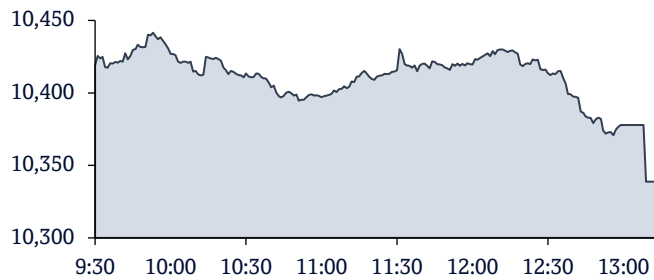


QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.6% to close at 10,338.7. Losses were led by the Real Estate and Insurance indices, falling 2.2% and 1.1%, respectively. Top losers were Mazaya Qatar Real Estate Dev. and Al Khaleej Takaful Insurance Co., falling 4.5% and 4.3%, respectively. Among the top gainers, Damaan Islamic Insurance Company gained 4.1%, while Dlala Brokerage & Inv. Holding Co. was up 3.1%.

GCC Commentary

Saudi Arabia: The TASI Index gained marginally to close at 11,140.0. Gains were led by the Food & Staples Retailing and Telecommunication Services indices, rising 1.8% and 1.6%, respectively. National Medical Care Co. rose 8.6%, while Abdullah Al Othaim Markets Co. was up 5.2%.

Dubai: The DFM index gained 0.7% to close at 3,567.3. The Consumer Staples index rose 2.9% while the Communication Services gained 1.8%. Orascom Construction rose 10.0% while Takaful Emarat was up 9.3%.

Abu Dhabi: The ADX General Index gained 0.8% to close at 9,484.3. The Telecommunication index rose 2.4%, while the Consumer Staples index gained 1.9%. Abu Dhabi National Takaful rose 5.8% while Abu Dhabi National Oil Company for Distribution was up 4.1%.

Kuwait: The Kuwait All Share Index gained 0.1% to close at 6,840.0. The Technology index rose 26.8%, while the Health Care index gained 1.6%. Automated Systems Co. rose 26.8%, while Al Masaken International Real Estate Development was up 15.3%.

Oman: The MSM 30 Index fell 0.5% to close at 4,618.7. Losses were led by the Services and Industrial indices, falling 0.6% and 0.5%, respectively. Al Jazeera Steel Products Co. declined 3.9%, while Sembcorp Salalah Power and Water Co. was down 2.9%.

Bahrain: The BHB Index fell 0.1% to close at 1,963.0. The Materials index declined 0.4% while the Industrials index fell 0.3%. APM Terminals Bahrain declined 0.5%, while Aluminum Bahrain was down 0.4%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Damaan Islamic Insurance Company	3.800	4.1	11.6	0.0
Dlala Brokerage & Inv. Holding Co.	1.650	3.1	8,241.3	44.5
Doha Bank	1.639	1.1	6,142.7	(16.1)
QLM Life & Medical Insurance Co.	3.231	0.9	4.0	(32.7)
The Commercial Bank	5.800	0.9	3,229.8	16.0

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatar German Co for Med. Devices	2.520	(3.4)	30,041.3	100.5
Mazaya Qatar Real Estate Dev.	0.842	(4.5)	27,710.5	21.0
Masraf Al Rayan	2.562	(3.0)	22,482.7	(19.2)
Salam International Inv. Ltd.	0.748	(3.1)	12,999.4	21.8
Qatar Aluminum Manufacturing Co.	1.530	(1.0)	12,122.4	0.7

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,338.73	(0.6)	(1.1)	1.5	(3.2)	179.30	168,006.6	12.3	1.4	4.8
Dubai	3,567.30	0.7	1.2	0.6	6.9	110.20	168,960.1	8.7	1.2	5.0
Abu Dhabi	9,484.27	0.8	0.9	(3.1)	(7.1)	307.37	705,267.4	29.0	2.6	1.9
Saudi Arabia	11,139.98	0.0	(0.4)	(1.5)	6.3	1,317.45	2,852,189.9	17.4	2.2	3.0
Kuwait	6,839.99	0.1	1.1	(4.2)	(6.2)	170.20	142,732.1	16.8	1.5	4.1
Oman	4,618.72	(0.5)	(0.5)	(2.1)	(4.9)	5.85	22,126.3	15.0	1.1	4.5
Bahrain	1,962.96	(0.1)	0.0	3.1	3.6	5.26	65,413.6	6.8	0.7	8.8

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

Market Indicators	30 May 23	29 May 23	%Chg.
Value Traded (QR mn)	653.9	573.8	14.0
Exch. Market Cap. (QR mn)	614,508.5	618,890.8	(0.7)
Volume (mn)	239.2	255.9	(6.5)
Number of Transactions	23,490	19,953	17.7
Companies Traded	47	50	(6.0)
Market Breadth	9:35	23:24	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	22,188.37	(0.6)	(1.1)	1.4	12.3
All Share Index	3,496.40	(0.6)	(1.0)	2.4	134.9
Banks	4,293.08	(0.3)	(1.2)	(2.1)	13.2
Industrials	3,975.75	(1.1)	(1.5)	5.1	13.3
Transportation	4,716.31	(0.7)	0.7	8.8	13.4
Real Estate	1,598.96	(2.2)	(0.1)	2.5	19.2
Insurance	2,291.29	(1.1)	0.6	4.8	178.8
Telecoms	1,617.46	(0.3)	(2.0)	22.7	14.3
Consumer Goods and Services	7,905.01	(0.6)	(0.7)	(0.1)	22.7
Al Rayan Islamic Index	4,631.52	(1.0)	(0.9)	0.9	8.6

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Gulf Bank	Kuwait	0.26	3.2	16,640.5	(12.7)
Emaar Properties	Dubai	5.99	2.7	16,867.4	2.2
Ethihad Etisalat Co.	Saudi Arabia	44.40	2.5	2,553.4	27.8
Emirates Telecom	Abu Dhabi	23.72	2.5	4,712.5	3.8
National Marine Dredging Co	Abu Dhabi	19.98	2.3	1,369.1	(18.4)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Savola Group	Saudi Arabia	36.70	(3.9)	837.7	33.7
Ezdan Holding Group	Qatar	1.191	(3.1)	7,427.8	19.0
Masraf Al Rayan	Qatar	2.562	(3.0)	22,482.7	(19.2)
Ominvest	Oman	0.37	(2.6)	132.3	(11.9)
Ahli Bank	Oman	0.18	(2.2)	117.0	4.1

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%
Mazaya Qatar Real Estate Dev.	0.842	(4.5)	27,710.5	21.0
Al Khaleej Takaful Insurance Co.	2.823	(4.3)	488.1	22.7
Gulf International Services	1.953	(4.2)	11,127.0	33.9
Qatar Oman Investment Company	0.733	(3.6)	2,155.6	33.3
National Leasing	0.835	(3.5)	10,161.3	18.6

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	16.30	0.1	80,722.2	(9.4)
Qatar German Co for Med. Devices	2.520	(3.4)	77,476.2	100.5
Masraf Al Rayan	2.562	(3.0)	58,236.1	(19.2)
Dukhaan Bank	3.700	(0.5)	44,488.9	0.0
Industries Qatar	12.53	(1.3)	34,250.2	(2.2)

Qatar Market Commentary

- The QE Index declined 0.6% to close at 10,338.7. The Real Estate and Insurance indices led the losses. The index fell on the back of selling pressure from Arab and Foreign shareholders despite buying support from Qatari and GCC shareholders.
- Mazaya Qatar Real Estate Dev. and Al Khaleej Takaful Insurance Co. were the top losers, falling 4.5% and 4.3%, respectively. Among the top gainers, Damaan Islamic Insurance Company gained 4.1%, while Dlala Brokerage & Inv. Holding Co. was up 3.1%.
- Volume of shares traded on Tuesday fell by 6.5% to 239.2mn from 255.9mn on Monday. However, as compared to the 30-day moving average of 221mn, volume for the day was 8.2% higher. Qatar German Co for Med. Devices and Mazaya Qatar Real Estate Dev. were the most active stocks, contributing 12.6% and 11.6% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	34.54%	35.19%	(4,223,885.98)
Qatari Institutions	25.41%	21.76%	23,864,297.91
Qatari	59.95%	56.95%	19,640,411.93
GCC Individuals	0.62%	0.62%	7,017.09
GCC Institutions	10.61%	4.85%	37,611,725.12
GCC	11.23%	5.47%	37,618,742.21
Arab Individuals	11.80%	12.39%	(3,799,861.19)
Arab Institutions	0.10%	0.03%	415,617.50
Arab	11.90%	12.42%	(3,384,243.69)
Foreigners Individuals	2.44%	2.34%	653,161.96
Foreigners Institutions	14.48%	22.82%	(54,528,072.41)
Foreigners	16.92%	25.16%	(53,874,910.45)

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

Global Economic Data

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
05-30	US	Federal Housing Finance Agency	FHFA House Price Index MoM	Mar	0.60%	0.20%	0.70%
05-30	US	Federal Reserve Bank of Dallas	Dallas Fed Manf. Activity	May	-29.10	-18.00	-23.40
05-30	UK	The British Retail Consortium	BRC Shop Price Index YoY	May	9.00%	NA	8.80%

Qatar

- MSCI Semi-Annual Index Review effective tomorrow (June 1) with trading to take place today (May 31)** - The MSCI Semi-Annual Index Review will be effective tomorrow (June 1) with significant trading activity expected today (May 31). In Qatar, traders expect the index to close slightly higher, after being pressured by FIs and finishing at the lows for 7 straight sessions. QNBK and QIBK are set to lead the banking sector higher, as traders believe short sellers will cover their positions and take advantage of the expected MSCI's related supply. **DUBK to be under the spotlight, with an estimated \$115mn expected inflows following MSCI's inclusion decision. It is worth noting that traders believe that supply is more than plenty in the DUBK stock so we do not expect the stock to rally much.** MARK, however, could extend losses as the stock witnessed hefty FI and GCC sellers, as MSCI downgraded it to the mid-cap index. Both local institutions and retail could remain net buyers in MARK and provide a bit of support and outflows should be around an estimated \$5mn. Commodity proxy names could suffer at the open following the oil tumble, with IQCD trading back below the QR12.50 mark. MPHIC to come under pressure, with an estimated \$3mn of outflows expected. AHCS is expected to have an estimated \$5mn of outflows after it was pushed out from MSCI's small-cap index, which is massive compared to 30-day average. Traders expect a sell-off in AHCS unless locals step in and buy the dip at the close. (QNBFS Research)
- QatarEnergy to sign long-term LNG supply deal with Bangladesh** - QatarEnergy will sign a long-term liquefied natural gas (LNG) supply deal with Bangladesh's state-owned gas company Petrobangla on Thursday, the second Asian sales deal to be sealed for Qatar's North Field expansion project. The 15-year agreement is for the supply of 2mn tonnes annually, Petrobangla's Chairman Zanendra Nath Sarker told Reuters. Supplies are set to start in January 2026, he said. The agreement will be one of many to come this year as state-owned QatarEnergy secures sales for its mega expansion of North Field, a source with direct knowledge of the new contract agreement, who did not wish to be identified, said. Qatar is the world's top LNG exporter and competition for LNG has ramped up since the start of the Ukraine war, with Europe in particular needing vast amounts to help replace Russian pipeline gas that used to make up almost 40% of the continent's imports. However, Asia with an appetite for long-term sales and purchase agreements, has been ahead so far in securing gas from Qatar's massive production expansion project. This will be

Bangladesh's second long-term deal with Qatar as it desperately looks for long-term LNG deals at a cheaper rate after prices spiked following the Ukraine war last year. The contract will be QatarEnergy's second to Asia since it started selling the gas expected to come on stream from the North Field expansion project. The two-phase expansion plan will raise Qatar's liquefaction capacity to 126mn tonnes per year by 2027 from 77mn. Qatar's first Asian deal, with Sinopec, the longest to be signed at 27 years for the supply of 4mn tonnes a year, was followed by the state-owned Chinese company taking a 5% stake in the equivalent of one North Field East LNG train. QatarEnergy's sales and purchase agreements to supply Germany with around 2mn tonnes of LNG annually through a partnership with ConocoPhillips cover at least a 15-year period. Sarker would not comment on the price of Bangladesh's new deal, saying it was confidential. Bangladesh has a 10-year LNG import deal with Oman Trading International. That LNG is priced at 11.9% of the three-month average price of Brent crude oil plus a constant price of 40 cents per million British thermal units (mmBtu). Under its first 15-year deal with Qatar, Bangladesh pays 12.65% of the three-month average price of Brent oil plus a constant of 50 cents per mmBtu. The North Field expansion project will help guarantee long-term supplies of gas globally. North Field is part of the world's biggest gas field that Qatar shares with Iran, which calls its share South Pars. QatarEnergy chief Saad al-Kaabi said last week there was big demand for LNG and that he expects by the end of the year to have signed supply deals for all the gas expected to come on stream from the North Field expansion. (Bloomberg)

- Doha Bank Launches Sustainable Finance Framework, Earns Independent Evaluation from Sustainalytics** - Doha Bank is pleased to announce the launch of its Sustainable Finance Framework, a step that showcases its strong commitment and alignment to the goals of the Qatar National Vision 2030. Commenting via its independent Second Party Opinion of the Framework, Morningstar Sustainalytics, a leading ESG research, ratings, and data firm, found the Framework to be 'credible', 'impactful', and positively aligned with industry standards. With this launch, Doha Bank paves the way for the issuance of various ESG-aligned debt and capital instruments, including bonds and private placements, under its Euro Medium Term Note (EMTN) program. These issuances will be aligned to various internationally recognized guidelines and principles, including the Green Bond Principles, Social Bond Principles, and Sustainability Bond Guidelines of the International Capital Market

Association (ICMA). "Doha Bank is dedicated to fostering sustainable development and supporting the transition to a greener, more inclusive economy. The Sustainable Finance Framework signifies our unwavering commitment to this goal," said Gudni Stiholt Adalsteinsson, Acting CEO of Doha Bank. "By promoting ESG-aligned bonds, we aim to attract more responsible investments and contribute to broader environmental and social objectives." From strategic decision-making to core business operations, Doha Bank has taken a holistic approach to ESG, allowing it to deliver continuous value to its stakeholders, including customers, shareholders, employees, and the broader community. The bank's Commercial Banking Unit collaborates with small and medium enterprises (SMEs) and microenterprises, offering grassroots funding aimed at encouraging innovative, inclusive business practices within the local community. Through its Wholesale Banking, the Bank also funds various infrastructure projects developed in line with internationally recognized sustainability standards. "We are truly honored that Doha Bank has chosen Deutsche Bank as ESG Coordinator to accompany them in developing a credible and ICMA Principle-aligned sustainable finance program, which was externally validated by Morningstar Sustainability. ESG is a core element of Deutsche Bank's strategy and as a global Financial Institution, we play a critical role in supporting our Clients to raise capital to support the ecological and sustainable transition. We congratulate Doha Bank for this key milestone in their sustainability journey", said Abdeslam Alaoui, head of CEEMA Capital Markets at Deutsche Bank. This significant step has positioned Doha Bank as one of the forerunners of sustainable finance in the region, underscoring a long commitment to ESG principles and a more sustainable future. Going forward, the bank remains committed to pursuing opportunities aimed towards bettering sustainable infrastructure and social development in Qatar and beyond. (QSE)

- ValuStrat: Market correction seen across Qatar's property market; rents continue to moderate** - Market correction is seen across all rental sectors of Qatar's property market, researcher ValuStrat said and noted rents continue to moderate in the country. In its first 2023 review of Qatar's real estate market, ValuStrat noted that after witnessing sizeable rent growth last year, it has recorded "market correction" in all rental sectors of the property market in the country. Average leasing rates in the residential, office, and retail segments declined compared to fourth quarter (Q4) 2022. On the other hand, hotel average daily rates (ADRs) grew by 5% year-on-year (y-o-y). As a result, the ValuStrat Price Index (VPI), representing residential capital values, remained marginally stable. ValuStrat's general manager (Qatar) Pawel Banach commented: "With the advent of 2023, we are observing a new phase of the real estate market in Qatar. After hosting one of the most significant global sporting events, "Qatar is undergoing a period of adjustment. In all the sectors, there was a substantial expansion in terms of supply last year. Post-FIFA World Cup Qatar 2022, we have observed a fall in demand. "The increase in oversupply is contributing to pervasive market corrections. As the overall real estate sector evolves in 2023, we are projecting the downward adjustments to continue, and the extent of the fall will depend upon the expectations and actions of all involved public and private stakeholders." The VPI for Q1, 2023 remained broadly consistent, recording a marginal dip of 0.2% quarter-on-quarter (QoQ). Despite the minor quarterly decrease, the VPI saw a 0.3% annual rise at 65.1 points, corroborating stabilization in the residential sales market. Regarding housing supply, an estimated 1,500 units were added during Q1, 2023, increasing residential stock to 336,440 units. Compared to Q4, 2022, median monthly rental rates declined to QR9,250, reflecting a 5.1% depreciation. While market corrections were expected after hosting the FIFA World Cup 2022 last quarter, the median asking rent in the residential market is still 3% higher y-o-y, ValuStrat noted. After a streak of quarterly increases in the villa sub-market during 2022, the median asking rent in the villa sub-market dropped by 3.1% QoQ. However, the median asking rents in apartment and villa markets remained higher than in Q1, 2022. It is also observed that the quarterly decline in leasing rates is higher in prime areas compared to secondary locations. On the commercial front, with the completion of 177,000sq m gross leasable area (GLA) of office space in Q1, 2023, office stock has reached 6.78mn sq m GLA. Approximately 500,000sq m GLA remains in the pipeline for 2023, with 85% of the new commercial supply expected in West Bay and Lusail. Despite the additional supply in the market, the

citywide median monthly asking rent for offices recorded a quarterly dip of 1.4%, standing at QR70 per sq m. With the expansion of oversupply, rents for offices are projected to continue to decline significantly in secondary commercial districts, ValuStrat said. ValuStrat Qatar head (Research) Anum Hasan commented: "We are experiencing a period of decline, which might not be detrimental to the dynamics of the sector. Prices and rents are adjusted to correct the demand and supply gap. "Although we have observed the performance to vary amongst sub-asset classes, the extent of the decline is not consistent for all. The rental trend of the villa market is relatively more stable than the apartment market. "Fall in leasing rates are softening in secondary residential locations targeting low-income households. Grade-A offices are experiencing a slower rent decline than Grade B/C office projects. The underlying forces of supply and demand are in play in all markets." The organized retail sector experienced a minor growth in supply over the last quarter, with the total stock reaching 2.4mn sq m GLA, after the opening of Aventura Mall (11,000sq m GLA) in Ain Khaled. In terms of median monthly rent for shopping centers, rates softened slightly to QR200 per sq m, marking a 4.8% quarter-on-quarter (QoQ) and a 7% y-o-y decrease, respectively. Nevertheless, malls across Qatar experienced increased footfall due to tourism initiatives such as Shop Qatar 2023. Following the legacy of hosting the FIFA World Cup 2022, visitor numbers exceeded 1.1mn in Q1, 2023, marking a staggering 268% y-o-y surge. While the ADR experienced a 71% reduction to QR429 in the first two months of 2023, this quarterly decline was expected after rates skyrocketed to accommodate FIFA tourists last quarter. Notably, the ADR still reflects a 5% increase y-o-y, despite the surge in the supply of hotel rooms last year, ValuStrat said. (Gulf Times)

- Producer Price Index down 1.97% in March** - Monthly Producer Price Index (PPI) of the Industrial sector of the Qatar for April 2023 is estimated at 119.55 points showing a decrease of 1.97%, when compared to the previous month's March 2023. On [Y-o-Y] basis, PPI of April 2023 showed a decrease of 23.38%, when compared to the PPI of April 2022. Mining and Quarrying: The PPI of April 2023 for this sector showed a decrease by 1.80% when compared with PPI of March 2023, primarily due to the price decrease on "Crude petroleum and natural gas" by 1.81%, while no change noticed in "Other mining and quarrying". PPI of Mining of April 2023, when compared with its counterpart in previous year (April 2022), there was a decrease of 22.98%, due to the price decrease on "Crude petroleum and natural gas" by 23.01%, followed "Other mining and quarrying" by 3.78%. Graph (2) showed the monthly movement of "Mining and Quarrying" index from April 2022 to April 2023, and Manufacturing. A decrease of 2.99% has been recorded in April 2023, when compared with the previous month's Manufacturing index (March 2023). The prices decrease is seen in: "Refined petroleum products" by 5.48%, followed "Chemicals and chemical products" by 3.90%, "Food products" by 0.36%. The increasing prices are noticed in "Basic metals" by 1.22%, "Rubber and plastics products" by 1.21%, "Cement & other non-metallic mineral products" by 0.55%, and "Beverages" by 0.43%. and no change noticed in "Printing and reproduction of recorded media" in April 2023. Comparing with the index of counterpart in the previous year (April 2022), "Manufacturing" PPI of April 2023 showed a decrease of 27.90%. The major groups which explain this price decrease are: "Chemicals and chemical products" by 35.09%, followed by "Refined Petroleum products" by 26.51%, and "Basic metals" by 16.38%. However, the increasing prices are noticed in: "Rubber and Plastics products" by 8.08%, "Food products" by 5.93%, "Printing and reproduction of recorded media" by 1.40%, followed by "Beverages" by 1.01%, and "Cement & other non-metallic mineral products" by 0.14%. Electricity: The PPI of this group showed a decrease of 3.60% compared to March 2023. When compared the PPI of April 2023, to the PPI of April 2022 showed an increase of 7.40%. Graph shows the index of "Electricity, gas, steam and air conditioning supply" from April 2022 to April 2023. Water supply: The PPI of this group showed an increase of 5.41% compared to March 2023. When compared the PPI of April 2023, to the PPI of April 2022 [Y-o-Y], showed an increase of 13.67%. (Qatar Tribune)
- UK business secretary: Qatar is leading example in directing investments** - Secretary of State for the Department for Business and Trade of the United Kingdom Kemi Badenoch described the State of Qatar as a leading

example in directing investments and bringing about effective economic development. In an interview with Qatar News Agency (QNA) during her recent participation in the Qatar Economic Forum 2023, Badenoch stressed that the participants in the important annual event expressed their great admiration for the infrastructure that Qatar currently possesses thanks to the investments in this aspect. The British minister said that her visit to the State of Qatar was to participate in the QEF and contribute to the negotiation process with the countries of the Cooperation Council for the Arab States of the Gulf (GCC) to sign a free trade agreement between the UK and the Council. She explained that an agreement between the two sides will promote trade and investment in environmentally and climate friendly goods and services, pointing out that the UK is a world leader on climate action, and they promote the delivery of environmental and climate commitments in a multilateral framework. "Exports of UK wind turbine parts currently face tariffs of up to 15%. An agreement with the GCC would create opportunities for other parts of the UK's green technology industries, including solar power, hydrogen power, electric vehicles and smart energy systems," she said. Badenoch praised the strong relations based on good business and joint investments between Qatar and the UK, hailing the contribution of Qatar to the economy of the region, as this was evident when the country hosted the FIFA World Cup Qatar 2022, which reflected what the region can offer to global economic growth. On the 3rd edition of the Qatar Economic Forum 2023, Badenoch explained that the forum brought together global leaders in the field of business, investment and finance dedicated to discussing challenges, providing new perspectives and celebrating successes. She noted that one of the UK's priorities lies in increasing sustainable energy resources, stressing the continuation of cooperation with Qatar on energy security and renewable energy after the Qatar-UK Energy Dialogue held in May 2022. (Gulf Times)

- Envoy: Qatar is an important market for Turkey** - Qatar is an important market for Turkey and the country is open to the world. Project Qatar exhibition is very important for Turkey as we have several of companies participating said, Ambassador of Turkey to Qatar HE Dr. Mustafa Goksu said. Speaking to The Peninsula, on the sidelines of Project Qatar 2023, Ambassador of Turkey to Qatar pointed out that every year "we take part in bigger numbers and this year we have more than 19 companies. We have new products which will be useful for Qatari and Turkey side and I hope we get a good result." The envoy said, the companies which took part last year in the Project Qatar exhibition were happy and noted that this year "we have added some more companies and next year it's going to be even more." Qatar is very important market for us as the country is open to the world because after the World Cup it is very well known. "Our relationship with Qatar in all areas is excellent and we would like to grow even more in the commercial area." He added, "After the World Cup there are lots of projects and the country is expecting many more upcoming projects. That is why we would like to bring more companies here so they can benefit from this market to promote new products." Project Qatar attracts about 325 exhibiting companies, including 120 international companies from 25 countries. Eight of these countries have national pavilions while 200 participating companies are local, representing government and semi-government agencies as well as the most prominent private sector entities. The Peninsula talked with some Turkish companies who have their booths at the exhibition. Aytug Suvari, Industrial Engineer/Project Manager of Pikade Furniture and Design said, "Our company is offering solutions for schools and institutions. We provide mostly loose furniture and make furniture for classrooms, laboratories and conference rooms and whatever the school requires." He added, "We are also offering the latest furniture collection, which is the Linx classroom systems which provides flexible learning environment. The chairs that we are providing are highly adaptable to the students and allow the classrooms to be more flexible to change the layout and the design." The first day of the exhibition went well for us and we had a significant interest from the visitors and we are happy to be here. We believe that the products that we are offering has value for Qatar's market and are hoping it will turn out as we expected. "Omer Budun, General Manager of TYA Engineering and Architecture said, "We are participating for the first time in Project Qatar." TYA Engineering is operating in the construction sector. It was established in Konya in 2020. The company has expanded its operations to various provinces in Anatolia and has

gained a strong reputation in its industry due to its commitment to family values, quality and ethical business practices. (Peninsula Qatar)

- 'Attracting, developing and scaling pivotal for tech startups'** - According to the latest report by World Bank, Qatar's economy is expected to thrive by 3.4% in 2023, with several industries blooming in the country, especially technology. Experts, however, point out that the country is encouraging more tech-based startups with unique activities to further the growth. During a panel talk held at the Qatar Financial Centre (QFC) Tower, officials including Marwan Mahmoud, DTA Founding Board Member and CEO of MOSECO Qatar, Jamal Bdeir, Small and Medium Business Lead at Microsoft Qatar, Aditya Sinha, Head of Fintech, QFC and Seung-Wook Lyeo, COO, Vesuvio Labs discussed on the cloud infrastructure support, Venture capital, business feasibility principles, go-to-market strategy and the significance of having mentors in an early stage business. Speaking on the business that helps startups develop in the region, Microsoft official Jamal Bdeir said: "Microsoft is an eco-system platform provider, and we believe in the power of the eco-system. When you look at a startup, they automatically consider startup as a future potential partner for us that can help tame that solution which is usually startup to our customers, and then bring something new to the table. "He further expounded that there are a few main things that are required for any start-up, and they are access to technology, access to markets, and access to capital. He continued by saying that "Access to technology can be conveniently received from Microsoft and other firms and that's easy. Microsoft makes a big difference in ecosystems and if I look at it we have been using it in the Middle East for over 25 years. For more than 20 years, we have worked closely with government bodies, private sectors, and industry leaders to raise the level of awareness of establishing technology. This takes time and cannot be done overnight. So it took us a long time to get to the market where we are today in the Middle East. "Aditya Sinha, Head of Fintech at QFC highlighted the vital roles being carried out in terms of partnership, ecosystem, collaborations, and co-creation among others. Sinha said "Currently we are focusing on how to co-create this ecosystem and how we can connect the dots in the journey of any fintech or startup that requires a lot of support. Sinha also stressed that there are three main things to note in the country including "attracting the businesses here and abroad, developing by collaborating and building partnerships under the same umbrella so that it comes easier for them and also expand in terms of how we can help them scale here in Qatar as well as abroad." (Peninsula Qatar)
- Project Qatar showcases new trends in construction sector** - Project Qatar 2023 has garnered global interest as influential representatives from diverse Chambers of Commerce unite to create a dynamic platform for the exchange of knowledge and industry insights, it is learnt. The significance of sharing expertise and market knowledge among organizers and participants, in addition to highlighting the importance of collaboration among key players during this critical period of Qatar's development, has been highlighted at the event. A panel discussion on "New Trends In Qatar Construction Sector, organized by the Italian Chamber of Commerce, the Italian Trade Agency, the German Business Council Qatar (GBCQ), the Turkish Business Association (TBA), the German Industry and Commerce Office (AHK), and the American, French, and Spanish Chambers of Commerce in Qatar, in collaboration with IFP Qatar, brought together experts who introduced the latest trends in the sector, including sustainable practices and 3D printing. Industry leaders also shared insights and perspectives at the talk, guiding participants toward emerging opportunities. Prior to the talk, attendees had the opportunity to network with industry experts, fostering connections and promoting innovation. The event also attracted selected international companies exhibiting at Project Qatar, offering them the chance to gain valuable market knowledge and explore potential collaborations in the construction industry. Palma Libotte, the president of the Italian Chamber of Commerce in Qatar, told reporters on the sidelines of the talk that Project Qatar, which has been a cornerstone exhibition in Qatar for the past 15 years, has undergone improvements to enhance sector focus, enabling attendees to navigate the exhibition with ease. She noted that the addition of panel discussions and conferences has further enriched the event, providing an additional platform for knowledge sharing and engagement. Libotte emphasized the active role of international business

associations in facilitating connections and providing invaluable support to visiting companies, as well as underlining the positive impact of exchanging information and fostering bilateral relationships between countries. According to the organizers, Project Qatar serves as a testament to the importance of proactive market engagement, as companies explore Qatar's burgeoning construction sector. With a concerted effort to stay informed and capitalize on ongoing projects, international businesses can position themselves strategically in this dynamic market. Recognizing Qatar's rapid development in recent years and its potential to shift directions swiftly was also underscored at the talk, stressing the need for a comprehensive understanding of the market to seize opportunities effectively. (Gulf Times)

- Six agreements signed as first edition of ICDD concludes** - The first edition of the International Conference on Debate and Dialogue (ICDD) and the accompanying exhibition organized by the QatarDebate Centre concluded at the Qatar National Convention Centre yesterday. The conference saw the participation of more than 800 individuals from all over the world, and six agreements were signed at the event. The agreements, inked with the Jordanian Crown Prince Foundation, Al Jazeera Institute, Education Above All Foundation, University of Windsor, Canada and the universities of Utah and Louisville, US, aim to enhance co-operation with the QatarDebate Centre and expand its programs in those countries. Over two days, the conference discussed a number of academic issues through four main themes: Argumentation: Frameworks and Applications, Debate and Education, Debate in Islamic Tradition, and Dialogue: Social and Cultural Dimensions. The conference had a number of accompanying activities, including two sessions for keynote speakers, two speakers from the Qatar Debate Research Fellowship Program, the "Oasis of Dialogue" – which discussed the Fluidity of Human Relations: The Family's Resilience in the Face of Globalization Challenges, panel discussions on The Debate Experience in Arabic for Non-Arabic Speakers and the Concept of Debate between the Past and the Future, and specialized sessions on the four main themes of the conference. The event also witnessed the presentation of a number of research posters, as well as a space for social interaction and interactive stations, with the participation of Hamad Bin Khalifa University, the Doha Institute for Graduate Studies, Al Jazeera Media Network and others. The conference aimed to direct scientific research towards finding solutions by discussing academic issues and benefiting from research results to develop knowledge production in the fields of debate and dialogue, in addition to expanding research programs and spreading this culture to serve the debate community around the world. QatarDebate Centre graduates were also honored on the occasion, numbering more than 50 teams to represent Qatar. (Gulf Times)
- Official: Over 300 measures identified to reduce actual, anticipated effects of climate change** - The Ministry of Environment and Climate Change (MoECC) Tuesday organized a workshop on climate vulnerability assessment and its impact in Qatar to further discuss the preliminary findings of assessing climate effect of six sectors in the country. Held in partnership with the Global Green Growth Institute (GGGI), the two-day workshop included presentations delivered by a team of GGGI's employees, along with external experts from the Ricardo sustainable energy company and those specialized in climate vulnerability and adaptation. The preliminary findings of assessing climate effect of six sectors in the country were shared with the engagement of over 120 officials, academics, civil society's activists, and private sector. Meanwhile, Assistant Undersecretary for Environmental Affairs Ahmed Mohamed al-Sada asserted that Qatar has taken ambitious measures to achieve the Qatar National Vision 2030 in protecting environment, promoting green growth, and reducing climate change impact through setting a national strategy for environment and climate change and laying out a clear ten-year climate change national action plan in Qatar. In addition, al-Sada pointed out that the national action plan included a roadmap through which Qatar fulfills its international obligations to mitigate climate change effects, especially the reduction of greenhouse gas emissions. He added that over 300 measures have been identified to reduce the actual and anticipated effects of climate change, including various sectors in the country such as economic sector, infrastructure, health care, food security, biodiversity, and other relevant sectors. Assistant Undersecretary for Environmental Affairs underscored the

importance of co-operation between stakeholders and national and international organizations to achieve these objectives, noting the MoECC's cooperation with the GGGI to carry out the national climate adaptation planning project which aims to enhance the national planning process for adaptation in Qatar through identifying and addressing its medium and long-term priorities to adapt to climate change. He outlined that the workshop is one of the initiatives of this project which aims to conduct an evidence-based participatory national assessment where the participating experts embark on identifying and arranging the priorities of the predicted impacts of climate change and the necessary adaptation measures to address them. For his part, head of the GGGI's program in Qatar Chiden Balmes gave a detailed overview of the project and the key concepts to enhance people's understanding and awareness on adaptation, pointing out that the GGGI works to give impetus to the national planning for adaptation process in Qatar through identifying and addressing its medium and long-term priorities to adapt to climate change. Qatar really faces some challenges concerning the effects related to climate, Balmes pointed out, adding that such challenges can be transformed into opportunities to promote flexibility through identifying adaptation's measures and implementing them in Qatar. Head of the GGGI's program in Qatar called on stakeholders to be part of the national planning process to adaptation through sharing their knowledge, expertise, and comments through this workshop. For his part, Assistant Director of the Climate Change Department Mahmoud al-Marwani said the workshop aims to draw a map of the most significant challenges of climate change in Qatar and establish data on the most affected sectors by these changes and their effects, pointing out that based on these data a plan will be laid out to address these challenges and adapt to climate change effects accordingly. He outlined that the workshop witnesses a huge turnout from some governmental entities and local partners, adding that an opinion poll will be conducted through a questionnaire with the engagement of all attendees to nurture ideas and information about identifying the nature of climate changes for each sector, as well as methods of adapting to them. (Gulf Times)

- Minister of Transport announces Qatar's contribution to support ICAO activities** - Minister of Transport HE Jassim bin Saif Al Sulaiti participated in the International Civil Aviation Organization's (ICAO) Second Global Implementation Support Symposium (GISS) held in the South Korean capital Seoul in the presence of 30 transport ministers from most of the organization's member states, and airline officials. During the opening session of the symposium, HE Minister of Transport announced the State of Qatar's contribution to supporting ICAO's activities in the field of technical training for countries that need to raise the technical competence of their employees to enhance GISS' plans. The symposium, which was held under the title "Working Together for an Innovative and Sustainable Global Aviation Community", discussed ICAO's main initiatives and collaborative endeavors in promoting aviation resilience, innovation, sustainable development, and operational solutions to contribute to achieving the UN Sustainable Development Goals stipulated in the UN 2030 agenda and the ICAO's No Country Left Behind (NCLB) initiative. (Peninsula Qatar)

International

- US House poised to vote on urgently needed debt ceiling suspension** - Legislation brokered by President Joe Biden and House Speaker Kevin McCarthy to lift the \$31.4tn US debt ceiling and achieve new federal spending cuts passed an important hurdle late on Tuesday, advancing to the full House of Representatives for debate and an expected vote on passage on Wednesday. The House Rules Committee voted 7-6 to approve the rules allowing debate by the full chamber. Two committee Republicans, Representatives Chip Roy and Ralph Normandy, bucked their leadership by opposing the bill. That vote underscored the need for Democrats to help pass the measure in the House, which is controlled by Republicans with a narrow 222-213 majority. House passage would send the bill to the Senate. The measure needs congressional approval before June 5, when the Treasury Department could run out of funds to pay its debts for the first time in US history. If the Treasury Department cannot cover make all its payments, or if it was forced to prioritize payments, that could trigger economic chaos in the US and global economies. Biden and McCarthy have predicted they will get enough votes to pass the 99-page

bill into law before the June 5 deadline. The non-partisan budget scorekeeper for Congress on Tuesday said the legislation would reduce spending from its current projections by \$1.5tn over 10 years beginning in 2024. The Congressional Budget Office also said the measure, if enacted into law, would reduce interest on the public debt by \$188bn. McCarthy called the bill the "most conservative deal we've ever had." Nevertheless, some of the House's most conservative Republicans who sought far deeper spending reductions were not persuaded and it was unclear how many Democrats McCarthy will need to win Wednesday's anticipated vote on passage. All four Democrats on the Rules Committee voted against the bill, as they typically do on Republican-backed legislation. It was unclear whether that might influence other Democrats to do the same on Wednesday, even as Democratic Leader Hakeem Jeffries said his party would provide the support McCarthy needs. (Reuters)

- Survey: US consumer confidence dips in May** - US consumer confidence slipped in May as concerns about the economic outlook lingered, but more households planned to purchase motor vehicles and other big-ticket items over the next six months, which could support consumer spending. The Conference Board said its consumer confidence index slipped to 102.3 this month from an upwardly revised 103.7 in April. Economists polled by Reuters had expected the index to fall to 99 from the previously reported reading of 101.3. "While consumer confidence has fallen across all age and income categories over the past three months, May's decline reflects a particularly notable worsening in the outlook among consumers over 55 years of age," said Ataman Ozyildirim, senior director, Economics at The Conference Board. "Plans to purchase autos and big-ticket appliances ticked up somewhat compared to April." Consumers' 12-month inflation expectations dipped to 6.1% from 6.2% last month. (Reuters)
- Surveys Show: US monthly home prices increase in March** - US single-family home prices increased solidly on a monthly basis in March, boosted by a persistent shortage of properties on the market, though the overall trend continued to point to a slowdown in house price inflation. The S&P CoreLogic Case-Shiller national home price index, covering all nine US census divisions, climbed 0.4% in March after adjusting for seasonal fluctuations. That followed a 0.3% rise in February. "Two months of increasing prices do not a definitive recovery make, but March's results suggest that the decline in home prices that began in June 2022 may have come to an end," Craig Lazzara, managing director at S&P DJI, said in a statement. "That said, the challenges posed by current mortgage rates and the continuing possibility of economic weakness are likely to remain a headwind for housing prices for at least the next several months." The housing market has taken the biggest hit from the Federal Reserve's fastest monetary policy tightening campaign since the 1980s. The average rate on the popular 30-year fixed mortgage has in recent weeks risen to the upper end of its 6.09%-6.73% range this year, according to data from mortgage finance agency Freddie Mac. It peaked at 7.03% in late 2022. The inventory of existing homes remains 44% below pre-pandemic levels, according to data from the National Association of Realtors, which also this month reported price rises in roughly half of the country, multiple offers and many homes being sold above list price. The shortage is pushing prices up as buyers take advantage of dips in mortgage rates to wade back into the market. On a year-on-year basis, national house prices gained by a seasonally unadjusted 0.7% in March after advancing 2.1% in February. Strong gains in annual house price growth in March were reported in Miami, Tampa and Charlotte. Annual house prices increased 7.7% in Miami. A separate report from the Federal Housing Finance Agency on Tuesday also showed monthly house prices maintained their upward trend in March, rising 0.6% after an increase of 0.7% in February. Prices increased 3.6% in the 12 months through March after an advance of 4.2% in February. House prices increased 4.3% between the first quarters of 2022 and 2023. They were up 0.5% compared to the fourth quarter. (Reuters)
- Rating agency KBRA remains confident in US government top rating** - Kroll Bond Rating Agency (KBRA) said on Tuesday it remained confident about its top AAA rating for the US government as a debt ceiling deal appeared within reach and because political wrangling did not affect the country's ability to pay its debts. "In KBRA's view, the debt ceiling brinkmanship and the questions it may have raised regarding 'willingness' to pay, does not confound the facts about the US's credit strengths rooted

in its capacity to pay its debts and in the US Treasury's unique access to liquidity," it said in a statement. KBRA said it expected the debt limit to be lifted ahead of the so-called X-date, when the Treasury exhausts its ability to pay for its bills using emergency measures. Should it not be lifted before June 5, the government would still likely prioritize debt payments without risking a debt default, it said. While the country's large deficits and growing debt burden would need a "correction" to improve longer-term fiscal health, "these issues do not reflect or impact the US government's capacity to make debt payments," it added. President Joe Biden and Republican House Speaker Kevin McCarthy on Sunday signed off on an agreement to temporarily suspend the \$31.4tn debt ceiling and cap some federal spending in order to prevent a US debt default. They both predicted they will get enough votes to pass the deal into law before June 5. Rating agency Fitch, which also gives the country's debt the highest "AAA" rank, last week put the US credit rating on watch for a possible downgrade. Smaller agencies DBRS Morningstar and Scope Ratings have also recently placed their US ratings under review for possible downgrades due to debt ceiling concerns. (Reuters)

- Lloyds: UK business confidence dips in May, inflation pressures persist** - Sentiment among British businesses fell for the first time in three months in May as firms were less optimistic about the economy and their trading prospects despite some signs of resilience in the economy, a survey showed on Wednesday. The Lloyds Bank Business Barometer fell to 28% in May from 33% in April, its first decline since February, but in line with the survey's long-term average. "The UK has avoided an outright contraction in GDP - indicating a certain amount of underlying resilience in the economy," Hann-Ju Ho, senior economist at Lloyds Bank said. Lloyds said the confidence decline this month potentially reflects firms having already accounted for the more upbeat economic news in recent months. While Britain's economy has so far fared better than predicted this year, beating many forecasts of a recession, consumer price inflation fell by less than expected to 8.7% in April. Ho said the economic environment remains challenging, compounded by stubborn inflation and higher wage pressures. The gauge of businesses' optimism about the wider economy fell by six points to 22% and trading prospects for the next twelve months fell for a second month in a row. Other surveys - such as the closely watched S&P Global Purchasing Managers' Index (PMI) gauge of business activity - showed services firms increased prices at a rapid pace, potentially adding to inflationary pressures. More than half of companies surveyed by Lloyds intended to raise their prices in the coming 12 months. The Bank of England has increased interest rates 12 times since December 2021 and is expected to raise Bank Rate further in the coming months in an effort to tame high inflation. Lloyds said wage growth fell marginally but remained elevated compared with pre-COVID levels, with nearly a third of businesses expecting pay to increase by at least 3%. Other industry surveys have shown even bigger pay increases. Human resources data company XpertHR last week reported pay deals held at 6% in the three months to April, the highest median pay settlement since September 1991. Lloyds also said its gauge of hiring intentions fell back slightly to 24% in May, down from the ten-month high of 27% reported in April. (Reuters)
- High inflation fails to boost most UK companies' profits** - Britain's highest inflation in four decades failed to boost company profits last year, with the exception of oil and gas extractors who benefited from a surge in energy prices, official figures showed on Tuesday. The average net rate of return on capital employed by British companies not involved in oil and gas extraction was 9.5% in 2022, its lowest since 2011 and down from 10.0% in 2021, the Office for National Statistics said. British consumer price inflation peaked at 11.1% in October 2022, its highest since 1981, and has been slower than expected to fall since then, dropping to 8.7% in April, the joint-highest rate among the world's seven largest advanced economies. However, the Bank of England has said that there is little evidence so far that excessive company profits - sometimes known as 'greedflation' - are to blame for high inflation, in contrast to concerns from central bankers in the euro zone. Looking at the fourth quarter of last year, when inflation was highest, net rates of return outside the oil and gas sector were 9.6%, up from 8.9% in the third quarter but below their level of 10.9% three years earlier before the COVID-19 pandemic. "The big picture is that while greedflation has become today's hot topic, it does not

seem that firms are expanding profit margins and raising returns," said Krishan Shah, an economist at the Resolution Foundation, a think tank which focuses on issues affecting low-paid workers. Britain's surge in inflation initially reflected a leap in energy costs after Russia's invasion of Ukraine, compounding existing supply-chain bottlenecks created by the COVID-19 pandemic. Subsequently, rises in food prices and wages have added to inflation pressures. Profit margins have been much higher for businesses that extract oil and gas from the North Sea, which reported an average net rate of return of 18.2% in 2022, the highest since 2011. Margins fell sharply to 12.7% in the final quarter of 2022, however, as oil and gas prices dropped. (Reuters)

- China's factory activity falls faster than expected as recovery stumbles** - China's factory activity contracted faster than expected in May on weakening demand, heaping pressure on policymakers to shore up a patchy economic recovery and knocking Asian financial markets lower. The official manufacturing purchasing managers' index (PMI) fell to 48.8 from 49.2 in April, according to data from the National Bureau of Statistics (NBS), its lowest in five months and below the 50-point mark that separates expansion from contraction. The PMI also dashed forecasts for an increase to 49.4. Service sector activity expanded at the slowest pace in four months in May, with the official non-manufacturing PMI falling to 54.5 from 56.4 in April. The readings pushed markets in Asia lower with the yuan and Australian and New Zealand dollars tumbling and regional stocks falling sharply. "The PMI data reveal that China may heading to a K-shaped recovery," said Bruce Pang, chief economist at Jones Lang LaSalle. "The sluggish domestic demand could weigh on China's sustainable growth, if there are no efficient and effective policy moves to engineer a broad-based recovery," said Pang. China's economy is emerging from three years of pandemic lockdowns, but the recovery has been uneven with services spending outperforming activity in the factory, property and export-oriented sectors. The PMIs and other economic indicators for April add to evidence that the rebound is losing steam. Last month, imports contracted sharply, factory gate prices fell, property investment slumped, new bank loans tumbled, industrial profits plunged and factory output and retail sales both missed forecasts. Nomura, Barclays have both cut China's 2023 GDP growth forecasts as the recovery sputters. (Reuters)
- Japan April factory output unexpectedly falls on weaker machinery orders** - Japan's factory output unexpectedly fell in April, government data showed on Wednesday, as production machinery orders slowed amid weakening global demand, casting doubts about recovery in the world's third-largest economy. Japan has so far been spared the impact of deteriorating global economic conditions thanks in part to a recovery in services sector activity following the country's delayed reopening from the COVID-19 pandemic and as the central bank maintains ultra-loose monetary policy. But signs of a slowdown in US, European and Chinese growth cloud the outlook for the export-reliant economy. "The current production sentiment is still bearish due to ongoing concerns about the downturn in overseas economies," a Ministry of Economy, Trade and Industry Official told reporters. Factory output fell 0.4% in April from the previous month on a seasonally adjusted basis. The contraction dashed economists' median market forecast for a 1.5% gain. (Reuters)

Regional

- 'Middle East expected to become the worldwide sporting hub by 2026'** - The Middle East sports industry is expected to grow by 8.7% by 2026 against the global projection of only 3.3% and the region is becoming the world's fastest-growing sports tourism destination, valued at \$600bn, according to Alexey Milovanov, a key expert involved in the FIFA World Cup Qatar 2022. "Europe is often constrained by its existing infrastructure and is reluctant to build something completely new. This not only restricts architectural vision but it also means we have to adapt to buildings which are not fit for purpose. By contrast, Middle Eastern countries are eager to put their resources behind world-beating, made-to-measure infrastructure in a way Europe is not prepared to," he said. Stressing that the "halo effect" for Middle Eastern economies is predicted to be significant, he said the World Trade Organization has found that the region is becoming the world's fastest-growing sports tourism destination, valued at \$600bn. The World Economic Forum has

highlighted the popularity of football in the region, with the World Cup and Arab Cup drawing crowds from around the world. They also noted the growth of motorsports and e-sports in the Middle East. In this regard, he highlighted that the Lusail Iconic Stadium, which hosted the final of the FIFA World Cup Qatar 2022, demonstrates the Middle East's investment in modern infrastructure, gaining a five-star sustainability rating according to the Global Sustainability Assessment System. It is also designed for long-term use to complement surrounding infrastructure projects. Milovanov, who was in charge from the FIFA 2022 side to oversee the delivery of temporary event infrastructure for eight stadiums to accommodate over 1.2mn visitors, has appealed to sports leaders to recognize the long-term potential of projects in the Middle East and to embrace the region as a new hub for international sport, bolstered by Saudi Arabia's joint bid with Egypt and Greece for the 2030 World Cup. "The calibre of design and the commitment to high-quality projects I see in the Middle East is unparalleled. They are willing to challenge conventional norms to bring these projects to the next level at every opportunity, pushing the boundaries of modern sporting events," he said. Developing major stadiums doesn't stop at the turnstiles - it also provides a great opportunity to develop supporting infrastructure such as new roads, accommodation, and airports which can add significant value to local areas, according to him. "Sports leaders must now take advantage of the number of global experts across various industries gathering in the Middle East for projects such as the World Cup to build lasting relationships in the region. If this is done successfully, the Middle East will easily become a worldwide sporting hub by 2026," he said. (Gulf Times)

- Saudi flour milling company IPO pulls in \$18bn of orders** - Saudi Arabia's First Milling Co set the price for its initial public offering at the top of the marketed range after being swamped by institutional orders, the latest sign of a revival in the kingdom's IPO market, reports Bloomberg. Big investors placed orders worth 68.8bn riyals (\$18bn), almost 69 times more than was available to them, according to a statement. At a price of 60 riyals a share, the IPO will raise 999mn riyals for selling shareholders, valuing the company at 3.33bn riyals. First Milling will take orders from retail buyers from June 6 to June 7. The IPO is set to be the second biggest in Saudi Arabia this year, after generic drugmaker Jamjoom Pharmaceuticals Factory Co's \$336mn offering. That deal also priced at the top of the range last week and got institutional investor orders for 67 times the shares on offer. Saudi IPOs are returning to life after their slowest start since 2014 amid concerns over falling oil prices and a global economic slowdown. The benchmark Tadawul All Share Index has rebounded about 12% from a March low, helping boost investor sentiment. Just \$72mn worth of IPOs have started trading in the kingdom so far this year, a sharp drop from the almost \$4bn seen a year ago, according to data compiled by Bloomberg. SNB Capital is acting as financial advisor, lead manager and bookrunner on First Milling's IPO. SNB Capital and GIB Capital are the underwriters. (Gulf Times)
- BRICS Bank Wants New Members as Saudi Arabia Looks to Join** - The New Development Bank, the lender created by the Brics group of nations, will widen its membership as it seeks to boost its capital and counter the influence of Western-dominated multilateral banks. The lender formed by Brazil, Russia, India, China and South Africa - will look at increasing the diversity of its members in terms of geography, development stages and on the size of the countries, Dilma Rousseff, the bank's president, said at its annual meeting in Shanghai yesterday. Saudi Arabia is the latest to discuss joining the bank, the Financial Times has reported, a move that would give the lender more financial muscle. The bank was created in 2014 as a counterweight to the International Monetary Fund and the World Bank. The bank's membership is open to any country within the United Nations. Bangladesh and the United Arab Emirates became members in 2021, while Egypt joined in February. Uruguay is a prospective member, according to the NDB's website. Rousseff, Brazil's former president, said the new members would contribute resources to the bank to support the diversification of its portfolio and increase its capacity to mobilize funds. "As a former president of a developing country I know how important multilateral banks are, and how much of a challenge it is to obtain finance or to raise funds on the scale needed to address social and economic challenges in our countries," she said. Rousseff said the bank would finance more projects in local currencies in order to

strengthen domestic markets and protect its borrowers from the risk of currency fluctuations. Members have currencies that are not fully convertible within the current architecture, she said, and the economies of the global south suffer the impact of sudden fluctuations in their exchange rates. "The world is going through a transformation process and it's not about one currency against any another one," she told a press briefing in Shanghai. "NDB will continue seeking funds in the dollar market but also in the Asian market." The bank is on track to meet its goal of 30% of its project funding in local currencies by 2026, vice-president and chief financial officer Leslie Maasdorp said at the briefing. The current level is about 22%. China's Vice-Premier Ding Xuexiang, speaking at the NDB's meeting earlier yesterday, said he hoped the bank will continue to invite more partners for co-operation, use more resources to support the development of emerging nations, and focus on infrastructure spending. Various countries "could be at various stages of discussion at different points in time" about membership, NDB's vice-president and chief risk officer Anil Kishora said. Theoretically all emerging economies and developing countries can be members but they also need to go through their own internal processes and "that takes time," he said. (Gulf Times)

- Saudi Arabia's First Milling Co aims to raise \$266.4mn from IPO** - Saudi Arabia's First Milling Company said on Tuesday it aims to raise 999mn riyals (\$266.39mn) from its initial public offering, after it set the share price at the top end of a previously announced range. The company is offering 16.65mn existing shares, or 30% of its share capital, at 60 riyals a share, it said. That would value First Milling Co at 3.33bn riyals. "We are honored by this strong vote of confidence from the diverse group of distinguished institutional investors and look forward to welcoming them into our shareholder base," CEO Abdullah Ababtain said in a statement. The retail portion of the offering will run from June 6-7, with the final share allotment scheduled for June 12 and a listing to be determined at a later date, according to information on the company's website. The company was the first of several flour milling privatizations in Saudi Arabia, sold to Raha AlSafi consortium for \$540mn in 2020. The consortium was led by Saudi Arabian firm Almutlaq Group and included Al Safi, Abunayyan Holding and United Arab Emirates-based Essa Al Ghurair Investment, with investment bank Canaccord Genuity acting as financial adviser, a person familiar with the matter said at the time. Companies from the Middle East raised some \$21.9bn through IPOs in 2022, accounting for more than half the total from the wider Europe, Middle East and Africa region, data from Dealogic showed. (Reuters)
- Saudi health insurance sector 'poised for strong growth'** - The health insurance sector in Saudi Arabia is showing great potential for growth and development, according to Tal Nazer, CEO of Bupa Arabia for Cooperative Insurance. "Over the years, the sector has witnessed rapid growth, with the market size increasing from around SR1.3bn (\$350mn) in 2005 to more than SR25bn in 2021, which is a growth of over 19 times in just 17 years." The kingdom's health insurance beneficiaries number around 11.8mn with only 24 companies offering health insurance, thus presenting a huge opportunity in the sector for investment. Growth factors: Nazer, who recently participated in the Financial Sector Conference (FSC), said factors impacting the upward graph include mandatory health insurance for private sector workers and their families, increased demand for healthcare services, population growth, demographic changes, and economic growth and diversification in the country. Nazer welcomed the holding of FSC 2023 and said the company's involvement in such events underscores its ongoing efforts to advance economic and social development in the kingdom, which is a vital component of the national economy and a key contributor to achieving the goals of Vision 2030. The Bupa Arabia CEO joined a key panel discussion in the second edition of the FSC, which was recently held in Riyadh. Nazer said the recent decision to abolish the Council of Health Insurance's Article 117, which prohibited insurance companies from investing in healthcare, has opened up new opportunities for the growth and development of companies. Challenges: The health insurance industry's growth comes despite several challenges and disruptions currently facing the industry, Nazer said, adding that the global economy is indeed in crisis, as it is witnessing a rise in inflation rates, interest rates, and supply chain disruptions. "This has a significant impact on financial institutions including insurance companies in the kingdom, thus affecting insurance prices as well. This has ultimately led

to a rise in the cost of health insurance," he observed. Digital strategy: Nazer said the implementation of a comprehensive digital transformation strategy in the Saudi insurance industry is the need of the hour. He said technological progress has brought about a major transformation in the industrial sector in the kingdom. Insurance companies began providing digital services to customers, mainly after the Covid-19 pandemic, to help them obtain distinguished services as quickly and effortlessly as possible. "The continuity and survival of insurance companies have become dependent on how seamlessly they provide services by leveraging digital solutions," the Bupa Arabia chief said. To improve clients' experience, he said, insurance companies that adopt digitization are growing their business twice as fast and achieving higher profitability than their less digitally mature counterparts. Bupa Arabia pioneers digitization: Bupa Arabia has been at the forefront of digital transformation in the insurance sector, striving to enhance the customer experience, support sustainable economic growth, and improve the quality of life, in line with the ambitious Vision 2030. Nazer said: "The company established a dedicated digital transformation department in 2018, with the goal of developing digital solutions and services. It also launched a telemedicine platform to provide telehealth services and exclusive programs to streamline the treatment process for its customers and improve their digital health experience." The Bupa Arabia app allows members to consult doctors anytime, anywhere via video consultation. This has earned the company a reputation for being a pioneer in digital transformation in the Saudi insurance industry, he added. Additionally, Nazer said, the app directly connects members to the main healthcare providers, offering a premium healthcare experience. The app has achieved nearly 22mn transactions to date, with a high rating of 4.5 on the App Store. The percentage of digital adoption for payment claims among customers is 98%, and the demand for digital healthcare services has reached 59%. (Zawya)

- Saudi Arabia issues licenses to four new Special Economic Zones** - Saudi Arabia has officially issued licenses to four new Special Economic Zones on Monday. The new economic zones are located in Riyadh, Jazan, Ras Al-Khair and King Abdullah Economic City, north of Jeddah. Minister of Investment Khalid Al-Falih, chairman of Economic Cities and Special Zones Authority (ECZA), handed the licenses in Saudi Special Zones Investment Forum in Riyadh along with other ministers. Al-Falih shared the ways Special Economic Zone's support the Kingdom's capabilities to leverage its regional and international economic agreements in his opening remarks at the forum. "We have closed SR285bn worth of deals across various sectors ranging from auto to ICT, from agriculture to aerospace, and from petrochemicals to mining and renewable energy." He said: "The Kingdom inspires confidence across multiple social, economic and business indicators — from investor sentiment & trust in government to digital competitiveness, road connectivity, cybersecurity & quality of port operations." "Forward-looking, innovative, and focused on attracting FDI, our SEZs are purpose-built to maximize opportunities and minimize friction across key industries." Al-Falih added: "Globally, we're seeing SEZs gain renewed relevance as part of a broader 'Industrial Policy' 'comeback' trend, where large incentive packages and a new generation of SEZs are used to attract FDI in targeted supply chains." The new zones draw on Saudi Arabia's strategic location at the heart of global trade, creating hubs for businesses across key growth sectors to launch and scale the companies and technologies that will shape the future. The Special Economic Zones (SEZs) will support existing national strategies and create new linkages with international frameworks, building on the competitive advantages of each region to support key sectors including logistics, advanced manufacturing, technology and other priority sectors for the Kingdom. Benefits for companies operating in the new SEZs include competitive corporate tax rates, exemption from customs duties on imports, production inputs, machinery and raw materials, 100 foreign ownership of companies, and flexibility to attract and hire the best talent worldwide. (Zawya)
- Internet usage by establishments in Saudi Arabia reached 96.1% in 2022** - The use of the Internet by establishments in Saudi Arabia has reached 96.1% in 2022, the General Authority for Statistics (GASTAT) revealed. According to the results of the 2022 Survey of Information and Communication Technology Access and Usage by Establishments issued by GASTAT, it stated that the economic activities of the establishments

that use Internet the most was the information and communication activities — by 98.9%. As for the second most use of economic activities was in the education activities by 98.6%, followed by the manufacturing industries by 97.6%. GASTAT said that the percentage of establishments that allocated a fixed phone to carry out their economic activity is 58.7%, while there are 76.0% establishments that use a mobile phone to carry out the activity. The percentage of establishments that use computers is 94.6%, GASTAT said, adding that the establishments which trained workers on computer programs and applications amounted to 67.8% from the total establishments that used computers. The establishments that use computers the most, according to economic activities, are the establishments of activities in the field of education by 99.7%, then the financial and insurance activities, and health and social work activities with equal percentages, both by 98.9%. The report indicated that 45.6% of the establishments have a website on the World Wide Web, out of the total number of establishments that use the internet. The financial and insurance activities have the highest percentage among the economic activities that have a website, by 87.6%, then the education activities 68.5%, and professional activities 58.7%. As for establishments that have an account on social media platforms, the report revealed that the percentage of companies reached 52.6%, noting that the education establishments come at the forefront of establishments that have an account on social media platforms with a percentage of 89.3%, then healthcare and social work activities with a percentage of 81.6%, followed by arts and entertainment activities by 74.7%. The results of the survey also showed that 69.4% of the establishments have an Intranet, indicating that the financial and insurance activities are the most using of the Intranet at a rate of 92.7%, followed by construction activities at 84.5%, then the healthcare and social work activities at a rate of 83.7%. Moreover, it was found that the establishments that have a local network (LAN) amounted to 68.8%. The finance and insurance activities come first as the highest users of LAN network by 87%, then the healthcare and social work activities by 83.9%, while the education activities use the LAN network by 83.4%. GASTAT said in its report that 34.5% of the establishments used cloud computing for financial or accounting software apps. The percentage of establishments using cloud-based email services is 31.2%. The usage of cloud computing for ready-made office software reached 28.5%, the report revealed, noting that the usage of cloud computing services for file storage by establishments recorded at 27.4%. (Zawya)

- Al-Jadaan: Saudi Arabia to give tax reduction, VAT exemption in special economic zones** - Minister of Finance Mohammed Al-Jadaan announced that Saudi Arabia will provide a permanent value-added tax (VAT) exemption on transactions between entities within special economic zones (SEZs) or between various special economic zones. There will also be a tax discount for a period of 20 years within SEZs, he said. The minister announced this while delivering his speech at the Saudi Special Economic Zones Investment Forum, here on Monday. "We will work to give a reduction in taxes for a period of 20 years so that investors can make long term planning. We will also provide permanent exemption for social insurance tax for the employer as well as for transactions between companies in special economic zones and between companies in different SEZs," he said while emphasizing that Saudi Arabia is the only country that obtained third positive ratings during 2023. (Zawya)
- Minister: No Saudization required at special economic zones** - Minister of Human Resources and Social Development Ahmed Al-Rajhi announced that exemption from implementing Saudization requirement is one of the incentives offered at the special economic zones in the Kingdom. "This is one of the incentives that were designed to ensure competitiveness and flexibility as far as global investors are concerned," he said. Addressing the Saudi Special Economic Zones Investment Forum here on Monday, Al-Rajhi said that investors at the special economic zones will get incentives from the Human Resources Development Fund (HADAF) if they choose to hire Saudis. The investors will have the opportunity to benefit from the basic economy incentives if they decide to do so, he said. "The nature of the special economic zones announced today is to attract international companies in some industries in their early stages, as well as those companies that want to move to the Kingdom. This is why we have designed incentives through customized packages, after a very careful

study of global and regional standards to ensure that these incentives are competitive and flexible in the eyes of global investors," the minister said. Al-Rajhi noted that the special economic zones will not be subject to the rules of Saudization compared to the basic economy. It is noteworthy that Saudi Arabia has officially issued licenses to four new Special Economic Zones on Monday. They are located in Riyadh, Jazan, Ras Al-Khair and King Abdullah Economic City, north of Jeddah. (Zawya)

- Saudi Arabia posts 31% investment growth reaching \$266bn for first time in history** - The investment sector in Saudi Arabia witnessed a record growth of 31% during the year 2022, reaching more than SR1tn (\$266.6mn), for the first time in the history of the Kingdom. This was announced by Minister of Investment Eng. Khalid Al-Falih. Addressing the opening session of the Saudi Special Economic Zones Investment Forum, here on Monday, Al-Falih said that the Kingdom witnessed a dramatic shift by becoming a destination for investment, with a huge cash flow from abroad. The minister said that the private sector has become a leader in investment in Saudi Arabia, noting that the Kingdom has achieved economic goals and development goals, that exceeded both the planned and expected ones. Al-Falih emphasized that 'the Regional Headquarters Program' provides outstanding benefits for international companies while establishing their regional headquarters for the Middle East and North Africa region in Saudi Arabia, specifically in Riyadh. The minister stated that green projects in Saudi Arabia aimed to increase the contribution of renewable energy by 50% in the energy sector. "Saudi Arabia will be a pioneer in investing in green industrial foundations, such as the electric car manufacturing and hydrogen production. The special economic zones, which were launched in 2013, reflected Saudi Arabia's sustainable commitment to finding and creating opportunities for global business, and this commitment made the Saudi economy and investment the best in the world and the most dynamic and vital," he said. Al-Falih said: "Our goal is to make the Kingdom among the leading nations economically. The special economic zones are the cornerstone of investment in the Kingdom, and the industrial logistical program." The minister noted that the gross national product amounted to 17% of non-oil revenues, while the growth of the non-oil sector reached 5.5% in 2021, and it recorded an increase at the same pace in 2022. Al-Falih said that the employment rate has increased, while the unemployment rate has decreased. He pointed out that Saudi Arabia has embarked on several giga projects with pumping of investments worth billions of riyals. These included projects such as the NEOM, Red Sea Project, electric cars, and Saudi green projects, in addition to direct investments in technical and technological fields. He said that the special economic zones will be completed near seaports and airports and will allow investors to form partnerships. It will also enhance innovation and Saudi Arabia's capabilities to attract international companies to the Kingdom, as well as to strengthen national capabilities in the non-oil sector, he added. (Zawya)
- First Abu Dhabi Bank set to raise \$500mn with green bonds** - First Abu Dhabi Bank is expected to raise \$500mn from an offering of five-year green bonds, a bank document showed on Tuesday. Guidance was tightened 20 basis points (bps) to around 100 bps over U.S. Treasuries after demand topped \$1.4bn, the bank document showed. FAB, the UAE's biggest lender, is green structuring agent and is joined by Citi, Credit Agricole, HSBC and Standard Chartered as joint lead managers and bookrunners. FAB last sold green bonds in October in a \$700mn deal. It has also raised \$1.6bn through three public debt sales this year, including two sales of Islamic bonds known as sukuk and a sale of conventional bonds. (Reuters)
- UAE: 28 companies pledge to reduce carbon emissions** - Mariam bint Mohammed Al-Mheiri, Minister of Climate Change and the Environment, presided over the launch of the 10th National Climate Ambition Dialogue today. The event, organized by the Ministry of Climate Change and the Environment (MoCCE) in collaboration with Emirates Steel Arkan, rallies under the theme "Accelerating the Pace of Transition to Low Carbon Green Industry". The dialogue, the tenth in its series, specifically spotlights the industrial sector and aims to reduce industrial carbon emissions in the UAE. This is particularly timely as the UAE prepares to welcome the international climate community to the forthcoming Conference of the Parties (COP28) under the United Nations Framework

Convention on Climate Change later this year. During the event, 28 companies operating in the industrial sector in the UAE pledged to implement goals to reduce carbon emissions, adopt more sustainable ways in managing their operations, just ahead of the UAE's hosting of the COP28 conference in November and December 2023. These companies are the sixth batch to join the "Climate Responsible Companies Pledge" initiative, part of the "National Dialogue for Climate Ambition", bringing the total number of companies that have signed the pledge to 90 from various sectors in the country. The event aligns with the Year of Sustainability and seeks to enhance sectoral climate ambition within the country. It is designed to support the UAE's strategic initiative of achieving climate neutrality by 2050 and strengthen its commitment to international climate action agreements, particularly the Paris Climate Agreement. Furthermore, the event aims to foster collaboration among strategic partners, government entities, and private organizations to achieve these goals. (Zawya)

- **Dubai Chamber of Digital Economy concludes visit to Asia to engage with startups and tech talent** - The Dubai Chamber of Digital Economy, a division of Dubai Chambers, has completed a successful roadshow across Hong Kong, the Philippines, South Korea, Malaysia, Singapore, and Japan. The purpose of the roadshow was to identify promising startups to participate in the upcoming Expand North Star event, scheduled to take place in Dubai from 15-18 October. During the roadshow, the Chamber introduced 481 startups to doing business in Dubai and highlighted the role it plays in providing support to businesses within the ecosystem. In addition, the Chamber hosted a pitch competition designed to drive participation in Expand North Star. The winner will receive a fully sponsored visit and participation in the upcoming event. As part of the Asian tour, Dubai Chamber of Digital Economy also held a total of 17 private meetings with MNCs, unicorns, and incubators to explore potential collaborations within each market. Expand North Star is the largest start-up event in the world, uniting more than 1,400 exhibitors and 1,000 investors at Dubai Harbour. The event aims to ramp up the start-up entrepreneurship momentum, transcending geographic industries and intellectual boundaries as it connects government partners, investors, and corporate accelerators with innovators and tech stars from every continent. Dubai is embracing Web3 and the metaverse as part of efforts to drive the UAE's digital economy forward, as well as fully integrating blockchain and AI technology across the public sector and investing in fintech and digital assets. Dubai Chamber of Digital Economy is working to accelerate the growth of Dubai's digital economy and attract promising digital businesses to the emirate. Expand North Star will bring together startups from across the globe to connect with industry leaders, government officials, venture capitalists, and other potential investors. The event also supports the tech community by hosting forums and initiatives that bring together international and local tech companies, entrepreneurs, investors, and other key stakeholders. Expand North Star plays a critical role in attracting and connecting the global tech community to Dubai by providing a supportive platform for innovation and collaboration. The event will feature a series of summits, innovation challenges, conferences, and exhibitions showcasing the latest technological advances. The initiative provides opportunities for networking and collaboration while further cementing Dubai's position as a leading hub for innovation and technology, as well as driving economic growth and development both in the emirate and globally. (Zawya)
- **UAE: New decisions on tax grouping, interest capping and unincorporated partnerships** - The UAE Ministry of Finance has issued three new Ministerial Decisions for the purposes of Corporate Tax. These include Ministerial Decision No. 125 of 2023 on Tax Grouping, Ministerial Decision No. 126 of 2023 on General Interest Deduction Limitation Rule, and Ministerial Decision No. 127 of 2023 on Unincorporated Partnerships. Younis Haji Al Khouri, Under-Secretary of the Ministry of Finance, said, "The new decisions reflect how the UAE's corporate tax regime maintains flexibility and ensures straightforward tax processes to enable compliance, while reinforcing the UAE's position as a leading business and investment hub. With tax grouping, groups are treated as if they were one entity which alleviates the administration and compliance burden. The interest capping rules provide clarity to businesses when expensing debt financing costs and are built on OECD best global practice. Finally,

the decision on unincorporated partnerships clarifies that an unincorporated partnership is not subject to corporate tax, unless it is a corporate entity, meaning that individual partners will be taxed on their share of the income carried on by the partnership." Tax Grouping: The Decision on Tax Grouping further clarifies the conditions under which UAE resident entities that are 95% or more commonly owned can form or join a Tax Group and be treated as a single entity for Corporate Tax purposes. Under the decision, the UAE Parent Company must own at least 95% of the voting rights and shares in each UAE entity. Also, all members of the tax group must be considered UAE residents for Corporate Tax purposes. Forming a Tax Group simplifies the calculation and reporting of Taxable Income by allowing the Parent Company to file a single Tax Return based on the aggregated taxable profit or loss of the group, with transactions between the members of the Tax Group being generally disregarded. The decision also clarifies the notification procedures if a Subsidiary leaves a Tax Group or if the Tax Group ceases to meet the qualifying conditions. General Interest Deduction Limitation Rule: The General Interest Deduction Limitation Rule sets out the maximum cap of interest that can be deducted by businesses that are not banks, insurance providers or natural persons (individuals) undertaking a business or business activity in the UAE. In line with international standards, the net interest expenditure that can be deducted is capped at the higher of 30% of adjusted earnings before interest, tax, depreciation, and amortization (EBITDA); or a safe harbour amount of AED12mn. Tax Groups with members who are banks and/or insurance providers must exclude these members' income and expenditure when determining the 30% EBITDA threshold. In recognition of the importance of infrastructure projects to the country, long-term infrastructure projects meeting relevant conditions will not face restrictions on interest expenditure deductibility under the General Interest Deduction Limitation Rule. Furthermore, in line with the UAE's commitment to maintain its status as a leading commercial and financing hub, interest incurred on debt instruments entered into before the Law was published to the general public on 9th December 2022 will not be subject to the limitation rule. Unincorporated Partnerships: Under this decision, (and unless an election is made) an Unincorporated Partnership will not be considered a taxable person in its own right provided it is not a Juridical Person (corporate entity). Where an Unincorporated Partnership elects to be treated as a Taxable Person in its own right, its decision is irrevocable once approved, and any change in the partnership composition must be notified to the Federal Tax Authority within 20 business days. A Foreign Partnership that is treated as an Unincorporated Partnership must submit an annual declaration confirming that it is not taxed under foreign jurisdiction laws, and each partner is taxed individually based on their share of income. The decision also sets out that for a Family Foundation to be treated as an Unincorporated Partnership where one or more of its beneficiaries are public benefit entities, it must confirm that either the public benefit entity does not derive income treated as Taxable Income, or, if they do, that such income is distributed to the respective beneficiaries within six months from the end of the relevant Tax Period. (Zawya)

- **UAE: Cabinet Decision on FTA services fees effective Thursday** - The Federal Tax Authority (FTA) will begin implementing Cabinet Decision No. (7) of 2023 amending certain provisions of Cabinet Decision No. (65) of 2020 on Fees for Services Provided by the FTA, which goes into effect on Thursday, 1st June 2023. The FTA has introduced a new decision that outlines the fees for requesting a 'private clarification' regarding one or multiple taxes. This 'private clarification' is a document issued by the FTA to address specific tax technical matters for a particular taxpayer. To request a 'private clarification,' the taxpayer must submit a specific form available on the FTA's website, along with the necessary supporting documents. Under the new decision, if the FTA does not issue the requested private clarification, the fees incurred for the request may be refunded to the applicant. The FTA has confirmed that taxpayers can apply for two services: submitting a 'private clarification' request for a single tax or submitting a 'private clarification' request for multiple taxes. These services can be accessed through the FTA website by registering, submitting the required supporting documents, and paying the fees specified in Cabinet Decision No. (65) of 2020 and its amendments. (Zawya)

- UAE announces maximum net interest rate cap for corporate tax** - The UAE's Ministry of Finance on Tuesday set out the maximum cap of interest that can be deducted by companies undertaking a business or business activity in the UAE, under the corporate tax law. The ministry announced that the net interest expenditure that can be deducted is capped at the higher of 30% of adjusted earnings before interest, tax, depreciation, and amortization (Ebitda) or a safe harbour amount of Dh12mn. It further clarified that tax groups with members who are banks and insurance providers must exclude these members' income and expenditure when determining the 30% Ebitda threshold. The ministry and the Federal Tax Authority (FTA) have issued a number of clarifications about the corporate tax ahead of its implementation on Thursday, June 1, 2023. The UAE will levy a nine% corporate tax on profits of companies earning more than Dh375,000 as well as individuals generating a turnover of more than Dh1mn. These new regulations are part of three new Ministerial Decisions issued for the purposes of corporate tax. These include Ministerial Decision No 125 of 2023 on Tax Grouping, Ministerial Decision No 126 of 2023 on General Interest Deduction Limitation Rule, and Ministerial Decision No 127 of 2023 on Unincorporated Partnerships. Due to the importance of infrastructure projects in the country's development projects, the Ministry clarified that such long-term projects that meet relevant conditions will not face restrictions on interest expenditure deductibility. In addition, interest incurred on debt instruments before the law was published to the general public on December 9, 2022, will not be subject to the limitation rule. Younis Haji Al Khouri, undersecretary of the Ministry of Finance, said the interest capping rules provide clarity to businesses when expensing debt financing costs and are built on OECD best global practice. "The new decisions reflect how the UAE's corporate tax regime maintains flexibility and ensures straightforward tax processes to enable compliance while reinforcing the UAE's position as a leading business and investment hub," he said. Nirav Shah, director at Fame Advisory FMCC, said Decision Number 126 on interest deduction rules is very good news for business as the ceiling of 30% of Ebitda will only apply once net interest expenses cross Dh12mn. (Zawya)
- Dubai: DWTC supports 48,000 jobs, generates \$3.54bn in economic output** - Dubai World Trade Centre (DWTC) on Tuesday announced that its annual events generated \$3.55bn (Dh13bn) in economic output for the emirate last year, of which \$2.03bn (Dh7.45bn) was retained within Dubai's GDP. According to the Centre's 2022 Economic Impact Assessment Report, total direct economic output across meetings, incentives, conferences and exhibitions (MICE) business services and adjacent sectors more than doubled to reach \$2.55bn. The UAE's leading event venue and the largest event and exhibition center in the whole region supported over 48,000 jobs, representing a 110% increase year-on-year. The yielding increased disposable household income by \$651mn. DWTC is home to some of the world's largest exhibitions such as Gitex Global Gulfood, Arabian Travel Market, Arab Health and others. All these events generate massive economic activity, supporting many other sectors such as hospitality, retail, aviation, travel and tourism among others. "Dubai continues to attract businesses and talent from around the world, with DWTC providing an effective connectivity platform to collaborate, accelerate innovation, and showcase next-generation products and services to far-reaching markets. This sustained impact of in-person events is a clear indicator of the MICE industry's role in supporting economic growth and achieving investment returns for all stakeholders," said Helal Saeed Almarri, director-general of DWTC Authority. "2022 has been a particularly milestone year for global MICE, and Dubai's ability to continue to sustain its pace of growth in this sector that has been through a transformative period showcasing revival post-pandemic, is a testament to our ability to render sustained value to business participants," he added. Its 63 large-scale events with over 2,000 attendees grew by 26% and received nearly 1.2mn attendees with 40% being international - an increase of 49%. (Zawya)
- Hong Kong, United Arab Emirates central banks move to strengthen ties** - The central banks of Hong Kong and United Arab Emirates (UAE) said on Tuesday they plan to boost cooperation in multiple areas as the two markets seek to strengthen financial ties. The Hong Kong Monetary Authority and the Central Bank of the United Arab Emirates intend to

collaborate on financial infrastructure, financial market connectivity and virtual asset regulations. The central banks discussed possible arrangements to facilitate cross-border trade settlement, and how UAE companies can better use Hong Kong financial infrastructure platforms to access Asia and the Mainland markets. Global, Chinese and UAE Banking groups attending a bilateral meeting held on Monday in Abu Dhabi included HSBC, Standard Chartered, Citi, Industrial and Commercial Bank of China, Bank of China, First Abu Dhabi Bank, Abu Dhabi Islamic Bank, and Emirates NBD. (Reuters)

- QCC partners with Setup in Abu Dhabi to strengthen exporting capabilities of SMEs** - Abu Dhabi Quality Conformity Council (QCC) has joined Setup in Abu Dhabi, a comprehensive SME enabling platform, launched by Creative Zone in 2022 in collaboration with Abu Dhabi Department of Economic Development (ADDED) and other government and private entities, to support SMEs, providing local businesses with guidance and services related to export product standards and compliance. QCC are mandated to ensure the provision of a quality infrastructure in line with global standards and raise the quality of Abu Dhabi's exports and products, serving as a medium for counselling for Setup in Abu Dhabi clients. The partnership will strengthen SMEs exporting capabilities by benefiting from in-depth consulting which is backed by research and expertise to help them navigate through the complexity of creating and distributing quality and compliant products. Complying with global standards and being high calibre will enhance the attractiveness of local companies to international partnerships, contributing to cementing Abu Dhabi status as preferred business, financial and trade hub. Businesses under Setup in Abu Dhabi will receive guidance in the form of business development consultations and access to regulatory information and industry updates, in addition to tailored guidance depending on the markets they're exporting to, as well as the business activities they're conducting. They will also be connected to a network of partner providers for testing, inspection, and certification services. Abdulla Alyazeedi, Executive Director Strategic Affairs at QCC, said, "Abu Dhabi QCC has long been committed to enhancing the capital city's quality infrastructure at large. That means working closely with both public and private entities, from government bodies and large corporations to business up-and-comers who may need additional support. "With Setup in Abu Dhabi having an extensive portfolio of client businesses across different industries, varying levels of guidance will be necessary. We're happy to be their partner in improving product quality, not just for individual companies but also for the larger Abu Dhabi business landscape." Mouza Al Nasri, Executive Director of SMEs Sector at ADDED, commented, "Increasing non-oil exports is one of the major objectives of diversification strategy in the emirate and we are pleased to forge this partnership with Abu Dhabi QCC to equip SMEs with necessary expertise to raise their capabilities in this area. As a catalyst of Abu Dhabi's economic growth, ADDED is committed to providing a suitable entrepreneurship ecosystem by facilitating ease of setting up and doing business for startups and SMEs and empowering them to grow and expand." Lorenzo Jooris, CEO of Creative Zone, added, "We're launching this new partnership as a way to set our clients up with additional assistance on how to effectively ensure that their products meet the right quality standards. At the same time, they'll be given a competitive advantage as industry-leading products in both local and global space." Since its establishment in 2009, the QCC has been enhancing the quality of Abu Dhabi's locally and internationally traded products. Some of the entity's core areas of priority include developing product standards and specifications, improving testing infrastructures, ensuring fair trade and protecting consumer interests. By focusing on these, QCC sets mandates for local products to meet safety and compliance requirements that align with global standards. (Zawya)
- MENAFATF upgrades UAE's ratings for FATF recommendations** - MENAFATF, the Financial Action Task Force (FATF)-Style Regional Body, adopted its FATF Recommendations ratings for the United Arab Emirates at the closing of its May plenary in recognition of its efforts to combat money laundering and terrorism financing. Recommendations (1), (19), and (29) have been upgraded to "Compliant" or "Largely Compliant" in response to the positive measures taken by the UAE. The FATF Recommendations are the technical and legal building blocks for an

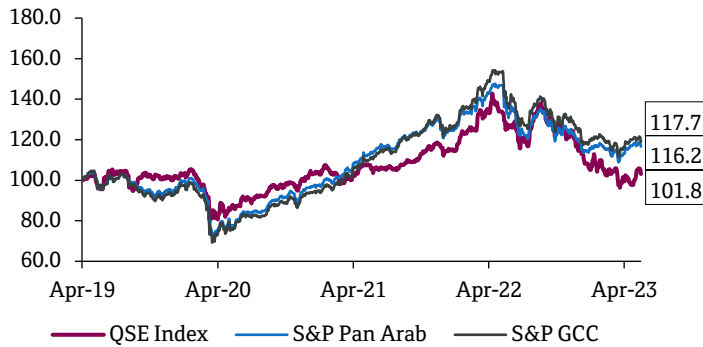
effective framework to combat money laundering, terrorist financing, and proliferation financing. Welcoming upgrading the three FATF Recommendations ratings, Hamid AlZaabi, Director-General of the EO AML/CTF, said, "The UAE is working diligently to implement effective measures that ensure that we are fully compliant with the FATF Forty Recommendations. The upgrading of Recommendations (1), (19), and (29) to compliant or largely compliant is a welcome recognition of our progress under the stewardship of the Higher Committee Overseeing the National Strategy on Anti-Money Laundering and Countering the Financing of Terrorism. "I would like to thank the UAE authorities whose hard work has contributed to this achievement. We will continue our efforts to improve ratings for Recommendations as part of a firm commitment to building an AML/CFT system that befits our vision of becoming a leading country in the fight against financial crime." The rerating of Recommendation (1) reflects the progress made by the UAE in implementing a Risk-Based Approach (RBA) and its ongoing work with the World Bank Group to complete its second National Risk Assessment. Recommendation (1) requires member countries to identify, assess, and understand their specific money laundering and terrorist financing risks and to take actions to ensure the risks are mitigated effectively. Recommendation (19) requires financial institutions to apply enhanced due diligence measures to business relationships and transactions with natural and legal persons and financial institutions from countries for which this is called for by the FATF. It also requires countries to be able to apply appropriate countermeasures when called upon to do so by the FATF. Recommendation (29) is concerned with operational capabilities and requires countries to establish an operationally independent Financial Intelligence Unit (FIU) that serves as a national center for the receipt and analysis of suspicious transaction reports and other information relevant to money laundering, associated predicate offences, and terrorist financing and for the dissemination of the results of that analysis. The FIU should be able to obtain additional information from reporting entities and have timely access to the financial, administrative, and law enforcement information that it requires to undertake its functions properly. (Zawya)

- S&P: Abu Dhabi's growth will be broadly flat in 2023 due to oil output curbs** - Abu Dhabi's real GDP growth accelerated to 9.3% in 2022 but is expected to be broadly flat in 2023 due to the OPEC+ agreement to cut oil production, S&P Global Ratings said in a new report. "We estimate economic growth will be broadly flat in 2023, with nonhydrocarbon sector growth of about 4%, partly due to tighter monetary policy conditions," Trevor Cullinan and other analysts said in the report. The sector will expand at a similar rate over the period to 2026. Activity in the hydrocarbon sector will decline about 5% in 2023 due to the OPEC+ production cuts, but average about 3.5% growth over 2024-2026. "Taking both sectors into account, we expect GDP growth of about 4% over the same period." The agency expects Abu Dhabi's oil production to increase over the medium term as OPEC+ quotas are lifted and capacity increases to 5mn barrels per day (bpd) by 2027 from about 4mn bpd, in line with state-owned oil producer, refiner, and distributor Abu Dhabi National Oil Co.'s (ADNOC) strategy. "Notwithstanding this assumption, we expect oil production to fall to about 2.9mn bpd on average in 2023 based on the October 2022 OPEC+ announcement, following an average of 3.07mn bpd in 2022. We expect oil production to rise again in 2024 (3.05mn bpd) and 2025 (3.15mn bpd), although given the capacity expansion plans, there is upside to these production levels," S&P said. (Zawya)
- Standard Chartered, DIFC to advance treasury excellence** - Standard Chartered has partnered with the DIFC Treasury Leadership Forum to address how businesses can build robust treasury infrastructures. Organized by DIFC, the forum will bring together senior treasurers from leading banks, multinationals and services providers to focus on how to optimize treasury operations for growth and the key trends shaping treasury across different sectors. Christopher Parsons, Senior Executive Officer, Standard Chartered at DIFC said: "We are delighted to partner with DIFC to host the DIFC Treasury Leadership Forum, a dynamic platform that brings together thought leaders to share insights, exchange ideas and collaborate to shape the future of treasury management. This partnership demonstrates the strong synergies between Standard Chartered and DIFC and is a testament to our long-term commitment to

optimizing growth and creating a better future for the industry." Reducing costs: Alya Al Zarouni, Chief Operating Officer, DIFC Authority said: "We will address how businesses can build robust treasury infrastructures. Showcasing the benefits of setting up regional treasury divisions in DIFC, the forum will also provide corporates with strategies on how to centralize, manage, and consolidate regional resources, offering a competitive advantage by reducing operating costs." Hosted at The Atrium, Gate District, DIFC, on May 31, themed 'A deep dive into the future of treasury centers', the DIFC Treasury Leadership Forum will showcase the latest trends in treasury solutions designed to streamline financial operations, optimize liquidity management, and enhance risk management strategies. Speakers and panelists include: Alya Al Zarouni, Chief Operating Officer, DIFC Authority; Ankur Kanwar, Head of Cash Management (ASEAN), and Global Head of Structured Solutions, Standard Chartered; Christopher Parsons, Senior Executive Officer, Standard Chartered; Irwin Medford, Director, Treasury Advisory, PwC Middle East; Motasim Hasan Iqbal, Head Transaction Banking Sales, Africa Middle East, Standard Chartered; Ricky Kaura Head, Transaction Banking, Asia Pacific, Africa & Middle East, Standard Chartered; Ruta Jukneviute, Executive Director, Structured Solutions, Standard Chartered; Shashi Kumar Goyal, CFO, Reliance International; Syed Khurram Zaeem, Head, Transaction Banking, Africa & Middle East, Standard Chartered. The event will be moderated by Viplav Rathore, Managing Director, Head of Cash Products, AME, Standard Chartered. (Zawya)

- Kuwait: Cabinet takes steps to encourage national cadres to join private sector** - The Kuwait Cabinet approved, in its meeting held Monday, forming a committee tasked with creating job opportunities for national cadres at the non-government agencies. This came during the Cabinet's weekly meeting held at Seif Palace under the chairmanship of His Highness the Prime Minister Sheikh Ahmad Nawaf Al-Ahamd Al-Sabah. The Cabinet decided to task the Public Authority for Manpower - in coordination with the Ministry of Finance, Ministry of Commerce and Industry as well as the relevant bodies - to study legally and financially handing out social allowance to the owners of microenterprises and to present to the Cabinet, within a month a report about the necessary appropriate steps and procedures that encourage youth to work in the private sector, Deputy Prime Minister and Minister of State for Cabinet Affairs Dr. Khaled Al-Fadhel said after the meeting. This shows the Cabinet's endeavors to achieve its vision and plans aimed at increasing the national work force at the private sector and providing them with incentives to join the non-government agencies, he said. The step also seeks to find new job openings to the Kuwaiti youth and enhance innovation and competitive work, he noted. Meanwhile, the Cabinet was briefed on the recommendation of the Economic Affairs Committee on a draft law approving the amended final account of the State's financial administration for the fiscal year 2021/2022, and the Cabinet decided to approve the draft law and submit it to His Highness the Crown Prince, in preparation for its referral to the National Assembly. On regional and international political affairs, the Cabinet expressed its sincere congratulations to Turkish President Recep Tayyip Erdogan on his re-election as the country's leader for a third term in office. The ministers wished President Erdogan every success in his mission, and further success and prosperity to Turkiye and its people. (Zawya)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,959.33	0.8	0.7	7.4
Silver/Ounce	23.17	(0.0)	(0.5)	(3.3)
Crude Oil (Brent)/Barrel (FM Future)	73.54	(4.6)	(4.4)	(14.4)
Crude Oil (WTI)/Barrel (FM Future)	69.46	(4.4)	(4.4)	(13.5)
Natural Gas (Henry Hub)/MMBtu	2.10	11.7	11.7	(40.3)
LPG Propane (Arab Gulf)/Ton	58.40	(5.8)	(5.8)	(17.5)
LPG Butane (Arab Gulf)/Ton	48.50	(7.6)	(7.6)	(52.2)
Euro	1.07	0.3	0.1	0.3
Yen	139.79	(0.5)	(0.6)	6.6
GBP	1.24	0.5	0.6	2.7
CHF	1.10	(0.2)	(0.0)	2.1
AUD	0.65	(0.3)	0.0	(4.3)
USD Index	104.17	(0.0)	(0.0)	0.6
RUB	110.69	0.0	0.0	58.9
BRL	0.20	(0.4)	(0.8)	4.9

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,825.60	(0.2)	(0.1)	8.6
DJ Industrial	33,042.78	(0.2)	(0.2)	(0.3)
S&P 500	4,205.52	0.0	0.0	9.5
NASDAQ 100	13,017.43	0.3	0.3	24.4
STOXX 600	456.63	(0.8)	(1.0)	7.6
DAX	15,908.91	(0.2)	(0.5)	14.4
FTSE 100	7,522.07	(0.9)	(0.9)	3.4
CAC 40	7,209.75	(1.2)	(1.5)	11.5
Nikkei	31,328.16	0.6	1.8	12.4
MSCI EM	970.32	(0.1)	(0.3)	1.5
SHANGHAI SE Composite	3,224.21	(0.0)	0.1	1.7
HANG SENG	18,595.78	0.2	(0.8)	(6.4)
BSE SENSEX	62,969.13	0.1	0.6	3.5
Bovespa	108,967.03	(2.4)	(3.0)	3.7
RTS	1,047.60	(1.6)	(0.8)	7.9

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

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