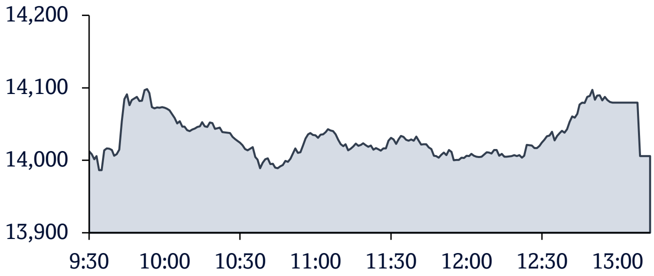
Daily Market Report

Wednesday, 20 April 2022

QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.6% to close at 14,005.7. Gains were led by the Insurance and Industrials indices, gaining 0.9% and 0.3%, respectively. Top gainers were Qatar Islamic Bank and Mannai Corporation, rising 3.5% and 3.2%, respectively. Among the top losers, Investment Holding Group fell 5.3%, while Zad Holding Company was down 4.7%.

GCC Commentary

Saudi Arabia: The TASI Index fell 1.7% to close at 13,505.6. Losses were led by the Banks and Utilities indices, falling 2.9% and 2.1%, respectively. Saudi British Bank declined 4.4%, while Wataniya Insurance Co. was down 4.2%.

Dubai: The DFM Index gained 1.6% to close at 3,646.2. The Real Estate & Construction index rose 3.0%, while the Investment & Financial Services index gained 2.5%. Emaar Development rose 9.0%, while BHM Capital Financial Services was up 8.4%.

Abu Dhabi: The ADX General Index declined 0.4% to close at 9,870.2. The Telecommunication index declined 1.3%, while the Utility index was down 0.7%. Sharjah Cement and Industrial Development Co. declined 4.4%, while Ghitha Holding was down 3.0%.

Kuwait: The Kuwait All Share Index gained 0.7% to close at 8,288.3. The Industrials index rose 3.1%, while the Financial Services index gained 0.9%. National Industries Group gained 8.0%, while Gulf Cable & Electrical Industries Co. was up 5.8%.

Oman: The MSM 30 Index gained 0.2% to close at 4,262.0. Gains were led by the Industrial and Services indices, rising 0.5% and 0.4%, respectively. Sohar Power Company rose 9.8%, while Oman Fisheries Company was up 9.2%.

Bahrain: The BHB Index fell 0.2% to close at 2,092.7. The Materials and Financials indices declined marginally. Solidarity Bahrain declined 9.2%, while Arab Banking Corp. was down 1.2%.

Market Indicators	19 Apr 22	18 Apr 22	%Chg.
Value Traded (QR mn)	778.3	506.8	53.6
Exch. Market Cap. (QR mn)	779,389.5	780,395.1	(0.1)
Volume (mn)	178.3	153.3	16.4
Number of Transactions	18,993	14,183	33.9
Companies Traded	45	44	2.3
Market Breadth	15:29	12:28	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	28,576.19	0.6	(0.8)	24.2	18.1
All Share Index	4,459.69	0.2	(1.3)	20.6	181.2
Banks	6,069.01	0.3	(2.0)	22.3	18.8
Industrials	5,311.31	0.3	(0.2)	32.0	17.2
Transportation	3,922.60	(1.1)	(0.5)	10.3	14.2
Real Estate	1,891.01	0.1	(0.9)	8.7	21.4
Insurance	2,687.54	0.9	0.3	(1.5)	18.1
Telecoms	1,100.21	(0.2)	(1.9)	4.0	69.8
Consumer	8,870.46	(0.1)	(0.1)	8.0	24.2
Al Rayan Islamic Index	5,696.70	0.7	(0.2)	20.8	15.4

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Agility Pub. Warehousing Co.	Kuwait	1.25	3.6	5,460.7	32.1
Qatar Islamic Bank	Qatar	25.46	3.5	3,681.3	38.9
Aldar Properties	Abu Dhabi	5.29	3.5	82,489.4	32.6
Ooredoo Oman	Oman	0.35	2.9	361.7	(7.9)
Human Soft Holding Co.	Kuwait	3.49	2.9	362.1	8.3

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Saudi British Bank	Saudi Arabia	42.40	(4.4)	1,604.3	28.5
Co. for Cooperative Ins.	Saudi Arabia	69.20	(3.9)	514.8	(10.7)
Banque Saudi Fransi	Saudi Arabia	54.00	(3.7)	884.4	14.3
Bank Al Bilad	Saudi Arabia	53.30	(3.6)	1,142.7	53.3
Al Rajhi Bank	Saudi Arabia	176.20	(3.5)	6,088.8	24.3

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

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar Islamic Bank	25.46	3.5	3,681.3	38.9
Mannai Corporation	10.50	3.2	2,541.5	121.1
Qatar International Islamic Bank	12.51	2.0	2,320.1	35.8
Masraf Al Rayan	5.60	1.8	17,216.7	20.7
Qatar Insurance Company	2.48	1.8	3,291.2	(9.8)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Investment Holding Group	2.43	(5.3)	43,720.8	97.6
Zad Holding Company	18.78	(4.7)	33.5	18.1
Dlala Brokerage & Inv. Holding Co.	1.70	(3.8)	8,320.0	37.8
Qatari German Co for Med. Devices	2.29	(3.2)	1,251.6	(27.9)
Islamic Holding Group	5.42	(2.3)	893.5	37.4

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Investment Holding Group	2.43	(5.3)	43,720.8	97.6
Baladna	1.60	(1.4)	17,470.5	10.7
Masraf Al Rayan	5.60	1.8	17,216.7	20.7
Salam International Inv. Ltd.	1.06	(0.3)	13,098.7	28.9
Qatar Aluminum Manufacturing Co.	2.59	(0.9)	8,682.6	43.8

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Investment Holding Group	2.43	(5.3)	106,771.1	97.6
Masraf Al Rayan	5.60	1.8	96,208.4	20.7
Qatar Islamic Bank	25.46	3.5	93,961.3	38.9
Industries Qatar	19.97	1.0	76,920.1	28.9
QNB Group	23.20	(1.9)	69,207.5	14.9

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	14,005.70	0.6	(0.8)	3.5	20.5	213.00	213,241.0	18.1	2.0	3.1
Dubai	3,646.18	1.6	1.7	3.4	14.1	226.53	160,402.0	17.4	1.3	2.6
Abu Dhabi	9,870.23	(0.4)	(0.6)	(0.5)	16.7	492.63	495,115.8	23.0	2.8	1.9
Saudi Arabia	13,505.57	(1.7)	(0.8)	3.2	19.7	2,529.24	3,209,586.6	25.5	2.9	2.2
Kuwait	8,288.29	0.7	(0.3)	1.7	17.7	259.52	157,278.4	21.9	1.9	2.3
Oman	4,261.99	0.2	0.5	1.4	3.2	8.13	19,914.8	12.3	0.8	4.8
Bahrain	2,092.66	(0.2)	(0.4)	0.9	16.4	8.14	33,625.3	8.8	1.0	5.3

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

Qatar Market Commentary

- The QE Index rose 0.6% to close at 14,005.7. The Insurance and Industrials indices led the gains. The index rose on the back of buying support from GCC and Foreign shareholders despite selling pressure from Qatari and Arab shareholders.
- Qatar Islamic Bank and Mannai Corporation were the top gainers, rising 3.5% and 3.2%, respectively. Among the top losers, Investment Holding Group fell 5.3%, while Zad Holding Company was down 4.7%.
- Volume of shares traded on Tuesday rose by 16.4% to 178.3mn from 153.3mn on Monday. However, as compared to the 30-day moving average of 280.9mn, volume for the day was 36.5% lower. Investment Holding Group and Baladna were the most active stocks, contributing 24.5% and 9.8% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	34.82%	37.41%	(20,149,369.0)
Qatari Institutions	14.10%	27.19%	(101,886,273.6)
Qatari	**48.91%**	**64.59%**	**(122,035,642.5)**
GCC Individuals	0.56%	0.52%	263,944.9
GCC Institutions	2.16%	1.76%	3,132,425.6
GCC	**2.72%**	**2.28%**	**3,396,370.5**
Arab Individuals	10.35%	10.87%	(4,054,873.3)
Arab Institutions	0.06%	0.00%	476,675.2
Arab	**10.41%**	**10.87%**	**(3,578,198.0)**
Foreigners Individuals	2.45%	2.77%	(2,555,028.6)
Foreigners Institutions	35.52%	19.48%	124,772,498.6
Foreigners	**37.96%**	**22.26%**	**122,217,470.0**

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

Ratings, Earnings Releases, Global Economic Data and Earnings Calendar

Ratings Updates

Company	Agency	Market	Type*	Old Rating	New Rating	Rating Change	Outlook	Outlook Change
QNB Group	Fitch	Qatar	LT-IDR/ST-IDR	A+/F1	A/F1	↓	Stable	↑
The Commercial Bank	Fitch	Qatar	LT-IDR/ST-IDR	A/F1	A-/F2	↓	Stable	↑
Doha Bank	Fitch	Qatar	LT-IDR/ST-IDR	A/F1	A-/F2	↓	Stable	↑
Qatar International Islamic Bank	Fitch	Qatar	LT-IDR/ST-IDR	A/F1	A-/F2	↓	Stable	↑
Qatar Islamic Bank	Fitch	Qatar	LT-IDR/ST-IDR	A/F1	A-/F2	↓	Stable	↑
Ahli Bank	Fitch	Qatar	LT-IDR/ST-IDR	A/F1	A-/F2	↓	Stable	↑
Dukhan Bank	Fitch	Qatar	LT-IDR/ST-IDR	A/F1	A-/F2	↓	Stable	↑

Source: News reports, Bloomberg (LTR – Long Term Rating, FSR- Financial Strength Rating, IDR- Issuer Default Ratings)*

Earnings Releases

Company	Market	Currency	Revenue (mn) 1Q2022	% Change YoY	Operating Profit (mn) 1Q2022	% Change YoY	Net Profit (mn) 1Q2022	% Change YoY
National Life General Insurance	Oman	OMR	62.1	10.0%	N/A	N/A	2.1	-24.3%
The National Detergent Co.	Oman	OMR	5.5	13.1%	N/A	N/A	9.2	3637.4%
Shell Oman Marketing Co.	Oman	OMR	112.1	20.8%	N/A	N/A	1.4	-10.5%
Muscat Insurance Co.	Oman	OMR	7.6	4.7%	N/A	N/A	0.5	69.2%
Raysut Cement Co.	Oman	OMR	12.6	-1.4%	N/A	N/A	(1.4)	N/A
Ominvest	Oman	OMR	55.6	5.2%	N/A	N/A	8.8	-6.2%
Takaful Oman Insurance	Oman	OMR	9.9	9.7%	N/A	N/A	(0.1)	N/A
Dana Gas**	Abu Dhabi	AED	1,657.0	29.6%	N/A	N/A	1,156.0	N/A

*Source: Company data: DFM, ADX, MSM, TASI, BHB. (#Values in Thousands, *Financial for 1Q2022, ** Financial for FY2021)*

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
04/19	US	U.S. Census Bureau	Housing Starts	Mar	1,793k	1,740k	1,788k
04/19	US	U.S. Census Bureau	Building Permits	Mar	1,873k	1,820k	1,859k
04/19	US	U.S. Census Bureau	Housing Starts MoM	Mar	0.30%	-1.60%	6.80%
04/19	US	U.S. Census Bureau	Building Permits MoM	Mar	0.40%	-2.40%	-1.90%
04/19	Japan	Ministry of Economy Trade and Industry	Industrial Production MoM	Feb F	2.00%	N/A	0.10%
04/19	Japan	Ministry of Economy Trade and Industry	Industrial Production YoY	Feb F	0.50%	N/A	0.20%
04/19	Japan	Ministry of Economy Trade and	Capacity Utilization MoM	Feb	1.50%	N/A	-3.20%

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

Earnings Calendar

Tickers	Company Name	Date of reporting 1Q2022 results	No. of days remaining	Status
WDAM	Widam Food Company	20-Apr-22	0	Due
MKDM	Mekdam Holding Group	20-Apr-22	0	Due
CBQK	The Commercial Bank	20-Apr-22	0	Due
UDCD	United Development Company	21-Apr-22	1	Due

NLCS	Alijarah Holding	21-Apr-22	1	Due
QIIK	Qatar International Islamic Bank	24-Apr-22	4	Due
QGMD	Qatari German Company for Medical Devices	24-Apr-22	4	Due
BRES	Barwa Real Estate Company	24-Apr-22	4	Due
IHGS	INMA Holding Group	24-Apr-22	4	Due
DBIS	Dlala Brokerage & Investment Holding Company	25-Apr-22	5	Due
QGRI	Qatar General Insurance & Reinsurance Company	25-Apr-22	5	Due
QIGD	Qatari Investors Group	25-Apr-22	5	Due
ERES	Ezdan Holding Group	25-Apr-22	5	Due
IQCD	Industries Qatar	25-Apr-22	5	Due
ZHCD	Zad Holding Company	25-Apr-22	5	Due
IGRD	Investment Holding Group	25-Apr-22	5	Due
QLMI	QLM Life & Medical Insurance Company	25-Apr-22	5	Due
GWCS	Gulf Warehousing Company	26-Apr-22	6	Due
MPHC	Mesaieed Petrochemical Holding Company	26-Apr-22	6	Due
QISI	Qatar Islamic Insurance Group	26-Apr-22	6	Due
MERS	Al Meera Consumer Goods Company	26-Apr-22	6	Due
MCCS	Mannai Corporation	26-Apr-22	6	Due
VFQS	Vodafone Qatar	26-Apr-22	6	Due
QIMD	Qatar Industrial Manufacturing Company	26-Apr-22	6	Due
AHCS	Aamal Company	27-Apr-22	7	Due
DHBK	Doha Bank	27-Apr-22	7	Due
QFBQ	Qatar First Bank	27-Apr-22	7	Due
QOIS	Qatar Oman Investment Company	27-Apr-22	7	Due
QAMC	Qatar Aluminum Manufacturing Company	27-Apr-22	7	Due
GISS	Gulf International Services	27-Apr-22	7	Due
MARK	Masraf Al Rayan	27-Apr-22	7	Due
DOHI	Doha Insurance Group	27-Apr-22	7	Due
BLDN	Baladna	27-Apr-22	7	Due
QCFS	Qatar Cinema & Film Distribution Company	27-Apr-22	7	Due
AKHI	Al Khaleej Takaful Insurance Company	27-Apr-22	7	Due

Source: QSE

Qatar

- **Fitch downgrades Qatari banks; 'Stable' outlook –** Fitch Ratings has downgraded seven Qatari banks' Long-Term Issuer Default Ratings (IDR) and removed them from Rating Watch Negative (RWN). The rating action reflects the Qatari banking sector's increased reliance on external funding and recent rapid asset growth, which Fitch believes has weakened the sovereign's ability to provide support to the system, in case of need. Fitch does not believe the current higher oil prices will substantially benefit these metrics over the rating horizon. Fitch has downgraded QNB Group's Long-Term IDR to 'A' from 'A+' and removed it from RWN. QNB Group's 'F1' Short-Term IDR has been affirmed and removed from RWN as it already maps to the lower of the two options for an 'A' Long-Term IDR. Fitch has also downgraded Qatar Islamic Bank's (QIBK), Doha Bank (DHBK), The Commercial Bank's (CBQK), Qatar International Islamic Bank's (QIIK), Ahli Bank's (ABQK) and Dukhan Bank Long-Term IDRs to 'A-' from 'A' and Short-Term IDRs to 'F2' from 'F1'. (Bloomberg)
- **QNNS' bottom line rises 21.3% YoY and 415.9% QoQ in 1Q2022, in-line with our estimate –** Qatar Navigation's (QNNS) net profit rose 21.3% YoY (+415.9% QoQ) to QR360.4mn in 1Q2022, in line with our estimate of QR352.2mn (variation of +2.3%). The company's operating revenue came in at QR912.7mn in 1Q2022, which represents an increase of 35.2% YoY (+21.8% QoQ). EPS amounted to QR0.32 in 1Q2022 as compared to QR0.26 in 1Q2021. (QSE, QNBFS Research)
- **Aamal to disclose its Q1 financial results on April 27 –** Aamal to disclose its financial statement for the period ending 31st March 2022 on 27/04/2022. (QSE)
- **Aamal to hold its investor's relation conference call on April 28 to discuss the financial results –** Aamal announced that the conference call with the Investors to discuss the financial results for the Quarter 1 2022 will be held on 28/04/2022 at 02:00 PM, Doha Time. (QSE)
- **Mazaya Qatar Real Estate Development to disclose its Q1 financial results on April 27 –** Mazaya Qatar Real Estate Development to disclose its financial statement for the period ending 31st March 2022 on 27/04/2022. (QSE)
- **Mazaya Real Estate Development held Ordinary General Assembly Meeting for the year 2021 and postponed the Extra Ordinary General Assembly –** Kindly be informed that the Ordinary General Assembly meeting for Mazaya Real Estate Development was held on Tuesday, April 19, 2022 at 9:30 pm Via Zoom cloud meetings and discussed & Approved the below agenda: 1) Hearing the Board of Director Report on the activities of the company and its financial position for the financial year ending December 31, 2021, as well as the company's future plans. 2) Hearing the Sharia'ah Supervisory Board report. 3) Hearing & approving the auditors' report for the year ending December 31, 2021. 4) Discussing & approving the company's balance sheet and profit & loss statement for the year ending December 31, 2021. 5) Approving the proposal of the board of directors not to distribute dividend. 6) Absolving the members of the Board Directors of any liability for the financial year ending December 31, 2021. 7) Discussing & approving the company's Governance Report for the year ending December 31, 2021. 8) Appointing the Auditors for the 2022 financial year and fix their fees. Accordingly, all the items mentioned above have been approved. It was approved to appoint Deloitte & Touche as the external auditors for the year 2022. Kindly be informed that Extra Ordinary General Assembly meeting for Mazaya Real Estate Development was not held on Tuesday, April 19, 2022, for the non-availability of the required quorum. Therefore, we will inform you with the next meeting later. (QSE)

- **Qatari Investors Group AGM endorses items on its agenda –** Qatari Investors Group announced the results of the AGM. The meeting was held on 19/04/2022 and the following resolution were approved – 1) The Board of Directors' report on the Company's activities and its financial position during the year ended on 31 December 2021 and the Company's business plan for 2022. 2) The report of the External Auditor on the Company's budget, financial position and final accounts submitted by the Board of Directors. 3) Approved the company's budget and statement of profits and losses for the year ended on 31 December 2021. 4) The Board of Director's recommendation to distribute a cash dividend of 10% of the share nominal value (i.e. 10 Dirhams per share). 5) The Corporate Governance Report of 2021. 6) The basis and policy for granting remuneration for the Board of Members, in addition to incentives and rewards of Senior Executive Management and the Company's employees in accordance with the principles of the Governance Code. 7) Absolving the members of the Board of Directors from any liability for the financial year ended on 31 December 2021 and determines their remuneration. 8) Appointing Deloitte as the External Auditor for the financial year 2022 and determining their fees. (QSE)
- **KPMG: M&A deals in Qatar reach $139.3mn in March –** Mergers and acquisitions (M&A) transactions which have been closed by Qatari investors in March stood at $139.3mn according to a KPMG report. In its monthly Merger & Acquisition Deals tracker for the GCC region, KPMG noted that two M&A deals which have been closed by Qatari investors in March targeted the telecom, media, and telecom (TMT) as well as the consumer and retail sectors. These include the $121mn Series D funding led by Qatar Investment Authority (QIA) for Turkey-origin and Singapore-based Insider PTE, and Baladna's $18.3mn acquisition deal for a 5% stake in Egypt's leading dairy company Juhayna Food Industries. The majority of the M&A deals targeted the TMT sector with 19 deals, followed by other target sectors including financial services (16 deals), consumer and retail (12 deals), industry and materials (8deals), healthcare (4 deals), and real estate (2 deals). (Peninsula Qatar)
- **Amir issues social insurance, military retirement laws –** Amir HH Sheikh Tamim bin Hamad Al Thani has issued Law No. 2 of 2022 on military retirement. The law is effective six months after the date of its publication in the official gazette, with the exception of Article 20 (paragraph 2) which shall be enforced starting from the date of the issuance of this law. HH the Amir also issued Law No. 1 of 2022 issuing the Social Insurance Law. The law is effective six months after the date of its publication in the official gazette, with the exception of Article 4 (paragraph 5), Article 13 (paragraph 1), and Article 30 (paragraph 1) which shall be enforced starting from the date of the issuance of this law. The General Retirement and Social Insurance Authority applauded the decision by the Amir to increase the pensions of retired individuals and the issuance of the military retirement and social insurance laws. In a statement, the Authority said the generous patronage of HH the Amir included the issuance of the Amiri decision securing a minimum pension for all Qatari retirees in the country from the date of issuance at no less than QR15,000, with the addition of a special housing allowance of QR4,000, provided that the pension does not exceed QR100,000. (Peninsula Qatar)
- **Masraf Al Rayan first Islamic bank in Qatar to launch Sustainable Financing Framework –** Masraf Al Rayan (Al Rayan) on April 19 announced the launch of its Sustainable Financing Framework to further its Environment, Social and Governance (ESG) agenda. The launch of the framework, the first of its kind at an Islamic Bank in Qatar, will enable the bank to offer ESG-linked funding opportunities to investors and apply those proceeds to finance ESG-compliant sustainable projects. Credit rating agency, S&P Global Ratings, assessed the bank's Framework as 'strong' in its ESG criteria, as part of an independent Second Party Opinion. In a bid to become a key sustainability player in Qatar, Masraf Al Rayan set up its SSF in alignment with the Qatar Financial Centre's (QFC) newly-launched Sustainable Sukuk and Bonds Framework. The bank's sustainability strategy also follows Qatar's National Environment and Climate Change Strategy, which outlines a policy framework to protect the environment and achieve long-term sustainability goals. (Peninsula Qatar)
- **Mazaya to enhance real estate investments portfolio by QR500mn –** Mazaya Real Estate Development Company aims to enhance its real estate investment portfolio by QR500mn, said Sheikh Salman bin Hassan Al Thani, Chairman of the company. Mazaya Real Estate Development Company yesterday held its Ordinary General Assembly Meeting yesterday. "The company's strategy is to enhance our real estate investments portfolio by QR500mn. This is already underway, with investments of QR220mn on properties with fixed income for several years and an estimated return of 7%. The portfolio should be completed within the next two years," said Sheikh Salman bin Hassan Al Thani, addressing the shareholders during the AGM. During the meeting, shareholders approved the items on the agenda. He added that the company would enhance its activities in real estate development through the selling of housing units. The first of these projects will be launched in 2022. (Peninsula Qatar)
- **Cityscape Qatar 2022 to showcase new real estate projects in June –** The easing of pandemic-related restrictions, the roll-out of booster shots, changes in property regulatory, and the FIFA World Cup 2022 have all brought an optimistic outlook for Qatar's real estate industry. Over recent years the Gulf has experienced a relatively sluggish residential, hospitality and commercial real estate market. In Qatar, experts are now seeing shoots of recovery with the attraction of regional developers, the announcement of three museums in Doha from world-leading architects, and international investors keen on opportunities in the country's real estate market. "The outlook for Qatar's real estate market this year is highly promising. With the IMF predicting that the country's GDP growth is expected to accelerate to 3.2% this year, economic recovery looks healthy," said Chris Speller, Group Director of Cityscape, which will return to the Doha Exhibition and Convention Centre co-organized by long-standing partners Informa Markets and Elan Events from June 2022.The three-day event, which comes just five months ahead of the FIFA World Cup, will also shine a light on what the country's real estate market will look like post-FIFA World Cup. (Peninsula Qatar)
- **GAC Qatar named Great Place to Work –** GAC Qatar has been recognized as one of Qatar's best workplaces by Great Place to Work, the global authority on high-trust, high-performance workplace cultures, after a thorough and independent survey analysis. The certification recognizes the company's commitment, innovative spirit, and support for all employees, irrespective of their role, gender or level. That commitment to nurturing an excellent workplace culture has long been the hallmark of GAC in the growth and well-being of its people. (Bloomberg)Kahramaa reviews plans to meet peak season demand – Qatar General Electricity and Water Corporation (Kahramaa) held its annual meeting to coordinate with electricity and water-producing companies in Qatar. The goal of the meeting was to revise the adopted plans and coordinate joint efforts to ensure the increasing demand expected in the summer of 2022 can be met efficiently. Minister of State for Energy Affairs HE Saad bin Sherida Al Kaabi chaired the meeting, which was attended by President of Kahramaa, Essa bin Hilal Al Kuwari, and Managing Director and General Manager of Qatar Electricity and Water Company (QEWS), Eng Mohammed bin Nasser Al Hajri, along with a number of officials and other directors of the companies. (Peninsula Qatar)
- **Qatar seen to witnesses women's increased role in financial landscape –** Qatar has been witnessing increased role of women in key positions in the financial sector, especially in the Qatar Financial Centre (QFC)-based corporate entities, according to a top official of the QFC. According to 2019 data, 13.5% of senior level positions in QFC companies were filled by women – compared to 8.5% in Qatar's financial sector as a whole, said Sheikha Alanoud bint Hamad al-Thani, deputy chief executive and chief business officer of the QFC. This came in response to an interview at the World Economic Forum. She is one among the three Qatari Young Global Leaders who are playing their part in fulfilling their nation's future-proof vision. "This number continues to grow – and at the same time, these companies are posting record profits," said Sheikha Alanoud, who has been championing the role of women, having hired and mentored numerous women over the course of her career. (Gulf Times)
- **Qatar Airways, India's IndiGo reactivate strategic cooperation for seamless travel –** Qatar Airways, the multiple award-winning airlines,

and IndiGo, India's largest airline, announced the reactivation of their strategic cooperation following the lifting of the suspension on international scheduled flights by the Indian government. As part of this expanded code-share agreement, Qatar Airways will be placing its marketing code on IndiGo-operated flights between Doha and Delhi, Mumbai, Hyderabad, starting April 25, and Chennai, Bengaluru, Kochi, Kozhikode, starting May 9. Qatar Airways is currently operating 190 flights per week to and from 12 destinations in India—Delhi, Mumbai, Hyderabad, Bengaluru, Chennai, Kochi, Kozhikode, Ahmedabad, Amritsar, Goa, Kolkata, and Thiruvananthapuram. IndiGo is currently operating 154 flights per week between Doha and eight cities in India that includes Mumbai, Delhi, Hyderabad, Bengaluru, Chennai, Kochi, Kozhikode and Kannur. Both airlines' flights are optimally connected to Qatar Airways' hub, the award-winning Hamad International Airport in Doha. This allows passengers to benefit from seamless and convenient connections to the airline's entire route network, including North America, Europe, Africa, and Asia/Australia. (Peninsula Qatar)

- **TASMU Platform showcases vital digital twin capabilities –** TASMU Platform showcased the digital twin, one of its leading capabilities, that aims to accelerate the Smart Qatar vision and eventually create a digital twin of Qatar itself, during Smart City Expo Doha 2022, organized by the Ministry of Communications and Information Technology (MCIT) recently. TASMU Platform acts as the heart of TASMU Smart Qatar Program, one of the pioneering national projects initiated by MCIT. The platform facilitates cross-sector collaboration and data sharing across all sectors, with a current strategic focus on transport, logistics, environment, healthcare and sports, while ensuring privacy and security. TASMU Platform digital twin allows for public and private sectors to bridge the digital and physical worlds through data. Leveraging historical and real-time data, organizations can create a virtual representation of real-world physical systems, like places, business processes and people. (Qatar Tribune)
- **BioXcel Therapeutics Announces $260mn Strategic Financing with Oaktree and Qatar Investment Authority –** BioXcel Therapeutics, Inc. (the "Company" or "BioXcel Therapeutics"), a commercial-stage biopharmaceutical company utilizing artificial intelligence approaches to develop transformative medicines in neuroscience and immuno-oncology, announced strategic financing agreements with funds managed by Oaktree Capital Management, L.P. ("Oaktree") and Qatar Investment Authority ("QIA"). Under the agreements, Oaktree and QIA will provide up to $260mn in gross funding to support the Company's commercial activities of IGALMI (dexmedetomidine) sublingual film. In addition, the financing is intended to support the expansion of clinical development efforts of BXCL501, which includes a pivotal Phase 3 program for the acute treatment of agitation in patients with Alzheimer's Disease (AD), and for the company's additional neuroscience and immuno-oncology clinical programs. The long-term strategic financing process was led by Oaktree and is comprised of the following components: Credit Agreement: Up to $135mn in a delayed draw term loan. Revenue Interest Financing Agreement: Up to $120mn in a capped revenue interest on net sales of IGALMI and any other future BXCL501 products. Equity Investment: Up to $5mn purchase of BioXcel Therapeutics common stock. Under the agreement, BioXcel Therapeutics will receive $100mn in the first tranches of the strategic financing following approval by the U.S. Food and Drug Administration (FDA) of a New Drug Application (NDA) in respect of the use of the Company's BXCL501 product for the acute treatment of agitation associated with schizophrenia or bipolar I or II disorder in adults. This condition was satisfied on April 5, 2022, with the FDA's approval of IGALMI. (Bloomberg)

International

- **IMF economist sees risks that inflation expectations climb upward –** The International Monetary Fund's new chief economist said on Tuesday he is concerned about increasing signals that inflation expectations are on the rise and may become entrenched at elevated levels, prompting more aggressive monetary policy tightening in advanced economies. Pierre-Olivier Gourinchas, who started transitioning to the IMF's economic counselor role in January, told Reuters in an interview that the war in Ukraine, which has caused sharp energy and food price increases, may damage expectations for decades-high inflation to start to subside this year. A "very, very tight labor market" in the United States is increasing demands for wage increases to "catch up" with higher prices that could help fuel expectations among consumers and businesses that prices will keep rising, the French-born former University of California-Berkeley economist said. "So there is definitely a risk that we could have a wage-price spiral," Gourinchas said. "And there's a risk also that as we live through a period of elevated inflation, and we hear that it goes from five to six to seven to eight (percent) - and we don't see it turning around - people will start reassessing what they think inflation will be in the future and businesses will also do the same thing." That would be bad news for the Federal Reserve and other developed-world central banks, which have argued that inflation expectations among consumers and businesses have remained reasonably anchored at levels well below the current high readings of measured inflation. Some Fed officials have begun to fret publicly that they may have a limited window now to ensure that that remains the case and an aggressive run of rate hikes this year is needed to pull that off. Market signals from elevated Treasury yields have been ahead of consensus private forecasts for inflation, but both are pointing higher than the 2% inflation targets of many central banks, and forecasts have been "sort of moving up," Gourinchas said. "And that's really, you know, the red alarm signal on the dashboard here," he said. "If you see that and you're a central banker, you don't have a choice. You have to step in more forcefully to make sure people really anticipate that inflation will remain stable, even if it's elevated right now." Gourinchas said the Fund's baseline forecast anticipated that inflation will peak in the current quarter and start to decline as pandemic-driven supply chain bottlenecks ease and the withdrawal of pandemic fiscal support helps cool demand. But while a faster tightening of US monetary policy would slow US growth further, it would be unlikely to cause a recession, based on the current baseline of still-robust 3.7% US growth for 2022, Gourinchas said. Steeper rate hikes, energy sanctions on Russia that spike prices further or a big drop in asset prices that stokes volatility could "bring us closer" to recession, he said. "How close we could be, that's not something we can assess precisely at this point. Our baseline is basically the US economy is still going to be growing in 2022 and 2023," Gourinchas said. (Reuters)
- **Fed's Evans sees year-end rates at 2.25%-2.5%, and then likely higher –** Chicago Federal Reserve Bank President Charles Evans on Tuesday said the Fed could raise its policy target range to 2.25%-2.5% by year end and then take stock of the state of the economy, but if inflation remains high will likely need to hike rates further. "Probably we are going beyond neutral -- I mean, that's my expectation," Evans said at the Economic Club of New York. Most Fed policymakers estimate neutral to be somewhere between 2.25% and 2.5%. Evans noted some "positive" developments in the most recent US inflation report, which showed consumer prices rose 8.5% in March, but a slowdown in some goods inflation, including for used cars. If that continues, it could help push broader inflation down. But, he added, the data could also go the other way, with Russia's invasion of Ukraine and the COVID-19 lockdowns in Shanghai adding to the supply chain problems that have been pushing inflation higher. "If inflation for some reason began to re-accelerate that would be a cause of great concern," Evans said. The Fed next meets in May and is widely expected to raise rates by a half percentage point then and again in June before perhaps settling into quarter-point hikes for the rest of the year, a pace that would get rates to Evans' estimated range of neutral by December. (Reuters)
- **US single-family starts tumble: construction backlog at record high –** US single-family homebuilding and permits tumbled in March as soaring mortgage rates increased costs, but residential construction remains underpinned by a severe shortage of houses. The report from the Commerce Department on Tuesday also showed a record backlog of homes approved for construction, but to be started. It followed on the heels of news on Monday that sentiment among single-family homebuilders dropped to a seven-month low in April. The 30-year fixed mortgage rate has risen to 5% for the first time in over a decade as the Federal Reserve hikes borrowing costs to quell sky-high inflation. The housing market is the sector of the economy most sensitive to interest rates. "A lack of existing inventories should be positive for building activity," said Rubeela Farooqi, chief US economist at High Frequency

Economics in White Plains, New York. "However, high input costs and shortages, of both labor and materials, remain headwinds for builders. Rising mortgage rates that crimp demand will also be a consideration for building activity going forward." Single-family housing starts, which account for the biggest share of homebuilding, dropped 1.7% to a seasonally adjusted annual rate of 1.200mn units in March. Single-family homebuilding plummeted in the Northeast. It also fell in the West and densely populated South but rose in the Midwest. Starts for housing projects with five units or more jumped 7.5% to a rate of 574,000 units, the highest since January 2020. There is strong demand for rental accommodation, with the economy fully reopened following disruptions earlier in the COVID-19 pandemic. Rents increased by the most in 20 years on an annual basis in March, while the rental vacancy rate in the fourth quarter was the lowest since mid-1984. The surge in the volatile multi-family segment helped to lift overall housing starts 0.3% to a seasonally adjusted annual rate of 1.793mn units, the highest since June 2006. Economists polled by Reuters had forecast starts slipping to a rate of 1.745mn units. Starts averaged a 1.753mn unit-pace in the first quarter, higher than the fourth quarter average rate of 1.670mn units. That suggest the recovery in residential construction spending continued into the first quarter, supporting overall economic growth. Permits for future single-family homebuilding dropped 4.8% to a rate of 1.147mn units. But building permits for housing projects with five units or more accelerated 10.9% to a rate of 672,000. That lifted overall building permits 0.4% to a rate of 1.873mn units last month. (Reuters)

- **IMF sees UK growth slowing to weakest in G7 next year –** Britain faces slower economic growth and more persistent inflation than any other major economy next year, the International Monetary Fund forecast on Tuesday as part of a broader downgrade to global growth prospects. The IMF warned Russia's invasion of Ukraine was amplifying inflation pressures that were already present across Western economies, squeezing living standards and growth. "Consumption is projected to be weaker than expected as inflation erodes real disposable income, while tighter financial conditions are expected to cool investment," the IMF said about Britain. The IMF cut its forecast for British gross domestic product growth this year to 3.7% from January's forecast of 4.7%, while for 2023 the growth rate was almost halved to 1.2% from 2.3%. The projected growth for Britain next year is lower than for any other major advanced economy and below the 1.8% forecast last month from Britain's Office for Budget Responsibility. IMF chief economist Pierre-Olivier Gourinchas said the downgrade reflected "elevated inflation pressures" and tighter monetary policy, while IMF Deputy Director Petya Koeva Brooks highlighted a "major supply shock" from higher energy prices. British inflation hit a 30-year high of 7.0% last month and the IMF forecasts it will average 7.4% this year -- slightly less than in the United States and higher than in the euro zone. Next year inflation is forecast to be much slower to ease than in any other major economy, averaging 5.3% compared with falls to 2.9% in the United States and 2.3% in the euro zone. Britain, like the United States, had also seen a drop in the number of older workers since the pandemic, creating labour shortages, the IMF added. As part of general advice to central banks, the IMF said they should communicate clearly what they think is a 'neutral' interest rate, as well as their willingness if needed to keep rates above that level to bring down inflation. The Bank of England has said Britain's neutral rate is below where it was before the 2008 financial crisis, but that it is not possible to give a specific range. Financial markets expect the BoE to raise interest rates to 2.25% by the end of the year from 0.75%, although policymakers have previously implied that scale of tightening would cause inflation to undershoot its 2% target in the medium term. The IMF also said governments could offer support for households facing big price increases, but that it should be focused on poorer households. (Reuters)
- **China's lockdowns could drive more US policy action, says Fed's Kashkari –** If lockdowns in China aimed at containing COVID-19 cause further disruptions to global supply chains, the Federal Reserve will need to take even more aggressive action to bring down "much too high" inflation, Minneapolis Fed President Neel Kashkari said on Tuesday. Speaking at an event at Luther College in Decorah, Iowa, Kashkari said in the best case scenario, the pandemic fades into the background, supply chains recover and more supply comes back on line. That would help reduce upward pressure on consumer prices, which rose 8.5% in March, the fastest pace since late 1981. If that doesn't happen, Kashkari said, "then our job will get harder ... and we are going to have to do more, through our monetary policy tools, to bring inflation back down." The Fed began raising interest rates last month and is expected to ramp up its rate hikes starting next month to slow demand for goods and services and bring it into better balance with constrained supply. As recently as six months ago Kashkari thought inflation would recede on its own without the Fed tightening monetary policy; he has since joined the rest of his central banking colleagues in believing the Fed does need a series of rate hikes this year to do the job. But Kashkari's remarks underscored how much the US central bank's success in fighting inflation depends on forces outside its control. Other Fed policymakers have repeatedly hit this theme as well in recent weeks, not just because of China's lockdowns but also as Russia's invasion of Ukraine sent energy and food prices soaring globally. Both push up on inflation, but could also pinch economic activity. The International Monetary Fund this week slashed its forecast for global growth in 2022 to 3.6% from an earlier estimate of 4.4%. How the US economy shapes up in the coming year will depend "on the virus, it's going to depend on what happens in Ukraine," said Kashkari. "Those are giant elephants that will determine what will happen in our economy as well." (Reuters)
- **Reuters poll: China likely to lower benchmark lending rates after RRR cut -** Benchmark lending rates for China's commercial banks are likely to be lowered at a monthly fixing on Wednesday, a Reuters survey showed, as Beijing cautiously eases monetary conditions to aid an economy hit by coronavirus lockdowns in several cities. The loan prime rate (LPR), which banks normally charges their best clients, is set on the 20th of each month, when 18 designated commercial banks submit their proposed rates to the People's Bank of China. A vast majority of the 28 traders and analysts surveyed in a snap Reuters poll on Tuesday expect a reduction this month. Among them, 11, or 39% of all respondents, predicted a marginal cut of 5 basis points (bps) to both the one-year loan prime rate (LPR) and the five-year rate on Wednesday. Another six participants also expect a reduction to either rate within a range of 5 to 10 bps. The remaining 11 respondents expected both rates to remain unchanged this month. Most new and outstanding loans in China are based on the one-year LPR, which currently stands at 3.7%. The five-year rate, which influences the pricing of home mortgages, is 4.6%. China last lowered the LPR in January and has held the rates steady in the following two months. Expectations for imminent monetary easing were heightened last week when the People's Bank of China (PBOC) cut the amount of cash banks must hold in reserves. "The easing cycle is still underway, but is not in the traditional format," said Ken Cheung, chief Asian FX strategist at Mizuho Bank, who expected a 10 bps cut in the LPR on Wednesday. The PBOC has eased policy cautiously, lowering the RRR by a smaller-than-expected margin to provide relatively modest cash injection. Global investment banks including Goldman Sachs said the PBOC's restraint may reflect concern over inflation and policy divergence between the world's two largest economies as the US Federal Reserve raises interest rates. The divergence in policy could lead to money flowing out of China and weaken the yuan. "It seems liquidity injection is the preferred way to support the growth amid the rising uncertainty from the global inflation and faster than expected Fed tightening," said Tommy Xie, head of Greater China research at OCBC Bank. The PBOC kept borrowing costs of its medium-term lending facility (MLF), which serves as a guide to the LPR, steady for the third straight month last week. (Reuters)
- **Japan posts trade gap far wider than forecasts as China exports slow, energy imports soar –** Japan recorded a trade deficit in March that was more than four times wider than market forecasts, as China-bound exports slowed sharply while soaring energy prices raised the cost of imports, adding to economic challenges brought by conflict in Ukraine. Outgoing trade was restrained by a decline in car exports and a slowdown in the growth of shipments to Japan's biggest trading partner China, data showed, indicating continuing risk from global supply constraints and the coronavirus pandemic. The persistent trade deficit highlights the world's third-largest economy's vulnerability to soaring import costs. "Japan's economy may see a slower recovery if China-bound exports are sluggish," said Takeshi Minami, chief economist at Norinchukin Research Institute.

Exports to China make up over a fifth of Japan's total shipments in value terms, he said. Imports soared 31.2% in the year to March, Ministry of Finance data showed on Wednesday, above a median forecast of 28.9% in a Reuters poll of economists. That outpaced a 14.7% rise in exports, resulting in a trade deficit of 412.4bn yen ($3.19bn) - eclipsing the 100.8bn yen estimated in the poll. March marked the eighth consecutive deficit, though it was the smallest in five months. By region, exports to China grew a mere 2.9% in the 12 months to March, helped in part by stronger shipments of audiovisual projectors. That was much weaker than the previous month's 25.8%. "China's zero-coronavirus policies and lockdowns in cities caused production activity to shrink, hurting Japanese exports of parts and capital goods," said Norinchukin's Minami. Exports to the United States, the world's largest economy, grew 23.8% on stronger shipments of motor vehicle parts and power-generating machinery. Overall, however, exports were dragged down by a 0.7% drop in motor vehicle shipments. Imports were mainly pushed up by larger shipments of oil from the United Arab Emirates as well as coal and liquefied natural gas from Australia, the data showed. "Net trade is set to have knocked off around 0.5 percentage point from GDP (gross domestic product) growth last quarter as import volumes rose a lot faster than export volumes," said Tom Learmouth, Japan economist at Capital Economics. "But driven by the Japanese staples of cars and capital goods, we think exports will soon start to outpace imports." Japan's economy is likely to grow an annualized 4.9% in the current quarter on a pick-up in consumer activity after the government ended coronavirus pandemic curbs last month, showed a separate Reuters poll of economists. But rapid weakening of the yen, which has slid to two-decade lows against the US dollar on prospects of widening US-Japan interest rate differentials, are inflating already rising import costs for fuel and food, putting pressure on household spending power. (Reuters)

Regional

- **GCC general secretariat, GMCO sign agreement –** The General Secretariat of the Cooperation Council for the Arab States of the Gulf (GCC) and the Gulf Monetary Council (GMCO) signed on Tuesday a memorandum of understanding to enhance cooperation and joint action. The memorandum was signed by Assistant Secretary for Economic and Development Affairs at the GCC Khalifa bin Saeed Al Abri and Executive Director of the Gulf Monetary Council Dr Atif bin Saleh Al Rashidi. The signing of the memorandum was based on the decision of the esteemed Supreme Council at its 36th session in December 2015 in Riyadh, to adopt the vision of the Custodian of the Two Holy Mosques, regarding the promotion of joint Gulf action. (Bloomberg)
- **AMF: Arab economies expected to grow by 5% in 2022 –** Arab economies are expected to grow by 5% in 2022, supported by the increase in oil production and its prices in international markets and the continuation of stimulus packages to support economic recovery, said the Arab Monetary Fund (AMF) in a new report. In 2023, the growth of Arab countries is expected to decrease to 4% due to the decline in global demand, the gradual withdrawal of stimulus packages, and the anticipated fall in commodity prices, according to the 16th edition of the Arab Economic Outlook Report Including Macroeconomic Forecasts for Arab Economies for 2022 and 2023. The expected growth rate for 2022 reflects the rise in the growth rate of the Arab oil-exporting economies to 5.6% due to the anticipated increases in the output of the oil and gas sectors. On the other hand, the growth rate of the Arab oil-importing economies is expected to reach a moderate level of 3.7%, reflecting the challenges facing their internal and external balances, which affect consumption and investment levels. In this context, a significant increase in the GCC Growth Rate is expected to reach about 5.8% in 2022, compared to 3.1% for the growth rate recorded in 2021, due to many supportive factors that will stimulate the output of both oil and non-oil sector. These factors include the positive momentum of the economic reforms applied to increase levels of economic diversification and attract local and foreign direct and the positive impact of the stimulus packages to support recovery from the Covid-19 Pandemic. In 2023, the growth pace of the GCC countries is expected to decline to 3.6%. (Bloomberg)
- **Saudi Arabia and Kuwait are candidates to record the highest growth rate among the economies of the Gulf countries in 2022 –** The economies of the six countries of the Gulf Cooperation Council are very optimistic about their growth in the current year 2022, and the growth figures of the gross domestic product in the current year. According to a monitoring unit of the reports in Al-Eqtisadiah newspaper, which was based on the expectations of the International Monetary Fund issued recently, the Saudi and Kuwaiti economies are candidates to record growth rates that exceed their rates in the economies of the Gulf countries in 2022. In its World Economic Outlook report for the month of April, the IMF suggested that Saudi Arabia's economy, the largest in the Middle East, would witness growth rates of 7.6% this year and about 3.6% next year, while it expected the Kuwaiti economy to achieve a growth of 8.2%. (Bloomberg)
- **GCC industrial racking system market is projected to reach a growth rate of around 11% CAGR by the end of 2032 –** The Demand for GCC industrial racking system market is anticipated to witness a high growth rate of around 11% CAGR from 2022 to 2032. Market expansion is predicted to be driven by increasing e-Commerce shopping across the region. Also, increase in food & beverage consumption along with improved supply chain and logistics networks are having a healthy impact on market growth. Industrial racking systems are employed in warehouses, industrial inventory storage, and storage facilities. Countries in the region are seeking to shift their economies from oil- and gas-based to other types such as tourism based. Governments are also implementing initiatives such as huge infrastructural projects that require large spaces for storing goods and parts. e-Commerce will play a vital role in supporting the market, as the purchasing power of people in the region is increasing. Also, with increasing merchant adoption and consumer confidence in digital payments, the e-commerce sector will help overall economic growth of the region. As a result, demand for industrial racking systems will witness a huge surge across the GCC region over the coming years. (Bloomberg)
- **Saudi fund manager survey: Banks, energy and healthcare to outperform –** Saudi Arabian equities are better placed to outperform the other global equity markets, according to a fund manager survey by the Riyadh-based brokerage Al Rajhi Capital. The Saudi equity market, dominated by banks and energy, is well positioned to tackle the double whammy of rising interest rates and inflation. Among sectors, the survey participants voted Banks to outperform, followed by Petrochemicals, Software & Services and Healthcare. "This indicates that the buy side's view is driven by the current macro developments, which is dominated by headlines over the US Fed rising interest rates and inflationary environment across the world," Al Rajhi Capital said. Saudi banks, that have high exposure to Current Account Savings Account (CASA), would benefit from higher interest rates supported by better Net Interest Margin (NIM). On the other hand, both Petrochemicals and Healthcare are considered to provide a decent hedge against inflation. While the Software & Services could continue to benefit from the digitization trend in Saudi Arabia, the rise in wages in the IT sector would be a downside. The fund managers believed Insurance and Food & Beverages would underperform the most followed by retail. "We do not disagree, except for Insurance, where we believe the sector could recover from last year's impact of high loss ratios and weak pricing environment," the brokerage added. Those surveyed also held that Food and Agriculture Sector would be the most impacted by inflation in terms of growth and margins. Elsewhere, 72% of the survey participants believed that removal of travel restrictions in Saudi Arabia would have minimal adverse impact on local healthcare demand if outbound medical tourism picked up. (Zawya)
- **UAE's non-oil contribution to GDP hit 72.3% in 2021 –** The UAE's non-oil sector contribution to the GDP amounted to 72.3% in 2021, up from 71.3% in 2020, data by the Federal Competitiveness and Statistics Center, revealed. The hotels & restaurants, wholesale & retail and health & social services sectors contributed 21.3%, 14.1% and 13.8% respectively, during the reference period. It's noteworthy that the UAE's GDP at constant prices achieved a growth of 3.8% in 2021, exceeding the forecasts of relevant international institutions, which expected the growth of the country's GDP for the same year to reach 2.1%. (Zawya)
- **IMF revises upwards UAE growth, warns of setback to global recovery –** The International Monetary Fund (IMF) on Monday revised upward the economic growth outlook for the UAE in 2022 and warned that damage

from Russia's invasion of Ukraine will set back global recovery and contribute to a significant slowdown in worldwide growth this year. The IMF now estimates that the UAE's economy grew 2.3% in 2021, and forecast growth to accelerate to 4.2% in 2022 -- up from its previous forecast of 3.5%. The latest IMF projection aligns with the forecast made by the Central Bank of the UAE for 2022. In 2023, the UAE is projected to grow 3.8%, the latest data released by IMF's World Economic Outlook shows. Globally, revising downward the growth outlook, the IMF said growth is now projected to slow from an estimated 6.1% in 2021 to 3.6% in 2022 and 2023. This is 0.8 and 0.2 percentage points lower for 2022 and 2023 than in the January WEO Update. "Beyond 2023, global growth is forecast to decline to about 3.3% over the medium term. Crucially, this forecast assumes that the conflict remains confined to Ukraine, further sanctions on Russia exempt the energy sector (although the impact of European countries' decisions to wean themselves off Russian energy and embargoes announced through March 31, 2022, are factored into the baseline), and the pandemic's health and economic impacts abate over the course of 2022," the IMF said. (Zawya)

- **FAB teams up with IBM to hasten digital transformation –** First Abu Dhabi Bank (FAB), the UAE's largest bank and one of the world's largest and safest financial institutions, has teamed up with IBM Consulting to support the bank's ongoing digital transformation journey. IBM will work to enhance FAB's digital platforms in a hybrid cloud environment to help deliver a seamless digital experience to the bank's customers. As part of this arrangement, IBM Consulting aims to provide FAB with deep industry expertise in the areas of banking, hybrid cloud and application modernization to enhance the bank's ability to faster develop new products and digital services. IBM's team of experts will work with FAB to modernize existing applications and further enhance the digital footprint of FAB's customers. (Zawya)
- **Muscat Stock Exchange -listed firms post total net profits of $1.4bn for 2021 –** Omani companies which are listed on the Muscat Stock Exchange (MSX) reported total net profits of US$1.39bn for the year 2021. However, total net profits of the listed companies last year declined by 3.7% compared with total earnings of US$1.44bn in 2020 after four out of the top five sectors at the MSX recorded falls in net profits, according to a research report released by Kuwait-based Kamco Investment Company. As per the report, Oman's banking sector, the biggest sector in the exchange by market capitalization, offset some of the net profit declines of other main sectors. The banking sector recorded a 28.2% growth in total net profits at US$861.9mn in 2021 compared to US$672.5mn net profits posted in the previous year. Full-year 2021 net profits for Bank Muscat, the biggest lender by assets in the MSX, rose 16% to reach US$492.5mn driven mainly higher operating income and lower impairment charges. Moreover, National Bank of Oman reported 66.8% growth in 2021 net profit which reached US$78.6mn contributing to the overall growth of the banking sector's aggregate full-year net profits. Strong fee income and a decrease in net impairment combined with gross loans increase were the main drivers of NBO's performance, Kamco Investment noted in its report. On the other hand, the sultanate's telecom sector registered a 9.8% year-on-year decline in 2021 with aggregate earnings falling to US$207.2mn, according to Kamco Investment. The diversified financial sector also witnessed a 44% drop in aggregate net profits which decreased to US$117.7mn in 2021, the report added. (Zawya)
- **OCCI calls for deferring loan repayment for SMEs –** Oman Chamber of Commerce and Industry (OCCI) has stressed the importance of rescheduling loan repayment by small and medium-sized enterprises (SMEs) without fees until the beginning of next year. It will contribute to developing the private sector as also to push forward the economy. Besides ensuring the companies' continuity, it would help them withstand the impact of the COVID-19 pandemic. The OCCI has stressed the importance of providing support packages to the private sector institutions in general and the small and medium enterprises in particular, to help these institutions overcome the challenges posed by the coronavirus (COVID-19) crisis and to facilitate the recovery process of these institutions. (Zawya)
- **WB: Bahrain's economic growth 'accelerating to 3.5% –** Bahrain's economic growth is seen accelerating to 3.5% in 2022 boosted by the surge in energy prices, the World Bank said in a report. Recovery of the kingdom's non-oil economy is likely to continue thanks to the successful vaccination rollout and further relaxation of restrictions on movement, the international financial institution said in its Middle East and North Africa (Mena) region economic update. Emerging from a pandemic-caused recession, Bahrain's economy is gradually picking up as pandemic pressures fade, the non-oil economy recovers, and hydrocarbon production increases, it added. The World Bank's projection comes just days after the Finance and National Economy Ministry forecast real GDP growth of 4.1% this year. Titled "Reality Check: Forecasting Growth in the Middle East and North Africa in Times of Uncertainty", the new report forecasts an uneven recovery as regional averages mask broad differences. In GCC countries, buoyed by the increase in oil prices, GDP per capita is projected to grow by 4.5% in 2022, but will not recover to pre-pandemic levels until 2023. Citing official data which indicates that Bahrain's GDP is estimated to have expanded by 2.6%as of end-2021, after a nearly 5% contraction in 2020, the World Bank said that the rebound was mainly underpinned by growth in non-hydrocarbons, aided by strong expansion in the transportation and communication sector – one of the hardest-hit by the pandemic – as well as increased agricultural and fishing activity. (Zawya)
- **Bahrain has 'amplified potential for growth, diversification' –** With the highest FDI (foreign direct investment) per capita in the GCC and an FDI inward stock of 92%, Bahrain has heightened potential for diversification and economic growth. The country recently unveiled a plan to balance its public budget by 2024. It aims to implement investment projects worth $30bn and is targeting a 5% growth in the non-oil economy for 2022, prioritizing six key sectors: oil and gas; tourism; logistics; financial services; telecom, IT, and digital economy; and manufacturing, notes Arthur D. Little (ADL), the leading management consultancy firm with the longest-standing presence in the Middle East region, in its latest report entitled Situating the Kingdom of Bahrain in a Future World: Opportunities for Foreign Investment. Much like the wider GCC, the Kingdom of Bahrain has entered a paradigmatic yet opportunistic shift. The country's national strategy is pivoting to become more sustainable and competitive by investing in future-defining oil-proof sectors, as the Covid-19 pandemic underscored the need for economic growth through the accelerated uptake of innovation and digital economy. (Zawya)
- **Bahrain Chamber 'to use reserve fund to woo investments' –** A BD4.5 million Bahrain Chamber reserve fund will be set aside for projects aimed at enticing more investment into the country, said its president Sameer Nass. The senior Bahraini businessman and Nass Group chairman stated that the fund cannot be used to assist businesses that have suffered financial losses due to the pandemic. Mr Nass was responding to a suggestion from the floor at Bahrain Chamber's general assembly last night, which was held in the Kingdom Hall at the trade body's Sanabis complex. The proposal by businessman Nader Alawi came shortly after Mr Nass presented the audited accounts to the general assembly, which was attended by 245 registered Chamber members. Mr Nass dismissed the call, citing that the fund raised from returns of investments, several programs and projects, as well as membership fees, must be utilized for more projects so that returns could be sustained, in turn helping the trade body grow. "The reserve of BD4.5mn has been built up over more than 20 years," Mr Nass explained to the GDN on the sidelines of the meeting. "This money is being utilized for the construction of new buildings, renovation work and for the development and the improvement of the Chamber. "The money reflects in the balance sheet as reserve funds, which will be utilized for projects that will help the Chamber grow by way of investments. "There was a demand from someone on the floor that this money be utilized for supporting businesses that faced losses during the pandemic. But my reply to them was that it is not the role of the Chamber." He added that supporting stalled businesses was the role of enterprises like Tamkeen, pointing out that the Chamber was a non-profit organization. (Zawya)

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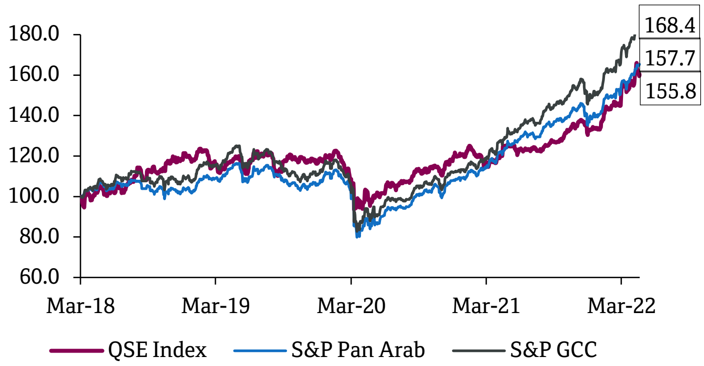
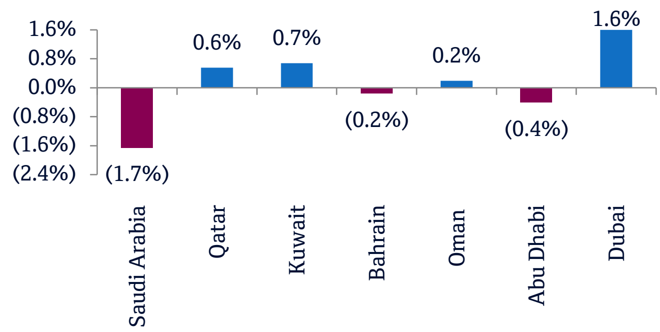
Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,950.09	(1.5)	(1.4)	6.6
Silver/Ounce	25.18	(2.6)	(1.4)	8.0
Crude Oil (Brent)/Barrel (FM Future)	107.25	(5.2)	(4.0)	37.9
Crude Oil (WTI)/Barrel (FM Future)	102.56	(5.2)	(4.1)	36.4
Natural Gas (Henry Hub)/MMBtu	7.36	(1.6)	6.7	101.1
LPG Propane (Arab Gulf)/Ton	132.75	(3.8)	(2.9)	18.3
LPG Butane (Arab Gulf)/Ton	158.85	3.3	10.6	14.1
Euro	1.08	0.1	(0.2)	(5.1)
Yen	128.91	1.5	1.9	12.0
GBP	1.30	(0.2)	(0.5)	(3.9)
CHF	1.05	(0.8)	(1.0)	(4.2)
AUD	0.74	0.3	(0.3)	1.5
USD Index	100.96	0.2	0.5	5.5
RUB	118.69	0.0	0.0	58.9
BRL	0.21	(0.3)	0.8	19.4

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,984.70	1.0	0.8	(7.6)
DJ Industrial	34,911.20	1.5	1.3	(3.9)
S&P 500	4,462.21	1.6	1.6	(6.4)
NASDAQ 100	13,619.66	2.2	2.0	(12.9)
STOXX 600	456.28	(1.0)	(1.0)	(11.3)
DAX	14,153.46	(0.3)	(0.3)	(15.0)
FTSE 100	7,601.28	(0.6)	(0.6)	(1.1)
CAC 40	6,534.79	(1.0)	(1.0)	(13.4)
Nikkei	26,985.09	(0.7)	(2.2)	(16.2)
MSCI EM	1,096.00	(1.0)	(1.5)	(11.0)
SHANGHAI SE Composite	3,194.03	(0.5)	(0.9)	(12.8)
HANG SENG	21,027.76	(2.3)	(2.3)	(10.6)
BSE SENSEX	56,463.15	(1.4)	(3.6)	(5.5)
Bovespa	1,15,056.66	(0.6)	(0.1)	30.6
RTS	931.86	0.6	(2.5)	(41.6)

Source: Bloomberg ($ adjusted returns)*

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