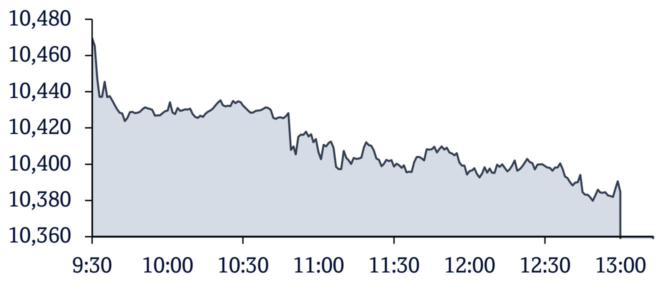
Daily Market Report

Thursday, 20 March 2025

QSE Intra-Day Movement



Market Indicators	19 Mar 25	18 Mar 25	%Chg.
Value Traded (QR mn)	465.4	474.4	(1.9)
Exch. Market Cap. (QR mn)	607,829.3	612,566.2	(0.8)
Volume (mn)	155.3	225.2	(31.0)
Number of Transactions	25,408	38,947	(34.8)
Companies Traded	52	51	2.0
Market Breadth	14:36	35:11	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	24,345.70	(0.6)	(0.2)	1.0	11.4
All Share Index	3,790.07	(0.7)	(0.3)	0.4	11.4
Banks	4,601.26	(1.2)	(1.4)	(2.8)	9.8
Industrials	4,353.15	(0.0)	1.0	2.5	16.2
Transportation	5,733.57	0.5	2.7	11.0	13.6
Real Estate	1,609.50	(0.1)	1.9	(0.4)	17.4
Insurance	2,298.75	(0.1)	(0.6)	(2.1)	12
Telecoms	1,970.77	(0.9)	(1.1)	9.6	12.7
Consumer Goods and Services	7,812.41	(0.4)	0.8	1.9	18.4
Al Rayan Islamic Index	4,926.65	(0.4)	0.3	1.2	13.5

Qatar Commentary

The QE Index declined 0.7% to close at 10,384.7. Losses were led by the Banks & Financial Services and Telecoms indices, falling 1.2% and 0.9%, respectively. Top losers were Qatari Investors Group and Qatari German Co for Med. Devices, falling 8.0% and 3.6%, respectively. Among the top gainers, Qatar General Ins. & Reins. Co. gained 6.4%, while Al Faleh was up 1.8%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.7% to close at 11,709.4. Losses were led by the Energy and Utilities indices, falling 2.1% and 1.9%, respectively. The Mediterranean and Gulf Insurance and Reinsurance Co. declined 10.0%, while Allied Cooperative Insurance Group was down 9.9%.

Dubai The DFM Index fell 0.6% to close at 5,117.1. The Materials index declined 8.9%, while the Real Estate index was down 0.9%. DEPA Ltd declined 10.0%, while EMIRATESNBD was down 3.7%.

Abu Dhabi: The ADX General Index fell 0.3% to close at 9,437.7. The Health Care index declined 2.4%, while the Industrial index fell 0.9%. National Bank of Umm Al Qaiwain declined 4.8%, while Abu Dhabi Islamic Bank was down 3.7%.

Kuwait: The Kuwait All Share Index gained 0.4% to close at 7,936.2. The Technology index rose 0.7%, while the Consumer Services index gained 0.6%. Oula Fuel Marketing Company rose 15.7%, while Gulf Franchising Holding Co. was up 9.9%.

Oman: The MSM 30 Index gained 0.6% to close at 4,386.3. Gains were led by the Financial and Services indices, rising 0.7% and 0.6%, respectively. Oman Chromite rose 7.1%, while Gulf Mushroom Company was up 6.5%.

Bahrain: The BHB Index fell 0.3% to close at 1,964.9. Bahrain Commercial Facilities Company declined 1.8%, while Aluminum Bahrain was down 1.5%.

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Burgan Bank	Kuwait	240.00	2.6	26,307.0	36.4
Bank Sohar	Oman	0.13	2.5	25,466.5	(7.4)
National Shipping Co.	Saudi Arabia	30.70	2.3	3,489.6	17.4
Boubyan Bank	Kuwait	674.00	1.5	4,091.7	20.1
Abu Dhabi National Oil Company for Distribution	Abu Dhabi	3.44	1.5	6,930.3	(2.3)

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Emirates NBD	Dubai	19.45	(3.7)	3,781.1	(9.3)
Abu Dhabi Islamic Bank	Abu Dhabi	16.74	(3.7)	3,200.6	21.1
Power & Water Utility Co.	Saudi Arabia	43.50	(3.5)	662.5	(20.6)
Americana Restaurants Int	Abu Dhabi	2.01	(3.4)	8,193.2	(9.0)
Dallah Healthcare Co.	Saudi Arabia	123.00	(3.0)	161.3	(18.0)

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

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar General Ins. & Reins. Co.	1.139	6.4	209.7	(1.2)
Al Faleh	0.732	1.8	2,290.4	5.3
Estithmar Holding	2.160	1.5	4,634.9	27.5
Baladna	1.199	0.8	12,868.5	(4.2)
Vodafone Qatar	2.005	0.8	3,882.1	9.6

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatari Investors Group	1.554	(8.0)	5,114.2	1.0
Qatari German Co for Med. Devices	1.402	(3.6)	18,344.7	2.3
Qatar International Islamic Bank	10.38	(3.0)	965.5	(4.8)
Qatar Oman Investment Company	0.671	(1.9)	1,964.2	(4.4)
Meeza QSTP	2.966	(1.8)	90.4	(9.4)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Ezdan Holding Group	0.999	(0.6)	22,871.4	(5.4)
Qatari German Co for Med. Devices	1.402	(3.6)	18,344.7	2.3
Qatar Aluminium Manufacturing Co.	1.304	(0.2)	17,831.1	7.6
Baladna	1.199	0.8	12,868.5	(4.2)
Masraf Al Rayan	2.320	(0.2)	9,933.9	(5.8)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	16.10	(1.6)	109,928.2	(6.9)
Qatar Navigation	10.87	0.5	45,170.7	(1.1)
Qatari German Co for Med. Devices	1.402	(3.6)	26,630.5	2.3
Qatar Aluminum Manufacturing Co.	1.304	(0.2)	23,315.8	7.6
Masraf Al Rayan	2.320	(0.2)	23,059.4	(5.8)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,384.72	(0.7)	(0.4)	(0.6)	(1.8)	127.69	166,666.8	11.4	1.3	4.8
Dubai	5,117.11	(0.6)	(1.3)	(3.8)	(0.8)	123.32	243,789.0	9.0	1.4	4.8
Abu Dhabi	9,437.71	(0.3)	0.3	(1.3)	0.2	338.97	724,694.6	21.0	2.5	2.2
Saudi Arabia	11,709.43	(0.7)	(0.1)	(3.3)	(2.7)	1,215.01	2,506,649.5	17.7	2.3	3.7
Kuwait	7,936.23	0.4	0.4	(2.0)	7.8	224.33	165,982.0	13.2	2.0	2.9
Oman	4,386.31	0.6	(0.0)	(1.1)	(4.2)	20.75	32,291.0	9.5	0.9	6.3
Bahrain	1,964.95	(0.3)	(0.4)	0.2	(1.1)	5.88	20,260.0	14.6	1.3	9.0

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

Qatar Market Commentary

- The QE Index declined 0.7% to close at 10,384.7. The Banks & Financial Services 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.
- Qatari Investors Group and Qatari German Co for Med. Devices were the top losers, falling 8.0% and 3.6%, respectively. Among the top gainers, Qatar General Ins. & Reins. Co. gained 6.4%, while Al Faleh was up 1.8%.
- Volume of shares traded on Wednesday fell by 31.0% to 155.3mn from 225.2mn on Tuesday. However, as compared to the 30-day moving average of 154.7mn, volume for the day was 0.4% higher. Ezdan Holding Group and Qatari German Co for Med. Devices were the most active stocks, contributing 14.7% and 11.8% to the total volume, respectively.

Overall Activity	Buy%*	Sell%*	Net (QR)
Qatari Individuals	27.53%	20.66%	31,959,199.79
Qatari Institutions	37.16%	23.51%	63,533,187.01
Qatari	**64.69%**	**44.17%**	**95,492,386.81**
GCC Individuals	0.98%	0.27%	3,295,911.60
GCC Institutions	0.89%	1.07%	(809,136.98)
GCC	**1.87%**	**1.34%**	**2,486,774.62**
Arab Individuals	9.87%	7.75%	9,849,822.68
Arab Institutions	0.00%	0.00%	5,319.93
Arab	**9.87%**	**7.75%**	**9,855,142.61**
Foreigners Individuals	2.47%	3.29%	(3,829,436.53)
Foreigners Institutions	21.10%	43.45%	(104,004,867.50)
Foreigners	**23.57%**	**46.74%**	**(107,834,304.03)**

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

Global Economic Data and Earnings Calendar

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
03-18	US	Federal Reserve	Industrial Production MoM	Feb	0.70%	0.20%	0.30%

Earnings Calendar

Tickers	Company Name	Date of reporting 4Q2024 results	No. of days remaining	Status
QOIS	Qatar Oman Investment Company	20-Mar-25	0	Due
QGMD	Qatari German Company for Medical Devices	25-Mar-25	5	Due

Qatar

- **QCB maintains current rates -** Qatar Central Bank (QCB) decided Wednesday to maintain current interest rates for the QCB Deposit Rate, QCB Lending Rate, and QCB Repo Rate. In a post on its X official account, QCB noted that it maintained the QCB Deposit Rate (QCBDR) at 4.60%, QCB Lending Rate (QCBLR) at 5.10%, and QCB Repo Rate (QCBRR) at 4.85%. This is following the US Federal Reserve decision to hold benchmark interest rates steady in its policy meeting yesterday. (Gulf Times and QNBFS Research)
- **Dlala Brokerage and Investment Holding Co: Discloses the judgment in the lawsuit for the benefit of Dlala Real Estate Company -** Dlala Brokerage and Investment Holding Co. discloses the judgment in the lawsuit no 1347/2024. The Criminal primary Court send out its judgment on 17/03/2025 in the case filed by Dlala Real Estate a subsidiary of Dlala Brokerage and Investment Holding Company against the former Executive Manager of Dlala Real Estate Company The judgment , with respect to the company, included in the first and second paragraphs: 1. The defendant is sentenced to three years of imprisonment for the crime of attempting to seize public funds, dismissal from public office, and ordered to pay a fine equivalent to the value of the funds subject to the crime, amounting to 5,000,000 Qatari Riyals (five million Qatari Riyals). 2. The defendant is sentenced to one year of imprisonment for the crime of negligent damage to public funds, ordered to refund an amount of 7,750,000 Qatari Riyals (seven million seven hundred and fifty thousand Qatari Riyals) to Dlala Real Estate Company, and is required to pay a fine equivalent to the value of the funds subject to the negligent damage, amounting to 7,750,000 Qatari Riyals (seven million seven hundred and fifty thousand Qatari Riyals). It should be noted that the initial judgment send out is subject to appeal and relates to the complaint submitted by the company No. 1977/2023, Department of Combating Economic and Electronic Crimes. (QSE)
- **Qatar investing in AI education, workforce development -** Qatar's Digital Agenda 2030 aims to make the country a global tech hub. Investments in Microsoft Azure, Google Cloud, and 5G have made Qatar a leader in digital infrastructure. AI, blockchain, and fintech are driving change in healthcare, energy, and finance, with strong government and private sector collaboration. At the same time, Qatar is investing in AI education and workforce development, preparing for a highly skilled labor force, noted Vahe Torossian, President, Chief Partner Officer and Chief Revenue Officer, Builder.ai in an interview with The Peninsula. He highlighted how digital innovation is driving growth and opportunities in the field of AI and emerging technologies in Qatar and the GCC region. Torossian said, AI is transforming businesses, industries, and economies, especially in the GCC region, where governments see it as the future. Qatar is leading with a $2.5bn investment in AI and data analytics, expected to generate $11bn by 2030. A recent Invest Qatar and Accenture report predicts this push could create 26,000 jobs and place Qatar among the top 10 digital economies. Qatar is competing at the highest levels. It ranks among the region's top AI-ready nations by the Oxford Insights AI Readiness Index 2024 and stands alongside the UAE and Saudi Arabia as a leader in innovation. Institutions like Qatar Computing Research Institute (QCRI), Qatar University, and Hamad Bin Khalifa University (HBKU) are shaping an AI-driven future, not just keeping pace with it, he said. AI is fueling growth across the region. A PwC report estimated that the Middle East is expected to accrue two% of the total global benefits of AI in 2030, equivalent to $320bn. Saudi Arabia and the UAE are advancing in cybersecurity, smart cities, and automation, creating new opportunities for startups and businesses. He further explained that Builder.ai is growing fast, and "we are expanding to help more businesses bring their ideas to life. As companies go digital, we're making software development easier. faster, and more affordable. Our focus is on key markets like the Middle East, North America, Europe, and Asia-Pacific, where we're building strong partnerships," Torossian noted. "We are also making our AI-powered platform even simpler to use. Natasha AI. our smart product manager, helps businesses of all sizes create apps without needing technical skills. AI-driven automation cuts cost speeds up development. and removes the usual roadblocks, particularly for startups looking to grow fast," he added. Small businesses and entrepreneurs are a big part of our mission. "We are working closely with startup incubators and innovation hubs, especially in Qatar and the GCC, to give more people access to no-code and low-code tools. That way, anyone with an idea can turn it into a real digital product." He added, "At Builder.ai, we are not just building software, we are making it easier for businesses to succeed in a digital world. AI is changing how apps are built, and we're here to make sure it's simple, affordable, and accessible to everyone. (Peninsula Qatar)

- **QBA: Private sector further cements strategic Qatar-US relations -** The Qatari Businessmen Association hosted the U.S. Ambassador to Qatar, His Excellency Timmy Davis, during a dinner held by Sheikh Dr. Khalid bin Thani Al Thani, QBA Deputy Chairman. The dinner was attended by Sheikh Faisal bin Qassim Al Thani, QBA Chairman, and QBA board members Sheikh Nawaf Nasser bin Khalid Al Thani and Saud Al Mana. Among QBA members who also attended were Sheikh Mohammed bin Faisal Al Thani, Khaled Al Mannai, Sheikh Mansour bin Jassim Al Thani, Ashraf Abu Issa, Yusuf Al Mahmoud, Mohamed Altaf, and Ihsan Al Khiyami. Along with Abdul Basit Ahmed Al Sheibi, CEO of QIIB, and Sarah Abdallah, QBA Deputy GM. Ambassador Timmy Davis emphasized the strong and lasting bilateral relations between the United States and the State of Qatar across various sectors of investment and business. He confirmed that there are significant opportunities to increase cooperation between the businessmen of both countries. The meeting included constructive discussions about many economic aspects where cooperation could be enhanced and the investment opportunities available in the U.S. for Qatari businessmen. Sheikh Faisal bin Qassim Al Thani, Chairman of the Association, welcomed the guests, praising the strong bilateral relations between the State of Qatar and the United States, which have continuously developed and reached a distinguished stage of strategic partnership in all fields. He added that the Qatari private sector is working to enhance cooperation opportunities and support economic relations between the two countries, having reached a level of maturity that allows it to form local or regional partnerships with a strategic partner like the United States. For his part, Sheikh Dr. Khalid bin Thani highlighted that the depth of historical relations and ties between the State of Qatar and the United States helps the business sectors in both countries strengthen their cooperation for mutual benefit. Sheikh Dr. Khalid bin Thani also mentioned the various investments of the Qatari private sector in the U.S. market, whether related to tourism, services, or retail sectors, emphasizing the importance of the U.S. market, especially since it is one of the largest consumer markets in the world. The trade relations between the State of Qatar and the United States have gained significant momentum since the signing of the Trade and Investment Framework Agreement (TIFA) in 2004, with the trade exchange between the two countries exceeding $9bn annually, making Doha a reliable trade partner for Washington. American companies operating in Qatar contribute significantly to the country's development, particularly with 856 American companies working in the Qatari market, according to the latest data from the Ministry of Commerce and Industry. (Qatar Tribune)

- **Hamad Port reaches 6mn without incident -** Hamad Port has reached 6mn man-hours without a Lost Time Incident (LTI). This outstanding accomplishment highlights the group's unwavering commitment to maintaining a safe and secure work environment for all employees, contractors and stakeholders. QTerminals is dedicated to fostering a robust safety culture, which is essential to its operational excellence, and this achievement stands as a testament to the collective effort of everyone at Hamad Port in adhering to the highest safety standards. "We are proud of this achievement and the hard work put in by our team at Hamad Port to ensure that safety remains at the forefront of our operations," said Neville Bissett, Group chief executive officer of QTerminals. "This milestone is a reflection of the strong safety culture we have built over the years. As we continue to grow, we remain steadfast in our commitment to protect the health and safety of everyone involved in our operations," he added. (Gulf Times)

- **Fadaat Media expands services with Es'hailSat on Es'hail-2 Satellite -** Es'hailSat, the Qatar Satellite Company, has announced growth in partnership with Fadaat Media Group by adding Playout, Streaming and Disaster Recovery services to their portfolio of DTH services for "Alaraby TV"- HD, "Alaraby2"-HD and "Syria TV" on Es'hail-2 satellite located at the 26º East hotspot covering Middle East and North Africa (MENA) region. These are additional services to a multi-channel, multi-year deal between Fadaat Media and Es'hailSat, which includes satellite television broadcasting and connectivity from Es'hailSat's Teleport to Fadaat Media's facilities in Lusail, Doha. Es'hailSat provides satellite, broadcast, teleport and managed services from Doha, Qatar and brings to this relationship more than a decade of experience in catering to broadcasters, telecommunication companies, enterprises and governments across the Middle East and North Africa. Es'hailSat's infrastructure including two satellites at 25.5/26 East together with 50,000 sqm Tier-4 certified teleport facility provides reliable and robust connectivity services. Fadaat Media is a leading media group committed since its inception to delivering high-quality content that elevates media standards and reflects the interests of the Arab audience. The group operates multiple platforms, including television channels, newspapers, and digital media, all dedicated to providing meaningful content that highlights key social, cultural, and political issues relevant to the Arab world. The group most prominent channels include Alaraby Television Network, Syria Television Network, Al Araby Al Jadeed website and newspaper, and Alaraby Plus. Through its forward-thinking strategy built on innovation and professionalism, Fadaat Media is committed to enhancing its engagement with a diverse audience while embracing the latest technological advancements in the media industry. "Es'hailSat is delighted to provide Playout, Streaming and Disaster Recovery services to Fadaat Media and expand upon the Video Distribution and Contribution services already provided to the region's premier broadcaster at our satellite hotspot." said Ali Ahmed Al Kuwari, president and CEO, Es'hailSat. "We believe that the growing needs of Fadaat Media are best served by the expanding list of products and services that Es'hailSat continues to provide as a satellite operator of choice for customers in the MENA region." For his part, Moayed Dib, CEO of Fadaat Media Group, said: "Our partnership with Es'hailSat represents a strategic step towards enhancing our technical capabilities and expanding the scope of our media services. The addition of Playout, Streaming and Disaster Recovery services reflects our ongoing commitment to providing high-quality media content based on the latest technologies. We believe this partnership will contribute to improving the viewer's experience and strengthening the presence of our channels in the region." (Qatar Tribune)

- **HIA unveils state-of-the-art Concourses D and E; annual airport capacity scales up to 65mn -** Hamad International Airport has unveiled state-of-the-art concourses D and E, marking a major milestone in its expansion and boosting HIA's passenger capacity to 65mn annually. The new concourses were unveiled at a global media event hosted by Qatar Airways Group at the Hamad International Airport Wednesday night. Dignitaries including Qatar Airways Group CEO Badr Mohammed al-Meer and HIA Chief Operating Officer Hamad Ali al-Khater attended the ceremony. Addressing the media, al-Meer said the expanded concourses, which were completed ahead of schedule, offer enhanced facilities, cutting edge technology and seamless connectivity to travelers, further establishing Qatar as a global aviation hub. Al-Meer said, "Hamad International Airport is more than a gateway; it is a vital pillar of Qatar's growth and global connectivity. I am pleased to see this expansion project, with conclusion of both concourses going live, which I have personally been involved with since 2018. "While many global airport expansions have faced delays, we are proud to have delivered this major development ahead of schedule. This achievement reflects our commitment to operational excellence and strategic planning. This is not just about increasing capacity—it is about strengthening the entire Qatar Airways network, enhancing operational resilience, and supporting Qatar's economic growth in line with the Qatar National Vision 2030. This development allows us to meet the evolving demands of global travel while reinforcing Qatar's position as a leading aviation hub." Later speaking to Gulf Times, al-Khater said HIA served almost 53mn passengers in 2024. The airport continues to strengthen its role as a key global hub for airlines and passengers. This development (new concourses) elevates traveler comfort and further establishes Doha as a key global aviation hub. The expansion project, which began in 2018, has now been completed with the opening of Concourse D and E, marking the culmination of the airport's ambitious development plan. This milestone represents the final phase of a transformational journey initiated in 2022 with the unveiling of the 'ORCHARD', a 6,000-square-meter indoor tropical garden. The new concourses integrate seamlessly into the existing terminal, introducing cutting-edge technology and enhanced facilities to meet growing passenger demand. Al-Khater said the terminal now spans 842,000 square meters—a 14% increase—while the addition of 17 new aircraft contact gates increases the total to 62, nearly 40% more than before, ensuring greater connectivity, streamlined operations, and significantly reducing bus transfers. "This means about 350,000 bus journeys can be avoided annually in terms of moving passengers between the aircraft and the terminal." Al-Khater said, "Our focus is to deliver operational excellence that supports both current demands and future growth. The opening of Concourses D and E marks a significant milestone in expanding our capacity and enhancing operational efficiency. This combined development streamlines passenger flow, optimizes resource management, and strengthens airline connectivity, ensuring smoother and more efficient passenger services." The newly inaugurated Concourses D and E feature the following enhancements: Seamless boarding through smart technology: The new concourses feature cutting-edge self-boarding systems, streamlining the boarding process for a faster, more efficient journey. Smart technology enables swift document verification, reduces wait times, and ensures smooth transitions from terminal to aircraft. Enhanced connectivity and global reach: The expansion of Hamad International Airport with Concourses D and E significantly strengthens connectivity for both passengers and airlines. With increased gate capacity and optimized flight operations, the airport can accommodate a greater number of international carriers and offer more direct routes to key global destinations. Elevating passenger journey: The expansion prioritizes passenger comfort and convenience, offering upgraded facilities to cater to diverse traveler needs. A wider selection of premium retail outlets and global dining brands enhances the leisure experience, while ergonomically designed seating. With Concourses D and E expansion, Qatar Duty Free is unveiling over 10 new retail outlets food and beverage venues, enhancing the airport's retail space by 2,700 square meters. This initiative further cements Hamad International Airport's standing as a beacon of innovation, a world-class destination for shopping, dining, and unforgettable experiences. A commitment to sustainability: Hamad International Airport remains a leader in sustainable aviation, with Concourses D and E designed to meet GSAS 4-Star Design & Build Certification and aiming for LEED Gold Certification. The development incorporates energy-efficient systems, innovative water management solutions, and optimized thermal comfort strategies, reinforcing the airport's alignment with global sustainability objectives. Accessibility is a core focus, with universal design principles ensuring a seamless experience for all travelers. Features such as hearing loops, barrier-free pathways, spacious seating areas, and dedicated assistance services underscore the airport's commitment to creating a traveler-centric environment. A landmark expansion beyond Concourses D and E: The opening of Concourses D and E marks the final phase of Hamad International Airport's broader expansion, which has introduced several landmark enhancements. At the heart of this transformation is the ORCHARD, a lush indoor tropical garden that redefines the passenger experience with its serene ambiance and natural beauty. The Central Concourse has been expanded to improve passenger flow and operational efficiency, while an enhanced retail and dining portfolio now features an array of global luxury brands and diverse food and beverage offerings. (Gulf Times)

International

- **Fed holds Rates steady, sees slower growth and higher inflation –** Federal Reserve officials held their benchmark interest rate steady for a second straight meeting, caught between mounting concerns that the economy is slowing and inflation could remain stubbornly high. Chair Jerome Powell acknowledged the high degree of uncertainty from President Donald Trump's significant policy changes, but repeated the central bank is not in a hurry to adjust borrowing costs. He said officials can wait for greater clarity on the impact of those policies on the economy before acting. The Federal Open Market Committee voted on Wednesday to keep the benchmark federal funds rate in a range of 4.25%-4.5%, and said it would further slow the pace at which it is reducing its balance sheet. Governor Christopher Waller, who supported holding rates steady, dissented from the decision over the balance sheet move. The decision to hold rates steady comes as Trump's ambitious and frequently erratic policy agenda has placed the economy, and the Fed's ability to keep it on track, under increasing pressure. Trump's ever-changing plans to levy tariffs on US trading partners have stoked fears of an economic slowdown and raised fresh worries over inflation — a combination that could pull policymakers in opposite directions. "Inflation has started to move up," Powell said, "we think partly in response to tariffs. And there may be a delay in further progress over the course of this year." Powell said his base case is that any tariff-driven bump in inflation will be "transitory," but later added it will be very challenging to say with confidence how much inflation stems from tariffs versus other factors. New economic projections showed Fed officials marked down their forecasts for growth this year, while boosting estimates of inflation. It also showed officials continued to pencil in a half percentage point of rate cuts this year, according to the median estimate, implying two quarter-point rate reductions. That said, eight officials saw one reduction or fewer this year, underscoring policymakers' resolve to suppress inflation even if growth slows. "Uncertainty around the economic outlook has increased," the committee said in a post-meeting statement. Officials also removed prior language stating that risks to achieving their employment and inflation goals were roughly in balance. Officials raised the median estimate for so called core inflation, which strips out volatile food and energy prices, at the end of this year to 2.8% from 2.5%. Their outlook for 2025 economic growth cooled to 1.7% from 2.1%. They raised their estimate for unemployment to 4.4% by the end of this year, from the 4.3% they saw in December. Fed officials have kept rates steady this year after cutting them by a percentage point in the closing months of 2024. Since December, they've signaled a desire to see more progress on inflation, and more clarity on the impact of Trump's policies, before they consider another move. In that time, inflation has remained elevated while consumers' expectations for future price growth have climbed amid an escalating trade war. Spending has softened, and consumer confidence has deteriorated sharply. Investors have also reacted negatively, with the S&P 500 falling more than 10% from mid-February before paring some of those losses. The Trump administration has done little to ease recession fears, with the president saying on March 9 the US economy faces a "period of transition." Treasury Secretary Scott Bessent has said the US economy and financial markets were in need of a "detox." The Fed also said that, beginning in April, it will lower the monthly cap on the amount of Treasuries on its balance sheet that it allows to mature without being reinvested, to $5 billion from $25 billion. It will leave the cap on mortgage-backed securities unchanged at $35 billion. Waller preferred to continue the current pace. Various officials noted during the committee's January meeting that it might be appropriate to consider pausing or slowing the Fed's balance-sheet runoff until the federal government is no longer up against the debt ceiling, the statutory limit for outstanding Treasury debt. The US hit that limit in January. The Fed first started slowing the pace at which it shrinks its portfolio of assets in June — a bid to ease potential strain on money market rates. (Bloomberg)

- **China holds benchmark lending rates steady as expected -** China held benchmark lending rates steady for the fifth straight month in March on Thursday, matching market expectations. The one-year loan prime rate (LPR) was kept at 3.1%, while the five-year LPR was unchanged at 3.6%. In a Reuters poll of 33 market participants conducted this week, 29, or 88% of them expected no changes to either of the two rates. Most new and outstanding loans in China are based on the one-year LPR, while the five-year rate influences the pricing of mortgages. In October 2024, Chinese lenders slashed lending benchmarks by bigger-than-expected margins to revive economic activity. (Reuters)

Regional

- **Oliver Wyman: Middle East commercial fleet to grow 5.1% annually -** The Middle East commercial aviation market is expected to trend upward, supported by a growing demand for air travel, budget carriers entering the market, and significant aircraft orders, according to Oliver Wyman, a leading international management consulting firm. The region's fleet is projected to grow at an annual 5.1%, driven primarily by narrow bodies; it said its latest report. In a region where wide bodies have long dominated, the report said narrow bodies will climb from 43% to 47% of the fleet over the decade, equaling wide bodies' share of the fleet. Representing just over 60% of this market, Saudi Arabia and the UAE are leaders of this growth in the region, with carriers in each serving the market differently. In Saudi Arabia, domestic flying makes up 45% of seats whereas the UAE air travel is solely based on international traffic. Both countries have plans to significantly grow and monetize their aviation-related assets. In Saudi Arabia, the Vision 2030 plan seeks to diversify the economy through investment, especially targeting growth in tourism. The next largest is Qatar, representing another 15% of the market, it said, adding the market has essentially doubled its capacity every six years. Despite this growth, the region has struggled with profitability given the competitive nature of the market and the domination of Emirates and Qatar Airways in the region, particularly when it comes to product offerings. The global fleet is projected to exceed 38,300 aircraft by 2035, with production challenges prompting airlines to delay retiring older planes, pushing up the average age of the fleet. Narrow body aircraft will continue to dominate the future fleet, with the share increasing from 62% to 68% by 2035. North America will continue to remain the largest market, but emerging regions like China, India, and the Middle East are expected to capture a larger share, highlighting the shifting dynamics in the global aviation sector, according to the report. The Middle East will continue to see its global maintenance, repair and overhaul (MRO) market share increase, driven by a large order book, especially for the narrow body A320 and 737 MAX aircraft. Legacy wide body fleet types, such as the A380 and 777, will raise MRO demand, along with new entrants including the A350 and 777X. While currently comparable in market size to Asia's MRO demand, MRO in the Middle East will grow at a slightly more modest annual rate of 2.4% over the next 10 years, the report said. Despite this lower rate, the (Middle East) region will gain 25% in market size by the end of the forecast period. (Gulf Times)

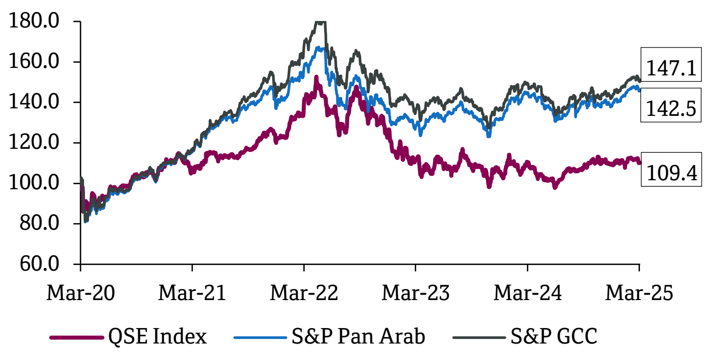
- **One in four GCC companies plan to spend more than $25m on Al in 2025 -** Artificial Intelligence (AI) remains a top priority for business leaders worldwide in 2025, with a strong focus on achieving tangible results from Al initiatives. According to the latest findings from Boston Consulting Group (BCG)'s Al Radar global survey. one in three companies globally plans to allocate over $25mn to Al this year, while in the GCC, one in four companies is set to make a similar level of investment. The survey, including input from 1,803 C-level executives across 19 markets and 12 industries, high lights a widespread optimism about Al's potential, tempered by significant challenges in realizing its full value. Leading companies in the GCC are focusing their Al investments on two strategic priorities: reshaping core business functions and creating entirely new Al powered business models. Reshaping involves fundamentally transforming existing operations for greater efficiency while creating new business models that enable offerings that weren't possible before Al. This strategic approach is reflected in the fact that 81% of GCC companies plan to increase tech investments in 2025, and 72% of GCC companies rank Al/GenAl as a top three strategic priority. At the country level, 88% of executives in Qatar, 72% in the UAE, and 69% in KSA rank Al/GenAl among their top three strategic priorities, compared to a 73% global average. In the GCC, 66% of executives expect Al to boost productivity; however, they agreed that more is needed to ensure that current workforce talent is ready to meet Al demands. Overall, this positive outlook on workforce retention in the GCC and the broader Middle East stands out as a key finding from the survey, with only 7% of executives in the Middle East anticipating headcount reductions due to Al automation an even lower percentage than the global average of 8%. The GCC's efforts also emphasize practical Al applications rather than limited experimentation. For successful Al implementation, the region's organizations are increasingly adopting the "10 -20-70 principle" - a proven framework for Al value creation. They dedicate 10% of their efforts to algorithms, 20% to data and technology, and 70% to people, processes, and cultural transformation. This strategic balance recognizes that technology alone isn't enough-organizational and cultural changes are essential for Al success. This commitment is evident in the UAE, where 27% of organizations have already trained more than a quarter of their workforce on Al tools. While the GCC leads in Al adoption, regional executives are also keenly aware of the risks of scaling AL. Data privacy and security, lack of control over Al decision-making processes, and regulatory challenges are top concerns for regional executives, aligning closely with global risk perceptions. Addressing these concerns is crucial to ensuring Al's practical and ethical adoption. "We're seeing a fundamental shift in how GCC organizations approach Al. It's no longer about selective implementation-there's a clear understanding that Al should be integrated into all roles and processes. The region's focus on training goes beyond adopting technology-it's about preparing a workforce that can stay competitive in a changing job market," said Robert Xu, Managing Director and Partner, BCG X To maximize the return on their significant Al investments. forward-thinking GCC organizations are moving beyond technology acquisition to focus on strategic value creation. This evolution reflects a maturing approach to digital transformation across the region. "While many regions are caught in short-term Al experimentation, the GCC takes the long-term view. The remarkable investment levels we're seeing aren't just about immediate gains-they reflect a deeper understanding that Al's true socioeconomic impact will unfold over years, not quarters. This patient, strategic approach to technology and talent development is setting the region apart," said Dr. Lars Littig, Managing Director and Partner at BCG. (Peninsula Qatar)

- **UAE holds rates in line with Fed -** The central bank of the United Arab Emirates kept interest rates unchanged after the Federal Reserve held its benchmark rate steady. UAE held Base Rate applicable to the Overnight Deposit Facility at 4.40%, and interest rate applicable to borrowing short-term liquidity from CBUAE at 50 basis points. (Bloomberg)

- **UAE, EU strengthening trade relations, promoting investment opportunities -** A UAE delegation including Dr. Thani bin Ahmed Al Zeyoudi, Minister of State for Foreign Trade, and Ahmed Al Sayegh, Minister of State, has visited Brussels, Belgium, for meetings with senior European Union (EU) officials and members of the Belgian government to strengthen economic ties, promote investment opportunities, and identity areas for further collaboration. The EU is the UAE's second-largest global trade partner, sharing $67.6bn in non-oil trade 2024, a 3.6% increase on 2023 and 18.1% more than was recorded in 2022. The EU now accounts for 8.3% of the UAE's total non-oil foreign trade. During talks with Maros Sefcovic, EU Commissioner for Trade and Economic Security, Al Zeyoudi reviewed the key drivers behind the UAE's strong trade relations with the EU, particularly in advanced manufacturing, healthcare and e-commerce. The two sides also identified opportunities for increased investment flows into high-growth sectors such as logistics and renewable energy. Highlighting the deep economic and business ties between the UAE and European Union, Al Zeyoudi said: "The European Union is a highly valued trade and investment partner for the UAE, with ties that continue to deepen across a range of sectors. This is evidenced not only by increasing trade exchanges but also through strategic collaboration in areas such as food security, energy transition and advanced technology. Both sides believe there is significant potential to maintain the positive trajectory of bilateral trade and investment flows – both on an EU-wide level and with individual member nations. This week's meetings have underlined the benefits of doing so." For his part, Ahmed Al Sayegh said that closer ties are essential to navigating a challenging global economy. "The UAE has long recognized the importance of constructive dialogue, particularly on matters of trade and global supply chains. Both the UAE and the EU are committed to ensuring that trade remains open and accessible and this week's meetings have enabled us to identify areas of collaboration that can preserve the free flow of goods and services between our economies. We look forward to building on these foundations and ensuring we can deliver prosperity for both our peoples." Al Zeyoudi also participated in a roundtable discussion on UAE trade policy at the European Policy Centre (EPC) alongside Fabian Zuleeg, Chief Executive and Chief Economist of the EPC, where they discussed the imperative of preserving open, rules-based trade. During the session, Dr Thani highlighted the extensive benefits of the UAE's Comprehensive Economic Partnership Agreement (CEPA) program, through which the UAE as concluded 27 deals to date. He also emphasized the opportunities for further collaboration between the UAE and the EU in key areas such as food security, advanced manufacturing, healthcare, logistics, and artificial intelligence. Al Sayegh and Al Zeyoudi held a bilateral meeting with Maria Luis Albuquerque, EU Commissioner for Financial Services and Financial Stability, to discuss the key role of the financial sector in facilitating global trade. The two sides highlighted ways to improve small businesses' access to supply chains, reduce trade barriers, and enhance cross-border payments through financial technology solutions, including blockchain and decentralized finance. While in Brussels, Dr Thani Al Zeyoudi and Ahmed Al Sayegh also held meetings with senior officials in the Belgium government, including Maxime Prévot, Deputy Prime Minister and Minister of Foreign Affairs, Theo Francken, Minister of Foreign Trade, Annelies Verlinden, Minister of Justice of the Kingdom of Belgium, and David Clarinval, Deputy Prime Minister and Minister of Employment, Economy, and Agriculture. Bilateral non-oil trade between the UAE and Belgium reached $4.7bn in 2024, and both sides agreed to create more pathways for cooperation, particularly in sectors such as energy, logistics and manufacturing. Al Zeyoudi was joined in Brussels by Ahmed Al Sayegh, Minister of State, Saeed Al Hajeri, Assistant Minister for Economic and Trade Affairs, and Juma Al Kait, Assistant Under Secretary for Foreign Trade Affairs. The visit to Brussels, and the UAE's expanding economic ties with the European Union, underscore the country's forward-looking vision to cement its position as a global leader in trade and investment by enhancing partnerships with all 27 member states of the bloc. (Zawya)

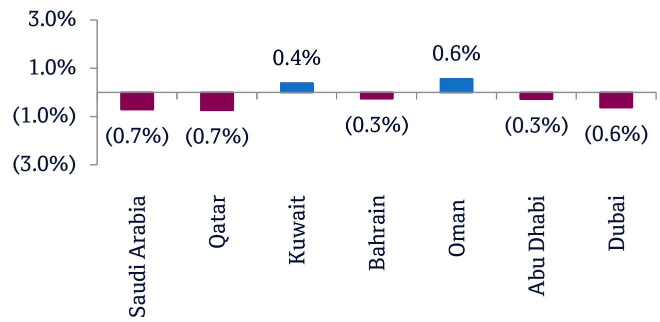
- **Dubai Chamber of Commerce launches Hungarian Business Council -** Dubai Chamber of Commerce, one of the three chambers operating under the umbrella of Dubai Chambers, has announced the establishment of the Hungarian Business Council. The initiative aims to enhance cooperation and foster stronger ties between the business communities in Dubai and Hungary to expand trade and investments across all sectors. The launch of the council reflects Dubai's growing appeal among the Hungarian business community. The number of companies from Hungary registered as active members of Dubai Chamber of Commerce reached 201 at the end of 2024, achieving annual growth of 48%. The inaugural meeting of the Hungarian Business Council was hosted today at Dubai Chambers' headquarters. Discussions focused on ways to enhance collaboration, organize bilateral business events, and explore emerging opportunities, as well as exchanging expertise and valuable market insights. Maha Al Gergawi, Vice President of Business Advocacy at Dubai Chambers, stated, "Business councils play a fundamental role in strengthening the connections between companies and investors, fostering collaboration, and expanding joint business initiatives. We remain committed to enhancing the role of Business Councils in developing trade and investment relations with countries worldwide, contributing to the growth of Dubai's economy across all sectors." (Zawya)
- **Bahrain economy projected to hit 2.8% GDP growth in 2025 -** Bahrain's economy is projected to gather pace, reaching 2.8% GDP growth in 2025, even with global economic headwinds, according to the latest Institute of Chartered Accountants in England and Wales (ICAEW) Economic Insight report, prepared by Oxford Economics. This positive outlook aligns with the broader GCC resilience, which is forecast to experience 4pc growth, up from an estimated 1.8pc in 2024. According to ICAEW economic adviser and Oxford Economics Middle East chief economist and managing director Scott Livermore, the GCC's projected 4pc growth in 2025 highlights the region's ability to withstand external pressures while advancing its diversification efforts. On Bahrain, the report highlights the kingdom's successful diversification efforts, with the non-oil sector contributing 86pc to overall GDP in 2024, demonstrating the country's progress in moving away from oil dependency. Notably, non-oil GDP growth is anticipated to reach 3.1pc in 2025, driven by strong performances in sectors like accommodation and food services, financial activities, and insurance. The island nation's strategic initiatives, such as the Gateway Gulf event, which secured $12bn in deals across key sectors, underscore its commitment to diversification. Ongoing projects, including a $427mn waterfront development and the $221m Exhibition World Bahrain convention Center, operating since November 2022, are set to bolster tourism, a vital growth engine. To attract foreign direct investment (FDI), Bahrain is establishing new industrial free zones in Muharraq, near Bahrain International Airport, targeting the foodstuffs, pharmaceuticals, and garments industries. Initiatives like the Golden License, introduced in 2023, have already proven effective in attracting FDI into financial services, manufacturing, and technology. While oil GDP contracted by 2.4pc in 2024, the report forecasts a 0.9pc growth in 2025, driven by the $6bn Bapco Modernization Program, which aims to increase refining capacity to 400,000 barrels per day by end-2025. Bapco Energies' successful $500m funding for the Bahrain Field Expansion and Development Program further reinforces this positive outlook. However, the report also notes that lower oil prices, forecasted to average $70.5 per barrel in 2025, may constrain the sector's fiscal impact, given the kingdom's higher breakeven price. The GCC region's non-energy sectors are projected to grow by 4.4pc this year, up from an estimated 3.9pc in 2024, with regional PMI data firmly in expansionary territory. Following recent Opec+ policy shifts, oil production will gradually increase from April, boosting oil-sector growth to 3.2pc. "Despite softer oil prices, the gradual easing of Opec+ production cuts will support energy sector growth after two years of contraction," explained Mr Livermore. Inflation in Bahrain is projected to rise to 2.8pc in 2025, potentially impacting consumer spending. The fiscal balance is expected to remain in deficit, with debt levels exceeding 100pc of GDP. However, initiatives like the 15pc domestic top-up tax for multinational enterprises and a multi-year fiscal consolidation plan aim to enhance economic sustainability. The report also acknowledges the potential impact of US trade policies, particularly under President Trump. While the US-Bahrain Free Trade Agreement could strengthen economic ties, potential tariff shifts could introduce uncertainties, even as the GCC remains largely sheltered from direct tariff impacts. The kingdom's workforce is set to expand, driven by rising migration trends and updated UN population projections. This growth will be crucial for enhancing productivity and furthering diversification efforts across core sectors. Commenting on the regional outlook, ICAEW head of Middle East Hanadi Khalife said: "The business landscape across the GCC continues to demonstrate resilience and adaptability in the face of global economic uncertainty. We're seeing strong investment in key sectors like tourism and infrastructure, which are creating new opportunities for growth." (Zawya)
- **Kuwait's Feb. trade surplus with Japan down 47% -** Kuwait's trade surplus with Japan narrowed 47.0% from a year earlier to JPY 44.1bn ($275mn) in February, down for the first time in two months, due to weak exports, government data showed on Wednesday. However, Kuwait remained in black ink with Japan for 17 years and one month, as exports still outpaced imports in value, the Finance Ministry said in a preliminary report. Overall Kuwaiti exports to Japan fell 31.0% year-on-year to JPY 70.1bn ($447mn) for the first decline in two months. Imports from Japan surged 41.5% to JPY 26.0bn ($162mn), up for the third month in a row. Middle East's trade surplus with Japan shrank 19.9% to JPY 644.9bn ($4.3bn) last month, with Japan-bound exports from the region falling 9.2% from a year earlier. Crude oil, refined products, liquefied natural gas (LNG) and other natural resources, which accounted for 93.2% of the region's total exports to Japan, slid 12.1%. The region's overall imports from Japan jumped 21.4% on demand for automobiles and steel. The world's third-biggest economy logged a global trade surplus of JPY 584.5bn ($3.9bn) in February, returning to the black for the first time in two months. Exports gained 11.4% from the year before, buoyed by sales of vehicles, chip-making equipment and electronic semiconductor parts. Imports edged down 0.7% chiefly due to lower bills for crude oil, coal and non-ferrous metal. China remained Japan's biggest trade partner, followed by the US. The trade data are measured on a customs-cleared basis before adjustment for seasonal factors. (Zawya)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	3,047.79	0.4	2.1	16.1
Silver/Ounce	33.80	(0.6)	(0.0)	16.9
Crude Oil (Brent)/Barrel (FM Future)	70.78	0.3	0.3	(5.2)
Crude Oil (WTI)/Barrel (FM Future)	67.16	0.4	(0.0)	(6.4)
Natural Gas (Henry Hub)/MMBtu	4.21	1.0	8.2	23.8
LPG Propane (Arab Gulf)/Ton	86.40	1.6	1.1	6.0
LPG Butane (Arab Gulf)/Ton	79.50	(11.1)	(1.7)	(33.4)
Euro	1.09	(0.4)	0.2	5.3
Yen	148.69	(0.4)	0.0	(5.4)
GBP	1.30	0.0	0.5	3.9
CHF	1.14	(0.1)	0.8	3.4
AUD	0.64	(0.1)	0.5	2.7
USD Index	103.24	(0.1)	(0.5)	(4.8)
RUB	110.69	0.0	0.0	58.9
BRL	0.17	(1.0)	0.5	(1.4)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,701.86	0.8	1.0	(0.2)
DJ Industrial	41,964.63	0.9	1.1	(1.4)
S&P 500	5,675.29	1.1	0.6	(3.5)
NASDAQ 100	17,750.79	1.4	(0.0)	(8.1)
STOXX 600	555.37	(0.5)	1.5	14.9
DAX	23,288.06	(1.1)	1.2	22.3
FTSE 100	8,706.66	(0.3)	1.1	10.3
CAC 40	8,171.47	(0.0)	1.7	16.3
Nikkei	37,751.88	(0.7)	0.9	(0.8)
MSCI EM	1,143.29	(0.2)	2.1	6.3
SHANGHAI SE Composite	3,426.43	(0.2)	0.3	3.2
HANG SENG	24,771.14	0.1	3.4	23.4
BSE SENSEX	75,449.05	0.4	2.9	(4.3)
Bovespa	132,508.45	0.9	4.0	20.3
RTS	1,151.93	(0.0)	0.0	6.3

Source: Bloomberg ($ adjusted returns if any)*

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