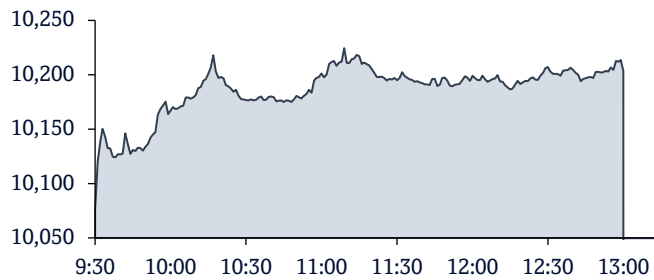


### QSE Intra-Day Movement



### Qatar Commentary

The QE Index rose 1.3% to close at 10,203.5. Gains were led by the Real Estate and Industrials indices, gaining 3.0% and 2.1%, respectively. Top gainers were Widam Food Company and Mazaya Qatar Real Estate Dev., rising 10.0% each. Among the top losers, Qatar Fuel Company fell 1.9%, while Qatar Navigation was down 0.8%.

### GCC Commentary

**Saudi Arabia:** The TASI Index gained 0.3% to close at 11,493.9. Gains were led by the Food & Beverages and Insurance indices, rising 2.2% and 1.5%, respectively. First Milling Co. rose 13.5%, while Jamjoom Pharmaceuticals Factory Co. was up 9.9%.

**Dubai:** The market was closed on July 02, 2023.

**Abu Dhabi:** The market was closed on July 02, 2023.

**Kuwait:** The market was closed on July 02, 2023.

**Oman:** The MSM 30 Index gained 0.1% to close at 4,774.4. Gains were led by the Industrial and Services indices, rising 0.5% and 0.4%, respectively. Oman Oil Marketing Company rose 5%, while Oman Education & Training Investment was up 4.5%.

**Bahrain:** The market was closed on July 02, 2023.

Market Indicators	02 Jul 23	26 Jun 23	%Chg.
Value Traded (QR mn)	365.7	535.2	(31.7)
Exch. Market Cap. (QR mn)	602,440.6	592,234.4	1.7
Volume (mn)	207.3	202.5	2.4
Number of Transactions	12,202	19,223	(36.5)
Companies Traded	48	47	2.1
Market Breadth	37:5	39:6	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	21,898.23	1.3	1.3	0.1	12.3
All Share Index	3,448.68	1.5	1.5	1.0	13.5
Banks	4,242.99	1.4	1.4	(3.3)	13.4
Industrials	3,762.90	2.1	2.1	(0.5)	12.6
Transportation	4,867.39	2.0	2.0	12.3	13.9
Real Estate	1,548.57	3.0	3.0	(0.7)	18.6
Insurance	2,402.62	1.7	1.7	9.9	178.8
Telecoms	1,646.93	0.4	0.4	24.9	14.6
Consumer Goods and Services	7,891.55	(0.0)	(0.0)	(0.3)	22.7
Al Rayan Islamic Index	4,547.85	1.1	1.1	(0.9)	8.5

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Ezdan Holding Group	Qatar	1.118	7.1	15,311.9	11.7
Power & Water Utility Co	Saudi Arabia	73.20	4.3	1,391.4	56.1
Qatar Gas Transport Co. Ltd	Qatar	4.235	4.1	1,793.2	15.6
Sahara Int. Petrochemical	Saudi Arabia	38.15	3.5	4,712.3	12.4
Industries Qatar	Qatar	11.51	2.5	2,019.8	(10.1)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Qatar Fuel Company	Qatar	16.65	(1.9)	283.4	(7.2)
National Bank of Bahrain	Bahrain	0.61	(1.9)	130.1	6.5
National Shipping Co.	Saudi Arabia	22.10	(1.3)	1,043.8	12.4
Q Holding	Abu Dhabi	2.36	(1.3)	5,111.2	(41.0)
Jabal Omar Dev. Co.	Saudi Arabia	25.50	(1.2)	2,158.9	54.4

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%
Widam Food Company	2.024	10.0	2,985.5	(0.4)
Mazaya Qatar Real Estate Dev.	0.825	10.0	51,603.7	18.5
Inma Holding	4.961	10.0	1,795.8	20.7
National Leasing	0.853	9.5	13,609.4	21.2
Lesha Bank	1.548	8.6	11,318.6	35.2

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Mazaya Qatar Real Estate Dev.	0.825	10.0	51,603.7	18.5
Qatar Aluminum Manufacturing Co.	1.312	3.3	24,253.5	(13.7)
Ezdan Holding Group	1.118	7.1	15,311.9	11.7
Salam International Inv. Ltd.	0.725	8.0	15,303.2	18.1
National Leasing	0.853	9.5	13,609.4	21.2

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatar Fuel Company	16.65	(1.9)	283.4	(7.2)
Qatar Navigation	10.27	(0.8)	246.0	1.2
Barwa Real Estate Company	2.580	(0.3)	1,735.6	(10.2)
Qatar International Islamic Bank	9.980	(0.2)	160.1	(4.0)
Vodafone Qatar	1.846	(0.1)	2,220.2	16.5

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Mazaya Qatar Real Estate Dev.	0.825	10.0	41,154.1	18.5
Qatar Aluminum Manufacturing Co.	1.312	3.3	31,710.6	(13.7)
QNB Group	15.70	1.8	23,812.1	(12.8)
Industries Qatar	11.51	2.5	23,057.8	(10.1)
Masraf Al Rayan	2.600	1.4	22,870.9	(18.0)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,203.54	1.3	1.3	1.3	(4.5)	100.46	164,707.3	12.3	1.4	4.8
Dubai*	3,791.99	(0.0)	0.4	6.0	13.7	135.77	177,547.1	9.2	1.3	4.7
Abu Dhabi*	9,550.40	(0.1)	0.2	1.5	(6.5)	356.79	727,555.9	32.0	2.9	1.8
Saudi Arabia*	11,493.91	0.3	0.3	0.3	9.7	1,217.31	2,908,152.5	18.0	2.2	3.0
Kuwait*	7,029.77	0.6	(0.3)	3.4	(3.6)	127.40	146,646.8	17.3	1.5	3.8
Oman	4,774.43	0.1	0.1	0.1	(1.7)	11.88	22,984.8	15.9	1.1	4.6
Bahrain*	1,957.87	0.1	(0.2)	(0.3)	3.3	2.81	55,150.7	6.9	0.7	7.8

Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (\*\* TTM; \* Value traded (\$ mn) do not include special trades if any, @ Data as of June 22, 2023 # Data as of June 26)

### Qatar Market Commentary

- The QE Index rose 1.3% to close at 10203.5. The Real Estate and Industrials indices led the gains. The index rose on the back of buying support from non-Qatari shareholders despite selling pressure from Qatari shareholders.
- Widam Food Company and Mazaya Qatar Real Estate Dev. were the top gainers, rising 10.0% each. Among the top losers, Qatar Fuel Company fell 1.9%, while Qatar Navigation was down 0.8%.
- Volume of shares traded on Sunday rose by 2.4% to 207.3mn from 202.5mn on Monday. However, as compared to the 30-day moving average of 223mn, volume for the day was 7% lower. Mazaya Qatar Real Estate Dev. and Qatar Aluminum Manufacturing Co. were the most active stocks, contributing 24.9% and 11.7% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	45.53%	47.64%	(7,714,595.38)
Qatari Institutions	16.60%	18.50%	(6,937,857.30)
<b>Qatari</b>	<b>62.13%</b>	<b>66.14%</b>	<b>(14,652,452.68)</b>
GCC Individuals	0.87%	0.31%	2,046,128.06
GCC Institutions	3.23%	1.20%	7,427,585.99
<b>GCC</b>	<b>4.10%</b>	<b>1.51%</b>	<b>9,473,714.05</b>
Arab Individuals	21.16%	20.02%	4,169,587.77
Arab Institutions	0.00%	0.00%	(15,600.00)
<b>Arab</b>	<b>21.16%</b>	<b>20.02%</b>	<b>4,153,987.77</b>
Foreigners Individuals	4.00%	4.47%	(1,716,998.08)
Foreigners Institutions	8.62%	7.87%	2,741,748.94
<b>Foreigners</b>	<b>12.61%</b>	<b>12.33%</b>	<b>1,024,750.87</b>

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

### Earnings Calendar

#### Earnings Calendar

Tickers	Company Name	Date of reporting HY2023 results	No. of days remaining	Status
QNBK	QNB Group	10-Jul-23	7	Due
QIBK	Qatar Islamic Bank	16-Jul-23	13	Due
QFLS	Qatar Fuel Company	19-Jul-23	16	Due

### Qatar

- QNBFS will start market-making activities for number of companies as of 6 July 2023** - Qatar stock exchange announces that the QNBFS will start Market Making activity for number of shares as of Thursday 06 July 2023 1) Mannai Corporation 2) Medicare Group Co. 3) Alkhaleej Takaful Insurance 4) Qatar National Cement 5) Al Meera Consumer Goods Co 6) United Development Co (QSE)
- CBQ Financial Services will start liquidity-provision activity for Al Mahhar Holding as Of Thursday 6 July 2023** - Qatar stock exchange announces that CBQ Financial Services will start liquidity provision activity for the shares of Al Mahhar holding as of Thursday 06 July 2023. (QSE)
- Qatar Islamic Bank to disclose its Semi-Annual financial results on July 16** - Qatar Islamic Bank discloses its financial statement for the period ending 30th June 2023 on 16/07/2023. (QSE)
- Dukhan Bank to disclose its Semi-Annual financial results on July 16** - Dukhan Bank to disclose its financial statement for the period ending 30th June 2023 on 16/07/2023. (QSE)
- Dukhan Bank to hold its investors relation conference call on July 18 to discuss the financial results** - Dukhan Bank announces that the conference call with the Investors to discuss the financial results for the Semi-Annual 2023 will be held on 18/07/2023 at 02:00 PM, Doha Time. (QSE)
- Estithmar Holding to hold its EGM on July 24 for 2023** - Estithmar Holding announces that the General Assembly Meeting EGM will be held on 24/07/2023, virtually via video call and 04:00 PM. In case of not completing the legal quorum, the second meeting will be held on 26/07/2023, virtually via video call and 04:00 PM. Agenda of the Extraordinary General Assembly: 1) Canceling the first resolution of Clause 1 related to the private placement and issuance of rights taken at the Extraordinary General Assembly meeting held on November 27, 2022, and issuing a new decision as follows: Approving the issuance and offer up to (50%) of the company's capital, where the issuance will take place as follows, 10% by issuing subscription rights and 40% by private placement and/or public subscription, provided that each of them is

issued in one tranche or Several tranches over the course of one year starting from the date of this assembly. The EGM delegates the company's board of directors to determine the percentage of the issuance that will take place through a private placement and/or the percentage of public subscription that will take place through public subscription, according to what the board deems appropriate for the company, within the limits of 40% of the company's capital, in accordance with the applicable rules and regulations of QFMA, provided that the nominal value of one share in any of the three transactions is one (1) Qatari Riyal, in addition to an issuance premium determined by the Board based on any of the three transactions. 2) Delegate the Chairman of the Board of Directors of the company and/or the Vice-Chairman of the Board of Directors to approve on behalf of Estithmar Holding and its subsidiaries (registered in or outside the State of Qatar) or owned by it ("all referred to as group companies") on project financing contracts included in the purposes of these companies (projects related facilities) whatever their duration, including those whose terms exceed three years and without a financial ceiling, and under the conditions that the Chairman of the Board of Directors and/or the Vice-Chairman of the Board of Directors deem appropriate for the interest of the group companies and authorize the CEO or CFO of Estithmar Holdings to sign, jointly with any member of the Executive Committee on behalf of the group companies, project financing contracts (Projects Finance) and to sign documents of guarantees, solidarity guarantees, right transfer contracts, and mortgage contracts of all kinds. 3) Re-delegate the Board of Directors the right to approve, on behalf of Estithmar Holding and its subsidiaries (registered in or outside the State of Qatar) or owned by it, to conclude loan contracts (corporate loans, long term loans) from banks inside or outside the State of Qatar, regardless of their duration, including those whose terms exceed three years and without a financial ceiling and under the conditions that the company's board of directors deems appropriate for the interest of the group and its subsidiaries and companies owned by it. The shareholders wishing to attend the meeting place are requested to be present at least two hours before the specified time to organize lists of the names of the attendees and the number of shares held by each of them. To express interest in attending the meeting, the respective shareholders are requested to provide the following information and documents through an email message to the email address: [alphaqatar2020@gmail.com](mailto:alphaqatar2020@gmail.com) 1) Copy of Identification Document 2) Mobile number 3) NIN number 4) Copy of proxy and supporting

documents for representatives of individuals and corporate entities 5.) Refer to Estithmar's Extraordinary General Assem. (QSE)

- Artificial Intelligence to contribute 8.2% to Qatar's GDP by 2030** - The Artificial Intelligence (AI) revolution will make significant contributions to Qatar's Gross Domestic Product (GDP), with an estimated impact of 8.2% by 2030. Microsoft Qatar General Manager, Lana Khalaf, revealed this figure during a recent session, emphasizing the game-changing nature of AI. Khalaf stated: "It is anticipated that without the full impact of generative AI, we see today, there will be a \$15.7tn contribution to the global economy, with \$320bn dedicated to the Middle East region. Notably, AI adoption and transformation are expected to have an 8.2% impact on Qatar's GDP." "We know the impact of AI, on economy, jobs, people, industry and how we work and live every day. And why is that? We see the impact of technology on GDP. AI will accelerate it much further and will be a key driver for economic growth." A report titled "Impact of Artificial Intelligence on Qatar's Labor Market," conducted by Hamad bin Khalifa University's Qatar Computing Research Institute, further supports these projections. The study predicts that AI's contribution to Qatar's GDP will reach 8.2% by 2030. The report highlights Qatar's unique position. For Qatar, a future based on AI technology can be a windfall. Many countries are wary of aggressively adopting AI technology, as a large workforce displacement may result in increased initial cost to upskill workers and potentially cause social disruption." "In Qatar, 95% of the workforce is made up of an expatriate population that has a high turnover rate. The feared AI trade-off between economic growth versus income inequality is unlikely to hold in Qatar." Khalaf emphasized the transformative power of AI, noting that the shift from digital transformation to AI transformation is essential. She mentioned Microsoft's partnership with the Ministry of Information and Communication Technology and Qatar in bringing the first hyper-scaler to the country in 2019, enabling digital transformation across industries and organizations. A hyperscaler is a large-scale data center that provides vast computing capabilities, generally via an elastic cloud platform. (Peninsula Qatar)
- Hotel bookings rise during Eid** - Hotel bookings in Qatar witnessed a significant rise during Eid Al Adha as several hotels announced special offers, attracting citizens, residents and tourists to celebrate the occasion with friends and families. Continuous efforts are being made to advance Qatar's position as a leading global destination for service excellence. Doha was selected as Arab Tourism Capital for 2023 by the Arab Ministerial Council for Tourism, which is yet an additional step towards consolidating Qatar's position as an attractive tourist destination. Speaking to The Peninsula, Nadine Fakhreddine, Duty Manager at Embassy Suites by Hilton said, "We have seen an increase in reservations due to Eid holidays." "During the Eid holidays we had special packages for staycation for couples and families, and we saw a good turnout. The average rate ranged from QR500 to QR700 per night, which included access to the gym and swimming pool. It also included a complimentary breakfast as well," she added. Short-term hotel stay, known as staycation is in demand in Qatar and is an increasing trend as it helps in refreshing without travelling abroad. Jasmine Domingo, Front Office Supervisor at Saraya Palace Hotel told The Peninsula that there was a tremendous demand from staycationers starting from June 27. "We saw a significant turnout as visitors flocked from different GCC countries which included Saudi Arabia, Bahrain, and Dubai as Qatar is an ideal destination for families to visit." We received guests both from locals and residents which made up the majority from Asian and African countries, she said. She noted that the residents here love the warm hospitality and safe environment of the country. This also draws the tourists because of the safety, peace, and security. Qatar's high ranking on the safest countries index as well as its entertainment and recreational facilities make Qatar a favorite family tourism destination for visitors from all over the world. Also, speaking to The Peninsula, a long time Doha resident, Nancy noted that this year she benefited from the hotel staycation offer as she stayed with her family for two days and availed the special offer during Eid Al Adha holidays. She said, "This year we stayed in the country for the holiday season rather than travelling abroad. We had a great family time together." According to a report by Cushman and Wakefield, the boost in tourist arrival numbers in January and February supports the expanding

hotel sector in the first quarter of this year. The supply of hotel rooms has continued to increase in Qatar over the first three months of 2023, with more than 700 keys were added to the market between January and March. By continuing to host inter-nationally renowned events, investing in hospitality offerings and expanding into more specialized areas of tourism, Qatar is in a perfect position to meet its goal of welcoming 6mn visitors a year by 2030. Following the conclusion of the FIFA World Cup Qatar 2022, Qatar is moving steadily towards the future by manifesting its National Vision 2030, which aims to diversify the national economy, with the tourism sector being at the forefront of that vision, raising its contribution to the gross domestic product from 7% to 12%, in addition to doubling job opportunities in the sector. (Peninsula Qatar)

- Qatar's second clean energy plan in September** - To ensure sustainability and address climate change, Qatar's second clean energy plan is expected to be launched in September this year. "During FIFA World Cup Qatar 2022, we employed 25% of public transport in Qatar which was eco-friendly," said Minister of Transport H E Jassim bin Saif Al Sulaiti. Speaking to Qatar TV recently, the Minister of Transport said: "Following Qatar National Vision (QNV) 2030, we will launch the second part of Qatar's clean energy plan in September." He said that the number of eco-friendly public transport vehicles is expected to go up significantly from 2022 to the end of 2023. "We are expected to achieve our Qatar National Vision 2030 goals before the target year," said the Minister. Speaking about the expansion plans of Qatar Airways, he said that it is one of the most important airlines in the Middle East. "Qatar Airways is distinguished by operating to approximately 153 destinations, before the end of this year it will reach 170 destinations," said the Minister. The mega sporting event has built a legacy for transportation system of Qatar. The public transportation system of Qatar will be converted to fully electric thanks to the FIFA World Cup Qatar 2022 legacy. Now Qatar has an advanced sustainable transportation system with eco-friendly buses. Apart from the public transit buses, Mowasalat (Karwa) deployed about 2,500 eco-friendly buses for schools, ferrying over 60,000 students daily. Lusail Bus Depot set a Guinness world record as the largest electric bus depot with a capacity of 478 buses. Lusail Bus Depot relies on solar energy for charging as it includes some 11,000 PV solar panels to generate 4 megawatts of power daily to feed its buildings, and this is in line with Qatar's National Environment and Climate Change Strategy (QNE) goals and helps achieve the leadership's vision and Qatar National Vision 2030 goals. The depot, which is part of Ministry of Transport's Public Bus Infrastructure Program, consists of eight bus stations and four depots supported with more than 650 electric charging units for e-bus operations. Al Kharsaah Solar PV Power Plant (KSPP) is a qualitative leap in diversifying sources of producing electricity in the country. KSPP is the first solar power plant in the country which will be followed by a power plant in Mesaieed with the capacity of 410 megawatts and a power plant in Ras Laffan with the capacity of 470 megawatts. Building KSPP comes as part of implementing QatarEnergy's updated Sustainability Strategy, which re-emphasizes its commitment, as a major energy producer, to responsible production of clean and affordable energy to facilitate the energy transition. In addition to increasing solar capacity to over 5 GW, the strategy targets reducing green-house gas emissions, and deploying carbon capture and storage technology to capture over 11mn tonnes per annum of CO2 in Qatar by 2035. The strategy also aims to further reduce the carbon intensity of LNG facilities, bolstering Qatar's commitment to responsibly supply cleaner LNG at scale in support of the energy transition. (Peninsula Qatar)
- Dr. Mohammed bin Saleh Al Sada elected Chairman of Rosneft** - Russian oil company "Rosneft" announced forming its board of directors under the chairmanship of H E Dr. Mohammed bin Saleh Al Sada, Qatar's former Minister of Energy and Industry. The shareholders of Rosneft have elected a new Board of Directors consisting of 11 members including Faisal Al Suwaidi and Hamad Rashid Al Mohannadi, who represent Qatar Investment Authority. Dr. Mohammed bin Saleh Mohammed bin Saleh Al Sada is currently Chairman of the Board of Trustees of the Doha University of Science and Technology. He served as Qatar's Minister of State for Energy and Industry from 2007 through 2011, and as Qatar's Minister of Energy and Industry and Chairman of the Board of Qatar Petroleum (now QatarEnergy) from 2011 through 2018. In 2016, Qatar



Investment Authority acquired a 20% stake in the Russian company Rosneft. (Peninsula Qatar)

### International

- Caixin PMI: China's June factory activity slows as conditions weaken** - China's factory activity growth slowed in June, a private sector survey showed on Monday, with sentiment waning and recruitment cooling as firms grew increasingly concerned about sluggish market conditions. The Caixin/S&P Global manufacturing purchasing managers' index (PMI) eased to 50.5 in June from 50.9 in May, indicating a marginal expansion in activity. The 50-point index mark separates growth from contraction. The figure, combined with Friday's official survey that showed factory activity extending declines, adds to evidence the world's No. 2 economy lost momentum in the second quarter as demand weakened. The Caixin manufacturing PMI surveys around 650 private and state-owned manufacturers and, according to economists, focuses more on export-oriented firms in coastal regions, while the official PMI surveys 3,200 companies across China. The soft PMIs, which are considered a leading economic indicator, show China struggling to sustain the post-COVID recovery seen earlier this year amid an entrenched property downturn, high youth unemployment and deflationary pressures. Markets now anticipate more policy support to bolster a stuttering economic recovery, despite the central bank cutting key lending benchmark rates in June to shore up activity. "A slew of recent economic data suggests that China's recovery has yet to find a stable footing, as prominent issues including a lack of internal growth drivers, weak demand and dimming prospects remain," said Wang Zhe, senior economist at Caixin Insight Group. "Problems reflected in June's Caixin China manufacturing PMI, ranging from an increasingly dire job market to rising deflationary pressure and waning optimism, also point to the same conclusion." The survey showed expansion of both manufacturing output and new orders softened in June. Muted sales growth led factory owners to maintain a cautious approach to employment, which fell for the fourth month in a row. The improved supply situation and softer-than-expected demand placed further downward pressure on prices. Input costs fell at the steepest pace seen since January 2016. The sub-index of new export orders, which was fractionally above 50, signaled little change in the amount of new business from abroad. Companies said a weaker global economic climate had dampened export orders for consumer and investment goods, although demand for intermediate goods picked up. Optimism for the 12-month outlook returned to the same low level seen last October. Around 17% of manufacturers forecast higher production over the next year, compared with 6% that anticipated a fall. The State Council, or cabinet, proposed further measures to support consumption of household products including home decoration and home appliances on Thursday. It also unveiled a 520bn yuan (\$72bn) package of tax breaks for electric vehicles last month to shore up consumption. (Reuters)
- Japan business sentiment improves in second quarter, Bank of Japan tankan shows** - Japanese business sentiment improved in the second quarter as raw material costs peaked and the removal of pandemic curbs lifted factory output and consumption, a central bank survey showed, a sign the economy was on course for a steady recovery. Companies expect to increase capital expenditure and project inflation to stay above the Bank of Japan's 2% target five years ahead, the quarterly "tankan" showed, offering policymakers hope that conditions for phasing out their massive monetary stimulus may be gradually falling into place. The headline index measuring big manufacturers' mood stood at plus 5 in June, bouncing back from a two-year low of plus 1 hit in March in a sign firms were recovering from the hit from rising raw material costs and supply disruptions. The reading, which compared with a median market forecast for plus 3, was the highest since December 2022. The sentiment index for big non-manufacturers improved to plus 23 in June from plus 22 three months ago, increasing for the fifth straight quarter and hitting the highest level since June 2019, the survey showed on Monday. "The results turned out a bit stronger than expected, helped by recovery in automobiles and energy sectors. Strong capital expenditure also led to brighter sentiment among machinery makers," said Atsushi Takeda, chief economist at Itochu Economic Research Institute. "The tankan confirmed our view that Japan's economy is on track for a moderate recovery." Big manufacturers expect business conditions to improve three months

ahead, while non-manufacturers project a deterioration, the survey showed. Large firms plan to ramp up capital expenditure by 13.4% in the current fiscal year ending in March 2024, exceeding the 3.2% increase projected in the March survey. The increase compared with a median market forecast for a 10.1% rise. The tankan also showed companies expect inflation to hit 2.6% a year from now, down from a 2.8% projection made in March. Inflation expectations stood at 2.2% in three years, down from 2.3% in March, and 2.1% five years from now, unchanged from the projection in March, the survey showed. Japan's economy grew an annualized 2.7% in the first quarter and analysts expect it to continue expanding, as a post-pandemic pickup in domestic spending offset headwinds to exports from slowing global growth. BOJ Governor Kazuo Ueda has repeatedly stressed the need to keep monetary policy ultra-loose until inflation can sustainably hit the bank's 2% target accompanied by solid wage growth. (Reuters)

- Japan factory activity slips back into contraction in June on soft orders** - Japan's factory activity contracted in June after expanding for the first time in 7 months in May, a private survey showed on Monday, dragged down by weak orders for cyclical goods amid a global economic slowdown. The final Jibun Bank Japan manufacturing purchasing managers' index was at 49.8, returning below the 50.0 threshold that separates growth from shrinkage, after May's 50.6 reading. Output and new orders, the subindexes that constitute the majority of the headline index, fell back to contraction, ending a brief rebound buoyed by improved business confidence. "Weak demand for goods, especially semiconductors, alongside labor suitability issues weighed on sales and output volumes," said Usamah Bhatti at S&P Global Market Intelligence, which compiled the survey. New orders from overseas customers decreased at the fastest rate in four months, notably reflecting feeble demand from China, Japan's biggest trade partner. The soft PMI reading came after Friday's government data showed Japanese manufacturing output falling more than expected in May, dented by automakers' parts shortage and production cuts. Thanks to flourishing service-sector activities and the ultra-loose monetary policy, Japan has managed to temper the impact of worsening global economic conditions, but slowing US, Chinese and European economies are hurting its export-reliant manufacturing sector. Meanwhile, suppliers' delivery delays improved for a second month thanks to eased supply chain pressures, with the average lead times hitting the shortest since March 2016. The rise in input and output prices were the slowest in 28 months and 21 months, respectively. Some firms still noted rising labor costs as the cause of high input costs, the survey showed, after major companies lifted pay at the fastest pace in three decades to counter consumer inflation and respond to political calls. Looking a year ahead, manufacturers' future output expectations were the strongest since October 2021, as they hope for a recovery in demand and an easing of disruptions seen in the semiconductor market. (Reuters)

### Regional

- Saudi Arabia ranks first in government strategy for AI** - The Kingdom of Saudi Arabia ranked first globally in the Government Strategy Index for Artificial Intelligence, one of the indicators of the global classification of artificial intelligence issued by Tortoise Intelligence, which evaluates more than 60 countries in the world. Germany and China secured the second and third rankings, respectively. The Global Ranking of Artificial Intelligence incorporates more than 100 indicators, categorized into seven sub-pillars: government strategy, res, development, talent, infrastructure, operating environment, and commercial. The Kingdom ranked first in the Government Strategy Index for Artificial Intelligence and secured 31st position in the total classification indicators issued by "Tortoise", which is a global company that has a global advisory board that includes experts in artificial intelligence from around the world. The Kingdom has accomplished a remarkable feat, scoring 100% in all criteria of the index related to artificial intelligence. This includes the establishment of the National Strategy for Data and AI (NSDAI) within the Kingdom, the presence of a dedicated government authority for artificial intelligence, the allocation of funding and budget for AI initiatives, and the formulation and monitoring of national targets for artificial intelligence. From its early stages, the Kingdom has demonstrated a solid commitment to developing artificial intelligence. In 1440 AH, a Royal Order was issued to establish the Saudi Data and

Artificial Intelligence Authority (SDAIA) as the central authority responsible for organizing, developing, and overseeing all AI-related matters. The SDAIA led the national plans for data and artificial intelligence to achieve the aspirations of HRH Prince Mohammed bin Salman bin Abdulaziz Al Saud, Crown Prince, Prime Minister, and Chairman of the SDAIA Board of Directors, and the objectives of the Saudi Vision 2030. It has worked to develop the National Strategy for Data and AI (NSDAI) to unify efforts and launch national initiatives in data and artificial intelligence and make optimal use of them. This significant achievement by the Kingdom perfectly aligns with the overarching goals of Saudi Vision 2030, which aims to position the country prominently in global indicators across various domains. (Zawya)

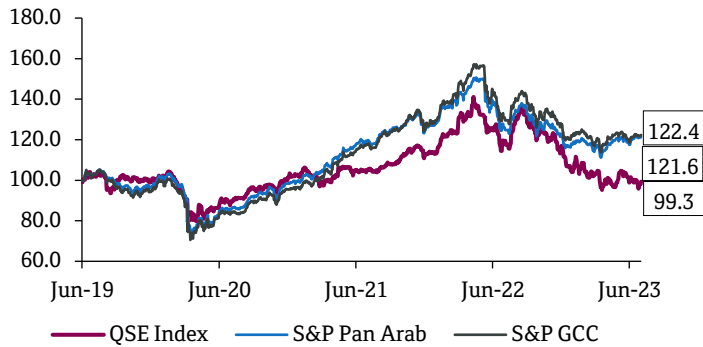
- **Abu Dhabi's AD Ports completes acquisition of logistics services provider Noatum** - Abu Dhabi-listed AD Ports Group completed the acquisition of Spain-based logistics services provider Noatum on a deal worth 660mn euros (\$720mn), the UAE company said on Sunday. The deal, which was made last year, was completed after AD Ports received the final approval from Spanish authorities, the company said in a statement. (Reuters)
- **UAE economy poised for stronger growth in H2-23** - Despite the geopolitical ramifications that the global economy is currently facing, the UAE economy is poised for stronger growth, recovery, and prosperity in the second half of this year, supported by a track record of economic successes that have fructified into the UAE's designation as an innovation-driven economy. The domestic economy's resilience, which has passed through the stage of recovery from the consequences of the Covid-19 pandemic, is reflected in the positive forecasts of international institutions and banks, including the IMF and World Bank. Such international recognitions speak for the UAE economy's durability in the face of global geopolitical turmoil and adverse economic conditions, therefore verifying the success of the UAE leadership's forward-looking vision. "The UAE is poised for positive economic growth as it is projected to achieve a 3.6% increase in its gross domestic product this year, driven by robust domestic activity," said the International Monetary Fund, recently. Following an impressive growth rate of 7.9% in 2022, the UAE's economy is expected to maintain its upward trajectory in 2023, benefiting from sustained tourism activity and higher capital expenditure, the IMF said in its 2022 Article IV assessment. For its part, the World Bank has projected that the real GDP of the UAE will grow by 2.8% in 2023, as the non-oil sector is expected to achieve strong growth of 4.8%, driven by robust domestic demand, particularly in tourism, real estate, construction, transportation, and manufacturing sectors. In a press conference held in Dubai recently to announce the new World Bank Gulf Economic Update (GEU) titled, "The Health and Economic Burden of Non-Communicable Diseases in the GCC", the bank officials said that the current account balance in the UAE is expected to rise to 11.7% in 2023, as well. The report expected the UAE to achieve a surplus in public finances of 6.2% in 2023. These international testimonies are consistent with the forecasts of the Central Bank of the UAE in its quarterly economic review, wherein the apex bank said that the UAE economy continued to grow at a solid pace in Q1 2023, "reflecting a strong performance of the non-oil sector, partially offset by a moderation in the oil segment of the economy. For 2023, growth has been revised down by 0.6 percentage points to 3.3%, reflecting oil production cuts agreed among OPEC+ members. The non-oil sector is expected to continue to support aggregate output, albeit at a more modest pace compared to 2022." The UAE economy is expected to grow further this year for a variety of reasons, including a rise in the purchasing managers' index to its highest level in five months, namely May this year. The seasonally adjusted S&P Global UAE Purchasing Managers' Index- a composite indicator designed to give an accurate overview of operating conditions in the non-oil private sector economy - posted 55.5 in May, indicating a robust improvement in the sector's performance. Despite dropping from 56.6 in April to a three-month low, the index remained above the 50.0 no-change mark and its long-run average. According to the S&P Global, the strong rise in new business underlined growing confidence across surveyed firms about economic prospects. Expectations towards activity over the next year improved for the fifth consecutive month in May to the highest level since late-2021. The UAE's progress in implementing comprehensive economic partnership agreements will help to improve trade and integration into

global value chains, as well as attract more foreign direct investment, boosting national economic growth. Such partnerships are significant drivers for economic growth that create trade and investment opportunities and contributes to the vitality of regional and global trade and investment flows. (Zawya)

- **France, UAE committed to accelerating shift towards clean energy, says French Trade Minister** - Olivier Becht, French Minister of Foreign Trade, said France and the UAE share a common vision of accelerating the shift to green energy to tackle the growing threats posed by climate change. The two countries are working together on low-carbon energy solutions, he stated, expressing his trust in the UAE's ability to successfully host COP28 at Expo City Dubai in November. The world shares his belief about the country's leadership in climate change, he further added. In a statement to the Emirates News Agency (WAM), Becht stressed that the UAE and France believe in accelerating the transition to green energy, in addressing the growing risks posed by global warming, highlighting the rising number of natural disasters caused by climate change. "The environmental challenges we face motivate us to be more courageous and committed in our actions to accelerate the energy transition. That is why the UAE and France have many joint projects in various fields, including hydrogen and nuclear energy for peaceful purposes, to produce clean energy that is the future of the sector," he said. The relations between the UAE and France are deep-rooted, Becht added, noting that he plans to visit the UAE soon to discuss ways of boosting the economic cooperation between the two countries and take it to the next level. (Zawya)
- **Oman's GDP at constant prices rises 4.7%** - The Sultanate of Oman's gross domestic product (GDP) at constant prices recorded an increase of 4.7% to reach OMR8.70bn at the end of the first quarter of 2023. The GDP at constant price was OMR8.36bn in the first quarter of 2022, according to the initial data issued by the National Centre of Statistics and Information (NCSI). (Zawya)
- **Non-oil sector to drive Oman's economic growth in 2023** - Non-oil sector will drive Oman's economic growth in 2023, thanks to positive momentum and rapid expansion in a range of sectors in the sultanate, according to a new report. 'The outlook for Oman's non-oil sector remains positive, buoyed by government infrastructure spending, a surge in tourist arrivals, and falling inflation,' Emirates NBD, a leading bank of the UAE, said in a research report. Emirates NBD forecasts Oman's real GDP growth at 1.7% for 2023, following 4.3% in the previous year. For non-oil GDP, Emirates NBD forecasted a growth of 3.5% this year. 'One of these (sectors) is tourism, with the sector bouncing back from the COVID-19 pandemic last year with 2.9mn visitors, marking an increase of 348% year-on-year and contributing to the 17.3% growth in restaurants and hotels GDP. 2023 got off to a strong start with 177% year-on-year growth in visitors in January, and ongoing investment as part of the Oman Vision 2040 plan will help support this over the coming quarters with numerous new projects earmarked for the next two years,' the report said. The report noted that nearly two-thirds of the visitors to Oman last year came from the UAE, and the development of the rail network between the two countries will help facilitate ongoing growth in these numbers in the years ahead. Oman Rail and Etihad Rail have an agreement to develop the rail network from the UAE to Oman, which once passenger services are launched will make leisure travel between the two countries easier as it introduces travel times of 100 minutes between Abu Dhabi and the Omani port of Sohar. 'Crucially, the development of the railway will also buttress another key development industry in Oman, namely logistics, which has been earmarked by the Omani government as a key target sector to support economic diversification from hydrocarbons,' Emirates NBD noted. It said the ongoing growth of new sectors will support new jobs in Oman, with the labor market having rebounded strongly since the pandemic. Oman recorded real GDP growth of 4.3% in 2022, the strongest rate of expansion since 2016. Growth was driven by the hydrocarbon sector which expanded 10.2% and totals just over a third of GDP. Oil GDP grew 11.0%, similar to the double-digit gains seen elsewhere in the GCC, while natural gas expanded 5.9%. However, the non-oil sector was the laggard in 2022 as it grew 1.6%. 'As with the rest of the GCC, our expectation is that the dynamics of growth in Oman will be reversed this year due to the voluntary oil output cut of 40,000 barrels per day that the

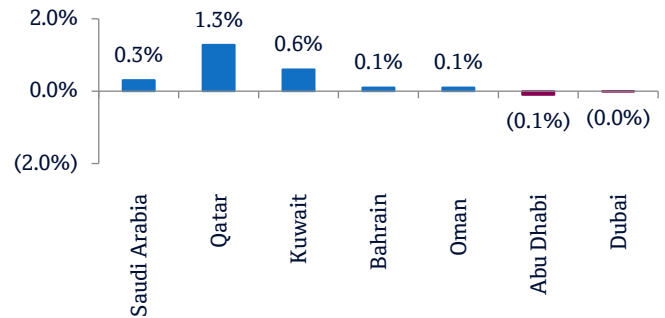
country began in May and intends to continue through to the end of 2024 as things stand,' Emirates NBD said. (Zawya)

### Rebased Performance



Source: Bloomberg

### Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,919.35	0.6	(0.1)	5.2
Silver/Ounce	22.77	0.9	1.5	(4.9)
Crude Oil (Brent)/Barrel (FM Future)	74.90	0.8	1.4	(12.8)
Crude Oil (WTI)/Barrel (FM Future)	70.64	1.1	2.1	(12.0)
Natural Gas (Henry Hub)/MMBtu	2.48	(0.8)	11.7	(29.5)
LPG Propane (Arab Gulf)/Ton	54.50	(0.5)	(5.2)	(23.0)
LPG Butane (Arab Gulf)/Ton	43.50	0.0	(1.8)	(57.1)
Euro	1.09	0.4	0.1	1.9
Yen	144.31	(0.3)	0.4	10.1
GBP	1.27	0.7	(0.1)	5.1
CHF	1.12	0.4	0.1	3.2
AUD	0.67	0.7	(0.2)	(2.2)
USD Index	102.91	(0.4)	0.0	(0.6)
RUB	110.69	0.0	0.0	58.9
BRL	0.21	1.5	(0.0)	10.4

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,966.72	1.1	2.2	14.0
DJ Industrial	34,407.60	0.8	2.0	3.8
S&P 500	4,450.38	1.2	2.3	15.9
NASDAQ 100	13,787.92	1.4	2.2	31.7
STOXX 600	461.93	1.6	2.2	10.8
DAX	16,147.90	1.7	2.3	18.2
FTSE 100	7,531.53	1.5	1.1	6.2
CAC 40	7,400.06	1.6	3.6	16.5
Nikkei	33,189.04	0.2	0.9	15.4
MSCI EM	989.48	0.2	(0.2)	3.5
SHANGHAI SE Composite	3,202.06	0.5	(0.9)	(1.4)
HANG SENG	18,916.43	(0.1)	0.1	(4.8)
BSE SENSEX	64,718.56	1.2	2.7	7.2
Bovespa	118,087.00	1.2	(1.0)	18.7
RTS	982.94	(2.4)	(5.5)	1.3

Source: Bloomberg (\*\$ adjusted returns if any, Data as of June 30, 2023)



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