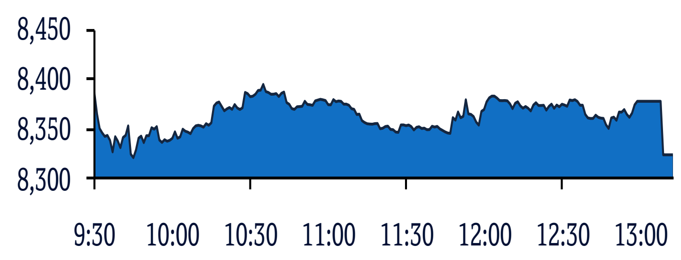
Daily Market Report

Wednesday, 22 April 2020

QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 1.4% to close at 8,325.9. Losses were led by the Real Estate and Industrials indices, falling 2.3% and 2.0%, respectively. Top losers were Qatar Islamic Insurance Company and Gulf International Services, falling 7.4% and 4.9%, respectively. Among the top gainers, Qatari German Company for Medical Devices and Islamic Holding Group were up 10.0% each.

GCC Commentary

Saudi Arabia: The TASI Index fell 1.6% to close at 6,496.7. Losses were led by the Media and Entertainment and Utilities indices, falling 4.1% and 2.9%, respectively. Jadwa REIT Saudi Fund declined 5.8%, while Arab Sea Info. Sys. was down 5.7%.

Dubai: The DFM Index fell 3.3% to close at 1,825.6. The Consumer Staples and Discretionary index declined 4.6%, while the Banks index fell 3.9%. Amlak Finance declined 5.0%, while DXB Entertainments was down 4.9%.

Abu Dhabi: The ADX General Index fell 2.7% to close at 3,860.5. The Banks index declined 4.0%, while the Real Estate index fell 2.7%. Sharjah Cement and Industrial Development Co. declined 5.0%, while Union Insurance Company was down 4.9%.

Kuwait: The Kuwait All Share Index fell 1.9% to close at 4,706.2. The Basic Materials index declined 3.5%, while the Banks index fell 2.5%. Real Estate Trade Centers Company declined 17.0%, while Manazel Holding was down 9.1%.

Oman: The MSM 30 Index fell 1.2% to close at 3,442.3. Losses were led by the Services and Financial indices, falling 0.7% and 0.4%, respectively. Al Madina Investment Co. declined 8.3%, while Gulf Investments Services was down 6.9%.

Bahrain: The BHB Index fell 0.5% to close at 1,312.8. The Commercial Banks index declined 0.7%, while the Investment index fell 0.5%. Esterad Investment Company declined 6.9%, while Al Salam Bank - Bahrain was down 3.1%.

Market Indicators	21 Apr 20	20 Apr 20	%Chg.
Value Traded (QR mn)	287.4	359.4	(20.0)
Exch. Market Cap. (QR mn)	465,092.9	472,258.9	(1.5)
Volume (mn)	153.6	139.4	10.2
Number of Transactions	9,453	13,851	(31.8)
Companies Traded	45	46	(2.2)
Market Breadth	14:30	14:31	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	15,954.31	(1.4)	(2.9)	(16.8)	12.3
All Share Index	2,582.69	(1.5)	(3.3)	(16.7)	12.9
Banks	3,726.69	(1.6)	(3.7)	(11.7)	12.1
Industrials	2,126.89	(2.0)	(4.3)	(27.5)	15.0
Transportation	2,295.65	(0.8)	(0.5)	(10.2)	11.1
Real Estate	1,159.60	(2.3)	(5.3)	(25.9)	9.2
Insurance	2,010.83	(1.6)	(5.0)	(26.5)	33.6
Telecoms	765.02	(0.7)	(1.5)	(14.5)	12.7
Consumer	6,872.81	(0.2)	0.7	(20.5)	16.9
Al Rayan Islamic Index	3,226.44	(1.4)	(2.1)	(18.3)	14.0

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
National Shipping Co.	Saudi Arabia	35.55	3.0	2,966.7	(11.1)
Co. for Cooperative Ins.	Saudi Arabia	68.00	1.0	347.2	(11.3)
Banque Saudi Fransi	Saudi Arabia	27.10	0.9	431.6	(28.5)
Gulf Bank	Kuwait	0.20	0.5	7,505.6	(33.3)
Etihad Etisalat Co.	Saudi Arabia	24.76	0.3	4,569.2	(1.0)

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Rabigh Refining & Petro.	Saudi Arabia	13.06	(5.5)	5,773.6	(39.7)
First Abu Dhabi Bank	Abu Dhabi	10.50	(4.9)	2,145.3	(30.7)
Emirates NBD	Dubai	7.90	(4.8)	2,042.7	(39.2)
Saudi Kayan Petrochem.	Saudi Arabia	7.54	(4.4)	4,012.8	(32.1)
GFH Financial Group	Dubai	0.51	(4.4)	27,135.3	(39.9)

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%
Qatari German Co for Med. Devices	0.79	10.0	12,131.4	36.4
Islamic Holding Group	1.70	10.0	3,215.4	(10.6)
Qatari Investors Group	1.30	9.9	1,942.6	(27.7)
Mannai Corporation	2.98	4.2	33.8	(3.2)
Al Khaleej Takaful Insurance Co.	1.77	2.5	1,540.4	(11.3)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Ezdan Holding Group	0.56	1.8	52,613.9	(9.8)
Qatari German Co for Med. Devices	0.79	10.0	12,131.4	36.4
Salam International Inv. Ltd.	0.26	(1.5)	10,762.0	(50.7)
United Development Company	0.95	(4.2)	9,528.4	(37.8)
Mesaieed Petrochemical Holding	1.70	(4.1)	8,434.8	(32.3)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatar Islamic Insurance Company	5.65	(7.4)	406.0	(15.4)
Gulf International Services	1.23	(4.9)	2,657.8	(28.5)
Qatar Aluminium Manufacturing	0.58	(4.5)	3,898.3	(26.4)
United Development Company	0.95	(4.2)	9,528.4	(37.8)
Mesaieed Petrochemical Holding	1.70	(4.1)	8,434.8	(32.3)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	16.56	(2.3)	56,315.7	(19.6)
Ezdan Holding Group	0.56	1.8	28,921.3	(9.8)
Qatar International Islamic Bank	8.06	(1.8)	20,604.6	(16.8)
Qatar Fuel Company	16.70	(0.6)	15,295.8	(27.1)
Al Meera Consumer Goods Co.	16.78	2.3	14,661.5	9.7

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*	8,325.85	(1.4)	(2.9)	1.4	(20.1)	78.68	126,830.8	12.3	1.2	4.8
Dubai	1,825.63	(3.3)	(1.8)	3.1	(34.0)	66.52	73,985.1	6.9	0.6	6.8
Abu Dhabi	3,860.46	(2.7)	(2.7)	3.4	(23.9)	37.56	119,215.9	10.8	1.1	6.4
Saudi Arabia	6,496.72	(1.6)	(2.0)	(0.1)	(22.6)	1,064.35	2,013,489.3	18.1	1.6	4.1
Kuwait	4,706.20	(1.9)	(0.8)	(2.4)	(25.1)	116.22	87,722.6	12.9	1.1	4.5
Oman	3,442.34	(1.2)	(2.7)	(0.2)	(13.5)	3.13	79,079.7	7.3	0.6	8.1
Bahrain	1,312.78	(0.5)	(0.0)	(2.8)	(18.5)	5.85	20,391.2	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 declined 1.4% to close at 8,325.9. The Real Estate and Industrials indices led the losses. The index fell on the back of selling pressure from non-Qatari shareholders despite buying support from Qatari and GCC shareholders.
- Qatar Islamic Insurance Company and Gulf International Services were the top losers, falling 7.4% and 4.9%, respectively. Among the top gainers, Qatari German Company for Medical Devices and Islamic Holding Group were up 10.0% each.
- Volume of shares traded on Tuesday rose by 10.2% to 153.6mn from 139.4mn on Monday. Further, as compared to the 30-day moving average of 131.7mn, volume for the day was 16.6% higher. Ezdan Holding Group and Qatari German Company for Medical Devices were the most active stocks, contributing 34.2% and 7.9% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	37.73%	36.59%	3,268,488.87
Qatari Institutions	21.73%	18.06%	10,543,198.89
Qatari	**59.46%**	**54.65%**	**13,811,687.76**
GCC Individuals	1.20%	0.78%	1,232,358.65
GCC Institutions	3.74%	1.12%	7,541,573.69
GCC	**4.94%**	**1.90%**	**8,773,932.34**
Non-Qatari Individuals	17.86%	12.39%	15,739,381.08
Non-Qatari Institutions	17.73%	31.07%	(38,325,001.18)
Non-Qatari	**35.59%**	**43.46%**	**(22,585,620.10)**

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
Saudi Ceramic Co.	Saudi Arabia	SR	393.3	27.0%	20.8	N/A	10.6	N/A
Saudi Telecom Co.	Saudi Arabia	SR	13,935.0	4.1%	3,004.0	-8.3%	2,913.0	5.9%
Emirates Telecom Group Co.	Abu Dhabi	AED	13,113.4	1.0%	3,307.1	5.6%	2,178.6	-1.5%
Shell Oman Marketing Co.	Oman	OMR	118.0	-2.2%	–	–	0.1	-93.1%
Oman Flour Mills Co.	Oman	OMR	26.7	6.2%	–	–	4.1	76.3%
National Finance Co.	Oman	OMR	11.1	2.7%	–	–	2.0	-2.6%

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

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
04/21	US	Czech Statistical Office	PPI Industrial MoM	Mar	-0.5%	-1.0%	-0.7%
04/21	US	Czech Statistical Office	PPI Industrial YoY	Mar	0.4%	-0.1%	1.4%
04/21	UK	Polish Statistics Office	PPI MoM	Mar	-0.5%	-0.4%	-0.2%
04/21	UK	Polish Statistics Office	PPI YoY	Mar	-0.5%	-0.5%	0.2%
04/21	Japan	Japan Machine Tool Builders' A	Machine Tool Orders YoY	Mar F	-40.7%	–	-40.8%
04/21	China	National Bank of Belgium	Consumer Confidence Index	Apr	-26	–	-9

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
QGMD	Qatari German Company for Medical Devices	22-Apr-20	0	Due
QNNS	Qatar Navigation (Milaha)	22-Apr-20	0	Due
QIMD	Qatar Industrial Manufacturing Company	22-Apr-20	0	Due
MCCS	Mannai Corporation	22-Apr-20	0	Due
VFQS	Vodafone Qatar	22-Apr-20	0	Due
QIIK	Qatar International Islamic Bank	22-Apr-20	0	Due
MCGS	Medicare Group	22-Apr-20	0	Due
UDCD	United Development Company	22-Apr-20	0	Due
DHBK	Doha Bank	22-Apr-20	0	Due
KCBK	Al Khalij Commercial Bank	23-Apr-20	1	Due
DBIS	Dlala Brokerage & Investment Holding Company	23-Apr-20	1	Due
NLCS	Alijarah Holding	23-Apr-20	1	Due
MARK	Masraf Al Rayan	23-Apr-20	1	Due
QCFS	Qatar Cinema & Film Distribution Company	26-Apr-20	4	Due
MPHC	Mesaieed Petrochemical Holding Company	27-Apr-20	5	Due

Tickers	Company Name	Date of reporting 1Q2020 results	No. of days remaining	Status
BLDN	Baladna	27-Apr-20	5	Due
QATI	Qatar Insurance Company	28-Apr-20	6	Due
QAMC	Qatar Aluminum Manufacturing Company	28-Apr-20	6	Due
AHCS	Aamal Company	28-Apr-20	6	Due
IGRD	Investment Holding Group	28-Apr-20	6	Due
GWCS	Gulf Warehousing Company	28-Apr-20	6	Due
GISS	Gulf International Services	29-Apr-20	7	Due
MERS	Al Meera Consumer Goods Company	29-Apr-20	7	Due
DOHI	Doha Insurance Group	29-Apr-20	7	Due
ORDS	Ooredoo	29-Apr-20	7	Due
AKHI	Al Khaleej Takaful Insurance Company	30-Apr-20	8	Due

Source: QSE

News

Qatar

- **CBQK's net profit declines 8.5% YoY and 22.2% QoQ in 1Q2020, below our estimate –** The Commercial Bank's (CBQK) net profit declined 8.5% YoY (-22.2% QoQ) to QR402.1mn in 1Q2020, below our estimate of QR469.3mn (variation of -14.3%). Net interest income increased 39.3% YoY in 1Q2020 to QR808.7mn. However, on QoQ basis Net interest income declined 21.1%. Net interest margin increased to 2.5% for the quarter ended 31 March 2020 compared to 2.0% achieved in the same period in 2019. Although asset yields have reduced, the increase in margins is mainly due to proactive management of the cost of funding both in Qatar as well as Turkey. The company's net operating income came in at QR907.0mn in 1Q2020, which represents an increase of 0.8% YoY. However, on QoQ basis net operating income fell 39.3%. Operating profit for the Group increased by 17.5% to QR730mn for the quarter ended 31 March 2020, compared to QR622mn achieved in the same period in 2019. Non-interest income for the Group decreased by 69.2% to QR98mn for the quarter ended 31 March 2020 compared with QR319mn achieved in the same period in 2019. The overall decrease in non-interest income was mainly due to an adverse unrealized mark to market movement in investment and trading income as a result of the unprecedented volatility in the global markets. Total operating expenses reduced by 37% to QR177mn for the quarter ended 31 March 2020 compared with QR278mn in the same period in 2019. The Group's net provisions for loans and advances decreased by 9.2% to QR188mn for the quarter ended 31 March 2020, from QR207mn in the same period in 2019. The nonperforming loan (NPL) ratio reduced to 5.0% in 1Q2020 compared to 5.6% in 1Q2019. The loan coverage ratio has increased to 84.6% in 1Q2020 compared to 80.3% in 1Q2019. EPS amounted to QR0.10 in 1Q2020 as compared to QR0.11 in 1Q2019. The bank's total assets stood at QR146.4bn at the end of March 31, 2020, up 1.8% YoY. However, on QoQ basis the bank's total assets decreased 0.8%. Loans and advances to customers were QR88.8bn, registering a rise of 3.2% YoY (+0.9% QoQ) at the end of March 31, 2020. Customer deposits declined 5.7% YoY to reach QR77.4bn at the end of March 31, 2020. However, on QoQ basis Customer deposits rose 1.4%. CBQK's Group CEO, Joseph Abraham said, "Alternatif Bank reported a good set of results despite challenging market conditions and the depreciation of the Turkish lira by circa 15%. The bank reported an increase in net profit to QR25mn, up 12% compared to the same period in the previous year, as net loan provisioning decreased 26%. Alternatif Bank's customer deposits increased by 3% while loans and advances increased by 1%, compared to the same period previous year." He added, "For our retail customers, the ongoing execution of our 5-year strategic plan in terms of digitization has placed CBQK in a strong position to navigate the challenges posed by the COVID-19 pandemic by enabling our customers to self-service and transact remotely away from branches. We have waived fees on remittances and launched CB Smart payroll; a digital payroll and remittance service for both company and household workers. To support our corporate customers and the economy, we have postponed loan installments and interest payments for our SME clients and other corporates from affected sectors for six months, while a number of SME clients in particularly affected sectors such as tourism, entertainment and education are receiving concessionary interest rates for six months. We are also fully supporting the QDB initiative to provide loans at concessionary rates to cover companies for wages and rentals during this current period." (QNB FS Research, Bank Press Release, QSE)
- **IQCD's net profit declines 69.8% YoY and 62.1% QoQ in 1Q2020, below our estimate –** Industries Qatar's (IQCD) net profit declined 69.8% YoY (-62.1% QoQ) to QR203.8mn in 1Q2020, below our estimate of QR449.6mn (variation of -54.7%). The company's Revenue came in at QR1,302.1mn in 1Q2020, which represents an increase of 3.2% YoY. However, on QoQ basis Revenue fell 5.5%. EPS amounted to QR0.03 in 1Q2020 as compared to QR0.11 in 1Q2019. IQCD Group's reported total revenues of QR3.0bn (assuming proportionate consolidation), down by 13%, as compared to QR3.5bn for the same period last year. Financial performance during the first quarter of 2020 was severely impacted by several external factors including the global pandemic situation, significant weaker oil prices and a general decline in demand owing to slowdown in GDP growth and industrial activity. These adverse conditions directly translated into declining commodity prices and caused product prices to fall. Average selling prices declined by 2%, which contributed to a decrease of QR262mn in the Group's net profits for the three month period ended 31 March 2020, as compared to same period last year. Group's sales volumes reached 1.9mn MT for the period ended March 31, 2020, declining by 18% compared to the same period of last year. The decline was mainly attributed to the changes in sales & operating agreement of

Qafco trains 1-4, where sales volumes relating to Qafco trains 1-4 has not been recognized in IQCD books. IQCD's marketing partner, Muntajat, was able to minimize the impact of the general slowdown via creating several arbitraging opportunities, including successful identification of new markets to divert the additional volumes, and working closely with logistics partners, customers and other government agencies to ensure there is no interruption to production and sales. Compared to the fourth quarter of 2019, the Group's revenue declined by 13%, while net profit declined by 62%, owing to the deteriorating macro-economic conditions carried forward from the last year and the unprecedented dual headwinds of COVID-19 and oil price imbalance. Although, the selling prices has improved by 13%, most notably due to recovery in steel prices from 4Q2019. Impact of COVID-19 and the present oil price crisis is partially felt in the prices, most notably in the fuel additives within petrochemicals segment. Sales volumes declined by 29% mainly due to the changes in sales & operating agreement of Qafco trains 1-4. Production volumes was not impacted by COVID-19, the decline of 7% compared to the fourth quarter of 2019, was attributed to lower operating days, due to maintenance shutdowns specially in steel segment and fuel additives facilities. In general, the full effect of COVID-19 outbreak has not been fully realized until March 31, 2020, as the effects of pandemic began to realize in commodity markets starting from February 2020. In addition, the product prices have not yet factored in fully, the prevailing depressed oil prices till March 31, 2020. The Group's financial position continue to remain robust, with the liquidity position at the end of the period March 31, 2020 reaching QR8.9bn in cash and bank balances, after accounting for a QR2.4bn dividend payment for 2019. Group's net cash and bank balance including proportionate share of joint ventures reached QR10.9bn as at March 31, 2020. Currently, the Group is free from any debt obligations. Group's total assets and total equity reached QR33.4bn and QR32.0bn, respectively, as at March 31, 2020. During the period, the Group generated positive operating cash flows1 of QR1.1bn (with a free cash flow of QR922mn). IQCD's ability to generate positive operating cash flows amid such distressed market conditions is a testament to Group's efficient cash flow generation capabilities, effective cost structure and robust working capital management, which could safeguard the Group against any unexpected adversities. (QNB FS Research, Company Press Release, QSE)

- **WDAM's bottom line rises 2.4% YoY and 76.5% QoQ in 1Q2020, in-line with our estimate –** Widam Food Company's (WDAM) net profit rose 2.4% YoY (+76.5% QoQ) to QR26.5mn in 1Q2020, in line with our estimate of QR25.9mn (variation of +2.2%). The company's Revenues came in at QR146.9mn in 1Q2020, which represents an increase of 12.8% YoY (+16.8% QoQ). EPS amounted to QR0.15 in 1Q2020 as compared to QR0.14 in 1Q2019. The Investors Relation conference call will be held on April 22, 2020 to discuss the company's financial and operational performance for the first quarter of 2020. (QNB FS Research, QSE)
- **MRDS' bottom line declines 51.7% QoQ in 1Q2020 –** Mazaya Qatar Real Estate Development (MRDS) reported net profit of QR6.9mn in 1Q2020 as compared to net loss of QR11.5mn in 1Q2019 and net profit of QR14.2mn (-51.7% QoQ) in 4Q2019.The company's Rental Income came in at QR6.9mn in 1Q2020, which represents an increase of 25.8% YoY (+1.4% QoQ). EPS amounted to QR0.006 in 1Q2020 as compared to loss per share QR0.0099 in 1Q2019. (QSE)
- **IQCD Group embarks on optimization initiatives to sail through the tough times –** Given the current difficult market and macroeconomic outlook, the IQCD Group has embarked on several well thought optimization initiatives to sail through the tough times including: – (I) Starting from the second quarter of 2020, the Group has decided to temporarily resize the capacity of domestic operations within the Steel segment to 0.8mn MT of rebar with an intent to cater local sector demand only, as compared to the international demand, amid higher competition and declining margins internationally. The Group will review the domestic and international demand persistently and will revert back to its normal capacity, if the need arise. This initiative would support the Group with improving segment's margins, provide better flexibility, with a more financially viable netbacks available in the local market as compared to the international market. (II) The Group is reviewing its operating expenditures, across all segments, to identify the operating expenses which are not critical in the current circumstances, in order to further optimize its cost of operations. Similarly, the Group is reviewing its capital expenditure programs to assess whether those expenditures can be either avoided or delayed, without affecting the quality, safety, environmental aspects and reliability of the operations. This would provide the Group, with a broader access to free cash flows, which could be diverted towards better investment avenues and can be utilized as a buffer for any unwarranted adversities. (Company Press Release)
- **MCCS to distribute dividends from April 28 –** Mannai Corporation (MCCS) will transfer dividends to all its shareholders who have nominated bank accounts for receiving their dividends via Qatar Central Securities Depository from April 28. MCCS also requested its shareholders who have not collected their dividends for previous years to arrange to collect their unclaimed dividends from the company's Head Office upon reopening. (QSE)
- **Al Rayan Qatar ETF discloses its condensed financial statements for the three month period ended March 31, 2020** – Al Rayan Qatar ETF disclosed its condensed financial statement for the three-month period ended March 31, 2020. The statements showed that the net asset value as of March 31, 2020 amounted to QR413,730,869 representing QR1.8372 per unit. Dividends for the year ended December 2019 will be distributed during 2Q2020. (QSE)
- **MRDS completes sale deal of Gloria Hotel –** Mazaya Qatar Real Estate Development (MRDS) has announced the completion of the selling of Gloria Hotel, owned by one of its subsidiaries. The hotel is located in Doha, overlooking the Corniche, said the company, which is finalizing the procedures to complete the sale. In light of the instability in the regional and international real estate market, and the impact of the global health crisis on various companies specialized in this sector, MRDS was able to complete the selling transaction of Gloria Hotel for QR115mn. The successful deal is a major achievement for the company, as it is seen as a positive development amid the coronavirus pandemic, which has significantly affected all types of business

operations. MRDS' Managing Director, Ibrahim Jaham Al-Kuwari said the company will focus the direction of the transaction's investment return to future projects, offering the best returns by working under safe investment conditions, resisting the market rebounds during crises and unstable economic conditions, and ensuring the flow of profitable liquidity to the company, in accordance with the guidance of the Chairman and board members for the best interest of the shareholders. (QSE, Gulf-Times.com)

- **CBQK CEO: Covid-19 to change consumer behavior –** The novel coronavirus (Covid-19) pandemic will drive a change in consumer behavior, leading to more rapid adoption of many innovations, Commercial Bank Group CEO Joseph Abraham has said. According to Abraham, the health crisis has been causing numerous disruptions in people's day-to-day lives, hence different technological advancements have come to the fore as the society tries to cope with the impact of the pandemic. "I believe what the Covid-19 pandemic has done is make consumers try different technologies," Abraham told Gulf Times during a recently-held video conference with the media to announce two of the bank's latest technological products. "Commercial Bank has always been investing in technology because, to me, this is going to be the key to the future across many industries, particularly in the banking sector; so this is an ongoing journey for us," he continued. Abraham noted that Commercial Bank has been "a leader in the digital field." In the last three- to four-and-a-half years, he said the bank has been "investing heavily" in its digital capability to provide customers the means to do most of their transactions online. "This provided us a very good foundation in which to progress two products that are very much suited to the national need," Abraham said, referring to the CB Household Worker PayCard' and the 'CB Smart Payroll'. The 'CB Household Worker PayCard' is the country's first digital solution offered to manage household workers' salaries and remittance, while the 'CB Smart Payroll' is for company workers' payments and remittance, Abraham said. According to Abraham, "the need of the moment" is to enable isolation and preventive measures, but at the same time, allow the working population in Qatar to be able to continuously send remittances to their families. Citing some of the government's preventive measures to curb the spread of the Covid-19 infection, Abraham said exchange houses have closed their branches to avoid face-to-face transactions, hence the sending of remittances, among other services, must be done digitally. (Gulf-Times.com)
- **Al-Sada: Qatar's $20.6bn stimulus to absorb current shocks –** Qatar's economic policy is built on a robust system, and a stimulus scheme of $20.6bn (QR75bn) over the coming three years is expected to "absorb the shock of what is happening worldwide," said HE Dr Mohamed bin Saleh Al-Sada, former Minister of Energy and Industry. He was speaking at an online seminar hosted by Qatar Foundation. "We expect that next year our economy will exceed 3% growth, and I think the service sector particularly will rebound ahead of the FIFA World Cup Qatar 2022," Al-Sada told the latest edition of the "Al Maerifa Virtual Lecture Series" at Texas A&M University at Qatar, a Qatar Foundation partner university. "Our unemployment is nearly zero, which is unheard of in most of the countries – and so I feel our economy will manage," Al-Sada noted. From the very early stages of this pandemic, Qatar took the policy of "no regret", noted Al-Sada, who is also chairman of the Joint Advisory Board of TAMUQ and a member of the Board of Directors of Qatar Foundation. "And this policy meant the government was swift in taking measures by perceiving the Covid-19 pandemic to be extremely serious," he said. The Supreme Committee for Crisis Management was established, and "all resources, including human and financial, were mobilized", he said, also pointing to the fact that the latest credit ratings indicate the stability of the Qatari economy, with assessments by both Standard & Poor's and Moody's providing confidence that it is solid and able to withstand shocks. The dominant role of the hydrocarbon sector is reflected in the Qatari GDP. Qatar is the world's leading exporter of liquefied natural gas (LNG), accounting for one-third of global LNG exports. And at the current rate of production, its proven natural gas reserves would last for an estimated 130 years, according to Moody's. With the oil and gas industry being the "movers and shakers" of economies worldwide, Al-Sada said "salvaging the world's oil and gas industry is very important in order to salvage the global economy and mitigate the worldwide impact of the recession, and, in fact, trying to stop it from going further into a depression." Addressing how the current coronavirus crisis will have short- and long-term effects on gas development, he said, "Don't look at what is happening today. Today is very unusual. "We look at it long-term, and that will be the balancing of the supply and demand. I think it will occur sometime around 2024 or 2025, because the curve of the consumption and demand is increasing more than any other form of energy." Qatar recently announced the LNG expansion project, where capacity is expected to be increased by 64% by 2027. "Gas, in particular, will have an excellent future," Al-Sada said. "I looked at eight top forecasts from very renowned organizations, and they unanimously agree that the demand in gas will grow more than any other form of fuels." Qatar has launched drilling for the first phase of the North Field Expansion, which is expected to add approximately 64% to present capacity. (Gulf-Times.com)
- **KPMG: Qatar's telecom, utilities sectors remain immune to COVID-19 jitters –** Utilities and telecom are the least affected sectors in Qatar in the COVID-19 pandemic impact. Consumer and health sectors were barely affected, according to KPMG. KPMG, in its report "COVID-19: Valuations in the current environment" named energy, financials and industrials sectors as the most impacted sectors. While low oil prices coupled with a prospect of low energy demand impacted the energy sector, the deferring of payments by businesses and individuals may potentially lead up to NPAs impacting the financial sector. The Industrials sector must deal with global supply chain disruptions along with volatile demand, KPMG analysts said. On consumer sector, the KPMG experts noted the sector is facing a mixed response as e-commerce picking up but the traditional way of retail shopping getting impacted. Logistics and supply chain issues to be sorted out in the short run. Global attempts to limit the spread of the COVID-19 novel coronavirus come with unprecedented social and community dislocation. An extended period of economic downturn and profound disruption to established business and financial systems is likely. More immediately, for investors, is the challenge of finalizing or revisiting carrying values for their investments as at 31 March

2020, the KPMG report said. "At KPMG, we believe any adjustment to value should be assessed on an individual investment basis. To help you set or revisit your carrying values as at 31 March 2020, we have identified the top considerations for assessing the extent of the value impact on individual assets, as well as the implications for equity returns," Venkatesh Krishnaswamy, Partner, Head of Advisory, KPMG in Qatar said. "We expect a potential two to-four month broad "lock down" by the governments to arrest the spread of COVID-19. We are already seeing China starting to re-engage its factories, two months after its initial lock-down measures. From that point, there will be a period in which to return to previous activity levels or, in some sectors, to establish a new normal. The shape of this return, whether an optimistic "V" shape; a more realistic "U" shape or a more concerning "L" shape, will be a major contributor to the overall value impact on investments. It will also influence the timing of recovery in the equity markets in general," he said. The success of global governments' stimulus measures, designed to support industries and individuals in negotiating the downturn, will contribute to the speed of recovery. In Qatar, the government has announced a QR5bn ($20.5bn) stimulus package to the private sector. However, though these measures may soften the immediate impact, the cost of funding them is likely to create a prolonged and longer-term drag on economic performance. (Peninsula Qatar)

- **Qatari products play vital role in construction of Hamad Port's CT-2 –** Made in Qatar products are playing vital role in the construction of second Container Terminal (CT-2) at the Hamad Port. Local companies are providing materials which are being used in the construction of the second Container Terminal, which is part of Hamad Port's expansion project. QTerminals, the terminal operating company set up to provide port services to Hamad Port, recently received steel 'racking' for the reefer containers stacks and cables from Qatari companies. "As part of QTerminals' continuous efforts to support Qatari companies, we are pleased to announce that we have received the steel "racking" for the reefer containers stacks for CT2 from Al Nasr Construction Dynamics, a Qatari based company," said QTerminals on its official twitter account. The second Container Terminal is expected to become operational this year. QTerminals has been awarded the design, develop and operation contract for the second container terminal. Last month QTerminal had received cables from a local company. "We are pleased to announce that the 36 reels of 12.7/22KV 3 x 300mm² MV cable (over 11kms) that were delivered to CT2 yesterday were manufactured in #Doha by Doha Cables," Qterminals had tweeted on March 31. "QTerminals is very proud to support Qatari companies manufacturing in Qatar, who can and do deliver materials to the highest quality," said QTerminals. QTerminals, in November 2018, had received approval to design, develop and operate second Container Terminal of Hamad Port. The second terminal, with berth length of 1,200 meters and a 17 meters draft alongside, will have annual capacity of 2mn TEUs (twenty-foot equivalent units). (Peninsula Qatar)
- **Ezdan Real Estate continues sanitization drive in Wakra, Wukair villages –** Ezdan Real Estate Company, in cooperation with Al Wakra Municipality, has continued its sanitization drive for residential complexes and all its affiliated facilities in the Al Wakra and Al Wukair, as part of its initiatives and efforts to limit coronavirus (COVID-19) spread, and ramp up the protection for society. For his part, H E Sheikh Abdullah bin Thani bin Abdullah Al Thani, Vice Chairman of the Ezdan Holding Group, emphasized the keenness of all Ezdan Holding Group's subsidiaries to contribute constructively to serving the country, and stand next to everyone who lives in Qatar, in conformity with the wide-scale efforts led by the State of Qatar and the government headed by Amir H H Sheikh Tamim bin Hamad Al Thani. All these efforts are consolidated to confront this crisis, and to protect the lives of citizens and expatriates. "Every company belonging to Ezdan Holding Group has started from the early beginning to contain the virus outbreak and will not cease until this pandemic vanishes away," H E Sheikh Abdullah said, calling upon all people in society to commit to staying at homes, observe home-quarantine and social distancing so we can all be safe and secure. A specialist team and several workers at Ezdan Real Estate Company's maintenance department have participated in the sanitization drive at "Ezdan Oasis" project, which includes 8,769 housing units spanning over an area of one million square meters. Ezdan Real Estate has also launched an awareness campaign on its social media platforms to direct the public and its audience to adhere to the precautionary and preventive measures to control the virus outbreak. Ezdan Real Estate Company had launched earlier the sanitization drive that covered Ezdan Mall Al Wakra, and Ezdan Residential Villages (30, 31, 32), and will proceed to include all the villages in Al Wakra and Al Wukair. (Peninsula Qatar)
- **Qatar participates in 111th Meeting of the GCC Financial and Economic Cooperation Committee –** HE the Minister of Finance Ali Shareef Al-Emadi participated in the 111th Meeting of the GCC Financial and Economic Cooperation Committee, which was held online yesterday. During the meeting, measures taken by GCC governments to ensure the provision of financial requirements needed to limit the spread of Covid-19 were discussed. The committee also agreed on measures to enhance confidence in the respective economies and achieve financial sustainability, as well as on recommendations submitted by the GCC Committee of Governors of Monetary Institutions and Central Banks, the GCC Common Market Committee, the GCC Customs Union Committee and the IMF. (Gulf-Times.com)

International

- **World Bank tells G20: Pandemic threatens food security of poor nations –** The poorest countries in the world face food insecurity and malnutrition due to the coronavirus pandemic, a drop in foreign exchange earnings, export restrictions and the breakdown of supply chains, a senior World Bank official said on Tuesday. The World Bank's Managing Director for development policy, Mari Pangestu underscored the need for global cooperation to avert food crises in the most vulnerable countries in remarks to an online meeting of agriculture ministers from the Group of 20 major economies. "Refrain from imposing export restrictions and avoid unnecessary import barriers and buildup of stocks," she said, adding that global grain production and stocks were at near all-time highs, making restrictions unnecessary. Pangestu told the ministers that concerted national actions, international cooperation and additional funding to shore up agricultural production could limit the risks of food insecurity and malnutrition. "The G20 accounts for a large share of food trade and hence its actions will have significant global impact," she said, urging G20 countries to ensure that supply chains for food continue to flow and to prioritize food and food-supply logistics as essential. Food security emerged as a growing concern during last week's virtual meetings of the World Bank and the International Monetary Fund with finance ministers from around the world. In addition to the pandemic, which has triggered the deepest recession since the 1930s, the worst locust plague in decades is decimating millions of hectares of crops as it spreads across Africa, the Middle East, North Africa and South Asia. Locust swarms have infested 23 countries, according to World Bank data. They have torn through large swathes of food crops in the Horn of Africa, where more than 24mn people are already "food insecure" and 12mn people are internally displaced, the Bank said in a recent blog posting. The Food and Agriculture Organization of the United Nations estimates that 821mn people, or nearly 11% of the world population, are undernourished, the highest rate since 2011. Pangestu said the Bank, which is making $160bn available to respond to the pandemic over the next 15 months, is working closely with countries and international partners to monitor food supplies, and how the loss of income is impacting people's ability to buy food. (Reuters)

- **US home sales tumble as coronavirus keeps buyers indoors –** US home sales dropped by the most in nearly 4-1/2 years in March as extraordinary measures to control the spread of the novel coronavirus brought buyer traffic to a virtual standstill, with realtors and economists expecting a further deterioration in housing market activity through the second quarter. The slump in home resales reported by the National Association of Realtors (NAR) on Tuesday added to a pile of dismal March reports in illustrating the economic havoc from the coronavirus outbreak, which has thrown millions out of work. Existing home sales tumbled 8.5% to a seasonally adjusted annual rate of 5.27mn units last month. The percentage decline was the largest since November 2015. The data reflected contracts signed in February or even January, before measures to curb the spread of the virus paralyzed the economy. The NAR said it expected a steeper decline in sales in April and in the few months thereafter, derailing the normally busy spring selling season. Sales fell in all four regions last month. Economists polled by Reuters had forecast existing home sales would tumble 8.1% to a rate of 5.30mn units in March. Existing home sales, which make up about 90% of U.S. home sales, rose 0.8% on a YoY basis in March. (Reuters)
- **ONS: UK employment growth slowed in March as COVID began to hit –** The number of people in jobs in Britain grew more slowly in March than in February, official figures showed on Tuesday in an early sign of the impact of the coronavirus shutdown which is expected to hammer the jobs market. Growth in the number of people on companies' payrolls dropped to 0.8% in March from 1.1% in February, according to preliminary tax data that was released earlier than usual. "These experimental statistics show a softening picture in March, but cover the month as a whole including the period before the coronavirus restrictions were in place," David Freeman, a labor market statistician at the Office for National Statistics, said. Government budget forecasters last week said unemployment could rise as high as 10% with an extra 2mn people losing their jobs if a three-month lockdown was only slowly lifted over the next three months. The ONS also reported a 12,100 monthly increase in the number of unemployment benefit claims for March, far below the median forecast of 172,500 in a Reuters poll of economists. The claims data is based on the situation on March 12, before much of the economy was shut down on March 23. The government ordered swathes of businesses to close to slow the spread of the coronavirus. It will meet 80% of the wages of staff who are put on leave, until the end of June if needed, in a bid to slow a rise in unemployment. Last week, the ONS said a quarter of British companies had temporarily closed by early April, and the remainder had on average put 20% of their staff on leave. (Reuters)
- **Boris Johnson, feeling better, agrees with Trump on need to reopen economies –** The US President Donald Trump and British Prime Minister Boris Johnson agreed on the need for a coordinated international response to the coronavirus pandemic, Downing Street and the White House said in separate statements on Tuesday. Johnson, who had been hospitalized after contracting COVID-19, the disease caused by the new coronavirus, also told Trump he "is feeling better and on the road to recovery," according to the White House statement on a telephone exchange between the two leaders. Trump and Johnson "reaffirmed their close cooperation through the G7 and G20 to reopen global economies and ensure medical care and supplies reach all those in need," the White House added. "The leaders committed to continue working together to strengthen our bilateral relationship, including by signing a free trade agreement as soon as possible," a Downing Street spokeswoman said. Britain left the European Union earlier this year and a deal with the United States is a key priority for Johnson's administration. (Reuters)
- **EU edges toward proxy debt for virus recovery but no swift deal in sight –** Squabbling European Union (EU) states are moving closer to agreeing to use their joint long-term budget to restart economic growth hit by the coronavirus pandemic but the bloc's summit on Thursday will defer any final decision on contentious details. Charles Michel, the chairman of the 27 national EU leaders, said in an invitation letter late on Tuesday that a Recovery Fund should be set up against the bloc's next budget for 2021-27 "as soon as possible". "I propose that we task the (EU executive) Commission to analyze the exact needs and come up with a proposal," Michel said. The European Commission, estimating that the outbreak may wipe as much as a tenth off the bloc's economic output, is trying to broker a recovery program that could be worth as much as 1.5tn Euros ($1.6tn). Following the summit, which will take place via videolink from 1300 GMT, the Commission will present an updated draft of the budget on April 29, including the Recovery Fund that could raise cash against guarantees from member states. It would have to be approved by all 27 national capitals to take effect from next year, a tall order for the bloc at a time when coronavirus is bitterly testing its unity. The EU's fiscally conservative northern nations remain keen to keep a tight rein on spending and have repeatedly rejected calls from the ailing southern states for a joint debt - sometimes known as "coronabonds" - to fund the recovery. (Reuters)
- **BoJ warns of potential financial system risks triggered by pandemic –** The coronavirus pandemic, if prolonged, could

trigger a negative feedback loop in which a worsening economy threatens to destabilize Japan's financial system, the Bank of Japan (BoJ) warned on Tuesday. Japanese financial institutions have increased lending to middle-risk borrowers, or companies with higher credit risk, in search of higher yields amid years of ultra-low interest rates, the BoJ said in a semi-annual report on the financial system. They have also increased high-risk overseas lending, such as those to energy firms hit by plunging oil prices, making their balance sheets vulnerable to global market volatility, it said. Such exposure to various risks is among factors the BoJ must take into account in scrutinizing Japan's banking sector, particularly because some of the loans could turn sour as the pandemic hurts the economy, the report said. "Japan's financial system is under strong stress but remains sound as a whole, with financial institutions providing necessary funds to support economic activity," the BoJ said. "If the economy suffers a prolonged and deep slump, however, that could trigger a full-fledged, banking-sector correction," it said. That may lead to a situation where a worsening economy hits borrowers and increases bad loans for banks, sapping their ability to boost lending - thereby aggravating the economic downturn, the BoJ said. (Reuters)

- **Profits of China's state-owned firms fall 59.7% YoY in first quarter –** Profits of China's state-owned firms plunged 59.7% in the first three months of 2020 from a year earlier to 329.16bn Yuan ($46.46bn), the Finance Ministry said on Tuesday, as the coronavirus crisis ravaged the economy. (Reuters)

Regional

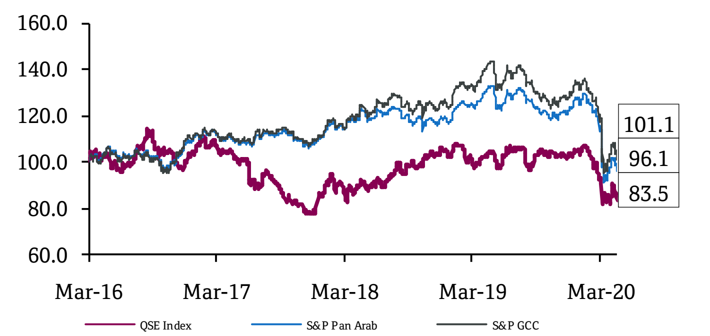
- **Some OPEC ministers discuss implementing agreed oil cuts immediately –** Some OPEC ministers had a conference call on Tuesday to discuss the oil price rout and possible extra measures to support the market but it took place without the core Gulf nations, highlighting a growing split inside the organization. With demand collapsing due to the coronavirus crisis, the OPEC, along with Russia and others - known as OPEC+ - are due to start cutting supply by 9.7mn bpd on May 1. However, the record output cut has failed to stem the drop in oil prices. On Monday, US crude futures sank into negative territory for the first time in history, and on Tuesday Brent crude fell to $18.10 a barrel, its lowest since December 2001. During the call, a number of OPEC ministers discussed implementing the agreed oil cuts straight away rather than starting on May 1, an OPEC source said. "We have proposed an immediate implementation of the deal and not to wait until May, and also to stop overproduction in April," the source said. OPEC members Algeria, which holds the OPEC presidency in 2020, Nigeria, Venezuela, and Iraq along with non-OPEC oil producers Kazakhstan and Azerbaijan were part of the call, the source said. Two other OPEC sources said OPEC's powerful Gulf oil producers Saudi Arabia, Kuwait and the UAE as well as Russia - the countries doing the bulk of the production cuts - did not take part. The informal talks ended without making any decision. The next full meeting of OPEC+ is in June. (Reuters)
- **OPEC+ bid to save oil industry overwhelmed by demand crash –** The most ambitious bid to rescue the global oil industry ever seen has been swept aside by a brutal wave of demand destruction. Less than two weeks ago, the world's biggest oil producers – in a deal facilitated by US President, Donald Trump – agreed to slash output in the hope of defending energy markets against the ravages of the coronavirus outbreak. Yet Monday's historic slump, in which crude prices fell below zero in the US, made the OPEC cartel and its partners painfully aware of the limits of their powers. Some nations in the group are desperately searching for any additional steps they might take to stem the rout, but they have few options. "The OPEC+ leadership is currently engaged in serious crisis management conversations," Head of commodity strategy at RBC Capital Markets, Helima Croft said. Yet "there is little that OPEC+ can do to arrest the demand collapse." Early Start Algeria, which holds the OPEC rotating presidency, has proposed bringing forward the supply cuts – due to begin on May 1 – to take effect immediately, according to three people familiar with the matter. But there was no sign that the move was backed by OPEC's key members or would even make much difference at this point. (Peninsula Qatar)
- **BofA sees risk of credit events in Middle East if downturn sustained –** Economies of the Middle East and North Africa (MENA) region are on track for a recession of 3.4% this year, followed by a "shallow recovery" with 3% GDP growth in 2021 because of low oil prices, Bank of America (BofA) Analyst, Jean-Michel Saliba said in a report. "Should the downturn be sustained, we see rising risk of credit events from weak, leveraged, regional entities (Oman, Bahrain, Dubai Inc.), major deficit monetization (Iraq, Lebanon), Foreign exchange pressure (Oman, Bahrain, Saudi Arabia, Iraq, Egypt) and the need for further or continuing engagement with the IMF (Oman, Lebanon, Egypt, Iraq, Jordan, Tunisia, Morocco). BofA expects Bahrain and systemic Dubai entities to benefit from support." (Bloomberg)
- **Saudi says ready to take extra steps with OPEC+ to stabilize oil market –** Saudi Arabia said on Tuesday it is monitoring oil markets and is ready to take extra measures to stabilize them along with OPEC+ allies and other oil producers, state news agency SPA reported citing a cabinet statement. The comments by the cabinet of the world's largest oil exporter came a day after US crude oil futures sank into negative territory for the first time in history as demand tumbled due to the coronavirus crisis. "The Kingdom is keen on achieving oil market stability and is committed with Russia to implement production cuts over the next couple of years," the cabinet statement said. OPEC and allied producers including Russia, a group known as OPEC+, have announced sweeping cuts in production, amounting to almost 10% of global supplies. However, with economies around the world virtually at a standstill due to coronavirus lockdowns, demand has dropped as much as 30%. Benchmark Brent and US oil futures for June delivery plunged to around two-decade lows on Tuesday. Brent for June delivery, known as the front-month contract after the May futures contract expired, fell to as low as $18.10, its lowest since November 2001. US President, Donald Trump, who described the drop in the US front-month crude price as a short-term issue caused by a "financial squeeze", said on Tuesday his administration would consider halting imports of oil from Saudi Arabia, which spearheaded OPEC efforts to curb output. Trump said the oil industry was hurting from a lack of demand, as states have imposed stay-in-place restrictions to curb the spread of the coronavirus. (Reuters)

- **Saudi's ACWA said to plan to raise up to $1bn in bonds –** Saudi Arabia's ACWA Power International plans to raise as much as $1bn from an Islamic bond sale, according to sources. The company, which develops and operates power and water plants across the Middle East, Africa and Asia, is in talks with local banks about the potential deal that would be denominated in Saudi Riyals, the sources said. The funds would be used for general corporate purposes, they said. (Bloomberg)
- **Saudi Electricity gets dividend waiver for PIF's 3.1bn shares –** Saudi Electricity is not required to pay dividends for the Public Investment Fund's (PIF) 3.09bn shares in the state-controlled utility, according to a statement. Waiver is in line with achieving goals of restructuring the Kingdom's electricity sector and to ensure Saudi Electricity's financial and operational sustainability. Public Investment Fund's shares represent 74.31% of Saudi Electricity Company. (Bloomberg)
- **Etihad Etisalat Company sees coronavirus lifting demand for some services –** Etihad Etisalat Co., that returned to a quarterly profit, said demand for some of its services is growing amid the coronavirus pandemic. "There is a growth in our revenue," but at the same time there are some revenue streams that have been negatively affected by the virus, Chief Financial Officer, Khalid Abanami said. The company registered increased demand, especially among small- and medium-sized businesses, while the curfew imposed in the country in the past 35 days has limited customer access to services, he said. Fewer visitors to the Kingdom are also weighing on income. (Bloomberg)
- **UAE extends VAT payment period –** The UAE tax authority said on Tuesday it was extending to May 28 the due date for payment of the value added tax (VAT) period ending March 31. The decision was made on an exceptional basis, the Federal Tax Authority said. Last week, the authority said it would extend the tax period for excise tax payments. (Reuters)
- **Dubai real estate fund weighs debt options amid downturn –** Emirates REIT, a Dubai-based Shari'ah-compliant real estate investment trust, is considering buying back some of its roughly $400mn in outstanding Islamic bonds to improve its balance sheet, three sources told Reuters. The idea is one of a number the company is considering in the face of the economic pressures caused by the coronavirus pandemic, which are weakening an already sluggish property market in Dubai. The company is also considering refinancing the Islamic bonds, or sukuk, two of the sources said, with one of them adding that talks with local banks had faltered partly because of their exposure to troubled hospital operator NMC Health, which is in restructuring talks with lenders. Emirates REIT Chief Executive, Sylvain Vieujot said a potential sukuk buyback was discussed briefly on a recent earnings call. "We think our Sukuk is at an attractive price at the moment, that's all we said," he told Reuters. The Sukuk, maturing in 2022, were trading at less than 60 cents on the dollar on Tuesday with a yield of 27.6%, against 6.1% at the end of 2019, Refinitiv data showed. They were issued in December 2017 with a 5.125% coupon. Emirates REIT had $48.4mn in cash at the end of 2019, according to a statement on its website. Real estate investment firms across the region were already grappling with an oversupplied market and sluggish demand. Dubai real estate investment trust ENBD REIT, managed by the asset-management arm of Emirates NBD, Dubai's largest bank, considered delisting earlier this year because of low trading liquidity and a large discount on its shares versus the net asset value of the fund. (Zawya)
- **Bureau International des Expositions proposes one-year delay to Expo 2020 Dubai over virus –** The awarding body for the World Expo will propose a delay of one year to Dubai's 2020 showcase because of the global coronavirus pandemic. The Paris-based Bureau International des Expositions said on Tuesday that it will ask its member states to vote on the proposal. Dubai's Expo organizers last month requested it study delaying the start by a year to October 2021. (Bloomberg)
- **Abu Dhabi to cut May term oil sales for all grades by 5%-15% –** Abu Dhabi's ADNOC will cut May crude oil nominations to term buyers by 5%-15%, in-line with the recent OPEC+ pact and as directed by the UAE government, sources said. Umm Lulu and Das supplies will be reduced by 5%. Murban and Upper Zakum supplies will be reduced by 15%. (Bloomberg)
- **Dana Gas to use Egypt sale funds to pay debt if deal goes ahead –** Dana Gas plans to use proceeds from the sale of its Egyptian assets to pay the outstanding $397mn of its Sukuk maturing in October should the deal go ahead. The Sharjah based energy producer will use its cash position to make up any shortfall in payments, according to Chief Executive Officer, Patrick Allman-Ward's address to Tuesday's shareholders meeting. The planned speech was posted on the company's website. "In case the sale does not proceed, we are already exploring different mechanisms to raise money to pay the Sukuk," he said. (Bloomberg)
- **Ajman Bank gets shareholder's approval for $150mn sukuk issuance –** Ajman Bank's shareholders approved the issuance of $150mn Tier 1 Sukuk (not- convertible to shares) at the bank's annual general meeting (AGM). Shareholders authorized the board of directors to determine the date of issuance, after obtaining the approvals required from the relevant regulatory authorities, the bank said. (Zawya)
- **CBK offers KD240mn bonds, tawarruq –** The Central Bank of Kuwait (CBK) offered bonds and related tawarruq at a total value of KD240mn, with a 1.250% rate of return. The bonds carry a three-month maturity period, according to official data by the CBK. Bonds and related tawarruq are local bonds offered by the CBK to the banks working in the Kuwaiti financial sector to regulate the market's liquidity. (Zawya)
- **CBK: Kuwaiti banks to provide SMEs with financing at 2.5% interest –** Central Bank of Kuwait (CBK) said on Tuesday that banks must provide qualifying small and medium enterprises (SMEs) affected by the coronavirus outbreak with financing at a maximum 2.5% interest rate. Kuwait's National Fund for Small and Medium Enterprise Development will provide 80% of the SMEs' funding needs at no interest for up to three years, while banks will finance 20% and the state will support companies in paying the up to 2.5% interest for three years. (Reuters)
- **Alizz Islamic Bank to become subsidiary of OAB –** Oman International Development and Investment Company (OMINVEST) has said that Alizz Islamic Bank will become a fully-owned Islamic banking subsidiary of OAB and converted into an SAOC. In a filing to MSM, it added that the assets and liabilities of Al Yusr Islamic Window of OAB will be transferred to AIB SOAC. The OAB will be converted into SAOG. The statement said that OAB has received regulatory approval on the

imposed transaction from the Central Bank of Oman and is in the process of obtaining further regulatory approvals from the Capital Market Authority and the regulatory bodies. (Zawya)

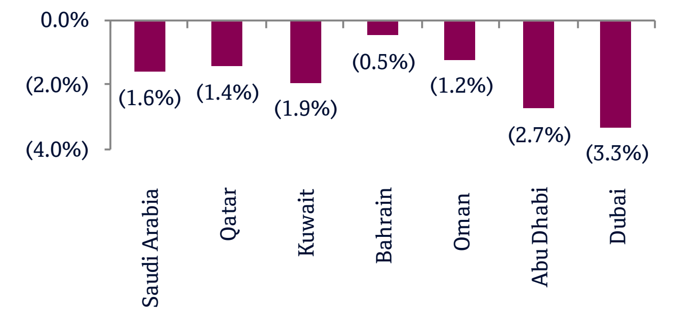
- **BKSB's net profit falls 39.2% YoY to OMR6.2mn in 1Q2020 –** Sohar International Bank (BKSB) recorded net profit of OMR6.2mn in 1Q2020, registering decrease of 39.2% YoY. Operating income fell 9.4% YoY to OMR23.1mn in 1Q2020. Operating profit fell 10.9% YoY to OMR12.3mn in 1Q2020. Total assets stood at OMR3.4bn at the end of March 31, 2020 as compared to OMR3.1bn at the end of March 31, 2019. Net loans and advances stood at OMR2.5bn (+5.3% YoY), while customers deposits stood at OMR2.1bn (+17.2% YoY) at the end of March 31, 2020. (MSM)
- **Bahrain sells BHD100mn 364-day bills; bid-cover at 1.01x –** Bahrain sold BHD100mn of 364-day bills due on April 22, 2021. Investors offered to buy 1.01 times the amount of securities sold. The bills were sold at a price of 97.184, having a yield of 2.87% and will settle on April 23, 2020. (Bloomberg
- **S&P downgrades KIPCO's global scale ratings to 'BB+/B' and regional scale rating to 'gcA' with 'Negative' outlook** – S&P Global Ratings (S&P) downgrades Kuwait Projects Company Holding's (KIPCO) global scale ratings on KIPCO to 'BB+/B', and regional scale rating to 'gcA' with 'Negative' outlook. The 'Negative' outlook reflects S&P's view of significant pressures on the company's LTV and portfolio credit quality, as well as uncertainty about its liquidation of assets and the capital injection. S&P lowered the ratings because KIPCO has seen its LTV ratio deteriorate sharply and we see as uncertain that it will be able to sell a partial stake in OSN. Its key listed assets' prices have depreciated during the equity market sell-off. Moreover, S&P has increased our haircuts on OSN and UGH, because we have concerns on the valuation of these two assets given their financial performance, and this creates further pressure on KIPCO's LTV ratio. KIPCO's management continues to pursue a partial stake sale in OSN to a new strategic partner, potentially selling other assets, and obtaining an additional cash injection from the key shareholder AFH if the OSN stake sale is delayed. KIPCO's LTV ratio has increased well above our previous expectations and company's stated financial policy. We expect KIPCO to report a ratio of 38.3% as of March 31, 2020, which has worsened from an expected 32.8% at year-end 2019. Our adjusted LTV ratio for KIPCO is now significantly above 45% on the back of: (i) The global sell-off of equities and the negative impact on the valuation of KIPCO's listed assets in Kuwait, (ii) S&P increased haircuts on valuation of KIPCO's two key assets, OSN and UGH, based on their weak performance. This is well above the 30% threshold that is commensurate with S&P's previous assessment of KIPCO's financial risk profile as intermediate, and as a result, we now view KIPCO's financial risk as significant. (S&P)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,686.20	(0.6)	0.2	11.1
Silver/Ounce	14.89	(2.8)	(1.9)	(16.6)
Crude Oil (Brent)/Barrel (FM Future)	19.33	(24.4)	(31.2)	(70.7)
Crude Oil (WTI)/Barrel (FM Future)	10.01	(126.6)	(45.2)	(83.6)
Natural Gas (Henry Hub)/MMBtu	1.92	7.9	12.9	(8.1)
LPG Propane (Arab Gulf)/Ton	31.50	(13.1)	(18.7)	(23.6)
LPG Butane (Arab Gulf)/Ton	27.50	(21.4)	(27.6)	(58.0)
Euro	1.09	(0.0)	(0.2)	(3.2)
Yen	107.80	0.2	0.2	(0.7)
GBP	1.23	(1.2)	(1.7)	(7.3)
CHF	1.03	(0.2)	(0.3)	(0.2)
AUD	0.63	(0.9)	(1.4)	(10.6)
USD Index	100.26	0.3	0.5	4.0
RUB	77.07	2.0	4.2	24.3
BRL	0.19	0.0	(1.6)	(24.4)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	1,932.25	(3.1)	(4.2)	(18.1)
DJ Industrial	23,018.88	(2.7)	(5.0)	(19.3)
S&P 500	2,736.56	(3.1)	(4.8)	(15.3)
NASDAQ 100	8,263.23	(3.5)	(4.5)	(7.9)
STOXX 600	324.31	(3.6)	(3.0)	(24.7)
DAX	10,249.85	(4.2)	(3.7)	(25.2)
FTSE 100	5,641.03	(4.5)	(4.3)	(30.8)
CAC 40	4,357.46	(4.0)	(3.4)	(29.6)
Nikkei	19,280.78	(2.1)	(3.3)	(17.7)
MSCI EM	878.24	(2.3)	(2.6)	(21.2)
SHANGHAI SE Composite	2,827.01	(1.2)	(0.7)	(9.0)
HANG SENG	23,793.55	(2.2)	(2.4)	(15.2)
BSE SENSEX	30,636.71	(3.8)	(3.6)	(31.3)
Bovespa	78,972.80	0.0	(0.8)	(48.2)
RTS	1,012.15	(5.3)	(6.2)	(34.7)

Source: Bloomberg (*$ adjusted returns)

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