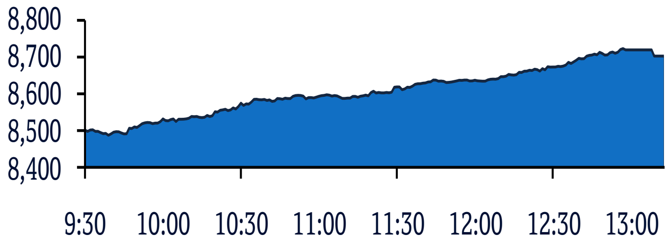
Daily Market Report

Tuesday, 07 April 2020

QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 2.6% to close at 8,707.2. Gains were led by the Real Estate and Telecoms indices, gaining 3.8% and 3.3%, respectively. Top gainers were Qatar Cinema & Film Distribution Company and Vodafone Qatar, rising 10.0% and 8.0%, respectively. Among the top losers, Aamal Company fell 2.1%, while Investment Holding Group was down 0.2%.

GCC Commentary

Saudi Arabia: The TASI Index gained 1.6% to close at 6,860.9. Gains were led by the Food & Staples Retailing and Insurance indices, rising 6.7% and 4.5%, respectively. Saudi Enaya Coop. Ins. Co and Al-Rajhi Co. for Cooperative Ins. were up 10.0% each.

Dubai: The DFM Index gained 0.6% to close at 1,691.7. The Telecommunication index rose 5.9%, while the Transportation index gained 3.8%. ARAMEX rose 8.8%, while Emirate Integrated Telecommunications Company was up 5.9%.

Abu Dhabi: The ADX General Index gained 1.3% to close at 3,722.9. The Energy index rose 2.4%, while the Consumer Staples index gained 2.3%. Al Qudra Holding rose 13.6%, while Abu Dhabi National Oil Company for Distribution was up 5.3%.

Kuwait: The Kuwait All Share Index gained 0.1% to close at 4,717.2. The Consumer Goods index rose 1.8%, while the Real Estate index gained 1.1%. Gulf Investment House rose 14.8%, while National International Company was up 9.9%.

Oman: The MSM 30 Index gained 0.4% to close at 3,400.9. The Financial index rose 0.6%, while the Services indices gained marginally. Gulf Investments Services Holding rose 8.0%, while Oman United Insurance Company was up 5.5%.

Bahrain: The BHB Index fell 0.9% to close at 1,310.2. The Commercial Banks index declined 1.4%, while the Investment index fell 0.9%. Arab Banking Corporation declined 4.2%, while Ahli United Bank was down 2.3%.

Market Indicators	06 Apr 20	05 Apr 20	%Chg.
Value Traded (QR mn)	290.0	144.7	100.4
Exch. Market Cap. (QR mn)	489,603.6	478,651.9	2.3
Volume (mn)	141.0	111.6	26.3
Number of Transactions	10,292	4,220	143.9
Companies Traded	45	44	2.3
Market Breadth	38:4	33:9	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	16,651.19	2.6	2.9	(13.2)	12.9
All Share Index	2,701.77	2.4	2.4	(12.8)	13.5
Banks	3,916.61	2.3	1.2	(7.2)	12.7
Industrials	2,245.92	2.7	5.4	(23.4)	15.7
Transportation	2,297.30	2.2	2.5	(10.1)	11.4
Real Estate	1,310.79	3.8	6.6	(16.2)	11.4
Insurance	2,090.71	2.1	2.0	(23.5)	35.0
Telecoms	799.64	3.3	3.4	(10.7)	13.2
Consumer	6,759.87	1.4	2.7	(21.8)	15.6
Al Rayan Islamic Index	3,335.38	3.0	4.5	(15.6)	14.4

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Rabigh Refining & Petro.	Saudi Arabia	14.62	9.9	8,887.3	(32.5)
Co. for Cooperative Ins.	Saudi Arabia	67.50	8.9	291.4	(12.0)
Mesaieed Petro. Holding	Qatar	1.93	7.8	8,744.0	(23.2)
Sahara Int. Petrochemical	Saudi Arabia	13.78	5.4	3,699.7	(23.3)
Qatar Int. Islamic Bank	Qatar	8.05	5.3	1,056.0	(16.8)

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Abu Dhabi Comm. Bank	Abu Dhabi	3.82	(5.0)	10,167.0	(51.8)
Dubai Islamic Bank	Dubai	3.04	(4.7)	34,896.7	(44.8)
Emaar Malls	Dubai	1.05	(4.5)	16,566.9	(42.6)
Abu Dhabi Islamic Bank	Abu Dhabi	3.50	(4.4)	12,276.8	(35.1)
Ahli United Bank	Bahrain	0.64	(2.3)	660.0	(33.5)

Source: Bloomberg (# in Local Currency) (## GCC Top gainers/losers derived from the S&P GCC Composite Large Mid Cap Index)

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar Cinema & Film Distribution	2.44	10.0	44.5	11.0
Vodafone Qatar	0.97	8.0	4,811.9	(16.1)
Mesaieed Petrochemical Holding	1.93	7.8	8,744.0	(23.2)
Qatari German Co for Med. Devices	0.45	5.6	3,597.0	(22.5)
Qatar International Islamic Bank	8.05	5.3	1,056.0	(16.8)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Aamal Company	0.55	(2.1)	20,735.9	(32.0)
Investment Holding Group	0.40	(0.2)	3,827.0	(28.4)
Ahli Bank	3.14	(0.2)	0.0	(5.9)
Mannai Corporation	3.00	(0.1)	340.1	(2.6)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Aamal Company	0.55	(2.1)	20,735.9	(32.0)
Ezdan Holding Group	0.53	1.4	20,497.1	(14.6)
Qatar Aluminium Manufacturing	0.55	3.9	9,873.4	(29.1)
Qatar Gas Transport Company Ltd.	2.13	2.2	8,971.1	(10.9)
Mesaieed Petrochemical Holding	1.93	7.8	8,744.0	(23.2)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	18.03	1.7	37,752.5	(12.4)
Masraf Al Rayan	3.75	1.7	23,267.1	(5.2)
Barwa Real Estate Company	3.20	4.1	19,399.8	(9.6)
Qatar Gas Transport Co. Ltd.	2.13	2.2	19,189.8	(10.9)
Al Meera Consumer Goods Co.	15.37	1.1	19,178.9	0.5

Source: Bloomberg (* in QR)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	8,707.16	2.6	2.9	6.1	(16.5)	79.10	133,368.0	12.9	1.3	4.6
Dubai	1,691.66	0.6	(1.8)	(4.5)	(38.8)	78.92	70,336.5	6.2	0.6	7.4
Abu Dhabi	3,722.94	1.3	(0.9)	(0.3)	(26.7)	54.26	110,458.1	10.9	1.0	6.7
Saudi Arabia	6,860.92	1.6	1.6	5.5	(18.2)	1,197.62	2,131,106.3	19.5	1.6	3.9
Kuwait	4,717.17	0.1	0.3	(2.2)	(24.9)	91.86	86,849.6	11.6	1.1	4.7
Oman	3,400.94	0.4	0.5	(1.4)	(14.6)	1.10	14,790.8	6.9	0.6	8.2
Bahrain	1,310.15	(0.9)	(1.5)	(3.0)	(18.6)	2.33	20,410.3	9.4	0.8	6.0

Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (** TTM; * Value traded ($ mn) do not include special trades, if any)

Qatar Market Commentary

- The QE Index rose 2.6% to close at 8,707.2. The Real Estate and Telecoms indices led the gains. The index rose on the back of buying support from GCC and non-Qatari shareholders despite selling pressure from Qatari shareholders.
- Qatar Cinema & Film Distribution Company and Vodafone Qatar were the top gainers, rising 10.0% and 8.0%, respectively. Among the top losers, Aamal Company fell 2.1%, while Investment Holding Group was down 0.2%.
- Volume of shares traded on Monday rose by 26.3% to 141.0mn from 111.6mn on Sunday. Further, as compared to the 30-day moving average of 124.6mn, volume for the day was 13.2% higher. Aamal Company and Ezdan Holding Group were the most active stocks, contributing 14.7% and 14.5% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	30.39%	41.57%	(32,418,003.23)
Qatari Institutions	19.96%	19.07%	2,590,592.06
Qatari	**50.35%**	**60.64%**	**(29,827,411.17)**
GCC Individuals	1.49%	1.54%	(147,252.00)
GCC Institutions	2.39%	1.26%	3,275,032.05
GCC	**3.88%**	**2.80%**	**3,127,780.06**
Non-Qatari Individuals	12.77%	14.45%	(4,891,641.05)
Non-Qatari Institutions	32.99%	22.10%	31,591,272.16
Non-Qatari	**45.76%**	**36.55%**	**26,699,631.12**

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

Earnings Releases, Global Economic Data and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 1Q2020	% Change YoY	Operating Profit (mn) 1Q2020	% Change YoY	Net Profit (mn) 1Q2020	% Change YoY
Packaging Co. Ltd.	Oman	OMR	2.5	-4.8%		–	0.2	156.6%

Source: Company data, DFM, ADX, MSM, TASI, BHB.

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
04/06	UK	GfK NOP (UK)	GfK Consumer Confidence	Mar	-34	–	-9
04/06	UK	Markit	Markit/CIPS UK Construction PMI	Mar	39.3	44.0	52.6
04/06	EU	Sentix Behavioral Indices	Sentix Investor Confidence	Apr	-42.9	-37.5	-17.1
04/06	Germany	Deutsche Bundesbank	Factory Orders MoM	Feb	-1.4%	-2.5%	4.8%
04/06	Germany	Bundesministerium fur Wirtscha	Factory Orders WDA YoY	Feb	1.5%	-0.2%	-0.8%
04/06	Germany	Markit	Markit Germany Construction PMI	Mar	42.0	–	55.8
04/06	Japan	Economic and Social Research Institute	Consumer Confidence Index	Mar	30.9	35.0	38.3
04/06	India	Markit	Markit India PMI Composite	Mar	50.6	–	57.6
04/06	India	Markit	Markit India PMI Services	Mar	49.3	–	57.5

Source: Bloomberg (s.a. = seasonally adjusted; n.s.a. = non-seasonally adjusted; w.d.a. = working day adjusted)

Earnings Calendar

Tickers	Company Name	Date of reporting 1Q2020 results	No. of days remaining	Status
QNBK	QNB Group	12-Apr-20	5	Due
QIBK	Qatar Islamic Bank	15-Apr-20	8	Due
KCBK	Al Khalij Commercial Bank	15-Apr-20	8	Due
QFLS	Qatar Fuel Company	15-Apr-20	8	Due
QIGD	Qatari Investors Group	19-Apr-20	12	Due
QGTS	Qatar Gas Transport Company Limited (Nakilat)	20-Apr-20	13	Due
ERES	Ezdan Holding Group	20-Apr-20	13	Due
ABQK	Ahli Bank	20-Apr-20	13	Due
CBQK	The Commercial Bank	21-Apr-20	14	Due
QEWS	Qatar Electricity & Water Company	21-Apr-20	14	Due
VFQS	Vodafone Qatar	22-Apr-20	15	Due
QIIK	Qatar International Islamic Bank	22-Apr-20	15	Due
DOHI	Doha Insurance Group	22-Apr-20	15	Due
MCGS	Medicare Group	22-Apr-20	15	Due
UDCD	United Development Company	22-Apr-20	15	Due
DHBK	Doha Bank	22-Apr-20	15	Due
NLCS	Alijarah Holding	23-Apr-20	16	Due
MARK	Masraf Al Rayan	23-Apr-20	16	Due

ORDS	Ooredoo	29-Apr-20	22	Due

Source: QSE

News

Qatar

- **AKHI to distribute dividends on April 12 –** Al Khaleej Takaful Insurance Company (AKHI) announced to the shareholders of the company, at the end of the trading session on April 5, 2020, that dividends will be distributed from April 12, 2020 by transferring it to their accounts with the banks registered with Qatar Central Depository Company, and the rest of the shareholders at the company's headquarters. (QSE)
- **QIGD to hold investors relation conference call on April 23 –** Qatari Investors Group (QIGD) will hold a conference on Investor Relations by telephone to discuss the financial results of 1Q2020, on April 23, 2020 at 14:00pm Doha time. (QSE)
- **VFQS to hold its board meeting on April 22 –** Vodafone Qatar's (VFQS) board of directors will meet on April 22, 2020 to approve the company's 1Q2020 financial results. The board would also consider other items on the agenda for the meeting. (Gulf-Times.com)
- **WDAM starts online and home delivery services –** Widam Food Company (WDAM) has started online shopping facility and home delivery services for several products, including meat and chicken. The initiative is part of the company's efforts to contribute in the country's collective campaign to fight against the COVID-19 as people have been asked to stay home and safe to contain the spread of the virus. "WDAM announces adding several basic products to its updated mobile application by partnering with the best local producers," WDAM stated in a tweet. (Peninsula Qatar)
- **QCB: Qatari banks post 13% jump in domestic credit to QR1tn at end of February –** Loans to the trading and services sectors were in the overdrive, helping Qatari commercial banks witness more than 13% YoY jump in domestic credit to QR1tn at the end of February 2020, according to the Qatar Central Bank (QCB). The banks' credit to the trading sector witnessed a stupendous 64.71% YoY surge to QR149.8bn, or 15% of the total domestic loans in February 2020. Of the QR149.8bn credit to trading, as much as QR55.5bn was extended to the commercial agencies, QR39.79bn to non-specified segments, QR9.09bn to automobiles and spare parts, QR6.51bn to food, QR6.27bn to machinery and equipment, QR5.5bn to chemicals and allied products, QR4.76bn to petroleum products and QR4.16bn to building materials and gypsum. The services sector saw a 36.55% yearly growth in credit to QR296.57bn, which was 30% of the total domestic loans this February. The Credit to the general services witnessed a 34.33% yearly increase to QR266.59bn, or almost 90% of the total credit to the services sector. Within the general services, credit to air transport was QR85.05bn, real estate QR74.1bn, others QR29.53bn and hotels QR27.33bn at the end of February 2020. In the case of financial services, it registered an impressive 60.15% growth to QR29.98bn at the end of February this year. The credit to investment companies stood at QR17bn, investment firms at QR6.64bn and insurance QR1.5bn. The consumption credit grew 8.69% YoY to QR138.03bn, which constituted about 14% of the total domestic credit in February 2020. The consumption credit to nationals reported 10.36% yearly increase to QR123.28bn; while those to non-Qataris fell 3.38% to QR14.85bn in the review period. However, the credit offtake in the real estate sector saw 4.55% YoY contraction to QR194.3bn, which was 19% of the total domestic loans in February 2020. The credit to the industrials sector witnessed a yearly 2.56% contraction to QR25.93bn, which was 3% of the total domestic credit in the period in review. Within the sector, credit to the heavy industry stood at QR10.16bn, followed by natural gas at QR8.23bn, industrial manufacturing at QR5.21bn and oil at QR2.33bn. The credit to the public sector saw a marginal dip YoY to QR338.03bn, which was about 34% of the total domestic loans in February 2020. Within the public sector, loans to the government institutions witnessed 22.81% yearly growth to QR177.22bn; while those to semi government entities shrank 21.51% to QR18.5bn and government by 16.5% to QR146.3bn at the end of February this year. The contracting sector saw 2.46% fall in credit to QR36.05bn or about 4% of the total domestic loans in the review period. (Gulf-Times.com)
- **Qatar's Financial Center PMI fell to 46.6 in March –** IHS Markit released Qatar's March Financial Center Purchasing Managers' Index (PMI), which showed that the index fell to 46.6 from 49.3 in February 2020 and 50.1 from a year ago, indicating twelfth consecutive month of contraction. New orders also fell to 41.8 versus 48 in February, the lowest reading in data going back to April 2017 and eleventh consecutive month of contraction. (Bloomberg)
- **Qatar Petroleum: Coronavirus turmoil will not stop LNG expansion abroad –** Qatar Petroleum (QP) is pressing ahead with foreign as well as domestic expansion despite the global market turmoil caused by the coronavirus pandemic, its Chief Executive told Reuters on Monday. Saad Al-Kaabi, who heads the energy portfolio of the world's top liquefied natural gas (LNG) supplier, also said the company could seek to raise debt next year for its domestic North Field LNG expansion. Qatar is one of the most influential LNG market players with annual production of 77mn tons. It plans to increase its LNG production to 126mn tons a year by 2027. Kaabi told Reuters QP will postpone the start of production from its new gas facilities until 2025 following a delay in the bidding process, but is not downsizing the world's largest LNG project, the North Field expansion. "We are still going to expand externally. We have always focused on upstream assets and we are still interested in going ahead abroad," Kaabi said. ExxonMobil, Royal Dutch Shell, Total and ConocoPhillips are long-standing partners in Qatar's LNG plants. Some of these have signed deals over the last year to give Qatar stakes in their oil and gas projects. Qatar Petroleum is the majority owner of the Golden Pass LNG terminal in Texas, with Exxon holding a small stake. Kaabi said the Golden Pass project was on schedule. "The Golden Pass is proceeding that's our major expansion outside Qatar regarding our LNG portfolio. We don't have a project that is on the table that we are taking off the table. We are always looking for opportunities," he said. Golden Pass is

designed to produce around 16mn tons per annum (MTPA) of LNG, equivalent to about 2.1bn cubic feet per day (bcfd) of natural gas. Kaabi said the company was looking at opportunities to reduce its operating costs and capital expenditure, but that would not impact the major projects it is working on. (Reuters)

- **Ezdan: Government measures to bolster Qatar's real estate sector –** Qatar's exemption of the hospitality and tourism, retail sectors and commercial complexes from electricity and water consumption charges for a period of six months will bolster the country's real estate sector, Ezdan has stated in a report. Many institutions and entities have started implementing relief measures following the directives of His Highness the Amir Sheikh Tamim bin Hamad Al-Thani, it said in its monthly report. Economic Zones Company Manateq announced that it would comply with the government directive on this and began exempting logistic and industrial areas for a period of six months from rents. A major bank announced that it provides relief to SMEs for a period of six months. The report mentioned Supreme Committee for Delivery and Legacy's affirmation that the implementation of all projects related to the 2022 FIFA World Cup are proceeding as per schedule. Ezdan highlighted the QR75bn package for the private sector and the QCB's instructions to banks to postpone loan maturities of the private sector with a grace period of up to six months. Qatar Development Bank (QDB) was also directed to adjourn maturities during the same period. Ezdan also referred to the scheduled completion of many road projects in Qatar by Ashghal, or the Public Works Authority of Qatar. (Gulf-Times.com)
- **Qatar's real estate trade volume reaches around QR1.4bn in March –** The trading volume of registered real estates at the Ministry of Justice's real estate registration department stood at QR1.471bn in March 2020. The data of the analytical real estate bulletin issued by the Ministry of Justice showed that 287 real estate transactions were recorded during the month. The municipalities of Doha, Al Rayyan and Al Daayen saw the most active trading in terms of financial value, followed by the municipalities of Umm Salal, Al Wakra, Al Khor, Al Thakhira, Al Shamal, and Al Shahaniya. The value of the transactions of Doha municipality amounted to QR637.56mn, while that of Al Rayyan municipality was QR389.737mn. The value of Al Daayen municipality transactions amounted to QR136.048mn, while that of the municipality of Umm Salal was QR133.119mn and that of Al Wakra municipality stood at QR122.976mn. The municipality of Al Khor and Al Thakhira recorded trading amounting to QR45.499mn, while that of Al Shamal municipality reached QR4.815mn and that of the municipality of Al Shahaniya reached QR2mn. In terms of the traded area index, indicators showed that the municipalities of Doha and Al Rayyan were the most active municipalities in the areas of real estate traded during March 2020, at about 38% each, followed by Al Daayen municipality at 16%, Al Wakra municipality at 15%, Umm Salal municipality by 12%, Al Khor and Al Thakhira municipality by 4% and Al Shamal municipality by 1%. Regarding the number of transactions index (sold real estate), trading indicators showed that the most active municipalities during March 2020 are Doha municipality with 27%, followed by Al Rayyan municipality by 22%, Al Daayen municipality by 16%, Al Wakra municipality with 13%, Umm Salal municipality by 12%, Al Khor and Al Thakhira municipality by 8%, and the Al Shamal municipality by 1%. The real estate trading data shows that the real estate sector continues its steady growth in various fields of investment and trade. It confirms the growth of strong and active trading activity during the current year, especially with the issuance of new laws and decisions related to real estate sector, real estate registration, as well as attractive laws for domestic and foreign capital. These data confirm the strength of Qatar's economy and the continued growth of the real estate sector as one of its key components. (Qatar Tribune)
- **Qatar Pharma to have capacity to produce 6mn masks a month by April-end –** Qatar Pharma will set up a production line for face masks by the end of April with a capacity to churn out 6mn pieces a month, its Chairman Dr Ahmed Mohamed Al Sulaiti has said. The masks produced by Qatar Pharma will be of "surgical type" and will significantly cover the local demand, noted Dr Ahmed, pointing out that the production line was being readied by specialized technicians. Dr Ahmed also highlighted that Qatar Pharma recently developed an herbal medicine that he said would increase the efficiency of the human immune system and provides therapeutic benefits. (Qatar Tribune)

International

- **US Energy Secretary hopeful Saudi, Russia to end oil row this week –** US Energy Secretary Dan Brouillette said on Monday that after speaking with the energy ministers of Saudi Arabia and Russia he believes the countries will cut oil output and end their war over market share this week. "They are going to get together later this week and hopefully end this disagreement that started perhaps two or three weeks ago," Brouillette told Fox Business Network. When asked if he believes major producers Russia and Saudi Arabia would agree to participate in an oil production cut of between 10% to 15% of global oil supply, he said, "yes, I do." Oil prices have plummeted as demand crumbled on global economic shutdowns during the coronavirus outbreak, and as Saudi Arabia and Russia have pumped oil flat out in a war for market share. Oil prices fell sharply on Monday after Saudi Arabia and Russia delayed a meeting on oil markets. The Organization of the Petroleum Exporting Countries and its allies, a group known as OPEC+, are now expected to meet on Thursday. President Donald Trump has said a deal could see cuts of 10% to 15% of global supply, although analysts say even such a huge reduction would not address the problem of global demand which has slumped as much as 30mn barrels per day during the coronavirus outbreak. Brouillette said the US is encouraging Saudi Arabia, chair of the G20 this year, to convene a G20 energy ministerial meeting toward the end of the week "and I expect that that's going to happen." Brouillette spoke to Saudi counterpart Prince Abdulaziz bin Salman at the weekend, telling him the battle for market share has "major implications" for the US and the world, the US Energy Department said. Many highly leveraged US shale drillers risk bankruptcies and oil workers face layoffs. Brouillette said some US lawmakers saw Russia and Saudi Arabia's moves to boost output as "predatory." (Reuters)
- **Trump says OPEC has not asked him for a US oil production cut –** The US President Donald Trump said on Monday that OPEC had not pressed him to ask US oil producers to reduce their output to

support global prices, which have been hard-hit by the economic fallout of the coronavirus pandemic. Trump said US oil production had already fallen, anyway. “I think it’s happening automatically but nobody’s asked me that question yet so we’ll see what happens,” the president told a press briefing Monday afternoon. Major oil producers including Saudi Arabia and Russia are likely to agree to cut production at a Thursday meeting but only if the United States joins the effort, three sources involved told Reuters on Monday. “Without the US, no deal,” one of the sources said. Worldwide oil demand has dropped by roughly 30%, or about 30mn barrels a day as the coronavirus pandemic brings the world economy to a standstill, at the same time that Saudi Arabia and Russia have been flooding markets with extra supply. That has been a major problem for the economy of the United States, which has grown into the world’s largest oil and gas producer, because it has threatened the once-bustling drilling industry with layoffs and bankruptcies. Several US drilling companies have already scaled back production because of the drop in oil prices, which have lost around two-thirds of their value so far this year. (Reuters)

- **PMI: UK construction activity falls in March at fastest rate since 2009 –** Britain’s construction sector saw the sharpest fall in activity since the financial crisis last month, a survey showed on Monday, despite facing much less pressure than other industries to shut down operations due to the coronavirus. The figures from financial data provider IHS Markit and the Chartered Institute of Procurement and Supply (CIPS) also confirmed data last week that showed the British private sector as a whole is contracting at its fastest rate in more than 20 years. The construction Purchasing Managers’ Index (PMI) tumbled to 39.3 in March from 52.6 in February, its lowest since April 2009 and well below economists’ average forecast of 44.0. The 13-point monthly fall was the largest since the survey began in 1997, and the index looks likely to worsen. Britain’s government has not required general construction work to stop to slow the spread of coronavirus - in contrast to its order for most shops and restaurants to close to the public, and for workers in other sectors to stay home if possible. Nonetheless, IHS Markit said building companies reported stoppages last month as they sought to comply with guidance to keep workers 2 meters apart where safe to do so, as well as a big fall in new orders. “Survey respondents widely commented on doubts about the feasibility of continuing with existing projects as well as starting new work,” IHS Markit economist Tim Moore said. “Construction supply chains instead are set to largely focus on the provision of essential activities such as infrastructure maintenance, safety-critical remedial work and support for public services in the weeks ahead,” he added. Last week, IHS Markit’s composite PMI for the manufacturing and services sectors fell to its lowest on record at 36.0 for March, and Monday’s all-sector version including the construction industry was also a record low at 36.3. (Reuters)
- **Coronavirus hammers UK consumers, construction and car sales –** British consumer confidence has fallen by the most in more than 45 years and new car sales have dropped faster than during the 2008-09 financial crisis, adding to signs of a record-breaking hit to the country’s economy from the coronavirus crisis. Economists are warning of the biggest economic contraction in a century over coming months in Britain and in many other countries and are uncertain about the strength of a rebound when curbs to slow the spread of COVID-19 are relaxed. Data on Monday also showed UK construction activity suffered its sharpest slowdown since 2009 last month - despite the sector being spared a national lockdown - and private business activity overall continues to slow at a record pace. GfK, which has conducted monthly surveys of British consumer sentiment since 1974, ran an extra poll between March 16 and March 27 which showed the weakest reading since February 2009. The drop in the index to -34 from -9 in its earlier, regular survey for March was the biggest on record. Surveys of businesses have nosedived in response. IHS Markit’s purchasing managers’ index for service firms and manufacturers, published on Friday, pointed to the sharpest contraction on record. Adding construction, PMI numbers on Monday gave the same picture, and builders predicted a sharper downturn for April and beyond when more work will be affected by shutdowns, reduced demand and guidance on social distancing at work. (Reuters)
- **German chancellor Merkel says EU faces its biggest test with coronavirus –** The coronavirus pandemic is the European Union’s biggest test, Chancellor Angela Merkel said on Monday, adding that it was important that the bloc emerges strong from the economic crisis unleashed by the coronavirus. “In my view, Europe, the European Union is facing the biggest test since its foundation,” Merkel said. “We have a big health challenge that is impacting all member states however differently.” (Reuters)
- **German orders slip in February in early taste of likely corona impact –** Orders for German-made goods dropped 1.4% in February, data showed on Monday, as a sharp fall in orders from abroad hinted at the likely impact of the coronavirus on the exporting powerhouse’s economic prospects. The figures published by the Statistics Office relate to the period before lockdown measures began to affect the German economy in earnest: domestic orders climbed by 1.7%, while orders from abroad shrank by 3.6%. The overall fall was less than the 2.4% drop expected by analysts polled for Reuters. However, countries like China and Italy were already hard hit by the virus and some lockdown measures put in place in an attempt to suppress it in February. “The orders data showed that the industrial recession in Germany was over before the outbreak of the pandemic,” the Economy Ministry said as bookings for January were revised to a 4.8% increase. “Given the global economic shock the pandemic is causing, however, we have to expect major falls in orders for March and April and sharp drops in production in the first and second quarters,” it added. Contracts from the Eurozone were down 5% in February, while those from the rest of the world were down 2.7%. China is Germany’s biggest trading partner. Manufacturers depend on both demand and supply chains from China. “Today’s numbers at least show that this first wave of the Covid-19 impact on German industry has been rather benign,” said ING economist Carsten Brezski, adding that the impact would likely be more serious in coming months. (Reuters)
- **PM: Japan to declare coronavirus emergency, launch stimulus of almost $1tn –** Japan is to impose a state of emergency in Tokyo and six other prefectures as early as Tuesday to contain the coronavirus, while the government prepares a $990bn stimulus package to soften the economic blow. Domestic infections topped 4,000, Jiji news reported, and 93 have died - not a huge

outbreak compared with some global hot spots. But the numbers keep rising, with particular alarm over the spread in Tokyo, which has more than 1,000 cases including 83 new ones on Monday. "Japan won't, and doesn't need, to take lockdown steps like those overseas," Prime Minister Shinzo Abe told reporters, citing the opinion of infectious disease experts. "Trains will be running and supermarkets will be open. The state of emergency will allow us to strengthen current steps to prevent an increase in infections while ensuring that economic activity is sustained as much as possible," he said. An emergency, which Abe said would last about a month, will give governors authority to call on people to stay at home and businesses to close. With no penalties for ignoring the requests in most cases, enforcement will rely more on peer pressure and respect for authority and was unlikely to be as rigorous as lockdowns in many other countries. In a sign that corporate Japan already was heeding the call, Canon Inc. announced it would close its Tokyo headquarters for 10 days starting from Tuesday. Pressure had been mounting on the government to take the step although Abe had voiced concern about being too hasty, given the restrictions on movement and businesses it would entail. Abe also said the government will launch a stimulus package of about 108tn yen, including more than 6tn yen for cash payouts to households and small businesses and 26tn yen to allow deferred social security and tax payments. (Reuters)

- **Japan to compile extra budget to fund coronavirus stimulus –** Japan will compile a supplementary budget worth 16.8057tn Yen ($154.45bn) to help fund stimulus spending to combat its coronavirus outbreak, according to a draft of the spending plan obtained by Reuters. The government will issue the same amount of additional government bonds to fund the extra budget, with a construction bond issuance at 2.3290tn Yen and deficit-covering bonds at 14.4767tn Yen, the draft showed. It is rare for the government to compile an extra budget at the beginning of the new fiscal year in April, highlighting the urgency of the outbreak. The budget is due to be approved by the cabinet later on Tuesday. (Reuters)
- **IMF encouraged by recovery in China, but pandemic could resurge –** The International Monetary Fund (IMF) on Monday cited limited but encouraging signs of recovery in China, the first country to suffer the brunt of the COVID-19 pandemic, but said it could not rule out a resurgence of the pandemic in China and elsewhere. In a blog, top IMF economists said the pandemic caused by the new coronavirus had pushed the world into a recession that would be worse than the global financial crisis, and called for a global, coordinated health and economic policy response. "The economic damage is mounting across all countries, tracking the sharp rise in new infections and containment measures put in place by governments," the IMF experts wrote. The total confirmed cases of COVID-19 around the world jumped to more than 1,250,000, with 68,400 deaths reported, according to a Reuters tally. China was seeing a modest improvement in its purchasing manager surveys (PMIs) after sharp declines early in the year, and daily satellite data on nitrogen dioxide concentrations in the atmosphere — a proxy for industrial and transport activity - showed a gradual decline in containment measures, the IMF experts wrote. "The recovery in China, albeit limited, is encouraging, suggesting that containment measures can succeed in controlling the epidemic and pave the way for a resumption of economic activity," the authors wrote. "But there is huge uncertainty about the future path of the pandemic and a resurgence of its spread in China and other countries cannot be ruled out," they added. European countries such as Italy, Spain, and France were now in acute phases of the outbreak, followed by the US, while the epidemic appeared to be just beginning in many emerging market and developing economies. (Reuters)
- **India's March services activity contracts amid coronavirus disruptions –** India's dominant services sector, the lifeblood for economic growth and jobs, contracted in March as new business and export demand fell sharply as the coronavirus pandemic wreaked havoc globally, a private survey showed. Prime Minister Narendra Modi ordered India's 1.3 billion people to stay home and shut shops and business selling non-essential goods for 21 days from March 25 to try and contain the virus spreading, suggesting April's downturn will be more severe. The Nikkei/IHS Markit Services Purchasing Managers' Index fell sharply to a five-month low of 49.3 in March from February's seven-year high of 57.5, below the 50-mark separating growth from contraction for the first time since October. "Strong growth momentum seen so far in 2019 was halted in March as demand conditions deteriorated, particularly overseas, leading to a reduction in business activity," Joe Hayes, economist at IHS Markit, said in a release. That mirrors a sharp deceleration in global activity as the coronavirus pandemic paralyzes economies, with evidence mounting that the world is sliding into recession. A manufacturing survey last week showed a cooling in growth which combined with a contracting services sector dragged the composite PMI to a five-month low of 50.6 last month. The outlook looks grim, with an index tracking overall demand for services falling to 48.5 in March, a 25-month low. Adding to concerns, new export business - a proxy of foreign demand - fell at its fastest rate since the sub-index was introduced in September 2014. A strong service sector is crucial for Indian growth as it contributes over 60% to the country's gross domestic product. If the lockdown is extended, economists say it could drag Asia's third-largest economy to either no growth or a contraction this quarter. (Reuters)

Regional

- **S&P: GCC banking sector may see a 'second wave' of M&A –** The GCC region may see a 'second wave' of mergers and acquisitions (M&A), S&P stated, and noted that it will be "more opportunistic and driven by economic rationale." In its latest industry report card, S&P stated, "When the dust settles and the full effect of current conditions on banks' financials is visible, we think there could be a second wave of mergers and acquisitions (M&A). "The first wave was spurred by shareholders' desire to reorganize their assets. The second wave will be more opportunistic and driven by economic rationale." The current environment, it said "might push" some banks to find a stronger shareholder or join forces with peers to enhance resilience. "We think a second wave of M&A might involve consolidation across different GCC countries. This would require more aggressive moves by management than those seen in the past. The added hurdles of convincing boards and shareholders, who face the possibility of seeing their assets diluted or losing control, might be easier if they have to recapitalize their banks anyway," S&P stated.

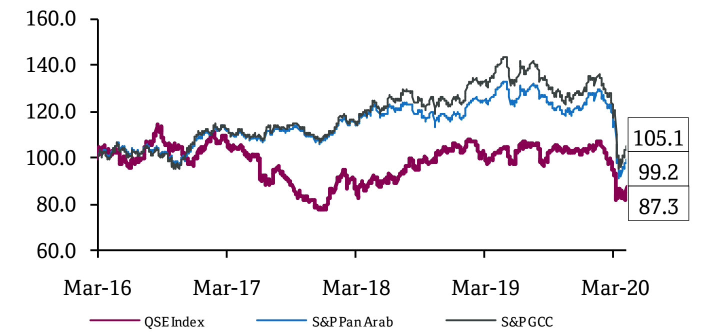
Indicating that GCC banks' "funding and liquidity remains good", it said growth in customer deposits was "strong" in 2019 for both the conventional and Islamic banks in the region, thanks to the recovery in oil prices. The funding profile of Islamic and conventional banks also remained stable, with total financing to total deposits of about 93% at year-end 2019. "We see two main risks in 2020. These include the concentration of the deposits base on government and government-related entity (GRE) deposits, which account for 10%-35% of total deposits. These entities might burn cash as the drop in oil prices and less supportive economic environment affect their activities. "Furthermore, we note risks related to deposits outflows once the Covid-19 pandemic is contained and the full effect on employment is known." Despite this pressure, S&P Global stated it "continues to take comfort" from GCC banks' good liquidity indicators. (Gulf-Times.com)

- **Stimulus measures will help GCC banks remain stable –** The sharp decline in oil prices, accelerated real-estate price corrections, and drop in vital non-oil economic sectors will pressure the GCC banks' earnings in 2020. However, the stimulus and support measures from the governments will help banks navigate the challenging environment, S&P stated yesterday. Islamic banks are likely to see a greater effect on asset quality indicators since they typically have a higher proportion of exposure to real estate and cannot charge late payment fees, the rating agency said. "The sharp drop in oil prices and measures implemented by regional governments to contain transmission of the coronavirus (COVID-19) will take a toll on important sectors such as real estate, hospitality, and consumer-related. Under our base case scenario, we assume that these measures will be relatively short lived and forecast a gradual recovery in nonoil activity from third-quarter 2020," S&P Credit Analyst, Mohamed Damak said. The rating agency believes conventional and Islamic banks in the GCC countries will see significantly reduced revenue and credit growth in 2020. The sharp drop in oil prices and measures implemented by regional governments to contain transmission of the COVID-19 pandemic will take a toll on important sectors such as real estate, hospitality, and consumer-related. "Under our base-case scenario, we assume that these measures will be relatively short lived and forecast a gradual recovery in nonoil activity from third-quarter 2020. However, the severe shock could cause irreparable damage to some parts of the nonoil economy. Furthermore, if the recovery takes longer than we expect, GCC banks could feel greater pressure", the S&P analysts said. (Peninsula Qatar)
- **Kremlin says Russia is ready for oil market cooperation –** Moscow is ready to coordinate with other leading oil exporting countries to help to stabilize the global oil market, the Kremlin said on Monday. Head of Russia's wealth fund, Kirill Dmitriev told CNBC earlier on Monday that Saudi Arabia and Russia are "very, very close" to a deal on oil production cuts. "Moscow is ready for cooperation and interested in interaction with countries in order to stabilize the energy markets," Kremlin spokesman Dmitry Peskov told a daily conference call with reporters. Peskov also said that talks between OPEC and other leading oil producers, a group known as OPEC+, were delayed until Thursday for technical reasons and preparations for the meeting were under way. (Reuters)
- **OPEC and allies likely to cut production if US joins cuts –** The group of oil producers known as OPEC+, including Saudi Arabia and Russia, are likely to agree to cut production at a meeting scheduled for Thursday as long as the United States joins in cutting output, three OPEC+ sources told Reuters. A previous production-cut deal ended last month after Russia and Saudi Arabia were unable to come to an agreement to curb output further as the coronavirus pandemic destroyed demand. Now, with fuel demand falling by roughly 30%, members of the OPEC and allies including Russia are looking to rein in supply. However, they want others, like the US, to join. (Reuters)
- **Norway considers attending OPEC+ meeting on April 9 –** Norway has been invited to and is considering attending a meeting of top oil producers on April 9 as an observer, and would join in with production cuts if there was broad support to do so, the country's Oil Ministry stated. A deal to limit supply between OPEC, Russia and other producers, a group known as OPEC+, that had propped up oil prices for three years collapsed in March, just as the impact of lockdowns to limit the spread of coronavirus destroyed demand. The Ministry reiterated in an email to Reuters that Western Europe's largest oil producer was ready to make unilateral cuts to production if it benefits its economy, however, stated there were no ongoing talks with oil companies in Norway. "If a broad group of producers agree on significant cuts in production, Norway will consider a unilateral cut if it contributes to supporting our own resource management and economy, as we have done on previous occasions," the ministry's spokesman told Reuters. If Norway, which is not a member of OPEC, is represented at Thursday's meeting, it would be at the level of civil servant. Norwegian Oil and Energy Minister, Tina Bru later said the oil industry was facing a "perfect storm". (Reuters)
- **Dubai and Saudi Arabia explore funding options amid coronavirus fallout –** Dubai is in the early stages of talks with banks about potential funding options as its economy suffers under the fallout from the new coronavirus, two sources said. It has not issued a request for proposals but has approached banks in the past few days that have lent to the Emirate previously to see if they can provide debt financing of $3bn to $5bn, sources said. Social and business restrictions due to the pandemic have hit vital sectors of the Middle East's trade and tourism hub hard. Analysts have estimated the outbreak could cost Dubai 5% to 6% of its GDP in 2020 if the restrictions were to last another three to four months. Dubai has not issued public bonds since 2013 and has been in talks with lenders since last year, as previously reported by Reuters, about a potential return to the global debt markets. While the pandemic is adding pressure to the Emirate's funding needs, banking sources said a return to the bond market amid the current market volatility was unlikely. Global debt investors would probably be cautious about new bonds given Dubai's high debt burden, which is estimated at about $135bn, or 125% of GDP, with almost half due for repayment before the end of 2024. It is not clear if any money raised would go to the Dubai government, or state-owned companies with the benefit of a government guarantee, the sources said. The Saudi Ministry of Finance is exploring funding options, two sources said. The Gulf Kingdom raised its debt ceiling last month to 50% of GDP from 30%. (Reuters)

- **Saudi Arabia's PIF discloses 8.2% stake in cruise operator Carnival –** Saudi Arabia's sovereign wealth fund, the Public Investment Fund (PIF), on Monday disclosed an 8.2% stake in coronavirus-hit Carnival Corp, sending the cruise operator's shares nearly 30% higher. The stake of about 43.5mn shares is worth $369.3mn as of Friday's close, making the investment fund the second-largest investor in the world's biggest cruise line, according to Refinitiv Eikon data. Carnival's shares have lost more than three-quarters of their value so far this year due to the impact of the COVID-19 pandemic that has forced cruise ship companies to halt operations and suspend voyages. PIF, which manages over $300bn in assets, has stakes in Uber and electric car company Lucid Motors. It has also allocated $45bn to Softbank's $100bn Vision Fund. Last week, Carnival stated it was raising $6.25bn in combination debt and equity and suspending its dividend payouts in an effort to ride out the health crisis. The company's largest shareholder is Chairman, Micky Arison, with a 17.07% stake, as of January 16, according to Refinitiv data. SunTrust Bank holds a 7.33% stake in the company, as of December 31. (Reuters)
- **Saudi stock exchange Tadawul to operate with reduced working hours –** Saudi stock exchange (Tadawul) stated it will continue to operate normally on reduced working hours from 10 AM (0700 GMT) to 1 PM, after the Saudi government imposed a 24-hour curfew on a number of cities amid coronavirus fears. "All market participants will continue to operate normally" the Middle East's largest bourse added in a statement. (Zawya)
- **Saudi Regulator studies delaying upcoming disclosure deadline –** Saudi Arabia's Capital Market Authority (CMA) is looking into delaying deadlines that listed companies need to comply with for disclosing financial information in upcoming periods, according a to statement. The regulator is also extending the statutory deadline to disclose interim 1Q2020 financial statements for listed companies for an additional period of 20 days. Not exceeding 50 days from the end of the financial period. It has extended deadline to report annual results for 20 days for public and private investment funds. (Bloomberg)
- **Saudi GAC approves SAFCO's acquisition of SABIC's unit –** The Saudi General Authority for Competition (GAC) has agreed on Saudi Arabian Fertilizer Company's (SAFCO) acquisition of Saudi Basic Industries Corporation's (SABIC) subsidiary. On December 25, 2019, SAFCO signed an agreement with SABIC to acquire 100% of SABIC Agri-Nutrients Investment Company (SANIC) at a total value of SR4.59bn. The acquisition will be paid through the issuance of 59.368mn new shares for SABIC in SAFCO, valued at SR77.35 per share. SABIC Agri-Nutrients Investment Company (SANIC) owns 50% of both National Chemical Fertilisers Company (Ibn Al Baytar) and Al Jubail Fertilizer Company (Al Bayroni), as well as 33.33% stake in Gulf Petrochemical Industries Company (GPIC). (Zawya)
- **UAE's securities regulator extends date for reporting Q1 results –** The UAE's Securities and Commodities Authority (SCA) has extended the period for companies to report first quarter earnings, it stated on Monday. First quarter earnings can be reported during the same deadline period set for second quarter earnings, it stated. Currently, the deadline for second quarter results is within 45 days of the end of the quarter, or around mid-August, according to the Dubai Financial Market (DFM). The SCA statement cited health and safety regulations currently in place for the change. Dubai, the business hub of the UAE, imposed a two-week lockdown on Saturday to contain the spread of the coronavirus. The SCA also extended the deadline for 2019 full-year audit results by 45 days to May 14, it stated. (Reuters)
- **Emaar Properties sells majority stake in downtown district cooling business for $675mn –** Emaar Properties has divested 80% of shares in its subsidiary Downtown District Cooling Plant at $675mn to National Central Cooling Company (Tabreed). Emaar will retain a 20% stake as part of the long-term partnership with Tabreed. Chairman of Tabreed, Khaled Abdulla Al Qubaisi said: "This acquisition, in the world's largest district cooling market, is a further testament to our financial strength and leading market position. We are well placed to take advantage of growth opportunities and expect our enhanced presence within the Dubai market to further enable us to reach our long-term objectives." The real estate development company decided to divest Downtown DCP assets since they were not related to core operations of the company. The divestment is expected to increase net assets of the company to AED2.3bn. (Zawya)
- **CBD reveals exposure to NMC Health, UAE Exchange –** Commercial Bank of Dubai (CBD) revealed its exposure to troubled NMC Healthcare Group and UAE exchange. CBD's exposure to NMC Health as of April 6 is AED140.1mn, represented by fully secured credit facilities, of which AED31.3mn are working capital facilities, the bank stated. CBD also has an exposure of AED410.2mn as of today to UAE Exchange, represented by fully secured credit facilities. The bank has no exposure to embattled payments and foreign exchange company, Finablr. Most UAE banks disclosed on Sunday their exposure to hospital group NMC Health, which revised its debt position last week to $6.6bn from $5bn earlier in March. The healthcare group has been in crisis since US short seller Muddy Waters questioned its financial statements in December. (Zawya)
- **ADCB Group completes complex three-bank integration to create fully unified, powerful banking group –** Abu Dhabi Commercial Bank Group (ADCB Group) has achieved full integration of Union National Bank (UNB) and Al Hilal Bank significantly ahead of schedule, completing a complex three-way merger process that has created a fully unified, powerful and resilient banking group. Following the historic merger in May 2019, ADCB accomplished full integration in only 11 months – less than half the original expected timeframe – surpassing regional and global benchmarks for major bank mergers. Meticulous planning, testing and a robust governance framework paved the way for effective and smooth implementation of the integration process, while ensuring uninterrupted, high quality service for customers. Within weeks of the legal completion of the merger, the ADCB Group had harmonized policies, unified treasury functions and activated a new organizational structure and operating model. After only five months, the ADCB brand was rolled out across all physical and digital platforms and customers benefitted from an optimized network of 72 branches and over 450 ATMs across the UAE. (Zawya)

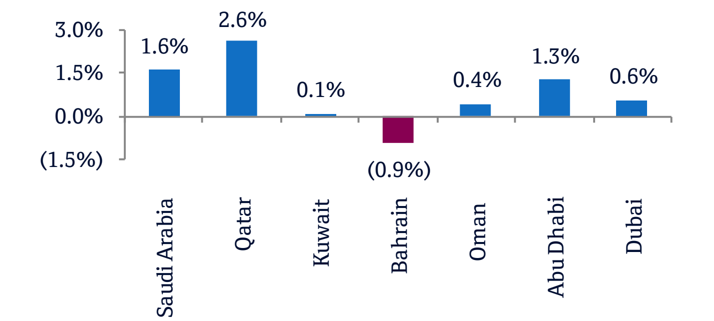
- **ADNOC boosts oil output above 4mn bpd as OPEC+ to meet –** Abu Dhabi National Oil Co. (ADNOC) is pumping more than 4mn bpd of crude so far in April, according to people with knowledge of the output in the UAE, where ADNOC is the main producer. ADNOC pumped 3.56mn bpd on average in March, sources said. Output exceeded 4mn bpd on April 1 and has kept to that level, sources said. ADNOC is set to delay release of monthly oil selling prices for May until after OPEC+ meeting, according to one of the sources. (Bloomberg)
- **GIP, Brookfield said in talks to team up for ADNOC Gas pipelines –** Global Infrastructure Partners (GIP) and Brookfield Asset Management Inc. are among investors in talks to jointly bid for a stake in Abu Dhabi National Oil Co.'s (ADNOC) natural gas pipelines, which could be valued at about $15bn, sources said. Italian infrastructure operator Snam, Ontario Teachers Pension Plan, Singapore sovereign fund GIC and a Korean firm are in discussions to join the same consortium, which has been pursuing as much as a 49% stake in the assets, sources said. The group is the only remaining bidder for the stake which could rank as one of this year's largest infrastructure deals globally after other parties including Australian fund manager IFM Investors Pty dropped out, sources added. A final deal will depend on whether the consortium can secure financing, which has become more difficult to obtain due to tightening credit markets and the decline in oil, they said. (Bloomberg)
- **ADNOC Distribution's total secured exposure to NMC Health Group at AED266,296 –** Abu Dhabi National Oil Company for Distribution's (ADNOC Distribution) total secured and unsecured financial exposure to NMC Healthcare Group and its group companies is AED266,296 (secured) and AED2,465 (unsecured) financing, being for products that have been sold to relevant NCM Group company but not yet paid for. (Reuters)
- **Julphar has net exposure of AED9.9mn to NMC Dubai, Abu Dhabi and Saudi Arabia –** Gulf Pharmaceutical Industries Group (Julphar) has net exposure of AED9.9mn to NMC Dubai, Abu Dhabi and Saudi Arabia. (Reuters)
- **Kuwait's Wealth Fund on standby as oil price, virus hit finances –** Kuwait's government has discussed the possibility of turning to the sovereign wealth fund for a loan should the oil-price slump and the mounting cost of fighting the coronavirus pandemic deplete its cash reserves. The option of a loan or investment by the Future Generations Fund is one of several available as a way to boost the Gulf nation's finances during a difficult time, according to a person familiar with the matter. The fund is managed by Kuwait Investment Authority (KIA). Kuwait has agreed a stimulus package to protect jobs and stabilize food prices during the pandemic but the Gulf nation, which relies on oil exports for most of its revenues, is being badly hit by the oil price war between Saudi Arabia and Russia, while wrangling in parliament holds up a draft debt law that would allow the government to issue bonds internationally. That leaves the government facing a budget shortfall that needs to be financed. (Bloomberg)
- **Kuwait International Bank has aggregate exposure of $75mn to NMC Healthcare –** Kuwait International Bank has aggregate exposure of $75mn to NMC Healthcare. (Reuters)
- **Fitch joins chorus of alarm over Oman's deficit and funding risks –** Fitch Ratings added to the drumbeat of credit assessors warning Oman about its precarious public finances as it comes under strain from the collapse in crude prices and the coronavirus pandemic. Under the assumption that Brent crude will average $35 per barrel, Oman will run a budget shortfall this year of over $10bn, or around 16% of GDP, according to a report on Monday. Fitch estimates Oman needed Brent at over $80 to balance the books last year. Following a downgrade in March, it rates the Gulf state at BB, two steps below investment grade, with a Negative outlook. The Sultanate "faces a sharply higher fiscal deficit and drawdown of fiscal reserves this year," Fitch Analysts including Krisjanis Krustins said in the report. "The willingness of lenders to fund Oman's large external financing needs will be critical to the sustainability of the country's government finances and the stability of its currency's US dollar peg." (Bloomberg)
- **Bahrain sells BHD70mn 91-day bills at yield of 2.29% –** Bahrain sold BHD70mn of 91-day bills due on July 8, 2020. The bills were sold at a price of 99.425, having a yield of 2.29% and will settle on April 8, 2020. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,660.97	2.5	2.5	9.5
Silver/Ounce	15.00	4.3	4.3	(16.0)
Crude Oil (Brent)/Barrel (FM Future)	33.05	(3.1)	(3.1)	(49.9)
Crude Oil (WTI)/Barrel (FM Future)	26.08	(8.0)	(8.0)	(57.3)
Natural Gas (Henry Hub)/MMBtu	1.64	9.3	9.3	(21.5)
LPG Propane (Arab Gulf)/Ton	28.38	(4.6)	(4.6)	(31.2)
LPG Butane (Arab Gulf)/Ton	28.75	(9.4)	(9.4)	(56.1)
Euro	1.08	(0.1)	(0.1)	(3.7)
Yen	109.22	0.6	0.6	0.6
GBP	1.22	(0.3)	(0.3)	(7.7)
CHF	1.02	(0.1)	(0.1)	(1.1)
AUD	0.61	1.5	1.5	(13.3)
USD Index	100.69	0.1	0.1	4.5
RUB	76.02	(0.6)	(0.6)	22.6
BRL	0.19	1.3	1.3	(23.9)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	1,881.48	5.9	5.9	(20.2)
DJ Industrial	22,679.99	7.7	7.7	(20.5)
S&P 500	2,663.68	7.0	7.0	(17.6)
NASDAQ 100	7,913.24	7.3	7.3	(11.8)
STOXX 600	320.58	3.9	3.9	(25.8)
DAX	10,075.17	5.9	5.9	(26.7)
FTSE 100	5,582.39	3.7	3.7	(31.3)
CAC 40	4,346.14	4.8	4.8	(30.1)
Nikkei	18,576.30	3.7	3.7	(21.6)
MSCI EM	853.83	2.7	2.7	(23.4)
SHANGHAI SE Composite#	2,763.99	0.0	0.0	(11.0)
HANG SENG	23,749.12	2.2	2.2	(15.3)
BSE SENSEX#	27,590.95	0.0	0.0	(37.6)
Bovespa	74,073.00	7.9	7.9	(51.0)
RTS	1,083.43	3.2	3.2	(30.1)

Source: Bloomberg (*$ adjusted returns, #Market was closed on April 6, 2020)

Contacts

Saugata Sarkar, CFA, CAIA
Head of Research
Tel: (+974) 4476 6534
saugata.sarkar@qnbfs.com.qa

Shahan Keushgerian
Senior Research Analyst
Tel: (+974) 4476 6509
shahan.keushgerian@qnbfs.com.qa

Zaid al-Nafoosi, CMT, CFTe
Senior Research Analyst
Tel: (+974) 4476 6535
zaid.alnafoosi@qnbfs.com.qa

Mehmet Aksoy, PhD
Senior Research Analyst
Tel: (+974) 4476 6589
mehmet.aksoy@qnbfs.com.qa

QNB Financial Services Co. W.L.L.
Contact Center: (+974) 4476 6666
PO Box 24025
Doha, Qatar