

# RAYAN TRAVEL & TOURS



**SPECIAL OFFERS**  
on Holiday Packages,  
Travel Insurance,  
Air Fares

+97455516780  
AlHaramain United Bld, C ring rd, Doha



# Positive sentiments lift Qatar bourse key index 29 points


**Saturday, January 27, 2024**

**Rajab 15, 1445 AH**

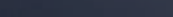



# GULF TIMES BUSINESS

**MONETARY POLICY: Page 3**

# China signals more targeted measures to boost economy



BOOK YOUR FREE TICKETS:  
[www.qatar-masters.com](http://www.qatar-masters.com)  
 8 - 11 FEBRUARY 2024 | DOHA GOLF CLUB

Title Sponsor

البنك التجاري  
**COMMERCIAL BANK**

# ‘Cross-functional tech’ pivotal in enhancing tourism experience, says startup founder

**By Peter Alagos**  
Business Reporter

**M**aximising technological advancements currently available in the market could play a pivotal role in enhancing the experience of tourists visiting the country, according to a Doha-based startup founder. Michael Javier, founder and CEO of fintech firm CWallet, stated that visitors to Qatar could benefit from the solutions provided by different startups and tech firms catering to tourists and the tourism industry.

“Technology will ease tourists’ worries and simplify their journey while they are enjoying their visit to Qatar. Having cross-functional tech will provide a plethora of information for visitors here, plus various options from accommodations, gastronomy, and simplified payment transactions while staying in Qatar,” Javier told *Gulf Times*. Javier also emphasised that migrating from cash to digital payments, especially among small retailers, will help boost tourists’ experience considering that they prefer to use credit cards or digital transactions.

“Aside from simplified payments and



Michael Javier, founder and CEO of fintech firm CWallet.

cashless transactions, the rates should also be competitive. Allowing tourists to download and register local apps, such as delivery, wallets, and government, for example, will allow them to access good deals, better options and FAQs to know more about the culture and to explore the best places to visit," he pointed out. Javier emphasised that

tech startups in the country should leverage the partnerships that Qatar has forged with leading global companies as part of the government's efforts to roll out the latest technologies, such as artificial intelligence (AI) and cloud computing. Qatar's collaboration with tech giants like Google and Microsoft has allowed the government and key stakeholders to align with the objectives of global tech players, said Javier, who added that by having local cloud providers, data is now being hosted locally or "on-prem," which will support local startups and tech providers from a regulatory perspective.

Javier also noted that while startups in Qatar “are trailing behind their regional counterparts,” many of these companies have learned a lot from the experience of successful founders, investors, and other stakeholders in the last three to five years.

“This is why I believe a breakthrough for the country should be on the horizon. The objective now is to keep pushing forward faster. Keep dreaming big and do not hesitate to solve the problems ahead. In time, this mindset will contribute to discovering different ways to accomplish the task at hand and enhancing sectors like ICT,” Javier explained.

## Opec+ unlikely to decide oil policy on February 1, will wait several weeks

**Reuters**  
London/Moscow

Opec+ will likely decide its oil production levels for April and beyond in the coming weeks, Opec+ sources said, adding that a meeting of a key ministerial panel next Thursday would take place too early to take decisions on further output policy.

Leading ministers from the Organisation of the Petroleum Exporting Countries (Opec) and allies led by Russia, known as Opec+, will meet online. The panel, named the Joint Ministerial Monitoring Committee (JMMC), can call for a full Opec+ meeting or make recommendations on policy.

Five Opec+ sources who declined to be named said the committee would probably not

make any changes to existing policy during the meeting. One of them added the meeting would mainly discuss the group's production levels. "There will be no recommendations at the next JMMC meeting," this source said. The source added that a decision on whether or not to extend a portion of the group's voluntary oil output cuts into April would likely come at the end of February, while

another said the decision's timing was not yet clear.

Opec, the Saudi Energy Ministry and the Russian Energy Ministry did not respond to requests for comment.

Oil prices have found support from more positive sentiment about demand this week and rising geopolitical tensions from attacks by the Houthi group on Red Sea shipping.

## Qatar Chamber official opens 10th edition of 'Arabian Woman Exhibition'

Qatar Chamber board member Ibtihaj al-Ahmadani led the opening of the 10th 'Arabian Woman Exhibition', which will run until February 1 at the Doha Exhibition and Convention Centre (DECC).

The opening ceremony was attended by an elite group of businesswomen and entrepreneurs from Qatar and other countries, along with Tamader al-Marri, the director of Vogue Event Company, which is organising the exhibition.

The exhibition, which is held under the

sponsorship of the Qatari Businesswomen Forum, features 240 domestic and foreign booths, showcasing over 200 notable female entrepreneurs from Qatar, as well as exhibitors from other regional countries presenting their innovations and designs for the winter and autumn of 2024.

Following the inauguration, al-Ahmadani, who is the chairperson of the Qatari Business-women Forum, toured the pavilions of the exhibition and was briefed about the most recent designs and items displayed by Qatari

and other designers in the sectors of fashion, accessories, and women's products. In a statement, al-Ahmadani stressed that the Qatari Businesswomen Forum would continue to support Qatari businessmen, helping them promote their products and projects both domestically and abroad, enhancing their contribution in the state's commercial and economic activity. She also said that the 'Arabian Woman Exhibition' has witnessed great development from year to year in terms of the number of exhibitors and the exhibition area. She added that this develop-

ment keeps pace with the level of exhibited items, which include innovative designs in fashion, accessories, and women's requirements.

For her part, al-Marri said the exhibition has seen considerable development in recent years, emphasising its status as one of the most important events held in Doha. She said the exhibition showcases the latest designs for Qatari designers, enabling them to display their new and innovative selections.

Al-Marri said the exhibition provides a great opportunity for Qatari entrepreneurs to pro-

mote their projects and products with the aim to enhance their role in the economic process. She expects that it will draw more visitors compared to the previous edition, which attracted more than 12,000 visitors. She noted that many distinct brands in the realm of Arab fashion are participating in the exhibition, affirming that this has made it a special and inclusive edition showcasing all the needs of the Qatari woman, including abayas and women's supplies.

The exhibition is open Saturday-Thursday from 10am-10pm.



Qatar Chamber board member Ibtihaj al-Ahmadani is leading the opening of the 10th 'Arabian Woman Exhibition', which will run until February 1. **Right:** Al-Ahmadani is viewing the products on display.





# Wall Street unleashes quants in race for private-market billions

**Bloomberg**  
New York

Wall Street is turning to its biggest brains as the battle for supremacy in the world of private assets heats up. Quantitative analysts – more usually found in data-heavy parts of the financial ecosystem such as stocks or derivatives – are being deployed by firms like Ares Management Corp and BlackRock as they race for an edge in private equity and credit.

These opaque markets have grown fourfold over the past decade to command \$10tn, according to data from alternative-asset consultancy Preqin. But systematic players typically haven't been heavily involved because private assets lack the reams of numbers where quants can hunt for profitable patterns and dislocations.

That's changing as the likes of Los Angeles-based Ares find other uses for data science – such as better explaining investment performance across its \$395bn portfolio.

“You will still see people in private markets who will just look at absolute returns,” said Avi Turetsky, head of quantitative research at Ares. “On the other hand, you do have institutional investors who are increasingly getting at the questions: ‘What are the factor exposures? Can I separate alpha and beta?’”

Turetsky is talking about untangling the part of a return that comes from a manager’s investing prowess and the part that simply comes from the ups and downs of the market overall. For many active managers in the stock market, that insight has been a source of pain for years now.

At Ares, quant models not only help evaluate the skill of external managers and guide secondary investments, they shed light on which industries or sectors are yielding more alpha. Turetsky joined the private-credit giant through its acquisition of Landmark Partners, which has helped boost the number of quants on staff to about 30, from fewer than 10 in 2020.

The quant ambition in private markets generally falls far short of the revolution they kicked off in equities over seven decades ago. The business is defined by intermittent deal-making and hands-on management, making it unlikely math and formulas will ever be more than auxiliary to humans.

But the bet is there's still big potential to apply quants' signature statistical rigour to the space,



People are seen on Wall Street outside the New York Stock Exchange. Wall Street is turning to its biggest brains as the battle for supremacy in the world of private assets heats up. Quantitative analysts – more usually found in data-heavy parts of the financial ecosystem such as stocks or derivatives – are being deployed by firms like Ares Management Corp and BlackRock as they race for an edge in private equity and credit.

if only because there's currently so little of it.

Firms are looking to hire data scientists to help portfolio companies dissect trends and map out markets, says Stuart Wilson, executive director at recruitment firm Dartmouth Partners. Some are using their talents to help winnow down a massive pipeline of potential deals.

“They’re looking to bring data science into that process so they can say, ‘we didn’t just make this change to the business because one of our partners had done so successfully 18 years ago,’” Wilson said. “‘We are doing it because that is the direction in which the data is pointing us.’”

Over at BlackRock, the math wizards in its \$218bn systematic unit have built a model to help identify late-stage venture investments with the highest odds of paying off either through a listing or acquisition.

Ronald Kahn, the global head of systematic equity research, says he'd hardly spared private markets any thought until a few years ago. Now, his team is increasingly involved as the firm in June set out a goal to double revenue from the asset class over the next five years.

“One of the advantages that systematic approaches have is this idea of breadth,” Kahn said. “We do get the advantage of being able to follow thousands of companies and then having a view of which

are the best ones to look at.” The BlackRock team built a model that helps guide the few private investments in its systematic equity funds, and which is now also used by the firm's private equity arm to help determine what companies might be worth meeting.

It's based on publicly available data such as information from recent funding rounds, as well as the kinds of alternative data stock pickers use to spot trends – think news articles, job postings and management experience.

“In terms of available data, there seems to be inexorably more and more,” said Kahn, who plans to turn his attention to private real estate next. “That works to our strengths.” Kahn declined to discuss specific transactions his team has been involved in.

BlackRock has been aggressively expanding its alternative assets group, including through the acquisition of London-based private debt manager Kreos Capital last year. In its investor Day presentation in June the world's largest asset manager said it reviewed over 9,000 private deals in 2022, investing in about 5% of them.

Meanwhile, Ares is thriving amid a boom in private credit and is nearing the close of the biggest ever direct-lending fund.

Given the unpredictable and variable nature of private-market deals, Turetsky is sceptical that quants can fully replicate what

they do in stocks: crunching the data and figuring what characteristics, or factors, predict out-performance. While there's been an uptick in firms looking to hire quants, “the value-add is still happening at the deal level, the corporate level,” said Greg Brown, founder of the Institute of Private Capital, a research group that brings together academics like him and industry practitioners.

Systematic players face all sorts of headaches when trying to analyse private investing. Private equity and credit have easily beaten their liquid equivalents in the post-crisis era, but estimated values are notoriously unreliable and even finding the right benchmark to measure performance against can be divisive. Returns are muddled by everything from the use of fund leverage to how quickly a firm deploys capital.

Cliff Asness, co-founder of pioneering quant firm AQR Capital Management, has suggested that the challenge of parsing these numbers is deliberate. Much of the asset class's allure is due to the stale pricing, he says – what he dubs “volatility laundering.”

That hasn't stopped AQR from attempting to decompose private-market returns itself, while others have gone further.

Quant hedge fund Two Sigma dissects alternative data for its private-asset arm, just as it does for traded shares.

## UK inflation concerns return as Red Sea attacks lift prices

**Bloomberg**  
London

British companies reported a jump in the prices they pay due to attacks on shipping in the Red Sea upsetting supply chains, a shift that may boost inflation and delay interest-rate reductions. S&P Global's Composite Purchasing Managers' Index showed the sharpest jump in costs in five months in January with delivery times lengthening for the first time in 12 months. A separate survey from the Confederation of British Industry said average costs for manufacturers accelerated in the quarter to January, with further price rises expected in the coming months.

The reports were the first tangible signs that the Red Sea conflict is seeping through to the UK economy and triggered investors to pare back bets on how quickly the Bank of England (BoE) can cut interest rates. The pound jumped, and markets priced in a slower pace of reductions in borrowing costs. Concerns over supply chains problems were a dark spot in an otherwise upbeat S&P survey that also indicated a likelihood that the UK will avoid a recession. Stronger activity and upward pressure on prices cast doubt on how quickly the Bank of England will pivot away from its fight against inflation and move toward protecting the economy with lower rates.

Lingering evidence of sticky services price pressures may “continue to concern the BoE,” said Ashley Webb, UK economist at Capital Economics.

“The stickiness of price pressures gives us a bit less confidence that services CPI inflation will return to its long-run average of 3.5% towards the end of this year,” he said. “These data will add to the Bank of England's unease about inflation persistence. As a result, the Bank will probably continue to push

back against the prospect of near-term interest rate cuts next week.”

The pound rose as much as 0.7% to 1.2771 and gilts pared losses following the releases. The 10-year yield, which earlier fell 5 basis points, is a whisker away from rising through 4% for the first time since December, extending this month's sharp selloff. Markets also saw a smaller chance of a May interest rate cut following the surveys with the June meeting seen as the most likely moment for the first reduction.

The reports follow a series of attacks on ships in the Red Sea by Houthi militants in Yemen. Those have prompted companies to re-route deliveries around the Cape of Good Hope in South Africa instead of through the Suez Canal, adding days and higher costs to each delivery. The surveys are among the earliest tangible signs that the conflict in the Red Sea is feeding through to the UK economy.

“Supply delays have spiked higher as shipping is re-routed,” said Chris Williamson, chief business economist at S&P Global Market Intelligence. He added that longer journey times are lifting factory costs “at a time of still-elevated price pressures in the service sector.”

Renewed supply chain chaos could prove to be a setback for the Bank of England, since it may hinder efforts by policy makers to cut inflation back to its 2% target. While economists expect inflation to reach the goal in the Spring, the attacks on shipping may drive up the price of goods and reignite inflationary forces. The disruption has led US and UK forces to attack Houthi installations this week in a bid to restore calm to the shipping artery.

S&P's report said the rate of inflation in the manufacturing sector accelerated to the highest since March 2023 after the pick-up in ocean freight rates.



## Intel plunges after bleak forecast casts doubt on comeback bid

**Bloomberg**  
New York

Intel Corp tumbled in late trading after delivering a disappointing forecast on Thursday, renewing doubts about a long-promised turnaround at the once-dominant chipmaker.

Intel's first-quarter projection for both sales and profit came in well short of Wall Street estimates, and executives struggled to soothe concerns during a conference call with analysts.

The outlook suggests that Chief Executive Officer Pat Gelsinger still has a long way to go in restoring Intel's former prowess. Though the chipmaker's personal computer business is recovering, demand is weakening in the lucrative market for data centre chips.

Intel also is contending with a slowdown in programmable chips and components for self-driving vehicles, and a fledgling business that makes semiconductors for other companies hasn't yet taken off. Intel shares fell more than 10% in extended trading following the announcement. The stock was already down 1.4% so far this month, trailing a 7.1% advance by the closely watched Philadelphia Stock Exchange Semiconductor Index.

Sales in the first quarter will be \$12.2bn to \$13.2bn, the Santa Clara, California-based company said. That compared with an average analyst estimate of \$14.25bn, according to data compiled by Bloomberg. Profit will be 13 cents a share, minus certain items, versus a projection of 34 cents. During the conference call, Gelsinger acknowledged that the first quarter wasn't going as well



Intel headquarters in Santa Clara, California. Intel's first-quarter projection for both sales and profit came in well short of Wall Street estimates, and executives struggled to soothe concerns during a conference call with analysts.

as hoped, but that he expected the rest of 2024 to improve quarter by quarter.

Intel's efforts to return to the cutting edge of manufacturing are still on track, he said. That's crucial to improving its products and staying competitive. He also asserted that the chipmaker is no longer losing sales to competitors in PCs and data centres. “We know we have much work in front of us as we work to regain and build on our leadership position in every category in which we participate,” Gelsinger said.

One of the most ambitious pieces of Gelsinger's plan is a push into manufacturing chips for others – a field known as the foundry industry. Intel committed to spending heavily on a network of plants around the world to further that effort. But the company hasn't yet gone

public with the names of large customers participating in the project. Without getting specific, Intel said Thursday that it had \$10bn worth of “lifetime deal value” orders to make and package chips for other companies – evidence of progress in this new era.

Under questioning, Gelsinger admitted that the deals it has booked so far aren't enough. “Obviously, we need to, as your question suggests, get to a much bigger number, and that's exactly what we're going to do,” he said.

Nvidia Corp and Advanced Micro Devices Inc have remained the stock-market darlings of the chip sector, largely because investors expect them to benefit the most from a surge in spending on artificial intelligence-related infrastructure.

### Announcement of Opening of Nominations

**Qatar Navigation Q.P.S.C ("Milaha") announces opening of Nomination for the Board's Membership for the Next Term (2024-2026)**

The Board of Directors of Qatar Navigation Q.P.S.C ("Milaha") hereby announces to the Shareholders the opening of nomination to the membership of the Board consisting of (11 Members) for the next three years as of 7:30 a.m. Sunday 28 January 2024 up to 3:00 p.m. until Thursday, 1st February 2024.

Those who desire to nominate for the membership of the Board of Directors of Qatar Navigation Q.P.S.C ("Milaha") for the next term (2024-2026) - shall collect and fill in the nomination application available at the Company's head office, in Ain Khalid Area (Board Secretariat's Office, 2nd floor, zone E, area 56, street no 100, Industrial Area); otherwise the application can be directly downloaded from the Company's website: [www.milaha.com](http://www.milaha.com)

The nomination conditions as per Article (28) of the Company's Articles of Association and Article (97) of the Commercial Companies Law No. (8) of 2021 with the provisions of the Commercial Companies Law No. (11) of 2015 according to Qatar Financial Markets Authority, and they are:

- The nominee shall not be less than twenty-one years of age and shall be fully eligible.
- The nominee must not have been convicted of a crime described in the criminal code, or of a crime related to dishonor or dishonesty, or of a crime described in Article No. (8) of 2012 from QFMA, and Articles (334) and (335) of the Commercial Companies Law No. (11) of 2015 and its amendments, or that he is not allowed to practice any work in the entities subject to the control of QFMA pursuant to paragraph (12 of Article 35) of Law No. (8) of 2012 referred, if has been declared bankrupt unless he is vindicated.
- The nominee must own at least (400,000) of the Company's shares. These shares are reserved for ensuring the rights of the Company, Shareholders, Creditors, and third parties for the Board Members' liability. (These shares shall be deposited with Edaa within sixty days from the date of membership's commencement), otherwise his membership would be annulled.
- He shall meet any conditions required by QFMA.

Nomination requests can also be submitted on the Company's website with the documents attached with it through the link ([www.milaha.com/Elec](http://www.milaha.com/Elec)), provided that the original copies shall be submitted later according to the specified times mentioned above.

For enquiry visit the Company's website to obtain the required forms.

For kindly you can directly contact the Investor Relations on phone No. +974 44949873 / +974 44949606

@Qatarnavigation  
m i o x t s



# China central bank plans more targeted measures to boost economy

**Bloomberg**  
Beijing

China's central bank unveiled broad plans to guide money into sectors of national importance to boost the faltering economy this year, after making an unusual reserve requirement ratio announcement.

The People's Bank of China (PBoC) surprised investors on Wednesday by revealing a bigger-than-expected RRR cut weeks in advance, providing markets with a much-needed boost. Economists see the central bank following up that move by steering credit into select areas, along with a handful of trims to the amount of cash banks must hold in reserve and modest policy-rate cuts.

"RRR cuts will likely be more infrequent going forward, and only used as a signal tool when markets are performing particularly poorly," said Ding Shuang, chief economist for Greater China and North Asia at Standard Chartered Plc. "Structural tools will play an even bigger role."

Goldman Sachs Group Inc economists said on Wednesday evening that they see the PBoC lowering rates in the first and third quarters, and deepening RRR cuts in the second and fourth quarters.

Governor Pan Gongsheng's decision to personally announce the RRR cut, instead of waiting for state agencies to publicise it, came after a similar move by Premier Li Qiang. Earlier this month, China's No 2 official took the unusual step of revealing China's GDP figure for 2023 before the statistics bureau.

Both moves show the emphasis top Communist Party figures are putting on boosting confidence. That reflects the urgency facing President Xi Jinping's government to respond to calls for more aggressive stimulus as the economy grap-



Pan Gongsheng, China's central bank governor.

ples with a real estate slump, lingering deflation, shattered confidence and a \$6tn stock market rout.

Pan stressed policymakers will have more room to take action this year, citing signs of forthcoming easing by the Federal Reserve as one factor. The central bank chief also mapped out ways to deliver financial support to key sectors.

The PBoC will set up a new credit market department to promote financing to technology, green and other sectors, he said. It's also cutting the interest rate on more than 2tn yuan (\$279bn) of low-cost funds for banks — a move intended to encourage more lending to agriculture and small firms.

"Setting up a new department is a signal that structural tools will guide funds into the real economy and key sectors that are given priorities to grow," Ding said.

The PBoC has increasingly leaned on tools that steer credit to specific sectors since 2020, when the pandemic hit economic growth. That marks a departure from its former

strategy of moving toward influencing borrowing costs via adjusting its policy rates, and largely letting investors determine where the money would go.

That kind of broad easing may be seen by the PBoC as carrying risk, said Larry Hu, head of China economics at Macquarie Group Ltd. Such policies allow money to flow into troubled areas, such as the property sector and indebted local governments, he added.

Pan's continuation of that focus on structural tools indicates the central bank wants to make sure money is going to the areas it thinks will benefit the economy. The trade-off is that price signals won't play as large a role here.

"There's little doubt the People's Bank of China will deliver more stimulus on top of the latest reduction in bank reserve requirements — Governor Pan Gongsheng made that clear when he laid out the PBoC's price objectives, the economy's challenges, and the central bank's room for manoeuvre on Wednesday.

We now expect more easing than we did in November. The extra effort is likely to take the form of deeper reductions in the RRR," say Chang Shu and David Qu, economists at Bloomberg.

Ding from Standard Chartered and others have said the PBoC may introduce more relending tools to ensure credit flows to channels in line with the ruling party's broader objectives. The central bank has listed small businesses, the digital economy and elderly care as other favoured sectors.

There's also potential for the PBoC to dip further into its Pledged Supplemental Lending funds — a controversial tool that involves injecting low-cost funds into policy banks to support housing projects. Some economists have called this a form of "Chinese-style quantitative easing."

In China, "structural tools indeed account for a larger portion than in advanced economies," Macquarie's Hu said. "It's a monetary policy framework with Chinese characteristics."

## Singapore set to hold monetary policy as inflation persists

**Bloomberg**  
Singapore

Singapore's central bank will likely keep its tight monetary policy settings for a third straight review while retaining its sharp focus on still-elevated inflation.

All 19 economists surveyed by Bloomberg expect the Monetary Authority of Singapore, which uses the exchange rate rather than interest rates to stabilise prices, to maintain its overall policy settings on January 29. The central bank tightened five times since October 2021 before opting to pause in 2023.

The MAS is expected to keep its statement relatively unchanged at the first of its four-times-a-year decision, according to nine of 13 economists who responded to the question. Three, including Bank of America Corp and Barclays Plc, expect the tone to be hawkish while Oxford Economics was alone in predicting a dovish tilt.

This will be the first policy statement under new Managing Director Chia Der Jiu and since the MAS shifted to a quarterly schedule from biannual reviews previously. The Bloomberg survey was conducted before the city-state reported on Tuesday that core inflation quickened to 3.3% in December.

Since the MAS' last decision in October, Singapore's economy has shown signs of resilience with the labour market remaining relatively tight and house-price growth strong. Global financial conditions have eased too.

Even so, the central bank's preferred core gauge — which includes food and fuel prices and excludes accommodation and private transport — accelerated to a pace that surpassed all analyst estimates, driven by higher costs of services and utilities. A scheduled increase

in the goods and services tax to 9% from 8% starting Jan. 1 also bears noting.

Further underpinning domestic price pressures in the city-state, gross domestic product expanded by a seasonally-adjusted 1.7% in the fourth quarter from the prior three months, following a 1.3% expansion in the July-September period. Singapore avoided a recession in 2023 and grew at faster-than-expected 1.2%.

"Given the need to manage inflation expectations, we see little reason for the MAS to relax its hawkish tone," Brian Tan and Audrey Ong at Barclays wrote in a note, referring to the GST hike "We believe the likelihood of FX policy easing this year is lower than most market participants think — our base case is for no adjustments through 2025."

The MAS in October expected core inflation, excluding the impact of the increase in the GST, to moderate in 2024 to 1.5-2.5% — which is where it would probably prefer the gauge to settle, according to Bloomberg economist Tamara Mast Henderson.

She fears the measure will rise this year as disinflation from the base effect starts to fade and following the tax increase.

That explains why some economists expect a hawkish stance this month, while others, including United Overseas Bank Ltd that had anticipated the MAS to start easing in April sees rising risk that the reversal of monetary policy tightening may be delayed.

"Given MAS's pre-emptive stance and with effects of past policy tightening fading, the April meeting could well be 'live', with risk of a 50-bp slope steepening even higher than we thought before," said Kai Wei Ang, Asia & Asean economist at Bank of America wrote in a note to clients after the December inflation report.

## Asia equity rally fades despite Wall St records sparked by US data

**AFP**  
Hong Kong

The rally in Asian markets petered out yesterday, with profit-takers eating into a three-day surge in Hong Kong as traders awaited more guidance on China's plans to support the country's battered economy. In Tokyo, the Nikkei 225 closed down 1.3% to 35,751.07 points; Hong Kong — Hang Seng Index ended down 1.6% to 15,952.23 points and Shanghai — Composite closed up 0.1% to 2,910.22 points yesterday. The tepid display came despite more record finishes for the Dow and S&P 500 in New York fuelled by forecast-beating US growth data and news that a key inflation gauge remained in line with the Federal Reserve's target. Hong Kong soared more than 8% and Shanghai more than five % from Tuesday

to Thursday on news that Alibaba's co-founders had bought huge stakes in the firm and pledges by Beijing to help shore up markets and introduce economic support measures. A decision by the People's Bank of China to cut the amount of cash banks must keep in reserve, to boost lending, provided a further lift to confidence. However, analysts warned the government needed to provide much more help in the right areas of the economy — particularly the colossal property sector — to revive confidence among investors. And while upcoming meetings of the Communist Party are expected to see officials unveil more measures, the lack of any fresh announcements this week has taken the wind out of the rally. Hong Kong dropped more than 1% as investors brushed off news that China will offer more bailout loans for its struggling

real estate sector, with the first funds expected to become available in the coming days. There were also losses in Tokyo, Wellington, Taipei, Bangkok and Jakarta. However, Shanghai extended its advance to a fourth day, and there were also gains in Singapore, Manila and Seoul. London and Paris rose at the open, but Frankfurt fell. The Fed's preferred gauge of inflation — the personal consumption expenditures (PCE) index — is due later Friday, with traders hoping it will provide an idea about the bank's plans for interest rates this year. That comes after figures showing that the core PCE held steady at policymakers' 2% target in October-December, marking the second successive quarter at that level. Also Thursday, figures showed the US economy expanded a much-better-than-expected 3.3% in the last three months of

the year thanks to a strong jobs market and consumer spending. The readings stoked optimism that the economy will not tip into recession, with the Fed on course for a soft landing. "There are no recession concerns here, and to make matters even better, we don't see any accompanying blowout growth in prices that are used in the GDP calculation," Charles Hepworth of GAM Investments said. "Stronger growth without inflation is what everyone wants." SPI Asset Management's Stephen Innes added: "The Fed is nearly running an inflation victory lap, marked by two consecutive quarterly core inflation readings of 2%. It is an unambiguous positive inflection point for stock investors as it opens the door for first-half rate cuts." He said it was "challenging to interpret the GDP release in any other way than a Goldilocks

scenario", referring to a situation where the figures are neither too strong nor too weak. Focus is now turning to the Fed's first policy meeting of the year, where it is expected to hold rates, though its statement and comments from boss Jerome Powell will be pored over for an idea about decision-makers' thinking. Bloomberg said investors have fully priced in a cut in May, while a total of 140 basis points in reductions is expected by the end of December. Michael Hewson of CMC Markets said the chances of a rate cut in March were slim, having been put at around 80 % at the start of January. "There is a danger that in cutting rates in March they drive market expectations of further cuts into overdrive, something they have been keen to push back on with recent commentary," he said in a note.

## AT YOUR SERVICE

**BUS RENTAL / HIRE**

**Q MASTER W.L.L.** 15/26/30/65 Seater Buses with / W-out Driver  
Contact # 55853618, 55861541 (24 Hours) F: 44425610 Em: qataroffice@yahoo.com

**THOUSANDS TRANSPORT** 60/67 Seated A/C non AC Buses w/ w-out driver  
T: 4418 0042...F: 4418 0042...M: 5587 5266...Em: sales@thousandstransport.com

**TRAVELLER TRANSPORT** - 13/22/26/36/66 Seater Bus With & Without Driver.  
Tel: 44513283 Mob: 30777432 / 55899097. Email: info@travellertransport.com

**HIPOWER TRANSPORT:** 13/22/26/66 Seater Buses & Pickups with & without driver.  
Tel: 4468 1056, Mob: 5581 1381, 7049 5406, ..... Em: hipower@safarigroup.net

**BUSINESS SOLUTION**

**QATAR ASPECT WLL** Business Setup, Local Sponsor, CR License, PRO Service  
Call.....T: 77912119 .....Em: info@qataraspect.com

**CARGO SERVICES**

**AMBASSADOR CARGO D2D** worldwide, Intl freight, packing, relocation  
storage & all logistic support..T: 4437 3338..M: 5500 8857..Em: info@ambassadorcargo.com

**GOODWILL CARGO** Air, Sea & Land Cargo Services Worldwide Door to Door  
Packing & Moving T: 4462 6549, 4487 8448..M: 3318 8200, 3311 2400..Em: sales@goodwillcargogatar.com

**CAR HIRE**

**AL MUFTAH RENT-A-CAR** Main office D-Ring Rd. T: 4463 4444, 4401 0700  
Airport 4463 4433, Al khor 4411 3344..Leasing 5589 1334..Em: reservations@rentacardoha.com..www.rentacardoha.com

**AL SAAD RENT A CAR** Head Office-Bldg: 242, C-Ring Road T: 4444 9300  
Branch-Barwa village, Bldg #17, shop #19.....T: 4415 4414, ...M: 3301 3547

**AVIS RENT A CAR** Al Nasr Holding Co. Building, Bldg. 84, St. 820, Zone 40  
T: 4466 7744 F: 4465 7626 Airport T: 4010 8887 Em:avis@qatar.net.qa, www.avisqatar.com

**THOUSANDS RENT A CAR**  
Bldg No 3, Al Andalus Compound, D-ring Rd..T. 44423560, 44423562 M: 5551 4510 F: 44423561

**BUDGET RENT A CAR** Competitive rates for car rental & leasing  
Main Office T: 4432 5500...M: 6697 1703. Toll Free: 800 4627, Em: info@budgetqatar.com

**AUTORENT CAR RENTAL & LEASING (Bahwan Int'l Group)**  
Tel: 4442 0577, 4403 9600, Mob: 3389 0240, email: reni@autorent-me.com

**CLEANING**

**CAPITAL CLEANING CO. W.L.L.** All type of Cleaning Services-Reasonable Rates  
T: 44582257, 44582546 F: 44582529 M: 33189899 Em: capitalcleaningwll@gmail.com

**DEBT COLLECTION**

**DEBT GUARD SERVICES** - Debt collections - Corporate & commercial  
M. 7038 6638, 6601 8314, www.dgsqa.com, Em: info@dgsqa.com

**INSURANCE**

**QATAR ISLAMIC INSURANCE GROUP (QIIG)** For all types of insurance services.T: 4465 8888. www.qiic.com.qa Em: qiic@qiic.com.qa

**ISO / HACCP CONSULTANTS**

**QATAR DESIGN CONSORTIUM** - ISO 9001, 14001, 45001, 39001, 27001, 22301, 41001, etc.  
T: 4419 1777 F: 4443 3873 M: 5540 6516 .....Em: jenson@gdcqatar.net

**EXCELLEDIA** (QDB Approved ISO Consultant; Contact for subsidized quotes)  
Contact: info@excelledia.com .....T:4016 4157..... M:6685 4425

**COMS VANTAGE** ISO 9001, 14001, 18001, 22301, 31000, 27001, HACCP & Sustainability  
M: 7077 9574..Em: muneesh.pabbi@comsvantage.com..www.comsvantage.com

**PEST CONTROL & CLEANING**

**QATAR PEST CONTROL COMPANY**  
T: 44222888 M: 55517254, 66590617 F: 44368727, Em:qatarpest@qatar.net.qa

**DOHA PEST CONTROL & CLEANING CO. W.L.L.**  
T: 4470 9777. M: 5551 3862, 5551 4709..F: 4436 0838...Em: sales@dohapest.com

**AL MUTWASSIT CLEANING & PEST CONTROL**  
T: 44367555, 44365071 M: 55875920, 30029977 Em:info@amcqatar.co

*Updated on 1<sup>st</sup> & 16<sup>th</sup> of Every Month*

**REAL ESTATE**

**AL MUFTAH GENERAL SERVICES** www.rentacardoha.com  
T: 4463 4444/ 4401 0700...M: 5554 2067, 5582 3100...Em:reservations@rentacardoha.com

**TRANSLATION SERVICES**

**ASIA TRANSLATION SERVICES** www.asiatranslationcenter.com  
Sofitel Complex, 1st Floor...T: 40364555, 4029 1307, 44440943 Em:asiatranslation@gmail.com



**QRS. 1500/-**

**AT YOUR SERVICE**  
**DAILY FOR THREE MONTHS**



# Positive sentiments lift Qatar bourse key index 29 points

By Santhosh V Perumal  
Business Reporter

## WEEKLY REVIEW

Notwithstanding the rising geopolitical tensions in the region, the Qatar Stock Exchange closed this week on a positive note with its key index gaining as much as 29 points despite losers outnumbering gainers.

A higher than average demand in the industrials counter helped the 20-stock Qatar Index gain 0.28% this week which saw Commercial Bank report net profit of QR3.01bn in 2023.

The foreign funds were seen net buyers this week which saw Masraf Al Rayan register net profit of QR1.45bn in 2023. The foreign retail investors were increasingly net buyers this week which saw Doha Bank record net profit of QR769.48mn in 2023.

The Gulf institutions' weakened net selling had its influence in main market this week which saw FLAG, a subsidiary of Gulf Warehousing (GWC), open a logistics hub in Oman.

The domestic funds continued to be net buyers but with lesser vigour in the main bourse this week

which saw GWC report net profit of QR215.04mn in 2023.

However, the local retail investors turned net profit takers in the main market this week which saw QNB raise \$1bn through its Eurobond medium-term note programme.

The Gulf individuals' lower net selling also had its marginal influence in the main bourse this week which saw Estithmar Holding launch a QR3.4bn trust certificate issue. The Arab individuals turned bearish in the main market this week which saw a total of 0.07mn Masraf Al Rayan-sponsored exchange-traded fund QATR worth QR0.16mn trade across 25 deals.

Five of the seven sectors reeled under selling pressure in the main bourse this week which saw as many as 687 Doha Bank-sponsored exchange-traded fund QETF valued at QR0.01mn change hands across three transactions. The Islamic index was seen declining vis-a-vis gains in the other indices in the main market



Notwithstanding the rising geopolitical tensions in the region, the Qatar Stock Exchange closed this week on a positive note with its key index gaining as much as 29 points despite losers outnumbering gainers.

this week which saw the banks and industrials together constitute more than 60% of the total trade volumes.

Market capitalisation was up QR0.35bn or 0.06% to QR600.58bn on the back of microcap segments this week, which saw no trading of sovereign bonds and treasury bills.

Trade volumes and turnover were on the increase in both the main bourse and junior market this week,

which saw Lesha Bank register net profit of QR94.39mn in 2023.

The Total Return Index rose 0.28% and the All Share Index by 0.11%, while the All Islamic Index declined 0.12% this week, which saw Petrotec, a subsidiary of Al Mahhar Holding, and Siemens enter into a strategic partnership to support Qatar's digital transformation in energy and utilities sector. The industrial sector index

gained 1.07% and banks and financial services 0.04%; while real estate declined 0.49%, telecom (0.39%), consumer goods and services (0.19%) and transport (0.06%) this week.

Major gainers in the main market included Qatar National Cement, Qatar General Insurance and Reinsurance, Doha Bank, Doha Insurance, Ahlibank QIB, Qatar Islamic Bank, Industries Qatar, Alijarah Holding, Mekdam Holding, GWC and Nakilat. In the venture market, Mahhar Holding saw its shares depreciate in value.

Nevertheless, Qatari German Medical Devices, Qatar Insurance, Masraf Al Rayan, Baladna, Ezdan, Lesha Bank, Dlala, Salam International Investment, Medicare Group and Qamco were among the losers in the main market. In the junior bourse, Al Faleh Educational Holding saw its shares depreciate in value this week.

The foreign funds turned net buyers to the tune of QR86.86mn compared with net sellers of QR66.34mn the week ended January 18. The foreign individual investors' net buying increased perceptibly to QR3.99mn against QR1.04mn the previous

week. The Gulf institutions' net profit booking declined substantially to QR45.86mn compared to QR59.16mn a week ago. The Gulf retail investors' net selling eased markedly to QR0.33mn against QR1.37mn the week ended January 18. However, the Qatari individuals were net sellers to the extent of QR44.76mn compared with net buyers of QR36.96mn the previous week.

The Arab individual investors turned net sellers to the tune of QR11.55mn against net buyers of QR4.04mn a week ago. The domestic funds' net buying weakened drastically to QR10.65mn compared to QR84.78mn the week ended January 18.

The Arab institutions had no major net exposure against net buyers to the extent of QR0.05mn the previous week. The main market witnessed a 24% surge in trade volumes to 1.1mn shares, 9% in value to QR3.2bn and 13% in deals to 106,262 this week.

In the venture market, trade volumes almost tripled to 2.17mn equities and value also almost tripled to QR2.64mn on more than doubled transactions to 197.

# US inflation trending lower; consumer spending strong in December

Reuters  
Washington

US prices rose marginally in December, keeping the annual increase in inflation below 3% for a third straight month, bolstering expectations that the Federal Reserve will start cutting interest rates this year.

The timing of the anticipated rate cut is, however, uncertain as the report from the Commerce Department yesterday also showed consumer spending surging at the end of 2023 as Americans splurged over the holidays.

Financial markets have pushed the odds of a March rate cut to below 50% in a nod to the economy's continued resilience. The US central bank is expected to keep its policy rate unchanged at the current 5.25-5.50% range at its meeting next week.

"The inflation trajectory is improving, giving the Fed leeway to cut rates this year," said Jeffrey Roach, chief economist at LPL Financial in Charlotte, North Carolina.

"However, the Fed has further work to do and should not be tempted to declare 'mission accomplished'" The personal consumption expenditures (PCE) price index increased 0.2% last month after an unrevised 0.1% drop in November, the Commerce Department's Bureau of Economic Analysis said. Food prices rose 0.1% and the cost of energy products increased 0.3%.

In the 12 months through December, the PCE price index increased 2.6%, matching November's unrevised gain. The inflation readings were in line with economists' expectations.

Excluding the volatile food and energy components, the PCE price index gained 0.2% last month after rising 0.1% in November. The



A customer shops for groceries at a store in San Francisco. US prices rose marginally in December, keeping the annual increase in inflation below 3% for a third straight month, bolstering expectations that the Federal Reserve will start cutting interest rates this year.

so-called core PCE price index increased 2.9% year-on-year, the smallest advance since March 2021, after rising 3.2% in November. The Fed tracks the PCE price measures for its 2% inflation target. Monthly inflation readings of 0.2% over time are necessary to bring inflation back to target, economists say.

The dollar slipped against a basket of currencies. US Treasury prices fell.

On Thursday, the government reported that core PCE inflation increased at a 2.0% annualised rate in the fourth quarter after a similar rise in the July-September quarter. Though prospects of a March rate cut have diminished, a reduction in borrowing costs is still expected by June. Since March 2022, the Fed has raised its

benchmark overnight rate by 525 basis points.

Easing inflation, rising wages and households tapping their savings all combined to boost consumer spending and support the overall economy. Consumer spending, which accounts for more than two-thirds of US economic activity, jumped 0.7% last month after rising 0.4% in November. There were gains in outlays of both services and goods.

Spending on services was lifted by financial service charges, fees and commissions as well as healthcare and gambling. Americans also stepped up purchases of new light trucks and spent more on prescription medication, clothing and footwear and recreational goods and vehicles.

When adjusted for inflation,

overall consumer spending increased 0.5% in December after a similar rise in the prior month. The solid increase in the so-called real consumer spending puts consumption on a higher growth trajectory heading into the first quarter.

The data was included in the fourth quarter's advance gross domestic product report published on Thursday. Consumer spending increased at a strong 2.8% rate last quarter, accounting for the bulk of the economy's 3.3% growth pace.

The pace of growth in consumer spending is, however, likely to moderate in the months ahead. Personal income increased 0.3% in December after rising 0.4% in November. The saving rate dropped to a one-year low of 3.7%, from 4.1% in November.

# Global economy outlook at odds with aggressive rate cut bets

Reuters  
New York

Global growth is set to stay resilient this year and only pick up pace a bit in 2025, according to a Reuters poll of economists, a stable outlook at odds with still-relatively aggressive interest rate cut bets in financial markets.

Growth among leading economies is not forecast to be consistent, with relative strength in the US and India, and sluggishness expected from the euro zone, as well as No 2 economy China.

Economists more broadly are optimistic, however, there will not be a resurgence in inflation now most central banks have got price pressures down close to where they want them.

The January 3-25 Reuters polls covering 48 economies showed economists forecasting global growth at an average 2.6% in 2024: not boom times, but not recession either.

This year's view is only slightly weaker than an expected 3.0% rate for 2023 despite a rapid series of central bank rate hikes. This time last year, these same economists were too pessimistic, expecting just 2.1% growth.

Global growth is forecast to accelerate to around 3.0% next year and also in 2026. And with a still-tight labour market across most of the developed world, resilient consumer and government spending, risks to growth were mostly to the upside.

"If you look at the economic outlook for 2024, it's easy to say reasons why it could be bad. But there's no evidence of that in the data yet. There are plenty of reasons in the data already to suggest why it could be better than expectations...a similar story to 2023," said James Pomeroy, global economist at HSBC.

That may come as a disappointment to those in financial markets gunning for aggressive rate cuts.

Traders started to price in a

first Federal Reserve interest rate cut in March after Chair Jerome Powell surprised markets and analysts at the December policy meeting by saying a discussion of cuts was coming "into view".

However, economists in Reuters polls since September 2023 have consistently predicted the first Fed rate cut will come around the middle of this year.

Markets are already swinging back in that direction, with fed funds futures on Thursday implying around a 47% probability of a March Fed rate cut, down sharply from about 90% a month ago. So while interest rate reductions are coming, if economists' forecasts are right, there won't be so many.

"I think the mistake the markets are making kind of broadly in the pricing is they're pairing a forecast for rates that would, that could, prevail if we're seeing a sharp slowing in the economy," said Nathan Sheets, global chief economist at Citi, who expects a mild slowdown this year.

"I don't think the full force of the monetary policy tightening has been felt yet." The rate cut trajectory was largely dependent on how quickly central banks will bring inflation down to their targets.

A strong 77% majority of economists, 213 of 277, who answered a separate question said the risk of a significant resurgence in inflation over the coming six months was low (194) or very low (19). The remaining 64 said high or very high.

While inflation has fallen sharply from over 10.0% in some countries to low single digits in the past year, the last leg down to target may not be a smooth ride simply because there is much more scope for small upside disappointments.

"It did come down fairly dramatically, but it's still above target in most major economies... (and) the reality is that underlying inflation is still sticky," said Douglas Porter, chief economist at BMO Capital Markets.

# Private credit lifts its game as banks step up fight for deals

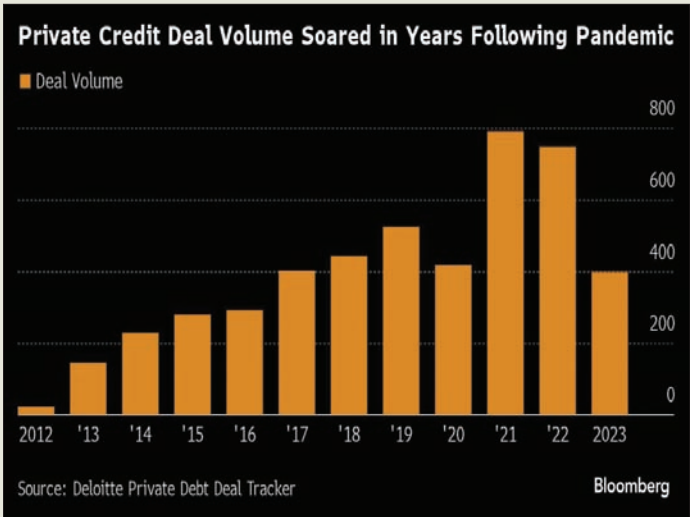
Bloomberg  
London

Private credit lenders are taking steps to raise their appeal in a market where the promise of lower interest rates are allowing banks to stage a comeback.

At a time when the likes of Barclays Plc and Citigroup Inc are seeking to poach back leveraged finance deals, the industry showcased its push for bigger transactions and promoted bespoke financing options when it gathered at the IPEM private markets conference this week in Cannes, France. Direct lenders talked up the prospect of bigger buyouts, with Permira's co-head of credit, David Hirschman, predicting the industry will ink a \$10bn loan either this year or next. The current record is for a €4.5bn (\$4.9bn) package to back the buyout of Adevinata ASA in a deal that was done late last year. "There's no cap on how big a size a company will seek in the

private credit market," Amit Bahri, co-head of direct lending for Europe at Goldman Sachs Asset Management, told the audience at a panel on financing markets. This "wouldn't have been the case around five years ago."

The \$1.6tn private credit market is facing renewed competition after an 18-month boom where soaring rates and hung debt made the underwriting of fresh leveraged buyouts too risky for traditional lenders. Investment banks now have an opening as falling borrowing costs mean they may be able to offer cheaper deals and fewer covenants. In a push to counter this, direct lenders participating at IPEM pointed to their own capacity to offer flexible terms, such as allowing borrowers to draw money from a line of credit with greater ease than a traditional loan. An "element of flexibility within private credit is to take a view toward a longer, more permanent capital solution," said Appu Mundassery, portfolio manager



at DB Investment Partners. In doing so we "introduce things like preferred elements and participatory returns to make it more palatable," he said. DB, a private capital investment firm established by Deutsche Bank

AG, is expanding its product suite for businesses, Mundassery said. This includes offers for net-asset-value financing, an increasingly popular option for private equity firms that allows investors to borrow against their stakes in a

fund, as well as asset-based loans that are secured with collateral. Net-asset-value lines and structured credit opportunities "are pricing quite attractively relative to what you can do in direct deals," Mundassery said. "Asset-based finance has strong collateral and recoverability characteristics, as well as capital yield, which is roughly equivalent to what we see in the corporate space." Higher risk mezzanine debt, which sits below other loans and above equity in the queue for repayment when borrowers can't meet their obligation, will also become more common, participants at IPEM said. Despite the industry's ambition, elevated rates and the risk of a worsening economy are pushing many direct lenders to tighten their belts and look for ways to reduce their risks.

A muted environment for mergers and acquisitions in the past two years implies that private equity firms are facing a huge backlog of exits, leaving direct lenders

with less opportunities to deploy capital. Future fundraising is likely to become more difficult and take longer as a result, weighing especially on some of the sector's smaller players. Moreover, direct lenders are expecting distress to pick up as borrowers struggle with the impact of rates that were lower and economic forecasts that were too optimistic when business plans were drawn up.

"We have seen our target industries, which are more typically business-to-business and service in nature, have to deal with rising wage increases in a low growth environment, which is leading to management teams needing to be very focused on cost control," said Howard Sharp, managing director of Alcentra's European private credit team. Still, a squeeze in liquidity offer opportunities in the form of discounted stakes in the credit secondaries market, when a fund investor decides to sell its stake early,