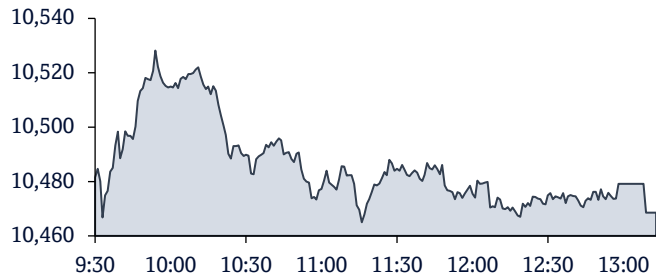


### QSE Intra-Day Movement



### Qatar Commentary

The QE Index declined 0.1% to close at 10,468.5. Losses were led by the Transportation and Telecoms indices, falling 2.2% and 0.1%, respectively. Top losers were Widam Food Company and Qatar Gas Transport Company Ltd., falling 3.6% and 2.8%, respectively. Among the top gainers, Qatar German Co for Med. Devices gained 4.2%, while Mannai Corporation was up 2.7%.

### GCC Commentary

**Saudi Arabia:** The TASI Index fell 0.2% to close at 11,206.0. Losses were led by the Energy and Media and Entertainment indices, falling 2% and 1%, respectively. National Medical Care Co. and Anaam International Holding Group were down 3.1% each.

**Dubai:** The DFM Index fell 0.5% to close at 3,509.1. The Consumer Staples index declined 2.8%, while the Consumer Discretionary index fell 1.5%. Commercial Bank of Dubai declined 6.9%, while Chimera S&P UAE Shariah ETF was down 4.7%.

**Abu Dhabi:** The ADX General Index gained marginally to close at 9,475.7. The Real Estate index rose 2.8%, while the index Utilities gained 1.6%. Foodco National Foodstuff rose 12.6% while Al Dar Properties was up 3.4%.

**Kuwait:** The Kuwait All Share Index fell 0.5% to close at 6,814.5. The Banks index declined 0.7%, while the Consumer Discretionary index fell 0.4%. Kuwait Hotels declined 9.4%, while Kuwait Business Town Real Estate was down 6.2%.

**Oman:** The MSM 30 Index fell 0.1% to close at 4,709.7. Losses were led by the Services and Financial indices, falling 0.8% and 0.1%, respectively. Al Madina Investment Company declined 4.2%, while Sembcorp Salalah Power and Water Co. was down 3.8%.

**Bahrain:** The BHB Index concluded the day without any significant change and close at 1,938.2. The Materials index gained 0.9% while the other indices ended flat or in red. Esterad Investment Company rose 6.3% while Aluminum Bahrain was up 0.9%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar German Co for Med. Devices	1.743	4.2	14,546.6	38.7
Mannai Corporation	6.001	2.7	1,848.3	(20.9)
Dlala Brokerage & Inv. Holding Co.	1.150	2.1	1,238.8	0.7
Qatar Electricity & Water Co.	17.38	2.1	550.4	(1.8)
Salam International Inv. Ltd.	0.628	1.6	5,931.7	2.3

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatari German Co for Med. Devices	1.743	4.2	14,546.6	38.7
Mazaya Qatar Real Estate Dev.	0.686	0.9	13,138.3	(1.4)
Qatar Aluminum Manufacturing Co.	1.525	(0.2)	12,572.4	0.3
Dukhaan Bank	3.605	1.3	10,395.3	0.0
Estithmar Holding	2.136	(0.4)	7,395.9	18.7

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,468.51	(0.1)	(2.5)	2.8	(2.0)	106.19	168,541.4	12.5	1.4	4.7
Dubai	3,509.10	(0.5)	(1.7)	(1.0)	5.2	117.40	167,882.8	8.6	1.2	5.1
Abu Dhabi	9,475.66	0.0	(2.0)	(3.2)	(7.2)	245.27	709,063.0	28.9	2.6	1.9
Saudi Arabia	11,206.02	(0.2)	(1.6)	(0.9)	6.9	1,840.05	2,895,105.5	16.7	2.2	3.0
Kuwait	6,814.52	(0.5)	(1.9)	(4.6)	(6.5)	101.15	143,405.0	15.8	1.5	4.2
Oman	4,709.72	(0.1)	0.9	(0.2)	(3.0)	9.90	22,489.2	13.1	1.1	4.4
Bahrain	1,938.24	0.0	0.1	1.8	2.3	14.55	65,599.0	6.7	0.7	8.9

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

Market Indicators	16 May 23	15 May 23	%Chg.
Value Traded (QR mn)	386.9	653.2	(40.8)
Exch. Market Cap. (QR mn)	616,464.6	616,078.1	0.1
Volume (mn)	134.3	213.3	(37.0)
Number of Transactions	16,554	23,664	(30.0)
Companies Traded	48	49	(2.0)
Market Breadth	26:20	9:37	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	22,466.90	(0.1)	(2.5)	2.7	12.5
All Share Index	3,517.73	(0.1)	(2.4)	3.0	135.9
Banks	4,313.76	0.0	(3.2)	(1.7)	13.3
Industrials	4,064.86	0.2	(1.5)	7.5	13.6
Transportation	4,674.21	(2.2)	(2.4)	7.8	13.4
Real Estate	1,559.09	0.5	(3.6)	(0.1)	18.7
Insurance	2,261.23	0.6	(0.4)	3.4	178.8
Telecoms	1,638.94	(0.1)	0.1	24.3	14.4
Consumer Goods and Services	7,937.48	0.2	(1.3)	0.3	22.8
Al Rayan Islamic Index	4,677.63	(0.1)	(2.2)	1.9	8.7

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Ahli Bank	Oman	0.18	4.0	5.7	5.3
Savola Group	Saudi Arabia	34.10	4.0	1,609.4	24.2
Aldar Properties	Abu Dhabi	5.23	3.4	3,291.4	18.1
Bupa Arabia for Coop. Ins.	Saudi Arabia	190.00	2.7	176.9	32.1
Fertiglobe PLC	Abu Dhabi	3.26	2.2	9,320.8	(22.9)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
HSBC Bank Oman	Oman	0.16	(3.1)	834.6	(5.4)
Qatar Gas Transport Co. Ltd	Qatar	3.890	(2.8)	2,613.6	6.2
Saudi Arabian Oil Co.	Saudi Arabia	32.40	(2.1)	14,184.5	11.0
Arabian Contracting Services	Saudi Arabia	150.00	(2.1)	228.1	33.2
Ominvest	Oman	0.38	(2.1)	1,170.5	(9.0)

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

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Widam Food Company	1.762	(3.6)	1,855.9	(13.3)
Qatar Gas Transport Company Ltd.	3.890	(2.8)	2,613.6	6.2
Medicare Group	7.099	(2.4)	756.4	14.4
Al Khaleej Takaful Insurance Co.	2.600	(2.1)	960.3	13.0
Qatar Oman Investment Company	0.626	(2.0)	442.3	13.8

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	16.22	0.1	60,298.6	(9.9)
Dukhaan Bank	3.605	1.3	37,263.6	0.0
Qatari German Co for Med. Devices	1.743	4.2	25,307.0	38.7
Industries Qatar	12.99	(0.2)	24,861.3	1.4
Qatar Islamic Bank	17.90	(0.1)	19,481.2	(3.6)

### Qatar Market Commentary

- The QE Index declined 0.1% to close at 10,468.5. The Transportation and Telecoms indices led the losses. The index fell on the back of selling pressure from Foreign shareholders despite buying support from Qatari, GCC and Arab shareholders.
- Widam Food Company and Qatar Gas Transport Company Ltd. were the top losers, falling 3.6% and 2.8%, respectively. Among the top gainers, Qatar German Co for Med. Devices gained 4.2%, while Mannai Corporation was up 2.7%.
- Volume of shares traded on Tuesday fell by 37% to 134.3mn from 213.3mn on Monday. Further, as compared to the 30-day moving average of 167.5mn, volume for the day was 19.8% lower. Qatar German Co for Med. Devices and Mazaya Qatar Real Estate Dev. were the most active stocks, contributing 10.8% and 9.8% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	36.79%	34.82%	7,612,283.68
Qatari Institutions	26.27%	27.44%	(4,516,748.47)
<b>Qatari</b>	<b>63.06%</b>	<b>62.26%</b>	<b>3,095,535.21</b>
GCC Individuals	0.20%	0.17%	93,554.17
GCC Institutions	4.67%	2.25%	9,346,453.21
<b>GCC</b>	<b>4.86%</b>	<b>2.42%</b>	<b>9,440,007.38</b>
Arab Individuals	11.63%	11.04%	2,264,356.24
Arab Institutions	0.00%	0.00%	-
<b>Arab</b>	<b>11.63%</b>	<b>11.04%</b>	<b>2,264,356.24</b>
Foreigners Individuals	2.89%	2.20%	2,676,437.65
Foreigners Institutions	17.56%	22.08%	(17,476,336.48)
<b>Foreigners</b>	<b>20.45%</b>	<b>24.28%</b>	<b>(14,799,898.83)</b>

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

### Earnings Releases, Earnings Calendar and Global Economic Data

#### Earnings Releases

Company	Market	Currency	Revenue (mn) 1Q 2023	% Change YoY	Operating Profit (mn) 1Q 2023	% Change YoY	Net Profit (mn) 1Q 2023	% Change YoY
Unikai Foods	Dubai	AED	77.30	18.9%	2.8	154.5%	0.5	0.0%
Abu Dhabi Ports Company	Abu Dhabi	AED	1816.90	73.5%	NA	NA	362.6	18.4%

#### Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
05-16	US	Federal Reserve	Industrial Production MoM	Apr	0.50%	0.00%	0.00%
05-16	US	National Association of Home B	NAHB Housing Market Index	May	50.00	45.00	45.00
05-16	UK	UK Office for National Statistics	ILO Unemployment Rate 3Mths	Mar	3.90%	3.80%	3.80%
05-16	EU	Eurostat	GDP SA QoQ	1Q	0.10%	0.10%	0.10%
05-16	EU	Eurostat	GDP SA YoY	1Q	1.30%	1.30%	1.30%
05-16	China	National Bureau of Statistics	Industrial Production YoY	Apr	5.60%	10.90%	3.90%
05-16	China	National Bureau of Statistics	Industrial Production YTD YoY	Apr	3.60%	4.90%	3.00%

### Qatar

- QatarEnergy announces awarding EPC contract for North Field South project to Technip Energies and CCC** - QatarEnergy announces the award of the engineering, procurement, and construction (EPC) contract for the North Field South (NFS) project, which comprises two LNG mega trains with a combined capacity of 16mn tonnes per annum (mtpa). NFS, together with the North Field East (NFE) project, will increase Qatar's LNG production capacity from the current 77 mtpa to 126 mtpa. QatarEnergy holds a 75% interest in the NFS project and has already signed partnership agreements with TotalEnergies, Shell, and ConocoPhillips for the remaining 25%. The announcement was made during a ceremony held to mark the award of the EPC contract for the two LNG trains and associated facilities with a joint venture of Technip Energies and Consolidated Contractors Company (CCC). The contract was signed by HE Saad Sherida Al Kaabi, the Minister of State for Energy Affairs, the President and CEO of QatarEnergy, Arnaud Pieton, the President of Technip Energies, and Oussama El Jerbi, CCC Managing Director - Qatar, in the attendance of Sheikh Khalid bin Khalifa Al Thani, the Chief Executive Officer of Qatargas, and senior executives from QatarEnergy, Qatargas, Technip Energies and CCC. Commenting on the award of the EPC contract, Minister Al Kaabi said: "QatarEnergy is proud to announce yet another significant milestone in the world's largest LNG project, reinforcing our commitment to meeting the global demand for Natural Gas. "The Minister added: "The NFS project is a unique development that minimizes its environmental footprint by design. It includes one of the largest CO2 capture and sequestration facilities and constitutes an important step towards achieving QatarEnergy's target of more than 11 MTPA of CO2 capture and sequestration by 2035." Minister

Al Kaabi thanked the management and working teams of QatarEnergy and Qatargas for their sincere and dedicated efforts in implementing the North Field expansion projects. He also extended his thanks and appreciation to the management and staff of Technip Energies and CCC for their contributions and voiced warm gratitude to HH Sheikh Tamim bin Hamad Al Thani, The Amir of the State of Qatar, for His invaluable guidance and unwavering support to QatarEnergy and Qatar's energy sector. The EPC contract's value is around \$10bn, and its scope covers the construction of two mega LNG trains with a capacity of 8 MTPA each, with associated facilities for gas treatment, natural gas liquids recovery, as well as helium extraction and refining within Ras Laffan Industrial City. In addition to the carbon capture and sequestration facilities, the environmental attributes of the NFS project also include importing a significant portion of the project's electrical power requirements from the grid in the form of renewable solar power, which will be generated at QatarEnergy's solar power facilities currently under construction in Ras Laffan Industrial City. It also includes a 'jetty boil-off gas' recovery system, which will help reduce greenhouse gas emissions. The project will also conserve 5mn cubic meters of water per year by recovering 75% of the plant's tertiary water. Nitrogen Oxides (NOx) emissions will also be minimized through the application of enhanced Dry Low NOx technology. (Peninsula Qatar)

- Qatar Weighs Plan to Boost Stock Market Float to Draw Foreigners** - Qatar is considering plans to increase trading in local stocks in a bid to draw more foreign investor interest and deepen markets. The Qatar Investment Authority, the Gulf state's \$450bn sovereign wealth fund, and the General Retirement and Social Insurance Authority are examining a proposal that would involve consolidating their local stock holdings worth up to \$3bn

under a separate entity, according to people familiar with the matter. The new entity would hire third-party funds to actively manage and trade the shares, effectively boosting activity in the overall market, they said, asking not to be identified because the information isn't public. The hope is that more trading will raise investment returns, reduce costs and help with diversification, they added. The change may take place by the end of the year, said the people, adding that no final decisions have been made. It wasn't immediately clear if other state firms would pool their assets. Representatives for the QIA and state pension fund didn't immediately return a request for comment. The strategy is designed to increase the free float of the overall market, and lead index providers, like MSCI Inc., to increase Qatar's weighting in market benchmarks. Lower public float is a deterrent for some funds because it means the market is less liquid and more prone to volatility when executing large orders. Qatar is following in the footsteps of Saudi Arabia, which increased overall free float in 2021 after combining \$29bn of local and foreign stocks from Public Pension Agency and the General Organization of Social Insurance. As a result of that change and a stake sale by the kingdom's sovereign wealth fund, Saudi Arabia received at least \$815mn in flows from passive funds, according to an estimate from EFG-Hermes Holding SAE. (Bloomberg)

- **Amir issues decision to restructure Qatar Investment Authority** - Amir HH Sheikh Tamim bin Hamad Al Thani issued Amiri Decision No. 34 of 2023 yesterday, restructuring Qatar Investment Authority. The decision is effective starting from its date of issue and is to be published in the official gazette. (Peninsula Qatar)
- **Qatar International Islamic Bank: Announcement of board membership nominees for the remaining period** - QIIB announces the three candidates for membership of the Board of Directors to complete the current term. Two of them will be elected in the next Ordinary General Assembly meeting, which will be held tomorrow, Wednesday, 17/5/2023 at 5:30 pm. The three candidates are: 1) Al-Tayebin Trading And Services Co. Represented By Dr. Ayedh Dabsan E A Al-Qahtan 2) Fasil For Business And Real Estate Co. 3) Al Kora Althahabia Co. (QSE)
- **Nakilat LNG carriers deliver 198 cargoes with 100% reliability** - Nakilat's 69 liquefied natural gas (LNG) carriers have delivered 198 cargoes of an estimated volume of 20.3mn metric tonnes with 100% reliability at the end of February 2023. The company's four liquefied petroleum gas (LPG) carriers have delivered seven cargoes of an estimated volume of 0.32mn metric tonnes with 100% reliability during the review period. The LNG carriers have travelled 0.9mn nautical miles and the LPG carriers have travelled 0.09mn nautical miles, according to the latest issue of Nakilat's magazine 'Voyage'. "2023 has started on an eventful and prosperous note for the company as we continue to sail the waters, deliver clean energy, and reach our vision to becoming a global leader of choice for energy transportation and maritime services," said Abdullah al-Sulaiti, Chief Executive Officer, Nakilat. Not only does Nakilat continue to become more profitable and deliver value to its shareholders, but also in a post-pandemic world, it has been able to improve on safety, employee welfare and mental health, promoting work-life balance to its dedicated workforce, he said. Nakilat's Global Series LNG vessels are designed to have a lower boil-off rate, implying that they are able to transport LNG more efficiently and with less loss of cargo due to evaporation. They are also designed to be more environmentally friendly, with features such as a waste heat recovery system and an advanced ballast water treatment system. In addition to their advanced technology and environmental features, the Global Series LNG vessels are also built with safety in mind. They have redundant systems and state-of-the-art navigation and communication equipment, and they are manned by experienced crews who are trained to handle emergencies. Overall, these LNG vessels in addition to the rest of the fleet are an important part of the global LNG shipping industry, helping to transport natural gas from Qatar to markets around the world. Nakilat is working on carbon footprint reduction and a long-term detailed action plan outlining the specific steps and timelines for achieving the goals. "This should include key performance indicators (KPIs) and regular progress reports to track and communicate the company's progress towards its commitments," said the magazine. Releasing environmental commitments also presents an opportunity to engage stakeholders and create partnerships with other joint venture companies working towards similar goals, it said. "We can collaborate

with suppliers, customers, industry associations, and non-profit organizations to share knowledge and resources and drive collective action towards a more sustainable future," the magazine added. (Gulf Times)

- **Qatar April Consumer Prices Rise 3.68% YoY** - Qatar's consumer prices rose 3.68% YoY in April versus 4.01% in March, according to the Qatar Ministry of Development Planning and Statistics. Consumer prices rose 0.03% MoM vs. 0.20% in March. (Bloomberg)
- **CWQ: Lusail set to become de facto financial district of Qatar** - Lusail downtown could potentially become Qatar's de facto financial district in the future, according to Cushman and Wakefield Qatar (CWQ). Highlighting that financial sector companies have started committing to Lusail relocations; CWQ said office activity in 2022 was driven by the government sector and the oil and gas sector. Most activity over the past 12 months has occurred in Lusail, it said, adding the Qatar Investment Authority (QIA), QNB and the Qatar Central Bank would take up occupation of Lusail Towers on completion. In February, the QFC (Qatar Financial Centre) acquired more than 6,000sq m of office space in Lusail Boulevard, joining Qatar Chamber, which is due to relocate to the same street shortly. "These upcoming office relocations could potentially see the Lusail downtown area become Qatar's de facto financial district in the coming years," CWQ said, adding the expanding supply of office accommodation in Lusail has surpassed 800,000sq m. Highlighting that Msheireb Downtown Doha is also gaining recognition as a commercial destination; it said Msheireb Properties has secured several commercial office lettings in the first quarter of 2023 with international companies from the oil and gas and financial services sectors. "There are also several other transactions in the pipeline, which are expected to be completed during the second quarter of 2023," the CWQ report said. The supply of purpose-built office accommodation in Qatar has now reached approximately 5.3mn sq m. The Al Dafna/West Bay district has the largest concentration of supply with approximately 1.8mn sq m of gross leasable area. The buoyant oil and gas sector has spurred expansion and relocation activity in the past year, it said, adding as a result, three office deals over 3,000sq m have been confirmed in West Bay and The Pearl-Qatar. Following the Covid-19-related downturn in office activity in 2020 and 2021, office leasing transactions increased significantly in 2022; however, it has been relatively subdued in the first quarter of 2023. While increasingly attractive lease terms are available for shell-and-core space, demand is weak due to the requirements for tenants to undertake costly internal fit-outs, CWQ noted. Grade A stock is now typically available to lease for between QR100 and QR120 per sq m per month, exclusive of service charges. Office spaces leased as 'shell and core' can be secured for QR55-60 per sq m per month in some of Doha's main office districts. (Gulf Times)
- **32 Qatari businesses, government officials expand US trade ties at '2023 SelectUSA Investment Summit'** - The US Embassy in Qatar led a trade delegation of 32 Qatari officials, companies, and business organizations to the '2023 SelectUSA Investment Summit' in National Harbor, Maryland. The Qatari delegation had the unique opportunity to meet 16 governors, state and local representatives, and economic development organization officials from 55 US states and territories, further strengthening the economic ties between Qatar and the US. This was the largest investment summit to date with record levels of attendance and engagement from a wide range of American businesses, more than 4,900 attendees, 83 international markets, and 21 chiefs of mission. US ambassador Timmy T Davis said, "The Qatari delegation to SelectUSA doubled in size to nearly 40 participants this year and was also the most diverse delegation from the Gulf region. "Qatari companies and officials clearly see tremendous opportunity in the US, a hub of innovation and the world's largest market for goods and services. The US Embassy Doha is here to assist any Qatari entity that wants to be part of our countries' strong and growing two-way investment ties." The annual SelectUSA Investment Summit is the highest-profile event dedicated to promoting foreign direct investment in the US with more than 4,000 attendees, including more than 1,900 foreign investors, more than 80 markets represented, and 52 US states and territories participating. The summit provides a unique opportunity for businesses to connect with US economic development organizations and explore potential investment opportunities across the US. US Deputy

Chief of Mission in Qatar Natalie Baker, who led the Qatari delegation to SelectUSA, said: "Senior Department of Commerce officials and governors and representatives from across America were delighted to meet our delegation, which in turn benefited greatly from exploring the breadth and diversity of untapped investment opportunities across the US. Qatari companies and investors already do business in many American communities, from California to South Carolina, but are ready to grow into new markets." The delegation heard directly from Commerce Secretary Gina Raimondo, Secretary of State Blinken, Governor Eric Holcomb of Indiana, Governor of Oklahoma Kevin Stitt, Governor of Michigan Gretchen Whitmer, Governor of Arizona Katie Hobbs, and Governor Maura Healey of Massachusetts, among other US leaders and officials. The participating private companies in the Qatar delegation include Al Talib Qatar Shipping and Land Transport, Danem Engineering Works, Deluxe Trading & Services, Design Creationz, LuLu Group International/Y International USA, and Traffic Management Solutions. Trade associations like the US-Qatar Business Council (USQBC) also participated. The government entities, on the other hand, include Barzan Holdings, Embassy of the State of Qatar in the US, Investment Promotion Agency Qatar, Ministry of Commerce and Industry, Ministry of Communications and Information Technology, Qatar Free Zones Authority, and Qatari Diar Real Estate Investment Company. (Gulf Times)

- Qatar's Sheikh Jassim makes improved final offer for Manchester United** - Qatar's Sheikh Jassim bin Hamad al-Thani made an improved final offer for Manchester United in an attempt to see off his main rival British petrochemicals billionaire Sir Jim Ratcliffe, The Times reported on Tuesday. Sheikh Jassim is offering to buy 100% of the club now for a price nearer to 5bn pounds (\$6.31bn), the report said. Manchester United's shares were up 1.2%. The club declined to comment, and investment bank Raine Group that is running the bidding process did not immediately respond to a Reuters request for comment. Sheikh Jassim's offer falls short of the 6bn pounds asking price set by current owners, the Glazer family, The Guardian reported in April. Manchester United's American owners late last year launched a formal sale process and have received several bids, including from British billionaire Jim Ratcliffe, founder of chemicals producer INEOS, and Finnish businessman Thomas Zilliacus. According to a report in April by The Times, Ratcliffe's INEOS had outbid Sheikh Jassim in the battle to buy Manchester United. Ineos was the only bidder to have valued the club higher than 5bn pounds (\$6.29bn), the report added. (Bloomberg)

### International

- UN forecasts world economic growth of 2.3% in 2023, 2.5% in 2024** - Global economic growth is projected to be 2.3% in 2023, up 0.4 percentage points from a January forecast, and the prediction for 2024 has dropped 0.2 percentage points to 2.5%, according to a United Nations report released on Tuesday. "Despite this uptick, the growth rate is still well below the average growth rate in the two decades before the pandemic of 3.1%," said the World Economic Situation and Prospects report issued by the U.N. Department of Economic and Social Affairs. The U.N. forecasts are less than the International Monetary Fund, which said earlier this year that global growth would fall to 2.9% in 2023 from 3.4% in 2022 and for 2024 would pick up slightly to 3.1%. The U.N. said while the outlook for the United States, European Union and China had improved, "for many developing countries, growth prospects have deteriorated amid tightening credit conditions and rising costs of external financing". "The least developed countries are forecast to grow by 4.1 percent in 2023 and 5.2 percent in 2024, far below the 7 percent growth target set in the 2030 Agenda for Sustainable Development," the U.N. report said. It forecast US growth of 1.1% in 2023 - up from 0.4% forecast in January; EU growth of 0.9% in 2023 - up from 0.2%; and Chinese growth of 5.3% - up from 4.8%. (Reuters)
- US government CDS spreads decline as debt ceiling negotiations progress** - A measure of the cost to insure exposure to US government debt declined on Tuesday as Democratic President Joe Biden and top congressional Republican Kevin McCarthy edged closer to a deal to avoid a debt default. Spreads on US one-year credit default swaps, market-based gauges of the risk of a default, declined to 155 basis points from 164 basis points on Monday, according to S&P Global Market Intelligence data. (Reuters)

- US consumer spending appears solid early in second quarter** - US consumer spending appears to have increased solidly in April, with households boosting purchases at online retailers as well as spending more at restaurants and bars, signs of resilience in the face of growing headwinds to the economy. The economy's improving fortunes were further bolstered by other data on Tuesday showing production at factories surged last month. Homebuilder sentiment also increased to a 10-month high in May. The data added to strong job growth in April in suggesting that the economy was experiencing a revival after activity slowed in February and March. Spending is being underpinned by strong wage gains resulting from a tight labor market, though high inflation and rises in interest rates are causing consumers to be more selective and price conscious. Most economists expect consumer spending will support the economy despite rising risks of a recession as the cumulative and delayed effects of the Federal Reserve's fastest monetary policy tightening campaign since the 1980s start to broaden out. The data did not change economists' expectations that the US central bank will stop hiking interest rates next month. (Reuters)
- Yellen warns US default could trigger recession, 'break' financial markets** - Treasury Secretary Janet Yellen on Tuesday warned that a US default on government debt would leave millions of Americans without income payments, potentially triggering a recession that destroys many American jobs and businesses. Yellen told a gathering of community bankers that the unprecedented economic and financial crisis would be exacerbated by possible disruptions to the federal government's operations, including air traffic control, law enforcement, border security and national defense, and telecommunications systems. She said the accompanying financial crisis could multiply the severity of the downturn, adding, "It is very conceivable that we'd see a number of financial markets break - with worldwide panic triggering margin calls, runs and fire sales." (Reuters)
- Fed's Barr: Agency eyeing tougher rules on banks over \$100bn in assets** - The Federal Reserve is eyeing stricter rules on banks over \$100bn in assets in the wake of several bank failures, its top regulatory official told Congress on Tuesday. Fed Vice Chair for Supervision Michael Barr said the agency was "carefully considering" rule changes for larger regional banks, including requiring them to account for unrealized losses on their banks when considering capital levels. (Reuters)
- UK jobless rate rises, potentially easing BoE inflation worries** - Britain's unemployment rate rose and there were other signs of less inflationary heat in the labor market in data published on Tuesday, prompting investors to scale back some of their bets on further Bank of England interest rate hikes. The jobless rate edged up to 3.9% in the three months to March, still low by historical standards but above the median forecast in a Reuters poll of economists for it to hold at 3.8%. The increase was linked to more people, largely men, seeking to get back into work and therefore being counted as part of the jobs market, the Office for National Statistics (ONS) said. The BoE has expressed concern that a dearth of candidates to fill vacancies is driving big, inflation-fueling wage rises. (Reuters)
- Euro zone Q1 GDP growth confirmed at 0.1% Q/Q** - Euro zone economic growth was 0.1% quarter-on-quarter in the first three months of the year, the EU's statistics agency confirmed on Tuesday, with rising employment and a sharp increase in exports that boosted the euro zone trade surplus. Eurostat also confirmed its earlier estimate that gross domestic product in the 20 countries sharing the euro rose 1.3% year-on-year in the January-March period and said employment grew 0.6% on the quarter for a 1.7% year-on-year rise. While a more detailed breakdown of the GDP rise was not yet available, unadjusted trade data for the first quarter showed an 8.5% jump in exports over the same period of 2022 with unchanged imports, indicating net trade contributed to the growth. (Reuters)

### Regional

- Middle East firms are seen transitioning from ESG 'start-up' mode to a more sustainable 'scale-up'** - Companies are transitioning from an ESG "start-up" mode to a more sustainable "scale-up" mode, driven by climate risk awareness and regulatory compliance, PwC ESG Middle East said in a survey. The survey, which polled business leaders from various

industries, highlights that 64% of companies have adopted a formal ESG strategy in the last year, and the number of companies with no ESG strategy has halved. Additionally, businesses are increasingly transparent about their environmental impact, with 70% reporting on their ESG impact and 59% having their reporting formally audited or assured. The survey reflects the region's growing emphasis on sustainability and accountability. "In last year's survey, companies in the Middle East were in the early stages of their ESG journeys with many only just starting to think about developing their ESG strategies. This year our survey finds that companies have taken concrete steps in progressing their ESG actions while highlighting significant gaps, notably within sustainability skills and green funding," said Dr Yahya Anouti, PwC Middle East's ESG Leader. Organizations are taking practical steps towards ESG, with 60% of survey respondents calling for increased time allocation by leaders to address ESG-related issues such as risk management, compliance, and circular economy. The Middle East has also witnessed a growing sustainability mandate at the executive level, with over a quarter of respondents stating they now have a chief sustainability officer (CSO) and responsibility for ESG shifting from CEOs to CSOs. Unlocking skills and green funding to realize climate ambitions: A lack of internal skills and expertise in sustainability is the top barrier to advancing the ESG agenda, according to 41% of companies surveyed. In addition, finance is a significant gap, with almost one-third of respondents citing funding constraints as a major barrier to ESG implementation. This is despite the region's active participation in raising green finance. The report highlights a lack of awareness and access to green finance, with nearly half of the organizations surveyed relying on self-funding for ESG activities and only 13% accessing sustainable finance. "ESG transformation requires a joint effort between businesses and government bodies. To accelerate progress, companies must prioritize ESG imperatives, while policymakers should continue to develop clear policies and regulations to support their ambitions," says Stephen Anderson, PwC Middle East's Strategy and Markets leader. The report details four critical areas that need to be addressed to further drive ESG transformation in the region: Ensuring policy coherence, and integrating ESG thinking throughout the organization's operations and strategy. building sustainability skills and boosting access and clarity on green financing. As businesses in the Middle East make progress in their ESG journey, the report suggests that with the right coordinated response from governments, 2023 could be the region's most environmentally transformative year yet. (Gulf Times)

- Albudaiwi: GCC working to complete railway linking GCC countries** - Gulf Cooperation Council (GCC) Secretary General Jassem Mohammed Albusaidi stated that the GCC countries, the GCC Secretariat General, and the GCC Rail Authority are continuing their efforts to finalize the completion stages of the railway linking the GCC countries, representing a prominent step in the joint Gulf interdependence and integration. His remarks were made during the Middle East Rail Exhibition and Conference being held May 15-16 at the Abu Dhabi National Exhibition Centre in the United Arab Emirates (UAE), with the participation of a number of decision-makers in the Arab transportation sector, dignitaries, and CEOs of key rail operators from across the region. "I am honored to begin my speech by extending sincere gratitude and appreciation to Shaikh Mohamed bin Zayed Al Nahyan, President of the United Arab Emirates, and Shaikh Mohammed bin Rashid Al Maktoum, Vice President of the State, Prime Minister and Minister of Defense, for the support provided to the course of the Cooperation Council across all fields, which is symbolized by the convening of the Middle East Rail Conference and Exhibition," Albusaidi said. "I would also like to express gratitude and appreciation to Sheikh Mansour bin Zayed Al Nahyan, Vice President, Deputy Prime Minister, and Minister of the Presidential Court, for his generous sponsorship of this conference, which clearly reflects the ambitious developmental achievements and huge investments in the railway sector in the GCC countries. I am also pleased to thank Engineer Suhail Al Mazrouei, Minister of Energy and Infrastructure of the United Arab Emirates, for his kind invitation to participate in this conference," the GCC chief said. During his speech, the Secretary General emphasized that the leaders of the GCC countries were keen to support the process of joint Gulf action to enhance cooperation to reach the desired integration in all fields. Furthermore, he underscored that the GCC states have taken

thoughtful steps to coordinate and unify their policies and strategies, aiming to crystallize an applicable collective action framework that meets the ambitions and aspirations of the people of the GCC states. Further explaining, he affirmed that the GCC states have been able to complete several strategic integration projects, and the efforts of the General Secretariat, the GCC Rail Authority, and member states to complete the railway project represents a prominent step in the joint Gulf interdependence and integration, due to its direct positive impact on inter-trade exchange movement, and citizens and residents' free mobility among the GCC countries. The project also supports joint investments between the member states and strengthens Gulf economic integration and its impact on the global economy. Moreover, Albusaidi stated that the member states, the General Secretariat, and the Gulf Rail Authority are following up on implementing the GCC railway project, which is achieving tangible results, as some member states have finished building parts of the project within their territories. He added: "In this context, I am delighted to thank and congratulate the United Arab Emirates on completing the railway construction within its territory and connecting it with the border of the Kingdom of Saudi Arabia." (Zawya)

- GCC paper industry investments 'surge to over \$1.6bn'** - The industry's oldest and premium exhibition, Paper Arabia, has made a comeback following post-Covid new investments and expansions in the GCC paper industry surging in excess of \$1.6bn in the past two years. At a media briefing, spokespersons of Paper Arabia, organized by Dubai's pioneer in events and expos, Al Fajer Information and Services, said a major share of these investments were in the UAE and Saudi Arabia in greenfield projects as well as in expansion of existing production facilities to cater to the growing consumer demand for paper products, particularly in packaging and hygiene. "The paper industry in the Middle East has evolved over the years and it is now one of the world's fastest-growing markets. The Covid pandemic had brought in disruptions and production bottlenecks throwing in unprecedented challenges for paper mills across the world, but it also helped mushroom new opportunities in paper packaging and paper disposables, further fueled by an e-commerce boom," said Nadhal Mohamed, General Manager, Al Fajer Information & Services. He said the relaunch of Paper Arabia comes in a growth context for the paper industry. "This is the 12th edition of Paper Arabia and the response has been robust with nearly 100 companies from 30 countries participating," he said. The B2B show is taking place at the Dubai International Convention and Exhibition Centre from May 16 to 18, 2023. Saudi Paper Group, the Middle East's biggest tissue manufacturer are the principal sponsors of the show. The group has been unwaveringly supporting Paper Arabia since 2007. The growth of the Middle East paper industry investments also comes in the backdrop of the Russia-Ukraine war which is a cause of concern for Europe with implications on the energy-intensive paper industry. The demand for paper and pulp products in the Middle East and Africa market is being driven by the increased demand for green packaging solutions, and according to a research entity, Mordor Intelligence, the market is poised to touch \$28.72bn in the next five years, growing at a CAGR of 3.28%. (Zawya)
- Saudi Arabia moves closer to another Aramco stock offering** - Saudi Arabia's plans for another multibillion-dollar offering of Aramco stock are gaining fresh momentum, with any deal set to be one of world's largest share sales in recent years, people with knowledge of the matter said. The kingdom has been working with several advisers to study the feasibility of a follow-on offering on the Riyadh exchange, according to the people, who asked not to be identified because the information is private. It could make a decision as soon as the coming weeks about whether to proceed, they said. Saudi Arabia's Crown Prince Mohamed bin Salman, said in January 2021 that the government would look to sell more shares in the state oil giant in the future, with proceeds transferred to the kingdom's sovereign wealth fund. The Aramco offering may take place as soon as this year if the government goes ahead, though no precise timeline has been set, the people said. Even a 1% offering would raise more than \$20bn for the kingdom as it embarks on an ambitious investment plan to diversify its local economy. The Saudi government directly owns about 90% of Aramco, with a further 8% held by its sovereign wealth fund. Aramco fell as much as 4.7% on Tuesday. The stock was down 2.4% at 2.43pm in Riyadh, giving the world's largest energy company a market

value of roughly \$2.1tn. It shares have outperformed Western oil giants such as Exxon Mobil Corp this year. No final decisions have been made on the exact size of the potential deal, and the kingdom could decide not to proceed if market conditions aren't favorable, the people said. A representative for Aramco declined to comment. A secondary offering of Aramco shares may attract new investors after the company boosted its base dividend in March and said in May that it would also make more payments to shareholders from excess free cash. Aramco has come under pressure from shareholders to pay more and improve its attractiveness relative to rivals such as BP Plc and Shell Plc, which have been shelling out billions through dividends and buybacks. The additional returns may boost Aramco's shareholder payouts, already the largest in the world, by as much as \$20bn this year, according to analyst estimates. That may help entice new global investors to participate in an offering. Many had balked at the Saudi government's valuation expectations and Aramco's low yield compared with industry peers during the firm's 2019 initial public offering. Aramco raised almost \$30bn from its IPO, the largest ever, despite relying almost entirely on local investors. Oil prices have dipped sharply since the middle of last year after the global economy weakened and central banks raised interest rates to combat inflation. Saudi Arabia announced a surprise oil output cut in April along with other members of the Opec+ alliance in a move Riyadh described as "precautionary measure aimed at supporting the stability of the oil market." Saudi Arabia, typically one of the Gulf's busiest listing markets, has been quiet so far this year while other exchanges like Abu Dhabi have stepped into the limelight. Aramco has pushed back a planned Riyadh initial public offering of its energy-trading business, Bloomberg News reported earlier this month. (Gulf Times)

- Saudi Arabia sells \$6bn in two-tranche Islamic bonds** - Saudi Arabia raised \$6bn on Monday from the sale of Islamic bonds, or sukuk, selling \$3bn each in two tranches of six years and 10-years, a document from a lead manager showed. The world's top oil exporter sold the six-year tranche at 80 basis points (bps) over US Treasuries (UST) and the 10-year notes at 100 bps over UST, the document showed. (Reuters)
- Adnoc unit's \$607mn Abu Dhabi IPO sells out in minutes** - The initial public offering of Adnoc Logistics & Services got enough orders to cover all shares within minutes, showing continued strong demand for listings in the Middle East. Abu Dhabi National Oil Co is selling about 1.11bn shares in its maritime logistics unit at 1.99 dirhams (\$0.54) to 2.01 dirhams each, valuing the company at as much as \$4.05bn, according to a statement yesterday. Order books for the IPO, which could raise as much as \$607mn at the top end, were covered throughout the range and indicated demand exceeded deal size, according to a message to investors seen by Bloomberg News. Al Seer Marine Supplies & Equipment Co PJSC, National Marine Dredging Co PJSC, Alpha Oryx Ltd - ultimately owned by Abu Dhabi wealth fund ADQ and Abu Dhabi Pension Fund have committed to become cornerstone investors and subscribed for about \$180mn combined. The deal is the second listing of a unit by state-owned Adnoc this year, after it raised \$2.5bn in the IPO of its gas business in March. It's also set to be the second-biggest IPO in the Middle East so far this year. Proceeds from initial public offerings in the Middle East have dropped 69% from the same period a year ago and stand at \$3.5bn, according to data compiled by Bloomberg. Lower oil prices and concerns about slower economic growth globally have weighed on the market, and the MSCI GCC Countries Index has fallen almost 17% in the past year. Still, the Middle East is faring a lot better than other regions like Europe, where IPOs are still struggling to get off the ground. Abu Dhabi has so far dominated listing activity in the Gulf, mainly thanks to Adnoc Gas's IPO, while Saudi Arabia has been quiet and Dubai has not seen any of the large privatizations that made it busy last year. Adnoc has been selling stakes in its units since about 2017 as part of a strategy to help fund the diversification of the economy and reduce its reliance on fossil fuels. It listed chemicals firm Borouge last year and has previously sold shares in its drilling unit and fertilizer company Fertigllobe, among others. Adnoc L&S plans to pay an annualized 2023 cash dividend of \$260mn and expects to increase this by at least 5% annually. The firm, which has been expanding its fleet to cope with increased demand from the state-owned firm's businesses, is targeting capital expenditure of \$4bn to \$5bn in the medium term. It's also planning a compound annual growth rate of at least

10% for its revenues in the mid-term. The institutional book building period runs until May 24, with pricing set for May 25. The retail offering will close on May 23 while the shares are expected to start trading on June 1. Citigroup Inc, First Abu Dhabi Bank PJSC, HSBC Holdings Plc and JPMorgan Chase & Co have been appointed as joint global coordinators and joint book-runners. Abu Dhabi Commercial Bank PJSC, Arqam Capital Limited, Credit Agricole SA, EFG-Hermes, International Securities and Societe Generale SA are joint bookrunners for the offering. (Gulf Times)

- UAE central bank: Gross banks' assets rose by 2.2% at end of February 2023** - Gross banks' assets, including bankers' acceptances, rose by 2.2%, from AED 3,668.2bn at the end of January 2023 to AED 3,747.8bn at the end of February 2023, according to the Central Bank of the UAE's Monetary & Banking Developments for February 2023. Gross credit increased by 1.2% from AED 1,874.3bn at the end of January 2023 to AED 1,896.9bn at the end of February 2023. Gross credit grew due to 1.6% increase in domestic credit, overriding a 2.1% decline in foreign credit. Domestic credit expanded because of 2.8% and 3.2% increase in credit to the private sector and the non-banking financial institutions, correspondingly. Whereas credit to the Government Sector and the Public Sector (Government Related Entities), decreased by 0.2% and 2.1%, respectively. Total bank deposits increased by 0.4%, rising from AED 2,233.2bn at the end of January 2023 to AED 2,242.3bn at the end of February 2023. The growth in total bank deposits was due to increases in Resident Deposits by 0.2% and Non-resident deposits by 2.0%. Resident deposits improved owing to increases by 2.1% in both private sector and public sector (Government Related Entities) deposits. However, government sector deposits and non-banking financial institutions' deposits fell by 5.9% and 8.7%, individually. The Central Bank also announced that the money supply aggregate M1 increased by 1.3%, from AED 752.1bn at the end of January 2023 to AED 762.0bn at the end of February 2023. This was due to AED 0.5bn and AED 9.4bn growth in currency in circulation outside banks and in monetary deposits, respectively. The money supply aggregate M2 climbed by 1.7%, from AED 1,719.9bn at the end of January 2023 to AED 1,749.4bn at the end of February 2023. M2 rose due to an increased M1 and a rise of AED 19.6bn in quasi-monetary deposits. The money supply aggregate M3 also climbed by 0.3%, from AED 2,124.0bn at the end of January 2023 to AED 2,130.2bn at the end of February 2023. M3 primarily increased because of an elevated M2, overshadowing the AED 23.3bn fall in government deposits. The monetary base expanded by 1.4% climbing from AED 536.4bn at the end of January 2023 to AED 543.9bn at the end of February 2023. The main drivers of this expansion of the monetary base were increases in currency issued and monetary bills & Islamic certificates of deposit by 0.5% and 8.3%, respectively. Reserve account and banks & OFCs' current accounts and overnight deposits of banks at CBUAE fell by 1.1% and 4.0%, correspondingly. (Zawya)
- Dubai adds support for family business growth, succession** - A new Dubai organization focused on family businesses, a key component of the emirate's economy, on Tuesday said it would support the growth of family firms and help them survive generational transitions. Dubai Chambers, which represents the emirate's business community interests, has set up the Dubai Centre for Family Businesses to educate firms on leadership transition, planning and growth, it said. Dubai, a regional trade and tourism hub, also plans to start a family business dispute center to resolve conflicts outside of the courts, Abdul Aziz Al Ghurair, chairman of Dubai Chambers, told Reuters. Family-owned businesses contribute 60% of the United Arab Emirates Gross Domestic Product (GDP) and 80% of its workforce, consultancy KPMG said in a report last year. "The size of the family business in the last 50 years has changed from smaller business to become multi-bn dollar businesses ... it is becoming more critical to ensure that the transition from the founder to the next generation becomes very smooth, trouble free," said Ghurair. When Majid Al Futtaim, Forbes Magazine's third-richest Arab businessman in 2021, died in December 2021, a special judicial committee was formed to weigh in on potential legal disputes with heirs. His conglomerate, Majid Al Futtaim (MAF), has roughly \$16bn in assets including an indoor ski resort in Dubai. Involving and educating the next generation within family businesses before the death of the founder is important, Ghurair said. "Sisters and mothers need

also to be educated because someday they will be owners of this business, someday they will be asked to vote," he said. A new UAE Family Companies Law, which came into effect in January, aimed to improve how companies transition to successive generations. "For the next two, three years, we have enough legislation to help us," Ghurair said, adding that new legislation might be needed after that. (Zawya)

- Dubai's Knowledge Fund Establishment launches Strategic Plan 2023-2025** - The Knowledge Fund Establishment in Dubai has launched its Strategic Plan 2023-2025 focused on further enhancing the emirate's status as a leading hub for knowledge investments in the region. The Plan is aligned with Dubai's future growth aspirations and its efforts to drive sustainable economic development, harness talent and foster innovation. The 2023-25 Strategic Plan's objectives are guided by its vision statement, 'Leading Investment in Knowledge' and its mission statement, 'Develop and Maintain a Sustainable Investment Portfolio to Support the Growth of the Knowledge Sector in Dubai'. The Plan revolves around three main themes: investment portfolio sustainability, educational asset allocation, and management of educational initiatives. Under the first theme of investment portfolio sustainability, the Knowledge Fund Establishment aims to develop an investment portfolio that helps enhance the sustainability and diversification of investment sources. The investment portfolio will support educational initiatives in the emirate and help develop its educational system. Under the second theme, educational asset allocation, the Establishment seeks to enhance investment opportunities in the education and knowledge sector and further attract investors from around the world. The Establishment seeks to create a compelling value proposition for investments in the emirate's educational assets, including lands and facilities designated by the government to meet the education sector's needs and achieve the emirate's strategic objectives. Under the third theme of the new strategy, educational initiatives management, the Knowledge Fund Establishment seeks to establish a competitive educational environment that encourages creativity and innovation and enables various segments of the community – including students, parents, and teaching staff – to benefit from the unmatched opportunities offered through the educational initiatives and projects that the Establishment is a part of, including Dubai Schools and the Mohammed Bin Rashid Distinguished Students Program. The Establishment will play a pivotal role in strengthening the emirate's attractiveness for education service providers by making it easier for them to take advantage of the government's initiatives. Ahmed Abdul Karim Julfar, Chairman of the Knowledge Fund Establishment, said, "The Knowledge Fund Establishment's new strategy is in line with the vision and aspirations of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President, Prime Minister and Ruler of Dubai, and the directives of H.H. Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai and Chairman of the Executive Council of Dubai, to further enhance the emirate's educational sector and boost its competitiveness. "To achieve this, we strive to enhance knowledge and educational investment opportunities, develop a sustainable investment portfolio, and harness its revenues to support the growth of the education sector in the emirate." Abdulla Mohammed Al Awar, CEO of the Knowledge Fund Establishment, said, "Since its establishment in 2007, the Fund has worked to fulfil the goals of the leadership to create a robust educational environment that supports the growth of the knowledge economy. With the launch of our new Strategic Plan, we will collaborate with our partners in the government and private sectors to enhance the positive impact of educational initiatives and projects designed to raise the capabilities of all segments of Dubai's community." "Based on our participatory approach, we are keen to involve all stakeholders in developing the new strategy and designing initiatives and projects," Al Awar added. "We firmly believe in the importance of engaging these parties, who are a central part of the new Strategic Plan. We look forward to working with all of our partners to implement its objectives." (Zawya)
- Ominvest-led consortium plans bid for Ahli Bank in Oman** - Oman International Development and Investment Company (Ominvest) is leading a consortium to acquire Ahli Bank in Oman, according to an exchange filing on Tuesday. Ahli Bank, part owned by Bahrain's Ahli Bank, carried a letter from Ominvest in a filing, which said other investors had expressed their desire to join the consortium. Ominvest said the

consortium will make a cash offer of 185 baisas (\$0.48) per share, which represents a 28% premium over the bank's average one year market price of 144 baisas. (Reuters)

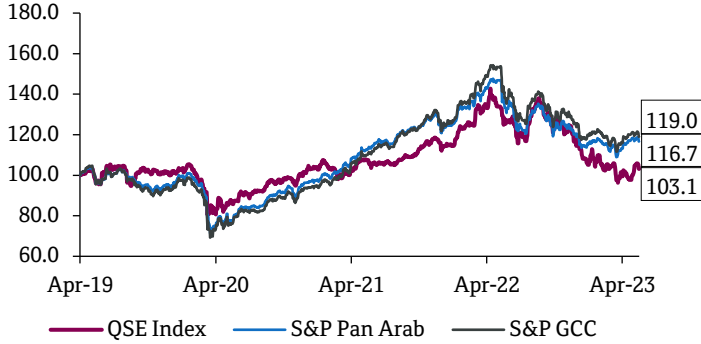
- Oman's inflation expected to slow further in 2023** - Oman's annual inflation, which remained relatively low in 2022 despite rising global inflation, is expected to further decelerate this year, thanks to government subsidies, price caps on certain products, and a strengthening US dollar. After experiencing one of the lowest inflation rates among GCC countries in 2022, Oman is expected to record an average inflation rate of 1.9% for 2023, the lowest expected inflation in the GCC, according to the International Monetary Fund (IMF). The inflation rate in Oman decreased to 1.6% in March 2023 from 1.9% recorded in the previous month, the lowest monthly reading since June 2021. The sultanate witnessed the second-lowest average inflation rate among GCC countries in 2022 at 2.8%, following Saudi Arabia which registered an inflation rate of just 2.5% during the year. The IMF expects GCC inflation to further decrease in the next two years, with an average of 2.9% in 2023 and 2.3% in 2024. 'Lower inflation in GCC countries is mainly attributed to governmental interventions such as price caps on certain products, subsidies on key products or utilities, and the strengthening of the US dollar, which all GCC countries have pegged to their currencies, except for Kuwait which has linked its currency to a basket of currencies including the US dollar,' Kuwait-based Kamco Investment said in a research report released on Monday. In terms of sectoral inflation trends, the food and beverages category has been one of the most important categories in terms of weight or growth in Oman's and GCC inflation performance. The food and beverages category has shown growth in all GCC countries. Oman's March 2023 inflation was mainly driven by a 4.1% year-on-year growth of the food and non-alcoholic beverage index, the second biggest weighted index. (Zawya)
- Oman eyes lucrative European fish market** - In efforts to find new export markets for its fishery products, Oman is studying the lucrative European market. Omani authorities are in talks with their European counterparts to explore opportunities in the seafood sector. "We are waiting for the authorities to decide whether we will deal in fresh or processed seafood. The talks are in early stages but there will be an outcome soon," said Nabil al Bimani, CEO of Fisheries Development Oman. The total value of seafood imports of Europe in 2020 was US\$54.8bn. Its seafood imports have been on the rise since 2015, peaking at US\$58bn in 2018. Bimani was speaking at a conference titled 'Omani-French Opportunities in Fisheries Sector' held between Omani and French stakeholders at Oman Arab Bank Head Office on Monday. Held under the patronage of H E Yaqoob al Busaidi, Undersecretary for Fisheries in the Ministry of Agriculture, Fisheries and Water Resources (MAFWR), the conference saw participation of more than a hundred people, including government officials, French and Omani businesses engaged in the fisheries sector, agro-food industries, shipbuilding and ship repair, and management of marine resources. The focus of the conference was on exploring opportunities in Oman's fisheries sector, particularly through the Duqm Multi-Purpose Port project. The project is a collaboration between the Port of Lorient in France and Fisheries Development Oman. The conference aimed to connect stakeholders from France and Oman in different economic sectors and to highlight opportunities. Bimani said, "The Duqm Multi-Purpose Port project is part of the development of the entire region of Duqm. Our association with the French teams will help us explore more opportunities in the area. It will also be expanded to train our fishermen both in technical and commercial aspects." He added that the fisheries sector is expanding rapidly in Dhofar; 60% of the catch in Oman is from the governorate. Speaking at the conference, Ahmed Saleh al Harthy, Director of Oman Vision 2040 in MAFWR, said, "We are 100% committed to every SME and business related to fisheries. We have already identified fisheries ports that are run by SMEs and have extended full support." Joining the conference via Zoom, Mustapha el Kettab, Deputy Director of European Maritime Training Centre (CEFCM), said that his facility ensures maritime professionals get the best services and customized training. "We have 18 research ships, six underwater vehicles and robots, and conduct 150 campaigns a year with 1,500 to 1,800 scientists and students. Our association with Omani counterparts will definitely witness mutual benefits." (Zawya)

- Kuwait's oil company seeks to exit Norway** - Kuwait's overseas oil and gas division has launched a sale process for its Norwegian assets as part of its focus on newer exploration and production hubs, industry sources said. Kuwait Foreign Petroleum Exploration Company (Kufpec) hired Scotiabank to run the sale, which could raise \$300mn, according to the three sources. Kuwait Petroleum Company, Kufpec's parent company, did not reply to a request for comment. Scotiabank was not available to comment. Kufpec's production in Norway is set to reach around 19,000 barrels of oil equivalent per day (boed) in 2023, around 20% of the company's global production, according to the sources. It holds a 30% stake in the Gina Krog field, a 9.4% interest in the Sleipner West field and a 10% stake in the Sleipner East field, according to its 2021 annual report. Last year, Kufpec sold its 10% stake in the YME field offshore Norway to Lime Petroleum for \$68mn. (Reuters)
- Kuwait calls for reactivating economic deals to enhance Arab cooperation** - Kuwait's Minister of Finance (MoF) and Minister of State for Economic Affairs and Investment Manaf Al-Hajri stressed on Monday the significance of galvanizing the economic deals on enhancing the joint Arab action. Al-Hajri, head of the Kuwaiti delegation to the preparatory meetings for the extraordinary Arab summit, told KUNA in a statement that some topics on activating air, maritime and land transport have been discussed. On Arab tourism, the Arab tourism strategy, which aims to boost Arab cooperation, and enhance confidence of Arab tourists and develop tourist innovation, has been adopted, he added in the statement after the meeting. With regard to communication and information technology (digital technology), he said the Arab strategy for information and communication technology has been endorsed. The strategy aims to develop the national and regional infrastructure in the Arab countries to form an inclusive Arab framework to coordinate efforts seeking to formulate national and regional policies and strategies in the Arab community during next years, he pointed out. The conferees further discussed the latest developments of completing requirements related to establishing the Arab free zone and customs union, he stated. In addition, several topics have been covered during the meetings that included Arab League Secretary General's report on implementing the 31st Arab Summit resolutions and others, he revealed. Al-Hajri stressed Kuwait's keenness on making a successful Arab summit due in Saudi Arabia through helping making resolutions to enhance the joint Arab economic and social action. He stated that Kuwait welcomed Syria's return to the Arab League after a 12-year suspension. (Zawya)
- Bahrain: Online state transactions jump 16% to nearly 1mn** - Online government transactions edged close to amn in number, exceeding 941,000 in the first quarter this year, shows government data. The latest eGovernment Channels report highlights an increase of 16% in their number during Q1-2023 compared with the same period last year through the different channels including the National Portal (bahrain.bh); the eGovernment Appstore (bahrain.bh/apps); and self-service eKiosks. The portal received more than 5m visits, showing the highest uptake across all online channels and eServices, in line with the kingdom's comprehensive digital transformation and national efforts to enhance the efficiency and quality of government services. Information and eGovernment Authority (iGA) deputy chief executive of electronic transformation Dr Zakariya Al Khajah said that iGA continues to implement digital transformation initiatives in co-ordination with all government entities. He highlighted the government's efforts to support digital transformation and provide seamless and enhanced experience to the public by saving their time and efforts. Dr Zakariya also noted that insurance eService for King Fahad Causeway has seen a remarkable increase of more than double whereas online eVisa services have grown by 46% during the quarter. Additionally, the report showcased an increase in the use of mobile applications which reflected the government investment towards adopting the modern technologies and enhancing the quality of life for citizens and residents in Bahrain in light of the public demand for usage of mobile applications available in the eGovernment Apps Store (bahrain.bh/apps). Visits to the National Portal increased by 6% in Q1 of 2023 compared with the same period last year, in which the residency eServices came at the forefront in terms of the number of visits, followed by good conduct certificate eServices. Dr Al Khaja stressed that several factors have contributed to increase in the National Portal usage such as the Government Service Catalogue, which enables users to access information more quickly, as well as unified payment services with eKey login. This is in addition to adding more new services such as government documents verification which allows citizens, residents, business owners and GCC citizens to verify the authenticity of issued government documents. Moreover, eAuthorization services, domestic worker services provided by the Labor Market Regulatory Authority (LMRA), golden residency visa services which include cancellation requests, and visa management were among newly added eServices that led to the increase in usage. The report also showed an 8% increase in the number of eTransactions completed on the National Portal. The growing number of online transactions conducted through eGovernment mobile apps, amounting to a value of BD13.5mn for 280,000 transactions with an increase of 39%, was also underlined in the analysis. The top apps during the quarter were: Islamiyat, which saw 46% jump in usage during Ramadan; Sehati, up 50% and the Bahrain Legislation app that surged by 600%, which was recently launched to serve the legal sector in Bahrain. The increase of the usage was due to the users' interest in the services available through the apps, as well as the continued process of bringing up-to-date and adding new services. In same context, payment transactions through mobile apps increased remarkably, with the Fael Khair eService available in Islamiyat app, seeing a surge of 200%. (Zawya)
- Bahrain real estate values to grow but at slower pace** - Bahrain residential real estate sales values have continued to grow in the first quarter of 2023 but at a slower pace than in 2022. Mid-end villa developments in the country increased in value by 5.2% year-on-year (YoY). Sales prices reached 603 Bahraini dirhams (\$1,603.72) per sq.m. compared to BHD 573 per sq.m. in Q1 2022. However, rising credit costs have impacted demand for high-end or premium developments, with high-end apartment values dropping by 1.3% quarter-on-quarter, according to a market update by Savills. In the rental market, demand for low-end and mid-end villas remained strong as end-users limited their expenses owing to the current global economic landscape, Savills said. Prices are now 18.5% higher than Q1 2022 and are estimated at BHD 800 per month. In the office space, rental values in the mid-end segment have increased by 15% YoY. However, high-end rental values remained stable across 90% of the Grade A stock tracked by Savills, but on average, rents dropped by 1.5% on a quarterly comparison and 2.1% on an annual comparison. The sales market reflected the sentiment of the rental market with mid-end capital values experiencing YoY growth of 4.6%, largely attributed to reduced available stock in the sub-sector, the real estate company added. The Survey and Land Registration Bureau data showing that the value of real estate transactions increased by 17% YoY in Q1 2023 to BHD 243.1mn, Savills said. (Zawya)
- Bahrain continues to be leader in MENA for economic freedom** - Bahrain continues to be the Middle East and North Africa (Mena) region leader for financial, investment and trade freedom according to a new report. The 2023 Index of Economic Freedom published by Heritage Foundation has given the kingdom an economic freedom score of 62.5 (out of 100), an improvement of 0.5 from last year. The score places Bahrain's economy as the 68th freest out of 184 countries. For the second year in a row, Bahrain has ranked first in the Mena for financial, investment and trade freedom on the index, which focuses on four key aspects of economic and entrepreneurial environment that governments typically control, namely rule of law, government size, regulatory efficiency and market openness. In assessing conditions across these four categories, the index measures 12 specific components of economic freedom, each of which is graded on a scale from 0 to 100. Scores on these 12 components of economic freedom are calculated from a number of sub-variables and then equally weighted and averaged to produce an overall economic freedom score for each economy. This year's edition of the report highlights Bahrain's credentials as a financial hub for dynamic economic activity and openness to global commerce, sustained by a competitive and efficient regulatory environment. Additionally, the findings revealed the kingdom's overall investment framework to be positive and transparent, with equal treatment to both local and foreign investors. Bahrain is ranked fourth among 14 countries in the Mena region, and its overall score surpasses the regional and world averages of 56.8 and 59.3 respectively. The report says that Bahrain is becoming more open and transparent, noting that the



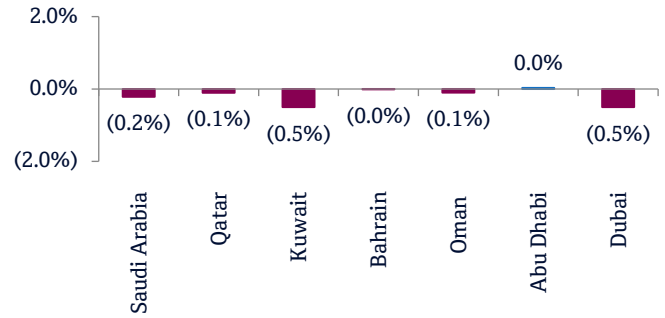
country “performs quite well in many of the four pillars of economic freedom.” The kingdom’s openness to global commerce is sustained by a competitive and efficient regulatory environment. The overall regulatory framework is more streamlined and competitive, and the commercial law system is relatively straightforward. The report explains that an accessible and efficiently functioning formal financial system ensures the availability of diversified savings, credit, payment, and investment services to individuals and businesses. As for the investment environment, it says that a free and open system provides maximum entrepreneurial opportunities and incentives for expanded economic activity, greater productivity and job creation. The benefits of such an environment flow not only to the individual companies that take the entrepreneurial risk in expectation of greater return, but also to society as a whole, the report adds. The Bahrain Economic Development Board (EDB), the national investment promotion agency, has appreciated the kingdom’s high rank in the index. “Bahrain’s high ranking is a reflection of the government’s success in maintaining a progressive regulatory framework that offers high yielding opportunities for investors owing to a favorable tax environment, ease of doing business, and unparalleled access to the \$2.07tn GCC market and beyond,” said EDB chief of strategy Nada Al Saeed. “Alongside a highly skilled workforce, maintaining this liberal economic environment is a key differentiator in Bahrain’s value proposition as we continue to be guided by the national Economic Recovery Plan and work towards attracting additional investment into the kingdom.” As part of a strategic national vision, which has successfully launched multiple projects, the national Economic Recovery Plan (ERP) aims to enhance Bahrain’s long-term competitiveness and achieve fiscal balance by 2024. A key deliverable under the ERP is to create quality jobs and training opportunities for Bahrainis and attract Foreign Direct Investments (FDI) worth more than \$2.5bn by 2023 across key sectors. For 29 years, the Index of Economic Freedom has measured the impact of liberty and free markets around the globe in measuring a nation’s true capacity for lasting growth and prosperity, as per the Heritage Foundation. Economic freedom is the fundamental right of every human to control his or her own labor and property, it adds. “In an economically free society, individuals are free to work, produce, consume and invest in any way they please. In economically free societies, governments allow labor, capital and goods to move freely, and refrain from coercion or constraint of liberty beyond the extent necessary to protect and maintain liberty itself,” says the report. The Heritage Foundation is an American conservative think-tank based in Washington, D.C. that is primarily geared towards public policy. (Zawya)

### Rebased Performance



Source: Bloomberg

### Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,989.17	(1.4)	(1.1)	9.1
Silver/Ounce	23.75	(1.4)	(0.9)	(0.9)
Crude Oil (Brent)/Barrel (FM Future)	74.91	(0.4)	1.0	(12.8)
Crude Oil (WTI)/Barrel (FM Future)	70.86	(0.4)	1.2	(11.7)
Natural Gas (Henry Hub)/MMBtu	2.28	1.3	15.2	(35.2)
LPG Propane (Arab Gulf)/Ton	64.30	0.3	0.5	(9.1)
LPG Butane (Arab Gulf)/Ton	57.80	(7.2)	(7.5)	(43.1)
Euro	1.09	(0.1)	0.1	1.5
Yen	136.39	0.2	0.5	4.0
GBP	1.25	(0.3)	0.2	3.4
CHF	1.12	(0.1)	0.1	3.1
AUD	0.67	(0.7)	0.2	(2.3)
USD Index	102.56	0.1	(0.1)	(0.9)
RUB	110.69	0.0	0.0	58.9
BRL	0.20	(1.0)	(0.4)	7.0

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,802.39	(0.6)	(0.2)	7.7
DJ Industrial	33,012.14	(1.0)	(0.9)	(0.4)
S&P 500	4,109.90	(0.6)	(0.3)	7.0
NASDAQ 100	12,343.05	(0.2)	0.5	17.9
STOXX 600	464.70	(0.5)	(0.0)	11.0
DAX	15,897.93	(0.2)	0.0	15.8
FTSE 100	7,751.08	(0.7)	0.2	7.3
CAC 40	7,406.01	(0.3)	0.0	16.1
Nikkei	29,842.99	0.4	0.9	9.7
MSCI EM	979.24	0.2	0.6	2.4
SHANGHAI SE Composite	3,290.99	(1.0)	0.3	5.3
HANG SENG	19,978.25	0.0	1.8	0.5
BSE SENSEX	61,932.47	(0.7)	(0.3)	2.3
Bovespa	108,193.68	(1.5)	(0.7)	5.3
RTS	1,030.68	(0.6)	(0.7)	6.2

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

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