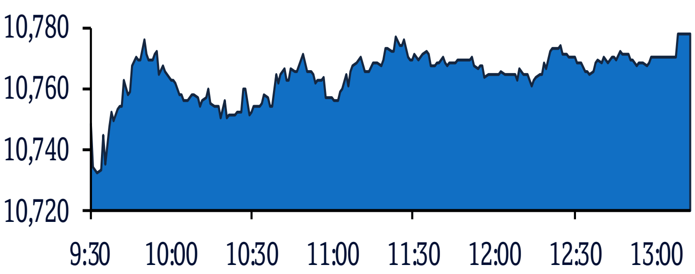
Daily Market Report

Wednesday, 02 June 2021

QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.3% to close at 10,778.1. Gains were led by the Telecoms and Industrials indices, gaining 1.5% and 0.8%, respectively. Top gainers were Qatar Cinema & Film Distribution and Aamal Company, rising 5.1% and 3.7%, respectively. Among the top losers, Qatari Investors Group fell 2.1%, while Doha Bank was down 1.9%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.4% to close at 10,597.4. Gains were led by the Media and Entertainment and Telecommunication Services indices, rising 8.8% and 2.5%, respectively. National Gas & Industrialization Co. and Saudi Research & Media Group were up 9.9% each.

Dubai: The DFM Index gained 1.4% to close at 2,837.2. The Real Estate & Construction index rose 2.4%, while the Banks index gained 1.2%. Ithmaar Holding rose 4.6%, while Dubai Islamic Insurance and Reinsurance Co. was up 4.0%.

Abu Dhabi: The ADX General Index gained 0.8% to close at 6,613.4. The Energy index rose 6.8%, while the Insurance index gained 1.8%. Abu Dhabi National Takaful Co. and National Corporation for Tourism & Hotels were up 15.0% each.

Kuwait: The Kuwait All Share Index gained 0.1% to close at 6,220.2. The Technology index rose 9.7%, while the Financial Services index gained 1.1%. Kuwait Syrian Holding Co. rose 19.0%, while Amar Finance & Leasing Co. was up 15.7%.

Oman: The MSM 30 Index gained 1.1% to close at 3,893.9. Gains were led by the Financial and Services indices, rising 1.4% and 0.8%, respectively. Sharqiyah Desalination Company rose 8.7%, while Muscat Finance was up 6.7%.

Bahrain: The BHB Index fell 0.6% to close at 1,519.2. The Commercial Banks index declined 1.1%, while the Insurance index fell 0.7%. Bahrain National Holding declined 2.6%, while Bahrain Commercial Facilities was down 2.2%.

Market Indicators	01 Jun 21	31 May 21	%Chg.
Value Traded (QR mn)	440.3	428.0	2.9
Exch. Market Cap. (QR mn)	625,984.9	624,421.2	0.3
Volume (mn)	159.2	156.4	1.8
Number of Transactions	9,793	9,927	(1.3)
Companies Traded	47	46	2.2
Market Breadth	21:24	20:25	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	21,335.80	0.3	0.1	6.3	18.3
All Share Index	3,420.63	0.2	0.2	6.9	19.0
Banks	4,496.72	0.0	0.3	5.9	15.7
Industrials	3,569.34	0.8	0.2	15.2	27.4
Transportation	3,406.80	0.0	0.7	3.3	22.7
Real Estate	1,896.55	0.1	(0.4)	(1.7)	18.0
Insurance	2,660.31	(0.6)	0.1	11.0	23.8
Telecoms	1,075.74	1.5	1.3	6.4	28.5
Consumer	8,213.64	(0.0)	(1.1)	0.9	28.8
Al Rayan Islamic Index	4,627.53	0.2	(0.3)	8.4	19.9

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
ADNOC Distribution	Abu Dhabi	4.39	10.0	55,298.5	17.1
Saudi Telecom Co.	Saudi Arabia	128.80	3.4	1,317.4	22.5
Emaar Economic City	Saudi Arabia	11.66	3.4	23,319.2	26.6
Emaar Properties	Dubai	4.05	2.5	9,048.1	14.7
Sohar International Bank	Oman	0.09	2.3	2,283.1	(1.1)

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Ahli United Bank	Bahrain	0.71	(1.8)	503.0	(2.3)
Jarir Marketing Co.	Saudi Arabia	207.00	(1.4)	160.8	19.4
BBK	Bahrain	0.49	(1.2)	68.5	6.7
Bank Al Bilad	Saudi Arabia	37.35	(1.2)	697.3	31.7
BinDawood Holding Co.	Saudi Arabia	115.40	(1.0)	182.3	(3.0)

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

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar Cinema & Film Distribution	4.20	5.1	22.6	5.2
Aamal Company	1.04	3.7	27,338.3	21.4
Al Khaleej Takaful Insurance Co.	4.61	2.9	1,434.3	142.9
INMA Holding	5.40	2.6	4,328.9	5.6
Qatar Electricity & Water Co.	16.38	2.2	1,838.9	(8.2)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Aamal Company	1.04	3.7	27,338.3	21.4
Qatar Aluminum Manufacturing Co	1.65	0.1	13,601.4	70.5
Baladna	1.55	(0.4)	13,161.5	(13.3)
Qatar Oman Investment Company	1.07	1.5	13,003.7	20.6
Salam International Inv. Ltd.	1.02	0.3	8,896.0	57.1

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatari Investors Group	2.55	(2.1)	4,207.3	40.5
Doha Bank	2.78	(1.9)	608.3	17.4
QLM Life & Medical Insurance Co	5.10	(1.9)	73.7	0.0
Qatari German Co for Med. Dev.	2.73	(1.6)	2,732.6	21.9
Qatar General Ins. & Reins. Co.	2.23	(1.4)	416.7	(16.2)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Ooredoo	7.05	2.1	54,866.3	(6.3)
Industries Qatar	13.00	0.7	36,213.7	19.6
Qatar Islamic Bank	17.32	0.1	35,926.1	1.2
Qatar Electricity & Water Co.	16.38	2.2	29,907.0	(8.2)
QNB Group	17.74	0.2	28,274.9	(0.5)

Source: Bloomberg (* in QR)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,778.05	0.3	0.1	0.3	3.3	119.30	169,454.1	18.3	1.6	2.7
Dubai	2,837.17	1.4	0.7	1.4	13.9	67.76	105,925.9	21.3	1.0	2.9
Abu Dhabi	6,613.37	0.8	1.0	0.8	31.1	432.15	251,666.3	22.4	1.9	3.9
Saudi Arabia	10,597.42	0.4	0.7	0.4	22.0	4,042.04	2,583,314.6	34.7	2.3	2.0
Kuwait	6,220.20	0.1	0.2	0.1	12.2	100.17	118,043.1	39.5	1.6	2.3
Oman	3,893.92	1.1	1.6	1.1	6.4	17.52	17,427.7	11.6	0.7	4.7
Bahrain	1,519.17	(0.6)	(0.9)	(0.6)	2.0	4.35	23,475.1	26.1	1.0	2.2

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

Qatar Market Commentary

- The QE Index rose 0.3% to close at 10,778.1. The Telecoms and Industrials 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.
- Qatar Cinema & Film Distribution and Aamal Company were the top gainers, rising 5.1% and 3.7%, respectively. Among the top losers, Qatari Investors Group fell 2.1%, while Doha Bank was down 1.9%.
- Volume of shares traded on Tuesday rose by 1.8% to 159.2mn from 156.4mn on Monday. However, as compared to the 30-day moving average of 245.3mn, volume for the day was 35.1% lower. Aamal Company and Qatar Aluminum Manufacturing Co. were the most active stocks, contributing 17.2% and 8.5% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	38.50%	39.45%	(4,175,592.7)
Qatari Institutions	22.01%	25.72%	(16,345,012.7)
Qatari	**60.50%**	**65.16%**	**(20,520,605.3)**
GCC Individuals	0.64%	1.00%	(1,582,913.3)
GCC Institutions	4.74%	6.51%	(7,813,335.1)
GCC	**5.38%**	**7.51%**	**(9,396,248.4)**
Arab Individuals	9.26%	9.57%	(1,387,980.4)
Arab Institutions	0.00%	0.00%	–
Arab	**9.26%**	**9.57%**	**(1,387,980.4)**
Foreigners Individuals	3.49%	3.35%	629,955.9
Foreigners Institutions	21.38%	14.41%	30,674,878.2
Foreigners	**24.87%**	**17.76%**	**31,304,834.1**

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

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
06/01	US	Markit	Markit US Manufacturing PMI	May	62.1	61.5	61.5
06/01	US	Institute for Supply Management	ISM Manufacturing	May	61.2	61.0	60.7
06/01	UK	Markit	Markit UK PMI Manufacturing SA	May	65.6	66.1	66.1
06/01	EU	Markit	Markit Eurozone Manufacturing PMI	May	63.1	62.8	62.8
06/01	EU	Eurostat	CPI Core YoY	May	0.9%	0.9%	0.7%
06/01	EU	Eurostat	CPI MoM	May	0.3%	0.2%	0.6%
06/02	EU	Eurostat	PPI MoM	Apr	–	1.0%	1.1%
06/02	EU	Eurostat	PPI YoY	Apr	–	7.5%	4.3%
06/01	France	Markit	Markit France Manufacturing PMI	May	59.4	59.2	59.2
06/01	Japan	Markit	Jibun Bank Japan PMI Mfg	May	53.0	–	52.5
06/01	China	Markit	Caixin China PMI Mfg	May	52.0	52.0	51.9
06/01	India	Markit	Markit India PMI Mfg	May	50.8	–	55.5

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

News

Qatar

- **QCB issues T-bills worth QR600mn –** Qatar Central Bank (QCB) issued treasury bills for three, six and nine months, with a value of QR600mn. A statement from the bank said that the bills were distributed as follows: QR300mn for three months at an interest rate of 0.32%, QR200mn for six months at an interest rate of 0.37% and QR100mn for nine months at an interest rate of 0.37%. The issuance is part of a series of issues executed by QCB on behalf of the Government of Qatar and in accordance with the schedule prepared by both QCB and the Ministry of Finance. Treasury bills are issued through auction for banks operating in Qatar. (Qatar Tribune)
- **Qatar Tanker Tracker: Exports hit 7-month high despite India slump –** Qatar's oil shipments rebounded to a seven-month high in May as a pick-up in flows to east Asia and China outpaced the sharp drop in shipments to India. UAE condensate purchases increased again. Total observed crude and condensate exports surged to 956k barrels per day last month, highest since October. Compares with revised 818k barrels per day in April, according to tanker-tracking data compiled by Bloomberg. Crude exports grew by 25% MoM to 672k barrels per day, while condensates flows climbed to 284k barrels per day. Recent condensate shipments to the UAE gained further, to 106k barrels per day. Exports to India plunged by 35% MoM amid weak fuel demand following the resurgence of virus outbreak. Shipments to Japan and South Korea also shrank MoM. Flows to China gained by 10% to a 3-month high, while exports to Singapore surged by 287%; some of those cargoes may sail to other East Asian countries. (Bloomberg)
- **Hassad Food exploring investment opportunities in Russia –** Hassad Food, Qatar's investment arm in food and agribusiness, is exploring investment opportunities in Russia in the fields of grain production, meat processing and agriculture technology, as part of strategy to expand its global footprint. This was conveyed by Hassad Food, Chief Executive, Mohamed Al-Sadah ahead of St Petersburg International Economic Forum (SPIEF), which will be held from today until June 5. (Gulf-Times.com)
- **Qatar's PPI registers 70.2% growth YoY in April –** A substantial rebound in the energy prices and the appurtenant refection in the manufacturing sector helped brighten the prospects of Qatar's industrial sector in April 2021, according to

official estimates. Qatar's PPI or producers price index — a measure of the average selling prices received by the domestic producers for their output — registered a stupendous 70.2% growth on yearly basis. It was up and 0.5% on a monthly basis, said the figures released by the Planning and Statistics Authority (PSA). The PSA had released a new PPI series in late 2015. With a base of 2013, it draws on an updated sampling frame and new weights. The previous sampling frame dates from 2006, when the Qatari economy was much smaller than today and the range of products made domestically much narrower. The mining PPI, which carries the maximum weight of 72.7%, reported a robust 85.4% surge YoY in April 2021 as the selling price of crude petroleum and natural gas was seen gaining a huge 86.3%, even as that of stone, sand and clay declined 7.1%. The mining PPI, however, registered a 1.8% decrease on a monthly basis in April this year on the back of a 1.8% contraction in the selling price of crude petroleum and natural gas and 1.4% in stone, sand and clay. The manufacturing sector, which has a weight of 26.8% in the PPI basket, witnessed a 48.8% increase YoY in April 2021 on a 59.8% in the refined petroleum products, 55.3% in basic chemicals, 26.7% in basic metals, 10.3% in paper and paper products, 2.5% in juices and 0.9% in dairy products. Nevertheless, there was 5.9% shrinkage in the price of cement and other non-metallic mineral products, 1.3% in grain mill and other products, 0.8% in other chemical products and fibres and 0.1% in rubber and plastics products. The manufacturing sector PPI had seen a monthly 5.4% expansion in April 2021 as the selling price of basic metals shot up 13%, basic metals (4.1%), refined petroleum products (3.5%), paper and paper products (2.3%), cement and other non-metallic mineral products (1.8%), rubber and plastics products (1.1%) and beverages (0.4%). However, the prices of juices declined 1.2%, grain mill and other products (0.2%) and dairy products (0.1%). The utilities group, which has a mere 0.5% weightage in the PPI basket, saw its index surge 12% YoY because the selling price of water was seen rising 20.1%, even as that of electricity was flat in April 2021. The index had however seen a 3.9% contraction MoM this April with the selling price of electricity plummeting 11.9%; whereas that of water grew 6.7%. (Gulf-Times.com)

- **Qatar’s population drops to 2.629mn –** The total population of Qatar dropped to 2.629mn by the end of May 2021, an annual decrease of 6.4% as compared to same month last year. “The number of people in Qatar at the end of May reached 2,628,512, with a monthly decrease of 0.7% compared to last April, and an annual decrease of 6.4% compared to May 2020,” the Planning and Statistics Authority (PSA) has said. According to PSA’s website, this data represents the number of individuals of all ages (Qataris-non-Qataris) within the borders of the state as on May 31, 2021. It does not include Qataris living outside the borders of the country at the moment of monitoring the statement on May 31, 2021 and non-Qataris and those with residency outside the borders of the state as on May 31. (Qatar Tribune)
- **Qatar's potential in industrial, economic and key sectors to be under spotlight at 'SPIEF' in St Petersburg –** Discussions on Qatar's potential in industrial, economic, investment, technological, educational, cultural and sports disciplines will be held at the St Petersburg International Economic Forum (SPIEF) that begins in Russia on Wednesday. The St Petersburg International Economic Forum (SPIEF) is a unique event in the world of business and economics. Qatar is a 'guest country' to the event and its delegation will include more than 50 leading organizations with businessmen, high-ranking officials and political figures, heads of authorities and civil society. Qatar’s official delegation to the 24th St Petersburg International Economic Forum that will be held from June 2 to 5 will have a “unique and exclusive” space developed specifically for business and dialogue within the forum. Qatar is the largest investor in the Russian economy among the Arab countries, according to the Qatari-Russian Center for Cooperation. The country's economy is one of the world's most prosperous and dynamically developing. Within the framework of the Qatari-Russian partnership, Qatar supports numerous economic projects and cultural events, forums, and exhibitions in Russia. (Gulf-Times.com)
- **IRU announces implementation of TIR agreement for transit in Qatar –** The International Road Transport Union (IRU) has officially announced the implementation of TIR agreement for transit in Qatar under the TIR system. With Qatar set to host a series of major international events in the coming years, including the 2022 FIFA World Cup, TIR will help speed up supply chains, ensuring the secure and timely delivery of goods to and from the state in the GCC region and worldwide. TIR, the only global transit system, allows goods to be shipped from one country to another in sealed load compartments that are controlled by customs via a multilateral, mutually recognized and UN-backed system. With Qatar, five out of six Gulf Cooperation Council member states are now running TIR. Transport operators, shippers and business users will benefit from faster, less expensive and more secure trade routes between Qatar and its trading partners in the region and beyond. In addition to moving goods by road, TIR is proven to be an excellent trade facilitation tool for multimodal transports including roll-on roll-off, container shipments and rail. IRU worked in close collaboration with Qatar's Ministry of Transport and Communications, General Authority of Customs and IRU member the Qatar Chamber of Commerce and Industry, to implement the TIR system in the country. (Gulf-Times.com)
- **Saudi-Qatar ties reviewed –** The Undersecretary of the Saudi Foreign Ministry for Protocol Affairs, Mashari bin Ali bin Nahit, met Tuesday with Acting Charge d'Affaires at Qatar's embassy in Riyadh Hassan bin Mansour Al Khater. During the meeting, they reviewed the bilateral relations. (Gulf-Times.com)
- **QFC revamping its digital interfaces to meet increasing customer demand –** The Qatar Financial Centre (QFC) is revamping its digital interfaces to meet the increasing demand from its customers as Doha has been witnessing accelerated growth in the digital technology sector, opening new opportunities. (Gulf-Times.com)
- **Ericsson supporting Qatar to deliver 5G-enabled 2022 World Cup experience –** Swedish multinational networking and telecommunications company Ericsson, is looking forward to a 5G-enabled World Cup experience in Qatar next year, a company spokesperson has told The Peninsula. A long-standing strategic partner of Qatari communications service providers (CSPs), Ericsson has also recently entered into a five-year strategic 5G global frame agreement with Qatar-based multinational telecommunications company Ooredoo Group. Ooredoo has also previously announced Ericsson as the company’s 2020 Internet of Things (IoT) Platform Partner of the Year. “As a long standing strategic partner of Qatari communications service providers and institutions, we are proud to be enabling the communications infrastructure of Qatar for many years and we are looking forward to a 5G-enabled sports experience in Qatar in 2022 as part of our continuous journey to supporting the country’s national ambitions of digitalization. We are honored to be supporting our customers to deliver a best-in-class end-user experience during the mega sporting events in Qatar. (Peninsula Qatar)
- **Expert: LNG’s role in hydrogen economy crucial –** Hydrogen is gaining prominence as a key tool to combat climate change

and meet decarbonization targets. LNG is the fastest growing fossil fuel and is forecasted to grow in 10 to 15 years despite the pandemic, said an expert during a webinar. The event was organized by the European Union Delegation to State of Kuwait and the State of Qatar, the EU-GCC Clean Energy Technology Network, and the Qatar National Research Fund (QNRF). The webinar titled ‘Hydrogen, the energy carrier of the future’ and the technical session on ‘Strategies and road maps for green and blue hydrogen production was addressed by Omran Al Kuwari, CEO, Qatar Foundation International- Qatar Foundation and doctoral researcher – UCL Institute for Sustainable Resources. Omran Al Kuwari discussed about hydrogen and opportunities for the LNG industry’. He shed light on what impact will hydrogen development have on Liquified Natural Gas (LNG). He said, “Hydrogen is a topic discussed not only in energy research as well as technology investment but also policy development and it has ability to build many sectors at the same time. In 2000s and last couple years with climate change and focus on carbonization and improvement technology we know hydrogen is here to stay.” According to International Renewable Energy Agency (IRENA) hydrogen is the ‘missing link” in the energy transformation. He highlighted LNG’s role in a hydrogen economy. The main option to hydrogen demand today is via natural gas. Going forward the main options to meet low-carbon hydrogen demand are natural gas-based hydrogen combined with Carbon capture & storage (CCS) and Renewable Energy Sourced (RES) hydrogen (green hydrogen). In a decarbonizing world, long-term LNG could feature in gas fired power generation (with CCS) or in the future hydrogen supply chain, he said. (Peninsula Qatar)

- **Qatar Airways resumes Phuket flights as holiday getaway reopens to international tourism –** Qatar Airways has announced that it marks a significant milestone in the rebound of international leisure travel with the resumption of four weekly flights to the famed holiday destination of Phuket, Thailand, starting July 1. In addition to its 12 weekly Bangkok flights, the airline will operate a total of 16 weekly flights to Thailand, providing "seamless connectivity for its passengers travelling from Europe, the Middle East and the US", the airline has said in a statement. (Gulf-Times.com)
- **Qatar Airways expands US operation with over 85 weekly flights –** Qatar Airways is finally getting its operation back to pre-pandemic levels. Beginning June 1, the airline will resume service to Atlanta four times weekly and have 12 gateways into the US – two more than before COVID-19 disrupted the industry. The announcement also revealed increased frequency to six other major US cities, bringing Qatar’s service to the country to over 85 weekly flights. (Bloomberg)

International

- **GLOBAL ECONOMY: Factory activity racing but supply squeeze dims outlook –** Factory activity powered ahead in Europe last month and stayed strong in Asia as demand grew, surveys showed, but rising raw material costs and supply bottlenecks posed a headache for business and weighed on the recovery in export-driven economies. European manufacturers ramped up activity at the fastest monthly pace in PMI survey history but a spike in COVID-19 infections in some countries continued to disrupt supply chains. Euro zone manufacturing activity would have been even faster without those constraints, but IHS Markit's final euro zone manufacturing PMI still rose to 63.1 in May from April's 62.9. That was above an initial 62.8 "flash" estimate and the highest reading since the survey began in June 1997. In Britain, a deluge of new orders helped drive a record increase in factory growth, and its IHS Markit/CIPS manufacturing Purchasing Managers' Index rose to 65.6, the highest since the survey started in 1992. "The business surveys continue to suggest the economy, and particularly the manufacturing sector, is going gangbusters, and are consistent with our view that the recovery will be very strong in Q2 and the second half of the year," said Andrew Kennigham at Capital Economics. "That said, the hard data may come in a bit less strong than the surveys imply, not least due to the evident supply bottlenecks." The euro area was expected to emerge from a double-dip recession this quarter, a Reuters poll found, but a projected rise in price pressures this year was not expected to be sustainable, with inflation forecast to ease substantially. Disruptions caused by the coronavirus pandemic are having a huge impact on supply chains, making it a sellers' market for the raw materials that factories need, and leading to huge increases in input costs. "Supply shortages will lead to some upward pressure on inflation but it will not be huge and will be short-lived," Kenningham added.In the euro zone, the input prices index was easily the highest reading on record and official data on Tuesday showed inflation surged past the European Central Bank's target of just below 2% last month. (Reuters)
- **US manufacturing gains steam; raw material, labor shortages mounting –** US manufacturing activity picked up in May as pent-up demand amid a reopening economy boosted orders, but unfinished work piled up because of shortages of raw materials and labor. The Institute for Supply Management (ISM) survey on Tuesday found companies and their suppliers “continue to struggle to meet increasing levels of demand,” noting that “record-long lead times, wide-scale shortages of critical basic materials, rising commodities prices and difficulties in transporting products are continuing to affect all segments” of manufacturing. According to the ISM, worker absenteeism and short-term shutdowns because of shortages of parts and workers continued to limit manufacturing’s growth potential. The ISM’s index of national factory activity increased to a reading of 61.2 last month from 60.7 in April. A reading above 50 indicates expansion in manufacturing, which accounts for 11.9% of the U.S. economy. Economists polled by Reuters had forecast the index rising to 60.9 in May. A shift in demand to goods from services as the COVID-19 pandemic kept Americans at home strained supply chains, with the virus also disrupting labor at manufacturers and their suppliers, leading to raw material shortages across industries. (Reuters)
- **US labor market worse than it appears, Fed paper suggests –** US labor market signals are conflicting to an “unprecedented” degree, but those suggesting labor market slack should be given more weight than those pointing to tightness, according a paper published Monday by the San Francisco Federal Reserve Bank. The paper looked at 26 labor market measures that typically move in tandem and found that during the current recovery they are giving wildly divergent signals about the health of the job market. The job openings rate, for instance, suggests the job market is much tighter than the unemployment rate; the labor force participation rate points to much more slack than detected in the unemployment rate. Because the pandemic has forced so many people out of the workforce, “negative signals such as the low labor force participation rate provide a better read than do the positive signals,” the researchers argued. “Overall, our findings reveal that the labor market situation is worse than some headline numbers suggest.” US central bankers are debating how tight the US labor market has become amid widespread reports from employers about hiring difficulties even as the economy still has 8 million fewer people working than before the pandemic. The question matters because the Fed says it could start reducing its support for the economy once inflation and the labor market have made “substantial further progress” toward the Fed’s goals of 2%

inflation and maximum employment. It hasn't, however, laid out exactly how it will measure that progress. The US unemployment rate was 6.1% in April and a reading for May is due out on Friday. (Reuters)

- **US construction spending rises moderately in April –** US construction spending increased less than expected in April as gains in private homebuilding were blunted by losses in outlays on nonresidential structures and public projects. The Commerce Department said on Tuesday that construction spending rose 0.2% after surging 1.0% in March. Economists polled by Reuters had forecast construction spending gaining 0.5%. Construction spending, which accounts for about 4% of gross domestic product, jumped 9.8% on a YoY basis in April. Spending on private construction projects rose 0.4%, lifted by investment in single-family homebuilding. Demand for housing remains robust, though expensive building materials, especially lumber, are constraining builders' ability to ramp up construction. The government reported last month a plunge in homebuilding in April, with the number of houses authorized for construction but not yet started increasing to the highest level since 1999. Outlays on residential projects increased 1.0% in April. Spending on private nonresidential construction like gas and oil well drilling dropped 0.5% in April. Business investment in nonresidential structures fell in the first quarter for the sixth straight quarter as a rebound in mining exploration, shafts and wells was offset by a drop in commercial and healthcare buildings. Spending on public construction projects fell 0.6% in April. State and local government outlays slipped 0.2%, while federal government spending declined 6.2%. (Reuters)
- **ISM: US manufacturing sector picks up in May; work backlogs rising –** US manufacturing activity picked up in May as pent-up demand amid a reopening economy boosted orders, but unfinished work piled up because of shortages of raw materials and labor. The Institute for Supply Management (ISM) said on Tuesday its index of national factory activity increased to a reading of 61.2 last month from 60.7 in April. A reading above 50 indicates expansion in manufacturing, which accounts for 11.9% of the US economy. Economists polled by Reuters had forecast the index rising to 60.9 in May. A shift in demand to goods from services as the COVID-19 pandemic kept Americans at home, strained supply chains, with the virus also disrupting labor at manufacturers and their suppliers, leading to raw material shortages across industries. More than half of adults in the United States are now fully vaccinated against COVID-19, allowing authorities to lift pandemic-related restrictions on businesses. That is whipping up demand across the economy, as is massive fiscal stimulus. There is no sign the supply bottlenecks are easing, even as demand is reverting back to services. The survey's forward-looking new orders sub-index jumped to 67.0 from a reading of 64.3 in April. Inventories at factories are barely growing and business warehouses are almost bare. (Reuters)
- **Dip in US Fed funds rate not expected to spur action yet –** The interest rate banks charge each other for overnight loans eased closer to a record low as May wrapped up on Friday, but the move is unlikely to prompt US Federal Reserve action unless it stays at the lower level. The Fed Funds effective rate (EFFR) fell from 0.06% to 0.05% on Friday, just above a record low of 0.04% last reached in April 2020. It was previously at 0.05% at the end of April, but bounced back to 0.06% at the beginning of May, where it remained until Friday. Gennadiy Goldberg, senior US rates strategist at TD Securities, said month-end effects drove the drop. "If the 5-basis-point reading is sustained past month-end, the Fed can raise IOER and RRP at the June meeting. However, if EFFR bounces back up to 6 basis points, the Fed may not look to adjust rates higher just yet," he said. The interest rate on excess reserves (IOER) is currently at 0.10%, and the overnight reverse repurchase rate (RRP) is currently at 0%. The two help the central bank keep the fed funds rate within the target range. Fed policymakers meet on June 15 and 16. Analysts also pointed to pressure on short-term rates from an ongoing glut of cash. "The buildup of cash in the system driven by the Fed's $120 bn of monthly asset purchases, Treasury drawing down its general account at the Fed, and negative bill supply are all putting downward pressure on front end rates broadly," said Zachary Griffiths, macro strategist at Wells Fargo. The amount of money cash-heavy financial institutions have been loaning to the central bank overnight has been growing since March, hitting an all-time high of $485 bn last Thursday. On Tuesday, the New York Fed accepted nearly $448 bn for the daily RRP operation. (Reuters)
- **PMI: New orders drive record surge in UK manufacturing in May –** A deluge of new orders helped to drive a record increase in British manufacturing activity last month as the economy began to recover from the COVID-19 pandemic, a survey showed. The IHS Markit/CIPS UK Manufacturing Purchasing Managers' Index (PMI) rose to 65.6 in May from 60.9 in April. While a little lower than the preliminary "flash" reading of 66.1, it still marked the highest since the survey started in 1992. The index levels represent the pace and breadth of growth rather than the amount of output, however, and the sector likely has some way to go to get back to where it was before the lockdown. The survey's gauges of growth in new orders and employment also hit record highs, although so too did the measure of input cost inflation paid by factories for goods as they cited poor harvests, port disruption and Brexit. Price pressures are on the radar of the Bank of England, though the central bank has said it is likely to look through price rises caused by short-term disruptions. The BoE said last month that the world's fifth-biggest economy was on course to grow by 7.25% in 2021, its fastest since World War Two, after a near 10% contraction last year. Tuesday's survey showed that export orders increased at the fastest rate on record, although survey compiler IHS Markit said this was driven mainly by larger companies, with smaller manufacturers seeing less demand. PMIs for the services and construction sectors are due on Wednesday and Thursday. (Reuters)
- **UK retailers report more inflation pressure as economy reopens –** British retailers have reported the smallest price falls since the start of the COVID pandemic, partly due to shoppers buying more clothes and shoes as lockdowns eased, and they said price pressures were likely to rise further over the rest of 2021. With the Bank of England watching carefully for signs of how quickly inflation is picking up, the British Retail Consortium's shop price index for May showed prices were 0.6% lower than a year before, compared with a 1.3% fall in the year to April. This was the smallest drop since February 2020. The BRC's shop price index typically shows YoY price falls, unlike the broader measure of consumer price inflation targeted by the BoE which includes a wider range of goods and services. The BoE has forecast that CPI is likely to overshoot its 2% target and go above 2.5% by late 2021, due to a global rise in energy prices and what the central bank views as temporary pressures and one-off effects linked to the pandemic. British shoppers were keener to spend on new clothes and shoes last month as social-distancing restrictions eased, enabling people to meet at pubs and restaurants, the BRC said. Supply chain disruption linked to COVID had also pushed up the cost of furniture and electrical goods, it added. (Reuters)
- **PMI: Eurozone factory growth, input costs hit record highs in May –** Eurozone manufacturing activity expanded at a record pace in May, according to a survey on Tuesday which

suggested growth would have been even faster without supply bottlenecks that have led to an unprecedented rise in input costs. The bloc's economy has been ravaged by the coronavirus pandemic over the past year, with governments forcing much of the region's dominant service industry to close. But factories largely remained open, and restrictions in various countries have gradually been eased. IHS Markit's final Manufacturing Purchasing Managers' Index (PMI) rose to 63.1 in May from April's 62.9, above an initial 62.8 "flash" estimate and the highest reading since the survey began in June 1997. An index measuring output, which feeds into a composite PMI due on Thursday and is seen as a good guide to economic health, eased from April's 63.2 to 62.2. Anything above 50 indicates growth. Disruptions caused by the global coronavirus pandemic are still having a huge impact on supply chains, making it a sellers' market for the raw materials that factories need. The input prices index soared to 87.1 from April's 82.2, easily the highest reading on record, and while factories passed on those costs at the fastest pace in the survey's history, some of the burden was absorbed by manufacturers. Still, inflationary pressures might be welcomed by policymakers at the European Central Bank who have not managed to get inflation anywhere near their goal despite years of ultra-loose monetary policy. (Reuters)

- **EU reaches deal on tax transparency for multinational firms –** European Union (EU) government and parliament negotiators reached a deal on Tuesday on rules that will force large multinational companies to disclose how much revenue and tax they pay in the 27-nation bloc and how much in countries considered tax havens by the EU. The new law, proposed by the European Commission in 2016, is part of the EU's efforts to fight tax avoidance by large international companies at a time when the EU badly needs cash to finance an economic recovery after the COVID-19 pandemic. Under the new law, multinational corporations with a turnover of more than 750mn Euros ($916mn) annually in two consecutive years will have to declare profits, tax and number of employees in EU countries and in countries on the EU list of non-cooperative jurisdictions. But data on tax paid in other countries outside the EU and not on the tax havens blacklist will only be given in aggregated form as EU governments did not want to agree to a more detailed country-by-country breakdown. The Oxfam charity group criticized that saying many of the world's tax havens were not on the EU list of non-cooperative jurisdictions and therefore would avoid scrutiny. "Transparency for only the 27 EU member states and the 21 currently blacklisted or grey-listed jurisdictions means keeping corporate secrecy for over 3 out of 4 of the world's nearly 200 countries," the Oxfam charity group said. "EU legislators have granted multinational corporations plenty of opportunities to continue dodging taxes in secrecy by shifting their profits to tax havens outside the EU, like Bermuda, the Cayman Islands, and Switzerland," Oxfam's tax expert Chiara Putaturo said. She said the deal also offered companies a reporting exemption for commercially sensitive information for five years, providing a way to avoid disclosure and noted the large turnover requirement would exclude up to 90% of multinationals. But some members of the European Parliament who negotiated the deal said it would still help make the tax system fairer. (Reuters)
- **Minister: German economy to grow between 3.4% and 3.7% this year –** The German economy, Europe's largest, should grow by between 3.4% and 3.7% this year, Economy Minister Peter Altmaier said on Tuesday, offering a more upbeat outlook than when the government raised its forecast at the end of April. "Overall, the German economy will have regained its pre-pandemic strength by the end of this year. That is a reason for optimism," Altmaier told foreign reporters. "We expect the German economy to grow somewhere between 3.4 and 3.7 percent this year. If things go very well, maybe a tenth or two more. And we expect it to grow by 4% next year," he added. At the end of April, the government raised its growth forecast to 3.5% from a previous estimate of 3%. Last year, the economy slumped some 5%, hit by restrictions to contain the COVID-19 pandemic. Asked whether he was concerned that a rise in German consumer prices could strengthen, Altmaier said he was "watching this development with inflation very closely" but could not pass judgment on it yet. Germany's annual consumer price inflation accelerated in May, advancing further above the European Central Bank's target of close to but below 2%, the Federal Statistics Office said on Monday. Consumer prices, harmonized to make them comparable with inflation data from other European Union countries, rose by 2.4% in May, up from 2.1% in April. A Reuters forecast had pointed to a May reading of 2.5%. (Reuters)
- **PMI: German manufacturing hums along in May despite supply bottlenecks –** Strong demand kept German factories humming in May even as supply bottlenecks and high material costs held back the sector, a survey showed on Tuesday. IHS Markit's Final Purchasing Managers' Index (PMI) for manufacturing, which accounts for about a fifth of the economy, reached 64.4, below March's record high 66.6 but up from a flash reading of 64.0. The index stood at 66.2 in April. Factories in Europe's biggest economy have been humming along during the pandemic almost undisturbed by lockdowns that have impacted the services sector. Activity accelerated early this year on strong demand from the US and China. But supply shortages and rising costs pose a growing threat, the survey compilers said. "The disruption from supply shortages has continued to spread, with now almost four-in-five manufacturers reporting increased lead times on inputs and a growing number also citing an impact on output and new orders due to forced downtime," said Phil Smith, principal economist at IHS Markit. "The disruption to supply comes hand in hand with a further surge in cost pressures, with 90% of manufacturers – far more than ever before in the survey's 25-year history – reporting increased input prices in May," he added. "Strong demand fundamentals mean that manufacturers are able to pass on some of the burden of higher costs through unprecedented price increases of their own." The survey also found that activity expectations for the year ahead remained close to record high levels and manufacturers were hiring at a faster pace to meet rising demand. (Reuters)
- **Bullish German job market data points to consumer-driven recovery –** German unemployment fell more than expected in May as companies hired more staff in light of a recovery in Europe's largest economy helped by falling coronavirus infections and an easing of lockdown measures, data showed on Tuesday. The surprisingly solid job market data is supporting expectations for a consumer-driven recovery over the summer months as households are ready to splash out after months of limited possibilities to spend due to COVID-19 restrictions. The Labor Office said the number of people out of work fell by 15,000 in seasonally adjusted terms to 2.739mn. A Reuters poll had forecast a fall of 9,000. The seasonally adjusted jobless rate remained unchanged at 6% for the fifth consecutive month. "There are first signs of a comprehensive improvement on the labor market in May. The impact of the coronavirus crisis is still visible very clearly, but it is becoming a bit smaller," Labor Office head Detlef Scheele said. In a further positive sign, the number of employees put on reduced working hours in job protection schemes, also known as Kurzarbeit, fell sharply in May, preliminary figures showed. (Reuters)

- **IHS Markit: Brazil manufacturing PMI rebounds in May to three-month high –** Growth in Brazil's manufacturing sector accelerated in May to its fastest rate in three months, a survey of purchasing managers' activity showed, as businesses banked on an end to the current COVID-19 difficulties and a brighter future. New orders and employment grew at their fastest pace since February, new export orders were the highest this year and the real's recent appreciation pushed input prices to a 10-month low, IHS Markit's purchasing managers index (PMI) report showed. The headline PMI rose to 53.7 in May from 52.3 in April, IHS Markit said. A reading above 50.0 marks expansion, while a reading below signifies contraction. The series was launched in 2006. (Reuters)
- **Brazil posts May trade surplus of $9.3bn as exports hit historic high –** Brazil posted a trade surplus of $9.3bn in May, Economy Ministry figures showed on Tuesday, as record exports for that month helped fuel the second largest overall surplus ever. The $9.3bn surplus was almost exactly in line with the consensus forecast in a Reuters poll for a $9.2bn surplus, and up almost 30% from the $6.8 billion surplus in May last year. It is the second highest on record following April's $10.3bn surplus, Refinitiv figures show, meaning the April-June surplus will almost certainly be the highest quarterly surplus on record. Exports in May totaled a record $26.95bn for that month and imports were $17.7bn, the ministry said, adding that total trade flows of $44.6bn in the month were up 50% from a year earlier. These figures mean Brazil's trade surplus in the first five months of the year totaled $27.5bn, sharply up from the $15.8bn surplus a year ago. Exports in the January-May period totaled $109.1bn, up 31% on the year, while imports of $81.5bn were 21% higher than a year ago, ministry figures showed. Economy Ministry officials have said the 2021 surplus could reach a record of almost $90bn, and the central bank is forecasting a $70bn surplus this year. Both would be significantly higher than last year's $53bn. (Reuters)
- **Global banks lift Brazil 2021 GDP growth forecasts to over 5% –** Goldman Sachs, Citi and BNP Paribas on Tuesday raised their Brazilian 2021 gross domestic product growth forecasts to more than 5.0%, leading a string of upward revisions from major banks after strong first-quarter GDP data. Economists at Goldman Sachs and BNP Paribas raised their full-year forecast to 5.5% from 4.6% and 4.5%, respectively, among the most bullish outlooks for Latin America's largest economy, while economists at Citi raised theirs to 5.1% from 3.6%. Economists at Credit Suisse raised their forecast to 4.9% from 4.0%, and their counterparts at Barclays upped theirs to 4.8% from 4.3%. "We expect the economy to recover visibly in coming quarters in tandem with further progress on the Covid vaccination front, gradual reopening of the economy, renewed fiscal stimulus, (and) recovering consumer and business confidence," Alberto Ramos at Goldman Sachs wrote. Official figures showed that GDP expanded by 1.2% in the first quarter, a faster rise than economists had expected as rebounding services and investments took Latin America's largest economy to its pre-pandemic size at the end of 2019. Ramos said his outlook assumes no energy supply shortages resulting from the drought affecting Brazil, an easing of supply-chain bottlenecks and a better COVID-19 picture. (Reuters)

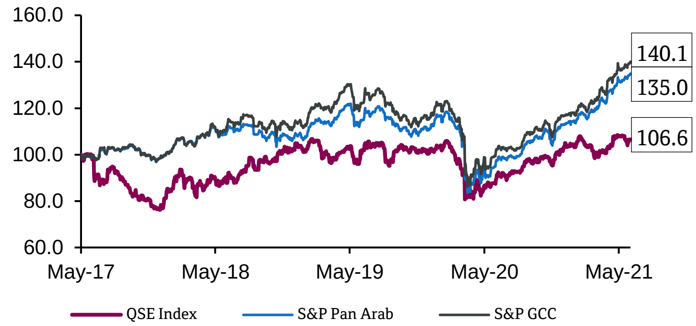
Regional

- **OPEC+ sticks to plans to ease oil cuts –** OPEC+ agreed on Tuesday to stick to the existing pace of gradually easing oil supply curbs, two OPEC+ sources said, as producers balanced expectations of a recovery in demand against a possible increase in Iranian supply. The OPEC and allies - known collectively as OPEC+ - decided in April to return 2.1mn bpd of supply to the market during May to July as it anticipated demand would rise despite high numbers of coronavirus cases in India. Since that decision, oil has extended its rally and has now gained more than 30% this year, although the prospect of more crude from Iran, as talks on reviving its nuclear deal make progress, has limited the upside for oil prices. (Zawya)
- **Saudi Arabia expected to raise July light crude prices for Asia –** Top oil exporter Saudi Arabia is expected to slightly increase its July official selling prices (OSPs) of light crude for Asia, as margin weakness and demand uncertainty cap the upside despite stronger crude benchmarks, a Reuters survey showed. Sources at five Asian refiners on average expected the July OSP for Saudi flagship grade Arab Light to rise by $0.10 a barrel, with their forecasts ranging between no change to an increase of up to $0.20. The expected adjustment for Arab Light tracked the price strength in Middle East crude oil benchmarks Cash Dubai and DME Oman, which in May saw their premiums to Dubai swaps up by 14 cents and 8 cents respectively from April. But weakness in Asia's refining margins, also known as cracks, in particular for fuel oil, is expected to bring cuts in July OSPs for heavier Saudi crude grades, according to three of the respondents. They forecast a price reduction of $0.10-$0.30 a barrel for Arab Medium and a cut of $0.40-$0.70 a barrel for Arab Heavy. (Reuters)
- **Saudi's ACWA Power signs Red Sea Project MoU with Dubai's Neutral Fuels –** Saudi Arabian utility developer ACWA Power has signed an MoU with Dubai-based biofuel company Neutral Fuels to power Red Sea Project's transport network. Under the MoU, the two companies will collaborate to use Neutral Fuels' Net Zero Biofuel to power the Saudi Arabian tourism mega project's vehicles. An ACWA Power-led consortium was awarded the contract to design, build, operate and transfer the Red Sea Project's sustainable utilities infrastructure in November 2020. The Red Sea Project is to be the first of its size in the world to be fully powered by renewable and sustainable energy sources, including biofuel. CEO of Neutral Fuels, Karl W Feilder said: "The scale of the project is impressive but the real news here is the massive scale of the commitment that the Kingdom of Saudi Arabia is making to renewable energy. Neutral Fuels has started setting up a biorefinery in Saudi Arabia to serve the project and will process used vegetable cooking oil to make the biofuel. (Zawya)
- **CBUAE reports decline in total bank deposits –** Total bank deposits in the UAE have fallen by 0.2% in one month due to a decline in resident deposits, according to the latest data from the central bank. As of the end of April 2021, money held in deposit accounts across the country amounted to AED1.877tn compared to AED1.881tn in March 2021. That is a reduction in deposits by roughly AED4bn in one month. In a note sent on Tuesday, the central bank said the fall in deposits is attributable to 0.7% reduction in resident deposits. Resident deposits fell mainly due to lower government-related enterprise (GRE) and non-banking financial institutions' deposits, which dropped by 12.5% and 6.4%, respectively. The banking authority also reported that the UAE money supply aggregate M1 increased marginally by 0.3% to AED644.4bn during the same period. The money supply aggregate M2 fell by 1.7% to AED1.46tn, while money supply aggregate M3 reduced by 0.1% to AED1.76tn. (Zawya)
- **S&P: Abu Dhabi economy to recover to 2019 levels in 2023 –** Abu Dhabi's economy will improve this year on the back of increased business activity and higher oil prices, but the actual recovery will happen only in 2023, according to S&P. The ratings agency has affirmed its outlook on the UAE capital to AA/Stable/A-1+, reflecting S&P's expectation that, despite oil price pressures, the Emirate's fiscal position will remain strong over the next two years. "We expect a modest economic

recovery in 2021 due to increased economic activity as the effects of the pandemic abate and also due to higher oil prices, which indirectly support real GDP growth. However, real GDP will only recover to 2019 levels by 2023," S&P said. The agency said it could consider raising its ratings if Abu Dhabi makes further institutional reforms and improve transparency on data and fiscal assets. If the emirate implements measures to boost its monetary policy, such as developing domestic capital markets, the ratings could also improve. (Zawya)

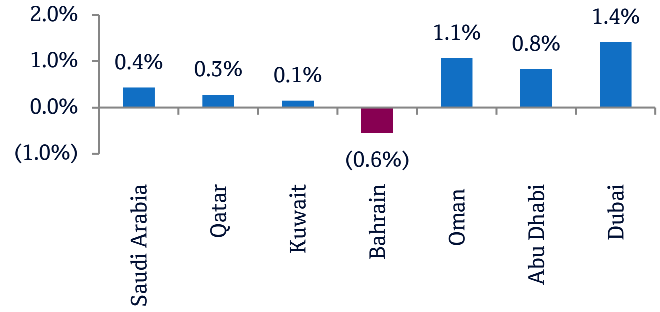
- **Mubadala may part ways with Rowlands as partner in digital bank –** A digital bank backed by Mubadala Investment Co. is looking to replace the British Rowland family as its founding shareholder, embarking on a rebuild the Abu Dhabi sovereign fund blames on the global pandemic. Set up in 2018 in Abu Dhabi's financial hub by Mubadala and a Rowland-owned entity, the Anglo-Gulf Trade Bank was touted as the world's first digital trade bank, promising to create an online finance platform that would facilitate commerce between the Middle East, the UK and Asia. Its headquarters were inaugurated by Britain's Prince Andrew in 2018 with whom financier David Rowland maintains close ties. (Bloomberg)
- **Israel to open economic office in Abu Dhabi to boost Gulf investment –** Israel plans to open an economic attached office in Abu Dhabi this summer to attract foreign investment and boost economic relations with Gulf states and the broader Arab world, the Economy Ministry said on Tuesday. This follows a US-brokered normalization of ties between Israel and the UAE last September that has led to a number of bilateral banking deals and direct flights between the two countries. On Monday, an Emirati embassy opened in Tel Aviv while Israel's Finance Ministry said Israel and the United Arab Emirates signed a tax treaty to spur business development between the countries. Economy Minister, Amir Peretz said he saw "enormous economic potential" in strengthening Israeli-Emirati relations. "Opening the economic attached office will give a significant boost to the various initiatives already underway," Peretz added. (Reuters)
- **ADNOC, TAQA partner to construct utilities facility for TA'ZIZ –** Abu Dhabi National Oil Company (ADNOC) and Abu Dhabi National Energy Company (TAQA) will together construct a utilities facility for a TA'ZIZ chemicals production hub that is currently being developed at Ruwais in Abu Dhabi. Initial chemicals production in TA'ZIZ is expected by 2025. ADNOC and TAQA will jointly develop the power, steam, cooling, demineralized and waste-water services to enable chemicals projects within the TA'ZIZ ecosystem, according to a statement from ADNOC. Acting CEO, TA'ZIZ, Khaleefa Al Mheiri said: "Through the partnership between ADNOC and TAQA and related enabling investments in TA'ZIZ, we are well-placed to further strengthen our position as a world-scale chemicals and industrial hub and top destination for foreign direct investment, leveraging technology to further grow the UAE's advanced manufacturing base." TA'ZIZ will catalyze the development of manufacturing and supply chain activities at Ruwais. According to a statement from ADNOC, opportunities are available for local and international investors to participate across the value chain, including light manufacturing and services. (Zawya)
- **Oman, Saudi Arabia discuss investment, days after Omanis protest over unemployment –** Senior Saudi and Omani officials on Tuesday discussed investment opportunities in both countries, state media reported, a few days after Oman was hit by protests over unemployment. The virtual meeting was held by Saudi Investment Minister Khalid al-Falih and Omani Commerce and Industry Minister, Qais al-Yousef, Oman's state television channel reported. It was not immediately known if the meeting was planned before last week's street protests in Oman, which were not mentioned by state media reports on the talks. The talks addressed diversification of economies and sectors with investment opportunities, Omani TV added. (Reuters)
- **Oil market able to absorb gradual increases in OPEC+ crude production –** Kuwait's Oil Minister said on Tuesday global markets have been able to absorb the gradual oil production increases introduced by the OPEC and its allies in May, state-run KUNA news reported. Minister, Mohammad Abdulatif al-Fares's comments came in a statement ahead of a meeting of the group, collectively known as OPEC+, KUNA added. "There are indications that life is returning to normal in many countries as vaccination programs against the coronavirus accelerate," he said, adding that there should be higher demand for crude in the second half of the year. (Reuters)
- **Sharjah Cement to delist from Boursa Kuwait on August 26 –** UAE-based Sharjah Cement and Industrial Development Company, dual-listed on the Abu Dhabi Securities Exchange (ADX) and Boursa Kuwait, said that on August 26, 2021 will be the day it delists from the Kuwait stock exchange. Shareholders may open an account with ADX and transfer their shareholding there, the cement producer said in a filing on Borsa Kuwait on Tuesday. The Kuwait Capital Market Authority approved the voluntary delisting in February 2021, nearly a year after the ordinary general meeting (OGM) of Sharjah Cement voted on the move. (Zawya)
- **Kuwait's April consumer prices rise 3.12% YoY –** Kuwait's consumer prices rose 3.12% in April YoY, according to the Central Statistical Bureau. The consumer prices fell 0.17% MoM. (Bloomberg)
- **Kuwait sells KD360mn 182-day bills; bid-cover at 7.36x –** Kuwait sold KD360mn of 182-day bills due on November 30. Investors offered to buy 7.36 times the amount of securities sold. The bills have a yield of 1.25% and settled on June 1. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,900.44	(0.3)	(0.2)	0.1
Silver/Ounce	27.89	(0.5)	(0.2)	5.6
Crude Oil (Brent)/Barrel (FM Future)	70.25	1.3	0.9	35.6
Crude Oil (WTI)/Barrel (FM Future)	67.72	2.1	2.1	39.6
Natural Gas (Henry Hub)/MMBtu	2.95	3.9	3.9	23.4
LPG Propane (Arab Gulf)/Ton	91.50	2.8	2.8	21.6
LPG Butane (Arab Gulf)/Ton	96.25	2.9	2.9	38.5
Euro	1.22	(0.1)	0.2	(0.0)
Yen	109.48	(0.1)	(0.3)	6.0
GBP	1.42	(0.4)	(0.3)	3.5
CHF	1.11	0.2	0.3	(1.4)
AUD	0.78	0.3	0.5	0.8
USD Index	89.83	0.0	(0.2)	(0.1)
RUB	73.54	0.1	0.5	(1.2)
BRL	0.19	1.3	1.4	0.8

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,982.03	0.2	0.1	10.9
DJ Industrial	34,575.31	0.1	0.1	13.0
S&P 500	4,202.04	(0.0)	(0.0)	11.9
NASDAQ 100	13,736.48	(0.1)	(0.1)	6.6
STOXX 600	450.10	0.8	0.5	12.9
DAX	15,567.36	1.0	0.6	13.0
FTSE 100	7,080.46	0.6	0.6	13.7
CAC 40	6,489.40	0.7	0.3	17.0
Nikkei	28,814.34	(0.1)	(0.8)	(0.9)
MSCI EM	1,390.85	1.1	2.2	7.7
SHANGHAI SE Composite	3,624.71	0.1	0.5	6.8
HANG SENG	29,468.00	1.1	1.2	8.1
BSE SENSEX	51,934.88	(0.5)	0.4	9.1
Bovespa	128,267.10	3.2	3.5	7.9
RTS	1,614.21	1.0	0.6	16.3

Source: Bloomberg (*$ adjusted returns)

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