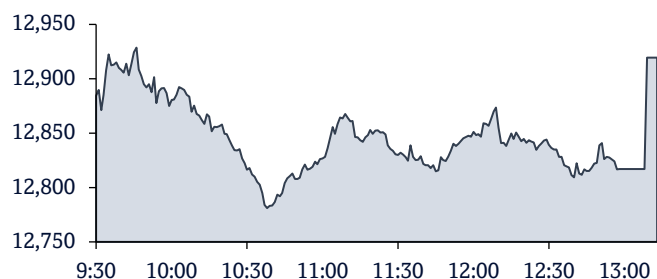


### QSE Intra-Day Movement



### Qatar Commentary

The QE Index rose 0.2% to close at 12,919.4. Gains were led by the Transportation and Telecoms indices, gaining 2.2% and 1.5%, respectively. Top gainers were Mesaieed Petrochemical Holding and Baladna, rising 4.9% and 4.4%, respectively. Among the top losers, Mannai Corporation fell 4.6%, while Qatar Fuel Company was down 4.4%.

### GCC Commentary

**Saudi Arabia:** The TASI Index gained 0.1% to close at 12,921.7. Gains were led by the Software & Services and Energy indices, rising 1.3% and 1.1%, respectively. Amana Cooperative Insurance Co. rose 9.9%, while Saudi Arabian Mining Co. was up 8.3%.

**Dubai:** The DFM Index gained 0.1% to close at 3,347.2. The Services index rose 2.3%, while the Real Estate & Construction index gained 1.6%. Amanat Holdings rose 4.1%, while Al Salam Bank was up 2.9%.

**Abu Dhabi:** The ADX General Index gained 1.6% to close at 10,046.9. The Consumer Staples index rose 3.2%, while the Basic Materials index gained 2.5%. ADC Acquisition Corporation rose 22.3%, while National Corporation for tourism & Hotels was up 7.6%.

**Kuwait:** The Kuwait All Share Index gained 0.2% to close at 7,823.6. The Consumer Discretionary index rose 2.1%, while the Financials Services index gained 1.2%. Amar Finance & Leasing Co. rose 7.8%, while Gulf Cable & Electrical Industries Co. was up 7.0%.

**Oman:** The MSM 30 Index fell 0.5% to close at 4,116.0. Losses were led by the Financial and Industrial indices, falling 0.5% and 0.4%, respectively. A'Saffa Foods declined 4.5%, while Takaful Oman was down 3.2%.

**Bahrain:** The BHB Index gained 0.7% to close at 1,920.8. The Financials and Materials indices rose marginally. Khaleeji Commercial Bank rose 5.9%, while Ahli United Bank was up 1.7%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Mesaieed Petrochemical Holding	2.71	4.9	25,765.6	29.7
Baladna	1.82	4.4	42,035.1	26.0
Ahli Bank	4.15	3.8	257.9	13.8
Doha Insurance Group	2.04	3.2	130.2	6.3
Qatar Gas Transport Company Ltd.	3.74	2.9	27,456.8	13.3

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Masraf Al Rayan	4.70	(1.7)	158,047.4	1.3
Qatar Islamic Bank	23.15	(1.9)	47,099.2	26.3
Baladna	1.82	4.4	42,035.1	26.0
Qatar Gas Transport Company Ltd.	3.74	2.9	27,456.8	13.3
Mesaieed Petrochemical Holding	2.71	4.9	25,765.6	29.7

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	12,919.43	0.2	0.7	(4.9)	11.1	952.01	199,927.1	16.0	1.9	3.4
Dubai	3,347.24	0.1	1.6	(10.0)	4.7	392.45	149,198.4	13.8	1.2	3.1
Abu Dhabi	10,046.9	1.6	5.4	(0.3)	18.5	718.16	508,426.2	22.4	2.8	1.9
Saudi Arabia	12,921.74	0.1	3.1	(5.9)	14.5	4,820.04	3,294,253.5	23.1	2.7	2.2
Kuwait	7,823.58	0.2	2.5	(6.4)	11.1	616.86	148,973.3	19.1	1.8	2.8
Oman	4,116.00	(0.5)	0.2	(1.0)	(0.3)	14.18	19,378.9	11.8	0.8	5.0
Bahrain	1,920.78	0.7	1.4	(6.6)	6.9	8.37	30,630.1	7.3	0.9	5.8

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

Market Indicators	31 May 22	30 May 22	%Chg.
Value Traded (QR mn)	3,481.4	708.6	391.3
Exch. Market Cap. (QR mn)	732,870.8	725,928.5	1.0
Volume (mn)	489.4	126.0	288.4
Number of Transactions	43,861	21,588	103.2
Companies Traded	46	44	4.5
Market Breadth	23:19	20:20	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	26,463.19	0.2	0.7	15.0	16.0
All Share Index	4,155.26	0.6	1.3	12.4	164.1
Banks	5,541.57	0.4	0.8	11.7	17.2
Industrials	4,883.71	1.2	3.4	21.4	14.0
Transportation	4,098.80	2.2	2.4	15.2	14.3
Real Estate	1,827.29	0.5	1.3	5.0	19.2
Insurance	2,678.10	0.6	(0.0)	(1.8)	17.0
Telecoms	1,129.82	1.5	2.3	6.8	34.7
Consumer	8,494.81	(1.9)	(1.7)	3.4	23.8
Al Rayan Islamic Index	5,286.19	(0.1)	0.1	12.1	13.3

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD %
Saudi Arabian Mining Co.	Saudi Arabia	65.10	8.3	10,390.3	65.9
Rabigh Refining & Petro.	Saudi Arabia	27.20	7.5	6,182.5	31.4
Mesaieed Petro. Holding	Qatar	2.71	4.9	25,765.6	29.7
The Saudi National Bank	Saudi Arabia	72.40	3.6	9,999.5	12.4
First Abu Dhabi Bank	Abu Dhabi	21.48	3.6	26,214.1	15.3

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD %
Gulf Bank	Kuwait	0.31	(4.9)	1,85,207.6	17.4
Qatar Fuel Company	Qatar	17.20	(4.4)	6,160.3	(5.9)
Abdullah Al Othaim Co.	Saudi Arabia	110.60	(3.8)	4,101.5	2.2
Qatar Electricity & Water Co.	Qatar	16.80	(3.7)	2,579.8	1.2
Saudi Electricity Co.	Saudi Arabia	24.28	(3.7)	6,286.6	1.3

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

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Mannai Corporation	8.69	(4.6)	1,120.9	83.0
Qatar Fuel Company	17.20	(4.4)	6,160.3	(5.9)
Qatar Electricity & Water Co.	16.80	(3.7)	2,579.8	1.2
Qatar International Islamic Bank	10.60	(3.1)	2,803.8	15.1
Qatar First Bank	1.46	(2.1)	2,315.5	(6.8)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Qatar Islamic Bank	23.15	(1.9)	1,091,290.1	26.3
Masraf Al Rayan	4.70	(1.7)	742,247.8	1.3
QNB Group	21.55	2.7	546,848.0	6.7
Industries Qatar	18.29	1.8	186,642.0	18.1
The Commercial Bank	7.06	0.9	177,873.7	4.6

### Qatar Market Commentary

- The QE Index rose 0.2% to close at 12,919.4. The Transportation and Telecoms indices led the gains. The index rose on the back of buying support from foreign shareholders despite selling pressure from Qatari, GCC and Arab shareholders.
- Mesaieed Petrochemical Holding and Baladna were the top gainers, rising 4.9% and 4.4%, respectively. Among the top losers, Mannai Corporation fell 4.6%, while Qatar Fuel Company was down 4.4%.
- Volume of shares traded on Tuesday rose by 288.4% to 489.4mn from 126mn on Monday. Further, as compared to the 30-day moving average of 182.5mn, volume for the day was 168.2% higher. Masraf Al Rayan and Qatar Islamic Bank were the most active stocks, contributing 32.3% and 9.6% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	7.93%	10.20%	(79,053,740.5)
Qatari Institutions	7.46%	11.65%	(145,670,966.7)
<b>Qatari</b>	<b>15.39%</b>	<b>21.85%</b>	<b>(224,724,707.2)</b>
GCC Individuals	0.21%	0.17%	1,425,535.3
GCC Institutions	6.81%	2.41%	153,288,181.5
<b>GCC</b>	<b>7.02%</b>	<b>2.57%</b>	<b>154,713,716.8</b>
Arab Individuals	2.49%	2.51%	(922,818.5)
Arab Institutions	0.00%	0.00%	-
<b>Arab</b>	<b>2.49%</b>	<b>2.51%</b>	<b>(922,818.5)</b>
Foreigners Individuals	0.80%	0.76%	1,629,676.2
Foreigners Institutions	74.30%	72.31%	69,304,132.7
<b>Foreigners</b>	<b>75.11%</b>	<b>73.07%</b>	<b>70,933,808.9</b>

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

### Global Economic Data

#### Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
05-31	US	Federal Housing Finance Agency	FHFA House Price Index MoM	Mar	1.50%	2.00%	2.10%
05-31	US	Federal Housing Finance Agency	House Price Purchase Index QoQ	1Q	4.60%	N/A	3.30%
05-31	EU	Eurostat	CPI Estimate YoY	May	8.10%	7.80%	7.50%
05-31	EU	Eurostat	CPI MoM	May P	0.80%	0.60%	0.60%
05-31	EU	Eurostat	CPI Core YoY	May P	3.80%	3.60%	3.50%
05-31	China	China Federation of Logistics	Manufacturing PMI	May	49.6	49	47.4
05-31	China	China Federation of Logistics	Non-manufacturing PMI	May	47.80	45.5	41.90
05-31	Japan	METI	Retail Sales YoY	Apr	2.90%	2.60%	0.90%
05-31	Japan	METI	Retail Sales MoM	Apr	0.80%	0.90%	2.00%

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

### Qatar

- Change in the name, trademark & headquarters of Estithmar Holding** – Estithmar Holding (formerly Investment Holding Group) announced the change of the company's name to "Estithmar Holding" in English and the same in Arabic "الاستثمار القابضة ش.م.ع.ق". The trademark is changed accordingly. The company's headquarters will change to the following address: Area: Lusail City, Zone 69 Street: 303 Building: The Eighteen Tower Floor: 26. (QSE)
- Project Qatar to showcase multi-billion-dollar post-FIFA 2022 projects** – A number of multi-billion-dollar infrastructure projects post-World Cup will take center stage at the Project Qatar which will run concurrently with the Hospitality Qatar from June 6-9 at the Doha Exhibition and Convention Centre, officials announced at a press conference yesterday on May 31. Billed as 'One Show, Multiple Opportunities' event, both Project Qatar and Hospitality Qatar expect to receive over 20,000 visitors, with the participation of more than 300 exhibiting companies distributed among 180 international firms from 30 different countries. The event will also feature seven official national pavilions, along with 120 Qatari companies from major government and semi-government agencies, as well as the most prominent private sector companies. While the Public Works Authority (Ashgal), a strategic partner of the event, will high-light its role and contributions over the past years in preparing the necessary infrastructure for hosting the upcoming FIFA World Cup Qatar 2022, several public and private sector groups will also showcase their post-World Cup projects in the country, a reflection of bright prospects for Qatar's construction industry. (Peninsula Qatar)
- Qatar Investment Authority invests in Japanese residential assets** – Qatar Investment Authority (QIA) has acquired 32 residential buildings in Japan through Hong Kong-based Gaw Capital Partners for an undisclosed amount. IPE Real Assets understands that Gaw Capital acquired part of

the portfolio (12 assets) through one of its Gateway real estate funds earlier. However, the whole portfolio plus additional 20 buildings are now acquired under a separate account, ultimately held by QIA. Christina Gaw, managing principal and global head of capital markets at Gaw Capital Partners, said her firm and QIA planned for more acquisitions of quality residential assets across major cities in Japan. "We look forward to exploring further opportunities across various property sectors and generating favorable returns for this partnership," said Gaw. Isabella Lo, managing director and head of Japan at Gaw Capital Partners, said: "These high-quality residential assets will provide stable and defensive cash flows for our investors." The bulk of the 68,432sqm seed portfolio is located in Tokyo, and the remaining assets are located in Osaka, Kyoto, Yokohama and Sapporo. Gaw Capital entered the Japanese market in 2014 through its first investment in Hyatt Regency Osaka and successfully exited in what was the second-largest hotel deal in Osaka in 2016, selling it for US\$153mn (€143mn). It paid US\$30mn for the property. (Bloomberg)

- Salt Bae Restaurant Owner May Sell Stake to Qatar Wealth Fund** - The owner of the Nusr-Et steakhouse, known by its founder's Salt Bae meme, is in talks to sell a stake to Qatar's \$450 billion wealth fund. D.ream Group, owned by Turkish billionaire Ferit Sahenk's Dogus Holding AS, may sell a 20% stake to the Qatar Investment Authority for about \$300 million, people familiar with the matter said, asking not to be identified as the information is private. A deal at that price would imply a valuation of \$1.5 billion. The talks were reported by Turkey's Sozcu newspaper earlier on Tuesday. Dogus confirmed discussions with the QIA, but declined to provide further details. The Qatari fund wasn't immediately available for comment. Dogus has been trying to raise cash and deliver on pledges it made to banks as part of a debt restructuring. In 2020, the firm agreed to sell a 30% stake in a high-end Istanbul shopping center to an arm of the QIA. D.ream Group owns stakes in restaurants including Nusr-Et, founded by butcher Nusret Gokce. Investors in the company include Singapore's [qnbfs.com](http://qnbfs.com)

Temasek and London-based private equity firm Metric Capital Partners, who bought a 17% stake for \$200 million in 2018, valuing the company at \$1.18 billion. (Bloomberg)

- Experts: Adequate supply to stabilize real estate prices** – Real estate experts have said that the situation of real estate market of Qatar is normal, however, the prices of real estate and rents which rose because of FIFA World Cup will go down by next year gradually. They said that many new quality real estate projects will come to the market after the mega sporting event. The experts noted that since Qatar economy is based on strong pillars the development of the country with its all sectors including real estate will continue in a fast pace. The experts including CEO of Al Emadi Enterprises Mohamed Abdul Karim Al Emadi and Chairman of Century 21 Qatar Mana Ibrahim Al Mana were speaking in a Qatar TV program entitled “The real estate scene before and after the FIFA World Cup Qatar 2022 and the future of supply and demand”. Al Emadi said: “I am optimistic about the real estate sector of Qatar at present and future.” He said that it was expected that the prices of residential units, administrative and commercial apartments could be more than what are now existing, few months before FIFA World Cup Qatar 2022, thanks to government intervention to avoid any type of crisis in this regard. “I do not think that even during the mega sporting event the prices will touch exorbitant rates contrary to people’s concerns due to adequate supply,” said Al Emadi. He said that there is no shortage in supply at all. “The housing issue is completely under control. The government has taken its precautions from more than one angle.” He said that today the situation of real estate market is normal which will continue after the mega sporting event, even it will witness growth, so there is no need to worry. He said that Qatar economy is not based on a single event neither FIFA World Cup nor any other event. (Peninsula Qatar)
- Qatar’s PPI up 87.79% YoY in April** – Qatar’s monthly Producer Price Index (PPI) is estimated at 161.31 points in April 2022 showing an increase of 10.74% when compared with previous month. On year-on-year (Y-o-Y) basis PPI of April 2022 showed a rise of 87.79%. The ‘Mining’ sector of PPI registered an increase of 11.77% when compared with PPI of March 2022, primarily due to the price increasing of “Crude petroleum and natural gas” by 11.79%, and “Other mining and quarrying” decreased by 1.95%. PPI of April 2022 when compared with its counterpart in previous year (April 2021), there was an increase of 99.65%. In ‘Manufacturing’ sector an increase of 5.85 % has been recorded in April 2022, when compared with the previous month’s Manufacturing index (March 2022). The prices increase is seen in: “Refined Petroleum products” by 8.5 %, followed by “Chemicals and chemical products” by 6.29%, “Basic metals” by 5.39%, “Printing and reproduction of recorded media” 1.46%, “Cement & other non-metallic mineral products” by 0.90%. and “Beverages” by 0.61%. However, the decreasing prices are noticed in “Rubber and Plastics products” by 1.96 % and “food products” by 0.74%. Comparing with the index of counterpart in the previous year (April 2021), “Manufacturing” PPI of April 2022 showed an increase of 46.72 %. The major groups which explain this price increase are: “Refined Petroleum products” by 71.12%, followed by “chemicals and chemical products” by 51.11 %, “Basic metals” by 35.33%, “Rubber and Plastics products” by 34.03 %, “Cement & other non-metallic mineral products” by 13.66 %, and “food products” by 0.44 %, However the decreasing prices are noticed in “Beverages” by 2.62% and “Printing and reproduction of recorded media” by 1.01%. (Peninsula Qatar)
- MoCI, QDB partner with WEF to launch Qatar’s Advanced Manufacturing Hub** – The Ministry of Commerce and Industry (MoCI) in cooperation with Qatar Development Bank (QDB) launched Qatar’s Advanced Manufacturing Hub (AMHUB) in partnership with the World Economic Forum (WEF), and in the presence of representatives from the three parties. The launching ceremony also witnessed the participation of senior Qatari founders of industrial companies and manufacturers. Through this strategic cooperation, the MoCI and QDB aim to transform Qatar into an advanced economic and industrial hub by enhancing its inter-national connections network. The platform, which was created for Qatar’s heads of industrial institutions, major national companies, and owners of small and medium companies, will provide a collaborative space to discuss the opportunities and challenges facing the industrial

sector, as well as to exchange visions, ideas, and experiences about Qatar’s industrial and techno-logical capabilities. (Peninsula Qatar)

- Envoys: Greater trade cooperation with Qatar post-pandemic** – Qatar’s trade exchange with Turkey, Italy, and Germany which showed impressive growth despite the pandemic is expected to further rise as envoys from the three countries see greater cooperation with Qatar as economies fully recover from the impact of COVID-19. “Turkish companies have executed over \$20bn of infra-structure projects in Qatar, and right now we are in the middle of completing these investments. Over 600 companies are working in Qatar, mostly in the construction and hospitality sectors. We did our best in sup-porting Qatar for the World Cup, and we will continue to support the country after the World Cup,” Turkish Ambassador to Qatar HE Mustafa Goksu said while speaking to The Peninsula on the sidelines of a press conference held to announce the opening of Project Qatar and Hospitality Qatar. It may be noted that bilateral trade between Qatar and Turkey stood at QR6.8bn in 2021. “Turkish exports to Qatar were valued at \$1bn. Hopefully, after full recovery from the pandemic, trade exchange will be more. We are now getting back to normality, and trade volume will be more than before,” the Turkish Ambassador said. He added that over 16 Turkish companies, including one major firm which exports to over 130 countries globally, will take part at the Project Qatar which will open. Addressing the media earlier, Italian Ambassador to Qatar HE Alessandro Prunas said total trade between Qatar and Italy reached €3.27bn last year. “This showed an increase of 76 %, making Italy Qatar’s sixth largest trade supplier. Moreover, latest data showed that in the first three months of 2022, Italy has further improved its trading volume becoming Qatar’s fourth largest trade supplier,” the Italian Ambassador added. (Peninsula Qatar)
- The Asian Banker recognizes QIBK as Best Retail Bank and Best SME Bank in Qatar** – Qatar Islamic Bank (QIBK) received Best Retail Bank in Qatar and Best SME Bank in Qatar at The Asian Banker’s Excellence in Retail Financial Services Awards 2022, demonstrating the excellence of its retail and SME offering and the constant development of its services to remain at the forefront of the growing Qatari banking sector. The awards were announced during a virtual awards ceremony held last week, where QIBK was represented by Vishal Prasad, Head of Retail Product, Ayman Zein, Head of Alternative Channels, and Basem Shahrouri Head of Business Banking – SME. During the virtual awards ceremony, the Asian Banker team praised QIBK’s efforts in cementing its stature in the retail banking landscape in Qatar with its solid financial results. QIBK continued to strengthen its leadership in the local banking sector in 2021 and continued to be the largest Islamic bank in Qatar. QIBK has produced the highest returns in the market in terms of return on equity and return on assets and achieved the best cost to income efficiency ratio in Qatar and the MENA region at 18.1 %. The bank deepened its engagement with customers by introducing a new digital cash management solution and rolling out a simplified and user-friendly experience on its award-winning Mobile App which features a smarter and more intuitive user experience (UX) designed to meet the modern needs of its customers. (Peninsula Qatar)
- QBA: Qatar offers great incentives to foreign investors** – The Qatari Businessmen Association (QBA) is participating at the ongoing Hannover Messe International Industrial Exhibition 2022. Qatar’s delegation during the event is headed by the Undersecretary of the Ministry of Commerce and Industry HE Sultan bin Rashid Al Khater, who also inaugurated Qatar’s pavilion in the exhibition. At Hannover Messe, the QBA is represented by Salah Al Jaidah, QBA Member. Al Jaidah said that Qatar offers successful economic policies to support the private sector, as well as incentives, legislation and promising opportunities available in the country aimed at encouraging investors, businessmen and owners of Mexican companies to invest in Qatar. Delprete pointed out that Qatar’s hosting of the FIFA World Cup 2022 is a great opportunity for establishing new business for Mexican companies looking to expand in the region. After hosting the World Cup in 1970 and 1986, Mexico has the experience that will be useful to Qatar, and it is expected that the two countries will work closely to enhance coordination during the next World Cup. (Peninsula Qatar)



- Qatar, Brazil discusses energy relations** – The Minister of State for Energy Affairs HE Saad Sherida Al Kaabi met in Doha yesterday May 31 with Admiral Flávio Augusto Viana Rocha, the Special Secretary for Strategic Affairs for the Presidency of the Federative Republic of Brazil. Discussions during the meeting dealt with energy relations and cooperation between Qatar and Brazil and means to enhance them. (Peninsula Qatar)
- Ooredoo, ELAN Media sign data-driven strategic pact** – Ooredoo Qatar has signed a strategic agreement with ELAN Media, a market leader in Qatar's media sector. A key goal of the agreement is to enable ELAN Group to leverage cutting-edge mobility analytics insights from its Out-of-Home advertising points of interest, with a precise audience analysis of their assets. In a first for regional business, ELAN Group joined forces with Ooredoo in order to obtain continuous analytics of its advertising assets in Qatar. This is possible due to the recent partnership between Kido Dynamics and Ooredoo, which will now offer ELAN Group access to a geo-analytics platform running on telecoms big data. From these foundations, the algorithms can analyze the audience of each asset. Sheikh Nasser bin Hamad bin Nasser Al Thani, Chief Commercial Officer at Ooredoo, said: "Ooredoo believes that combining data with machine learning algorithms is already unleashing tremendous change in the business world. Our data will help ELAN Group to measure the viewership around its advertising assets continuously, enabling its end users to build a data-driven, coherent view of the reality. (Peninsula Qatar)
- Germany seeks more investments from Qatar; German pavilion at Project/Hospitality Qatar to see more activities** – Germany is looking for more investments from Qatar with which it has "trustful and multifaceted" relations, according to Dr. Julia Harrer, deputy head of mission, German Embassy. "Germany is looking forward to further Qatari investments. We see a lot of potential for the future co-operation," she told a function that outlined the schedule of the upcoming Project/Hospitality Qatar. She said Qatari investments in Germany have been estimated to be about 25bn Euros, which included important sectors such as the automobile sector, energy and micro-technologies. Qatar owns stakes in the most important German commercial and banking groups, as it is the largest shareholder in the Volkswagen Group, with a stake of \$9bn, as well as in Siemens and other German companies working in the field of technology, shipping and the pharmaceutical industry. Highlighting that the bilateral trade stood at about 1.3bn Euros in 2021, she said there is scope for more in the future. She said the energy partnership between Germany and Qatar, signed in Berlin, will deepen, arranging for considerable flows of natural gas (LNG) to Germany in the future and providing German inputs in the development of renewable energies and in optimizing energy efficiency here in Qatar. (Gulf Times)

### International

- Biden vows to give Fed Chair Powell 'space' to fight inflation** – US President Joe Biden on Tuesday met with Federal Reserve Chair Jerome Powell to discuss historic inflation that's draining American wallets, even as he assured the central bank chief he would have freedom from political interference. The US economy had its strongest growth in nearly four decades in 2021, after the government poured trillions of dollars in COVID-19 relief into the economy, and the Fed kept borrowing costs near zero. The rescue efforts helped drive unemployment down to 3.6% from its pandemic-era high of 15%, but also revved up consumer spending that has contributed to higher prices. A Labor Department report earlier this month showed unemployment rolls shrinking to the lowest level in 52 years, helping to drive wage growth. The Fed has already raised interest rates by 3/4 of a percentage point this year. Most Fed policymakers say they expect to continue to raise rates until they reach around 2.5% by the end of this year, and further if needed. The planned rate hikes will include a half percentage point increase at both their June and July meetings. Powell earlier this month said that despite some encouraging signs that price pressures may be peaking, the current environment is "not a time for tremendously nuanced readings of inflation," and US central bank officials will keep tightening policy until inflation comes down in "a convincing way." (Reuters)
- Rising cost of living hurts US consumer confidence; house prices soar** – US consumer confidence eased modestly in May as persistently high inflation and rising interest rates force Americans to become more cautious about buying big ticket items, including motor vehicles and houses, which could curtail economic growth. The survey from the Conference Board on Tuesday also showed consumers' perceptions of the labor market softening a bit this month. Though the drop in confidence was small, it suggested that the Federal Reserve's aggressive monetary policy actions to slow demand were starting to have an impact. The Conference Board's consumer confidence index slipped to a reading of 106.4 this month. Data for April was revised higher to show the index at 108.6 instead of the previously reported reading of 107.3. The index remains above its pandemic lows. The survey's so-called labor market differential, derived from data on respondents' views on whether jobs are plentiful or hard to get, fell to 39.3 this month from a reading of 44.7 in April. That was the first time in a year that this measure, which correlates to the unemployment rate from the Labor Department, was below 40. About 12.5% of consumers viewed jobs as "hard to get," up from 10.1% in April. On face value it suggests that the jobless probably ticked up from a two-year low of 3.6% in April. Consumers' inflation expectations over the next 12 months dipped to 7.4% from 7.5% in April. That fits in with economists' views that inflation has likely peaked. The Fed has increased its policy interest rate by 75 basis points since March. The US central bank is expected to hike the overnight rate by half a percentage point at each of its next meetings in June and in July. Strong house price inflation was reinforced by another report from the Federal Housing Finance Agency showing home prices increased 19% in the 12 months through March after rising 19.3% in February. Price gains were across the board, with notable increases in the South Atlantic, East South Central, West South Central, Mountain and Pacific regions. With demand slowing, house price inflation will cool down. Reports this month showed continued declines in sales of new and previously owned home in April. Applications for loans to purchase a home have also been dropping. "House price gains will be far more modest from here," said Matthew Pointon, senior property economist at Capital Economics in New York. "We expect annual growth to slow to zero by mid-2023." (Reuters)
- BRC: UK retailers raise prices by most since July 2011** – British retailers raised prices at the fastest pace in more than a decade last month, driven by the rapidly rising cost of food and increased energy and transport costs for stores, an industry body said on Wednesday. The British Retail Consortium (BRC), which represents supermarkets and other large retail chains, said average prices among its members last month were 2.8% higher than a year earlier, the biggest annual increase since May 2011. The BRC's measure of inflation covers a narrower range of goods than Britain's official consumer prices index, which showed inflation hit a 40-year high of 9.0% in April off the back of surging energy prices and post-COVID bottlenecks. Market researchers NielsenIQ said on Tuesday that British shoppers were visiting a greater number of supermarkets to seek out the cheapest groceries. Food prices on the BRC's measure were up 4.3% on the year in May compared with a 3.5% rise in April, making it the largest food price rise since April 2012. Non-food prices rose 2.0%. "Items like poultry and margarine (are) seeing some of the largest increases due to soaring costs of animal feed and near-record global food prices," BRC chief executive Helen Dickinson said. Russia's invasion of Ukraine has interrupted exports of grain and vegetable oil, on top of pushing up energy prices which had already leapt before the war began in February. Last month the Office for National Statistics said food and non-alcoholic drink prices rose 6.7% in the year to April, a bigger increase than the BRC. ONS data covers a wider range of food stores than the BRC and does not include 'buy one, get one free' offers. Dickinson said shops were likely to increase prices further later this year, when the BoE predicts consumer price inflation will exceed 10%. "With little sign that the cost burden on retailers will ease any time soon, they will be left with little room for manoeuvre, especially those whose supply chains are affected by lockdowns in China and the war in Ukraine," she said. (Reuters)
- CBI says: UK private sector sees scant growth ahead** – British companies expect barely any growth over the next three months, in their gloomiest outlook since February last year, as the cost-of-living squeeze reduces households' disposable income, the Confederation of British Industry said on Wednesday. The CBI said the expectations element of its surveys of manufacturers, retailers and other services industries fell to +1%, indicating a 1 percentage point difference between the proportion of firms

expecting growth rather than contraction. "It's worrying that expectations for private-sector activity have worsened, but unsurprising given that headwinds continue to intensify," CBI economist Alpesh Paleja said. A majority of consumer services companies expect sales to fall over the next three months as households rein in unnecessary spending, while manufacturers see growth and retailers and business services firms think output will be flat. Some economists have warned British economic output might contract over the three months to June, due to headwinds from an extra public holiday to mark Queen Elizabeth's Diamond Jubilee as well as reduced COVID testing and broader headwinds. Last month the BoE warned the economy would come close to recession by the end of the year, when inflation is set to reach double digits. Britain's government last week announced a further 15bn Pounds of cost-of-living support to households, on top of 22bn Pounds announced earlier in the year. The CBI said businesses wanted help too. "Amid a worsening economic outlook, the government must work with business on a genuine plan for increasing business investment and get growth going again, particularly as costs continue to soar," Paleja said. (Reuters)

- ECB speakers spar on rate hikes as inflation hits new high** – European Central Bank policymakers sparred over the size of their upcoming rate increases on Tuesday as data showed Eurozone inflation rising to another record high in May. Prices have risen sharply across Europe in the past year, with the ECB initially blaming lingering supply chain problems following the COVID-19 pandemic, then the Ukraine war which has caused the cost of energy and some foods to surge. Inflation in the 19 countries sharing the Euro accelerated to 8.1% this month from 7.4% in April, while price pressures continued to broaden, indicating that it is not just energy pushing up the headline figure. The ECB has penciled in gradual interest rate increases in July and September but, after Tuesday's data, markets and at least one ECB rate-setter doubt that hikes worth 25 basis points each will be enough to tame fast price growth. Inflation excluding food and energy prices, watched closely by the ECB, accelerated to 4.4% year-on-year from 3.9% while an even narrower measure that also excludes alcohol and tobacco accelerated to 3.8% year-on-year from 3.5% in April. Dutch central bank chief Klaas Knot even argued that inflation expectations are at the upper end of "anchored", indicating that households and investors could soon start to doubt the ECB's resolve to tame price growth. ECB policymakers next meet on June 9, when they will formally end a bond purchase scheme from the end of June and continue to signal rate hikes. (Reuters)
- China announces detailed stimulus measures to support virus-hit economy** – China's cabinet announced a package of 33 measures covering fiscal, financial, investment and industrial policies on Tuesday to revive its pandemic-ravaged economy, adding it will inspect how provincial governments implement them. The stimulus package, which was flagged by China's State Council in a routine meeting last week, underscores Beijing's shift toward growth, after COVID-19 control measures pounded the economy and threaten Beijing's 5.5% growth target for the year. To revive investment and consumption, the government ordered localities not to expand curbs on auto purchases and said those which already have curbs in place should gradually increase their quotas on car ownership. China will promote healthy development of platform companies, which are expected to play a role in stabilizing jobs, the State Council said. Platform companies are also encouraged to make breakthroughs in areas including cloud computing, artificial intelligence and blockchain technologies, the State Council said, the latest sign that China is easing a crackdown on e-commerce platforms and tech giants. China will also expand private investment, accelerate infrastructure construction and stimulate purchases of cars and home appliances to stabilize investments, according to the measures. To enhance fiscal support to the economy, China will accelerate local government special bond issuance and cash support for firms that hire college graduates, according to the State Council measures. Authorities will also provide tax credit rebates to more sectors and allow firms in industries hit hard by COVID-19 curbs to defer social security payments, the State Council said. Other measures include policies to ensure energy and food security, and stabilise supply chains. (Reuters)
- Japan's April factory output slumps in sign of pressure on economy** – Japan's factories posted a sharp fall in output in April as China's COVID-

19 lockdowns and wider supply disruptions took a heavy toll on manufacturers, clouding the outlook for the trade-reliant economy. Separate data showed retail sales posted the largest rise in nearly a year as consumers stepped up spending after the government eased pandemic curbs, withstanding pressure from wider price rises that threaten to hurt demand. Factory output dropped 1.3% in April from the previous month, official data showed on Tuesday, on sharp falls in the production of items such as electronic parts and production machinery. It was the first fall in three months and much weaker than a 0.2% decline expected by economists in a Reuters poll. The data comes a day after Toyota Motor Corp missed its global production target for April with its output falling more than 9% year-on-year, as China's lockdowns exacerbated a parts shortage. The world's largest automaker by sales had already on Friday cut its global production plan for June and signaled the possibility of lowering its full-year output plan of 9.7mn vehicles. Separate data showed retail sales grew 2.9% in April from a year earlier, marking their sharpest gain since May 2021. That was bigger than the median market forecast for a 2.6% rise. The government also said a consumer confidence index rose in May for the second straight month, while the jobless rate edged down to a more than two-year low of 2.5% in April from the previous month's 2.6%. (Reuters)

### Regional

- Russia's Lavrov to meet GCC ministers in Riyadh** – Russian Foreign Minister Sergei Lavrov arrived in Saudi Arabia on Tuesday May 31, Saudi state media said, on a visit that Gulf officials said would feature a meeting with foreign ministers from the Gulf Cooperation Council (GCC) states. Lavrov, who also visited Bahrain earlier on Tuesday, is expected to meet ministers from Saudi Arabia, the United Arab Emirates, Oman, Kuwait, Qatar and Bahrain at the GCC headquarters in Riyadh on Wednesday, two Gulf officials said. The focus of the talks was not clear, although the officials said the six Gulf ministers would also hold an online meeting with Ukraine's Foreign Minister Dmytro Kuleba later on Wednesday June 01. They declined to give details. Gulf states have stayed neutral in the Russia-Ukraine conflict despite Western calls to help isolate Moscow. Oman's foreign minister said in remarks published by his ministry that the crisis required a European solution and that a posture of "you are with us or against us" would not work. (Reuters)
- Saudi Arabia, Seychelles sign MoU in the field of tourism** – The Tourism Ministry signed a memorandum of understanding (MoU) with the Ministry of Foreign Affairs and Tourism of Seychelles to boost cooperation and exchange expertise between the two sides. The MoU, which was signed by the Minister of Tourism, Ahmed Al-Khateeb, and his counterpart, Sylvestre Radegonde, emanates from the importance of tourism and its role in increasing economic growth, creating job opportunities, and promoting sustainable development and cooperation between the two countries. It also aims at supporting and developing the activities and efforts of tourism institutions and associations and encouraging the establishment of investments, projects, and tourism activities via holding conferences, entertainment programs, seminars, and exhibitions. The two sides, per the MoU, will exchange expertise in planning, tourism investment, and developing tourism sites and projects. (Zawya)
- EU works to exempt Saudi citizens from visas** – Patrick Simonet, the EU ambassador to Saudi Arabia, revealed a new system for granting visas to Saudi citizens, which will be announced soon, to facilitate obtaining multiple visas. Simone confirmed that the EU is working in parallel with a system to exempt all citizens of the Gulf countries from visas, expressing his optimism that the Saudis will be able to visit Europe soon without a visa according to Asharq Al-Awsat newspaper. The European statements come about three weeks after the UK announced that it would facilitate the procedures for Saudis to obtain a visa electronically, 24 hours before travel. Patrick Simonet said that the EU "aims to exempt citizens of all GCC countries from visa requirements." "The visa exemption would help raise the level of exchange between the EU and Saudi Arabia at all levels, whether it is in the field of communication between peoples, tourism, education or business," He added. The European official noted and expressed his happiness with Saudi Arabia's decision to allow European tourists to enter the Kingdom for the first time through simplified



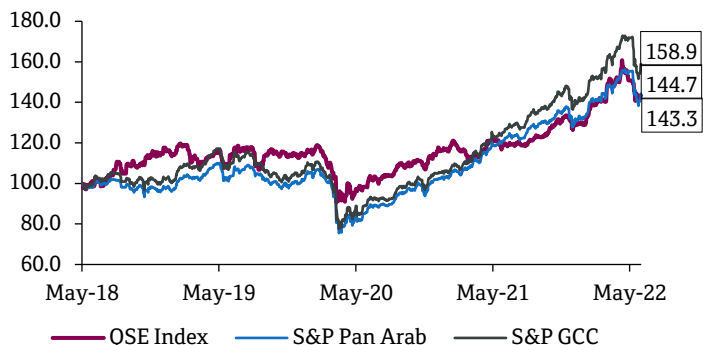
procedures, said "We appreciate the openness efforts made by the Kingdom." The ambassador of the EU not only revealed the new system for granting visas to Saudis but went further by saying, "We are working in parallel on the visa exemption system for all citizens of the GCC, including the Kingdom of Saudi Arabia." (Bloomberg)

- Abu Dhabi's economy to remain strong over robust fiscal buffers** – S&P Global Ratings has given a stable rating to the emirate of Abu Dhabi on expectations that its fiscal and external positions will remain strong over the next two years, supported by oil revenue. Abu Dhabi's fiscal buffers of more than 250% of GDP underpin its creditworthiness, it said. S&P expects economic growth to accelerate in 2022, largely due to increased oil production and higher oil prices, which indirectly support real GDP growth. "However, real GDP will only recover to 2019 levels by 2023," it added. Growth in the hydrocarbon sector, which provides Abu Dhabi about 50% of its GDP, will surge about 10% in 2022, averaging about 3% annually over 2023-2025. According to S&P's estimates, oil production will average 3.1 million barrels per day (bpd) in 2022, reaching about 3.4mn bpd by 2025. The non-oil sector should expand about 2% annually, at a faster clip than it has in the pre-pandemic years. This will be supported by the state-oil producer ADNOC's planned capital expenditure of \$121bn through 2025. Additionally, spillover effects from the FIFA World Cup in Qatar, with visitors potentially spending some time in the UAE, could also provide a boost to economic activity, the report said. Regional geopolitical tensions will have a limited effect on Abu Dhabi, it said. The large level of foreign reserves and government assets mean that the Central Bank of the UAE will maintain the dirham's peg to the US dollar, according to the ratings agency. (Zawya)
- ADNOC delivers latest blockbuster IPO, largest-ever Abu Dhabi listing to date** – Abu Dhabi National Oil Company (ADNOC) together with its long-standing partner Borealis AG announced the successful completion of the bookbuild and public subscription process for the Initial Public Offering (IPO) of Borouge plc, their petrochemicals joint venture, on the Abu Dhabi Securities Exchange (ADX). The offering of 3,005,769,158 ordinary shares (Offer Shares), equivalent to 10% of total issued share capital, and an offer price of AED2.45 per ordinary share, results in gross proceeds of over \$2bn to ADNOC and Borealis, together the "Selling Shareholders", upon settlement. The Offering was significantly oversubscribed and experienced overwhelming demand from UAE Retail Investors and Qualified Institutional Investors. Total gross demand for the IPO amounted to over \$83.4bn, implying an oversubscription level of almost 42 times in aggregate. The book was covered within less than one hour of the start of the public subscription process, with the Offering seeing the highest subscription levels by UAE retail investors in any UAE IPO in almost two decades, with total demand of over \$17.9bn. It also marked the largest demand for an ADNOC company IPO to date. The expected date of listing on the ADX is 3rd June 2022. Upon listing, ADNOC will continue to own a majority 54% stake in Borouge, while Borealis ME will hold 36%. Borouge is the fourth company that ADNOC has brought to market since 2017 and follows the highly successful IPOs of ADNOC Distribution, ADNOC Drilling and Fertigllobe. (Zawya)
- Boston Scientific opens new office at Dubai Science Park** – Boston Scientific, the global medical technology leader, has inaugurated its new office in the UAE at Dubai Science Park (DSP), the leading science-focused community part of TECOM Group, to meet the growing needs of patients in the Middle East. Boston Scientific said the move is aimed at addressing the significant increase in demand for medical devices in the region, which according to Business Market Insights, is expected to reach \$21,802.3mn in 2027. DSP Managing Director Marwan Abdulaziz Janahi said: "Dubai is on track to becoming a global healthcare destination with state-of-the-art infrastructure and government support, and brands like Boston Scientific play an essential role in driving research, investment and insights." "We are delighted to be a part of Boston Scientific's growth story since they joined our ecosystem in 2018, and deeply share their mission to improve the lives of patients across the region," noted Janahi. "We will continue enhancing our enabling ecosystem and enrich the opportunities available to our existing and potential business partners in our mission to advance our national healthcare goals," he stated. Eric Thepaut, Executive VP and President EMEA at Boston Scientific, said: "Strengthening our presence in the region will enable our teams to operate

more efficiently and raise awareness of our innovative solutions for a wide range of therapy areas." (Zawya)

- Turkey: Salt Bae owner 'in talks' to sell stake to Qatar wealth fund** – The Turkish owner of Nusr-Et steakhouse restaurant is currently in talks to sell a stake of the company to Qatar's \$450bn wealth fund, according to Turkish media reports. D.ream Group, owned by Turkish billionaire Ferit Sahenk's Dogus Holding AS, may sell a 20% stake to the Qatar Investment Authority for about \$300mn, Bloomberg reported, confirming earlier reports by Turkish media. The price implies a company valuation of \$1.5bn, the report pointed out. The talks were reported by Turkey's Sozcu newspaper. Dogus confirmed to Bloomberg that it is discussing the sale with the QIA but refused to provide further details. (Bloomberg)
- Bahrain's GFH Financial Group lists shares on Abu Dhabi bourse** – Bahrain-based investment firm GFH Financial Group has made its secondary listing debut on the Abu Dhabi Securities Exchange (ADX) to boost its liquidity and expand investor base. The company started trading its shares on the UAE stock market under the symbol "GFH" effective Tuesday May 31, GFH said in a disclosure on the Bahrain Bourse. "The listing is set to further expand GFH's investor base and enhance liquidity in its shares amid increased regional and international participation on the exchange," the disclosure said. The secondary listing is GFH's fourth in the region. The company's shares are already listed and actively traded on Bahrain Bourse, Boursa Kuwait and the Dubai Financial Market (DFM). According to Hisham Alrayes, GFH's CEO, the listing is a "strategic move" that will boost the company's financial position and funding. The company currently has more than \$15bn of assets and funds under management, including a global portfolio of investments in logistics, healthcare, education and technology in the Middle East and North Africa (MENA) region, Europe and North America. (Zawya)
- Oman's Central Bank Governor: Work is underway on its digital currency** – Oman's central bank is developing its own digital currency and open banking services, the state news agency cited the central bank's governor as saying on Tuesday May 31. (Reuters)
- Fitch Affirms Gulf Investment Corporation at 'BBB+'; outlook 'Stable'** – Fitch Ratings has affirmed Gulf Investment Corporation G.S.C.'s Long-Term Issuer Default Rating (IDR) at 'BBB+' with a 'Stable' outlook and its Short-Term IDR at 'F1'. (Bloomberg)



**Rebased Performance**


Source: Bloomberg

**Daily Index Performance**


Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,837.35	(1.0)	(0.9)	0.4
Silver/Ounce	21.55	(1.9)	(2.5)	(7.5)
Crude Oil (Brent)/Barrel (FM Future)	122.84	1.0	2.9	57.9
Crude Oil (WTI)/Barrel (FM Future)	114.67	(0.3)	(0.3)	52.5
Natural Gas (Henry Hub)/MMBtu	8.46	2.5	2.5	131.1
LPG Propane (Arab Gulf)/Ton	123.00	(1.6)	(1.6)	9.6
LPG Butane (Arab Gulf)/Ton	128.00	(2.4)	(2.4)	(8.1)
Euro	1.07	(0.4)	(0.0)	(5.6)
Yen	128.67	0.8	1.2	11.8
GBP	1.26	(0.4)	(0.2)	(6.9)
CHF	1.04	(0.2)	(0.2)	(4.9)
AUD	0.72	(0.3)	0.2	(1.2)
USD Index	101.75	0.1	0.1	6.4
RUB	118.69	0.0	0.0	58.9
BRL	0.21	0.4	(0.1)	17.7

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,791.01	(0.8)	(0.4)	(13.6)
DJ Industrial	32,990.12	(0.7)	(0.7)	(9.2)
S&P 500	4,132.15	(0.6)	(0.6)	(13.3)
NASDAQ 100	12,081.39	(0.4)	(0.4)	(22.8)
STOXX 600	443.35	(1.2)	0.1	(14.3)
DAX	14,388.35	(1.8)	(0.3)	(14.1)
FTSE 100	7,607.66	(0.2)	0.4	(3.9)
CAC 40	6,468.80	(1.9)	(0.5)	(14.8)
Nikkei	27,279.80	(1.1)	0.7	(15.1)
MSCI EM	1,077.67	1.2	3.3	(12.5)
SHANGHAI SE Composite	3,186.43	1.0	2.2	(16.6)
HANG SENG	21,415.20	1.4	3.5	(9.1)
BSE SENSEX	55,566.41	(0.7)	1.3	(8.5)
Bovespa	111,350.51	0.3	(0.4)	24.8
RTS	1,208.12	(0.6)	6.5	(24.3)

Source: Bloomberg (\*\$ adjusted returns)

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