QNB FINANCIAL SERVICES

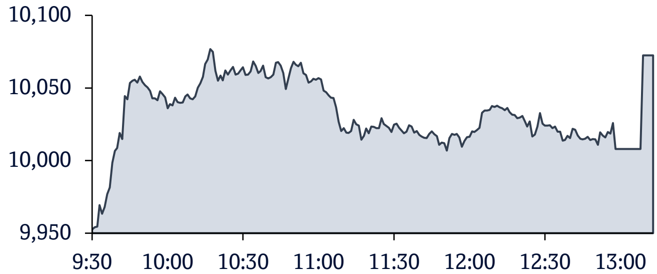
الخدمات المالية

Financial Services

Daily Market Report

Thursday, 27 April 2023

QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 1.4% to close at 10,072.6. Gains were led by the Transportation and Insurance indices, gaining 3.3% and 1.8%, respectively. Top gainers were Mekdam Holding Group and Inma Holding, rising 10.0% and 8.6%, respectively. Among the top losers, United Development Company fell 2.2%, while Dukhaan Bank was down 1.6%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.4% to close at 11,307.2. Gains were led by the Consumer Services and Diversified Financials indices, rising 2.3% and 2.2%, respectively. National Company for Learning and Education rose 9.9%, while Saudi Advanced Industries Co was up 7.9%.

Dubai: The DFM Index fell 0.5% to close at 3,489.8. The Materials index declined 2.1%, while the Real Estate index fell 1.7%. Al Firdous Holdings declined 8.9% while Takaful Emarat was down 4.5%.

Abu Dhabi: The ADX General Index gained 0.3% to close at 9,676.0. The Industrial index rose 2.2%, while the Health Care index gained 1.8%. United Arab Bank rose 14.3% While National Corporation for Tourism & Hotels was up 4.9%.

Kuwait: The Kuwait All Share Index gained marginally to close at 7,158.6. The Consumer Discretionary index rose 1.4%, while the Basic Materials index gained 1.0%. IFA Hotels & Resorts Co. rose 10.0%, while Amar Finance & Leasing Co. was up 9.4%.

Oman: The MSM 30 Index fell 0.5% to close at 4,719.6. The Financial index declined 0.1%, while the other indices ended flat or in green. Al Anwar Ceramic Tiles Co. declined 5.9%, while Aman Real Estate was down 5.0%.

Bahrain: The BHB Index gained 0.4% to close at 1895.4. The Consumer Discretionary index rose 1.0% while the Materials gained 0.8%. Al Salam Bank rose 6.1% while Bahrain National Holding Company was up 2.0%.

Market Indicators	26 Apr 23	20 Apr 23	%Chg.
Value Traded (QR mn)	485.3	233.7	107.7
Exch. Market Cap. (QR mn)	583,454.4	576,250.2	1.3
Volume (mn)	162.7	90.3	80.2
Number of Transactions	21,072	11,641	81.0
Companies Traded	47	47	0.0
Market Breadth	34:11	20:22	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	21,617.12	1.4	1.4	(1.2)	12.0
All Share Index	3,366.26	1.4	1.4	(1.4)	130.8
Banks	4,167.34	1.5	1.5	(5.0)	12.6
Industrials	3,938.17	1.2	1.2	4.2	11.6
Transportation	4,414.77	3.3	3.3	1.8	12.6
Real Estate	1,428.04	(0.4)	(0.4)	(8.5)	17.1
Insurance	2,034.30	1.8	1.8	(7.0)	16.53
Telecoms	1,451.96	0.5	0.5	10.1	52.0
Consumer Goods and Services	7,683.00	0.7	0.7	(2.9)	18.1
Al Rayan Islamic Index	4,468.08	0.8	0.8	(2.7)	8.5

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
National Marine Dredging Co	Abu Dhabi	21.96	3.9	1,853.1	(10.3)
Qatar Gas Transport Co. Ltd	Qatar	3.920	3.4	5,877.7	7.0
Etihad Etisalat Co.	Saudi Arabia	45.85	2.8	1,630.2	31.9
Ezdan Holding Group	Qatar	0.94	2.3	13,896.8	(5.9)
Rabigh Refining & Petro.	Saudi Arabia	11.32	2.0	4,421.6	6.0

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
National Bank of Oman	Oman	0.28	(2.5)	441.0	(4.8)
Oman Telecommunications	Oman	1.01	(2.4)	65.8	9.2
Q Holding	Abu Dhabi	2.52	(1.6)	2,921.1	(37.0)
Salik Company	Dubai	2.97	(1.0)	16,106.8	19.8
Nahdi Medical Co	Saudi Arabia	183.00	(0.9)	173.3	9.4

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

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Mekdam Holding Group	5.786	10.0	842.9	(16.3)
Inma Holding	4.019	8.6	2,158.0	(2.2)
Qatar German Co for Med. Devices	1.083	8.3	18,889.1	(13.8)
Gulf International Services	2.120	6.2	18,715.0	45.3
Dlala Brokerage & Inv. Holding Co.	0.909	5.7	4,308.9	(20.4)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatar German Co for Med. Devices	1.083	8.3	18,889.1	(13.8)
Gulf International Services	2.120	6.2	18,715.0	45.3
Ezdan Holding Group	0.942	2.3	13,896.8	(5.9)
Qatar Aluminum Manufacturing Co.	1.487	0.0	13,247.3	(2.2)
Masraf Al Rayan	2.554	(0.6)	11,232.0	(19.5)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
United Development Company	1.116	(2.2)	3,290.0	(14.2)
Dukhaan Bank	3.184	(1.6)	7,625.6	0.0
Qatar Industrial Manufacturing Co	2.771	(1.4)	80.4	(13.7)
Damaan Islamic Insurance Company	3.700	(1.3)	0.8	0.0
Baladna	1.352	(1.0)	3,474.2	(11.7)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	15.33	1.7	90,505.6	(14.8)
Industries Qatar	12.50	1.4	49,619.0	(2.4)
Gulf International Services	2.120	6.2	38,868.0	45.3
Masraf Al Rayan	2.554	(0.6)	28,716.3	(19.5)
The Commercial Bank	5.800	0.9	25,324.9	16.0

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,072.56	1.4	1.4	(1.4)	(5.7)	133.34	159,516.4	12.0	1.3	4.9
Dubai	3,489.78	(0.5)	0.5	2.4	4.6	104.10	166,864.6	9.3	1.2	4.5
Abu Dhabi	9,675.96	0.3	0.4	2.6	(5.2)	337.28	729,424.7	29.6	2.6	1.8
Saudi Arabia	11,307.22	0.4	1.3	6.8	7.9	1,834.85	2,922,326.9	17.8	2.3	2.9
Kuwait	7,158.55	0.0	0.0	1.5	(1.8)	130.94	150,253.2	17.0	1.5	4.0
Oman	4,719.58	(0.5)	(0.5)	(3.0)	(2.8)	4.62	22,574.5	12.9	1.1	4.4
Bahrain	1,895.37	0.4	0.4	0.5	0.0	10.08	65,324.3	6.1	0.6	9.1

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

Qatar Market Commentary

- The QE Index rose 1.4% to close at 10,072.6. The Transportation and Insurance indices led the gains. The index rose on the back of buying support from non-Qatari shareholders despite selling pressure from Qatari shareholders.
- Mekdam Holding Group and Inma Holding were the top gainers, rising 10.0% and 8.6%, respectively. Among the top losers, United Development Company fell 2.2%, while Dukhaan Bank was down 1.6%.
- Volume of shares traded on Wednesday rose by 80.2% to 162.7mn from 90.3mn on Thursday. Further, as compared to the 30-day moving average of 134mn, volume for the day was 21.4% higher. Qatar German Co for Med. Devices and Gulf International Services were the most active stocks, contributing 11.6% and 11.5% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	25.75%	26.98%	(5,960,001.29)
Qatari Institutions	20.61%	26.86%	(30,344,087.00)
Qatari	**46.36%**	**53.84%**	**(36,304,088.29)**
GCC Individuals	0.27%	0.41%	(656,557.22)
GCC Institutions	5.76%	2.17%	17,397,001.54
GCC	**6.03%**	**2.58%**	**16,740,444.32**
Arab Individuals	12.63%	10.80%	8,924,187.14
Arab Institutions	0.00%	0.04%	(190,120.00)
Arab	**12.64%**	**10.84%**	**8,734,067.14**
Foreigners Individuals	2.08%	2.29%	(998,269.46)
Foreigners Institutions	32.89%	30.45%	11,827,846.28
Foreigners	**34.97%**	**32.74%**	**10,829,576.82**

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

Earnings Calendar and Global Economic Data

Earnings Calendar

Tickers	Company Name	Date of reporting 1Q2023 results	No. of days remaining	Status
GWCS	Gulf Warehousing Company	27-Apr-23	0	Due
AKHI	Al Khaleej Takaful Insurance Company	30-Apr-23	3	Due
QISI	Qatar Islamic Insurance	30-Apr-23	3	Due
QOIS	Qatar Oman Investment Company	01-May-23	4	Due
QETF	QE Index ETF	02-May-23	5	Due
BEMA	Damaan Islamic Insurance Company	02-May-23	5	Due
WDAM	Widam Food Company	03-May-23	6	Due
QCFS	Qatar Cinema & Film Distribution Company	03-May-23	6	Due
ORDS	Ooredoo	03-May-23	6	Due
DUBK	Dukhan Bank	03-May-23	6	Due
DBIS	Dlala Brokerage & Investment Holding Co.	04-May-23	7	Due
IGRD	Estithmar Holding	04-May-23	7	Due
QGMD	Qatari German Company for Medical Devices	07-May-23	10	Due
GISS	Gulf International Services	07-May-23	10	Due
DOHI	Doha Insurance	07-May-23	10	Due
QAMC	Qatar Aluminum Manufacturing Company	07-May-23	10	Due
IQCD	Industries Qatar	07-May-23	10	Due
MPHC	Mesaieed Petrochemical Holding Company	07-May-23	10	Due
BLDN	Baladna	07-May-23	10	Due
ZHCD	Zad Holding Company	07-May-23	10	Due

Source: QSE

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
04-26	Germany	GfK AG	GfK Consumer Confidence	May	-25.70	-28.00	-29.30

Qatar

- **DHBK's bottom line declines 48.0% YoY in 1Q2023, misses our estimate -** Doha Bank (DHBK) reported net profit of QR208.6mn in 1Q2023 as compared to net profit of QR401.4mn in 1Q2022 and net loss of QR167.5mn in 4Q2022, missing our estimate of QR415.1mn. Net interest income decreased 23.6% YoY in 1Q2023 to QR491.5mn. However, on QoQ basis, net interest income was up 2.0%. The company's net operating income came in at QR638.1mn in 1Q2023, which represents a decrease of 22.7% YoY. However, on QoQ basis, net operating income rose 1.1%. The bank's total assets stood at QR96.6bn at the end of March 31, 2023, down 5.1% YoY (-1.0% QoQ). Loans and advances to customers were QR56.6bn, registering a fall of 5.6% YoY (-2.5% QoQ) at the end of March 31, 2023. Customer deposits declined 10.9% YoY and 3.1% QoQ to reach QR48.6bn at the end of March 31, 2023. The earnings per share amounted to QR0.07 in 1Q2023 as compared to QR0.13 in 1Q2022. (QNBFS, QSE)
- **Doha Bank to hold its investors relation conference call on May 02 to discuss the financial results -** Doha Bank announces that the conference call with the Investors to discuss the financial results for the Quarter 1 2023 will be held on 02/05/2023 at 01:30 PM, Doha Time. (QSE)
- **Qatari Investors Group Announces Liquidity Service Agreement with QNBFS from 30 April 2023 -** Qatari Investors Group announce that it has entered into a liquidity provisioning agreement with QNB Financial Services for its listed shares on the Qatar Stock Exchange. The Liquidity Provision activity shall commence on 30 April 2023. (QSE)
- **Qatari German Co. for Medical Devices: To disclose its Quarter 1 financial results on May 07 -** Qatari German Co. for Medical Devices to disclose its financial statement for the period ending 31st March 2023 on 07/05/2023. (QSE)
- **Qatar's projects market zoomed 69% year-on-year in Q1, 2023 -** Qatar's strong macro fundamentals helped it report a robust 69.2% year-on-year increase in total value of contracts awarded to $3.6bn in the first quarter (Q1) of 2023, after hosting the FIFA World Cup in 2022, according to Kamco Invest, a regional economic thinktank. "The growth in contract awards was mainly due to the country's maintenance of strong economic performance," Kamco Invest said in its latest report. Quoting MEED, it said Qatar's GDP (gross domestic product) growth is expected to dip from 3.4% in 2022 to 2.4% in 2023 but this will have little impact on Qatar's fiscal health to continue to fund and award projects. One of the notable investment decisions that Qatar made during Q1-2023 was the $6bn Ras Laffan petrochemicals project with Chevron Philips Chemical. The Ras Laffan petrochemicals complex, which is set to start production in 2026, comprises an ethane cracker with capacity of 2.1mn tonnes per year of ethylene, thus increasing Qatar's ethylene production potential by nearly 70%. The complex also has two polyethylene trains which have combined output of 1.7m tonnes per year of high-density polyethylene polymer products which also raises Qatar's overall petrochemical production by 82% to 14mn tonnes per year. In terms of investment, QatarEnergy and China Petrochemical (Sinopec) have recently signed a deal in which China Petrochemical will invest in Qatar's $28.75bn North Field East expansion project. The agreement requires the transfer of a 5% stake in one of the four trains of the LNG (liquefied natural gas) project to Sinopec. Qatar's North Field East expansion project is anticipated to raise the country's annual LNG export volume from 77mn tonnes per year to 126mn tonnes per year. In terms of contract awards by sector, the chemical sector took over from the Gas Sector as the largest sector by value of awarded projects in the Qatar recording $2.8bn worth of contract awards during Q1-2023. The Qatari chemical sector accounted for 76.9% of the total value of projects awarded in the country during the quarter. Comparatively, the construction sector recorded $116mn worth of project awards during the quarter, recording a 63.1% year-on-year decline. Despite the decline in value of contracts awarded, Qatar's construction sector is expected to show a compound annual growth rate of 9.5% from 2023 to 2030 to $123.1bn mainly due to planned government spending on infrastructure and other building projects. The Qatari government has allocated an estimated $14.8bn for new projects between 2021 and 2023. Moreover, the total value of projects awarded in the power sector reached $328mn during the quarter while the aggregate value of contracts awarded in the transport sector touched $278mn. About the projects in the wider Gulf Cooperation Council (GCC), Kamco Invest said the GCC project awards expanded during Q1-2023 despite global economic challenges such as the global financial sector turmoil, elevated inflation, and the ongoing Ukraine-Russia conflict. Total value of the GCC contracts awarded rose 54.7% year-on-year during Q1-2023 to $29.9bn. "This was the second-highest quarterly project awards since the start of 2022. All GCC project markets witnessed year-on-year project awards growth during Q1-2023 except for Bahrain which remains the smallest project market in the region," the report said. The growth in the GCC project awards during this quarter has been partly fueled by the determination of the regional countries to diversify their economies away from hydrocarbons, it said. The GCC countries have backed and invested in projects in the industrial sector such as aluminum, steel, and other industrial equipment manufacturing projects, according to Kamco Invest. Saudi Arabia remained the largest projects market in the GCC during Q1-2023. Its project awards recorded 17.9% growth during the quarter to $13.3bn. Comparatively, the UAE project awards more than doubled to $10bn during the quarter while Kuwait's contract awards amounted to $1.8bn during Q1-2023 compared to $407mn in Q1-2022, recording the highest percentage year-on-year contract awards increase in the region during the quarter. (Gulf Times)

International

- **Wells Fargo trims US first-quarter economic growth forecast -** Wells Fargo on Wednesday lowered its first-quarter forecast for US real gross domestic product (GDP) growth by 100 basis points to a 0.8% rise, days after revised data from the commerce department showed weaker retail sales in March. The Wall Street bank said it had reduced its estimate for retail sales and tweaked its expectation for inventory accumulation. (Reuters)
- **US core capital goods orders and shipments drop in March -** New orders for key US-manufactured capital goods fell more than expected in March, while shipments declined, suggesting that business spending on equipment was likely a drag on economic growth in the first quarter. Orders for non-defense capital goods excluding aircraft, a closely watched proxy for business spending plans, dropped 0.4% last month, the Commerce Department said on Wednesday. Data for February was revised down to show these so-called core capital goods orders falling 0.7% instead of dipping 0.1% as previously reported. Economists polled by Reuters had forecast core capital goods orders slipping 0.1%. A tightening in credit following recent financial market turmoil could make funding less accessible to households and businesses, putting pressure on investment in equipment and by extension the manufacturing industry. Manufacturing, which accounts for 11.3% of the US economy, is reeling from the Federal Reserve's fastest interest rate hiking campaign since the 1980s. Spending is also shifting away from goods to services, while sluggish global demand is crimping exports. The inventory cycle is also turning, with restocking by businesses slowing to match cooling demand. Shipments of core capital goods decreased 0.4% in March after falling 0.4% in February. Core capital goods shipments are used to calculate equipment spending in the gross domestic product measurement. Business spending on equipment fell by the most in 2-1/2 years in the fourth quarter. Most economists expect a small decline when the government publishes its advance estimate of GDP for the first quarter on Thursday. According to a Reuters survey of economists, GDP likely increased at a 2.0% annualized rate in the January-March quarter. The economy grew at a 2.6% pace in the fourth quarter. (Reuters)
- **US goods trade deficit narrows sharply in March; retail inventories rise -** The US trade deficit in goods narrowed sharply in March as exports surged and imports declined, which augurs well for economic growth in the first quarter. The goods trade deficit contracted 8.1% last month to $84.6bn, the Commerce Department said on Wednesday. Exports of goods increased $4.9bn to $172.7bn. They were boosted by industrial supplies, which include crude oil, motor vehicles as well as consumer goods. Food exports fell 4.5%. Goods imports fell $2.5bn to $257.3bn, pulled down by decreases in industrial supplies, capital goods and other goods. Imports of consumer goods rose 2.4%. The Commerce Department also reported that wholesale inventories edged up 0.1% in March after a similar gain in February. Retail inventories increased 0.7% after rising 0.3% in the prior

month. Excluding motor vehicles, retail inventories rebounded 0.4% after falling 0.1% in February. This component goes into the calculation of gross domestic product. The report was published ahead of the government's advance GDP estimate for the first quarter on Thursday. Trade has contributed to GDP growth for three straight quarters. Inventory investment was the biggest driver of GDP growth in the fourth quarter. According to a Reuters survey of economists, GDP likely increased at a 2.0% annualized rate last quarter. The economy grew at a 2.6% pace in the fourth quarter. (Reuters)

- **German government slightly raises 2023 GDP forecast -** The German government has raised its economic growth forecast for this year to 0.4% from a previously predicted 0.2%, according to its spring economic projections published on Wednesday and first reported by Reuters last week. "A gradual recovery is underway, despite a persistently difficult environment," German Economy Minister Robert Habeck said. He expects stagnation in the first quarter, followed by an acceleration in growth. With the new projections, the government is slightly more optimistic than the five economic institutes that prepare the Joint Economic Forecasts, which foresee 2023 economic growth of 0.3%. Current economic indicators such as industrial production, orders received and business climate point to an economic revival in the course of the year, the report said. "For next year, we expect the recovery to continue and gain in breadth," Habeck said. For 2024, the government slightly lowered its growth forecast to 1.6% from the 1.8% foreseen in January. Inflation forecasts were also adjusted down, with the rate for both 2023 and 2024 now seen 0.1 percentage point lower, at 5.9% and 2.7%, respectively. Inflation stood at 6.9% last year. Despite government support measures and rising incomes, private consumption will be weak due to inflation-related losses in purchasing power, the report said, forecasting a 0.1% drop in 2023. It will only pick up again later in the year as inflation continues to decline. For 2024, the government sees a 2.1% increase in private consumption. Given the continuing high demand for labor, employment is expected to continue to grow this year and next, albeit at a somewhat less dynamic pace. The government expects an unemployment rate of 5.4% in 2023 and 5.2% in 2024, following 5.3% in 2022. Exports are likely to provide impetus but remain at a rather low level by long-term standards. Sentiment among German exporters has rebounded in April to the highest point seen since the outbreak of war in Ukraine last year, according to a survey by the Ifo economic institute released on Tuesday. The government forecasts export growth of 1.3% in 2023 and 3.3% in 2024. (Reuters)

Regional

- **Gulf economies seen to grow at much slower pace in 2023 on lower oil revenues -** Gulf Co-operation Council (GCC) economies will grow at a much slower pace in 2023 than last year as expectations for muted gains in crude prices and oil production cuts take a toll on revenues, a Reuters poll found. Oil prices have spiked nearly 20% since they hit this year's low of about $70 a barrel on March 20, largely driven by the decision of the Organization of Petroleum Exporting Countries and its allies (Opec+) to reduce oil output by about 1.16mn barrels per day and China's reopening. But further gains will largely be subdued over the coming months on slower global demand — not good news for the bloc which is heavily dependent on oil. Saudi Arabia, the world's largest oil producer, will expand 3.2% this year, less than half 2022's decade-high pace of 8.7%, according to the April 6-25 Reuters poll of 16 economists. The growth rate was expected to be the same next year. "Oil output cuts will drive a sharp slowdown in GDP growth in Saudi Arabia this year...In the rest of the Gulf, the double whammy of lower oil production and oil prices will impact upon both oil and non-oil GDP," said James Swanston, emerging markets economist at Capital Economics. The United Arab Emirates (UAE), the second biggest economy among GCC members, will grow 3.7% in 2023 and 4.0% next year, significantly lower than 7.6% last year. Both Qatar and Bahrain were expected to grow at a slower pace of 2.7% this year. While Oman was seen growing 2.6% in 2023, Kuwait's economic growth was forecast at a much slower pace of 1.5%. They are not the exception as growth in most major economies was also expected to slow this year as dual threats of aggressive rate hikes seep into economic activity and persistently high inflation affects consumer demand. But the inflation outlook for the Gulf countries was more muted compared to what is expected in many major economies. Inflation in the region was expected to be between 2.1% and 3.3% this year and fall lower in 2024. Most GCC economies were still expected to enjoy double-digit current account surpluses in 2023 despite worries about slower oil production, with only Oman and Bahrain predicted to post surpluses in single digits. Countries in the bloc have already shown intent to reduce their dependence on fossil fuels — their major source of income — as the world transitions towards green energy. To bolster economic growth through non-oil revenues, countries such as Saudi Arabia, UAE and Qatar have hosted major sporting events and exhibitions and started building large infrastructure projects to attract tourists. "Tourism revenues will likely outpace GDP growth in 2023," said Ralf Wiegert of S&P Global Market Intelligence. "Saudi Arabia will continue to invest massively into projects connected with Vision 2030, keeping the budget close to balance; eventually, with oil prices not rising any longer, we see a modest (fiscal) deficit emerging in 2024 and 2025." (Gulf Times)
- **Saudi's EIC announces $21.06mn deal with Kuwaiti government -** Saudi Transformers Company, a subsidiary of Electrical Industries Company (EIC), won a SAR 79mn project contract on 20 April, according to a bourse disclosure. The deal covers the provision of distribution transformers for the Ministry of Electricity and Water and Renewable Energy in Kuwait. Meanwhile, the signing of the agreement is expected to take place on 31 May 2023. Last year, EIC recorded net profits after Zakat and tax worth SAR 94.17mn, higher by 92.79% than SAR 48.84mn as of 31 December 2021. Revenues enlarged by 38.33% to SAR 1.06bn in 2022 from SAR 770.68mn a year earlier, while the earnings per share (EPS) increased to SAR 2.12 from SAR 1.10. (Zawya)
- **Saudi Arabia, UAE inform IMF of funding to Pakistan -** Saudi Arabia and the UAE have intimated to the International Monetary Fund (IMF) on financing to Pakistan, the South Asian country's Finance Minister Ishaq Dar told ARY News channel. Saudi Arabia and the UAE have confirmed the provision of $2bn and $1bn, respectively, to Pakistan, he told the news channel on Monday. Dar stated that all preconditions for a staff-level agreement (SLA) between Pakistan and the IMF have now been implemented, expecting the IMF will soon sign the deal and get approval from its executive board. In March, Pakistan's finance minister held a virtual meeting with World Bank's South Asia Vice President Martin Raiser. The minister informed him of the completion of World Bank-supported reforms, especially those supported under the Resilient Institutions Strengthening Program-II, under which significant reforms such as harmonization of goods and services tax (GST) had been completed. (Zawya)
- **Monsha'at comes up with 23 initiatives envisaged in Vision 2030 -** The Small and Medium Enterprises General Authority (Monsha'at) has developed 23 initiatives related to seven of the Saudi Vision 2030 strategic objectives through five of its programs: National Transformation, Financial Sector Development, Fiscal Stability, Human Capability Development and National Industrial Development and Logistics Programs. Some of the most prominent achievements attained by Monsha'at in relation to the National Transformation Program include increasing the numbers of small and medium enterprises from 429,026 in 2016 to 1,141,733 in 2022, a 166% growth rate since the launch of Vision 2030 in 2016. As a result of its endeavors, Saudi Arabia ranked 2nd in the 2022 Global Entrepreneurship Monitor's National Entrepreneurship Context Index (GEM NECI), considerably higher than its 41st place in 2018. In the Fiscal Stability Program, Monsha'at has contributed to establishing the Small and Medium Enterprises Bank and raising the lending quota from 5.4% in 2018 to 8.3% in 2022, a growth rate of 54%. In addition, a funding portal was launched to connect public and private sector financiers with small and medium enterprises seeking finance; the funding provided through the portal has reached more than SAR18bn. Monsha'at also established the Saudi Venture Capital Company to promote the concept of venture capital and direct investment in startups and stimulate the private sector's investment. The value of venture capital in Saudi Arabia amounts to SAR3.7bn. Regarding the Financial Sustainability Program, the authority launched in 2018 the Government Fee Refunding Initiative Estrdad, which has encouraged SMEs to enter the market by supporting them to achieve growth during the first years of operation. The total refunds since the launch of the initiative until 2021

amounted to SAR3.5bn. As part of the National Industrial Development and Logistics Program, Monsha'at launched the "Jadeer" service that aims to capacitate and empower SMEs in the market by facilitating procurement opportunities offered by the public sector and enterprises in the private sector. The number of enterprises qualified through the service reached more than 2,300. Monsha'at launched the University Startups Initiative to spread the entrepreneurial culture. Monsha'at offers many programs as part of this initiative, which supported more than 65,000 university students, contributing to the Kingdom's advancement in the Global Entrepreneurship Monitor report over the past two years from the 23rd to the 5th rank in the entrepreneurship index in higher education, as part of the Human Capability Development Program. In continuation of the achievements of the Saudi Vision 2030, Monsha'at has launched several SMEs support centers in four different regions in the Kingdom to upskill small and medium enterprises and entrepreneurs, through public-private sector cooperation, and to build a regional competitive economic system that aims to achieve sustainability and prosperity in various sectors and boost its contributions to the GDP. The number of beneficiaries of the centers reached more than 66,000. (Zawya)

- **UAE, EU discuss boosting bilateral ties -** Dr. Thani bin Ahmed Al Zeyoudi, Minister of State for Foreign Trade, has led a delegation of senior officials and business leaders to Brussels, Belgium, with the aim of strengthening economic ties and promoting investment opportunities with Belgium and the wider European Union (EU). During the visit, Al Zeyoudi held a bilateral meeting with Vladis Dombrovskis, European Commissioner of Trade, where he discussed growing trade relations with the EU in addition to sharing updates on preparations for the World Trade Organization's 13th Ministerial Conference (MC13) which will be held in Abu Dhabi in 2024. Dr. Al Zeyoudi also held talks with Pierre-Yves Dermagne, Belgium's Deputy Prime Minister and Minister of Economy and Employment, and Hadja Lahbib, Minister of Foreign Affairs of Belgium, in which they outlined opportunities for further joint economic cooperation in priority sectors. Al Zeyoudi noted that the visit marks an important continuation of longstanding trade relations shared with the EU. "The EU is one of the UAE's largest trading partners with whom we have recorded strong growth over recent years. We see great importance in strengthening our economic ties with the EU, especially in high-potential sectors such as digital trade, e-commerce, and innovation where we are actively working to promote collaboration. "Our meetings reinforce the UAE's belief that by working together, we can create a mutually prosperous future for our businesses and citizens, and I look forward to ongoing engagement with the EU moving forward," he added. Non-oil bilateral trade between the UAE and EU amounted to US$56bn in 2022, achieving growth of 9.3 % compared to the same period in 2021. Non-oil trade value grew by 28.6 % and 14.7 % over the same period in 2020 and 2019, respectively. Additionally, the UAE today stands as Belgium's leading trade partner in the Middle East, accounting for 21 % of Belgium trade with Arab countries in 2022. The UAE delegation also took part in a technical workshop held in Brussels that explored the scope of the EUs proposed Carbon Border Adjustment Mechanism (CBAM). The workshop provided critical details on compliance, data requirements and the implementation timeline of the CBAM. During the visit, Dr. Al Zeyoudi was joined by Mohammed Al Sahlawi, UAE Ambassador to the Kingdom of Belgium. and Juma Mohammed Al Kait, Assistant Under-Secretary at the UAE Ministry of Economy for Foreign Trade Affairs. The UAE delegation included Saif Ghubash, Assistant Under-Secretary for Petroleum, Gas & Mineral Resources Sector at the Ministry of Energy and Infrastructure; Amal Al Ali, Director of Petroleum and Gas Affairs Department at the Ministry of Energy and Infrastructure; Abdulla Alduhoori, Economics Research Assistant at the Ministry of Economy; Bharat Bhatia, CEO of Conares; Claus Basse, Senior Manager of International and Government Affairs at Emirates Airline; Dr. Majeed Bishara, Manager of Cargo Operation Engineering at Emirates Airline; Maryam Bin Fares, Senior Manager of Treasury Dealing at Etihad; Fatma Hokal, National Added Value Programs Auditor at the Ministry of Industry and Advanced Technology, in addition to representatives from Emirates Global Aluminum and Emirates Steel Arkan. (Zawya)

- **UAE: Private sector given June 30 as deadline for half-yearly Emiratization targets -** The Ministry of Human Resources and Emiratization (MoHRE) announced that 30th June is the deadline for private sector companies with 50 employees or more to achieve their half-yearly Emiratization targets, set at 1% of skilled jobs. In July 2023, fines will be applied to non-compliant companies for not achieving the required half-yearly rate and the 2022 targets. This comes in line with the amendment of some of the provisions of Cabinet Resolution No. (19/5m) of 2022 regarding the mechanism of achieving yearly Emiratization increase targets. It stipulates that a 1% Emiratization increase should be completed before the end of June, with the yearly 2% increase target to be achieved before the end of the year. Aisha Belharfia, Acting Undersecretary for Emiratization Affairs and Assistant Undersecretary for Labor Affairs highlighted the importance of companies achieving a half-yearly Emiratization target increase to avoid fines. She called on the private sector companies to benefit from the support provided by Nafis to hire Emirati talents in skilled jobs. She added, "The success of Emiratization efforts depends on expanding the vacancies open to Emiratis in the private sector and building a secure network that supports their career paths. The Ministry of Human Resources and Emiratization supports exceptional companies that train and employ Emiratis in line with Nafis' objectives. "We also offer them the chance to join the Tawteen Partners Club, which boosts the company's ranking to Category 1, providing them with a discount of up to 80% on the Ministry's fees." A penalty of AED42,000 will be applied for every Emirati not hired within targeted companies, at a rate of AED7,000 per month for 2023, in line with the Cabinet Decision. The fines will increase by AED1,000 yearly until 2026. (Zawya)

- **UAE-China bilateral trade seen hitting $200bn by 2030 -** Over 200 Chinese business leaders gathered at Dubai Multi Commodities Centre to observe China Business Day and celebrate the growing commercial ties between UAE and China, which target bilateral trade hitting $200bn by 2030. Commenting on the event, Mohammad Ali Rashed Lootah, President and CEO of Dubai Chambers said: "The UAE represents one of the strongest economies in the region and as a natural partner of the Belt and Road Initiative, it has risen as a prominent global gateway for Chinese businesses, particularly with its unparalleled logistics infrastructure and position along the New Silk Road. "China has always been a market of strategic importance to Dubai and the mutual investments between the two countries continue to witness strong growth in various economic and commercial sectors. Through the extensive efforts and support of organizations like DMCC, we look forward to continued collaboration and seeing the relationship between our countries thrive and prosper even more. We look forward, through our international offices, to strengthen the trade ties between Dubai and China and attract foreign direct Investments in line with the objectives and goals of Dubai Economic Agenda (D33)." (Zawya)

- **KPMG CEO: New corporate tax in the UAE will bring more market transparency -** The UAE's new corporate tax, which will be implemented from June 1, 2023, will bring more transparency to the market around financial disclosures, according to the CEO of KPMG Lower Gulf. In an exclusive interview with Zawya, Emilio Pera said that KPMG had seen significant interest from entities that operate across free zones and mainland jurisdictions, as well as multinationals that have business inside and outside of the UAE. Under the tax program, corporations and other businesses with taxable profits exceeding AED 375,000 ($102,110) will have to pay a standard rate of 9%. The first year the tax will be effective is in 2024, meaning the first assessments will take place in 2025. "If you consider the 9% proposed tax it is one of the lowest internationally, but it's also providing transparency in the market, and positions the UAE as a leading financial center in providing that confidence," Pera said. The different segments entitled to pay corporate tax include UAE-incorporated entities; individuals (foreign or resident) who conduct a business or business activity in the UAE; and foreign legal entities that have a permanent establishment in the UAE or that are managed and controlled in the UAE. There has already been an uptick in the requirements of companies from a skills perspective, Pera said, as when VAT was implemented in the UAE, it was largely resolved under companies' finance functions, whereas now, independent tax functions are being established. "From a professional services perspective, it's an area that we see growth in our tax business, but also advisory business, in order to support clients from a structural perspective, and also on the audit side," he said. Companies need to start looking from a deferred tax perspective, what the implications could be, he added. In terms of readiness, KPMG is seeing awareness and interest from larger organizations, from companies that have been operating in a regional or international environment, who have already been exposed to tax jurisdictions, and around the nuance of mainland and offshore jurisdictions within the UAE. "As far as readiness, I believe there is sufficient time, we have significant interest from companies. I can't say that there aren't some companies that might wake up a little bit later. That's inevitable that there will be some companies that will come forward nearer the time," he said. (Zawya)

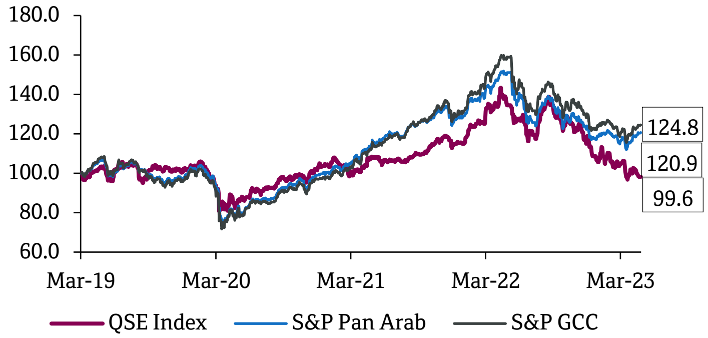
- **Minister of Economy: UAE plays key role in creating investment opportunities -** Abdullah Bin Touq Al Marri, Minister of Economy, held a number of bilateral meetings, including one with Lord Dominic Johnson, Minister of State in the Department for Business and Trade, UK, on the sidelines of his participation in the 13th edition of City Week Forum 2023, which was held yesterday 24 till 26 April, in London. The minister also met with Nicholas Lyons, Lord Mayor of the City of London, Andrew Griffith, British Economic Secretary to the Treasury; Morris Paton, CEO of City Week forum; Odile Renaud Basso, President of the European Bank for Reconstruction and Development; and Rashee Pandey, Head of Membership and Growth at Innovate Finance Panel. During the meetings, Bin Touq emphasized that the UAE has enhanced its openness to the world and remains keen to promote global economic cooperation. He underlined the UAE's key role in creating investment opportunities in new economy sectors and supporting supply chains, thus ensuring their flexible and sustainable operation. Thanks to the country's strategic location at the heart of global trade routes, it serves as an active logistic gateway that facilitates the flow of goods in and out of regional, Asian, and African markets, enhancing the quality of life for people around the world. The Minister of Economy also emphasized the relevance of the UAE's leading initiatives in supporting and promoting international economic partnerships. Moreover, Bin Touq highlighted the necessity to solidify existing economic partnerships between the UAE, Britain and the European continent, and forge new ones in new economy sectors. These include fintech, renewable energy, space industry, software, e-commerce, logistics, and green and circular economy, agricultural technology and exchange of experiences in these sectors and other fields of shared interest. Underlining the UAE's leading economic experience that positioned the country at the heart of global trade, Bin Touq attributed this achievement to the UAE's advanced technological infrastructure, attractive business and investment environment, and flexible economic legislation, which were developed in line with the principles of the 50 and the UAE Centennial 2071 goals. These include the granting of full foreign ownership of companies, enhanced intellectual property protection, and the launch of an ambitious strategy to attract and retain talent in all sectors to establish the country's position as a permanent hub for innovation and creativity. In addition, the Minister of Economy invited the European and British business communities to capitalize on the advantages and incentives offered by the UAE economy to achieve growth and expansion in the UAE and the wider Middle East and African markets. Drawing their attention to the global investment platform 'Investopia', which is creating opportunities and catalyzing future investments, in addition to the UAE's comprehensive economic partnership agreements (CEPA) program. Under this program, the country has signed four agreements to date - with India, Israel, Indonesia and Turkey. Negotiations with more strategic global markets are currently underway. Once they materialize, these partnerships will enable the private sector to build regional and global networks, ensuring more profits, growth, and development. City Week is an annual global forum that is held in the British capital, London. The event brings together more than 1,000 senior decision-makers and economic officials in the United Kingdom and the world to create more effective solutions to political issues and economic challenges that face the world. This year's edition tackles three main issues surrounding climate change, green finance and sustainability; institutional adoption and regulation of digital assets; and digitization and innovation in capital markets. (Zawya)

- **Sahem Talent to foster Emirati talent in UAE private sector -** Sahem Talent, a recruitment agency that specializes in developing and employing Emirati talents in suitable career paths within the private sector, has officially launched its operations in Dubai. In line with the UAE's vision to support local talents, over the past years, the country's government has initiated several programs like 'Nafis' to enhance the ratio of local talent with the private sector's workforce. Sahem Talent, which is dedicated to helping private sector employers with skilled UAE nationals, comes in response to the Nafis federal program. The program aims to reinforce the role of the Emirati workforce and empower them to secure a competitive role in the private sector. (Zawya)

- **Salalah Free Zone signs $230mn new investment deal -** Salalah Free Zone, a subsidiary of Asyad Group, has signed a new investment agreement for the establishment of a major ferroalloy and high-quality packaging paper production plant in Salalah. The project will be built on an area of 300,000 square meters with an investment of US$230mn, Salalah Free Zone announced in a tweet. Salalah Free Zone signed the agreement with the Chinese silicon industry company Besto Hengda Oman to set up the project. In the first phase development, the plant will have annual production capacity of 90,000 tonnes of ferrosilicon alloys. The output will be doubled in the second phase to 180,000 tonnes per annum, Salalah Free Zone said. The production capacity for recycled packaging paper will be about 300,000 tonnes annually in the first phase. Salalah Free Zone, situated adjacent to the Port of Salalah, is managed and operated by Salalah Free Zone Company and is one of Oman's most important industrial hubs. The free zone is highly competitive in the region for labor, utilities and infrastructure costs, and located in close proximity to raw material sources and emerging markets. Salalah Free Zone provides competitive incentives that make it easier for investors and industrialists to establish projects and start operating, producing and exporting rapidly and efficiently. (Zawya)

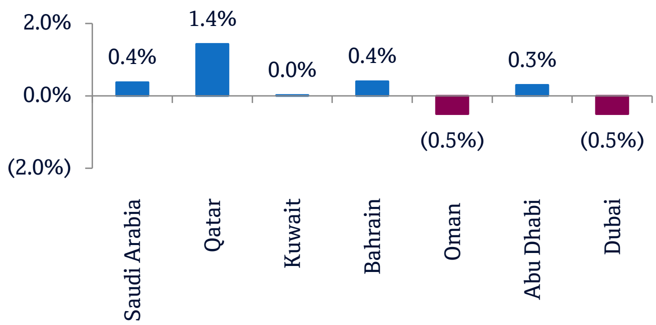
- **Labor Ministry announces over 3,000 job opportunities in Oman -** The Sultanate of Oman's Ministry of Labor has announced the opening of applications for 3233 job rotation opportunities in 37 government units through the Ejadah platform until 6 May 2023. The Ministry indicated that the Ejadah platform for job rotation allows all employees of government units in the state's administrative apparatus to view all job rotation opportunities, choose jobs commensurate with functional and scientific expertise and geographical location, in addition to applying and competing for opportunities. It is noteworthy that the Ministry of Labor launched the Ejadah platform for job rotation in November 2022 as part of the Ejadah system for career development of the Ministry. (Zawya)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,989.04	(0.4)	0.3	9.0
Silver/Ounce	24.88	(0.5)	(0.8)	3.9
Crude Oil (Brent)/Barrel (FM Future)	77.69	(3.8)	(4.9)	(9.6)
Crude Oil (WTI)/Barrel (FM Future)	74.30	(3.6)	(4.6)	(7.4)
Natural Gas (Henry Hub)/MMBtu	2.19	(0.9)	(0.5)	(37.8)
LPG Propane (Arab Gulf)/Ton	76.30	(2.8)	(5.0)	7.8
LPG Butane (Arab Gulf)/Ton	84.80	(5.1)	(6.8)	(16.5)
Euro	1.10	0.6	0.5	3.1
Yen	133.67	(0.1)	(0.4)	1.9
GBP	1.25	0.5	0.3	3.2
CHF	1.12	0.1	0.1	3.7
AUD	0.66	(0.3)	(1.3)	(3.1)
USD Index	101.47	(0.4)	(0.3)	(2.0)
RUB	110.69	0.0	0.0	58.9
BRL	0.20	0.2	0.1	4.8

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,779.71	(0.4)	(1.5)	6.8
DJ Industrial	33,301.87	(0.7)	(1.5)	0.5
S&P 500	4,055.99	(0.4)	(1.9)	5.6
NASDAQ 100	11,854.35	0.5	(1.8)	13.3
STOXX 600	463.21	(0.2)	(0.7)	12.4
DAX	15,795.73	0.2	0.0	16.9
FTSE 100	7,852.64	0.1	(0.5)	8.6
CAC 40	7,466.66	(0.2)	(0.9)	18.9
Nikkei	28,416.47	(0.7)	(0.3)	6.6
MSCI EM	967.85	0.2	(1.3)	1.2
SHANGHAI SE Composite	3,264.10	0.0	(1.6)	5.2
HANG SENG	19,757.27	0.7	(1.6)	(0.7)
BSE SENSEX	60,300.58	0.6	1.4	0.2
Bovespa	102,312.10	(0.3)	(1.9)	(2.2)
RTS	1,011.06	(0.3)	(0.8)	4.2

Source: Bloomberg ($ adjusted returns)*

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