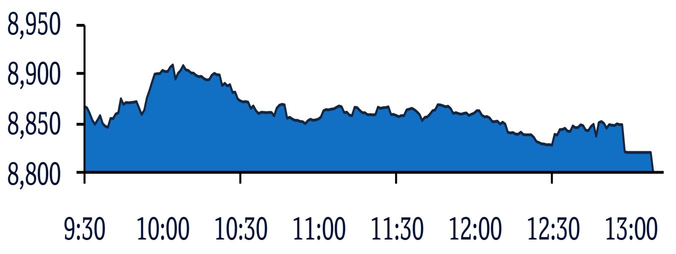
Daily Market Report

Thursday, 14 May 2020

QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 1.0% to close at 8,801.7. Losses were led by the Transportation and Industrials indices, falling 5.3% and 1.4%, respectively. Top losers were Qatar Gas Transport Company Limited and Qatar General Insurance & Reinsurance Company, falling 10.0% and 4.1%, respectively. Among the top gainers, Aamal Company and Qatari German Co. for Medical Devices were up 10.0% each.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.6% to close at 6,721.2. Gains were led by the Food & Staples and Telecom. indices, rising 8.8% and 2.0%, respectively. Middle East Specialized rose 10.0%, while Abdullah Al Othaim Markets was up 9.1%.

Dubai: The DFM Index gained 1.5% to close at 1,921.2. The Banks index rose 2.8%, while the Transportation index gained 1.2%. DAMAC Properties Dubai Co. rose 7.8%, while Ekttitab Holding Company was up 6.0%.

Abu Dhabi: The ADX General Index fell 1.8% to close at 4,059.0. The Consumer Staples index declined 3.1%, while the Banks index fell 2.8%. Abu Dhabi Ship Building Co. declined 5.0%, while Agthia Group was down 3.9%.

Kuwait: The Kuwait All Share Index fell 1.3% to close at 4,705.2. The Banks index declined 2.0%, while the Basic Materials index fell 1.5%. National Industries Group Holding declined 7.3%, while KGL Logistics Company was down 6.4%.

Oman: The MSM 30 Index fell 0.1% to close at 3,446.7. The Services index declined 1.2%, while the other indices ended flat or in green. Sembcorp Salalah Power and Water Co. declined 8.3%, while Al Madina Takaful Company was down 2.9%.

Bahrain: The BHB Index fell 0.5% to close at 1,232.4. The Commercial Banks index declined 0.9%, while the Industrial index fell 0.3%. Ahli United Bank declined 2.2%, while GFH Financial Group was down 0.7%.

Market Indicators	13 May 20	12 May 20	%Chg.
Value Traded (QR mn)	426.5	294.2	44.9
Exch. Market Cap. (QR mn)	499,911.2	504,914.2	(1.0)
Volume (mn)	286.7	160.1	79.0
Number of Transactions	9,867	9,688	1.8
Companies Traded	45	44	2.3
Market Breadth	15:24	11:31	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	16,920.99	(1.0)	0.0	(11.8)	13.9
All Share Index	2,729.25	(1.1)	(0.2)	(11.9)	14.5
Banks	3,807.57	(0.8)	(0.8)	(9.8)	12.5
Industrials	2,449.63	(1.4)	3.3	(16.5)	19.5
Transportation	2,566.40	(5.3)	(6.7)	0.4	12.4
Real Estate	1,382.21	(0.7)	(1.8)	(11.7)	13.7
Insurance	2,061.67	1.3	3.6	(24.6)	33.7
Telecoms	826.57	(1.1)	1.5	(7.6)	13.9
Consumer	7,024.77	(0.4)	(0.4)	(18.8)	17.9
Al Rayan Islamic Index	3,516.06	(0.8)	0.7	(11.0)	16.2

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Emirates NBD	Dubai	8.80	4.1	14,400.5	(32.3)
National Petrochemical	Saudi Arabia	22.86	3.9	820.0	(3.7)
Bank Al Bilad	Saudi Arabia	21.48	3.7	1,381.2	(20.1)
Saudi Telecom Co.	Saudi Arabia	93.80	2.9	2,702.2	(7.9)
Qatar Insurance Co.	Qatar	2.10	2.8	9,122.6	(33.5)

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Qatar Gas Transport Co.	Qatar	2.35	(10.0)	26,745.6	(1.7)
Sembcorp Salalah Power.	Oman	0.11	(8.3)	531.2	(17.8)
Saudi British Bank	Saudi Arabia	22.06	(6.1)	1,233.0	(36.4)
Burgan Bank	Kuwait	0.18	(4.2)	5,013.9	(40.1)
Saudi Arabian Mining Co.	Saudi Arabia	33.10	(4.1)	468.0	(25.5)

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%
Aamal Company	0.66	10.0	28,482.3	(18.8)
Qatari German Co for Med. Devices	1.19	10.0	11,441.8	104.1
Baladna	1.13	8.5	11,320.0	13.4
Ezdan Holding Group	0.85	3.7	114,782.2	37.4
Qatar Insurance Company	2.10	2.8	9,122.6	(33.5)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Ezdan Holding Group	0.85	3.7	114,782.2	37.4
Aamal Company	0.66	10.0	28,482.3	(18.8)
Qatar Gas Transport Company Ltd.	2.35	(10.0)	26,745.6	(1.7)
United Development Company	1.22	(2.4)	17,543.1	(19.7)
Salam International Inv. Ltd.	0.30	(3.5)	13,488.1	(42.0)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatar Gas Transport Co. Ltd.	2.35	(10.0)	26,745.6	(1.7)
Qatar General Ins. & Reins. Co.	2.00	(4.1)	58.8	(18.7)
Gulf International Services	1.36	(3.6)	2,244.1	(21.0)
Salam International Inv. Ltd.	0.30	(3.5)	13,488.1	(42.0)
Mesaieed Petrochemical Holding	1.93	(2.8)	2,150.6	(23.1)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Ezdan Holding Group	0.85	3.7	97,796.0	37.4
Qatar Gas Transport Co. Ltd.	2.35	(10.0)	62,975.1	(1.7)
QNB Group	17.07	(1.7)	49,750.8	(17.1)
United Development Company	1.22	(2.4)	21,485.4	(19.7)
Qatar Insurance Company	2.10	2.8	19,447.3	(33.5)

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*	8,801.70	(1.0)	0.0	0.4	(15.6)	116.33	136,375.8	13.9	1.4	4.5
Dubai	1,921.15	1.5	(0.1)	(5.2)	(30.5)	77.71	76,729.4	7.4	0.7	5.1
Abu Dhabi	4,058.95	(1.8)	(0.1)	(4.1)	(20.0)	38.20	124,799.6	12.2	1.2	6.3
Saudi Arabia	6,721.24	0.6	1.4	(5.5)	(19.9)	1,063.31	2,093,614.0	19.4	1.6	3.7
Kuwait	4,705.18	(1.3)	(3.2)	(5.4)	(25.1)	81.02	87,787.3	13.1	1.1	4.4
Oman	3,446.70	(0.1)	(1.1)	(2.6)	(13.4)	1.05	15,026.8	8.2	0.7	7.0
Bahrain	1,232.40	(0.5)	(3.7)	(6.0)	(23.5)	1.20	19,074.3	8.6	0.7	5.7

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 declined 1.0% to close at 8,801.7. The Transportation and Industrials indices led the losses. The index fell on the back of selling pressure from GCC and non-Qatari shareholders despite buying support from Qatari shareholders.
- Qatar Gas Transport Company Limited and Qatar General Insurance & Reinsurance Company were the top losers, falling 10.0% and 4.1%, respectively. Among the top gainers, Aamal Company and Qatari German Company for Medical Devices were up 10.0% each.
- Volume of shares traded on Wednesday rose by 79.0% to 286.7mn from 160.1mn on Tuesday. Further, as compared to the 30-day moving average of 192.4mn, volume for the day was 49.0% higher. Ezdan Holding Group and Aamal Company were the most active stocks, contributing 40.0% and 9.9% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	42.69%	38.70%	17,035,361.90
Qatari Institutions	20.64%	17.74%	12,364,807.69
Qatari	**63.33%**	**56.44%**	**29,400,169.59**
GCC Individuals	1.15%	1.28%	(591,142.06)
GCC Institutions	0.95%	1.95%	(4,272,421.61)
GCC	**2.10%**	**3.23%**	**(4,863,563.67)**
Non-Qatari Individuals	17.00%	15.78%	5,222,552.47
Non-Qatari Institutions	17.58%	24.55%	(29,759,158.39)
Non-Qatari	**34.58%**	**40.33%**	**(24,536,605.92)**

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

Earnings Releases and Global Economic Data

Earnings Releases

Company	Market	Currency	Revenue (mn) 1Q2020	% Change YoY	Operating Profit (mn) 1Q2020	% Change YoY	Net Profit (mn) 1Q2020	% Change YoY
United Wire Factories Co.	Saudi Arabia	SR	220.3	14.3%	17.3	29.1%	15.1	49.5%
Middle East Specialized Cables Co.	Saudi Arabia	SR	140.2	22.2%	4.0	N/A	0.3	N/A
Oman Insurance Company	Dubai	AED	1,061.1	-1.1%	–	–	55.2	3.3%

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

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
05/13	US	Mortgage Bankers Association	MBA Mortgage Applications	08-May	0.3%	–	0.1%
05/13	UK	UK Office for National Statistics	Monthly GDP (MoM)	Mar	-5.8%	-7.9%	-0.2%
05/13	UK	UK Office for National Statistics	Industrial Production MoM	Mar	-4.2%	-5.6%	-0.1%
05/13	UK	UK Office for National Statistics	Industrial Production YoY	Mar	-8.2%	-9.1%	-3.4%
05/13	UK	UK Office for National Statistics	Manufacturing Production MoM	Mar	-4.6%	-6.0%	0.3%
05/13	UK	UK Office for National Statistics	Manufacturing Production YoY	Mar	-9.7%	-10.5%	-4.3%
05/13	UK	UK Office for National Statistics	GDP QoQ	1Q P	-2.0%	-2.6%	0.0%
05/13	UK	UK Office for National Statistics	GDP YoY	1Q P	-1.6%	-2.2%	1.1%
05/13	EU	Eurostat	Industrial Production SA MoM	Mar	-11.3%	-12.5%	-0.1%
05/13	EU	Eurostat	Industrial Production WDA YoY	Mar	-12.9%	-13.6%	-2.2%

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

News

Qatar

- **QFBQ to hold the investors relations conference call on May 14 –** Qatar First Bank (QFBQ) will hold the conference call with the Investors to discuss the financial results for 1Q2020 on May 14, 2020. (QSE)
- **DBIS to hold its AGM on June 3 –** Dlala Brokerage and Investment Holding (DBIS) will hold the Ordinary General Assembly Meeting (AGM) on June 3, 2020. In case the required quorum is not reached in the first meeting, a second meeting will be held on June 10, 2020 respectively at the same time. (QSE)
- **ZHCD's AGM endorses items on its agenda and approves distribution of 85% cash dividend –** Zad Holding Company (ZHCD) held its Ordinary Annual General Meeting (AGM) on May 13, 2020 and endorsed items on its agenda that includes approving the BoD's recommendation for a distribution of cash dividends of 85% (QR0.85) per share for 2019, among others. (QSE)
- **IMF: Qatar can beat odds and run budget surplus in 2020 –** The International Monetary Fund (IMF) is not backing away from its view that Qatar could pull off a budget feat only a handful of nations might accomplish this year. In the IMF's assessment, Qatar is on track for another year in the black, with a surplus that the fund says will reach just above 5% of economic output, a level three other countries may exceed in 2020. By comparison, S&P Global Ratings last week forecast that Qatar will record a shortfall averaging about 5% of gross domestic product during 2020-2023. Given the slump in energy prices and the rising costs of the pandemic, most of Qatar's neighbors could see fiscal deficits in double digits this year. As it wraps up projects ahead of the soccer World Cup in 2022, Qatar is scaling back capital spending without sustaining too much damage yet to its revenue, according to Ali Al-Eyd, the IMF's mission chief in the country. It is an even more upbeat outlook than when the government began the year with a plan to run a slight surplus on the assumption that oil will average $55 a barrel, or nearly double its current level. Al-Eyd said, "There has been a reduction in capital expenditure. So they continue to spend on capital needs to meet the World Cup target deadline and other ongoing projects. But they're reducing capital expenditure elsewhere. Much of Qatar's stimulus response to the crisis has so far been heavily liquidity-based, with smaller commitments from the budget. And unlike other Gulf nations that depend on oil, Qatar is more reliant on revenue from gas, benefiting from the longer-term nature of LNG contracts. The IMF projects its LNG production will be only slightly lower than last year's output. It has a fairly decent revenue stream coming in this year. They reduce their expenditure and they largely sustain the revenue. The revenue impact of lower oil prices will be felt more next year." Qatar's government revenue has yet to recover to a level it reached seven years ago, before the last oil crash, after slumping slightly over 23% in 2015 and more than 30% in 2016, according to IMF data. (Qatar Tribune)
- **WEF: Qatar makes big jump in readiness for energy transition –** Qatar is more ready than ever to embrace energy transition, according to the latest edition of World Economic Forum's (WEF) Fostering Effective Energy Transition 2020 report published on Wednesday. The report stated that Qatar, the second-highest-ranking country in the Middle East and North Africa (MENA) region after Morocco, has made significant progress in the energy transition advancing a full 11 points in the ranking. Qatar's positive performance over the past 12 months allowed the country to take a podium position landing first globally in the Economic Development and Growth indicator. The country also witnessed a five-point increase in the Infrastructure and Innovative Business Environment indicator, landing 19th globally. Additionally, the Energy Access and Security indicator saw a leap of eighteen points. While the Human Capital and Consumer Participation indicator saw the country landing sixth globally. Qatar leads the global ranking table on the 'Economic Development and Growth' component of the energy transition, which is evidence of the strong role played by the energy sector in Qatar's economy. The WEF's report stated, "Affordability and security are the key strengths of the Qatari energy sector. The country has been achieving gradual reductions in the energy intensity of the economy and carbon emissions per capita, though the carbon intensity of the energy mix remains high." Moreover, the enabling environment for energy transition remains strong, with a stable institutional and policy environment. Additionally, recent commodity price volatilities have exposed the vulnerability of fuel exporting countries calls for economic diversification to reduce reliance on fossil fuels for long-term economic growth, therefore, investing in energy efficiency, and new energy infrastructure such as negative emission technologies and clean hydrogen can help in targeting improvements in the sustainability of energy system in Qatar. Morocco ranked first among the Arab countries, followed by Qatar, the UAE, and Oman. (Qatar Tribune)
- **Qatar's CPI inflation declines in April on COVID-19-related social restrictions –** The COVID-19-related social distancing and other measures restricting social gatherings had a substantial knock-on effect mainly on the recreation and transportation sectors, resulting in Qatar's consumer price index (CPI) inflation, especially core, decline this April, according to the official statistics. Qatar's cost of living, based on CPI inflation, plummeted 3.06% and 1.33% on yearly and monthly basis respectively this April, as per the figures released by the Planning and Statistics Authority (PSA). Much before the onslaught of the pandemic, the International Monetary Fund, in its Article IV consultation with Qatar, said inflation is projected to peak at 3.7% in 2020 with the introduction of a value added tax, but converge to 2% in the medium term. The index of housing, water, electricity and other fuels – with a weight of 21.17% in the CPI basket – saw a 4.18% and 0.55% decline YoY and MoM respectively in April 2020. The CPI of April 2020 excluding "housing, water, electricity, gas and other fuels, fell 2.67% YoY and 1.54% MoM. Communication, which carries 5.23% weight, saw its group index shrank 3.26% and 1.13% on yearly and monthly basis respectively in April 2020. The index of transport, which has a 14.59% weight, tanked 3.09% and 4.85% on yearly and monthly basis respectively in April this year. The sector has the direct linkage to the dismantling of administered prices in petrol and diesel. In April 2020, the price of super gasoline witnessed a YoY and MoM decrease of 30%

and 21% respectively; premium by 31% and 22% and diesel by 3% and 24%. Food and beverages, which has a weight of 13.45% in the CPI basket, witnessed a 1.21% increase YoY; while it fell 0.82% MoM in April 2020. Education, with a 5.78% weight, saw its index tread a flat course on a monthly basis but registered a 1.18% growth on a yearly basis in April this year. The index of health, which carries 2.65% weight, witnessed 1.3% surge on yearly basis but fell 1.24% on monthly basis in April this year. (Gulf-Times.com)

- **Vodafone Qatar's GigaNet fibre will power the country's digital future –** COVID-19 has sent a clear message to the global telecommunications sector: a resilient internet with sufficient bandwidth to meet an explosion of data needs is a must. Qatar is among the countries whose wireless and fixed networks are holding up well against massive spikes in demand and allowing the use of emerging technologies for remote work and study. Being a digitally advanced nation, data usage and the proportion of "high bandwidth" being used have been rising long before the pandemic outbreak, and Qatar has had the foresight to make full-fiber broadband a major priority. Distinguished by its near unlimited bandwidth capacity, enhanced speeds and compatibility with other technologies, including 5G requirements, fiber has the ability to grow and adapt to our future communication needs. To date, Vodafone Qatar has made significant progress in providing fiber connectivity to residents and businesses in The Pearl, Lusail City, Msheireb Downtown Doha, Education City, West Bay, Wukair, Industrial area, Al Sadd and Al Waab among other areas, and roll-out is expanding. The latest generation fiber capabilities - GigaNet fibre - would be hugely advantageous to residents relying heavily on connectivity for remote work and study, and also entertainment while stay-at-home orders are in place. Premium fixed services from 'GigaHome', Vodafone Qatar's robust broadband solution, can boost the quality of data-intensive digital choices like video conferencing, streaming and gaming, and virtual learning. New solutions from the fiber market such as "triple play services" combining voice, high-speed internet and multimedia over IP, enable access to HDTV, premium content and video on demand in a more cost-effective manner. (Peninsula Qatar)
- **KPMG: Online retailing in Qatar may get significant fillip during COVID-19 phase –** Online retailing in Qatar is expected to get a significant fillip during the COVID-19 phase, which has forced people to stay at home, according to a new report. "As the COVID-19 pandemic has forced people to stay at home, it is encouraging non-starters to learn and experience the benefits and convenience of online shopping. It is a golden opportunity for online retailers to accelerate and expand their adoption levels while enhancing their customer base," KPMG said in its report on "Potential Impact of COVID-19 on the Qatar Economy." Online home deliveries for prepared food are a well-received concept in Qatar, but operators are facing a shortage of staff and resources to manage the workload. Opportunity exists for expanding the deliveries business and increasing customer base in the short-term, it said. On opportunities in technology and digital, the KPMG report said, "Retailers can leverage several technological and digital tools for productivity improvement, sales enhancements, strengthen customer stickiness, etc. Downtime due to COVID-19 offers the opportunity to review tech/digital needs and make use of the available tools." KPMG said opportunity exists to re-negotiate contracts in terms of rental levels, utility costs and rental models. Opportunity also exists to re-assess existing staff structure, staff skills and develop plan to align it with changing consumer preferences and behaviors. Opportunities may emerge in the development of new products with longer shelf life and a few retailers may start to specialize in this segment. COVID-19 has brought in the sense of enhanced personal hygiene in almost everyone across the globe, including Qatar. There is an opportunity for retailers to tap into this growing segment, the report said. (Gulf-Times.com)
- **SCMP: Qatar Airways in talks to defer Airbus, Boeing orders –** Qatar Airways is in talks with Airbus and Boeing to defer aircraft orders for several years, its Chief Executive, Akbar Al-Baker was quoted as saying on Wednesday. "Well we are in negotiation with them, so I don't want to talk about this, but yes it will be deferred for several years," Akbar Al-Baker told Hong Kong's South China Morning Post newspaper. The airline is also willing to provide capital to Cathay Pacific (0293.HK), which it holds a 9.99% stake in, the newspaper reported. The report did not say how many aircraft the airline was looking to defer or for exactly how long. Qatar Airways has over 200 Airbus and Boeing aircraft on order, it said. Baker told Reuters a recovery in global travel demand from the coronavirus pandemic could be as far as four years away, and said the airline would reduce its fleet by a quarter. (Reuters)
- **Qatar Airways to cut nearly 20% of workforce –** Qatar Airways will cut nearly 20% of its workforce due to a slump in travel demand caused by coronavirus, Qatar Airways' CEO, Akbar Al Baker said in interview with BBC. Al Baker added, "We have no other alternative. All airlines are suffering massive reductions. Qatar Airways not so bad comparatively, nobody can predict when market will rebound, have to wait and see. If Cathay Pacific raises funds through a share sale, Qatar Airways would participate as it is a shareholder; otherwise would lose equity share, which I would not allow to happen. Qatar Airways owns 9.99% of Cathay." (Bloomberg)

International

- **In nod to grim US outlook, Fed's Powell calls for more fiscal support –** The head of the Federal Reserve warned on Wednesday of an "extended period" of weak economic growth, vowed to use the US central bank's power as needed, and called for additional fiscal spending to stem the fallout from the coronavirus pandemic. Fed Chair Jerome Powell issued his sober review of an economy slammed by a record pace of job losses and bracing for worse ahead as most US states moved toward reopening after weeks of shutdowns aimed at slowing the spread of the novel coronavirus. The pandemic has killed more than 82,000 people in the US so far, and many epidemiological models now point to a death toll that will surpass 100,000 in a matter of weeks. Powell pointed to uncertainty over how well future outbreaks of the virus can be controlled and how quickly a vaccine or therapy can be developed, and said policymakers needed to be ready address "a range" of possible outcomes. For a central banker who spent part of his career as a deficit hawk and has tried to avoid giving advice to elected officials, the remarks marked an extraordinary nod to the risks the US economy is facing from the combined health and economic crisis brought on by the pandemic. The US central bank has slashed interest rates to near zero and set up a broad network of programs to ensure financial markets continue to function during the pandemic. It has also established precedent-setting lending facilities for companies and the first-ever corporate bond purchases. Congress, for its part, has allocated nearly $3tn for economic relief during the crisis. The US response to date "has been particularly swift and forceful," Powell said. But the longer those health risks persist, he said, the more likely businesses will fail and households will be strapped for income in a downturn that he noted has fallen most heavily on those least able to cope. A recent Fed survey, Powell said, estimated that 40% of households with less than $40,000 in income included someone who has lost a job since February. (Reuters)

- **US producer prices record largest drop since 2009 as coronavirus suppresses demand –** US producer prices fell by the most since 2009 in April, leading to the largest annual decline in nearly 4-1/2 years, bolstering some economists' predictions for a brief period of deflation as the novel coronavirus depresses demand. The report from the Labor Department on Wednesday followed data on Tuesday showing consumer prices dropping by the most since the 2007-09 Great Recession, and a measure of underlying inflation posting a record decline. It also came as Federal Reserve Chair Jerome Powell cautioned the economy could face an "extended period" of weak growth and stagnant incomes. Lockdowns to slow the spread of COVID-19, the respiratory illness caused by the virus, have weighed on demand, with the economy contracting in the first quarter at its sharpest pace since the final three months of 2008. Deflation, a decline in the general price level, is harmful during a recession as consumers and businesses may delay purchases in anticipation of lower prices, worsening the economic downturn. "This is yet another stark evidence that the global coronavirus recession is having a strong disinflationary effect on the economy," said Gregory Daco, chief US economist at Oxford Economics in New York. "Looking ahead, the severe demand shock from the COVID-19, the collapse of oil prices and the stronger dollar will continue to exert strong deflationary pressure on prices." The producer price index for final demand tumbled 1.3% last month, the biggest decline since the series was revamped in December 2009, after slipping 0.2% in March. In the 12 months through April, the PPI decreased 1.2%. That was the biggest drop since November 2015 and followed a 0.7% increase in March. Economists polled by Reuters had forecast the PPI falling 0.5% in April and declining 0.2% on a YoY basis. (Reuters)
- **House Democrats float $3tn coronavirus bill, Republicans reject it –** Democrats in the US House of Representatives on Tuesday unveiled a $3tn-plus coronavirus relief package with funding for states, businesses, food support and families, only to see the measure flatly rejected by Senate Republicans. The new legislation, which would more than double Congress' financial response to the crisis, includes nearly $1 trillion in long-sought assistance for state and local governments that are bearing the brunt of a pandemic that has infected 1,359,000 in the US and killed at least 80,600. It also includes $75bn for testing people for the novel coronavirus, direct payments of up to $6,000 per US household, $10bn in emergency grants for small business and $25bn for the US Postal Service. The bill would also extend enhanced federal unemployment payments through next January. The House is due to meet at 9 a.m. (1300 GMT) on Friday for expected votes on the legislation and on a rules change allowing members to vote by proxy during the pandemic. But Congress appears to be heading for a legislative stand-off over rival partisan demands, including a Republican push to protect businesses from lawsuits related to the novel coronavirus and the COVID-19 disease that it causes. "It's dead on arrival here," Republican Senator Lindsey Graham said of the House bill. Republicans say they want to hold off on new coronavirus relief legislation to assess the impact of nearly $3tn in response assistance that Congress has allocated since early March, as states move to reopen a shuttered US economy. Tens of millions of people have lost jobs. (Reuters)
- **US March, April job losses revised higher –** The US economy lost a record 20.537mn jobs in April and not 20.5mn as reported last Friday, according to revised data published by the Labor Department this week. The Labor's Department's Bureau of Labor Statistics (BLS), which compiles the closely followed monthly employment report, also raised March's job losses to show nonfarm payrolls decreasing 881,000 instead of 870,000 as previously estimated. Employment gains for February were revised up to 251,000 from 230,000 as previously reported. Nonfarm payrolls are calculated from a survey of establishments. "On May 11, 2020, BLS corrected errors in national estimates for seasonally adjusted all employees in professional and technical services, professional and business services, private service-providing, service-providing, total private, and total nonfarm," the Labor Department said in a statement on its website. "The corrected change in total nonfarm employment for April is 37,000 lower than initially reported." There was no impact on the unemployment rate, which is drawn from a separate survey of households. The unemployment rate jumped to 14.7% in April, a post-World War Two record, from 4.4% in March. (Reuters)
- **Clean energy has shed nearly 600,000 US jobs due to pandemic –** The US clean energy sector has lost 17% of its work force, or nearly 600,000 jobs, as stay-at-home orders halt production of components from solar panels to electric cars and slow installations at homes and businesses, according to a report released on Wednesday. The sector lost 447,200 jobs, about triple the 147,100 lost in March when states first began implementing lockdown orders to combat the spread of the new coronavirus, according to the analysis of US unemployment data conducted by BW Research Partnership. While they represent a tiny fraction of the nation's total job losses during the period, the clean energy industry's fall in employment has exceeded estimates. After a similar study last month, BW Research had projected 500,000 job losses sector-wide by the end of June. It now expects 850,000 job losses, about a quarter of all clean energy jobs, in that time. "The data does not suggest that we have yet to hit the bottom," BW Research Partnership Principal Phil Jordan said in a statement. Total US unemployment claims have reached 33.5mn since mid-March, according to the Department of Labor. The clean energy industry's job losses are a devastating blow to an industry that had been growing rapidly. The 594,347 jobs lost is more than

double the number the sector has created since 2017, the report said. (Reuters)

- **UK GDP shrinks by record 5.8% in March, harder COVID hit ahead –** Britain's economy shrank by a record 5.8% in March as the coronavirus crisis escalated and the government shut down much of the country, according to official data that point towards an even bigger hit to come. The monthly drop in gross domestic product was felt in almost all sectors - from the country's shuttered restaurants and bars to its building sites and factories - and was the largest since comparable records began in 1997. "The sharp contraction in UK Q1 GDP comes as little surprise, but does clearly highlight the magnitude of the challenge facing policymakers," JP Morgan market strategist Hugh Gimber said. In the first three months of the year, GDP contracted by 2.0% from the last three months of 2019, the biggest drop since the depths of the financial crisis in late 2008, the Office for National Statistics said. The Bank of England said last week that the contraction of the economy in the April-June period could approach 25% and lead to the largest annual decline in more than three centuries. British two-year government bond yields sank to a record low of -0.045% after the data, reinforcing expectations that the Bank of England will ramp up its record 645bn Pounds ($791bn) of asset purchases next month. Finance minister Rishi Sunak said Britain was now in the midst of a significant recession. "We have to support people's jobs, their incomes, livelihoods at this time, and support businesses so we can get through this period of severe disruption and emerge stronger on the other side," he said after the GDP data. A newspaper said on Tuesday that finance ministry officials have warned Sunak the budget deficit could swell to a record 337bn Pounds this year from just 55bn Pounds forecast in March. On Tuesday, Britain's government extended a costly job support program for another four months, though businesses will need to pick up more of the tab from August. (Reuters)
- **England tiptoes out of lockdown as economy withers –** England tentatively began easing its coronavirus lockdown on Wednesday, with some people who cannot do their jobs at home urged to return to work, as stark economic data showed the disastrous impact of the pandemic. The worst-hit country in Europe with more than 40,000 deaths from COVID-19, including 275 health and care workers, according to official data, Britain has been in lockdown since March 23. The government is loosening restrictions only gradually, for fear of triggering a second peak of infections. As of Wednesday morning, people in manufacturing and certain other sectors were being asked to return to work if they could not work from home. Answering questions in parliament, Prime Minister Boris Johnson said it was "very notable" that in some countries where relaxations had been introduced, there were signs that the rate of contagion was rising again. "That is a very clear warning to us not to proceed too fast or too recklessly," he said. Johnson has described the process as a "supremely difficult" balancing act between public health and the economy. GDP figures showed the economy shrank by a record 5.8% in March from February, and the April data is likely to be worse as the country was under lockdown for the whole month. (Reuters)
- **Eurozone industry output suffers deepest monthly fall on record –** Eurozone industrial production suffered its steepest monthly fall on record in March as coronavirus containment measures severely hit activity across the single currency area, data showed on Wednesday. The European Union's statistics office Eurostat said industrial production in the 19 countries sharing the euro fell 11.3% MoM in March, the sharpest decline since records started in 1991, for a 12.9% YoY plunge. Economists polled by Reuters had expected a 12.1% MoM decline and a 12.4% annual decrease. Eurostat said production of durable consumer goods like cars, washing machines or television sets fell the most, tumbling 26.3% on the month and 24.2% YoY. The output of capital goods - used for investments - also fell sharply by 15.9% MoM and 21.5% YoY. Non-durable consumer goods, like food, recorded the smallest fall of only 1.6% MoM and 0.8% YoY. Germany, a big exporter of capital goods and durable consumer goods, saw its industrial production fall 14.2% YoY in March, while Ireland, a producer of food, reported a surprising 25.3% increase in industrial output. (Reuters)
- **Japan to create scheme to inject capital into pandemic-hit firms –** Japan will create a scheme to inject capital into large and mid-size companies suffering from the coronavirus pandemic, government and ruling party officials said, as the health crisis threatens to inflict even deeper pain on its ailing economy. The move would mark an escalation in the government's crisis response, which so far has focused on loans and subsidies to small firms, in a sign of its concern over the widening damage from the pandemic. Under the scheme, state-affiliated lenders will invest in ailing companies by offering subordinated loans or accepting preferred shares, four officials told Reuters on condition of anonymity as they were not authorized to speak publicly. Investment by the government will help companies strengthen their financial standing, which would allow them to borrow money from banks more easily and avoid downgrades to their credit ratings. The scheme will be included in a fresh package of measures the government will map out to cushion the economic blow from the pandemic, and funded partly by a second supplementary budget for the current fiscal year that began in April, the officials said, confirming a report in the Nikkei newspaper. A panel of ruling party lawmakers began a series of meetings on Wednesday to work out details of the scheme, as well as discuss other ideas to forestall bankruptcies. (Reuters)
- **China needs more active fiscal policy as pressure on economy increasing –** China needs more active fiscal policy as pressure on its economy is still increasing, according to an article by Finance Minister Liu Kun published in the official People's Daily on Thursday. The comments come amid growing market expectations that the government may announce a substantial new stimulus package soon to help businesses and households hit hard by the coronavirus outbreak. The annual National People's Congress (NPC) session starts on May 22. "At present, China's economic and social development is still facing great uncertainties, and downward pressure on the economy is still increasing," Liu said. "A more active fiscal policy is a practical need to hedge the downward pressure of the economy." China has rolled out a series of fiscal and monetary support measures since the outbreak intensified in January to mitigate the

economic damage from the health crisis. Analysts widely expect the NPC to approve more corporate relief measures, a higher fiscal deficit target and allow local governments to sell more debt to fund infrastructure projects. Liu said further tax cuts would help companies, saying that ensuring and expanding jobs was a top priority. China also will guarantee the supply of food and important agricultural products, including implementing policies to support the recovery of pig production, he added. The coronavirus outbreak has had a huge impact on China's fiscal revenue growth, he noted. "In the first quarter of this year, fiscal revenue showed negative growth, it is expected that fiscal revenues for the full year of 2020 will be lower than the previous year." China said on Sunday it will step up support for the economy and make monetary policy more flexible to fend off financial risks. (Reuters)

- **India unveils major credit line for small businesses, lenders –** India's government said on Wednesday it will offer nearly $60 billion of loan guarantees for small businesses, shadow banks and power companies as part of measures to combat the economic damage caused by the novel coronavirus pandemic. In addition, the government will set up two debt and equity funds amounting to 700bn Rupees ($9.3bn) to support stressed businesses and will contribute to the social security funds of workers for three months. The measures are part of a 20tn Rupee fiscal and monetary package announced by Prime Minister Narendra Modi on Tuesday to support the economy, which has been battered by a weeks-long lockdown to curb the virus' spread. Finance Minister Nirmala Sitharaman told reporters the government aims to help 4.5mn businesses by October by providing credit guarantees to help them access collateral-free loans from banks. "We have a responsibility toward the poor, the needy, the migrants and the disabled," Sitharaman said, in the first of several daily press conferences on the package. She also said the government will provide 900bn Rupees ($11.95bn) for power distribution companies via state-run power finance companies. Real estate companies will be able to claim relief from regulatory penalties for up to six months when completion of projects is delayed because of the coronavirus, Sitharaman said. (Reuters)

Regional

- **OPEC slashes oil demand forecast again, sees biggest hit this quarter –** OPEC slashed its forecast on Wednesday for global oil demand this year and predicted this quarter would see the steepest decline even as some countries ease lockdown measures designed to stem the coronavirus outbreak. The OPEC now expects global demand to contract by 9.07mn bpd, or 9.1%, in 2020, it said in a monthly report. Last month, OPEC expected a contraction of 6.85mn bpd. Oil prices have collapsed as government lockdowns curtailed travel and economic activity, tipping countries into recession. While some places in Europe and Asia have eased restrictions, concern of new virus outbreaks has kept a lid on oil prices. To tackle the drop in demand, OPEC and its allies agreed to a record supply cut that started on May 1, while the US and other nations said they would pump less. OPEC said these curbs were already helping. "The speedy supply adjustments in addressing the current acute imbalance in the global oil market have already started showing positive response, with rebalancing expected to pick up faster in the coming quarters," OPEC said in the report. OPEC expects this quarter to see the biggest drop in demand and lowered its demand forecast for the second quarter by 5.4mn bpd. Downside risks remain for consumption in the US, Europe and South Korea, OPEC said. "The currently imposed full or partial lockdowns create substantial further downside risks for US oil demand growth this year," OPEC said. (Reuters)
- **JPMorgan sees more Gulf companies linking up but no liquidity crunch –** JPMorgan expects more consolidation among Gulf companies this year in sectors such as banking, real estate and hospitality, but it sees no liquidity crunch in the region, despite the twin blow of the new coronavirus and low oil prices. "We are going to continue to see consolidation themes building up on what we have witnessed in the previous years. I expect banking consolidation to continue its way through and to spill over in sectors such as real estate and hospitality," Head of investment banking for the Middle East and North Africa and Co-Head of MENA at JPMorgan, Karim Tannir said. The economic downturn in the Middle East is expected to be worse than the 2008/09 financial crisis and the 2014/15 oil price crash, the International Monetary Fund has said. But Tannir said the region had entered 2020 with strong finances and, after an initial phase of assessing liquidity needs, companies and governments are now looking more strategically at potential opportunities. "Unlike the 2008-2009 global financial crisis, we have gone into the current crisis with the corporates, the financial institutions and the government having more liquidity and stronger balance sheets, in a very low interest rate environment that has been low for a while," he said. (Reuters)
- **HSBC sees oil and virus turmoil boosting Middle East deals –** A historic crash in oil prices and fallout from the coronavirus pandemic will accelerate asset sales in the Middle East and open up a gap for sovereign wealth funds to make " opportunistic investments", according to HSBC Holdings. "Corporates and sovereign entities will need to look at their portfolios more closely during challenging times and see what is core to them," Head of advisory and corporate finance coverage for HSBC in the Middle East, North Africa and Turkey, Nabil Lahham said in an interview. "Some of them are also looking at gaps in their portfolio and seeking to do deals to fill those holes." The crisis may also trigger further consolidation across the Gulf, which has already seen some large-scale mergers and acquisitions in sectors such as banking and real estate, he said. Governments across the oil-rich Middle East are looking at ways to shore up their finances that have been battered by a more than 50% slump in crude prices this year. Coupled with strict curfews to contain the coronavirus, most of the region is set for its deepest financial turmoil in decades. Abu Dhabi National Oil Co (ADNOC) is in talks with a consortium of investors to sell a minority stake in its $15bn gas pipelines, people familiar with the matter said in April. Aramco, the world's largest oil producer, has also hired advisers to review a potential multi billion-dollar stake sale in its pipeline business, Bloomberg News reported last month. (Peninsula Qatar)
- **IATA: Saudi Arabia's aviation sector needs direct state support, lobby –** The International Air Transport Association (IATA) on Wednesday urged the Saudi Arabian government to provide financial support to its aviation sector. Saudi Arabia should

consider providing financial aid to airlines and airports, and think about reducing, waiving or deferring government imposes taxes and fees, it said in a statement. Airlines in Saudi Arabia are estimated to lose $7.5bn this year due to the coronavirus pandemic that has crushed travel demand, the lobby said. (Reuters)

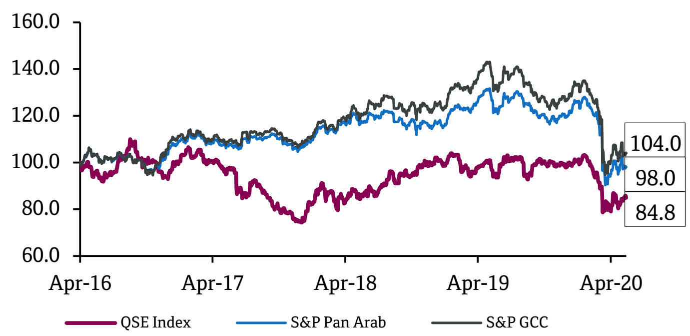
- **Saudi Arabia, Russia committed to oil market stability –** Saudi Arabia and Russia are firmly committed to achieving oil market stability and expediting a rebalancing of the market, the Energy Ministers of the two countries said in a joint statement on Wednesday. Saudi Energy Minister, Prince Abdulaziz bin Salman and Russian counterpart Alexander Novak held a conversation as part of their consultations on oil market developments, the statement said. "We are also pleased with the recent signs of improvements in economic and market indicators, especially the growth in oil demand and the ease in concerns about storage limits as various countries around the globe begin to emerge from their stringent lockdowns," the Ministers said. They said they were "confident that our partners within OPEC+ will comply with the OPEC+ agreement." (Reuters)
- **Saudis keep promise to cut production, sending less oil to Asia –** Saudi Arabia stood by its pledge to curtail oil output under the OPEC+ deal, reducing shipments to the prized Asian market. Saudi Aramco cut contractual volumes for June loading to at least seven Asian customers, according to traders notified by the state-owned company. Three other regional buyers received what they asked for. The reductions were expected as the world's largest oil exporter announced a few days ago that it would cut production by a further 1mn bpd on top of what it had already committed to under the OPEC+ agreement. It also followed a move by fellow OPEC member Iraq to curb supplies to Asia. The cuts in supply to the world's biggest oil market are a sign OPEC is adhering strictly to its agreement to curb production, which took effect May 1, in an attempt to offset the demand hit from the coronavirus. The curbs are likely to support premiums in the spot market for July-loading cargoes. (Bloomberg)
- **RJHI's net profit falls 7.3% YoY to SR2,380mn in 1Q2020 –** Al Rajhi Bank (RJHI) recorded net profit of SR2,380mn in 1Q2020, registering decrease of 7.3% YoY. Total operating profit rose 7.1% YoY to SR4,968mn in 1Q2020. Total revenue for special commissions/investments rose 4.1% YoY to SR4,253mn in 1Q2020. Total assets stood at SR391.9bn at the end of March 31, 2020 as compared to SR363.1bn at the end of March 31, 2019. Loans and advances stood at SR261.4bn (+11.3% YoY), while customer deposits stood at SR315.7bn (+7.5% YoY) at the end of March 31, 2020. EPS came in at SR0.95 in 1Q2020 as compared to SR1.03 in 1Q2019. The bank attributed the decline in net profit to lower net income and an increase in total operating expenses by 29%. The increase in expenses is due to higher salaries and employees' related benefits, depreciation, and other general and administrative expenses, according to a disclosure to the Saudi Stock Exchange (Tadawul) on Wednesday. Additionally, the impairment charge for financing increased by 78% from SR389mn to SR693mn. (Tadawul, Zawya)
- **Saudi Aramco completes first phase of West Pier expansion –** Saudi Aramco completes first part of expanding Persian Gulf port of Ras Tanura's West Pier, which serves vessels working on offshore production, exploration and terminal operations, company stated in its weekly newsletter, The Arabian Sun. Four berths upgraded and one newly-constructed. The upgrades mean vessels of 4,500 deadweight tons can arrive; previously only 2,200 dwt or smaller. Once three-phase expansion is complete, vessel turnaround time will be 50% shorter. (Bloomberg)
- **Saudi Takween Industries restructures SR429.4mn loan –** Takween Advanced Industries Company has signed an agreement with a number of local banks to reschedule a debt of SR429.4mn. The debt is part of previous Murabaha facility agreements worth SR1.3bn, signed in March 2015, according to a company statement to the Saudi Stock Exchange (Tadawul). The participating banks are Arab National Bank (ANB), Samba Financial Group, and Bank Albilad. Prior to the rescheduling, the finance period was seven years with semiannual payments set to end on September 11, 2021. However, it has now been extended from May 12, 2020 to September 11, 2024. The aim is to enhance the company's cash flows and financial position. (Zawya)
- **UAE banks provided AED16.5bn in loans in 1Q2020 to the industrial and business sectors –** UAE banks provided AED16.5bn in loans in 1Q2020 to the industrial and business sectors, bringing to circa AED818.8.1bn the total credit facilities obtained by the two sectors during the period from January to March 2020, compared to AED802.2 bn in the last quarter of 2019, according to statistics revealed by the Central Bank of the UAE (CBUAE). According to apex bank's figures, the credit facilities provided by the UAE national banks to the two sectors stand at AED13bn, accounting for 79% of total facilities provided by all UAE-based banks to the two sectors during 1Q2020. This accounts for 55% of the total loans provided by UAE banks to all business activities performed by the private sector during the reference period. The UAE national banks provided AED713bn to the two sectors during 1Q2020 as compared to AED700bn during last quarter of 2019. (Zawya)
- **Dubai registered record property sales in 1Q2020 –** Dubai's real estate sector witnessed the best first quarter in 2020 in the past six years until COVID-19 challenges began during the second half of March, according to a UAE property market report. Eight months prior to the pandemic and the stay at home campaign, sales transaction activity in Dubai was on a significant growth trend, said advisory firm ValuStrat in its May 2020 report, noting, on a quarterly basis, 1Q2020 saw cash sales of ready homes up 30.4% annually with no change quarterly. Despite the COVID-19 challenges which began to impact during the second half of March, this was considered as the best first quarter for ready home cash sales since 2014, it said. However, April cash sales transaction volume performance was just half of what was reported for March. Ready homes sales volume witnessed a steep monthly fall of 75%, off-plan homes sales declined 32% when compared to March, the report stated. (Zawya)
- **Moody's: Abu Dhabi per capita income substantially higher than its peers –** Abu Dhabi's per capita income is substantially

higher than its sovereign peers including the GCC countries, according to Moody's Investors Service. The UAE capital boasts per capita income of $153,682 as compared to $64,199 for Hong Kong, $74,357 for Norway, $55,730 for Saudi Arabia, $53,651 for Sweden and $66,652 for Kuwait. With an estimated nominal GDP of $244bn as of 2019, Abu Dhabi makes up about 60% of the UAE economy and is bigger than both Qatar and Kuwait, an Analyst at Moody's Investors Service, Thaddeus Best said. However, the rating agency warned that its oil income will shrink 30% this year in the wake of crash in crude prices and outbreak of coronavirus. Moody's estimated Abu Dhabi ran a modest budget deficit of 0.3% of GDP in 2019, a significant reversal from the 6.4% deficit of 2016, due to increasing oil prices. "Our baseline oil price forecast of $35 a barrel in 2020 and $45 per barrel in 2021 imply oil revenues will be 30% and 19% below estimated 2019 levels, respectively. Nonetheless, we understand that the government is planning to implement cuts to aid payments, grants and other transfers, in order to reduce the impact on the overall deficit," he said in annual credit analysis report. It forecast Abu Dhabi's budget deficit to increase to 6.3% of GDP in 2020, narrowing to 5.1% of GDP in 2021. (Zawya)

- **Abu Dhabi's ADQ continues acquisition spree with Al Dahra Stake –** Abu Dhabi's ADQ bought a 50% stake in agricultural business Al Dahra Holding Co., the oil-rich Emirate's latest acquisition in the strategically important food sector. The investment will help address the emirate's food security needs, ADQ, formerly known as Abu Dhabi Development Holding Co., said in a statement on Wednesday. Terms of the deal, which is still subject to approval, were not disclosed. Set up in 2018 as a holding company for some of the UAE's biggest assets including Abu Dhabi Securities Exchange and Abu Dhabi Airports Co., ADQ has been on an acquisition spree. It is also close to buying a majority stake in Jordanian frozen food processor Al-Nabil Food Industries Co., from its founders and the Carlyle Group, sources said this month. (Bloomberg)
- **First Abu Dhabi has $73.2mn exposure to fallen agri-trader Phoenix –** First Abu Dhabi Bank (FAB), the UAE's largest lender, on Wednesday said it has $73.2mn of exposure to agri-trader Phoenix Commodities and related entities. This was the biggest exposure so far disclosed by a UAE lender to the group that has entered liquidation after amassing more than $400mn in potential trading losses, according a document prepared by the liquidators and seen by Reuters. FAB's exposure consists of $7.7mn to Phoenix Commodities as part of a syndicated loan with other banks, the lender said in a bourse filing. It also gave $55.3mn in bilateral and syndicated loans to related entities Phoenix Global DMCC and SMEG DMCC. FAB has a further $10.2mn in exposure to SMEG DMCC as bilateral loans. "The syndicated facilities are secured by a combination of security, which includes accounts pledges, assignments and corporate guarantees. The bilateral facilities to the related companies are secured by corporate guarantees and some of them by cash margins," FAB said in the filing. (Reuters)
- **Oman to cut 2020 govt, armed forces budget by further 5% –** Oman will cut the budgets of government bodies and the armed forces by a further 5% this year, as part of measures to offset the impact of falls in oil prices, the state news agency cited a Finance Ministry statement as saying on Wednesday. The budgets had already been cut by 5% in mid-April in response to the coronavirus outbreak. Oman's Minister for financial affairs said the financial impact of measures taken to deal with the country's exceptional economic situation exceeds OMR1.3bn, state new agency ONA reported on Wednesday. Oman, one of the weakest economies in the oil-rich Gulf region, has made significant cuts to government spending in recent months including a further 5% cut to government bodies and the armed forces on Wednesday. (Reuters)
- **Oman oil production fell 12% in April –** Oman produced 947k bpd of crude and condensate in April, down from 1.08m bpd in March, according to a statement issued by the country's Ministry of Oil & Gas. Oman exported 894k bpd in April, up from 738k bpd in March. The shipment destinations were as follows: China at 89.9%, South Korea at 6.8%, Malaysia at 1.8%, and Tanzania at 1.5%. (Bloomberg)
- **Total of 382 big companies in Bahrain plea for support –** A total of 382 requests for financial support have been submitted by large businesses in the country to offset the impact of the Covid-19 pandemic. Of which, 48% of them have already received support from the Liquidity Fund in association with banks. This was revealed by Finance and National Economy Minister, Shaikh Salman bin Khalifa Al Khalifa during yesterday's Parliament session. He explained that the total financial support based on requests has reached BHD86mn. "Banks have spent BHD34mn so far with the expected total for the entire requests being BHD86mn with payments being arranged over the next few months," Shaikh Salman said. The Liquidity Fund's finances were doubled from BHD100mn to BHD200mn under the BHD4.3bn financial stimulus package which was launched by the government in March to boost the economy amid the coronavirus outbreak. The Liquidity Fund aims to support working capital requirements of viable companies that display genuine short-term liquidity pressures. It provides loans through local banks with 2.5% interest rates for businesses from all categories. Parliament financial and economic affairs committee Chairman, Ahmed Al Salloom explained that the BHD86mn was for the first batch of requests, while more were expected to benefit from further support bringing the amount to more than BHD100mn. Tamkeen has also helped more than 10,000 small and micro enterprises with financial support in the form of grants as part of its Business Continuity Support Program. (Zawya)
- **Investcorp whitepaper outlines potential benefits of GP minority stake investing –** Investcorp, a leading global provider and manager of alternative investment products, released a new white paper, "The Case for Minority Equity Investing in Mid-Sized Private Capital GPs," analyzing the potential benefits and growth opportunities of "GP Staking" - the process of acquiring a minority interest in the management companies and general partnerships (GPs) of alternative asset managers. Over the last several years, increased allocations and demand from global investors to access private asset classes has driven the emergence of the GP Staking industry. Authored by Managing Partner and Head of Strategic Capital Group ("ISCG") at Investcorp, Anthony Maniscalco, the paper outlines expectations for GP Staking, anticipating that there will be a

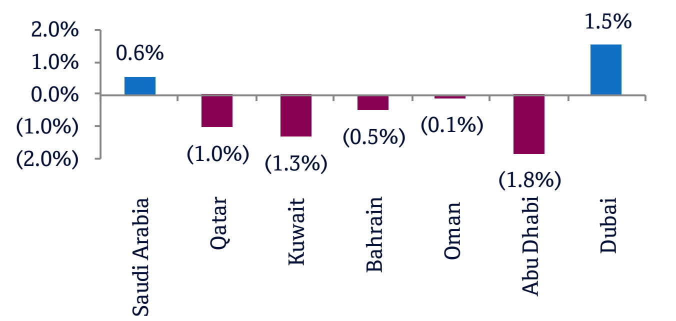
continued rise in stake sales as the strategy remains early in its lifecycle and the belief that current market conditions will increase demand for more permanent forms of additional capital from GPs, especially amongst mid-sized managers. (Peninsula Qatar)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,716.28	0.8	0.8	13.1
Silver/Ounce	15.58	0.9	0.6	(12.7)
Crude Oil (Brent)/Barrel (FM Future)	29.19	(2.6)	(5.7)	(55.8)
Crude Oil (WTI)/Barrel (FM Future)	25.29	(1.9)	2.2	(58.6)
Natural Gas (Henry Hub)/MMBtu	1.58	(2.5)	(9.7)	(24.4)
LPG Propane (Arab Gulf)/Ton	40.25	1.3	5.9	(2.4)
LPG Butane (Arab Gulf)/Ton	35.50	(3.4)	5.2	(45.8)
Euro	1.08	(0.3)	(0.2)	(3.5)
Yen	107.03	(0.1)	0.4	(1.5)
GBP	1.22	(0.2)	(1.4)	(7.7)
CHF	1.03	(0.3)	(0.1)	(0.5)
AUD	0.65	(0.2)	(1.2)	(8.1)
USD Index	100.24	0.3	0.5	4.0
RUB	73.93	0.3	0.7	19.3
BRL#	0.17	0.0	(2.6)	(31.7)

Source: Bloomberg (#Market was closed on May 13, 2020)

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	1,998.48	(1.7)	(3.1)	(15.3)
DJ Industrial	23,247.97	(2.2)	(4.5)	(18.5)
S&P 500	2,820.00	(1.7)	(3.7)	(12.7)
NASDAQ 100	8,863.17	(1.5)	(2.8)	(1.2)
STOXX 600	333.97	(2.2)	(2.3)	(22.6)
DAX	10,542.66	(2.8)	(3.5)	(23.2)
FTSE 100	5,904.05	(2.0)	(1.6)	(27.8)
CAC 40	4,344.95	(3.1)	(4.7)	(30.0)
Nikkei	20,267.05	(0.1)	0.1	(12.8)
MSCI EM	909.20	(0.0)	(0.3)	(18.4)
SHANGHAI SE Composite	2,898.05	0.1	(0.2)	(6.7)
HANG SENG	24,180.30	(0.3)	(0.2)	(13.8)
BSE SENSEX	32,008.61	1.7	1.3	(26.7)
Bovespa	77,772.20	(2.4)	(6.1)	(54.4)
RTS	1,110.37	(2.4)	(2.3)	(28.3)

Source: Bloomberg (*$ adjusted returns)

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