co	2.41	0.25	63,526
Qatar Aluminum Manufacturing	1.29	-0.54	13,562,211
Ooredoo Qpsc	9.99	0.10	505,753
Aljarah Holding Company Qps	0.74	-1.47	3,172,424
Mazaya Real Estate Developme	0.68	-1.02	9,143,406
Mesaieed Petrochemical Holdi	1.62	-0.06	4,206,500
Mekdam Holding Group	5.10	-1.53	61,092
Al Meera Consumer Goods Co	13.07	-0.23	57,201
Medicare Group	5.40	-3.49	1,235,219
Mannai Corporation Qsc	4.01	-1.57	1,217,013
Masraf Al Rayan	2.54	0.00	15,090,830
Industries Qatar	13.09	-1.43	1,109,088
Inma Holding Company	3.92	-1.11	119,423
Estithmar Holding Qpsc	2.06	-0.87	18,138,545
Gulf Warehousing Company	3.10	-0.61	1,116,645
Gulf International Services	2.78	-0.68	8,268,743
Al Fahel Education Holding	0.83	-0.12	26,916
Ezdan Holding Group	0.89	-1.77	8,514,731
Doha Insurance Co	2.27	1.79	15,300
Doha Bank Qpsc	1.73	-0.91	1,772,479
Diala Holding	1.38	0.15	604,824
Commercial Bank Pscq	5.35	-1.55	585,254
Barwa Real Estate Co	2.77	-0.50	1,985,498
Baladna	1.27	0.00	5,283,762
Damaan Islamic Insurance Co	3.75	0.00	1,350
Al Khaleej Takaful Group	2.98	-1.85	1,472,536
Aamal Co	0.84	-0.71	1,290,232
Al Ahil Bank	3.75	0.00	-

Adobe's \$20bn Figma deal gets EU warning shot

Bloomberg
Brussels

Adobe Inc's \$20bn buyout of Figma Inc, a smaller maker of cloud-based design software, risks being derailed by European Union (EU) merger watchdogs unless the firms fix a list of competition concerns highlighted by the bloc's antitrust arm.

The European Commission issued a so-called statement of objections on Friday, highlighting how Adobe's largest deal ever could imperil fair competition in the market for interactive product design tools.

The filing — increasingly common in complex merger transactions — called upon the firms to remedy the concerns. Failure to do so could mean that Adobe's record acquisition faces the same fate as Booking Holdings Inc's €1.6bn (\$1.74bn) deal for Sweden's Ettravli Group, which was blocked by the EU in September.

"We remain confident in the merits of our case, as Figma's product design is an adjacency to Adobe's core creative products and Adobe has no meaningful plans to compete in the product design space," said spokesperson for Adobe.

"We feel confident in our ability to resolve regulators' concerns and will continue to engage in constructive conversations focused on the benefits this deal will create for consumers and Europe's innovation economy," said spokesperson for Figma.

The EU's competition department said in a statement that the

deal could significantly reduce competition in the global markets for interactive product design tools and in the supply of vector and raster editing tools. The Brussels-based watchdog has a deadline of Feb. 5 to issue a final decision on Adobe's planned merger.

The proposed purchase by Adobe, of San Jose, California, is seen as a massive bet that more creative work will be done by small businesses and everyday users on the web, a market that privately owned Figma has rapidly seized.

While Adobe has introduced less expensive, streamlined products for that audience, most of its offerings are still heavyweight programs aimed at specialists.

EU merger watchdogs have been examining Adobe's bid for Figma since August, when they announced an "in-depth" investigation. Since then, the bloc has quizzed rivals and regulators on a range of issues, including how the company could lever its market power to slash the price of Figma's products or bundle them with its own Creative Cloud offering.

EU regulators have also targeted Figma's use of developer tools in its design software offering, as well as Adobe's use of artificial intelligence and machine learning technology in product design tools.

It's not just the EU that could be a roadblock to the deal. The transaction is also being vetted by the UK's competition watchdog and the US Department of Justice, with a recent record of taking a tough stance on tech deals, such as Microsoft Corp's \$69bn takeover of Activision Blizzard Inc.

Rouble bends to Putin's will in nod to wartime election economics

Bloomberg
Moscow

A rally in the rouble that's propelling it towards the strongest since July is the latest piece of Russia's economic jigsaw to fall into place before a widely expected tilt by Vladimir Putin at another presidential term in March elections.

The currency's reversal of fortunes since early October has brought it to around 90 per dollar, a level near to the average for next year forecast by the Economy Ministry. The recent appreciation was among the key factors that acted as a check on inflation, according to Bloomberg Economics, which now expects a slowdown after price growth likely peaked in September.

The exchange rate has increasingly emerged as a barometer of the economy's health amid sweeping international sanctions as Russia closes in on two years of its war against Ukraine. It's also a

critical variable for a budget that will allocate more on the military next year than towards any other single item.

Dragged down by plummeting export proceeds and heavy government spending, the rouble in October briefly hurtled past the psychologically important level of 100 per dollar. The depreciation has spurred the central bank to double official borrowing costs so far this year to 15%, including an emergency interest-rate hike in August.

But setbacks didn't stop until the government clawed back more dollars by restoring some capital controls on major exporters. It was a decision made because Russia needed "the rouble a little stronger," Putin said last month.

Buoyed by the stiffer restrictions, alongside rate hikes and crude around \$80 a barrel, the rouble is the world's best performer against the dollar since early October. It's gained over 4% so far this month versus the US currency.



Ten Russian rouble coins sit on top of mixed denomination rouble banknotes in an arranged photograph in Moscow. A rally in the rouble that's propelling it towards the strongest since July is the latest piece of Russia's economic jigsaw to fall into place before a widely expected tilt by Vladimir Putin at another presidential term in March elections.

The challenge now is to find a sweet spot for the rouble's value that holds off inflationary pressures without cutting into government revenues.

Under the Economy Ministry's

latest outlook that's used to calculate the budget, the Russian currency is expected to average 90.1 per dollar in next year's baseline scenario. Thanks in part to bigger inflows of hard currency, it projects

gains through the first half of 2024 before the exchange rate stabilizes at 90-92 from mid-year.

The view is broadly in line with expectations in the market. The currency may continue to advance to 85, but it's likely to slip back to the 90-95 range early next year under pressure from sanctions and geopolitics, according to Iskander Lutsko, chief investment strategist at ITI Capital Ltd.

"Recent rouble strength, tighter credit conditions and the government's increasing grip on fuel prices will mean that inflation likely peaked in September at an annualised rate of around 14% and will come down to 9.4% in October," says Alexander Isakov, Russia economist.

Barclays Plc predicts the rouble at 90 per dollar this quarter and the subsequent six months.

"On balance, we expect recent policy rate hikes will curb local demand, limiting imports, while the recent rise in the price of Urals should help to stabilise the rouble," said Marek Raczko, for-

eign currency strategist at Barclays in London.

The negative impact of factors such as companies using local notes to replace eurobonds, major debt redemption by the state or corporate buyouts of non-residents has also lessened, according to Evgeny Suvorov, chief Russia economist at CentroCredit Bank.

"There's no need to expect a significant decline in the rouble before March," he said.

The currency remains about 17% down against the dollar this year even after paring losses. Other emerging market assets also perked up this week, as US inflation figures stoked bets the Federal Reserve's hiking cycle is over and economic data from China helped boost risk appetite.

The rouble was significantly undervalued in the summer but benefited from an improving outlook for raw materials, increased export prices and a decrease in imports, according to Sofya Donets, an economist at Renaissance Capital in Moscow.

UniCredit takes on SocGen as deals heat up in Europe’s east

Bloomberg
Milan

The deals came in rapid succession. One week after UniCredit SpA announced a takeover that will make it the third-largest lender in Romania, rival Intesa Sanpaolo SpA agreed on a transaction to double its size in the country. A third Romanian lender has attracted offers from at least two bidders, with a decision expected as early as this year. The transactions aren't huge – less than €1bn combined – but they spotlight how, at a time when executives lament the lack of bank consolidation in Europe, deals are still being done in the bloc's east. Flush with excess profits from rising interest rates, some of Europe's largest lenders are betting that faster economic growth and generally higher rates in the region will shield them when their home markets start to decline again. Their expansion strategy pits Italy's top banks, where profits have surged on the back of higher interest rates, against competitors such as Societe Generale SA, which is reviewing its presence in several countries as it shores up capital following a

series of missteps. Austria's Raiffeisen Bank International AG, another lender that's been traditionally strong in Europe's east, has struggled since sanctions imposed against Russia left its most profitable unit in limbo. One country where the battle for regional dominance is playing out is Romania, the second-biggest eastern European economy. UniCredit last month agreed to buy the Romanian unit of Alpha Bank, along with a stake in the Greek lender, putting it on track to surpass SocGen as the third largest bank in the \$300bn economy. A week later, Intesa agreed to take over Romania's First Bank from its private equity owner JC Flowers & Co. It paid about €130mn for First Bank, below its book value, according to people with knowledge of the matter, who asked not to be identified discussing confidential information. Both lenders have said they see opportunities for smaller deals in central and eastern European countries where they already have operations. UniCredit, Italy's No 2 bank, has a presence in 13 European countries and is one of the largest players in the east. Chief Executive

Officer Andrea Orcel has been scouting for acquisitions and sees opportunities in countries including the Czech Republic, Romania, Slovakia and Serbia. In Poland, the region's largest economy, deals are also coming to the market just as opposition leader Donald Tusk prepares to take over the country's premiership and restore relations with the EU. Bank Handlowy SA, a Polish unit of Citigroup, is preparing to divest its local retail assets, while the country's state regulator Bank Guarantee Fund BFG is selling VeloBank, Poland's 10th biggest lender by assets. Romania in particular is attractive because loans to retail clients in the country are still relatively small compared to the size of the economy, implying "scope for material growth for banks," said Bloomberg Intelligence analyst Tomasz Noetzel. However, "securing a top three spot in terms of market share may prove critical to deliver satisfying profitability." Central and eastern Europe has been viewed as a growth region by western European lenders since the collapse of the Soviet Union more than three decades ago, but their expansion hasn't been without risks. Governments from Poland to Slovakia and Hungary have previously

slapped taxes on banks with outsized market positions to fill budget gaps, or forced them to bear the cost of cleaning up the mess from ballooning Swiss franc-denominated mortgages. In Hungary, the populist government of Viktor Orban is pushing to create national champions across the economy, including in banking. In 2020, state-owned Budapest Bank joined two other lenders led by Orban's business allies to become the second-largest bank after OTP Bank Nyrt. Apart from the Italians, Austria's lenders have played a key role in bank consolidation in central and eastern Europe. They also dominated the Romanian sector for decades, until a shopping spree by a local national champion, Banca Transilvania SA propelled the lender founded by local entrepreneurs to the top of the rankings. Now Raiffeisen is competing with Banca Transilvania for the Romanian unit of OTP Bank, people familiar with the matter have said. The business could fetch about \$400mn, according to Hai Thanh Le Phuong, an analyst at Hungarian brokerage Concorde. The flurry of Romanian deals is

reminiscent of the years before the 2008 financial crisis, when Austrian lender Erste Group Bank paid €3.8bn for Romania's largest bank at the time, Banca Comerciala Romana SA, almost six times book value. Erste's local arm now ranks second in Romania by assets. Raiffeisen, based in Vienna, has seen its shares slump since Russia's invasion of Ukraine, as it struggles to find a solution for its Russian business. Plans for a sale or spin-off have stalled due to regulatory difficulties, CEO Johann Strobl said in August. Raiffeisen is unable to send earnings back to Austria from its unit in Moscow, which has accumulated more than €3bn in retained profit. SocGen, too, has been hit by its exit from Russia, which cost the bank €3.3bn in profit before taxes and caused it to miss it pledge for investor payouts. CEO Slawomir Krupa is now reviewing the lender's presence in several countries. "In Romania, a low loan penetration is ample reason for a favorable growth outlook for banks, but only above a certain size," said Attila Gyurcsik, CEO at Accorde Fund Management in Budapest. "New entrants who are below that size are struggling."

‘Murky’ outlook calls for policy patience and gradualism: Fed official

Reuters
New York

San Francisco Federal Reserve President Mary Daly on Friday signalled she wants to adjust monetary policy only gradually, if at all, given the “murky” state of the economy and uncertainty over the outlook.

“When uncertainty is high and the risk to our objectives more balanced, we need to practice gradualism...and to adhere to the idea that patience, measured adjustments and continual reassessment make for better outcomes,” Daly said in remarks prepared for delivery to the 33rd Frankfurt European Banking Congress.

“We are in a period where the risks seem high and the waters, murky,” Daly said.

Rather than forge ahead with the kind of aggressive policy that would be appropriate in the face of clear risks such as pandemic shutdowns or surging inflation, the Fed should now have “the boldness to wait,” she said.

The Fed raised short-term borrowing costs aggressively last year, and more slowly in the first half of this year. In July it delivered what many analysts now believe was the final rate hike in its current battle with inflation.

Fed policymakers have kept their benchmark short-term rate in the 5.25-5.50% ever since, though Fed Chair Jerome Powell has kept the door open to a further rate hike.

As central banks globally wonder if they'll need to tighten policy further, Daly said, the debate is now centred on what constitutes a “sufficiently restrictive” policy rate, and how long to maintain that stance.

Unlike many Fed policymaker speeches, including her own, Daly's talk in Frankfurt had few references to the economic data underpinning her views, and no signals at all about what specific



Mary Daly, San Francisco Federal Reserve president.

economic developments would clear up the Fed's next move.

But many of Daly's colleagues have also noted the unusual mix of data that they too say calls for a wait-and-see approach.

Inflation by the Fed's preferred measure has come down from last summer's 7.1% peak to 3.4% in September, an improvement but still far above the Fed's 2% goal. It's unclear if inflation is on track toward that goal, Daly said.

At the same time, third-quarter US GDP growth was nearly 5% annualised, far stronger than expected, and unemployment, at 3.9%, is only a few tenths above what it was when the Fed began raising rates in March 2022.

It's uncertain whether today's economic dynamics are pandemic “remnants” or a new normal, Daly said.

And it's not clear if the effects of the Fed's rate hikes to date have had their full impact, she said.

The Fed may get a bit more clarity on the state of the economy in coming weeks, with fresh data on inflation and the job market that economists broadly expect to show cooling but not collapse.

“The perils of deciding too quickly are real,” Daly said. “Declaring certainty too early is not just a missed forecast. It's a policy mistake.”

After breathtaking surge, US stocks’ path may rest on economic soft landing

Reuters
New York

Are US stocks poised to continue their dramatic run, or is a pause ahead? That's the question investors are asking as the S&P 500 heads into the close of the year with a fresh record high coming into view.

Signs of cooling inflation have fuelled hopes that the Federal Reserve is done raising interest rates, helping extend a rally that has seen the S&P 500 gain over 9% since late October. The index is now up 17% for the year and about 6% from its record closing high from January 2022.

Whether it can reach those levels in coming weeks depends in-part on how convinced investors are that the US economy is on track for a so-called soft landing, where the Fed brings down inflation without badly damaging growth. So far, the economy has proven resilient in the face of tighter monetary policy, though some measures of employment and consumer demand have softened.

Rising valuations and still-elevated Treasury yields pose another obstacle. Other factors, however, including historical seasonal trends, could support more gains.

“We have this balance right now between a lower inflation outlook and a better interest rate trajectory... juxtaposed against a slowing economy,” said Yung-Yu Ma, chief investment officer at BMO Wealth Management.

Investor optimism on equities has grown over the last few weeks, as markets rebounded from a months-long drop that ran from August through much of October. Stock exposure by active investment managers has shot to its highest level since August, from a



People are seen on Wall Street outside the New York Stock Exchange. Are US stocks poised to continue their dramatic run, or is a pause ahead? That's the question investors are asking as the S&P 500 heads into the close of the year with a fresh record high coming into view.

one-year low hit last month, the National Association of Active Investment Managers exposure index showed.

US equity funds drew about \$9.33bn in net inflows in the week to November 15, the largest weekly net purchase since September 13, according to LSEG data.

Treasury yields, whose steady rise over the last few months has weighed on stocks, have rapidly retreated: the benchmark 10-year Treasury yield stood at 4.43% early Friday, from a 16-year high of just above 5% last month. Yields move inversely to bond prices.

Analysts at Ned Davis Research, which has been recommending an overweight to stocks, this week said investors should further shift into equities and away from bonds. A key factor: softer-than-

expected consumer price data for October, released earlier this week, makes it unlikely that the Fed will need to raise rates further.

“Investors have been grappling with whether the Fed can pull off a soft landing,” wrote Ed Clissold, chief US strategist at Ned Davis Research. “The CPI report... supports the case that the tightening cycle is over, and that the higher-for-longer mantra may not be as long as previously feared.” Robert Pavlik, senior portfolio manager at Dakota Wealth, said a number of investor concerns have fallen away, including worries over a third-quarter earnings season that turned out better than expected.

“Both retail and institutional portfolio managers are going to realise that stocks are the best place to be between now and year-end,”

said Pavlik, who is “fully invested” in his equity portfolios.

Seasonality is also in stocks' favour: November and December have posted the year's second- and third-biggest monthly returns since 1950, rising 1.5% and 1.4% on average, according to the Stock Trader's Almanac.

Equities face a number of tests next week. Chip heavyweight Nvidia reports quarterly results today, the last report this earnings season from the “Magnificent Seven” megacap companies, whose massive share price gains led equity indexes higher this year.

The health of the consumer-driven economy comes into view with Black Friday, the day after Thanksgiving that is the traditional start of US holiday shopping.

A \$1.5tn loan market gets stung by anti-ESG movement

Bloomberg
New York

US borrowers are retreating en masse from the world's second-biggest ESG debt class.

The \$1.5tn market for sustainability-linked loans, in which borrowing is tied to environmental, social or governance goals, has seen an overall slowdown in volumes this year as both interest rates and greenwashing fears rise. But nowhere has the decline been as precipitous as in the US, where the number of new sustainability-linked loans is down 80% from a year earlier, according to data compiled by Bloomberg.

That slump reflects the uniquely tense political environment that borrowers in the US have to navigate, according to Jacomijn Vels, the global head of sustainable finance at ING Group NV, the first bank to arrange a sustainability-linked loan back in 2017.

In the US, not only does a borrower have to manage the reputational risk that always comes with an ESG product, but “you also have to manage your reputation toward the anti-ESG movement,” Vels

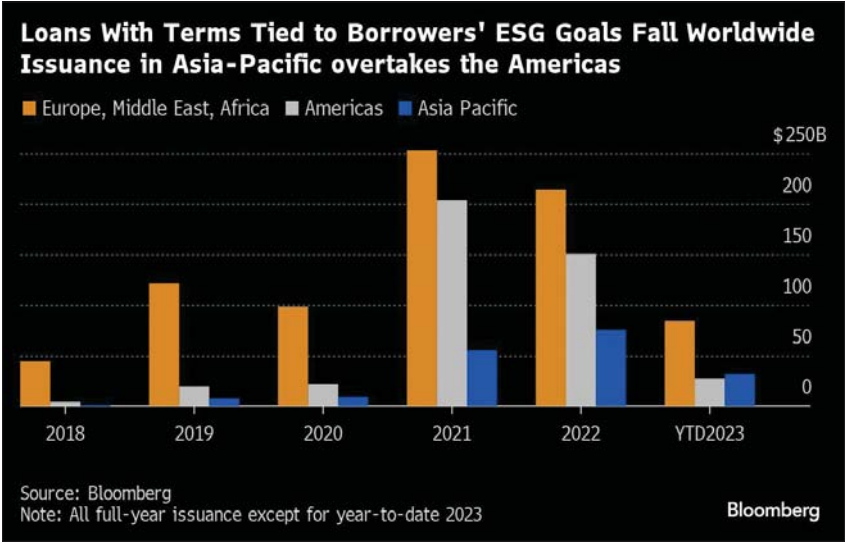
said. “That is bringing an extra dimension to acting in the Americas, especially in SLLs.”

Since ING arranged the first SLL more than half a decade ago, sustainability-linked loans have mushroomed into the world's largest ESG debt market after green bonds. Between 2018 and 2021, BloombergNEF estimates that SLL borrowing soared more than 960% to \$516bn of annual deals. And SLLs arranged in the US made up 36% of the global total just two years ago, data compiled by Bloomberg show.

But as the anti-ESG movement spreads across more US states, American borrowers are turning their backs on loans that require them to tie their credit to the achievement of ESG goals.

Next year, an estimated \$187bn of SLLs are coming due globally, with about 90% of those in the form of revolving credit facilities, according to data compiled by Bloomberg. There are already signs that bankers may treat those loans with caution, as regulators start to pay more attention to a market that's so far avoided their scrutiny.

As US sales slow, ING sees the Asia-Pacific region as a growth market. It re-



cently hired bankers in South Korea and Australia to help tap into that expansion. Last month, the bank closed an SLL worth just over \$400mn in Indonesia.

“We have seen first deals in various countries in APAC of products that we have already engaged on in Europe,” Vels

said. “The market is less mature, but we really see that stepping up.”

Rapid growth in Asia means SLL volumes in the region are now on track to exceed those in the US for the first time, according to Bloomberg data. So far this year, APAC has seen roughly \$32bn of SLL sales,

compared with \$28bn in the Americas. Vels said ING prefers to only arrange SLLs in which the borrower commits to at least three ESG targets. But it's proving “harder and harder” to get other banks to agree to that standard, she said.

Of the sustainability-linked loans for which there's publicly available data, only about a quarter are tied to three or more ESG targets, according to data compiled by Bloomberg.

Having an SLL with only two ESG targets “can still be meaningful, material and ambitious,” Vels said. “But then the scrutiny” of those two targets “needs to be at a very high standard,” she said.

Vels said a key challenge now facing SLL borrowers is how well they tackle the broadest measure of their greenhouse gas emissions, known as Scope 3. Most of her clients accept the importance of the metric, but are wary of committing themselves to a target, she said.

Anxiety is biggest “on the downstream side, which concerns their clients and looking at the life-cycle of your product,” Vels said. “That's generally a tougher conversation than to look at your supplier and influence how you source your materials and your own goods.”

Vodafone Qatar takes part in banking studies and business administration secondary school career fair

Vodafone Qatar recently participated in the Qatar Banking Studies and Business Administration Secondary School (QBSBAS) career fair for both male and female schools. The event introduced the students to the different sectors within the market, as well as provided them with an overview of the different career paths they could choose from. The Vodafone team was on hand to provide attendees with the chance to learn more about the various opportunities the company provides, including information on its internship and sponsorship programmes. Vodafone's sponsorship programme aims to support university students by giving them support during their time in university and providing them with an opportunity to work with the company during and after their time at university. The internship programme is a structured and educational work experience that offers applicants a platform to apply their academic knowledge, develop practical skills, and gain valuable insights into their chosen field. To know more about Vodafone's programmes, visit <https://www.vodafone.qa/en/about-us/careers/graduates-and-students>



The event introduced the students to the different sectors within the market, as well as provided them with an overview of the different career paths they could choose from

Qatar University honours top four at 'Cash Catch' competition

Qatar University has honoured top four at the 'Cash Catch' competition at the College of Business and Economics (CBE). More than 250 male and female students participated in the research posters for the competition, and the top four among them were selected.

Following rigorous evaluation by the judging committee, comprising internal and external members, the top three outstanding projects were duly recognised for their entrepreneurial merit.

The first place went to 'QUBod-cast' by students Hemyan al-Subaie, Mariam al-Ya'fai, Reem al-Darwish, Mariam al-Ali, and Mona al-Yahry. The second-place went to 'Students Rent Platform', an entrepreneurial project by Mona al-Muhannadi, Wassan Mohamed, Hessa al-Muftah, Moudi al-Marri, and Nora al-Bakar.

The third-place entrepreneurial project was 'Organic Colors' by Moza al-Kuwari, Moza al-Mahmoud, Fatima al-Mulla, Fatima al-Mansoori, Sara al-Emadi, and Sara al-Subaie. The fourth-place entrepreneurial project was 'Artificial Intelligence Films' by Haya al-Qahtani, Mariam Abdullah, Nora al-Adhba, Fatima Hussein, Shaima al-Abdullah, and Nora al-Merri. The winners received tangible prizes.

They were honoured in the presence of Dr Saud bin Abdullah al-Attiyah, Deputy Undersecretary



Participants of 'Cash Catch' competition.

for Economic Affairs, Ministry of Finance; Sheikhha Al Anoud bint Hamad al-Thani, deputy chief executive officer of Qatar Financial Centre, and Dr Rana Sobh, Dean of the CBE at Qatar University.

The Center for Entrepreneurship and Institutional Excellence at the CBE organised the fourth edition of "Cash Catch Competition," which brought together fourth-year students enrolled in the entrepreneurship course.

Among the evaluators were Iman al-Busti, president of Qatari Women Association for Economic Awareness and Investment; Mishal al-Najem, an entrepreneur and member of the Entrepreneurship Club; and Abdulla al-Mansoori, chief executive officer of Qatar Career Development Center, alongside other prominent figures in Qatar's business and de-

velopment sphere. Dr al-Attiyah shared his entrepreneurship experience with students, offering advice and guidance, emphasising Qatar's significant support for entrepreneurs.

He stressed on the importance of taking serious steps to turn their ideas into real companies, citing his own journey as an example, where he transformed his graduation research into a successful Qatari company named 'Snoomu,' now holding hundreds of millions.

Dr Sara al-Maadeed, the initiator of 'Cash Catch' competition and a Professor of entrepreneurship and small project management, said the fourth-year students were trained on how to analyse business environment trends to crystallise a new idea and conduct feasibility studies and a business plan.

Qatar's realty regulator to augur well for the sector, says CWQ

By Santhosh V Perumal
Business Reporter

Doha's real estate regulatory regime is expected to augur well for the market in sales, transparency and legal protection, according to Cushman and Wakefield Qatar (CWQ).

"The introduction of a real estate regulatory authority will increase transparency in the market and enhance statutory and legal protections for investors," CWQ said in its report.

New mortgage regulations were also introduced over the summer, which will help increase mortgage options for the prospective purchasers of investment properties in areas such as Lusail.

Qatar Central Bank has announced a series of amendments to its real estate financing (mortgage) regulations, which is expected to boost the residential sales sector by redefining the loan-to-value rates and increasing maximum mortgage terms for nationals and expatriates.

Structures are being put in place in 2023 to develop the real estate investment sales market in Qatar in the coming years, it said, referring to the proposed regulatory regime and the central bank's amendments.

Ahmed al-Emadi, director of the Legal Affairs Department at the Ministry of Municipality, recently said the authority will be the umbrella body combining the new strategies and policies meant for real estate development.

His Highness the Amir Sheikh Tamim bin Hamad al-Thani issued had in April issued Amiri Decision No 28 of 2023 establishing the public authority for regulating the real estate sector.

Its formation comes within the framework of implementing the real estate sector's development

strategy, and the authority will work within Qatar's general policy to organise and stimulate the real estate sector while contributing to the sector's development.

On the realty regulator, CWQ said whilst details of its full role and scope are to be confirmed, the authority, which is being established by the Ministry of Municipality and Environment, will regulate Qatar's real estate market, and should provide more transparency and confidence in the market.

"As Qatar's real estate matures, regulation and transparency will be the key to encouraging investor confidence," it said.

The real estate regulatory authority will be supported by the introduction of a new online realty platform that will disclose information on transactions, prices, rents and occupancy rates on a single platform, according to CWQ.

The real estate sector in the country constitutes 6.5% of the economy, while volume of investments exceeded QR86bn in 2022, an increase of 2.6% on an annualised basis.

The report found that high-specification buildings with good quality property management are starting to enjoy high demand from prospective tenants, despite evidence of higher vacancy rates throughout the market.

Some of the new master-planned apartment developments such as Madinatna and Ezdan Oasis – which benefited from strong World Cup related demand – have been building occupancy again throughout 2023, with attractive rental deals on offer to new tenants, CWQ said.

Compound villas continue to benefit from high occupancy throughout Doha, with rents remaining "relatively stable" throughout 2023, it added.



Qatar Chamber chairman Sheikh Khalifa bin Jassim al-Thani during a meeting with Lebanon's Caretaker Minister of Economy and Trade Amin Salam at the chamber's Doha headquarters.

Qatar Chamber reviews bolstering co-operation relations with Lebanon

Qatar Chamber chairman Sheikh Khalifa bin Jassim al-Thani held a meeting with Lebanon's Caretaker Minister of Economy and Trade Amin Salam and his accompanying delegation in Doha recently.

Also present at the meeting are Rashid bin Hamad al-Athba, Qatar Chamber second vice-chairman, and Farah Barry, charg   d'affaires of the Lebanese Embassy in Qatar, including several board members of the chamber.

The meeting discussed commercial and economic co-operation and the strengthening of relations between the private

sectors on both sides. Speaking at the meeting, Sheikh Khalifa lauded the strong fraternal relations between Qatar and Lebanon, stressing Qatar Chamber's keenness to strengthen trade and economic co-operation to develop trade exchange, which has grown by 29% over the past five years from QR532mn in 2017 to QR684mn in 2022.

Sheikh Khalifa emphasised that there are numerous Lebanese products in the Qatari market, emphasising their high quality and reasonable prices. Underscoring Qatar Chamber's interest in developing relations

between Qatari businessmen and their Lebanese counterparts, Sheikh Khalifa stated that Qatar has emerged as a regional trading hub, thanks to its investment incentives for foreign investors, advanced infrastructure, and leading economic legislation.

Highlighting the role of the chambers of commerce in both countries, Sheikh Khalifa emphasised their contribution to promoting trade and investment between Qatari and Lebanese businessmen, which led to the establishment of effective partnerships and trade alliances

that benefit the economies of both nations. For his part, Salam commended the bilateral relations between both countries, acknowledging Qatar's consistent support for Lebanon and the presence of Qatari investments in the country. Salam pointed out that there are numerous investment opportunities in Lebanon for Qatari businessmen.

He invited Sheikh Khalifa to visit Lebanon with a delegation of Qatari businessmen to explore available investment opportunities, particularly in sectors, such as food security, energy, and tourism.

Foreign funds turn bearish as QSE key index falls 60 points

By Santhosh V Perumal
Business Reporter

Snapping three days of bullish momentum, the Qatar Stock Exchange (QSE) yesterday fell 60 points on selling pressure, notably in the industrials, real estate, consumer goods and banking sectors.

The foreign institutions were seen net profit takers as the 20-stock Qatar Index shed 0.58% to 10,181.27 points, reflecting the caution seen in the Gulf shores ahead of the release of minutes from the US Federal Reserve's latest meeting.

The Arab retail investors turned bearish in the main market, whose year-to-date losses widened to 4.68%.

About 74% of the traded constituents were in the red in the main bourse, whose capitalisation shed QR4.39bn or 0.73% to

QR594.37bn with mid and microcap segments losing the most. However, the domestic institutions were seen increasingly into net selling in the main market, which regained from an intraday low of 10,157 points.

The local individuals turned net buyers in the main bourse, which saw as many as 8,765 exchange traded funds (Sponsored by Masraf Al Rayan) valued at QR0.02mn trade across four deals.

The Gulf individuals were marginally bullish in the main market, which saw no trading of sovereign bonds and treasury bills.

The Islamic index was seen declining slower than the other indices in the main bourse, which witnessed no trading of treasury bills.

The Total Return Index fell 0.58%, All Share Index by 0.65% and Al Rayan Islamic Index (Price) by 0.34% in the main bourse, whose trade turnover and volumes were on the decline. The industrials sector index tanked



The foreign institutions were seen net profit takers as the 20-stock Qatar Index shed 0.58% to 10,181.27 points yesterday.

1.14%, realty (0.93%), consumer goods and services (0.87%) and banks and financial services (0.78%); while transport gained 1.34% and insurance 0.02%. The telecom index was rather flat.

Major losers in the main market included Industries Qatar, QNB, Qatar Electricity and Water, Medicare Group, Zad Holding, Al Khaleej Takaful, Ezdan, QIIB, Commercial Bank, Widam Food, Mannai Corporation and United Development Company. In the venture market, both Al Faleh Educational Holding and Mahhar Holding saw their shares depreciate in value.

Nevertheless, Milaha, Doha Insurance, Meeza, Qatar Insurance and Dila were among the gainers in the main bourse.

The foreign institutions turned net sellers to the tune of QR13.6mn compared with net buyers of QR15.15mn on November 19.

The Arab individuals were net sellers to the extent of QR6.48mn against net buyers of QR10.96mn on Sunday.

However, the domestic funds' net buying strengthened noticeably to QR25.93mn compared to QR10.67mn the previous day.

The local individual investors turned net buyers to the tune of QR1.01mn against net sellers of QR25.21mn on November 19.

The Gulf retail investors were net buyers to the extent of QR0.53mn compared with net sellers of QR0.75mn on Sunday.

The foreign individual investors turned net buyers to the tune of QR0.04mn against net sellers of QR3.12mn the previous day.

The Gulf institutions' net profit booking weakened marginally to QR7.43mn compared to QR7.71mn on November 19.

The Arab institutions had no major net exposure for the twelfth consecutive session.

Trade volumes in the main market fell 9% to 148.92mn shares and value by 7% to QR428.95mn, while deals rose 6% to 15,990.

The venture market witnessed an 83% surge in trade volumes to 0.73mn equities, 80% in value to QR1.15mn and 63% in transactions to 75.