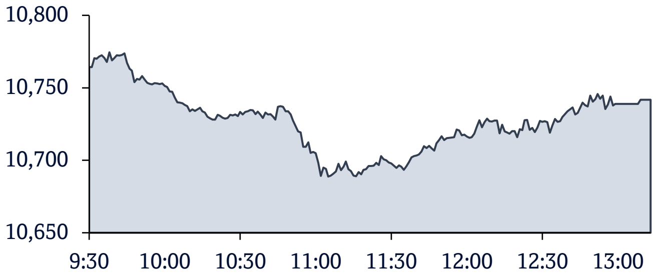
QSE Intra-Day Movement



Market Indicators	11 May 23	10 May 23	%Chg.
Value Traded (QR mn)	594.9	607.4	(2.1)
Exch. Market Cap. (QR mn)	629,008.6	628,396.0	0.1
Volume (mn)	220.0	271.3	(18.9)
Number of Transactions	20,986	20,902	0.4
Companies Traded	48	49	(2.0)
Market Breadth	21:24	35:11	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	23,053.46	0.1	1.0	5.4	12.8
All Share Index	3,603.27	0.2	1.3	5.5	139.0
Banks	4,454.99	(0.3)	0.3	1.6	13.7
Industrials	4,127.69	0.3	0.1	9.2	13.8
Transportation	4,790.17	2.5	3.1	10.5	13.7
Real Estate	1,616.86	(0.0)	5.2	3.6	19.4
Insurance	2,269.31	3.5	12.3	3.8	178.2
Telecoms	1,637.47	(0.3)	0.7	24.2	14.5
Consumer Goods and Services	8,043.52	0.5	2.7	1.6	23.1
Al Rayan Islamic Index	4,783.61	(0.0)	2.0	4.2	8.9

Qatar Commentary

The QE Index rose 0.1% to close at 10,741.8. Gains were led by the Insurance and Transportation indices, gaining 3.5% and 2.5%, respectively. Top gainers were Qatar General Insurance & Reinsurance Co. and Inma Holding, rising 9.9% and 9.3%, respectively. Among the top losers, Mesaieed Petrochemical Holding fell 2%, while Qatari Investors Group was down 1.7%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.9% to close at 11,392.8. Gains were led by the Telecommunication Services and Software & Services indices, rising 3% and 2.7%, respectively. Tihama Advertising and Public Relations Co rose 8.1%, while Savola Group was up 4.7%.

Dubai: The DFM Index fell 0.3% to close at 3,559.1. The Consumer Staples index declined 2.7% while the Communication Services index fell 1.7%. Ekttitab Holding Company declined 4.3% while Ithmaar Holding was down 3.7%.

Abu Dhabi: The ADX General Index fell 0.4% to close at 9,634.8. The Telecommunication index declined 2.2%, while the Utilities index fell 1.6%. Oman & Emirates Investments Holding Co. declined 10.0% while Rak Insurance was down 8.9%.

Kuwait: The Kuwait All Share Index fell 0.2% to close at 6,947.0. The Utilities index declined 1.6%, while the Telecommunication index fell 1.4%. Burgan Bank declined 2.5%, while Mobile Telecommunication Co. was down 1.9%.

Oman: The MSM 30 Index gained 0.3% to close at 4,666.7. Gains were led by the Financial and Services indices, rising 0.4% and 0.1%, respectively. Al Madina Investment Company rose 4.3%, while Muscat Finance was up 3.4%.

Bahrain: The BHB Index gained 0.1% to close at 1,936.5. The Real Estate index rose 2.4% while the Communications Services index gained 1.9%. Arab Insurance Group rose 15.0% while Gulf Hotels Group was up 3.8%.

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Etihad Etisalat Co.	Saudi Arabia	46.90	4.5	1,737.2	35.0
Arabian Contracting Services	Saudi Arabia	152.00	2.2	166.0	35.0
Arab National Bank	Saudi Arabia	28.75	2.1	961.8	(10.3)
Bahrain Telecom. Co.	Bahrain	0.49	2.1	248.9	2.1
Dar Al Arkan Real Estate	Saudi Arabia	14.80	2.1	3,034.1	27.4

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Q Holding	Abu Dhabi	2.55	(6.9)	10,044.6	(36.3)
Emirates Telecom.	Abu Dhabi	23.04	(2.2)	1,179.6	0.8
ADNOC Drilling Co	Abu Dhabi	3.75	(2.1)	1,482.0	25.8
Fertiglobe PLC	Abu Dhabi	3.35	(2.0)	6,732.8	(20.8)
National Marine Dredging Co	Abu Dhabi	20.12	(1.9)	665.2	(17.8)

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

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar General Ins. & Reins. Co.	1.338	9.9	366.3	(8.9)
Inma Holding	5.410	9.3	4,200.1	31.6
Qatar Insurance Company	2.031	3.9	3,915.2	5.6
Widam Food Company	1.622	3.4	4,155.2	(20.2)
Doha Insurance Group	2.269	3.4	143.6	14.7

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Mesaieed Petrochemical Holding	2.077	(2.0)	3,856.2	(2.4)
Qatari Investors Group	1.718	(1.7)	3,180.5	1.9
Ezdan Holding Group	1.175	(1.6)	5,321.2	17.4
Qatar Oman Investment Company	0.665	(1.5)	1,080.7	20.9
The Commercial Bank	6.090	(1.5)	1,417.9	21.8

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Mazaya Qatar Real Estate Dev.	0.714	(0.1)	31,567.6	2.6
Qatar German Co for Med. Devices	1.700	2.8	22,765.0	35.2
Masraf Al Rayan	2.812	(1.3)	19,217.7	(11.3)
Dukhan Bank	3.420	0.0	13,279.5	0.0
Qatar Aluminum Manufacturing Co.	1.536	(1.3)	10,806.9	1.1

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	16.61	0.4	82,827.6	(7.7)
Masraf Al Rayan	2.812	(1.3)	54,118.2	(11.3)
Dukhan Bank	3.420	0.0	45,868.7	0.0
Qatari German Co for Med. Devices	1.700	2.8	38,832.6	35.2
Industries Qatar	13.13	1.0	32,601.9	2.5

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,741.82	0.1	1.0	5.5	0.6	163.53	171,971.0	12.8	1.5	4.6
Dubai#	3,559.09	(0.3)	(0.3)	0.4	6.7	100.56	169,859.9	8.7	1.2	5.0
Abu Dhabi#	9,634.80	(0.4)	(0.4)	(1.6)	(5.6)	233.83	719,683.9	29.5	2.6	1.9
Saudi Arabia	11,392.78	0.9	2.5	0.8	8.7	1,643.57	2,986,655.6	16.9	2.2	2.9
Kuwait	6,946.97	(0.2)	(1.2)	(2.7)	(4.7)	93.25	145,638.3	15.3	1.5	4.1
Oman	4,666.72	0.3	(1.2)	(1.1)	(3.9)	4.76	22,271.5	13.1	1.1	4.5
Bahrain	1,936.53	0.1	1.6	1.7	2.2	9.83	65,573.9	6.9	0.7	8.9

*Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (** TTM; * Value traded ($ mn) do not include special trades if any #Data as of May 12, 2023)*

Qatar Market Commentary

- The QE Index rose 0.1% to close at 10,741.8. The Insurance and Transportation indices led the gains. The index rose on the back of buying support from GCC shareholders despite selling pressure from Qatari, Arab and Foreign shareholders.
- Qatar General Insurance & Reinsurance Co. and Inma Holding were the top gainers, rising 9.9% and 9.3%, respectively. Among the top losers, Mesaieed Petrochemical Holding fell 2%, while Qatari Investors Group was down 1.7%.
- Volume of shares traded on Thursday fell by 18.9% to 220mn from 271.3mn on Wednesday. However, as compared to the 30-day moving average of 170mn, volume for the day was 29.4% higher. Mazaya Qatar Real Estate Dev. and Qatar German Co for Med. Devices were the most active stocks, contributing 14.3% and 10.3% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	33.50%	36.45%	(17,537,294.82)
Qatari Institutions	21.64%	21.35%	1,732,978.74
Qatari	**55.14%**	**57.79%**	**(15,804,316.08)**
GCC Individuals	0.54%	0.45%	563,099.40
GCC Institutions	6.87%	1.06%	34,566,512.82
GCC	**7.41%**	**1.51%**	**35,129,612.22**
Arab Individuals	14.36%	15.38%	(6,060,365.32)
Arab Institutions	0.00%	0.00%	-
Arab	**14.36%**	**15.38%**	**(6,060,365.32)**
Foreigners Individuals	2.50%	3.12%	(3,706,802.74)
Foreigners Institutions	20.59%	22.20%	(9,558,128.08)
Foreigners	**23.09%**	**25.32%**	**(13,264,930.82)**

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

Earnings Releases, Earnings Calendar and Global Economic Data

Earnings Releases

Company	Market	Currency	Revenue (mn) 1Q 2023	% Change YoY	Operating Profit (mn) 1Q 2023	% Change YoY	Net Profit (mn) 1Q 2023	% Change YoY
RAK Properties	Abu Dhabi	AED	258.60	141.0%	55.9	62.5%	44.6	46.2%
Abu Dhabi National Oil Co.	Abu Dhabi	AED	7,998.40	18.7%	625.9	-12.9%	541.9	-19.2%
Rak Ceramics	Abu Dhabi	AED	882.40	12.7%	NA	NA	80.1	14.9%
Arabian Cement Co	Saudi Arabia	SR	240.10	-7.4%	51.7	16.4%	49.2	17.4%
Mouwasat Medical Services Co.	Saudi Arabia	SR	664.22	17.2%	192.6	20.6%	166.6	10.9%
United Wire Factories Co.	Saudi Arabia	SR	227.20	-24.0%	6.0	-79.0%	4.5	-82.7%

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
11-05	US	Department of Labor	Initial Jobless Claims	May	264k	245k	242k
11-05	US	Department of Labor	Continuing Claims	Apr	1813k	1820k	1801k
11-05	US	Bureau of Labor Statistics	PPI Final Demand MoM	Apr	0.20%	0.30%	-0.40%
11-05	US	Bureau of Labor Statistics	PPI Final Demand YoY	Apr	2.30%	2.50%	2.70%
11-05	UK	Royal Institution of Chartered	RICS House Price Balance	Apr	-39.00%	-40.00%	-43.00%
11-05	UK	Bank of England	Bank of England Bank Rate	May	4.50%	4.50%	4.25%
12-05	UK	UK Office for National Statistics	Monthly GDP (MoM)	Mar	-0.30%	0.00%	0.00%
12-05	UK	UK Office for National Statistics	Industrial Production MoM	Mar	0.70%	0.10%	-0.10%
12-05	UK	UK Office for National Statistics	Industrial Production YoY	Mar	-2.00%	-2.90%	-2.70%
12-05	UK	UK Office for National Statistics	Manufacturing Production MoM	Mar	0.70%	0.00%	0.10%
12-05	UK	UK Office for National Statistics	Manufacturing Production YoY	Mar	-1.30%	-2.50%	-1.90%
12-05	UK	UK Office for National Statistics	GDP QoQ	1Q P	0.10%	0.10%	0.10%
12-05	UK	UK Office for National Statistics	GDP YoY	1Q P	0.20%	0.20%	0.60%
11-05	China	National Bureau of Statistics	CPI YoY	Apr	0.10%	0.30%	0.70%
11-05	China	National Bureau of Statistics	PPI YoY	Apr	-3.60%	-3.30%	-2.50%

Qatar

- **MSCI announces the result of the Semi-Annual Index review to become effective at close on 31 May –** For the MSCI Qatar Indices the outcome of the review follows below and inflows for Dukhan Bank are expected to be around $115mn:
  Addition(s) to the MSCI Qatar Index: Dukhan Bank (DUBK) added to MSCI Qatar Mid Cap Index.
  Reclassification: Migration of Masraf Al Rayan (MARK) from the MSCI Qatar Large Cap Index to the MSCI Qatar Mid Cap Index.
  Reclassification: Migration of Mesaieed (MPHC) from the MSCI Qatar Large Cap Index to the MSCI Qatar Mid Cap Index.
  Deletion(s) from the MSCI Qatar Small Cap Index: Aamal (AHCS). (QSE, QNBFS Research)
- **Increase Wakala Fees for Qatar Islamic Insurance Group from 27.5% to 33% -** This is to inform you that the approval of the Board of Directors and the Sharia Supervisory Board in the QISI has been taken to increase the Wakala Fees from the policyholder account to the shareholder account to be 33% instead of 27.5% as from 8.5.2023, which will be positively reflected in the profits of shareholder's account. (QSE)
- **Mekdam Holding Group to hold its EGM on June 11 for 2023 -** Mekdam Holding Group announces that the General Assembly Meeting EGM will

be held on 11/06/2023, St. Regis Doha Hotel and 04:00 PM. In case of not completing the legal quorum, the second meeting will be held on 18/06/2023, St. Regis Doha Hotel and 04:00 PM. 1) Considering and approving an increase in the group's capital by 40% (from QR75mn to QAR 105mn) by offering 30mn ordinary shares for private subscription to the shareholders of Mekdam Holding Group and those who have rights to subscribe to the shares by (2) two shares For every (5) five shares owned (hereinafter referred to as "subscription rights") in accordance with the provisions of the Commercial Companies Law No. (11) of 2015 amended by Law No. 8 of 2021 and the Offering and Listing of Securities Regulations and the Rights Issue Trading System issued by the Qatar Markets Authority Finance. The price of the new shares will be QR2.51 (QR1 nominal value plus QR1.51 issuance premium) for each share. The issuance premium includes the offering fee, which will not exceed 1% of the value of the subscribed shares. Provided that the group obtains the necessary approvals from the regulatory and competent authorities during and upon completion of the procedures. 2) Considering and approving the mechanism for trading the subscription rights granted to the shareholders of the group in accordance with the provisions of Article (195) of the Commercial Companies Law No. (11) of 2015 amended by Law No. 8 of 2021 and the system of offering and listing of securities and the system of trading of subscription rights issued by the Qatar Financial Markets Authority 3) Considering and approving the authorization of the Chairman of the Board of Directors to set a date and announce the start and end of periods for trading rights issue and subscription to new shares and all information according to the applicable laws and regulations. (QSE)

- **Qatar Sells QR500mn 91-day Bills at Yield 5.645% -** Qatar sold QR500mn ($137.05mn) of bills due Aug. 10. The bills have a yield of 5.645% and settled May 11. (Bloomberg)

- **Qatar Sells QR1bn 364-day Bills at Yield 5.75% -** Qatar sold QR1bn ($274.1mn) of bills due May 9, 2024. The bills have a yield of 5.75% and settled May 11. (Bloomberg)

- **Qatar Sells QR1bn 7-day Bills at Yield 5.505% -** Qatar sold QR1bn ($274.1mn) of bills due May 18 on May 10. The bills have a yield of 5.505% and settled May 11. (Bloomberg)

- **FocusEconomics: Qatar economic data remains positive on growth in PMI, surge in tourist arrivals -** Available Qatar economic data remains positive, researcher FocusEconomics said citing surge in tourist arrivals and strong growth in private sector Purchasing Managers' Index (PMI) in the country. In its latest country update, FocusEconomics noted tourist arrivals surged in the first quarter (Q1) of 2023. Official figures indicate Qatar's tourism sector is gaining strength, which is reflected on the arrival numbers for the first quarter of 2023 that has hit record numbers – over 1.16mn by the end of March. FocusEconomics said the private-sector PMI rose strongly from February onward to a nine-month high in April. The country's economy expanded 8% year on year in the fourth quarter (Q4) of 2022, a multi-year high. It was spearheaded by the non-energy sector, with the FIFA World Cup spurring the transport, retail and hospitality industries. The energy sector also recorded robust growth. Energy output increased by 14.3% in annual terms in February. In contrast, the public sector performed sluggishly, likely linked to school closures and reduced government office hours during the month-long sporting event. On the flipside, the construction sector appears to be cooling amid the end of the World Cup construction boom and higher interest rates, with building permits declining year on year in Q1. FocusEconomics noted the economy will lose steam this year on slowing building activity, rising borrowing costs and flagging external demand. That said, ongoing gas sector development and a stronger tourism industry will provide support. Improved relations with Arab neighbors are an upside risk; for instance, in mid-April Qatar and Bahrain announced they would restore ties. FocusEconomics panelists see GDP expanding 2.5% in 2023, which is down by 0.1percentage points from one month ago and expanding 2.5% in 2024. Inflation fell to 4% in March from 4.4% in February this year. The Qatar Central Bank (QCB) hiked its policy rates by 25 basis points (0.25%) in May, in line with the Fed, with the lending rate rising to 6%. In 2023, FocusEconomics panelists see inflation moderating from last year as borrowing costs rise, the World-Cup-related demand surge ends, and commodity prices recede. FocusEconomics panelists see consumer prices rising 2.9% in 2023, which is down by 0.1 percentage points from one month ago and rising 2.2% in 2024. According to FocusEconomics, Qatar's GDP would scale up to $272bn by 2027 from $218bn this year. GDP per capita, it said, would reach $108,095 in 2027 from $83,318 this year. Next year, GDP per capita has been estimated at $85,993 and $91,254 in 2025 and $99,978 in 2026. Merchandise exports have been estimated to reach $127.8bn in 2027 from $112.2bn in 2023, $110.8bn (2024), $108.3bn (2025) and $117.4bn (2026). Fiscal balance (as a percentage of GDP) has been estimated at 7.1% this year, 5.7% (2024), 5% (2025), 6.5% (2026) and 6.2% (2027). Public debt (as a percentage of GDP) has been estimated at 43.8% this year, 44.2% (2024), 42.8% (2025), 40.6% (2026) and 38% (2027). (Gulf Times)

- **S&P: Qatar's government debt to fall to 27% of GDP by 2026 -** Qatar's government debt is expected to scale down to 27% of GDP (gross domestic product) by 2026 from about 45% in 2022, according to Standard and Poor's (S&P), an international credit rating agency. In its latest report, the rating agency said thes government intends to reduce its overall debt-to-GDP ratio and to rebalance the share of foreign currency debt in the total, aiming for 50%, from 56% in 2022. Expecting the government's debt-repayment strategy to reduce total general government debt to 27% of GDP by 2026, from about 45% in 2022; the report said Qatar's net fiscal asset position will remain a rating strength, averaging 105% of GDP over 2023-26. Despite the strong aggregate external position, Qatar stands out in the GCC (Gulf Co-operation Council) as having a "significant" amount of net external banking sector liabilities, mainly divided between short-term non-resident deposits and, more recently, interbank lines, which keep external financing needs high, it said. Qatar ran current account surpluses over 2017-19, but at the same time, borrowed externally to fund infrastructure investment within the country, according to S&P. "Given the elevated level of financial sector external debt, in our view, Qatari banks could be vulnerable to shifts in investor sentiment amid the tightening of monetary policy," it said. Finding the recent declining trend in banking sector external liabilities, prompted by the Qatar Central Bank's (QCB's) regulatory directives; the rating agency said: "We expect this trend will continue as nonresident deposits mature and credit growth slows in line with weaker economic activity and following the completion of some major infrastructure projects." Beyond the risks stemming from banks' short-term external funding profiles, the financial system coped well with the pandemic and the subsequent withdrawal of forbearance measures, according to S&P. Stressing that the rising interest rates should support profitability and bolster already strong levels of capitalization; it said as a result, "we expect credit losses will remain elevated in 2022, at about double their pre-pandemic rates of 50 basis points (bps), but that asset quality will remain robust." Finding that inflation increased in Qatar last year, averaging 5%; S&P said it expects the consumer price index to moderate to 3% in 2023. Amid rising inflation, the QCB has increased the repurchase rate by 475 bps since the beginning of 2022, to 5.75% in March 2023, following the rate hikes by the US Federal Reserve. Since January 2022, QCB repo rate has risen from 1% to 1.25% in March, then to 1.75% in May, 2.5% in June, 3.25% in July, 4% in September, 4.75% in November, 5.25% in December, 5.5% in March and 5.75% in May 2023. In 2022, the average repo rate was 2.77% and it was 1% in 2021. "We expect the Qatari riyal to remain pegged to the US dollar and QCB interest rate policy to broadly follow that of the US Federal Reserve," it said. (Gulf Times)

- **Qatar, Gulf region seen well positioned to set up climate tech hubs with SWF support -** The Gulf sovereign funds can establish innovation hubs centered on emerging climate tech themes, as the region is well positioned to seize the opportunity within climate tech, according to an analyst of DAI Magister, an investment bank advising international technology and climate companies. In this regard, Ali al-Suhail, associate at DAI Magister, made special mention of Qatar, whose sovereign wealth fund Qatar Investment Authority's (QIA) multi-bn dollar investment in Germany's RWE's accelerated 'Growing Green' strategy and Unibio, a leading sustainable protein company, partnering with Doha-based Gulf Biotech to construct the first single-cell protein plant. "Looking to diversify away from oil revenues, climate tech is a natural investment target. By embracing climate tech, Gulf States can build specialized hubs, align with strategic goals such as food security and logistics, and position themselves as key players in the global energy transition. It also will also offer them an opportunity to create future jobs for their young populations," said Ali al-Suhail, associate at DAI Magister. He highlighted that climate tech investments attracted over $50bn in 2022 and recent COP hosts (UK and Egypt) estimate that the sector needs $1tn of investments to meet climate goals. The sector is diversifying beyond energy and mobility to include areas as industrial tech (hydrogen), agri-food, and built environment. The Gulf countries are "well positioned to seize the opportunity within climate tech; thanks to their growing oil revenues and serious diversification visions," he said, adding Gulf sovereign funds can establish innovation hubs centered around emerging climate tech themes, leveraging their central location, large ports, and extensive land reserves. Themes such as built environment, industrial material, and food and agri-tech provide them with excellent opportunities to shape the future, he said. Finding that investment into climate tech companies is usually more complex and requires higher capital intensity as most of these investments involve infrastructure elements like solar panels and robotics; he said Gulf sovereign funds are well-suited to tackle such complexity due to their long investment horizons and access to significant capital. Highlighting that novel food proteins is one sector where emerging companies are taking the advantage of the vast land resources; he said in Qatar, Unibio, a leading sustainable protein company, has partnered with Gulf Biotech, an industrial biotech investor, to construct the first single-cell protein plant in the country. The Gulf region has also long experience in shaping and influencing the global energy markets providing them with a unique insight into how the sovereign funds can utilize new energy, whether wind or solar panels. It also has extensive experience in producing and exporting liquefied natural gas (LNG) which has a lot of parallels with one of the hottest trends in industrial tech – hydrogen. Stressing that the sovereign funds can perceive investing into climate tech for purely return purposes in that regard and its diversification potential; he said they should focus on companies with a vast market potential and a solid business model that is commercially driven. "The funds are moving in this direction as QIA recently invested $2.5bn to acquire 10% of RWE, a German utility, to help it acquire a solar business in America. However, there is a larger opportunity to grab here," he said. (Gulf Times)

- **Realty sales in Qatar continue to remain steady in Q2 -** The current sales market in the country continues to remain steady during the second quarter of 2023 says experts from the real estate industry. "People were expecting a decline in the market, but we have not seen that yet. The prices have been firm since the World Cup," said Jeffrey Asselstine, managing director of NelsonPark Property. He said that "There are a number of excellent brand-new options we brought to market through our developers." In addition to the buyers coming to the market, the official stated that there has been a high volume of sales, especially on infrastructure developments. Hence, the sales have doubled in Q1 compared to the previous quarters, said the official. He also highlighted that the number of people inquiring regarding the sales market has surged over time. However, reports state that there has been no major impact affecting the prices in the market. Experts elucidate that one of the key things that could affect the market is the global economy in terms of the US and Western economies. Speaking to The Peninsula, Mahdi Hachana, Director of Sales and Marketing at Ibn Ajayan Projects Real Estate said: As you may know, there has been stability in the market after the World Cup, which is great news for investors and stakeholders. He said "One of the reasons for this stability is how Qatar deals with investors as actual partners and supports the real estate market. It's encouraging to see this level of collaboration and commitment toward sustainable growth." "The adjustment in the real estate market will have a positive impact on the state. We're looking forward to seeing the benefits of this adjustment in the coming months, he added. "The demand for realty projects has increased and from the past few years we have seen an increase in demand for sales, said Jawdat Al Kateb, General Manager of Coreo real estate. He said that "A lot of international events are happening in Qatar and many projects including energy expansion, new tech companies, and start-up techs have also entered the market. So with people pouring in, the increase in demand for sales is anticipated." Having obtained a huge number of occupancy rates, the real estate official said that the sales continue to thrive fostering the growth of Qatar's economy. "We received a huge demand and have reached huge levels of occupancy as well. Nearly 100% occupancy in many towers," he noted. He further added that "Each tower is running between 95 to 100% current occupancy. We are carrying out something that is probably unique which was not done in the past few years, and this results in the continued growth of the current sales." During Eid and Ramadan in the first month of quarter 2, the sales in the country soared in several sectors. This includes the gold market, e-commerce, hospitality, restaurants and hotels, residential marts, and housing properties. (Peninsula Qatar)

- **Emerging technologies aim to reduce carbon footprint -** Businesses need to embrace modular and scalable platforms that are based on new emerging technologies to reduce the impact of carbon footprint for cleaner, better, and sustainable tomorrow. The Ministry of Municipality organized '3rd Recycling Towards Sustainability Conference & Exhibition' which highlighted waste management, recycling, and sustainability. Aisha Hamad Al Rumaihi, Phd student at HBKU in field of sustainable and energy discussed her research on pyrolysis technology to produce biochar and other bi products such as oil and gas. She said, "The population has increased in the last few years which is associated with the generation and accumulation of more waste. The carbon footprint of the entire plastic value chain in the world is estimated to be 850 metric ton and with the current levels of planned and estimated growth overall emissions from plastic production could double by 2030 and quadruple by 2050 to an estimated 2800 metric ton." Speaking about the use of 'pyrolysis technology' she noted that improper solid waste management has led to increasing GHG emissions and climate change. New emerging technologies are needed to handle solid waste and convert them into fuel and other products that can add value to the society and economy. So, pyrolysis has emerged over the years one of the cost effective, scalable and simplest technologies. She explained that pyrolysis is a complex, multi-step process by which organic matter is thermally disintegrated under the effect of controlled application of heat within varying temperature ranges that provide the energy required to decompose the feedstock's chemical structure. "The type of waste that we are analyzing or decomposing using this technology is date pits and camel manure. Al Rumaihi elaborated that as Qatar is home to 127,000 racing camels, hence we are producing 0.9448 tonnes of camel manure per year. Additionally, the country produces around 29,000 tons of dates every year, so we are generating a lot of date pits. Due to the approximate structure of the manure and date pits are very beneficial in terms of producing a biochar which we apply to the soil and will enhance its quality," she added. Elaborating about the reason for using pyrolysis technology in Qatar, she said, Qatar has an arid desert climate and sandy soil with high salinity levels, low amounts of nutrients. Seawater is the most important source of water for the people, accounting for about half of the water used. Water is desalinated through a costly and energy-intensive thermal process. Hence by using pyrolysis technology it will transfer that and treat solid waste in Qatar and will help in meeting water, energy and food security. So, once "we treat the waste we will have the bio char and we will apply it to the soil. She also explained about some of the benefits of biochar production and application in Qatar soil which include firstly, soil improvements that is it will enhance the crop yield by improving soil fertility, increase concentration of organic carbon, improve soil aeration and microbial ecology, and enhance soil pH for better plant growth. Secondly, water management - it will increase water retention and hence reducing water usage. Thirdly, for environmental benefits - it will lock the carbon emissions from the soil and reduce GHGs emissions. The two-day event was held under the slogan "Together We Make the Difference for a Sustainable Future" for exchanging expertise and experiences about the latest methods and technologies in the field of waste recycling and treatment. Over 35 waste recycling and management experts addressed several sessions at the conference. An associated exhibition hosting 40 pavilions showcased the latest technologies, products, and services in the field of waste management and recycling. (Peninsula Qatar)

- **USQBC hosts sideline reception for SelectUSA Investment Summit -** The US-Qatar Business Council (USQBC) hosted an evening reception on the sidelines of the SelectUSA Investment Summit on May 3 at USQBC's head office in Washington, DC. The event brought together senior government and private sector officials from the United States and Qatar, USQBC members, and the wider business community to discuss investment and trade opportunities and strengthen bilateral economic cooperation. The event featured the following speakers: H E Saleh Majid Al Khulaifi, Deputy Undersecretary for Industry and Business Development, Ministry of Commerce and Industry of Qatar; Camille Richardson, Deputy Assistant Secretary of Commerce for the Middle East and Africa (MEA) Global Markets, US Department of Commerce; Natalie Baker, Deputy Chief of Mission, US Embassy in Qatar; Scott Taylor, President, USQBC; Mohammed Barakat, Managing Director and Treasurer of the Board of Directors, USQBC "Qatar's delegation to the SelectUSA Investment Summit demonstrates the commitment the country has to increasing its investment in the United States," said Saleh Al Khulaifi, Deputy. "Sectors such as artificial intelligence, infrastructure, energy, technology, and hospitality in the US are very dynamic, among others, and are some of the high priority areas for targeted for Qatari-led investment." "The two-way trade and investment relationship between Qatar and the United States is a critical component of the partnership between our two countries," said Camille Richardson, Deputy Assistant Secretary of Commerce for the Middle East and Africa (MEA), Global Markets, US Department of Commerce. "Qatar is already an important investor and the United States and the US Department of Commerce is committed to further expanding these investment inflows." "Qatar's private sector and sovereign wealth fund already invest in the United States, taking advantage of the robust opportunities in the world's largest market for goods and services," said Natalie Baker. "These investment ties are expanding in size, and into new states and territories, thanks to the mutual economic benefits and the close relationship between of our countries. The US Embassy in Qatar looks forward to facilitating continued collaboration." "Qatar's investment in the United States improves the American economy and creates jobs for American families," said Scott Taylor, President of US-Qatar Business Council. "USQBC foresees even greater investment in the US from Qatar's public and private sectors and we look forward to working with entities on both sides to facilitate these commercial partnerships." "Qatar is an increasingly large investor in the United States across a variety of sectors including real estate, hospitality, sports, and technology," said Mohammed Barakat. "As the two nations partnership continues to grow and expand, we look forward to even greater commercial partnerships and investments." The SelectUSA Investment Summit is the premier event for promoting foreign direct investment (FDI) in the United States. The summit provides an opportunity for international investors to learn about the US business environment, connect with economic development organizations from across the country, and explore investment opportunities in various sectors. In 2020, the Qatar Investment Authority pledged to invest $45bn in the United States over the coming years, with key investments already having been made across multiple sectors including oil and gas, financial technology, real estate, food production, hospitality, among others. Some notable investments by QIA in the United States include EatJust, Inc. which secured $200mn in funding, Califia Farms which received a $225mn Series D financing, and So-Fi which closed over $500mn in equity financing. (Peninsula Qatar)

- **Qatar agro market projected to reach over $200mn by 2028 -** The agricultural sector of Qatar has expanded as the country has made tremendous efforts by adopting sustainable and smart agricultural techniques which aim to enhance food security. Qatar's agriculture market is projected to reach more than $200m in 2028, said an expert. The Ministry of Municipality organized '3rd Recycling Towards Sustainability Conference & Exhibition' which highlighted waste management, recycling, and sustainability. Fatima Ghassan Alabtah, Postdoctoral Research Associate, Texas A&M University at Qatar, shed light on research related to the growth in the agricultural market size in Qatar. Addressing the session entitled 'Sustainable Bio-Composites for Engineering Applications from Renewable Plant Resources: Opportunities and Challenges in Qatar, she said, "Qatar's climate is characterized by low rainfall and high temperatures. Despite these challenges, the country has made tremendous efforts over the past few years by adopting sustainable and smart agriculture techniques, towards achieving food security and self-reliance." "Qatar achieved several of the goals of its food security policy in 2021 as local vegetable output increased from roughly 66,000 metric tonnes to over 103,000 metric tonnes, resulting in a 70% self-sufficiency rate in 2023. Qatar's agriculture market was valued at $143.55m in 2020 and is projected to reach $209.97m in 2028, growing at a compound annual growth rate (CAGR) of 4.87% from 2021 to 2028," she added. The expert further explained, as a result of agricultural growth, agricultural and bio-waste generation has increased where biowaste includes crop residues such as corn husk and agricultural residues such as stalks and leaves. Speaking about agricultural waste, she noted that these wastes are typically burned or disposed of in landfills, leading to environmental pollution and degradation. Biowaste can be transformed into valuable resources and high-value products by extracting the fibers and using them in the fabrication of polymer composite components. Elaborating on the challenges, she noted that despite all the advantages there are challenges and barriers for the development of bio-composites. The main drawback is the inconsistency of natural fibers' properties. "We have found out that the properties vary from one harvesting season to another or even from one plant to another. The second drawback is the high sensitivity where the hydrophilic nature of natural fibers leads to their low microbial resistance. Also, we have poor fiber-matrix bonding and low thermal stability." The objectives of our research are to develop novel and innovative concepts to utilize biowaste in useful and high-value engineering products, Alabtah said. She added, to create a database for all types of Qatari Lignocellulosic natural fibers by exploring their characteristics properties, and behavior which may open a new direction in diverse applications. "We will also investigate the feasibility of extracting fibers from the local lignocellulosic plants in Qatar, particularly date palm, tomato, eggplant, and corn biomass and study the effect of different chemical treatments of fibers on the interfacial properties and bond strength between the fibers and the matrix. Also, to determine optimum preparation conditions and characteristics of the bio composites including chemical, mechanical, and surface characterization," Alabtah said. (Peninsula Qatar)

- **Tourism official: Qatar witnesses 31% surge in hotel keys -** In a remarkable feat leading up to the World Cup last year, Qatar has achieved an unprecedented expansion in terms of the number of hotel keys by a staggering 31% compared to previous years. Qatar Tourism COO, Berthold Trenkel, said: "A year ago versus today, we have 31% more keys, that's a massive expansion probably no country has achieved in such a short time, this venue [Fairmont Doha] didn't exist a year ago." He was speaking at a panel discussion on Wednesday at the UFI MEA Conference, which was recently concluded. The latest data from Qatar Tourism revealed that the country has a total of 38,506 hotel and apartment keys. Among the recently opened hotels in the country are Katara Towers, home to Fairmont Doha and Raffles Doha, The Ned Doha, Rixos Gulf Hotel Doha Resort, and Waldorf Astoria Lusail Doha, among others. By the end of this year, Qatar will have over 40,000 hotel keys, 330,000 residential units, and 6.5mn sqm of office space, according to ValuStrat, a leading consultancy and advisory firm in the Middle East. It explained that at least 46 hotels comprising 9,000 keys opened last year and 62% of them are in the 5-star category. 40% of the total number of hotel rooms were in the Lusail and West Bay areas. Trenkel also mentioned the rise in arriving passengers for the first quarter of this year. "When I look at the arrival numbers, March this year we were beating the month of November which was the month of World Cup, we [are] nearly in the hotels' reach the performance of December 2022 which was FIFA World Cup Qatar, and of course, those were the time where everything was leisure, and now is the time to make sure that the MICE [Meetings, Incentives, Conferences, and Exhibitions] pillar is full rolling and we're taking off." Last week, Hamad International Airport recorded a 44.5% increase in passenger traffic and an 18.65% increase in aircraft movements during the first quarter of the year compared to the same period last year. The airport saw a total of 10,315,695 passengers during the first quarter of 2023. Aircraft movements also increased compared to last year, with a total of 56,417 arriving and departing from the airport. (Peninsula Qatar)

- **Qatar sets stage for easy and service excellence-focused MICE events -** Planning a Meetings, Incentives, Conferences, and Exhibitions (MICE) event in Qatar is convenient due to the country's renowned status as one of the world's most open nations, from visa facilitation, unparalleled venues and hotels, organizers can expect a hassle-free experience when arranging their event here. With its efficient B2B visa solutions, obtaining necessary visas for participants will be a hassle-free experience. Moreover, the country's commitment to leveraging any MICE event ensures that organizers and attendees can expect unmatched support and resources to make their event a resounding success. Qatar Tourism COO, Berthold Trenkel said in a panel discussion "Qatar – a new rising regional hub for the MICE industry," during the UFI MEA Conference that: "when we talk about MICE, this is a massive tool that simplifies who wants to organize [here] because you will not have any headaches with visa, because there is a B2B solutions for visa as well – again it's a unique thing, that is being leverage for large scale events, where MICE falls under. Whether we have an event, exhibition or any large-scale event or down to destination wedding, we will be leveraging this." When it comes to selecting a destination for a MICE event, Qatar is a top choice due to its exceptional attributes. One significant factor is its seamless connectivity, allowing delegates from around the world to easily reach the country through its state-of-the-art Hamad International Airport (HIA), which serves as a major transit hub. Moreover, Qatar's unique blend of modernity and tradition provides an enchanting backdrop for events, with sleek skyscrapers juxtaposed against historic landmarks. Adding to its allure, the country is renowned for its unwavering commitment to service excellence and quality. Trenkel explained: "In Qatar, we are competing with quality and service excellence – these are the two key things we want to be known for and stand out." "Qatar has the best mix for someone coming from outside the region to really expand the GCC, you get tradition, heritage and values we present in the region, the same time we have the modern infrastructures, and not to mention again we keep rubbing this point, (we have the) Best Airline (Qatar Airways), Best Airport (HIA), and we will use that to our advantage." "The connectivity of Qatar Airways is a huge play, the whole visa part is different, last thing is because it's a small country, when we do things we do about MICE, we can connect from immigration to customs to Ministry of Culture, Ministry of Interior – players make things happen that others can't and that's very important when you're trying to pull off something complicated, you need to be able to have a government that works together, where people are available 'round the clock, where you can get an approval overnight, and we've done it so many times." The COO provided assurance that any business organization intending to host a MICE event in Qatar will be highly valued and prioritized. "We can deliver on things either on standard or exception, service excellence you can't get anything else in Qatar." The UFI MEA Conference was held from May 9-11 for the first time in the country bringing business professionals worldwide. (Peninsula Qatar)

- **Asian Cup to begin with holders Qatar vs Lebanon at Al Bayt Stadium -** Hosts Qatar will open their Asian Cup defense against Lebanon at Al Bayt Stadium in Al Khor on January 12, 2024, after the draw for the continental showpiece was held at the Katara Opera House Thursday. Qatar – who won the Asian Cup for the first time in the 2019 edition held in the UAE – will also play against China and tournament debutants Tajikistan in their other Group A matches. Since the unimpressive performance of the Qatar team in the World Cup last year, former Real Madrid and Iran coach Carlos Queiroz has replaced long-serving Felix Sanchez and the Portuguese veteran said it was time for Qatar to 'deliver' on the pitch. "We want to compete against the best and try to beat the best. It is not about the opponents but about us, and now it is time to deliver, work and be well prepared. The most important thing is to play good football, to have fun and bring as much pride and honour for the country," Queiroz said Thursday. Qatar captain Hassan al-Haydos – who was one of the draw assistants at the draw ceremony Thursday – said his team will go with all guns blazing to retain the title. "Playing at the big stage in Asia is always an honor and to be able to defend the trophy at home will be even more special. I can't wait to play in front of our fantastic fans and we will try to do everything to make them proud," said the Al Sadd forward. Twenty-four teams from across the continent learned their fate finally Thursday. The tournament was initially slated for this summer with China as hosts but was moved because of the country's strict Covid rules with Qatar stepping in as hosts. It is the third time the Asian Cup will return to Qatar after they hosted the championship in 1988 and 2011. Eight stadiums, six of which were used at the World Cup, will stage games at the Asian Cup in January-February. The other five groups have thrown up some interesting contests, with Australia, Uzbekistan, Syria and India all drawn in Group B, while three-time champions Iran faces Palestine, United Arab Emirates and Hong Kong in Group C. The most successful nation in Asian Cup history, Japan are in a tricky Group D with 2007 winners Iraq, Indonesia, and Vietnam. South Korea, Malaysia, Jordan and Bahrain make up Group E, with Saudi Arabia, also going for a fourth title, in Group F with Oman, Thailand and Kyrgyzstan. The top two from each of the six groups as well as the four best third-placed teams will progress to the knockout stage, with the final to be held at the Al Bayt on February 10. In his opening address Thursday, watched by FIFA President Gianni Infantino, Asian Football Confederation President Sheikh Salman bin Ebrahim al-Khalifa was confident the tournament will "the greatest edition ever" as he thanked Qatar and the Local Organizing Committee (LOC) for staging the tournament. (Gulf Times)
- **Seven new recycling factories to open soon near Mesaieed -** Seven new recycling factories are expected to start operations soon in Al Afja area for Recycling Industries, in a boost to country's recycling and sustainability efforts. Located in Mesaieed Industrial Area, approximately 40 kilometers south of Doha, Al Ajfa is being developed as a hub for recycling industry to meet Qatar's ambitious goals for sustainability and circular economy. "At present, 11 recycling factories are operating in Al Afja area. About seven factories are expected to start operations soon. As many as 12 factories are under construction," said Minister of Municipality H E Abdullah bin Abdulaziz bin Turki Al Subaie. Speaking at a recent event, the Minister said that the number of plots of lands which were allocated in Al Afja reached 252, out of which 53 plots are dedicated for recycling factories. "The Ministry of Municipality has prepared plans for the development of Al Afja area in phases," said the Minister. He said that Al Afja area for Recycling Industries was established by Qatar for forging partnership between government and private sectors in a bid to support the circular economy. The Minister said that the activities allowed to be carried out in Al Afja include recycling oil, medical waste, wood, metal, electronic items, plastic, tyres, batteries, segregation and recycling of construction waste and producing organic cement, recycling glass and cloth among others. "We are very confident that Al Afja area will witness a quantum leap in recycling sector as Qatar has all necessary capabilities to turn the country into a sustainable city," he added. He said that the Al Afja area is important in a way that it is located at a very strategic point near Waste Management Centre and Landfill in Mesaieed. The Minister also stressed the importance of the role of the private sector, which is executing the projects, while government agencies supervise these projects. He said the private sector will have a major role in the development of Al Afjah area, which is dedicated to recycling industries in the country. Following Qatar National Vision 2030, the state has been keen to achieve a balance between the components of sustainable development, which represents a comprehensive framework for improving the optimal utilization of waste with the participation of all institutions and groups of society at the governmental and private levels. (Peninsula Qatar)
- **GSAS implementation vital to achieve circular economy -** Qatar has intensified efforts to ensure sustainability by adopting sustainable practices and green building standards. The implementation of the Global Sustainability Assessment System (GSAS) is vital to achieve a circular economy. Speaking at the 3rd Recycling Towards Sustainability Conference and Exhibition 2023, Ruben Munoz, Head of GSAS Civil Group at Gulf Organization for Research and Development (GORD) discussed the topic entitled 'GORD GSAS Implementation for a Circular Economy: FIFA World Cup Qatar 2022 stadiums'. He presented the case study for the FIFA World Cup stadiums during construction and showed how 59% of the total solid waste generated in Qatar can be diverted from landfill by GSAS construction management. Speaking about GSAS certifications and project stages, he said, "We have three different types of certifications under GSAS and they cater for the three different phases of the construction projects. We measure the design practices with GSAS construction management and once the building is completed, we measure how it operates in a green way with GSAS operations." Referring to World Cup stadiums and how waste management was implemented using the GSAS construction management tool, Munoz pointed out that an average of 79% waste was diverted from the landfill. "In Qatar 75% of solid waste comes from the construction and demolition which means if

all the construction sites here follow the GSAS construction management then 59% of the total solid waste generated in the country would be diverted." Munoz also highlighted GORD's role for the upcoming Doha Horticultural Expo 2023 and new certifications for expos and festival sites. He said, "Horticultural Exhibition Expo 2023 Doha will be starting in October and is going to be certified under GSAS EcoLeaf. This will contain all the phases of the project from the design, construction, and operations during six months of the event and after that dismantling and legacy." GSAS EcoLeaf promotes sustainability concept and practices for design, construction and operations. Speaking about the best practices to reduce, reuse and recycle, he said, "We developed and implemented a robust waste tracking system. We have 62 projects covering 150mn square feet which have been registered under GSAS-CM that has been endorsed by projects such as FIFA stadiums, Qatar railway stations, Ashghal buildings, Hamad Port projects, Lusail City projects, as well as private and government buildings." "In GORD, we have GSAS operations which also deals with circular economy because waste management plan has to be implemented in the buildings that are being operated and on-site measurements as well, they are dealing with the recycling." Munoz presented the link between circular economy and climate change and explained the importance of circular economy in climate action. "Every year, an estimated 11.2bn tonnes of solid waste is collected worldwide. Waste contributes to about 5% of global greenhouse gas emissions, especially methane. So, with the circular economy we can reduce the waste and methane emissions," he said. He added, "For every ton of recycled paper, 17 trees and 50% of water can be saved. So, we have fewer natural resources to extract, less CO2 emissions from the production of goods and that's how circular economy manages to fights climate change. "We also have 62 buildings here, almost 6mn square meter certified and on them we have the stadiums, Qatar Foundation buildings, healthcare centers, buildings at The Pearl, Lulu Hypermarkets, Aspire, Sidra Hospital and Metro station. We have almost 2000 sustainability certified buildings. We have stadiums, Qatar Rail, Lusail, Ashghal, Manateq, and Hamad Port," he added. (Peninsula Qatar)

International

- **US bank deposits rise in early May, lending little changed at record high -** Deposits at US banks climbed in early May, ticking up from the lowest level in nearly two years while bank lending was little changed at a record level, Federal Reserve data released on Friday showed. Deposits climbed to $17.16tn in the week ended May 3, up about $67bn to mark the first increase in four weeks, the Fed's weekly snapshot of the banking system's assets and liabilities showed. Deposits, which had dropped substantially after the collapse in March of Silicon Valley Bank, rose at both large and small banks. Total bank credit was little changed at $17.37tn, while loans and leases for US households and businesses held at a record high $12.12tn, although annual loan growth is now the slowest in about a year. (Reuters)
- **Yellen hopeful of a solution to 'more difficult' debt ceiling showdown -** Treasury Secretary Janet Yellen on Saturday called a showdown over raising the US debt ceiling "more difficult" than in the past but said she remained hopeful a solution could be found to avert a first ever US default Yellen told Reuters in an interview on the sidelines of a meeting of Group of Seven finance officials in Japan that she hoped to update the US Congress within the next couple of weeks about when exactly Treasury would run out of funds to pay the government's bills. The US Treasury chief has called repeatedly for Congress to agree to raise the $31.4tn cap on federal borrowing to avert the "economic and financial catastrophe" that would ensue if the United States defaulted on its debts. British finance minister Jeremy Hunt told reporters the standoff posed a "very serious" threat to the global economy. "It would be absolutely devastating if America... was to have its GDP knocked off track by not reaching agreement," Hunt said on the sidelines of the G7 meetings. Yellen said her estimate last week that the Treasury may not be able to meet payment obligations as early as June 1 was consistent with Friday's report from the Congressional Budget Office warning of a "significant risk" of default in the first two weeks of June. President Joe Biden, a Democrat, insists Congress has a constitutional duty to raise the limit without conditions to fund previously approved spending. Republicans, who control the House of Representatives, want Biden to agree to sweeping budget cuts to secure their agreement. Unlike most developed countries, the US sets a ceiling on how much it can borrow. Because the government spends more than it takes in, lawmakers must periodically raise that cap. (Reuters)
- **Yellen expects US regulators to be open to mergers among midsize banks -** The current banking environment and pressures on earnings of some US regional banks may lead to some concentration in the sector, and regulators will likely be open to such mergers, Treasury Secretary Janet Yellen said on Saturday. Yellen told Reuters she did not see evidence of pressure on smaller community banks, which had a large percentage of insured deposits. She expressed confidence that nearly all banks had access to sufficient liquidity to guard against unexpected deposit outflows from uninsured depositors. However, she said a certain degree of consolidation in the regional and midsize banking sector could occur. She declined to discuss any specific banks. "This might be an environment in which we're going to see more mergers, and you know, that's something I think the regulators will be open to, if it occurs," she said in an interview on the sidelines of meetings of finance officials from the Group of Seven rich nations n Japan. Yellen sought to reassure her G7 partners this week that the US financial system was stable, saying the United States had taken action to strengthen confidence in its banking system after the failure of three regional banks since mid-March. On Friday she told Bloomberg TV that all three of those banks had tended to have substantial losses and a very high proportion of uninsured deposits but that the overall banking system was well-capitalized and still had "very solid earnings." (Reuters)
- **UK economy makes slow start to 2023 as inflation headwinds persist -** Britain's economy grew sluggishly in early 2023, better than the shallow recession once expected, but an unexpectedly sharp drop in output in March underscored how fragile its recovery remains. Gross domestic product (GDP) edged up 0.1% in the first three months of the year, official data showed on Friday, the same tepid pace as in the final quarter of 2022 and in line with economists' forecast in a Reuters poll. Output was 0.2% higher than a year earlier, the Office for National Statistics said. But GDP in March alone dropped 0.3%, compared with poll forecasts for it to hold steady. While industrial output and construction grew, the much larger services sector dropped 0.4%, reflecting weak car sales and retail, hurt by unusually rainy weather and high inflation. Widespread industrial action also weighed on economic activity in the first quarter, the statistics office said. "With the key services side of the economy continuing to slow in the face of higher borrowing costs and rising prices, it still feels like we're walking through treacle," said Tom Stevenson, personal investing director at fund manager Fidelity International. Britain's inflation rate topped 10% in March - double the level in the United States and higher than the euro zone's too - and on Thursday the Bank of England raised its main interest rate to 4.5%, the highest since 2008. The jump in inflation largely reflects the ongoing impact of a surge in the cost of natural gas imports and foodstuffs last year after Russia's invasion of Ukraine, which the BoE says has made Britain poorer. The central bank forecasts the economy will grow 0.25% in 2023 as a whole - a weak expansion though an upgrade on its prediction earlier this year of a 0.5% contraction. British GDP expanded at the same pace as the Eurozone's in the first quarter, but it has underperformed since the start of the COVID-19 pandemic - partly due to post-Brexit trade barriers and restrictions on hiring low-paid migrant workers. Output in the first quarter of 2023 was 0.5% lower than in the fourth quarter of 2019, before the coronavirus pandemic - a weaker rebound than in any other big, advanced economy. Finance minister Jeremy Hunt said Friday's data showed "growth is picking up much faster than anyone thought possible" but the government needed to "stay focused on competitive taxes, labor supply and productivity". Hunt's counterpart in the opposition Labor Party, Rachel Reeves, said Prime Minister Rishi Sunak's Conservative government was presiding over "managed decline". Sunak is likely to call a national election next year, ahead of a January 2025 deadline. Economic output in March was only 0.1% higher than in February 2020, the last full pre-pandemic month. "While recession is probably no longer on the cards, vulnerabilities resulting from higher borrowing costs and tighter credit are likely to dampen business and household activity this year," KPMG economist Yael Selfin said. Second-quarter growth is likely to be slowed by the effect of an extra public holiday in May for King Charles' coronation. Business

investment in the first quarter of 2023 was 3.2% higher than a year earlier, its smallest annual increase since late 2021, while the 0.2% rise in household consumption was the slowest in two years. The data showed Britain recorded a 31.5bn-pound ($39.8bn) trade deficit with the European Union in goods excluding precious metals in the first quarter, close to the record 33.2bn-pound gap in the three months to January. (Reuters)

Regional

- **NBK: GDP growth across GCC seen above 3% in 2024 -** National Bank of Kuwait sees overall GDP growth across the GCC region back above 3% in 2024 with non-oil growth steady and oil output starting to rise again. In a recent report, NBK said 2022 was one of strong economic outperformance in the GCC, with GDP growth hitting an 11-year high of 7.6% led by an Opec-led jump in oil production. This year growth will inevitably slow (to 1.7%) as oil production is cut, but NBK expects non-oil growth to hold up well at 3.9% as high oil prices cushion the impact on the region of the global slowdown and higher interest rates. NBK forecasts non-oil growth to be highest in Saudi Arabia (4.5%), as the kingdom presses on with its ambitious structural reform and investment drive. Activity in the UAE will slow from last year's super-strong levels, but buoyant tourism and property markets including a boost from China's reopening will be supportive. Kuwait should also register decent non-oil growth this year, albeit with manufacturing helped by the ramp-up of the new oil refinery. Activity in Qatar will experience a post-World Cup dip, but medium-term prospects are favorable given improved regional diplomatic ties and execution of gas-related mega projects due by 2026. Non-oil growth in Bahrain and Oman should be 3% or more this year, though fiscal consolidation will remain an important theme with both potentially recording deficits in 2023, NBK noted. The main upside risk to the outlook, it said, is from higher-than-expected oil prices, given potential tightness in the global oil market from H2, 2023. This would boost economic and fiscal outcomes across the region beyond what NBK has currently forecast. On the downside, the main risk is a larger-than-expected slowdown in the global economy, resulting in lower oil prices, softer regional economic activity and a return to fiscal deficits (or larger deficits in more vulnerable economies). Another key risk is from tighter financial conditions resulting from global interest rates remaining high. This would pressure spending and asset prices across the GCC region, NBK noted. (Gulf Times)

- **GCC economies bounce back with National Visions firmly in sight -** As global economies experience what the IMF has described as a "rocky recovery" post pandemic, marked by inflation, high interest rates and geopolitical uncertainty, GCC economies are bouncing back, even in the worst-affected sectors. This positive outlook is attributed to high oil prices and strong balance sheets at the sovereign and corporate levels, as well as continued diversification and economic resilience as countries pursue their National Visions. However, the wider Middle East remains more vulnerable to these global trends, according to the latest PwC Middle East Economy Watch - Advancing with National Visions firmly in sight According to the report, the GCC is especially well placed to implement their long-term National Vision transformation plans due to substantial financial resources to direct to their objectives, and the leadership continuity and commitment to see them through. Overall, progress on key KPIs across the region is promising, with some room for improvement on others. Saudi Arabia's Vision 2030, for example, is hitting the halfway mark from its announcement in 2016 and has seen an out-performance in some areas, such as its female workforce participation surging to 36%, already ahead of the 2030 target of 30%. The commitment to economic diversification is also paying off: the share of the non-oil economy is at 59% with non-oil GDP in 2022 being 15% larger in real terms and 28% in nominal terms compared to the pre-vision baseline. Richard Boxshall, Partner and Chief Economist commented: "The GCC as a whole is making good progress towards achieving its countries' National Visions, with areas of common focus including non-oil diversification, improving infrastructure, advancing digitalization, creating competitive business environments and workforce nationalization targets for the private sector. Most GCC countries are also advancing towards their sustainability objectives, such as investing in solar generation capacity. With COP28 on the horizon, we expect the momentum and reinvestments driving this transformation to increase". The report highlights that the region has been quick to secure the non-oil recovery, even in the hardest-hit sectors of hospitality, transportation and retail/wholesale trade. In 2022, the five GCC states for which regular tourism data is available, Saudi Arabia, UAE, Qatar, Bahrain, and Oman, showed a lag of -8% behind 2019 levels. However, by Q4, Qatar, Saudi and Bahrain were well above Q4-19 levels. The latest Middle East Economy Watch outlines that although factors including the pandemic created a loss in expat populations, these numbers have since recovered - rebounding by 2.8% in 2022 and expected to surpass 2019 levels later this year. Some countries such the the UAE and Saudi Arabia have set highly ambitious population expansions plans, fueling further investment in infrastructure. Stephen Anderson, Partner, Middle East Strategy and Markets Leader, said: "The GCC economies have shown great resilience in the face of many obstacles being experienced globally, with the growth of the non-oil economy and increased focus on sustainability enabling them to lead the diversification agenda on a larger scale. Continued government investment in strategic sectors and projects in pursuit of their National Visions will underpin future growth, allowing us to weather the worst of the global slowdown throughout 2023." (Peninsula Qatar)

- **Saudi: Industrial production increases by 4.1% in March 2023 -** The General Authority for Statistics said that The Industrial Production Index (IPI) increased by 4.1% in March 2023 compared to March 2022. The IPI continued to show positive growth rates due to the high production in mining and quarrying, manufacturing activity and electricity and gas supplies. The Authority issued a statistical release on IPI as follows: Annual growth rates of IPI: During 2022, the industrial production index recorded positive growth rates that peaked in April 2022, the annual growth rates began to gradually decrease from one month to another since May 2022, to record 4.1% increase in March 2023. Mining and quarrying main driver of IPI in March 2023: Relative weights of the mining and quarrying, manufacturing and electricity and gas supply sectors in the IPI are 74.5%, 22.6% and 2.9%, respectively. Thus, the trend of the industrial production index in the mining and quarrying sector dominates the trend in the general IPI. In March 2023, mining and quarrying grew by 1.6% compared to March 2022 as Saudi Arabia increased its oil production to more than 10mn barrels per day in March 2023. Manufacturing activity increased by 10.5% compared to the same month of the previous year. Electricity and gas supplies increased by 16.6%. Compared to February 2023, overall IPI increased by 0.2%, due to the increase of production in the three sub-sectors. Mining and quarrying sector increased by 0.1%, manufacturing sector increased by 0.3%, and electricity and gas supplies increased by 1.9%. (Zawya)

- **Saudi Aramco to postpone mega IPO of energy trading unit -** Saudi Aramco is pushing back a planned Riyadh initial public offering of its energy-trading business, a deal that would have ranked as one of the world's largest share sales this year, people with knowledge of the matter said. The state-controlled oil company has significantly slowed down preparatory work on the deal in recent months, according to the people, who asked not to be identified because the information is private. It hasn't set a new timeline for the listing, which may be postponed until next year unless the market improves, one of the people said. Aramco had been planning to list the business in late 2022 or early this year and was considering seeking a valuation of more than $30bn, Bloomberg News reported previously. It now feels it could be difficult to list such a large business on the Riyadh bourse at the moment, the people said. The Saudi firm also wants to take more time to complete the integration of its main trading unit with the trading arm of its US refining business Motiva Enterprises before proceeding with the IPO, the people said. Aramco has been working with banks including Goldman Sachs Group, JPMorgan Chase & Co. and Morgan Stanley as it studies the potential IPO, people with knowledge of the matter have said. Deliberations are ongoing, and details of the offering could change, the people said. A representative for Aramco declined to comment. Profits from trading oil, gas and refined fuel have soared recently. BP, Shell and TotalEnergies together made $37bn of trading income last year, according to Sanford C. Bernstein & Co., as energy prices and volatility jumped following Russia's attack on Ukraine and as economies recovered from the pandemic. (Bloomberg)

- **PIF-Backed Oil Driller Is Said to Delay $1bn Saudi IPO -** ADES International Holding, the oil and gas driller backed by Saudi Arabia's sovereign wealth fund, has delayed its planned initial public offering to the second half of the year, according to people familiar with the matter. The company planned to start gauging demand for the offering in March, but decided to hold off until later, the people said, asking not to be identified as the information isn't public. There isn't now enough time to complete the deal before a long public holiday at the end of June, they said. ADES wants to ensure the timing is right for an IPO of its size, given Middle East markets have lost some of their exuberance from last year, the people said. The deal could raise about $1bn, Bloomberg News has reported, making it one of the bigger listings planned in the kingdom this year. Deliberations are still ongoing and details such as timing and size could change, the people added. A representative for ADES wasn't able to comment. Saudi Aramco is also pushing back a planned Riyadh initial public offering of its energy-trading business, a deal that would have ranked as one of the world's largest share sales this year, Bloomberg reported earlier Thursday. While Persian Gulf markets remain busier than most others in terms of listings, they've quietened down significantly from last year when the region accounted for half of the IPO haul in all of Europe, the Middle East and Africa. Oil prices have fallen from the highs hit in 2022 after Russia's invasion of Ukraine, amid fears of a recession and bank failures in the US. The kingdom's benchmark Tadawul All Share Index has dropped by about 16% over the past year. Just $72mn has been raised in Saudi IPOs this year, the least year-to-date since 2014, data compiled by Bloomberg show. Still, there are some signs of life in the market, with a pharmaceuticals company recently announcing plans to list. Saudi Arabia's Public Investment Fund teamed up with the major owners of ADES to take the business private in 2021, in a deal valuing the company at about $516mn. ADES, which provides oil-and-gas drilling and production services in the Middle East and North Africa, has since grown through acquisitions. The company bought seven jack-up rigs last year from Seadrill Ltd. for about $628mn in cash. In all, ADES has 84 onshore and offshore rigs across markets including Saudi Arabia, Kuwait, Qatar, Egypt, Algeria, and Tunisia, it said at the time. Its clients include Saudi Arabian Oil Co. and Kuwait Oil Co. (Bloomberg)

- **Lucid losses put Saudi Arabia's EV strategy in the headlamps -** Lucid's electric vehicles are often displayed prominently at public events and financial conferences in Saudi Arabia to symbolize its crown prince's multi-bn dollar "Vision 2030". The electric car maker is among the biggest U.S. investments by Saudi Arabia's Public Investment Fund (PIF) which has been tasked with driving the kingdom's ambitious plan to cut its reliance on oil revenue. For PIF, the Lucid (LCID.O) bet is proving challenging. The U.S. company, in which PIF owns a 60.46% stake, fell well short of analyst forecasts on Tuesday with a sharp first quarter revenue fall and a cut to its 2023 production outlook. That performance could put another potential dent in Saudi plans to build its own EV industry, which includes Lucid's first manufacturing plant outside the U.S., as part of its far-reaching diversification plan led by Crown Prince Mohammed bin Salman. Prince Mohammed is also chairman of PIF, the $620bn fund which is expected to contribute 1.2tn riyals ($320bn) to non-oil GDP through its portfolio companies and create 1.8mn new jobs between 2021 and 2025. "The EV manufacturing plan is still one of the boldest parts of the Saudi plan," said Justin Alexander, director at Khalij Economics and Gulf analyst at GlobalSource Partners. "Most new EV firms that aren't Tesla (TSLA.O) are struggling." Shares in California-based Lucid, which has posted net accumulating losses of over $4.6bn since Q1 2020, closed 5.6% lower at $7.28 on Tuesday after the results. They were trading around $7.24 at 1615 GMT on Wednesday. That made PIF's stake worth about $8bn, according to Reuters calculations. Its investment was worth about $17.4bn in mid-2022, the wealth fund's bond prospectus showed, and around $26bn when Lucid was listed in 2021. PIF and Lucid did not respond to requests for comment. For all the bumps in the road, Saudi Arabia has remained a committed investor in Lucid, whose Q1 investor presentation says PIF has invested around $3.6bn in it since 2018. And in March this year, 97.2% PIF-owned GIB loaned Lucid about $266mn and roughly the same amount in April 2022, while the government-owned Saudi Industrial Development Fund also loaned the company about $1.4bn in 2022. There was even speculation earlier this year that PIF would buy Lucid out altogether. The Saudi government has agreed with Lucid to buy up to 100,00 of its vehicles over the next decade. And construction of Lucid's Jeddah plant, targeting peak production of up to 155,000 cars a year, got underway last year, local media reported. Re-assembly operations are expected to begin in September, Lucid said in its presentation. "Rather than fixing on short term results, the future of PIF's stake in Lucid will be dependent on the plans to build a Lucid factory in Saudi, on taking Lucid private again and/or on the potential integration with Ceer," said Global SWF Managing Director Diego Lopez of plans for a new Saudi EV maker. Ceer, a joint venture with Apple (AAPL.O) supplier Foxconn (2317.TW) which was announced in November, aims to draw over $150mn in foreign direct investment, create up to 30,000 jobs and contribute $8bn to Saudi GDP by 2034. (Reuters)

- **Saudi Arabia calls for establishment of Gulf local content unit -** The Federation of Saudi Chambers adopted a proposal calling for the establishment of a Gulf local content unit, by concluding an agreement between the Gulf Cooperation Council (GCC) countries to harmonize Gulf content and classify local products as a local product in the GCC countries. This came during the periodic consultative meeting among the GCC trade ministers with the heads of federations and chambers of the GCC countries, which was hosted in the Omani capital, Muscat. The President of the Federation of Gulf and Saudi Chambers, Hassan bin Mujib Al-Huwaizi, praised the efforts of the GCC leaders in managing economic development programs, calling for increasing trade exchange and commercial movement between companies and developing programs to support small and medium enterprises, digital transformation, free and electronic trade. (Zawya)

- **Saudi Arabia and Netherlands agree to collaborate on green energy -** Saudi Arabia and the Netherlands on Thursday signed a memorandum of understanding to collaborate on the development of green energy and hydrogen. The Netherlands could be the main destination for the transport of hydrogen derived from renewable energy sources from Saudi Arabia to Europe, Saudi energy minister Prince Abdulaziz bin Salman said at the World Hydrogen Summit in Rotterdam. (Zawya)

- **Microsoft President delivers Masterclass for UAE government leaders on generative AI -** The Federal Authority for Government Human Resources (FAHR) recently held a virtual Masterclass session entitled "Demystifying Generative AI" aiming to familiarize its top talent with generative artificial intelligence. The session, led by Brad Smith, Vice Chair and President of Microsoft, was attended by government employees across several federal entities and held under "Jahiz", an integrated national initiative launched by the UAE government. The recent emergence of generative AI technologies is expected to significantly transform and impact future jobs, paving the way to explore new ways of working in the public and private sectors. In the Masterclass, Smith explained the evolution of generative AI. He discussed its underlying technological framework, its potential to tackle some of the world's major challenges, and this ground-breaking technology's societal and policy implications. Smith also highlighted the guidelines Microsoft has set to foster the ethical development of AI solutions, with specific reference to Microsoft's use of the technology. Smith provided insights into the mechanics of generative AI, its rapid advancement in recent times, and effective strategies to maximize its use while upholding responsible AI practices. He depicted AI as an enabler of intelligence, creativity, and expression, underscoring its pervasive role in daily life. Drawing from Microsoft's experiences, Smith elaborated on the creation of language processors modelled on human cognition and their training using algorithms drawn from pre-established generative AI technology. He also demonstrated how these formidable language processors operate, specifically in relation to text data. Smith touched upon the human response-driven reinforcement learning tool, a significant accelerator for AI, along with the stages of generative AI development and its ability to understand and interpret images. He stressed the importance of a strong infrastructure, including innovative technological tools, algorithms, comprehensive programming code, and high-speed internet, for establishing such language models. He reiterated the vital need for responsible AI, advocating for regulatory governance, content verification for accuracy and neutrality, and the assurance of ethical AI usage for safety purposes. Looking to the future, Smith forecasted that AI companies would pivot their focus towards the development of processors and language models for a variety of uses. The Microsoft President highlighted that implementing these technologies necessitates the availability of global data, skilled talent, and consistent policies. He further elaborated that several countries have started using these technologies in education, government services, healthcare, and energy sectors. For instance, Japan has embarked on the development of three AI-based digital books. "Jahiz" advanced digital platform covers four main future skill sets, including 20 sub-skills to be implemented within a year. The primary skills include digital skills, X10 skills to enhance productivity and accelerate achievement, data and artificial intelligence skills and new economy skills. The platform also includes the Future Skills Wallet, a digital portfolio for each employee in the UAE government, through which achievement badges are placed upon completing the requirements for future skills allocated to the main future skill sets. (Zawya)

- **UAE VP announces digital transformation of Central Bank -** The UAE's Central Bank is set to start a digital transformation program that will bolster the country's financial infrastructure, the Vice-President announced on Wednesday. His Highness Sheikh Mansour bin Zayed Al Nahyan, Vice-President, Deputy Prime Minister, and Minister of Presidential Affairs of the UAE, and Chairman of the Board of Directors of the Central Bank, highlighted two strategic priorities for the apex bank. "Firstly, the CBUAE will begin a digital transformation program, which aims to significantly enhance financial infrastructure within the CBUAE and the country. Secondly, it will contribute to the UAE's wider policy initiatives as part of the UAE hosting COP28," he said. Sheikh Mansour noted that these strategies are also at the top of the agenda for governments, central banks, and policymakers globally. The apex bank will also continue the Emiratization of its administration and leadership positions, which now stands at 65%, according to Khaled Mohamed Balama, governor of the CBUAE, said: "We take great pride in the progress marked to support our strategic vision of becoming among the top central banks globally, and enhancing monetary and financial stability and consumer protection through effective supervision of licensed financial institutions, prudent management of reserves and adoption of modern technologies." He affirmed that the apex bank will continue the Emiratization of its administration and leadership positions, which now stands at 65%. Meanwhile, the Central Bank said inflation will decelerate to 3.2% this year — as against 4.8% last year — due to softer price increases in all categories, especially transport, and food and beverages. "Imported inflation is expected to be modest, owing to the disinflation trend worldwide, while rents and wages are also expected to contribute moderately. In 2024, inflation is projected to slow further to 2.8%," it said. (Zawya)
- **UAE tops global 2023 rankings in five indexes -** The UAE has dominated the global competitiveness rankings for 2023 in five indicators, including Access to Electricity, Satisfaction with the Roads and Highways System, Energy Infrastructure, City Management, Access to Clean Fuels and Technologies for Cooking. It also ranked third in Total Local Energy Production and Wastewater Treatment Efficiency, in addition to securing sixth place in Water Production, according to the Institute for Management Development (IMD) World Competitiveness Yearbook, Legatum Prosperity Index, the Sustainable Development Report issued by the UN Sustainable Development Solutions Network (SDSN), and Insead Global Talent Competitiveness Index. Speaking on the achievement, Suhail bin Mohammed Al Mazrouei, Minister of Energy and Infrastructure (MoEI), said, "We congratulate our wise leadership and everyone who contributed to the UAE's prominent standing in global competitiveness rankings. Never one to rest on its laurels, the UAE will continue to forge ahead to become a successful model for sustainable development and prosperity. "Leading in global indexes that are related to the mandates of the Ministry of Energy and Infrastructure is a testament to the effectiveness of our approach that is underpinned by productive partnerships and collaboration to ensure the UAE is a global leader in the energy, infrastructure, transport, and housing sectors." Hassan Mohammed Al Mansouri, Undersecretary for Infrastructure and Transport Affairs at MoEI, said, "Securing a place among the top 10 in various global competitiveness indexes reflects the vision of our wise leadership and the relentless efforts of the work team. We all need to work hard, each in their position, to build on our achievements and attain excellence across the board." Sharif Al Olama, Undersecretary for Energy and Petroleum Affairs at MoEI, stated that this qualitative achievement adds to the country's long track record of international recognition, adding, "It motivates us to exert more effort to support the government's aspirations of the future and develop a culture of healthy competition in the workplace, as we aim to enhance the wellbeing of the UAE's citizens and residents." Hanan Mansour Ahli, Director of the Federal Competitiveness and Statistics Centre, said, "In the UAE, we are blessed to have exceptional leadership that takes our country to new heights. Thanks to our leaders' vision, competitiveness is no longer a theoretical concept, but is part and parcel of government work. The UAE's ranking first in global indexes reflects the unwavering commitment of government and private sector entities to enhancing the country's global position and sustainable development towards achieving the objectives of the UAE Centennial 2071." (Zawya)
- **UAE, France trade grew 16.8% in 2022 -** The trade exchange between the UAE and France grew by 16.8% in 2022, reaching AED29.44bn ($8bn), compared to AED25.2bn ($6.8bn) in 2021, according to data from the Federal Competitiveness and Statistics Centre. In 2022, the bilateral trade between the two countries consisted of imports valued at AED 25.2bn, while exports and re-exports were valued at approximately AED 4.2bn. A report on the trade between the UAE and France showed that their international trade rose by 49% over the past three years, rising from AED19.7bn in 2020 to AED29.4bn at the end of last year. The report included data on trade between the two countries from 2013 to 2022, showing that their trade increased in 2014 to AED27.4bn, compared to AED24.58bn in 2013. In 2015, the exchange between the two sides reached AED26.4bn, rising to AED27.1bn in 2016, AED26.8bn in 2017, and more than AED28bn in 2018, and over AED27.6bn in 2019. According to the report's data, jewelry and precious metal products topped the list of the five leading commodities imported from France in 2022, with a value of AED2.96bn, followed by jet engines valued at AED2.58bn, perfumes at AED2.1bn, medicines at AED1.4bn, and bags at AED1.3bn. In terms of re-exports, aircraft parts topped the list with a value of AED1.1bn, followed by jewelry and precious metal products worth AED421mn, jet engines worth more than AED200mn, cars worth AED146mn, and perfumes worth AED128mn. Meanwhile, packaging bottles were the UAE's leading export commodity valued at AED88mn. (Zawya)
- **French investors trade in Emirati stocks hit $197.7mn in 2022 -** French investors have strengthened their investments in the UAE financial markets over the past years amid the growing relations and strategic partnership between the UAE and France covering all areas, including stock markets. This financial report by the Emirates News Agency (WAM) based on official data from the Dubai and Abu Dhabi markets highlights the fact that the value of French trades, both buying and selling, in local markets in 2022 totaled AED726.2mn spread across 130.5mn shares traded through 5,703 deals in 2022. French trading, both buying and selling, in the Abu Dhabi Securities Exchange (ADX) reached a value of AED386.4mn, executed through 3,848 transactions involving more than 58.3mn shares over the past year. In the past year, French investors purchased, in the Abu Dhabi market, around 20.76mn shares valued at more than AED165.8mn through 1,672 transactions, compared to some 37.5mn shares worth AED220.5mn executed through 2,176 transactions. The French are among the top 20 nationalities who invested in the ADX, ranking 18th in 2022. French traders have actively traded in the ADX over many years, with their trading values, both buying and selling, comprising as follows: 36.2mn shares worth AED 77.5mn traded in 2017, 10.77mn shares worth AED45.9mn traded in 2018, 45.19mn shares worth AED156.26mn traded in 2019, 20.9mn shares worth AED110.03mn traded in 2020, and 54.18mn shares worth AED373.8mn traded in 2021. In the Dubai Financial Market (DFM), French trades, both buying and selling, in 2022 reached a value of around AED340mn through 72mn shares traded over 1,855 transactions. In the past year, French investors made purchases in the Dubai market worth AED257.3mn through 889 transactions involving around 56.5mn shares, compared to sales worth AED82.4mn for 15.6mn shares traded through 966 transactions. French purchases in the Dubai market were 83.1mn shares worth AED70.9mn in 2017, more than 17.5mn shares worth AED26.87mn in 2018, over 41.5mn shares worth some AED68.2mn in 2019, and around 12.7mn shares worth AED29.7mn in 2020. (Zawya)

- **UAE's Royal Group looking at opportunities in US market -** The chairman of Abu Dhabi-based conglomerate Royal Group, Sheikh Tahnoon bin Zayed Al Nahyan, said on Thursday that the company has identified a number of "outstanding" investment opportunities in the U.S. market that it plans to pursue. "First and foremost, I'd like to reiterate that I firmly believe in the stability and potential of the US market," Sheikh Tahnoon, who rarely speaks publicly about investments, said in a statement to Reuters. "Despite current fluctuations, we have identified a number of outstanding investment opportunities that we plan to pursue." Sheikh Tahnoon is one of the most powerful members of the UAE's ruling Nahyan family and brother of UAE President Sheikh Mohamed bin Zayed. He is one of two deputy rulers of oil-rich Abu Dhabi and oversees a sprawling investment and business portfolio in the emirate. Royal Group's businesses and subsidiaries span several sectors including healthcare, real estate and construction, AI, technology, hospitality and media, among others. "I want to make it clear that we do not support nor engage in shorting the market," Sheikh Tahnoon also said, referring to recent market speculation. "We believe in investing for the long-term and actively seeking out opportunities that create meaningful, lasting impact." In March, Sheikh Tahnoon was appointed chairman of the Abu Dhabi Investment Authority (ADIA), one of the largest sovereign wealth funds in the world, in addition to his role as chair of ADQ, another, smaller Abu Dhabi investment fund. In its 2021 Review released last October, ADIA said its long-term portfolio strategy sets exposure to North America at a range of 45% to 60%, to Europe at 15% to 30% and emerging markets at 10% to 20%. (Zawya)
- **Dubai Chambers opens Sydney Office, signs trade MoU -** Dubai Chambers has opened a new international office in Sydney, Australia by and signed a Memorandum of Understanding with the Australia Arab Chamber of Commerce & Industry (AACCI) to boost trade. The new office opening is in line with Dubai International Chamber's strategic objective to maximize business opportunities in priority markets globally and support the international business expansion plans of Dubai companies. The Sydney office is the second new office inaugurated in 2023 and expands the Chamber's global network to 17 representation offices around the world. The inauguration was led by Abdul Aziz Al Ghurair, Chairman of Dubai Chambers, in the presence of Margaret Beazley AC KC, Governor of New South Wales, and Moin Anwar, Trade and Investment Commissioner (Middle East) for the New South Wales Government. Also in attendance were Mohammad Ali Rashed Lootah, President and CEO of Dubai Chambers, and Mohamed Hage OAM, President and National Chairman of the Australia Arab Chamber of Commerce and Industry, who signed the MoU between the two chambers, as well as a group of delegates from the Australian Business Council. Trade-boosting MoU Al Ghurair said: "Today's office inauguration and the signing of a trade-boosting MoU with our friends at the Australia Arab Chamber of Commerce & Industry not only serves to highlight our existing strong trading partnership, but also underlines our redoubled commitment to working together more closely to foster mutually beneficial business agreements." This latest office opening in Sydney aligns with the 'Dubai Global' initiative launched by Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai and Chairman of Dubai Executive Council, to establish 50 representative offices for Dubai in five continents by 2030. Supported by strategic public and private sector partners, Dubai Global will boost Dubai's non-oil foreign trade to AED2tn ($540bn) by 2026. Beazley said: "NSW and the UAE have a shared history of strong bilateral ties that are important and to be celebrated. Today's historic moment, the signing of The Memorandum of Understanding between the Dubai Chambers and the Australia Arab Chamber of Commerce and Industry, is one more tangible sign of the further strengthening of links between NSW and the UAE. (Zawya)
- **Ministry of Economy, Presight to enhance UAE's attractiveness to FDI -** The Ministry of Economy (MoE) has signed a Memorandum of understanding (MoU) with Presight, a data analytics company powered by artificial intelligence, to drive Foreign Direct Investments (FDI) into new sectors within the UAE. The initiative will help attract foreign companies to expand and invest in the UAE's markets and support the partnership with the private sector. The signing took place on the sidelines of the 12th Annual Investment Meeting (AIM) 2023, which was held at the Abu Dhabi National Exhibition Centre. The MoU was signed by Juma Al Kait, Assistant Undersecretary of Foreign Trade at the Ministry of Economy; and Dr. Adel Al Sharji, COO of Presight. Under the terms of the MoU, Presight will work with the Ministry of Economy to attract foreign direct investments to new sectors in the UAE by deploying big data, analytics and artificial intelligence in education, healthcare, infrastructure and financial services. The focus on attracting leading AI companies is expected to create a pipeline of promising AI companies and technologies, driving M&A activity in the sector. Commenting on the MoU, Al Kait said, "Thanks to the directives and vision of its wise leadership, the UAE now has a more competitive and flexible investment environment, made possible by the launch of forward-looking economic and investment policies and legislation. The country's increasing economic openness to the world has contributed to developing the investment and business environment in line with international best practices. This, in turn, has boosted FDI inflows to the country in line with the 'We the UAE 2031' vision that aims to double the GDP to reach AED3tn by 2031." He added that this cooperation will strengthen the government's partnership with the private sector and promote promising investment opportunities to accelerate the national FDI agenda, thus solidifying the UAE's position as a leading global destination for investment and business. Al Kait noted that the UAE is a regional and global leader in the FDI sector, which contributed to strengthening its position as a global hub for trade and investment. The UAE attracted $20.7bn in FDI in 2021, up 4% from 2020 to rank first in West Asia, Middle East, and North Africa. Besides, FDIs inflows to the UAE are expected to reach $22bn in 2022, accounting for 4.3% of the GDP of the national economy, according to the Institute of International Finance's report. Dr. Al Sharji, in turn, said, "Our partnership aims to identify and promote promising investment opportunities in emerging sectors, which will attract foreign investment and solidify the UAE's position as a global investment and business hub. Together, we are confident in our ability to unlock new opportunities for growth and prosperity and chart a path towards a prosperous future for the UAE." The MoU highlights the government's focus on attracting AI companies as part of its broader strategy to diversify the UAE's economy and create new economic sectors. In equal measure, these efforts are expected to support attracting talent into the UAE, contributing to the growth of a vibrant and dynamic AI ecosystem. Presight is a UAE company listed on the Abu Dhabi Stock Exchange, and its majority shares are owned by the G42 Group in Abu Dhabi. (Zawya)
- **UAE issues explanatory guide including exemptions, clarifications for corporate tax -** The UAE's Ministry of Finance has issued an Explanatory Guide for Federal Decree-Law No 47 of 2022 on Taxation of Corporations and Businesses, which provides the legislative basis for imposing a federal tax on corporations' and business profits effective for financial years starting on or after June 1, 2023. The guide provides an article-by-article explanation of the meaning and intended effect of the provisions of the Corporate Tax Law and its implementing decisions. The Guide may be used in interpreting the Corporate Tax Law and how particular provisions may need to be applied. Younis Haji Al Khouri, undersecretary of the Ministry of Finance, said: "The Ministry is working to provide clarity and guidance to those who are or may be subject to UAE's Corporate Tax, so they can understand the provisions of the law and why it is enacted. The Explanatory Guide reflects our continued commitment to ensuring taxable persons are supported and provided with information ahead of the law's entry into effect." (Zawya)
- **Dubai Chambers introduces EU Diplomatic Missions to UAE Corporate Tax Law -** Dubai Chambers, in collaboration with Al Tamimi & Company Law Firm, has hosted a workshop focused on introducing the commercial attachés of EU Diplomatic Missions to the UAE's Corporate Tax Law. The session brought together 13 officials representing the commercial interests of EU embassies and attaché offices in the UAE to provide them with an overview and key highlights of the new Corporate Tax regime. Legal and tax experts from Al Tamimi & Company Law Firm discussed corporate tax readiness, compliance guidelines, exclusions, and exemptions, as well as the implications of the new tax for businesses operating in the UAE. Mohammad Ali Rashed Lootah, President and CEO of Dubai Chambers, said, "The introduction of federal Corporate Tax

marks a milestone in the UAE's continuing efforts to modernize its tax system in line with international standards and drive its economic diversification agenda. Today's workshop is important, as it enables us to connect with the European diplomatic community in the UAE and raise their awareness about the Corporate Tax law." "We remain committed to enriching their understanding of the new regulations to ensure the community is empowered to operate more effectively and efficiently. This, in turn, will help us bring more EU businesses into Dubai, while further bolstering the strong bilateral trade and business relations between Dubai and European markets." The UAE has introduced Federal Corporate Tax on business profits to keep pace with the requirements of a globally competitive market economy. The Corporate Tax regime will be effective for financial years starting on or after 1 June 2023 and will levy a standard rate of 9%, with a 0% rate for taxable profits up to AED 375,000. As part of its commitment to the needs of its members and to ensuring effective engagement with key stakeholders, Dubai Chambers provides a number of legal services to share guidance on the latest legislations that impact businesses. Since the launch of the UAE Corporate Tax Law, Dubai Chambers has conducted several workshops to ensure a proper understanding of the law and encourage compliance, in addition to maintaining a healthy business environment in Dubai. (Zawya)

- **JAFZA cements growing trade relationship with India following CEPA launch -** DP World's Jebel Ali Free Zone (Jafza) is supporting the growth of India – UAE bilateral trade relations by outlining its efforts to drive towards the $100bn goal for non-oil trade over the next five years. Plans for growth were highlighted at a Confederation of Indian Industry (CII) event in Delhi, India, on 11th May, where Abdulla Bin Damithan, CEO & Managing Director, DP World UAE & Jafza, addressed an audience on why 'Dubai is India's Gateway to the World '. Following the launch of Comprehensive Economic Partnership Agreement (CEPA), which came into force last year, the exclusive event outlined the major opportunities for Indian businesses in the UAE, which include lower or eliminated tariffs and an open and non-discriminatory environment for cross-border trade. As per IHS Markit, the bilateral trade between India and the UAE increased from $68bn in 2021 to $84bn in 2022, registering a year-on-year growth of 23%. Jafza currently serves over 9,500 companies from 130 countries, with the Jafza-India route handling 19% of non-oil trade between the UAE and India, making it India's largest supporting ecosystem for trade. With its India-UAE Bridge initiative, Jafza aims to reduce time and cost of shipping goods between India and the UAE by providing a seamless and efficient logistics solution and creating new business opportunities for companies in both countries, particularly in sectors such as manufacturing, food and beverage, pharmaceuticals, and healthcare, etc. The initiative is a major step towards strengthening the economic ties between India and the UAE and promoting greater trade and investment between the two nations. "The announcement of the Comprehensive Economic Partnership Agreement (CEPA) last year is already having tangible benefits for India – UAE trade relations. Tariffs have been eliminated on more than 10,000 products and services over the next 10 years, which will have a major impact on trade between the countries and the wider Gulf region. Jebel Ali Port and Jafza have played a crucial role in boosting trade between the two countries, and we look forward to further contributing to the growth of trade between India and the UAE," said Abdulla Bin Damithan, CEO & Managing Director, DP World UAE & Jafza. Speaking to business leaders from across India, Abdulla Bin Damithan highlighted Jafza's unique value proposition and how the Free Zone can play a catalytic role for Indian companies to expand operations into foreign markets and strengthen their global value chains. In the Free Zone alone, Indian companies are the second largest partners in terms of trade volume and are fourth in terms of trade value. Jafza supports the 'Make in India' Initiative and 'Production Linked Incentive' schemes to boost manufacturing, investments, and exports in India via its Jebel Ali hub, offering unmatched logistics and trade solutions and greater access to new markets. As part of Dubai Traders Market, Bharat Bazaar, the Free Zone's mega-distribution center with its showrooms and warehouses, will allow Indian traders to serve local and global customers from a single hybrid business platform for wholesale and retail via Jafza. Jafza also links businesses to Jebel Ali Port's F&B Terminal, which spans over 1mn square meters and offers dedicated facilities such as cereal silos, covered warehouses, and refrigerated container storage yards that cater to the specific needs of the food and beverage industry. Together, the Port and Free Zone offer a comprehensive logistics solution that can help Indian companies thrive. (Zawya)

- **17,868 active licenses in Ras Al Khaimah by end of Q1-23 -** The RAK Department of Economic Development, had 17,868 active licenses by the end of Q1-2023, 2.1% up from 17,506 at the same time last year, according to a report by the DED's Commercial Affairs Department. According to the distribution of these licenses by type of economic activity sector, the wholesale and retail trade sector obtained 38.4% of the total number of valid licenses, followed by the construction sector with 15.74%, the manufacturing industries sector in third with 11.84%, and the accommodation and food services sector in fourth. by roughly 10%. The number of new commercial licenses grew by 1% in comparison to the same quarter last year, according to Amina Qahtan, Director of the Department of Commercial Affairs. (Zawya)

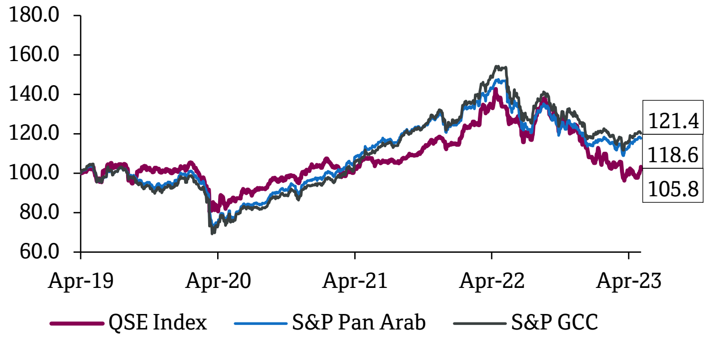
- **Kuwait economic growth highly variable in recent years -** A recent report by Al- Monitor touched on economic policies and competitiveness in Kuwait in light of the ongoing disputes between the legislative and executive authorities, which had a negative impact on health care, education and other social services, reports Al-Qabas daily. The report stated that the country's economic growth has been highly variable in recent years, reaching 8.9% in 2020, 1.3% in 2021, and 8.3% in 2022 at a time when the International Monetary Fund expects the country to record real GDP growth of 0.9% during the current year. The report pointed out that the oil and gas sector contribute more than 80% of the public sector revenue sources, as Brent crude prices are expected to average $85.01 per barrel in 2023 and $81.21 in 2024 — down from $100.94 in 2022, according to the US Energy Information Agency. And at a time when the Ministry of Finance announced a record budget of $ 86.7bn for fiscal 2023-2024 that begins in April, reflects an annual increase of $9.1bn (11.7%), this expansionary fiscal policy records a fiscal deficit year after year, when not calculating investment interest income from the Kuwait Investment Authority, where the break-even point in the budget for 2023-2024 is at $92.90 per barrel. A breakdown of spending in the draft budget for Kuwait reveals that 80% of the planned expenditures are allocated to salaries and subsidies, while capital expenditures and other expenses consume 9% and 11%, respectively, in conjunction with the failure to issue sovereign debt since 2017, due to the inability to pass a new debt law. Dr. Robert Mogilnicki, a researcher at the Arab Gulf States Institute in Washington, presented 3 scenarios for the next stage in Kuwait: First scenario — Persistent political stalemate prevents real economic policy-making and reform efforts, leading to a slow – but manageable – deterioration in the country's economic environment and competitiveness, as Kuwait trails neighboring Gulf states as a hub for global talent and foreign direct investment, at a time when many businessmen choose to Local and international companies, exploiting the growing opportunities in the neighboring Gulf countries and other emerging markets. Second scenario — Unexpected economic shocks eventually lead to a major economic crisis in Kuwait. In the face of a sharp drop in oil revenues and the lack of a legal path to debt issuance, the government relies heavily on its sovereign wealth, as these strict measures harm the country's strong reputation provided by its fiscal and external budgets. The third scenario — The response of the main stakeholders (the government and the National Assembly) to the growing need to work together to advance reforms and economic development initiatives, will lead to ensuring the economic well-being of citizens, streamlining the "complex" business environment in the country, and making better use of financial resources to unleash economic growth. Mogilnicki explained that the most likely scenario in Kuwait is a steady decline in the Kuwaiti economic environment and competitiveness, but it can be controlled, as the country's strong financial and external budgets reduce the urgent need for reforms and make it easier for policy makers to continue moving forward, stressing that the possibility of a crisis Whole economic conditions, such as Kuwait's inability to meet debt repayment obligations, are very low. (Zawya)

- **Bahrain plans international commercial court based on Singapore model -** Bahrain plans to establish a court for transnational commercial disputes called the Bahrain International Commercial Court based on the

Singapore International Commercial Court model, the Bahrain and Singapore Courts said in a statement on Wednesday. "(The) collaboration aims to provide a complete ecosystem for regional and international dispute resolution together with arbitration and mediation," the statement said, adding that Singapore and Bahrain's courts signed two cooperation agreements. (Reuters)

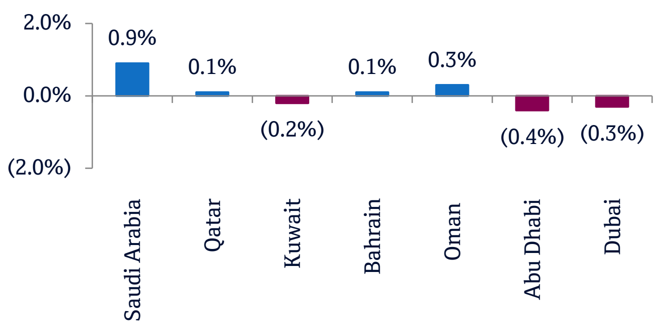
- **New report shines spotlight on Oman's Vision 2040 progress -** A new report produced by the global research and advisory firm Oxford Business Group (OBG) explores Oman's progress towards achieving the long-term goals laid out in its Vision 2040 roadmap, which include diversifying the economy, creating sustainable cities and accelerating privatization and Omanization. The Report: Oman 2023 shines a spotlight on the sectors that are ripe for growth in support of these aims, which range from tourism, manufacturing and energy to ICT, transport, mining and agriculture. It also tracks the positive impact that legislative reforms introduced to enhance the Sultanate of's business environment are having on investment inflows and private sector development. Oman's industrial, free and special economic zones are a key focus, with analysis on how infrastructure improvements, incentives and concessions are playing a role in attracting investors to these designated areas. OBG also looks in detail at the sultanate's plans for its energy sector, which include reducing the focus on oil and gas and shifting to cleaner fuels, in line with the goal to become a net-zero economy by 2050. In this section, the country's long-term aim of becoming a global leader in the production and export of hydrogen is also analyzed. Other topics examined include the key role that Oman's robust and well-regulated banking sector is playing in the pandemic recovery phase, with a fertile financial technology ecosystem proving to be instrumental in increasing financial inclusion. The Report: Oman 2023 contains a viewpoint by His Majesty Sultan Haitham bin Tarik Al Said, together with a detailed sector-by-sector guide for investors. It also features interviews with a broad range of high-profile personalities, including Dr Khamis bin Saif Al Jabri, Chairman, Oman Vision 2040; Tahir bin Salim Al Amri, Executive President, Central Bank of Oman; Abdulsalam bin Mohammed Al Murshidi, Chairman, Oman Investment Authority; Dr Ali bin Masoud Al Sunaidy, Chairman, Public Authority for Special Economic Zones and Free Zones; and Nasser Al Maqbali, CEO, Minerals Development Oman. Commenting after the launch, Oliver Cornock, Editor-in-Chief, OBG, said that Oman had doubled down on its efforts to reduce its dependence on the energy trade since 2020, as evidenced by the implementation of investor-friendly reforms and development plans aimed at promoting economic growth and increasing employment while tackling the fiscal deficit. "The recently improved public-private partnerships law, in particular, will be key in helping to boost inflows for upcoming projects, including the sizeable infrastructure expansion works taking shape," he said. "Many of these transport initiatives, including planned ports, roads and airports, are supporting Oman's plans to develop its tourism industry and attract investment for the manufacturing segments, which, in turn, will broaden the economic base." Jana Treeck, OBG's Managing Director for the Middle East, added that Oman was also benefiting in the recovery period from a pre-pandemic move to prioritize advanced technologies and innovation in its investment drive. "Our report shows that an earlier focus on ICT is now paying dividends, with the sultanate's digital economy supporting businesses in key sectors marked for growth, especially start-ups," he said. "Looking ahead, we expect tech-led innovation to remain at the heart of Oman's socioeconomic development, helping to improve efficiencies, strengthen infrastructure and attract investment, while ensuring new growth is sustainable." The Report: Oman 2023 has been produced with the Ministry of Commerce, Industry and Investment Promotion, and Ominvest. It marks the culmination of more than six months of field research by a team of analysts from OBG. The publication assesses trends and developments across the economy, including those in macroeconomics, infrastructure, banking and others. (Zawya)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	2,010.77	(0.2)	(0.3)	10.2
Silver/Ounce	23.97	(0.9)	(6.6)	0.1
Crude Oil (Brent)/Barrel (FM Future)	74.17	(1.1)	(1.5)	(13.7)
Crude Oil (WTI)/Barrel (FM Future)	70.04	(1.2)	(1.8)	(12.7)
Natural Gas (Henry Hub)/MMBtu	1.98	(4.3)	7.0	(43.8)
LPG Propane (Arab Gulf)/Ton	64.00	(3.8)	(8.7)	(9.5)
LPG Butane (Arab Gulf)/Ton	62.50	(3.1)	(14.1)	(38.4)
Euro	1.08	(0.6)	(1.5)	1.3
Yen	135.70	0.9	0.7	3.5
GBP	1.25	(0.4)	(1.4)	3.1
CHF	1.11	(0.4)	(0.7)	3.0
AUD	0.66	(0.8)	(1.5)	(2.5)
USD Index	102.68	0.6	1.4	(0.8)
RUB	110.69	0.0	0.0	58.9
BRL	0.20	0.2	0.6	7.4

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,809.35	(0.2)	(0.4)	7.9
DJ Industrial	33,300.62	(0.0)	(1.1)	0.5
S&P 500	4,124.08	(0.2)	(0.3)	7.4
NASDAQ 100	12,284.74	(0.4)	0.4	17.4
STOXX 600	465.49	(0.3)	(1.6)	11.0
DAX	15,913.82	(0.2)	(1.9)	15.8
FTSE 100	7,754.62	(0.2)	(1.8)	7.1
CAC 40	7,414.85	(0.2)	(1.9)	16.0
Nikkei	29,388.30	(0.0)	1.4	8.8
MSCI EM	973.00	(0.5)	(0.9)	1.7
SHANGHAI SE Composite	3,272.36	(1.3)	(2.6)	5.0
HANG SENG	19,627.24	(0.7)	(2.0)	(1.3)
BSE SENSEX	62,027.90	0.1	1.0	2.6
Bovespa	108,463.84	0.8	3.5	6.1
RTS	1,038.32	(2.5)	0.4	7.0

Source: Bloomberg ($ adjusted returns Data as of May 12, 2023)*

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