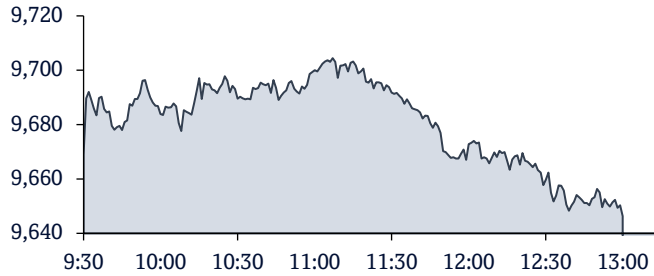


### QSE Intra-Day Movement



### Qatar Commentary

The QE Index declined 0.2% to close at 9,646.3. Losses were led by the Industrials and Banks & Financial Services indices, falling 0.6% and 0.2%, respectively. Top losers were Qatar General Ins. & Reins. Co. and Mesaieed Petrochemical Holding, falling 2.6% and 1.5%, respectively. Among the top gainers, Gulf International Services and Widam Food Company were up 1.7% each.

### GCC Commentary

**Saudi Arabia:** The TASI Index fell 1.1% to close at 12,120.9. Losses were led by the Health Care Equipment & Svc and Software & Services indices, falling 3.7% and 3.6%, respectively. Saudi Public Transport Co. declined 10.0%, while Saudi Public Transport Co. was down 9.9%.

**Dubai:** The DFM Index fell 0.9% to close at 4,136.8. The Real Estate index declined 1.9%, while the Industrials index fell 1.8%. Al Salam Sudan declined 10.0%, while Agility the Public Warehousing Company was down 9.9%.

**Abu Dhabi:** The ADX General Index fell 0.4% to close at 9,058.5. The Health Care index declined 0.8%, while the Consumer Discretionary index fell 0.7%. Fujairah Building declined 9.8%, while Palms Sports was down 5.8%.

**Kuwait:** The Kuwait All Share Index fell 0.1% to close at 7,195.3. The Telecommunications index declined 1.7%, while the Banks index fell 0.4%. Real Estate Trade Centers Company declined 8.1%, while Al Masaken Intl Real Estate was down 7.0%.

**Oman:** The MSM 30 Index fell 0.2% to close at 4,757.9. Losses were led by the Financial and Services indices, falling 0.2% and 0.1%, respectively. Acwa Power Barka declined 3.3%, while Al Jazeera Services Company was down 3.2%.

**Bahrain:** The BHB Index gained marginally to close at 2,023.0. The Financials index gained 0.2% while other indices ended flat or in the red. Esterad Co. gained 3.0%, while Al Salam Bank was up 1.5%.

| QSE Top Gainers             | Close* | 1D% | Vol. '000 | YTD%  |
|-----------------------------|--------|-----|-----------|-------|
| Gulf International Services | 3.080  | 1.7 | 9,761.7   | 11.6  |
| Widam Food Company          | 2.485  | 1.7 | 3,954.9   | 5.3   |
| Estithmar Holding           | 2.028  | 1.3 | 1,936.8   | (3.2) |
| National Leasing            | 0.709  | 1.1 | 5,660.9   | (2.7) |
| Barwa Real Estate Company   | 2.971  | 1.0 | 2,792.9   | 2.7   |

| QSE Top Volume Trades             | Close* | 1D%   | Vol. '000 | YTD%  |
|-----------------------------------|--------|-------|-----------|-------|
| Salam International Inv. Ltd.     | 0.690  | 0.9   | 31,950.3  | 1.0   |
| Qatari German Co for Med. Devices | 1.861  | 0.1   | 23,928.8  | 28.3  |
| Dukhan Bank                       | 3.815  | 0.1   | 15,444.8  | (4.0) |
| Masraf Al Rayan                   | 2.401  | 0.7   | 12,722.7  | (9.6) |
| Qatar Aluminum Manufacturing Co.  | 1.374  | (0.3) | 11,404.6  | (1.9) |

| Regional Indices | Close     | 1D%   | WTD%  | MTD%  | YTD%   | Exch. Val. Traded (\$ mn) | Exchange Mkt. Cap. (\$ mn) | P/E** | P/B** | Dividend Yield |
|------------------|-----------|-------|-------|-------|--------|---------------------------|----------------------------|-------|-------|----------------|
| Qatar*           | 9,646.28  | (0.2) | 0.1   | (0.8) | (10.9) | 130.78                    | 153,895.1                  | 10.9  | 1.3   | 4.9            |
| Dubai            | 4,136.85  | (0.9) | (1.0) | (0.5) | 1.9    | 89.97                     | 190,826.6                  | 8.1   | 1.3   | 5.8            |
| Abu Dhabi        | 9,058.46  | (0.4) | (0.7) | (0.1) | (5.4)  | 256.35                    | 696,397.7                  | 16.9  | 2.7   | 2.2            |
| Saudi Arabia     | 12,120.91 | (1.1) | (1.3) | (2.2) | 1.3    | 1,956.29                  | 2,830,675.6                | 19.6  | 2.4   | 3.3            |
| Kuwait           | 7,195.34  | (0.1) | 1.6   | 2.0   | 5.5    | 203.76                    | 151,429.9                  | 16.3  | 1.5   | 3.3            |
| Oman             | 4,757.89  | (0.2) | (0.3) | (0.6) | 5.4    | 10.93                     | 24,099.6                   | 12.4  | 0.9   | 5.6            |
| Bahrain          | 2,023.07  | 0.0   | (0.4) | (0.3) | 2.6    | 6.48                      | 21,216.0                   | 7.5   | 0.8   | 8.3            |

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         | 14 May 24 | 13 May 24 | %Chg.  |
|---------------------------|-----------|-----------|--------|
| Value Traded (QR mn)      | 476.6     | 497.1     | (4.1)  |
| Exch. Market Cap. (QR mn) | 561,251.2 | 562,138.2 | (0.2)  |
| Volume (mn)               | 206.5     | 274.9     | (24.9) |
| Number of Transactions    | 16,319    | 16,388    | (0.4)  |
| Companies Traded          | 50        | 49        | 2.0    |
| Market Breadth            | 29:18     | 27:19     | -      |

| Market Indices              | Close     | 1D%   | WTD%  | YTD%   | TTM P/E |
|-----------------------------|-----------|-------|-------|--------|---------|
| Total Return                | 21,696.43 | (0.2) | 0.1   | (6.7)  | 10.9    |
| All Share Index             | 3,383.68  | (0.2) | 0.1   | (6.8)  | 11.6    |
| Banks                       | 4,005.45  | (0.2) | 0.3   | (12.6) | 9.7     |
| Industrials                 | 4,015.07  | (0.6) | 0.5   | (2.5)  | 2.7     |
| Transportation              | 4,929.46  | 0.2   | (1.8) | 15.0   | 23.7    |
| Real Estate                 | 1,662.90  | 0.6   | 0.8   | 10.7   | 13.6    |
| Insurance                   | 2,317.07  | (0.1) | (1.1) | (12.0) | 167.0   |
| Telecoms                    | 1,568.41  | 0.0   | 0.2   | (8.0)  | 8.6     |
| Consumer Goods and Services | 7,407.22  | 0.5   | 0.5   | (2.2)  | 230.9   |
| Al Rayan Islamic Index      | 4,609.76  | (0.2) | 0.2   | (3.2)  | 14.0    |

| GCC Top Gainers**          | Exchange     | Close* | 1D% | Vol. '000 | YTD%   |
|----------------------------|--------------|--------|-----|-----------|--------|
| Agility Public Warehousing | Kuwait       | 319.00 | 3.9 | 17,551.8  | (35.4) |
| ADNOC Drilling             | Abu Dhabi    | 4.25   | 3.7 | 9,590.7   | 12.4   |
| Americana Restaurants Int. | Abu Dhabi    | 3.15   | 2.3 | 4,772.4   | 1.3    |
| Saudi Logistics            | Saudi Arabia | 271.40 | 1.9 | 853.0     | 39.6   |
| Al Rajhi Bank              | Saudi Arabia | 79.80  | 1.1 | 5,085.1   | (7.7)  |

| GCC Top Losers**           | Exchange     | Close* | 1D%   | Vol. '000 | YTD%   |
|----------------------------|--------------|--------|-------|-----------|--------|
| Mouwasat Medical Services  | Saudi Arabia | 120.40 | (9.2) | 1,074.8   | 7.7    |
| Knowledge Economic City    | Saudi Arabia | 15.44  | (4.3) | 315.2     | 10.1   |
| Rabigh Refining & Petro.   | Saudi Arabia | 7.04   | (4.2) | 3,490.0   | (31.9) |
| Ethihad Etisalat Co.       | Saudi Arabia | 51.00  | (4.0) | 1,249.5   | 4.0    |
| Saudi Research & Media Gr. | Saudi Arabia | 240.80 | (3.6) | 47.0      | 40.5   |

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%   |
|---------------------------------|--------|-------|-----------|--------|
| Qatar General Ins. & Reins. Co. | 1.042  | (2.6) | 530.5     | (29.1) |
| Mesaieed Petrochemical Holding  | 1.756  | (1.5) | 7,673.0   | (1.8)  |
| Qatar Islamic Bank              | 17.76  | (1.3) | 852.7     | (17.4) |
| Industries Qatar                | 12.08  | (1.1) | 2,324.5   | (7.6)  |
| Qatar Oman Investment Company   | 0.869  | (1.1) | 2,860.9   | (8.6)  |

| QSE Top Value Trades              | Close* | 1D% | Val. '000 | YTD%   |
|-----------------------------------|--------|-----|-----------|--------|
| Dukhan Bank                       | 3.815  | 0.1 | 59,176.5  | (4.0)  |
| Qatari German Co for Med. Devices | 1.861  | 0.1 | 45,158.4  | 28.3   |
| QNB Group                         | 13.920 | 0.0 | 33,424.9  | (15.8) |
| Masraf Al Rayan                   | 2.401  | 0.7 | 30,562.9  | (9.6)  |
| Gulf International Services       | 3.080  | 1.7 | 29,600.5  | 11.6   |

### Qatar Market Commentary

- The QE Index declined 0.2% to close at 9,646.3. The Industrials and Banks & Financial Services indices led the losses. The index fell on the back of selling pressure from GCC and Foreign shareholders despite buying support from Qatari and Arab shareholders.
- Qatar General Ins. & Reins. Co. and Mesaieed Petrochemical Holding were the top losers, falling 2.6% and 1.5%, respectively. Among the top gainers, Gulf International Services and Widam Food Company were up 1.7% each.
- Volume of shares traded on Tuesday fell by 24.9% to 206.5mn from 274.9mn on Monday. However, as compared to the 30-day moving average of 161.7mn, volume for the day was 27.7% higher. Salam International Inv. Ltd. and Qatari German Co for Med. Devices were the most active stocks, contributing 15.5% and 11.6% to the total volume, respectively.

| Overall Activity        | Buy%*         | Sell%*        | Net (QR)               |
|-------------------------|---------------|---------------|------------------------|
| Qatari Individuals      | 37.44%        | 35.01%        | 11,601,185.05          |
| Qatari Institutions     | 36.39%        | 33.40%        | 14,253,155.15          |
| <b>Qatari</b>           | <b>73.83%</b> | <b>68.41%</b> | <b>25,854,340.21</b>   |
| GCC Individuals         | 0.29%         | 0.31%         | (132,665.02)           |
| GCC Institutions        | 1.81%         | 2.13%         | (1,534,521.08)         |
| <b>GCC</b>              | <b>2.09%</b>  | <b>2.44%</b>  | <b>(1,667,186.10)</b>  |
| Arab Individuals        | 12.92%        | 10.03%        | 13,776,026.18          |
| Arab Institutions       | 0.07%         | 0.00%         | 350,000.00             |
| <b>Arab</b>             | <b>13.00%</b> | <b>10.03%</b> | <b>14,126,026.18</b>   |
| Foreigners Individuals  | 3.16%         | 2.66%         | 2,381,514.54           |
| Foreigners Institutions | 7.92%         | 16.46%        | (40,694,694.82)        |
| <b>Foreigners</b>       | <b>11.08%</b> | <b>19.12%</b> | <b>(38,313,180.28)</b> |

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

### Global Economic Data

#### Global Economic Data

| Date  | Market  | Source                            | Indicator                   | Period | Actual | Consensus | Previous |
|-------|---------|-----------------------------------|-----------------------------|--------|--------|-----------|----------|
| 05-14 | US      | Bureau of Labor Statistics        | PPI Final Demand MoM        | Apr    | 0.50%  | 0.30%     | -0.10%   |
| 05-14 | US      | Bureau of Labor Statistics        | PPI Ex Food and Energy MoM  | Apr    | 0.50%  | 0.20%     | -0.10%   |
| 05-14 | UK      | UK Office for National Statistics | ILO Unemployment Rate 3Mths | Mar    | 4.30%  | 4.30%     | 4.20%    |
| 05-14 | UK      | UK Office for National Statistics | Employment Change 3M/3M     | Mar    | -178k  | -220k     | -156k    |
| 05-14 | Germany | German Federal Statistical Office | CPI YoY                     | Apr    | 2.20%  | 2.20%     | 2.20%    |
| 05-14 | Germany | German Federal Statistical Office | CPI MoM                     | Apr    | 0.50%  | 0.50%     | 0.50%    |
| 05-14 | Germany | German Federal Statistical Office | CPI EU Harmonized MoM       | Apr    | 0.60%  | 0.60%     | 0.60%    |
| 05-14 | Germany | German Federal Statistical Office | CPI EU Harmonized YoY       | Apr    | 2.40%  | 2.40%     | 2.40%    |

### Qatar

- MSCI Semi-Annual Index Review Results** - MSCI announced the results of the Semi-Annual index review yesterday (November 14, 2023), after-market trading hours. For the MSCI Qatar Standard Indices there were no additions/deletions to the index. However, with the weightage (FIF) changes to Nakilat (QGTS) and Masraf Al Rayan (MARK) in the index, it is expected that inflows of around \$23.0mn and \$22.5mn to flow into the stocks. MSCI also announced that in the Small Cap Index, MEEZA QSTP (MEZA) will be added to the index and Medicare Group (MCGS) will be deleted from the index. The effective trading date for today's MSCI announcement is May 30, 2024. (MSCI and QNBFS Research)
- Qatar Stock Exchange and Edaa Qatar oversee first onshore securities lending & borrowing transaction in Qatar** - Qatar Stock Exchange and Edaa Qatar as part of their market development efforts, oversaw the first ever onshore securities lending and borrowing transaction in Qatar. HSBC acted as custodian and agent lender for this transaction while QNBFS acted as the borrower. According to Qatar Stock Exchange, the transaction marks a key milestone for the 3rd Financial Sector Strategic Plan (3FSS) launched by the Qatar Central Bank in November 2023, which aims to further develop the financial sector in Qatar as part of the Qatar National Vision 2030. 3FSS includes capital markets as one of its central pillars of putting in place the market access infrastructure and a regulatory environment aligned with that in developed markets to further increase the size and liquidity of the Qatari market. Abdulaziz Al Emadi, Acting CEO of Qatar Stock Exchange, say: "This marks the beginning of a new era for QSE as this will allow investors and traders to execute sophisticated investment strategies, hedge their portfolios as well as gain access to securities financing in the local market. This unlocks a significant liquidity pool and should help attract new types of investors in the Qatari market. We are grateful to our partners in this transaction and especially to QFMA and Edaa for their support and cooperation." Edaa Qatar has played an instrumental role in enabling this transaction for the Qatari market. Its CEO Sheikh Saif bin Abdullah Al-Thani added, "With this first of its kind transaction in Qatar, Edaa is proud to enable the market infrastructure to conduct such value-added transactions for its customers. We will continue to work with our customers to further

develop the use of securities lending and borrowing for securities financing purposes." With this transaction, HSBC celebrates its long-standing partnership with QSE starting in 2004 when the country opened for foreign investment into its equity markets. Abdulhakim Mustafawi, CEO HSBC Qatar, says: "With our on-the-ground expertise and deep local knowledge, we're proud to have structured this transaction. We expect this will help attract more investors into the Qatari market and therefore help us connect global clients with opportunities in Qatar and vice versa, as we have for over 70 years." Adnan Hussain, global head of agency securities lending, HSBC, comments: "Qatar's opening up of its capital markets to securities lending for the first time not only allows us to help asset owners receive potentially higher returns from their Qatari equity investments, but also facilitates more liquidity into the market and enhance price discovery." "As the market maker of a more than 30 Qatari equities, QNBFS is proud to be engaged in the first of its kind transaction on QSE. It was the first securities lending transaction in the Qatari market, shall improve the efficiency of our market making activity. We further plan to offer this to our qualified investor clients that can benefit from new trading strategies on QSE that were not possible before," adds Maha Al Sulaiti, Acting CEO, QNBFS. QSE, QFMA and Edaa have worked hand in hand for consistent enhancements to the regulatory framework and market infrastructure, along with the publication of new rules and procedures relating to securities lending and borrowing effective March 25th, 2024, when the market shortened its settlement cycle from T+3 to T 2. A well-functioning securities lending and borrowing activity along hedging tools including derivatives is a key criterion for developed market status by international index providers such as MSCI and FTSE Russell. (QSE)

- Priced: QNB Finansbank \$500mn 5Y Sust. Reg S** - Deal priced \$500mn 5Y Sust. Reg S Fixed (May 21, 2029) at 99.485 to Yield 7.375%. Revised guidance 7.375%-7.5% will price in range, IPT 7.75% area. Books above \$1.4bn (excluding JLM interest): Leads. Coupon: 7.25%, semi-annual, 30/360. Issuer: QNB Finansbank AS (QNBFB). Exp. Ratings: B (Fitch). Format: Reg S CAT2, registered, senior unsecured, sustainability bond. UOP: To finance Eligible Loans in accordance with Qatar National Bank's Sustainable Finance and Product Framework. Settlement: May 21, 2024. Denoms: 200k x 1k. ISIN: XS2798098310. Bookrunners: Citi, ENBD, JPM,

Mizuho, QNBCAP, SocGen, StanChart (B&D). FTT: 8am London (May 15). Target Market: Eligible counterparties and professional clients only (all distribution channels). (Bloomberg)

- **Amir appoints president of General Tax Authority** - His Highness the Amir Sheikh Tamim bin Hamad al-Thani issued yesterday the Amiri Decision No 26 of 2024 appointing HE Khalifa bin Jassim al-Kuwari as President of the General Tax Authority. The decision is effective starting from its date of issue and is to be published in the official gazette. (Gulf Times)
- **GTA launches revamped version of its website** - General Tax Authority (GTA) announced today the unveiling of the newly revamped version of its website providing its browsers, including taxpayers and others, with an innovative digital experience that responds to the latest industry-leading technological advancements. The latest version boasts a diverse range of content and offers effortless browsing, utilizing cutting-edge electronic display technologies, in line with the best standards adopted. These enhancements are geared towards boosting taxpayer satisfaction across the user base while further optimizing the efficiency of the tax system. The revamped GTA website (gta.gov.qa) now offers an immersive digital engagement platform, customizing services to cater to the unique requirements of every user. (Peninsula Qatar)
- **Qatari Investors Group (QIG) selects Rise with SAP for accelerated transition to Cloud in-country** - Qatari Investors Group (QIG), a diversified conglomerate listed on the Qatar stock exchange, has signed a partnership agreement with global technology company SAP SE (NYSE: SAP) that will enable it to leverage the benefits of SAP's cloud ERP solution, with data securely hosted in Qatar. QIG will move its mission-critical business processes from its legacy on-premises ERP software systems to SAP S/4HANA Cloud, an enterprise resource planning (ERP) solution that enables 360-degree visibility and greater control over all operations. The move will be accelerated through the adoption of RISE with SAP, a comprehensive subscription offering regular updates to make QIG more resilient and agile in today's rapidly changing global market. Mr. Joseph Abdo, Chief Executive Officer of QIG, explains, "QIG worked closely with SAP to create a roadmap that is aligned with the country's digital transformation agenda and Qatar's National Vision 2030. We also wanted to ensure that we had real-time data and insights to respond rapidly to changes in the market, while delivering greater value to our customers. With RISE with SAP Cloud, we can transition to cloud without business risk, while gaining advantages from automated processes that allow us to concentrate on innovation and growth. We will see immediate benefits, such as streamlined operations and increased efficiencies, while setting ourselves up for long-term success, with automatic upgrades to new technologies and a scalable and flexible digital infrastructure." A key motivator for QIG in selecting SAP as its digital transformation partner was SAP's deep expertise in multiple industries, and the ease of establishing an integrated platform to manage diverse operations. QIG's subsidiaries and business interests include building and construction materials and services – such as the group's flagship project, Al Khalij Cement Company – as well as technology, marine services, property, project development, contracting and financial services. Mr. Alaa Jaber, Managing Director for SAP, Qatar and Fast Growth Markets, commented, "In an intensely competitive market, QIG is known for being futuristic in outlook and effective in management, and this digital transformation is a prime example of this approach. RISE with SAP enables customers to adapt to fast-changing conditions, from rapidly evolving AI applications to cybersecurity threats. The deployment will make QIG increasingly resilient, efficient, and agile, while also allowing it to innovate more quickly and easily." (QSE)
- **Brookfield, QIA eye China opportunities** - Brookfield Asset Management Ltd and Qatar's sovereign wealth fund continue to explore investment opportunities in China even as some other investors pull back from the world's second-largest economy. "There are many global investors that are not interested in China anymore, but there a lot that are," Brookfield Chief Executive Officer Bruce Flatt told a panel at the Qatar Economic Forum yesterday. "The local investors have money in China and are doubling down on investing in China," he said. "A lot of the Middle Eastern investors think the Americans have gone away and so there is an amazing opportunity to put capital to work and generate higher returns." The head

of Qatar's \$510bn sovereign wealth fund agreed and said the QIA would continue to deploy money into China as current prices provide an attractive entry point. "We have an allocation for China and we are focused on consumer related industries," said Mansoor al-Mahmoud, chief executive of the Qatar Investment Authority. Referring to China's large population and growing middle class, he said the QIA would maintain its future focus on the country. Speaking on the same panel, Franklin Templeton CEO Jenny Johnson echoed those thoughts and said there were pockets of opportunity in China. "It's about figuring out trends, and within China where there's a desire to build domestic markets." (Gulf Times)

- **QCB will keep creating Balance between Monetary Policies, Maintaining Growth Rates, Governor Confirms** - HE Governor of Qatar Central Bank (QCB) Sheikh Bandar bin Mohammed bin Saoud Al-Thani affirmed that QCB will keep creating the balance between the monetary policies, maintaining economy growth rates, and protecting from foreign capital flows. Addressing the session which was titled Artificial Intelligence & Reinventing Banking, that was held at the Qatar Economic Forum, His Excellency said that although the inflation rates in Qatar have reached rational levels, the QCB will continue to create that balance, emphasizing that pegging the Qatari riyal (QR) to the US dollar (USD) has been successful, and as a consequence, the profit rates are inherently associated with the orientations of the US Federal Reserve Board of Governors. His Excellency highlighted that the mission of QCB is currently focused on ensuring that QR is pegged to USD, since interest rates will not be reduced unless inflation is controlled. He indicated that inflation indicators in Europe are better than the United States and are moving towards the target levels estimated at 2 percent. The improvement of inflation rates in 2023 was owing to the improvement in supply chains, along with the decreasing prices of food and fuel, with the inflation rates varying from one country to the other since early 2024, His Excellency added. HE Governor of QCB announced that the bank set a general framework for Artificial Intelligence (AI) and has been circulated to the banks operating in the State of Qatar to further receive their feedback on the aforementioned topic. He emphasized that the utilization of AI would reduce the inflation rates in the long and medium terms, because AI supports efficiency, productivity and profit optimization and will ultimately result in redundancy. Leveraging AI technologies could increase inflation rates in the short term by a few percent, because many governments and firms are currently in need of investment in AI equipment and technologies, prompting a surge in prices, His Excellency highlighted, pointing out that AI is like any innovative technology that generates risks, foremost of which are protecting private information and cyber-attacks. The big concern right now is instability in the region which poses a major threat to the economic growth and sustainability for all sectors, he outlined. For his part, Governor of the Central Bank of Turkiye (CBRT) Fatih Karahan said CBRT is committed to maintaining a controlled position to reduce inflation and is ready to act, adding that he realizes the crescendo risks that could generate potential inflation. The CBRT predicts that, by the end of 2024, inflation could reach 38%, a threshold that should be maintained, he said, pointing out that the Turkish economy strives to maintain the price stability at the social level. (QNA)
- **Sheikh Bandar: QCB plans to issue first guidelines on how to adapt AI** - The Qatar Central Bank (QCB) plans to issue its first guidelines on how to adapt artificial intelligence (AI) in financial institutions in the country in a few weeks, said HE the QCB Governor, Sheikh Bandar bin Mohamed bin Saoud al-Thani. "Regulations are very important. That's going to help financial institutions better adapt AI and mitigate the risks. At this stage, we are working on guidelines, which we have sent to financial institutions as a consultation paper. We are going to see their feedback. In future, there may be a framework that governs data, AI, risk modelling etc. Participating in a panel session entitled 'Artificial intelligence and reinventing banking' at the Qatar Economic Forum yesterday Sheikh Bandar said: "Any new technology is fraught with risks...but the question is what type of risks. My main concern is about cyber-attacks and abusing technology to attack financial institutions. "I am equally concerned about data privacy, biased data and market manipulation. As a regulator, first of all, we have to improve our institutional capacity. And we have to hire skilled people to closely monitor the new technology that has been

adopted in financial institutions.” The QCB governor noted that AI is not a new topic for the financial industry. “Financial industry is data driven. Financial institutions use to have predicted models, algorithms and technology, for example trading. However, by adopting the new AI technology, we assume that it is going to enhance efficiency, customer experience, help manage risks better and compliance.” On AI and inflation, Sheikh Bandar noted: “In the mid to long-term, my own belief is that AI will contribute to bring down inflation. This is because AI is assumed to enhance efficiency, productivity and also improve profitability. “But in the short term, I believe AI could contribute to an increase in inflation a little bit. This is because lots of institutions will need to invest in hardware, software, new technology and training. And that might cause prices to increase a little bit.” Sheikh Bandar reiterated that Qatar will keep its currency (riyal) pegged to the US dollar. “We are pegged to the dollar. As a central bank, our main duty is to maintain the pegged rate. That’s why we are keeping the interest rate high in Qatar, despite inflation declining to a reasonable level. “Our job is to maintain the pegged rate...our job is to make sure there is no capital outflow from our market. So, we have to manage the balance between monetary policy and growth as well as protecting the economy from capital outflows. “Historically, this regime worked very well for the State of Qatar. We are going to keep our currency pegged to the US dollar.” On global inflationary outlook, Sheikh Bandar said: “In 2023, inflation improved significantly due to the improvement in supply chain and decline in the prices of food and energy. From the beginning of 2024, until now, inflation varied from country to country...one geography to another. “For example, in the US, inflation is still high. In the beginning of this year, there were expectations of three cuts for 2024. But now things have changed...because data coming from the economy has changed. In the US, inflation is still high. The interest rates might stay higher for longer. “While in Europe, we can see inflation declining to nearly 2%. A better situation than in the US.” He said no central bank will move to cut interest rate, unless they are confident enough that inflation is at its targeted level. They need more confident data to move and cut interest rates. Sheikh Bandar also said that political stability is essential to see growth in economies around the world. (Gulf Times)

- PM underscores Qatar’s focus on FDI and private sector growth** - The Qatari government has been keen on creating opportunities for the private sector, attracting foreign direct investments (FDI), and the growth of the manufacturing, logistics, tourism, and ICT sectors, as well as financial services, HE the Prime Minister and Minister of Foreign Affairs Sheikh Mohamed bin Abdulrahman bin Jassim al-Thani has said. He made the statement during an on-stage conversation with Bloomberg Television anchor Francine Lacqua at the opening ceremony of the Qatar Economic Forum 2024 yesterday. HE Sheikh Mohamed underscored Qatar’s infrastructure-related investments in its healthcare and education sectors. He said, “Healthcare has more potential in terms of its economic side, which is basically research and development and, hopefully, the pharmaceutical industry.” He noted that Qatar has made great strides in its digitalization strategy, citing the need for major investments in artificial intelligence (AI)-related infrastructure or applications. The Prime Minister highlighted the role of educational institutions in pushing Qatar’s plans to maximize the use of AI. During his speech, Sheikh Mohamed announced the launch of ‘AI Fanar’ or the Arabic Artificial Intelligence project. He said the project’s main objective is to collect quality data in the Arabic language, contributing to enriching large linguistic models and preserving the Arab identity. Speaking on Qatar’s investment plans, HE the Prime Minister highlighted the country’s diversification strategy, including outward investments, making sure “there will be a high return.” “We ensure that the balance is right within our portfolio. Of course, in the last few years, the US has been one of our main markets. Asia is an interesting market, and we have investments there, but we are also exploring opportunities and trying to expand to new emerging markets like the Central Asian region and Africa. “Our focus as a sovereign wealth fund is for future generations, so we wanted to make sure that these investments are not high-risk, ensuring the stability of the jurisdiction where we are investing and ensuring sustainable income,” the Prime Minister explained. Sheikh Mohamed said the recent launch of the country’s National Development Strategy is seen as the final phase of achieving the Qatar National Vision 2030. He

emphasized that the government is now capitalizing on the infrastructure that was built for the energy sector and for hosting the 2022 FIFA World Cup. At the center of this strategy, the Prime Minister stressed that Qatar is focusing on human capital, unleashing their potential, and opening up opportunities for the private sector. On the regional level, HE Sheikh Mohamed underscored the importance of Qatar’s investments in its GCC neighbors, such as Saudi Arabia and the UAE, among others. He said there has been increased interest among Qatari companies to invest in other Gulf nations. (Gulf Times)

- AI-Kuwari: Qatar's energy sector performs very well; targets 4% annual growth in non-hydrocarbons until 2030'** - Qatar, whose energy sector is performing very well, has targeted an annual 4% growth in the non-hydrocarbons sector for the next six years through strategizing key sectors as logistics, ICT (information, communication and technology), manufacturing and tourism, according to HE the Finance Minister Ali bin Ahmed al-Kuwari. "Our energy sector is performing very well. We believe LNG will be transit energy for a long time," he told the Qatar Economic Forum (QEF), Powered by Bloomberg. "We are going to increase Qatar's (liquefied natural gas or LNG) production by 85% in a phased manner until 2030. We are going to be reaching 142mn tonnes per annum of LNG," he added. In February this year, Qatar Energy, the country's hydrocarbons behemoth, announced that it is proceeding with a new LNG expansion project, the “North Field West” project, to further raise Qatar’s LNG production capacity to 142mn tonnes per annum. Extensive appraisal drilling and testing have confirmed that productive layers of Qatar’s giant North Field extend towards the west, which allows for developing a new LNG production project in Ras Laffan. Highlighting that the country is embarking on the last phase of its journey toward the 2030 vision, he said the first phase focused on creating national champions such the Qatar Investment Authority and Ooredoo, which helped in building brand for the country. In the second phase, he said Qatar invested more than QR300bn in developing infrastructure for the country, which stood in good stead as it successfully hosted the 2022 FIFA World Cup. "We are building for Qatar's future. What we are doing is for Qatar. The World Cup was only an event that helped us accelerate," he said, adding “when you have such a mega event, it tells you to accelerate some of your, plans. So much of our infrastructure was accelerated for the World Cup." Post-2022 World Cup, the country moved forward with economic diversification and enabling the private sector, he said, adding the focus was on key sector such as logistics, ICT, manufacturing and tourism. "We are going to be using enabling sectors...the financial sector is going to be one of the strong enablers to achieve these goals," he said, targeting to grow the non-hydrocarbon by 4% a year until 2030. He said the country has a well-crafted fiscal framework with different revenue scenarios and has a fixed formula to support the general budget, reduction of debt and investments by Qatar's sovereign wealth as well as enhance the Qatar Central Bank reserves and build a cushion for a future volatility of the market. (Gulf Times)
- 'Qatar continues to focus on economic diversification'** - Qatar is focusing on its journey towards economic diversification. The four key sectors the country is going to be focusing on are logistics, ICT, manufacturing, and tourism, said Minister of Finance HE Ali Ahmed Al Kuwari addressing the Qatar Economic Forum 2024, yesterday. Leading policymakers shared how they are guiding the region towards a vision of sustainable and inclusive growth, powered by vibrant and diversified economies during a panel discussion entitled 'Reshaping Middle East Economies'. The session discussed what the countries in the GCC can do for this acceleration to keep going with a view of working towards more inclusive, sustainable growth. Minister of Finance touched on several fundamental topics, including Qatar's macro-outlook, regional direction (integrations vs. fragmentation), economic vision, plans beyond 2030. He highlighted the ambitious goals set out by the Third National Development Strategy (NDS3), which aims to achieve sustainable economic growth by increasing non-oil growth to 4% annually. Minister Al Kuwari emphasized the crucial role played by this vision phase in achieving this goal, stating that "Through NDS3, the goal is to promote sustainable economic growth, ensuring competitiveness amid a dynamic global environment." Speaking during a session during the fourth edition of the Qatar Economic Forum under the theme “A World Remade: Navi-gating the Year of Uncertainty,

Minister of Finance highlighted the Qatar National Vision 2030 which has been the economic backbone for the trajectory of Qatari economy and sectors that are going to be driving growth. Minister Al Kuwari said, "We are embarking in the last phase of our journey toward 2030 vision. When we made the vision there were three phases, the first phase focused on creating national champions – the Qatar Investment Authority, QNB, Ooredoo which helped us to build the brand for the country. In second phase, we invested more than QR300bn in state-of-the-art infrastructure for the country and we had a big event FIFA 2022. So much of our infrastructure was helped to be accelerated for the world cup event." "Beyond 2022 we continued our journey and focused more about economic diversification, enabling the private sector about changing the policies and ease of doing business, focusing on key sectors and balancing between development of human capital, health, education, technology, environment and sustainability." (Peninsula Qatar)

- Qatar signs agreement with Islamic Development Bank Group** - Qatar, represented by the Ministry of Finance, signed a memorandum of understanding with the Islamic Development Bank Group regarding strategic cooperation between the two parties. This agreement comes on the sideline of the Qatar Economic Forum 2024, in its fourth edition, which is taking place from May 14 to May 16 in Doha. The MOU was signed by Minister of Finance HE Ali bin Ahmed Al Kuwari and Islamic Development Bank (IsDB) Group Chairman Dr Muhammad Sulaiman Al Jasser. This memorandum aims to strengthen the development cooperation framework for both parties by targeting green infrastructure and fostering partnerships with the private and financial sectors. It aims to contribute to supporting initiatives launched by Qatar for economic transformation and to strengthen partnerships for development in selected member countries. (Qatar Tribune)
- QIA to invest in data centers, software linked to AI, tourism and healthcare as it widens investment portfolio** - The Qatar Investment Authority (QIA) is focusing on five themes such as AI (artificial investment), climate change, tourism, healthcare and supply chain as it widens its global investment portfolio, according to its chief executive officer Mansoor Ebrahim al-Mahmoud. Addressing a panel session at the Qatar Economic Forum (QEF), Powered by Bloomberg, he said the sovereign wealth fund will invest in data centers, data categorization, software applications linked to AI and chipmakers. "We are investing and we are not stopping but winner in these sectors is still not clear for most of the investors," he said. Stressing that AI technology is still in its infancy despite generating a lot of interest; he said some aspects are very clear as it has a business model like data center and chips. The QIA had announced it would anchor an investment commitment in Aridian Semiconductor, a fund established by French private equity investment company Aridian. Semiconductor and its supply chain remain a key investment area for the QIA across all regions. Notable recent investments by the QIA in this value chain include Kokusai Electric Corporation by taking a minority stake in June 2023. Highlighting that the QIA would continue to deploy money into China as current prices provide an attractive entry point, al-Mahmoud said: "We have an allocation for China and we are focused on consumer related industries." The QIA is focused on five main themes and he said one of them is digitization and AI. The other trendy investment type is related to climate, he added. The growing middle-class segment during the last cycle had led to a lot of wealth being accumulated; he said referring to the potential in the tourism sector. On investment in infrastructure, al-Mahmoud said the needs are large as the sector is becoming important for the fact that the governments are trying to get the private sector involved for more efficiency. Canada's Brookfield Asset Management said it is investing \$10-12bn to build 10.5 gigawatts of renewable energy for Microsoft over the next five years, Bruce Flatt, the investment firm's chief executive officer, said. The companies had entered into a pact this month, which is slated to contribute to Microsoft's goal of matching all of its electricity consumption with zero-carbon energy purchases by 2030. Lei Zhang, Founder and Chairman of Hillhouse, said it was open to investments in private credit in Asian markets. Jenny Johnson, President and CEO of Franklin Templeton, discussed investment opportunities in regions benefiting from current economic trends. (Gulf Times)
- QIA to support France's semiconductor sector** - Qatar will venture into France's tech industry as a major investment body announced its intent to anchor a financial commitment in Aridian Semiconductor. Qatar Investment Authority (QIA) on Tuesday announced its intent to anchor an investment commitment in Aridian Semiconductor, reflecting QIA's commitment to a world-leading private investment house with a first-of-its-kind thematic fund, aiming to enhance the semiconductor industry in France and Europe. This investment demonstrates QIA's position as the financial partner of choice in key technology sub-sectors, including semiconductor and semiconductor supply chain. As a long-term, disciplined investor in technology, this intent to anchor this investment commitment also aligns with QIA's efforts to work with diverse businesses at the forefront of innovation. This investment commitment is rooted in a shared goal of advancing innovations in the semiconductor industry, driving the adoption and commercialization of semiconductor-related innovations globally. This intent to anchor an investment commitment to Aridian Semiconductor demonstrates QIA's belief in the pervasiveness of semiconductors in the world economy, and their impact on digital and green transformations across key sectors such as artificial intelligence, mobility or consumer technology. Semiconductor and Semiconductor supply chain remain an important investment area for QIA across all regions. Other notable recent investments by QIA in this value chain include Kokusai Electric Corporation, a leading semiconductor manufacturing company with world-class technology, playing a key role in the evolution of semiconductor devices. In June 2023, QIA announced it took a minority stake in Kokusai Electric Corporation. (Qatar Tribune)
- QFZ, FedEx Logistics sign MoU to establish regional logistics facility in Qatar's free zones** - Qatar Free Zones Authority (QFZ) and FedEx Logistics, a subsidiary of FedEx Corporation, have signed a Memorandum of Understanding (MoU) to facilitate the establishment of a regional logistics facility in Qatar's free zones. The facility, which will operate under the company's FedEx Trade Networks Transport & Brokerage division, will be located at Ras Bufontas Free Zone and will include a state-of-the-art logistics office. The MoU was signed by Sheikh Mohamed H F al-Thani, CEO of QFZ, and Patrick Moebel, president and CEO of FedEx Logistics, in a ceremony that took place on the sidelines of their participation at the Qatar Economic Forum, following a productive panel discussion titled 'Connecting to the Shifting Global Supply Chain Network' that brought together QFZ and FedEx Logistics. The new facility will help continue to support the expansion of FedEx Logistics with seamless integration into the FedEx global network, serving as a key gateway for international cargo transition in the region between Asia and Europe. The location of the FedEx Logistics facility in Ras Bufontas Free Zone, adjacent to the award-winning Hamad International Airport and Qatar Airways, will provide enhanced access to air transportation and freight, efficient customs processing time, convenience, and the opportunity to grow business in the region. Sheikh Mohamed said, "The collaboration between QFZ and FedEx Logistics will help accelerate the flow of goods and strengthen supply chains, benefiting economies on a global scale. The FedEx Logistics investment in QFZ reflects a shared commitment to growth and innovation within the logistics sector. The collaboration leverages the world-class expertise and global network of FedEx and will undoubtedly contribute to highlighting Qatar as a preferred business destination." Moebel said, "The regional facility in QFZ will enable us to better serve our customers not just in the region between Asia and Europe, but also around the world. We are proud to collaborate with QFZ to establish a facility that allows FedEx Logistics to expand while continuing to deliver for our customers by helping them navigate global commerce with the guidance of regional expertise." Kami Viswanathan, president of FedEx Express Middle East, Indian Subcontinent and Africa, said: "With the establishment of the FedEx Logistics regional facility in Qatar's Free Zones, we are not only enhancing our global network, but also reaffirming our commitment to Qatar's burgeoning role in cross-border trade and supporting the growth of the state's national economy. Together with QFZ, we are furthering our shared vision for innovation, efficiency, and growth in this dynamic market. We are excited to be at the forefront of this transformative journey and shaping the future of logistics in Qatar." Located at the heart of the Gulf at the intersection of three continents, and with access to 60% of the world's population within eight hours of flying time and five days

of sailing time, the freight and logistics market in Qatar has been growing steadily. This, along with the continued expansion of air and seaports, is positioning Qatar to be a logistics leader. (Gulf Times)

- Ooredoo to land world's largest subsea cable system in Oman** - Ooredoo Oman, an Ooredoo Group company, has signed an agreement for the landing of the 2Africa Cable System in Barka and Salalah. This agreement marks the most extensive subsea cable system landing in Oman to date. The 2Africa Cable System, spanning 45,000 kilometers, will be the largest subsea cable system in the world. Upon completion, it will impact over 3bn people in 33 countries on three continents, Africa, Asia and Europe. The 2Africa consortium consists of Bayobab, center3, China Mobile International, Meta, Orange, Telecom Egypt, Vodafone Group and WIOCC, while Alcatel Submarine Networks is handling the manufacturing and installation of the cable. Bassam Yousef Al Ibrahim, CEO of Ooredoo Oman, emphasized the significance of the landing agreements for 2Africa, saying: "After previously landing SMW-5 and TGN Gulf in Oman, landing the 2Africa cable represents a further step in our vision to be the neutral partner of choice for landing submarine cable systems and supporting Ooredoo to become a truly global connectivity player in the coming years. Extending our reach regionally and internationally is a key focus for Ooredoo and a central goal of our strategy." The selected gateways for these landings are Salalah, emerging as a major new submarine cable landing hub in the southern part of Oman, and Barka, situated in Muscat, the capital city. Najib Khan, Group Chief Business Services Officer, Ooredoo, said: "The landing of the 2Africa Cable System in Oman not only strengthens our commitment to providing robust connectivity but also positions Ooredoo as a leading player in the global telecommunications landscape, ready to meet the evolving needs of our customers." (Qatar Tribune)
- QNB Group recognized for the highest growth in 'Visa Tap to Phone' –** QNB Group, the largest financial institution in the Middle East and Africa, was awarded for its exceptional milestone in enabling local SMEs and micro-merchants in Qatar to accept digital payments through Visa's Tap to Phone solution. The award presented by Visa, a world leader in digital payments, recognizes QNB's efforts in recording the highest growth in Tap to Phone volume and transaction in Qatar for 2023, further reinforces QNB's leadership in Qatar and the region in expanding digital payment acceptance network and fostering innovation in line with Qatar Central Bank's vision for the payments industry. QNB Tap to Phone is an innovative solution from Visa that allows merchants to use their existing android mobile devices to accept digital payments via Near Field Communication (NFC), with zero dependency on Point of Sale (PoS) hardware. It is a low cost, low maintenance and paperless solution for merchants to accept multi-form electronic payments including mobile wallets, contactless cards and wearables. QNB have been working closely with SMEs and Micro Merchants in this regard and the response has been extremely encouraging. Commenting on this success, Adel Ali Al-Malki, Senior Executive Vice Present, QNB Group Retail Banking said: "We are pleased to be recognized by Visa for our industry-leading role in the digital economy, specifically in the digital payment acceptance. QNB is fully committed to further accelerate the digital payments journey and enable our merchant partners to migrate into the digital economy in a fast, seamless and cost-effective way for payment acceptance. We recognize that SMEs play a pivotal role in the economy and we are thankful to Visa for being a true strategic partner in our joint quest to further digitize Qatar's economy". Shashank Singh, Visa's VP and General Manager for Qatar and Kuwait, said: "Visa is proud to recognize QNB's leadership in enabling more SMEs and micro-merchants in Qatar to accept digital payments. Our recent Value of Acceptance study revealed that 80% of merchants in Qatar have seen their revenues increase thanks to digital payments. QNB's efforts are not only making more transactions more seamless and secure for consumers, but also helping local businesses grow and be competitive in the digital economy, a key priority of the Qatar government." (Qatar Tribune)
- QEF: Call for supporting energy shift to reach net-zero targets** - Panelists in a session of the Qatar Economic Forum stressed the importance of energy shift and reliance on advanced technological techniques to enhance the efficiency and feasibility of energy solutions, contribute to addressing the carbon footprint, move the global economy to zero

emissions that reduce climate risks, and avoid unexpected disasters that may result from massive emissions. This came in the "Financing the Shift to Zero" session, moderated by Haslinda Amin, Chief International Correspondent, Southeast Asia & Anchor, Bloomberg Television, with the participation of Dr. Maryam Butti Al Suwaidi, CEO of the Emirates Securities and Commodities Authority, Jim Coulter, co-founder and CEO of TPG, and Samaila Zubairu, President and CEO of the Africa Finance Corporation. The session's participants called for the creation of financing programs and financial funds, redirecting capital towards reducing the footprint of industrial sectors that cause greenhouse gases, and supporting efforts to shift towards clean and renewable energy. They highlighted the extent to which the world needs radical solutions to address the new climate reality, how to remove project risks, appropriate mechanisms to put net zero goals back on track, and ways to enhance cooperation between investors and sustainable business leaders to do so. The panelists stressed the need to support technical and innovative investments in this field to bridge the gap and disseminate advanced technologies on a large scale with the aim of overcoming the challenges and risks that may halt their progress as well as stimulating cooperation between the relevant parties. The participants pointed out that the world is in a race to confront climate issues in order for everyone to survive, especially since the issue of reducing greenhouse gases is a collective responsibility that requires concerted efforts to reduce their dangerous emissions and addressing them plays an important role in stimulating global economic growth. They called for expanding the establishment of solar and wind farms and pushing the shift towards them and investment in them, given their economic importance and in achieving environmental and geological recovery, while highlighting the necessity for developing legislation and plans to ensure this shift taking into account the requirements of environmental sustainability. They also called for developing programs for nuclear safety and its safe uses to reduce carbon dioxide, financing renewable energy projects around the world, establishing funds to undertake this goal, drawing a clear plan for the paths of the energy shift, attracting investors and drawing attention to the importance of innovation in it, and developing appropriate solutions to confront its challenges. (Qatar Tribune)

- Qatar, Slovenia sign deal on entry visas** - Prime Minister and Minister of Foreign Affairs HE Sheikh Mohammed bin Abdulrahman bin Jassim Al Thani yesterday met Deputy Prime Minister and Minister of Foreign and European Affairs of the Republic of Slovenia HE Tanja Fajon, who is visiting the country. The two sides discussed cooperation and ways to develop them, in addition to several regional and international issues of mutual interest. After the meeting, an agreement was signed between the two countries, in regard to exempting holders of diplomatic and special passports from entry visas. Prime Minister and Minister of Foreign Affairs signed the agreement, while on the Slovenian side, Deputy Prime Minister and Minister of Foreign and European Affairs of the Republic of Slovenia signed the agreement. (Peninsula Qatar)

### International

- US Fed's Powell expects inflation to fall, though not as confident as before** - Federal Reserve Chair Jerome Powell on Tuesday gave a bullish assessment of where the U.S. economy stands now, with an outlook for continued above-trend growth and confidence in falling inflation that, while eroded by recent data, remains largely intact. "I expect that inflation will move back down on a monthly basis to levels that were more like the lower readings that we were having last year," Powell said at a banking event in Amsterdam. Though he said "my confidence in that is not as high as it was," given faster than expected inflation through the first three months of the year, the U.S. central bank chief said it remained unlikely in his view that the Fed would have to raise rates any further, even if the prospect for rate cuts has become less certain. "I don't think that it is likely based on the data we have that the next move that we make will be a rate hike," Powell said. "It is more likely ... we hold the policy rate where it is." His comments largely restated those made at his press conference after the Fed's last meeting. Expectations about the Fed's rate decisions remained largely unchanged even as new data showed producer prices rose faster than expected in April, an outcome Powell said was "mixed" because prior data was revised lower. A more

significant data release comes Wednesday when information on consumer prices in April is published. For now, however, investors continue to anticipate an initial rate cut in September. The Fed's benchmark policy rate has been held steady in a 5.25% to 5.5% range since July, and officials have largely dropped specific guidance on whether that might be reduced this year. Part of the uncertainty relates to the strength of the U.S. economy, which has continued a run of stronger-than-expected growth despite the Fed's record monetary tightening. Powell said his outlook was for continued growth and ongoing job creation bolstered by immigration. He said he expected the economy to grow about 2% this year, slightly above the Fed's estimates of the economy's underlying potential, with a labor market that remains "very, very strong." "If you look at a broad range of data the labor market is about as tight as it was before the pandemic in 2019. And that's good," said Powell, with an unemployment rate below 4% for more than two years. The low joblessness and rising wages seen in 2019 has been cited by Powell before as a touchstone for the Fed. The prospect of a renewed decline in inflation without a marked economic slowing has all been given a boost, Powell said, by the arrival of immigrants who helped fill a surplus of open jobs and have added to the U.S. economy as consumers. "We're still getting very substantial numbers of people coming into the country and going to work," Powell said. "Immigration is also not a policy that the Fed works on or has opinions on, but I'm just giving you the straight economics of it. People come in they are getting work permits and they go to work and they're paying taxes and they're creating economic output and there are millions of them." (Reuters)

- **German final inflation confirmed at 2.4% in April** - German inflation inched up in April to 2.4%, the federal statistics office said on Tuesday, confirming preliminary data. German consumer prices, harmonized to compare with other European Union countries, had risen by 2.3% year-on-year in March, the lowest rate in almost three years. "Energy and food prices, in particular, have had a dampening effect on the inflation rate since January 2024," said Ruth Brand, president of the federal statistics office. "However, core inflation – measured as the change in the consumer price index excluding food and energy – has been higher than overall inflation since the beginning of the year," she added in a statement. Core inflation in April was 3.0%, according to the data. (Reuters)
- **China's central bank leaves key policy rate unchanged** - China's central bank left a key policy rate unchanged when rolling over maturing medium-term lending facility (MLF) loans on Wednesday, in line with market expectations. The People's Bank of China (PBOC) said it was keeping the rate on 125bn yuan (\$17.28bn) in one-year MLF loans to some financial institutions unchanged at 2.50% from the previous operation. (Reuters)

## Regional

- **GCC states bid on Hong Kong's capital markets as 'gateway to China'** - State-backed institutions from the GCC have been bidding on Hong Kong's capital markets as favorable government policies and the organization's leverage with China draw the interest of sovereign funds and high-profile investors. The latest news from Hong Kong, which plans to develop an exchange-traded fund (ETF) in collaboration with Saudi Arabia, aims to further bolster economic relations between the two countries while also connecting mainland China with the kingdom. Speaking at the Capital Market Forum in Hong Kong last week, Michael Wong, the deputy financial secretary of the administrative region, said they were working with financial institutions on the listing of an ETF in the Middle East to track Hong Kong's stock indices. "Hong Kong holds a strategic position, with long-standing comparative advantages in wealth management and private equity, making it an ideal hub for SWFs aiming to penetrate the Chinese market," said Redmond Wong, Saxo Bank's chief China strategist, based in Hong Kong. "Moreover, the Hong Kong SAR government has been actively promoting the city as a preferred destination for GCC families seeking to establish family offices. This concerted effort underscores Hong Kong's appeal as a center for wealth management activities." Hong Kong's family office sector is flourishing, with more than 2,700 single-family offices in the city, Deloitte said in a report. According to Wong, another development in the investment landscape has been the utilization of the mBridge platform by the Central

Bank of the UAE to transfer 50mn Digital Dirhams to China on January 30. "The mBridge platform is a multi-central bank digital currencies (CBDCs) platform designed to facilitate cross-border transactions. It is the result of a collaborative effort involving the Bank for International Settlements along with four founding central banks: the Central Bank of the UAE, the Digital Currency Institute of the People's Bank of China, the Hong Kong Monetary Authority and the Bank of Thailand." The industry expert said this development signifies a trend of cooperation between China, Hong Kong and GCC countries in terms of trade and financial transactions, "which holds significant implications for investors from the GCC seeking opportunities in the East Asian markets." (Zawya)

- **Al-Jadaan: GCC willing to take every step possible to be business-friendly** - The Gulf Co-operation Council (GCC) has long-term plans and is "willing to take every step possible" for investors to do business in the region, which has become a bright spot in the world, according to Mohamed al-Jadaan, Saudi Arabia's Finance Minister. "We are willing to take every step possible to make it easier for investors to do business in the region, that we are willing to do a lot of structural changes, including actually making it very predictable," he told the Qatar Economic Forum, Powered by Bloomberg. Highlighting that resource richness brings with it the dependence on oil revenues, he said the region is now marching towards a proper sustainable diversified economy that enables the private sector, utilizes the demography of young population who are technology savvy and who can be inventors, entrepreneurs and investors of the future. Speaking at a panel "Reshaping Middle East Economies" at the forum in Doha, he asked policy makers to optimize the strategies to curb "economic leakage" and prevent resources or fund from being wasted. Suggesting prudent fiscal policies, he said spending at a time of global inflation results in increased project costs, which would further fuels inflation and "overheat" economy. He said Saudi Arabia's gross domestic product has risen more than 15% since the launch of 2030 vision, which was launched well before the Covid-19 pandemic, and issues like inflation and supply chain disruptions. "All of these collective shocks that are facing the world calls us also to reprioritize, to look at what we are doing, and how can we actually optimize what we are doing, optimize our plans," al-Jadaan said. "We are not complacent, we need to push through the momentum of reforming the economy," he said, adding Saudi Arabia has adopted a conservative approach when it comes to oil revenues. On Saudi Arabia's ability to fund largescale projects amid lower oil prices, he said the country has been "conservative" in its economic projections. Saudi Arabia closed 2023 with oil revenue higher than projected at the beginning of the year, despite a 20% drop in crude prices and 17% production, he said. "[This] basically tells you that we are not optimists when it comes to projecting and therefore committing our spent to what the revenue is. We are very conservative," he added. Mohamed Sulaiman al-Jasser, chairman of the Islamic Development Bank Group, said resilience is probably now what distinguishes the GCC economies, which is seen by the outside world as one bloc that has cohesive and complementary policies to really be a beacon of economic growth and development not for the region but also beyond. "Resilience, I think is very important, and the GCC countries seem to be together moving in that direction and now they are much greater believers in their own abilities," he said. "Our demographics are not talked about enough. Our demographics are probably our greatest asset - even more than oil for the GCC," he said, highlighting the transformative changes in the Gulf since the discovery of oil and the investments in education and human development made by the GCC. (Gulf Times)
- **Goldman looks to entice wealthy clients to plough cash in Gulf** - Goldman Sachs Group Inc is planning to launch several investment strategies that will allow the firm and its wealthy clients to deploy capital in the Gulf's public markets. Companies based in the Middle East currently comprise about 7% of the widely-tracked MSCI Emerging Markets Index and the bank's research suggests that could grow to as much as to 10%, Marc Nachmann, Goldman's global head of asset and wealth management, said during the Qatar Economic Forum. That should help draw more international investors to deploy their funds into the Gulf, he said. "International investors are going to have to pay more attention to the region," Nachmann said. For years, asset management executives have travelled to the Middle East to raise billions from the region's sovereign wealth funds. Nachmann's comments show that dynamic is quickly

changing as countries across the Gulf look to raise funds for their own domestic initiatives. In the wide-ranging interview, Nachmann said the bank is expanding its private credit business after recently inking partnerships with players like Abu Dhabi's Mubadala Investment Co. That tie-up will have both companies focused on direct lending across Asia. He added that the risk-reward in direct lending is "unusually good" at the moment and that loan-to-value ratios in the space are attractive. He also said Goldman is comfortable with credit risk despite the higher interest rate environment. (Gulf Times)

- Sources: China-Gulf free trade talks stall on Saudi industrial agenda** - Negotiations between China and an Arab bloc for a free trade agreement have stalled over concerns by Saudi Arabia that cheap Chinese imports could undermine its ambitions to transform the kingdom into an industrial powerhouse, sources say. Saudi Arabia has backed renewed efforts over the past two years for the Gulf Cooperation Council (GCC), the Arab bloc which includes the kingdom, United Arab Emirates and Qatar, among others, to finally seal a long sought deal with China. But five sources briefed on the negotiations said the sides were at an impasse over Saudi reservations with a list of goods put forward by Beijing to be exempt from Gulf import duties. Saudi Arabia is worried that a wave of lower cost Chinese versions of products that it hopes to manufacture domestically would be damaging to its industrial agenda, the sources said. Saudi Arabia's government communication office, the GCC Secretariat and China's commerce ministry did not respond to Reuters requests for comment on the trade negotiations. The kingdom, the world's biggest oil exporter, has a nascent manufacturing industry that the government hopes will one day make everything from computer chips to tires as part of a wider economic transformation plan to create a vibrant private sector. Saudi Arabia is spending trillions of dollars developing its economy under that program, known as Vision 2030, driven by the country's de facto leader, Crown Prince Mohammed bin Salman. Prince Mohammed wants Saudi Arabia to not only lessen its dependence on oil rents by creating a strong private sector but also to transform the kingdom into a major global business hub. The industrial part of that transformation plan faces challenges even without competing with lower cost Chinese goods. That includes finding skilled workers among its citizens in a country where about 60% of the 32mn population are Saudi nationals. To build its own manufacturing industry, Saudi Arabia is partnering with foreign firms, including from China, to develop local capabilities and manufacturing lines in the kingdom. The sources said a China-Gulf trade deal was not off the table but that the Saudis and the Chinese would likely have to settle on some sort of compromise to see the deal finalized. Gulf officials last October spoke of reaching a deal soon. China's Ambassador to Saudi Arabia Chen Weiqing was quoted by local media in January as saying that although progress had been made, there were difficult issues that needed to be resolved. China and the GCC, which also includes Oman, Kuwait and Bahrain, started trade talks almost 20 years ago. But the loose political and economic Arab bloc has finalized very few deals. It signed a free trade agreement with South Korea in December. China is a massive buyer of Gulf energy and in 2023 bilateral trade between China and the Gulf stood at \$286.9bn, according to Chinese customs data, with Saudi Arabia accounting for nearly 40% of trade between the Gulf and China. China and the Gulf states have deepened economic cooperation in recent years, to the concern of the United States, which has long been the core security partner of the Gulf Arab states. U.S. officials have increasingly sought to drive a wedge between the Gulf states and China, including issuing ultimatums to pick between American and Chinese technology. (Reuters)
- Al-Jadaan: Saudi Arabia needs to be careful about economic 'overheating'** - Saudi Arabia wants to avoid sending the economy into overdrive as it channels investments with the goal of pivoting the nation away from oil dependency. Finance Minister Mohamed al-Jadaan said yesterday that while his country's massive investments are helping to grow the non-oil economy, the kingdom needs to be careful about "overheating" which could cause inflation to quicken and "leakages". "If you don't allow your economy to catch up with your projects, basically what will happen is you'll import a lot more," al-Jadaan said at the Qatar Economic Forum. As a result, Saudi Arabia could lack the factories and other capacity needed to support its plans, according to al-Jadaan. "So giving it more time is actually wise," he said. The economic makeover, known as Vision 2030,

has been hitting some snags eight years after being unveiled by Crown Prince Mohamed bin Salman. Al-Jadaan has previously acknowledged that there may be delays or acceleration for some projects. Under the crown prince's blueprint, Saudi Arabia is pumping hundreds of billions of dollars into everything from electric vehicles to semiconductors and sports. "It's not actually the funding that is the constraint," the finance minister said yesterday. "It's actually the economic usage." Faster price growth and overheating of the economy would likely result from spending "under the current circumstances of serious inflation pressures around the world and serious increases in the cost of funding," al-Jadaan said. The kingdom's budget has swung into deficit after its first surplus in years, mainly due to lower energy prices and production and its spending commitments. It now forecasts fiscal shortfalls until 2026. But al-Jadaan said he was confident the kingdom will deliver on the plans despite the hefty price tag, as it derives more income from non-oil sources and takes a cautious approach in assuming how much it might earn from crude. "We are very conservative in our projections and therefore our plans on how the oil revenue will cover that expenditure," he said. (Gulf Times)

- Desert venture acquires entertainment firm in latest test of Saudi ambitions** - The company behind Saudi Arabia's vast Qiddiya sports and entertainment complex near Riyadh will take over entertainment business SEVEN, in a bid to expedite the multi-bn dollar project, sources told Reuters on Tuesday. The acquisition aims to "capitalize on business synergies between the two companies," according to a statement on Saudi state news agency. But a source, who declined to be identified due to the sensitivity of the issue, said the move was designed to ensure that Qiddiya's top projects, including a massive sports stadium that should be ready for the World Cup 2034, are finished on time. Saudi Arabia's highly ambitious efforts to develop its entertainment and tourism industry have faced significant delays, leaving Qiddiya years behind schedule. Crown Prince Mohammed bin Salman, chairman of Saudi Arabia's \$700bn sovereign wealth fund, is banking on entertainment projects such as Qiddiya to transform the kingdom and diversify its economy away from oil under his Vision 2030 program. With deadlines looming for large-scale Saudi-hosted events such as the 2029 Asian Winter Olympics, the 2030 World Expo and the 2034 FIFA World Cup, pressure is building to transform glitzy marketing campaigns into finished projects. "The announcement of the FIFA World Cup was a factor in this," the source said, adding that the PIF was keen to save face with the tie-up, "They don't want to showcase it (Qiddiya) as a failure. SEVEN opened Saudi Arabia's first cinema after more than 35 years in partnership with U.S. based AMC Group, an early sign that Saudi Arabia aimed to move in a new direction. Qiddiya was among the first of the so-called giga-projects announced in 2018 and was scheduled to open in 2022 and attract 1.5mn visitors. The first theme parks, Six Flags and Aqua Arabia are now expected to open in 2025. The deal follows decisions by the Saudi government to prioritize some developments over others, as the economy grapples with a looming 79bn riyal (\$21.06bn) deficit. "There are challenges... we will change course, we will adjust, we will extend some of the projects, we will downscale some of the projects, we will accelerate some of the projects," Saudi Arabia' Finance Minister Mohammed Al Jadaan told the World Economic Forum meeting in Riyadh in April. The company did not respond to Reuters' questions on whether the acquisition was related to project delays. The Public Investment Fund (PIF) owns Qiddiya Investment Company and was the owner of Saudi Entertainment Ventures, or SEVEN, before Tuesday's move. SEVEN will remain under the umbrella of PIF, which has funded many futuristic projects, the statement said. The sovereign wealth fund has made a landmark deal to reshape the world of golf, bought a \$3.6bn aircraft leasing business from Standard Chartered, built up a 10% stake in Spain's Telefonica and launched an ambitious 300mn euro (\$323.58mn) bid for the services of French soccer superstar Kylian Mbappé, to name a few. The Crown Prince's plan to wean the \$1.11tn Saudi economy off oil is now hitting stumbling blocks. The flagship Line, "city of the future" held between two mirrored walls in the new economic zone of NEOM, has faced setbacks, while Qiddiya has suffered delays and frequent changes in management. Branded the 'city of play', Qiddiya will feature a Six Flags theme park, a Dragon Ball-Z Park, an E-Sports arena, several new hotels, resorts and a new Formula One track snaking through the complex. "It's too late, it was supposed to start yesterday", said a source with knowledge of the project,



explaining that the acquisition is designed to bring Qiddiya back on track. (Reuters)

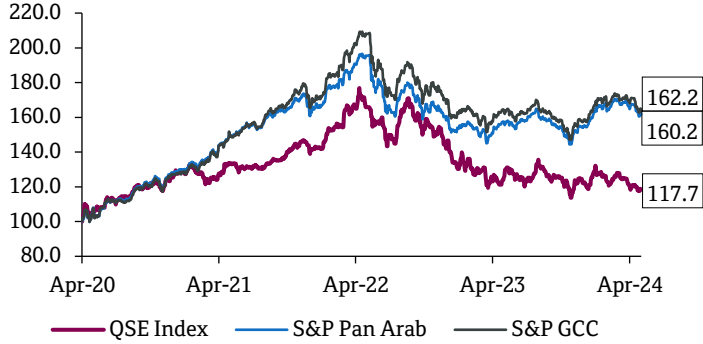
- Commerce ministry cancels Riyadh chamber election results** - The Saudi Ministry of Commerce announced null and void the results of elections held recently to the Board of Directors of the Riyadh Chamber of Commerce following reports of technical errors caused to the electronic voting system. The ministry instructed the Elections Committee to go ahead with procedures of revoking the results of election after it was found that some votes were exercised in an illegal manner. Though the committee tried to ensure casting of vote by every voter, it was not possible for some members to cast their vote before the end of the stipulated period of polling time, as well as to count votes and announce the election results as per scheduled. The ministry also decided to extend the period of the current members of the chamber board for a period of three months, or until the issuance of a decision to form the new board of directors. The ministry stated that it will take all legal measures against violators and refer them to the competent authorities to implement legal procedures against them. The ministry's decision follows objections received by it regarding the elections to the board held during the period from April 28 to May 5, 2024. The ministry reiterated its keenness to ensure free and fair election featuring transparency as well as applying the principle of justice and preserving the rights of voters and candidates. The ministry took the decision after verifying proper procedures and based on the appeals submitted before the Objections and Appeals Committee with regard to the results of the Riyadh Chamber of Commerce elections. The ministry said that the decision was taken after examining the technical reports, which showed that some votes were exercised by voters in an illegal manner, which led to some voters being unable to cast their votes within the stipulated polling time. "After coordination with the relevant authorities, the ministry decided to take these measures to ensure the accomplishment of fair results," it said. (Zawya)
- UAE: VAT, Excise Tax revenues reach \$47.2bn** - Younis Haji Al Khouri, Undersecretary of the Ministry of Finance (MoF), announced that total revenues collected from Value-Added Tax (VAT) and Excise Tax at both the federal and local levels have reached AED173.6bn since implementation until the end of the fiscal year 2023. Al Khouri further elaborated that VAT revenues at the state level reached AED159.57bn since implementation, while the federal government collected approximately AED47.87bn during the same period. Excise Tax collections at the state level totaled AED14.07bn since implementation, with the federal government having collected approximately AED5.2bn during the reference period. Al Khouri also noted that the estimated total expenditures of the federal general budget for fiscal year 2024 are AED64bn, with expected revenues of AED65.7bn. This results in an anticipated surplus of approximately AED1.7bn. The federal budget cycle for the years 2024-2026 is projected to be around AED192bn. (Zawya)
- Sheikh Hamdan approves Dubai Quality of Life Strategy 2033** - Under the directives of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President, Prime Minister and Ruler of Dubai, H.H. Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai and Chairman of The Executive Council of Dubai, today approved the "Dubai Quality of Life Strategy 2033", a visionary strategy dedicated to ensuring the comprehensive well-being of all segments of the community including nationals, residents and visitors. Encompassing a holistic and integrated approach to well-being, the strategy aims to establish Dubai as a global leader in quality of life and enhance its status as the world's preferred destination to live, work and visit. Sheikh Hamdan bin Mohammed stressed that caring for people remains the cornerstone of Dubai's sustainable development strategies. The well-being of individuals is the ultimate objective of our development plans and the primary criterion for the success of government programs. "We have today approved the Dubai Quality of Life Strategy 2033 as part of our efforts to raise our global standing in the economy as well as in the areas of innovation and well-being. The vibrancy and cultural diversity of our society are key to our development journey." "The Dubai Quality of Life Strategy encompasses over 200 projects, initiatives, and plans. The strategy encompasses ten key pillars, all dedicated to fostering the well-being of individuals, society, and the city. Our objective is to establish Dubai as one of the world's best cities in terms of well-being, offer every resident a healthy, active, and enjoyable lifestyle, build a society that takes pride in its identity and cultural diversity, and offer the highest quality of leisure and entertainment. Dubai's name will become synonymous with fine living worldwide." "All projects initiated as part of the strategy will be overseen by a new office dedicated to enhancing quality of life in Dubai, in coordination with over 19 government entities and dozens of private organizations," he added. (Zawya)
- OPEC: UAE continues to post robust growth in non-oil sectors** - The UAE continues to demonstrate robust growth in its non-oil sectors, driven by strong government support and solid demand, according to the Organization of the Petroleum Exporting Countries (Opec). The UAE's non-oil GDP registered a significant y-o-y increase of 7.3% in Q2 2023, with major contributions from the construction, finance and insurance sectors, it stated in the May report. This momentum appears to have carried through 2023, particularly in Abu Dhabi, where non-oil GDP grew by 10.4% YoY in Q4 2023, it added. The report further showed that Dubai's economy expanded by 3.5% YoY in the third quarter, with notable growth in transportation and storage at 12% and accommodation and food services activities at 16.1%. The construction sector in Dubai expanded at a more moderate pace of 1.1%, it stated. Meanwhile, the Central Bank of the UAE has kept its key policy rate steady at 5.4% unchanged since July 2023. The seasonally adjusted S&P Global PMI for the UAE reached 55.3 in April, down from 56.9 in March and 57.1 in February, but remains in expansionary territory, indicating continued growth. (Zawya)
- Standard Chartered expects Oman's credit rating uplift amid economic resilience** - Oman is poised to reclaim its investment-grade rating due to continued reduction in its debt-to-GDP ratio, enhanced fiscal performance, and a commitment to medium-term reforms, Standard Chartered said in its latest global focus report for Q2 2024. The current credit rating is "BB+", revised from "B+" in 2021. "Oman's steadfast reforms pave the way for an imminent return to investment-grade rating, fueled by a robust economic trajectory and strong non-oil growth," said Hussain Al-Yafai, CEO of Standard Chartered Oman. The bank forecasts a further decline in public debt to 34% of GDP by the end of 2024, supported by sustained twin surpluses. Additionally, external debt repayment is estimated at 5% of GDP in 2024, potentially covered by fiscal surplus proceeds or refinancing options. Inflation is projected to decelerate from 1% in 2023, with non-oil sector growth, constituting 70% of real GDP, accelerating to 2.5% in 2024, driven by tourism, manufacturing and trade. Oman's commitment to reforms is evident in its medium-term outlook, which focuses on structural changes aimed at improving the business environment, attracting foreign direct investment, and executing IPOs, the report said. Standard Chartered expects a policy rate of 5.5% by the end of 2024, consistent with its latest US Fed forecasts. (Zawya)
- Oman's public debt stands at \$39.2bn** - The size of the public debt of the Sultanate of Oman stood at about OMR15.1bn at the end of March 2024, compared to OMR15.3bn at the end of 2023, comprising a decrease of about OMR188mn. By the end of Q1 of 2024, the Ministry of Finance repaid more than OMR206mn to the private sector. This reflects the payment vouchers received through the e-financial system that have completed the documentary cycle. At the end of Q1 of 2024, the public revenue amounted to OMR2.826bn, down by 12% compared to OMR3.217bn registered over the same period in 2023. This is mainly due to a decrease in net oil and gas revenues and current revenue. At the end of Q1 of 2024, the net oil revenue amounted to OMR1.688bn, down by 1% compared to OMR1.707bn registered over the same period in 2023. The average realized oil price amounted to \$ 83 per barrel and average oil production reached 1,014,000 barrels per day. At the end of Q1 of 2024, the net gas revenue amounted to OMR444mn, down by 38% compared to OMR720mn registered over the same period in 2023. This is due to the deduction of gas purchase and transport expenses from the total revenue collected from Integrated Gas Company. At the end of Q1 of 2024, the current revenue amounted to OMR691mn, down by OMR96mn compared to OMR787mn registered over the same period in 2023. At the end of Q1 of 2024, the public spending amounted to OMR2.664bn, down by OMR103mn, i.e. 4% compared to the same period in 2023. At the end of Q1 of 2024, the current expenditure of civil ministries amounted to OMR1.978bn, down by OMR49mn compared to OMR2.027bn registered over the same period in 2023. At the end of Q1 of 2024, the development

expenditure of ministries and government units amounted to OMR200mn, representing 22% of total development spending, i.e. OMR900mn, allocated for 2024. At the end of Q1 of 2024, the total contributions and other expenses amounted to OMR486mn, up by 78% compared to OMR273mn registered over the same period in 2023. This is mainly due to the application of social protection system, alongside oil products subsidy which amounted to OMR140mn and OMR72mn, respectively, by the end of Q1 2024. Furthermore, an amount of OMR100mn was transferred to future debt obligations budget-item. In recent years, the Sultanate of Oman has successfully reduced its public debt to minimize the risks associated with its debt portfolio, by implementing various measures and initiatives to rationalize public spending and increase non-hydrocarbon revenue. Furthermore, this was achieved by utilizing part of the additional revenue for liability management through buy-back some of the sovereign bonds for less than its nominal value, replacement of high-cost loans with low-cost loans and issuance of Sukuk and domestic bonds in the Muscat Stock Exchange at a preferable rate. Government efforts to reduce public debt and mitigate its effects on economic growth have directly contributed to raising Oman's credit rating and improving its outlook. The credit rating agencies have praised government efforts in managing financial obligations and reducing public debt. (Zawya)

- **Oman, Kuwait sign 4 MoUs in various fields** - The Sultanate of Oman and the State of Kuwait signed at the Kuwait Chamber of Commerce and Industry on Monday 4 memorandums of understanding (MoUs) in the fields of direct investment, metrology activities, diplomatic studies and training, as well as another MoU between the Oman Investment Authority (OIA) and the Kuwait Investment Authority. Signing the MoUs comes within the framework of the current state visit of His Majesty Sultan Haitham bin Tarik to the State of Kuwait. These MoUs represented in the MoU between the Foreign Ministry and its Kuwaiti counterpart in the fields of diplomatic studies and training. This MoU aims at cooperation, development and proposing modern methods for training specialists in the fields of foreign policy, international relations, political science and other related fields, in addition to exchanging documents, studies and experiences on topics of mutual interest. In the areas of direct investment and standardization, the Ministry of Commerce, Industry and Investment Promotion signed two MoUs; the first with the Kuwait Direct Investment Promotion Authority and related to establishing a framework for cooperation in the field of direct investment and facilitating the exchange of knowledge and experiences between them. The second MoU inked with the Kuwait Public Authority for Industry in the field of standardization. It aims to strengthen cooperation relations between them in the fields of standardization, quality, laboratories and conformity assessment activities, and to contribute to raising the quality of non-food industrial products and services exchanged between the two countries. Oman Investment Authority (OIA) also signed a MoU with the Kuwait Investment Authority. This MoU aims to establish a common framework for cooperation and coordination in joint investments between the two parties and to enter into discussions about future investment opportunities in the Sultanate of Oman and the State of Kuwait, as well as studying investment opportunities in existing investment funds affiliated to the Oman Investment Authority, which are concerned with various fields, such as energy, utilities, infrastructure, communications, transportation and logistics services, in addition to the possibility establishing a joint investment fund. The MoUs were signed from the Omani side by Abdulsalam Mohammed Al Murshidi, Chairman of the Oman Investment Authority, Qais Mohammed Al Yousef, Minister of Commerce, Industry and Investment Promotion, Ibtisam Ahmed Al Farooji, Undersecretary of the Ministry of Commerce, Industry and Investment Promotion for Investment Promotion, and Dr. Saleh Amer Al Kharousi, Ambassador of the Sultanate of Oman to the State of Kuwait. The MoUs were signed from the Kuwaiti side by Dr. Mishal Jaber Al Ahmad Al Jaber Al Sabah, Director General of the Kuwait Direct Investment Promotion Authority, Ziad Abdullah Al Najem, Undersecretary of the Ministry of Commerce and Industry, Nasser Subaih Al Sabeeh, Assistant Minister of Foreign Affairs for Saud Al Nasser Institute Affairs and Ghanem Suleiman Al Ghenaiman, Managing Director of the General Investment Authority in the State of Kuwait. (Zawya)

- **Kuwait's BIG Holding plans to list 30% stake on local bourse** - Kuwait's Beyout Investment Group (BIG) Holding, which provides human resources and real estate services, said on Tuesday it plans to float a 30% stake on its local bourse, in the first potential listing in the country in around two years. The final offering price will be determined through a bookbuilding process to be held May 19-23 and the shares are expected to debut on the Kuwaiti stock exchange next month. There has been a flurry of initial public offerings (IPOs) in the Gulf region in recent years, including from private businesses, as part of broad plans to deepen capital markets, grow the private sector and attract investment. So far this year, private firms such as Saudi Arabian flour mills company Modern Mills and UAE supermarket franchisee Spinneys have listed, while others such as SMASCO and BIG Holding have announced intentions to float. "The best way that the private sector grows is by becoming public and (to) grow the stock market of the same country. I think Kuwait would be following the same trend that is coming in the region," BIG Holding CEO Abdulrahman Al Khannah told Reuters. Founded in 1991, the firm provides manpower solutions and manages real estate projects including build-operate-transfer and public-private partnership deals. Its customers include U.S. army contractors as well as the Kuwait Oil Company. Al Khannah said the IPO would help to diversify the company's shareholder base while boosting growth opportunities in the countries where it operates. BIG Holding held early roadshows with over 40 potential investors in Kuwait, Saudi Arabia, Dubai and London, including institutional investors and funds, between mid-December and mid-January, he said. The firm has delivered average revenue growth of 12.6% and a normalized core profit margin of around 30.4% over the last three years. Proceeds from the offering, for which National Investments Company and EFG Hermes UAE have been appointed as joint coordinators, will go to the selling shareholders. Companies domiciled in the Middle East and North Africa (MENA) region raised \$1.2bn in IPO proceeds in the first quarter of this year, down 66% compared from a year earlier, according to data from consulting firm EY. (Reuters)

### Rebased Performance



Source: Bloomberg

### Daily Index Performance



Source: Bloomberg

| Asset/Currency Performance           | Close (\$) | 1D%   | WTD%  | YTD%   |
|--------------------------------------|------------|-------|-------|--------|
| Gold/Ounce                           | 2,358.12   | 0.9   | (0.1) | 14.3   |
| Silver/Ounce                         | 28.62      | 1.5   | 1.5   | 20.3   |
| Crude Oil (Brent)/Barrel (FM Future) | 82.38      | (1.2) | (0.5) | 6.9    |
| Crude Oil (WTI)/Barrel (FM Future)   | 78.02      | (1.4) | (0.3) | 8.9    |
| Natural Gas (Henry Hub)/MMBtu        | 2.14       | 1.4   | 0.0   | (17.1) |
| LPG Propane (Arab Gulf)/Ton          | 69.30      | (0.3) | 0.4   | (1.0)  |
| LPG Butane (Arab Gulf)/Ton           | 66.30      | (0.3) | 1.2   | (34.0) |
| Euro                                 | 1.08       | 0.3   | 0.4   | (2.0)  |
| Yen                                  | 156.42     | 0.1   | 0.4   | 10.9   |
| GBP                                  | 1.26       | 0.3   | 0.5   | (1.1)  |
| CHF                                  | 1.10       | 0.2   | (0.0) | (7.2)  |
| AUD                                  | 0.66       | 0.3   | 0.3   | (2.7)  |
| USD Index                            | 105.01     | (0.2) | (0.3) | 3.6    |
| RUB                                  | 110.69     | 0.0   | 0.0   | 58.9   |
| BRL                                  | 0.20       | 0.5   | 0.6   | (5.4)  |

Source: Bloomberg

| Global Indices Performance | Close      | 1D%*  | WTD%* | YTD%* |
|----------------------------|------------|-------|-------|-------|
| MSCI World Index           | 3,435.15   | 0.4   | 0.4   | 8.4   |
| DJ Industrial              | 39,558.11  | 0.3   | 0.1   | 5.0   |
| S&P 500                    | 5,246.68   | 0.5   | 0.5   | 10.0  |
| NASDAQ 100                 | 16,511.18  | 0.8   | 1.0   | 10.0  |
| STOXX 600                  | 521.65     | 0.4   | 0.6   | 6.5   |
| DAX                        | 18,716.42  | 0.1   | 0.1   | 9.2   |
| FTSE 100                   | 8,428.13   | 0.3   | 0.3   | 7.5   |
| CAC 40                     | 8,225.80   | 0.4   | 0.5   | 6.6   |
| Nikkei                     | 38,356.06  | 0.3   | (0.1) | 3.2   |
| MSCI EM                    | 1,080.96   | 0.2   | 0.9   | 5.6   |
| SHANGHAI SE Composite      | 3,145.77   | (0.1) | (0.4) | 3.8   |
| HANG SENG                  | 19,073.71  | (0.2) | 0.6   | 11.9  |
| BSE SENSEX                 | 73,104.61  | 0.4   | 0.7   | 0.8   |
| Bovespa                    | 128,515.49 | 0.8   | 1.3   | (9.3) |
| RTS                        | 1,194.63   | 0.1   | 1.4   | 10.3  |

Source: Bloomberg (\*\$ adjusted returns if any)

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