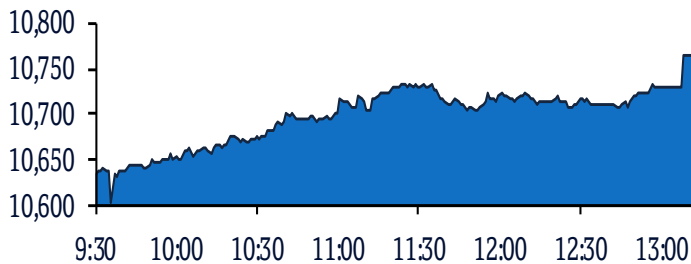


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 1.3% to close at 10,764.1. Gains were led by the Consumer Goods & Services and Real Estate indices, gaining 1.8% and 1.7%, respectively. Top gainers were Al Khaleej Takaful Insurance Co. and Barwa Real Estate Company, rising 8.0% and 4.5%, respectively. Among the top losers, Qatar Cinema & Film Distribution fell 6.0%, while Qatari Investors Group was down 3.6%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.5% to close at 10,519.5. Gains were led by the Consumer Durables & Apparel and Transportation indices, rising 3.9% and 1.6%, respectively. L'Azurde Co. for Jewelry rose 10.0%, while Al Abdullatif Industrial Investment Co. was up 9.8%.

Dubai: The DFM Index fell 0.3% to close at 2,816.5. The Banks index declined 0.9%, while the Telecommunication index fell 0.8%. Al Firdous Holdings declined 10.0%, while Takaful Emarat Insurance was down 8.3%.

Abu Dhabi: The ADX General Index fell 0.2% to close at 6,548.2. The Energy index declined 5.2%, while the Telecommunication index fell 1.3%. Abu Dhabi Natl Co. For Building Materials and Fujairah Cement Industries were down 10.0% each.

Kuwait: The Kuwait All Share Index fell 0.5% to close at 6,207.6. The Consumer Services index declined 3.6%, while the Industrials index fell 2.4%. National Consumer Holding Co. declined 15.0%, while National Shooting Co was down 9.0%.

Oman: The MSM 30 Index fell 0.1% to close at 3,831.7. The Services index declined 0.1%, while the other indices ended in green. Oman Education & Training Investment declined 9.1%, while Al Madina Investment Co. was down 4.5%.

Bahrain: The BHB Index fell 0.4% to close at 1,532.7. The Commercial Banks index declined 0.8%, while the Services index fell 0.2%. BBK declined 3.0%, while Al-Salam Bank-Bahrain was down 1.4%.

Market Indicators	27 May 21	26 May 21	%Chg.
Value Traded (QR mn)	1,271.5	551.3	130.6
Exch. Market Cap. (QR mn)	624,191.3	617,399.5	1.1
Volume (mn)	338.0	293.8	15.1
Number of Transactions	14,346	12,182	17.8
Companies Traded	48	47	2.1
Market Breadth	24:20	27:18	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	21,308.25	1.3	0.6	6.2	18.2
All Share Index	3,413.63	1.1	0.4	6.7	19.0
Banks	4,481.61	1.2	(0.2)	5.5	15.6
Industrials	3,561.78	1.0	2.0	15.0	27.4
Transportation	3,383.03	0.4	(0.4)	2.6	22.6
Real Estate	1,903.47	1.7	1.2	(1.3)	18.0
Insurance	2,657.64	0.5	(0.5)	10.9	23.8
Telecoms	1,062.40	(0.6)	(1.6)	5.1	28.2
Consumer	8,306.14	1.8	1.7	2.0	29.1
Al Rayan Islamic Index	4,640.22	1.3	0.7	8.7	19.9

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Barwa Real Estate Co.	Qatar	3.27	4.5	5,714.7	(3.9)
Qatar Fuel Company	Qatar	18.30	3.4	2,821.6	(2.0)
Qatar Gas Transport Co.	Qatar	3.12	2.9	7,755.7	(1.9)
Riyad Bank	Saudi Arabia	26.30	2.3	4,934.7	30.2
Sahara Int. Petrochemical	Saudi Arabia	29.20	2.3	5,697.4	68.6

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
ADNOC Distribution	Abu Dhabi	4.45	(8.2)	631,800.9	18.7
Mouwasat Medical Serv.	Saudi Arabia	180.40	(6.2)	3,448.8	30.7
National Petrochemical	Saudi Arabia	46.00	(4.6)	7,368.4	38.3
Agility Public Ware. Co.	Kuwait	0.92	(3.8)	9,076.4	49.9
BBK	Bahrain	0.49	(3.0)	229.6	5.6

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%
Al Khaleej Takaful Insurance Co.	4.54	8.0	3,620.7	138.9
Barwa Real Estate Company	3.27	4.5	5,714.7	(3.9)
Qatar Fuel Company	18.30	3.4	2,821.6	(2.0)
Ahli Bank	3.75	3.3	14.4	8.8
Qatari German Co for Med. Dev.	2.79	3.1	6,005.0	24.7

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Salam International Inv. Ltd.	1.02	(0.5)	51,952.8	55.9
Qatar Aluminum Manufacturing Co	1.66	1.2	32,871.3	71.7
Investment Holding Group	1.14	0.4	25,588.5	90.8
Qatar Oman Investment Company	1.07	0.9	23,332.9	20.2
Masraf Al Rayan	4.46	1.2	20,957.8	(1.5)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatar Cinema & Film Distribution	4.22	(6.0)	14.5	5.7
Qatari Investors Group	2.56	(3.6)	10,838.8	41.1
Qatar Navigation	7.11	(2.9)	338.5	0.3
Aamal Company	0.99	(1.4)	10,274.2	15.6
Dlala Brokerage & Inv. Holding Co	1.73	(1.1)	5,841.0	(3.9)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Industries Qatar	12.90	1.7	203,225.8	18.7
QNB Group	17.59	1.3	201,803.4	(1.3)
Qatar Electricity & Water Co.	16.64	0.7	107,057.7	(6.8)
Masraf Al Rayan	4.46	1.2	93,409.5	(1.5)
Qatar Islamic Bank	17.30	1.1	72,032.3	1.1

Source: Bloomberg (* in QR)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,764.13	1.3	0.6	(1.3)	3.1	344.37	168,906.2	18.2	1.6	2.7
Dubai	2,816.46	(0.3)	2.4	8.1	13.0	205.81	105,193.0	21.1	1.0	2.9
Abu Dhabi	6,548.19	(0.2)	0.5	8.3	29.8	1,661.97	254,731.1	22.2	1.9	4.0
Saudi Arabia	10,519.52	0.5	1.7	1.0	21.1	3,481.82	2,568,957.6	34.6	2.3	2.0
Kuwait	6,207.57	(0.5)	(1.3)	1.5	11.9	417.67	118,595.0	39.3	1.6	2.2
Oman	3,831.71	(0.1)	(0.9)	1.9	4.7	8.99	17,242.8	11.4	0.7	4.7
Bahrain	1,532.69	(0.4)	(0.3)	3.2	2.9	3.25	23,670.0	26.3	1.0	2.2

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 1.3% to close at 10,764.1. The Consumer Goods & Services and Real Estate indices led the gains. The index rose on the back of buying support from foreign shareholders despite selling pressure from Qatari, GCC and Arab shareholders.
- Al Khaleej Takaful Insurance Co. and Barwa Real Estate Company were the top gainers, rising 8.0% and 4.5%, respectively. Among the top losers, Qatar Cinema & Film Distribution fell 6.0%, while Qatari Investors Group was down 3.6%.
- Volume of shares traded on Thursday rose by 15.1% to 338.0mn from 293.8mn on Wednesday. Further, as compared to the 30-day moving average of 246.9mn, volume for the day was 36.9% higher. Salam International Inv. Ltd. and Qatar Aluminum Manufacturing Co. were the most active stocks, contributing 15.4% and 9.7% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	17.58%	20.89%	(42,023,875.7)
Qatari Institutions	9.03%	9.79%	(9,679,720.0)
Qatari	26.61%	30.68%	(51,703,595.7)
GCC Individuals	0.30%	0.31%	(113,115.3)
GCC Institutions	0.19%	0.70%	(6,440,718.4)
GCC	0.50%	1.01%	(6,553,833.7)
Arab Individuals	5.68%	6.07%	(4,959,816.6)
Arab Institutions	0.00%	0.00%	–
Arab	5.68%	6.07%	(4,959,816.6)
Foreigners Individuals	2.66%	1.78%	11,183,164.4
Foreigners Institutions	64.56%	60.46%	52,034,081.5
Foreigners	67.22%	62.24%	63,217,245.9

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

Ratings and Global Economic Data

Ratings Updates

Company	Agency	Market	Type*	Old Rating	New Rating	Rating Change	Outlook	Outlook Change
Qatar Islamic Bank	Moody's	Qatar	LT-DR	A1	A1	–	Stable	–

Source: News reports, Bloomberg (* LT – Long Term, DR – Deposit Rating)

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
05/27	US	Department of Labor	Initial Jobless Claims	22-May	406k	425k	444k
05/27	US	Department of Labor	Continuing Claims	15-May	3,642k	3,680k	3,738k
05/28	EU	European Commission	Consumer Confidence	May	-5.1	–	-5.1
05/27	Germany	GfK AG	GfK Consumer Confidence	Jun	-7	-5.2	-8.6
05/28	France	INSEE National Statistics Office	PPI MoM	Apr	-0.3%	–	1.0%
05/28	France	INSEE National Statistics Office	PPI YoY	Apr	7.3%	–	4.6%
05/28	France	INSEE National Statistics Office	CPI MoM	May	0.3%	0.3%	0.1%
05/28	France	INSEE National Statistics Office	CPI YoY	May	1.4%	1.4%	1.2%
05/28	Japan	Statistics Bureau of Japan	Tokyo CPI YoY	May	-0.4%	-0.5%	-0.6%

Source: Bloomberg (s.a. = seasonally adjusted; n.s.a. = non-seasonally adjusted; w.d.a. = working day adjusted)

News

Qatar

- SIIS to hold board of directors meeting on June 16, 2021** – Salam International Investment Limited (SIIS) has announced that its Board of Directors will be holding a meeting on June 16, 2021 to discuss the and follow up on the implementation of previous decisions. (QSE)
- QATI 's board of directors meeting on May 30, 2021** – Qatar Insurance Company (QATI) has announced that its board of directors will be holding a meeting on May 30, 2021 to discuss the it would like to inform that the Qatar Central Bank has reported the issuance of the decision of His Excellency the Governor of the Bank to appoint Mr. Khalifa Abdullah Turki Al-Subaie to be a board member as a substitute for His Excellency Sheikh Khalid bin Muhammad bin Ali Al-Thani - Chairman and Managing Director - who apologized for discontinuing his membership of the board due to personal reasons, and to also call Mr. Hassan Al Mulla Al Jufairi to fill the vacant seat and be a

substitute for His Excellency Mr. Abdullah bin Khalifa Al Attiyah - Vice President of the board, who has also apologized for not continuing to be a member. The bank also directed to invite the Board of Directors to meet at the earliest to elect the Chairman of the Board of Directors, the Managing Director and the Vice President, and this meeting has been scheduled to be held on Sunday May 30, 2021. (QSE)

- Moody's reaffirms QIBK's A1 rating with Stable outlook** – Moody's Investors Service (Moody's) has reconfirmed the long-term deposit rating of Qatar Islamic Bank (QIBK) at A1, with a Stable outlook. Moody's said in its Credit Opinion Report that QIBK's assigned rating reflects the bank's strong asset quality, strong and stable profitability, adequate capital and liquidity buffers, supported by its established and growing Islamic banking franchise and exceptional cost efficiency, adding that QIBK's stable outlook also takes into account the stable outlook

on the Qatari government's bond rating of Aa3. (Peninsula Qatar)

- **QP improves performance in Resource Governance Index –** Qatar Petroleum (QP) has improved its performance in the Resource Governance Index (RGI) of the Natural Resource Governance Institute (NRGI). The Index measures the quality of governance in the oil, gas and mining sector of different countries. "After joint engagement with QP, NRGI conducted a 2020 interim assessment of QP's Resource Governance Index (RGI) scores, which indicated an improvement from 55 to 65 points of 100, and from the weak to the satisfactory performance band," noted NRGI in its latest briefing. "QP's interim assessment indicates movement in the right direction and provides input into QP's roadmap towards further disclosures," it added. (Peninsula Qatar)
- **QBA organizes over 40 meetings of Qatari, Polish companies –** The Qatari Businessmen Association (QBA) organized the Qatari-Polish business meeting, through video conference technology, to discuss the prospects for economic cooperation between the two parties, followed by the organization of more than 40 bilateral sectoral meetings between Qatari companies and their Polish counterparts working in the health and agricultural sectors. This meeting comes within the Association's initiative to conduct a series of specialized sectoral meetings with the aim of securing communication between Qatari businessmen and their counterparts around the world. Chairman of the Qatari Businessmen Association Sheikh Faisal bin Qassim Al Thani and head of the Qatari side at the meeting, stressed that Qatari companies enjoy global competitive experiences and advantages and are always looking to search for partnerships and study investment opportunities in global markets. (Peninsula Qatar)
- **Building sales generate QR350mn in weekly realty activity –** Qatar's weekly property market has witnessed higher sales for buildings of all types, generating up to QR350mn, or 78.3% of the total sales volume, whilst land lots of all types generated up to QR97.2mn, or approx. 21.7% of the total sales, according to Ezdan Real Estate report. (Peninsula Qatar)
- **Industrial Production Index rises in March –** The Industrial Production Index (IPI) in March 2021 amounted to 100.7 points, registering an increase of 1.4% compared with February 2021, and a decrease of 0.1%, when compared to the corresponding month in 2020. The Industrial Production Index consists of three main components: "Mining" with a relative importance of 83.6%, "Manufacturing" with a relative importance of 15.2%, "Electricity" with a relative importance of 0.7%, and finally "Water" with a relative importance of 0.5%. The Planning and Statistics Authority (PSA) issued a press release for March 2021 of Industrial Production Index to study and analyze the economic level of the state. (Peninsula Qatar)
- **Qatar real estate sector seen maintaining buoyancy in 1Q2021 –** Qatar's real estate sector continued to show buoyancy in the first quarter of 2021, TradeArabia said citing data from Property Finder Qatar. The demand in the sale market has skyrocketed, with a 74% increase in recorded enquiries in Q1 compared with the previous quarter, stated the property portal. In addition, properties for sale on the website have also seen a significant rise, with a 33% and 60% increase recorded for apartments and villa listings respectively. TradeArabia quoted Property Finder and said there was a direct correlation and impact of the country's new property ownership laws which were introduced late last year, as well as lowered prices in high demand areas such as Al Erkyah City and West Bay, which recorded a decrease in advertised sales prices of three and four per cent respectively for apartments for sale when comparing

Q4 of 2020 and Q1, 2021. "Buyers, who had the means to invest during 2020, were eager to take advantage of declines in sales prices, along with first-time buyers also jumping on the property ladder," remarked Afaf Hashim, country manager at Property Finder Qatar. (Gulf-Times.com)

- **Over 200 meetings of Qatari and Russian businessmen planned during SPIEF 2021 –** In the pavilion of the XXIV St. Petersburg International Economic Forum (SPIEF 2021), which will be held on June 2-5, in St. Petersburg, the official delegation of Qatar will organize a unique business platform - Doha Hall. All events are combined on the working days of the forum into thematic tracks: "Innovation and Sport", "Russia-Qatar Business Dialogue", "Youth Forum". Also, as part of the business program, the "Russia-Qatar Cultural Dialogue" will be held under the auspices of the Creative Business Forum, the QatarDebate Show. "Realizing the importance of the St. Petersburg International Economic Forum, Qatar has prepared a large-scale business program, which will be presented at the national pavilion of Qatar. Doha Hall, on the territory of the pavilion, will become a space where the heads of ministries and departments, heads of key companies of the country, representatives of public organizations will discuss the strengthening of economic and political relations between states, business and cultural ties, cooperation in the field of ecology and nature protection, sports and innovation, health care and information technology. During the Forum, in order to develop and strengthen our economic relations, over 200 B2B meetings of Qatari and Russian businessmen are planned. The result of such activity and interaction of the two parties will be the signing of more than 60 agreements", - said HE Sheikh Ahmed bin Nasser Al Thani, Extraordinary and Plenipotentiary Ambassador of the State of Qatar to the Russian Federation. (Peninsula Qatar)
- **Masraf Al Rayan launches high-end metal credit card –** Masraf Al Rayan, the leading bank in Qatar and the region, in partnership with Visa has launched a feature packed high-end metal credit card exclusively for their Ultra High Net Worth Private Banking Customers. The uniquely designed "By invitation only" Visa Ultra High Net Worth metal card is personalized and packaged with an extensive range of lifestyle privileges. (Peninsula Qatar)
- **HIA records 381% increase in passenger traffic in one year –** Hamad International Airport (HIA) recorded a 381% increase in passenger traffic from April 2020 to April 2021. The flagship airport recently (May 27) marked seven successful years as an award winning leading global travel hub. To date, HIA has processed more than 200mn passengers and 13mn tons of cargo and rated consistently as one of the top airports in the world. (Peninsula Qatar)
- **QNTC takes part in Tourism Recovery Summit in Riyadh –** A Qatari delegation headed by Secretary-General of Qatar National Tourism Council and Qatar Airways Group Chief Executive HE Akbar Al Baker, took part in the Tourism Recovery Summit held recently in Riyadh. The summit shed light on the obstacles hindering the sector's recovery and sustainability, reinforcing coordination among the public and private sectors to help the sector emerge from the effects of the pandemic. (Peninsula Qatar)
- **QA resumes Atlanta route expands US network to 12 destinations –** Qatar Airways' resumption of four weekly Atlanta flights on June 1 marks the full return of the airline's pre-pandemic US network, increasing its gateways to 12, two more than it operated before COVID-19. The airline will also be increasing frequencies to Boston, Miami, New York, Philadelphia, San Francisco, and Seattle, offering more flexible travel options for its passengers with more than 85 weekly

flights across the United States. These increased services will provide enhanced connectivity to several of the airline's global leisure destinations, including Cape Town, Maldives, Seychelles, and Zanzibar, along with other key traffic flows in Africa, Asia, and the Middle East. (Peninsula Qatar)

- **Ashghal achieves Three Stars by EFQM as 'Outstanding Organization'** – The Public Works Authority (Ashghal) has achieved the "Recognized for Excellence – Three stars" awarded by EFQM as an "Outstanding Organization". Ashghal is the first governmental entity of the sort to achieve this recognition under the new improved "EFQM 2020" model in the region. (Peninsula Qatar)
- **Phase 1 easing of Covid-19 curbs begin in Qatar** – The Phase 1 of easing Covid-19 curbs began Friday in Qatar, as announced by the Cabinet on Wednesday. This is part of a four-phase plan, which relies on a set of key performance indicators. Phase 2 is planned to begin on June 18, Phase 3 on July 9 and Phase 4 on July 30. Various allowances for fully vaccinated people also came into force on Friday. Operating public transport and Doha Metro services on weekends, allowing dine-in at restaurants and reopening driving schools, barbershops, gyms, swimming pools, museums and libraries etc, subject to conditions, are among the highlights of Phase 1. (Gulf-Times.com)
- **MoPH approves two new Covid-19 tests for private sector** – The Ministry of Public Health has updated its COVID-19 testing protocol and approved antibody and antigen tests to be performed in the private healthcare sector. MOPH updated COVID-19 testing protocol and approved two new tests for private healthcare sector. (Peninsula Qatar)

International

- **Biden proposes \$6tn budget, aimed at ramping up spending on infrastructure, education** – The White House sent Congress a \$6tn budget plan that would ramp up spending on infrastructure, education and combating climate change, arguing it makes good fiscal sense to invest now, when the cost of borrowing is cheap, and reduce deficits later. The first comprehensive budget offered by Democratic President, Joe Biden faces strong opposition from Republican lawmakers, who want to tamp down US government spending and reject his plans to hike taxes on the rich and big corporations. Biden's plan for fiscal year 2022 calls for \$6.01tn in spending and \$4.17tn in revenues, a 36.6% increase from 2019 outlays, before the coronavirus pandemic bumped up spending. It projects a \$1.84tn deficit, a sharp decrease from the past two years because of the COVID-19 pandemic, but up from 2019's \$984bn. The blueprint builds on a partial "skinny budget" the White House released last month that mapped out \$1.5tn in discretionary spending. (Reuters)
- **US Treasury's Yellen calls on G7 to keep up fiscal support** – US Treasury Secretary, Janet Yellen told G7 finance ministers and central bank governors on Friday that it was important to provide further fiscal support "to promote a robust and lasting recovery in the wake of the pandemic," the Treasury said in a statement. Yellen, during a virtual meeting of the finance leaders from wealthy democracies, emphasized US commitment to solving global problems multilaterally, including cooperating on tackling climate change and environmental issues. "She expressed her support for ongoing work on digital payments issues, including exploration of potential central bank digital currency policy considerations," the Treasury said. (Reuters)
- **US pending home sales decline in April** – Contracts to purchase previously owned US homes declined in April following a record-low inventory of homes for sale in the first quarter of 2021. The National Association of Realtors (NAR)

said on Thursday its Pending Home Sales Index, based on contracts signed last month, fell 4.4% to 106.2. Economists polled by Reuters had forecast pending home sales rising 0.8% percent. "Contract signings are approaching pre-pandemic levels after the big surge due to the lack of sufficient supply of affordable homes," NAR's Chief Economist, Lawrence Yun said. "The upper-end market is still moving sharply as inventory is more plentiful there." Pending home contracts are seen as a forward-looking indicator of the health of the housing market because they become sales one to two months later. Compared to one year ago, pending sales were up 51.7%. (Reuters)

- **US weekly jobless claims drop to fresh 14-month low; economic recovery gaining speed** – The number of Americans filing new claims for unemployment benefits dropped more than expected last week as layoffs subsided, with companies desperate for workers to meet surging demand unleashed by a rapidly reopening economy. The economy, which in the first quarter notched its second-fastest growth pace since the third quarter of 2003, is gaining speed, with other data on Thursday showing business spending on equipment accelerated in April. Activity is being boosted by the COVID-19 pandemic's easing grip and nearly \$6tn in relief provided by the government over the past year. "The economy is off and running," said Scott Hoyt, a senior economist at Moody's Analytics in West Chester, Pennsylvania. "Going forward growth will be supported by the pent-up savings that households have amassed during the pandemic." Initial claims for state unemployment benefits fell 38,000 to a seasonally adjusted 406,000 for the week ended May 22, the Labor Department said. That was the lowest since mid-March 2020 and marked the fourth straight weekly decline in applications. (Reuters)
- **US core capital goods orders, shipments increase strongly in April** – New orders for key US-made capital goods increased more than expected in April and shipments rose solidly, suggesting strong momentum in business spending on equipment growth persisted early in the second quarter. Orders for non-defense capital goods excluding aircraft, a closely watched proxy for business spending plans, jumped 2.3% last month, the Commerce Department said on Thursday. These so-called core capital goods orders increased 1.6% in March. Economists polled by Reuters had forecast core capital goods orders rising 1.0%. Orders shot up 14.7% YoY in April. Business investment on equipment has enjoyed double-digit growth over the last three quarters thanks to a shift in demand towards goods from services during the COVID-19 pandemic and massive fiscal stimulus to soften the blow to the economy from the public health crisis. Though demand is starting to revert back to services as vaccinations allow for broader economic re-engagement, appetite for goods remains healthy. But manufacturing, which accounts for 11.9% of the US economy, is experiencing shortages of labor and raw materials, impacting production at some industries. (Reuters)
- **US economy expands 6.4% in first quarter** – The US economy expanded by an annual rate of 6.4% in the first quarter, according to the Commerce Department's second reading of the data, which was unchanged from the first reading. Analysts expected the gross domestic product (GDP) to rise 6.1%, while real GDP increased 4.3% in the fourth quarter of 2020. After the US economy shrank by a record 31.4% in the second quarter last year amid the coronavirus pandemic, GDP climbed 33.4% in the third quarter. "Upward revisions to consumer spending and nonresidential fixed investment were offset by downward revisions to exports and private inventory investment," said the agency. It noted that government assistance payments, including economic impact payments, expanded unemployment benefits and Paycheck Protection

Program loans, were distributed in the first quarter to households and businesses through the Coronavirus Response and Relief Supplemental Appropriations Act and the American Rescue Plan Act. (Bloomberg)

- **US consumer sentiment declined in May** – US consumer sentiment deteriorated in May as consumers grew more concerned about a pickup in inflation, a survey released on Friday showed. The University of Michigan's Consumer Sentiment Index fell to a final reading of 82.9 from April's final level of 88.3, though it was little changed from May's preliminary reading of 82.8. That was in line with the median forecast among economists polled by Reuters. "Consumer confidence remained largely unchanged at the reduced level recorded at mid-month," Survey Director, Richard Curtin said. "It is hardly surprising that the resurgent strength of the economy produced more immediate gains in demand than supply, causing consumers to expect a surge in inflation." The survey's barometer of current economic conditions fell to 89.4 from April's 97.2, and also down from May's preliminary reading of 90.8. The survey's gauge of consumer expectations slid to 78.8 in May from April's 82.7, but up modestly from the mid-month reading of 77.6. (Reuters)
- **Eurozone sentiment hits three-year high, inflation expectations jump** – Economic sentiment improved by more than expected to a three-year high in May, data showed on Friday, with the strongest gains in services, retail and among consumers as governments eased pandemic restrictions. The European Commission's economic sentiment index rose to 114.5 points in May from 110.5 in April, beating expectations in a Reuters poll of an improvement to 112.1. It was the highest level of the index since January 2018. Optimism in services, which make up two thirds of the Eurozone economy, rose the most to 11.3 points from 2.2, far above expectations of a rise to 7.5. Sentiment in the retail sector rose to 0.4 from -3.0 as many shops reopened after lockdowns. Consumer sentiment increased to -5.1 from -8.1 in April, moving well above the long-term average of -11.0. The mood in industry pushed to a new all-time high and in construction also recorded a gain. (Reuters)
- **GfK: German consumer morale improves less than expected heading into June** – German consumer morale improved less than expected heading into June as shoppers remained cautious despite falling COVID-19 infections and an improving growth outlook for Europe's largest economy, a survey showed on Thursday. The GfK institute said its consumer sentiment index, based on a survey of around 2,000 Germans, edged up to -7.0 from a revised -8.6 in the previous month. The reading missed a Reuters forecast for a bigger rise to -5.2. Consumers were more optimistic regarding their personal income situation as well as overall economic development, but their propensity to buy deteriorated after three consecutive monthly gains, the survey showed. GfK consumer expert Rolf Buerkl said the drop in coronavirus cases and further progress with vaccinations were opening the door to more easing steps in the coming weeks. "At the moment, this is mainly fueling economic optimism and creating a sense of new beginnings," Buerkl said, adding that options to spend money were still limited in many parts of the country despite first steps to take back restrictions. (Reuters)
- **French GDP revision shows economy contracted again in 1Q2021** – France's economy contracted 0.1% in the first quarter of 2021, revised official data showed, marking a slip into recession as it struggled to recover from a pandemic-induced downturn. The unusually sharp downwards revision from an initially reported expansion of 0.4% in January-March reflected a poorer than expected performance in the construction sector. It marked a second consecutive quarter of contraction after the

French economy shrank 1.5% in the final three months of 2020. Friday's revised figure from the INSEE statistics office underscores the challenges governments have faced in responding to the coronavirus pandemic. French President Emmanuel Macron has spent tens of billions of euros to shore up activity and protect jobs as lockdowns to contain COVID-19 have temporarily shuttered businesses, especially in the services sector. France and its European neighbors faced a fresh wave of coronavirus infections this year, prompting governments to reimpose strict curbs to contain the spread. (Reuters)

- **Brazil's unemployment hits historic high 14.7% in the first quarter** – Brazil's unemployment rate rose to a historic high of 14.7% in the first quarter of the year, figures showed on Thursday, as a record number of people out of work and other indicators pointed to general weakness across the labor market. The official unemployment rate rose from 13.9% in the three months through December, statistics agency IBGE said, in line with the median forecast in a Reuters poll of economists. IBGE said it was the highest unemployment rate since its series began in 2012 but added that seasonal factors were at play too. "Unemployment rates tend to rise at the beginning of each year as people hired at the end of the previous year are dismissed. These layoffs in the first few months of the year put pressure on the job market," IBGE Analyst, Adriana Beringuy said. (Reuters)
- **Regional**
- **OPEC+ talks to offer clues on next phase of oil supply revival** – For oil traders, the biggest question in the market is how fast OPEC and its allies will revive production later this year. Next week they may get some clues. When it meets on Tuesday, delegates said the alliance led by Saudi Arabia and Russia looks set to rubber-stamp output increases scheduled for the next two months. However, more importantly, Riyadh and Moscow may offer insights on the next stage of their strategy: bringing back the millions of barrels a day that remain offline after being shuttered when the coronavirus struck. In theory, there is a yawning supply gap for the OPEC and its partners to fill in the second half of the year as economies open up and fuel demand soars. Yet the group will need to weigh that against the risk from renewed virus outbreaks in India and elsewhere, and the prospect of extra supply from fellow member Iran. (Peninsula Business)
- **Tadawul approves listing of SR3.53bn debt instruments** – Saudi Tadawul Group has approved the listing of debt instruments worth SR3.53bn as of May 30, 2021, according to a disclosure on Thursday. The debt instruments are of a class already listed and issued by the Saudi government and submitted by the Ministry of Finance. There will be an increase of SR3.3bn in an issue on January 7, 2021 to reach SR13.9bn, in addition to another raise by SR225mn in an issue on January 12 to reach SR2.33bn. Last February, Tadawul nodded for listing debt instruments worth SR3.16bn of a class already listed. (Zawya)
- **Saudi-based ACWA Power eyes South Africa's next renewable round** – ACWA Power plans to bid in South Africa's next green electricity auction. Interest from the Saudi-based company, which is building South Africa's largest renewable energy project investment, in the fifth bid window is a positive sign for the nation. The country's process to secure green power generation has faced lengthy delays just as it struggles to meet electricity demand with a fleet of poorly maintained coal stations, leading to outages that have curbed economic activity. A digital illustration of the Redstone solar plant. The next auction, to procure 1,600 megawatts of wind power and 1,000 megawatts of solar capacity, is expected to reach financial close by March 2022 and connect to the grid by April 2024, the Department of

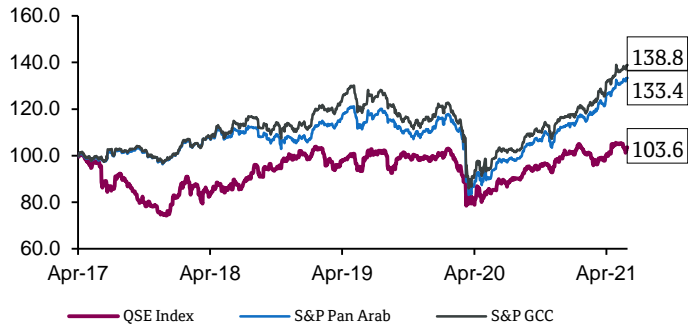
Mineral Resources and Energy said Wednesday. "Our intention is to participate in this round, and we look forward to being part of future developments," Chief Portfolio Management Officer for ACWA, Rajit Nanda said in response to questions. Construction on the 100-megawatt Redstone concentrated solar plant started earlier this month, following financial close of the \$845mn investment. The project was held up for years after state-owned utility Eskom Holdings SOC Ltd. refused to sign the power-purchase agreement in 2016, saying at the time that it was expensive and not needed. ACWA has proposed various projects in South Africa, from a coal-fired plant to a solar and battery project that was chosen as a preferred bidder to provide emergency power. The company said it takes a "technology-neutral" approach "that address customer requirements at low costs." (Bloomberg)

- **Taiba Investments to buy out 2 companies from SHUAA for SR328mn** – Taiba Investments has signed MoU with SHUAA Capital to buy out two companies that operate Saudi-based hotels for SR328mn. It will finance the transaction via a loan in addition to own resources. The companies will be acquired own Centro Waha Hotel Riyadh and Centro Shaheen Hotel Jeddah. (Bloomberg)
- **Mubadala sells \$1.5bn two-tranche bonds** – Abu Dhabi state fund Mubadala sold \$1.5bn two-tranche bonds on Thursday, a document showed, returning to the debt markets less than three months after it raised \$1.1bn. The Mubadala unit through which the bonds have been issued, Mamoura Diversified Global Holding, sold 10-year paper worth \$500mn and 30-year worth \$1bn, an investor note showed on Thursday. The 10-year bonds offered investors an interest rate equivalent to 95 basis points over mid-swaps, while the 30-year Formosa bonds offered a 3.4% rate. Formosa bonds are sold in Taiwan by foreign borrowers and are denominated in currencies other than the Taiwanese dollar. Mamoura had given an initial price guidance of around 130 basis points over mid-swaps for a 10-year tranche and around 3.7% for 30-year Formosa bonds. The issuance comes on the heels of a \$2bn bond sale by the Abu Dhabi government this week, which investors said was more aimed at offering new paper to the market than to fulfil budgetary needs, which have been reduced by rising oil prices. Abu Dhabi Commercial Bank (ADCB), Citi, FAB (FAB), JPMorgan (JPM), Morgan Stanley and Standard Chartered are arranging the deal, which is expected to close later on Thursday. (Reuters)
- **Oman Arab Bank launches \$250mn debut bond deal** – Oman Arab Bank (OAB) was set to raise \$250mn on Thursday in its first foray in the international debt markets with an Additional Tier 1 perpetual bond issue, a document showed. The bank launched the bonds at a yield of 7.625% after initial price guidance in the low 8% range for the AT1 bonds after it received more than \$1.1 billion in orders, the document from one of the banks on the deal showed. AT1 bonds are at the higher end of the risk spectrum of bank debt issues. They are perpetual in nature but issuers can redeem them after a specified period. Oman Arab Bank's bonds will be non-callable (redeemable) for five years. The deal is the latest in a series of AT1 bond issues from the oil-rich Gulf this year, as banks take advantage of low interest rates to bolster their Tier 1 capital after the region's economies were hit by the double shock of the COVID-19 pandemic and last year's historic slide in oil prices. Emirates NBD Capital, First Abu Dhabi Bank, Kamco Invest, Standard Chartered Bank and Ubhar Capital are arranged the deal. Oman Arab Bank issued AT1 bonds denominated in Omani rials in 2016 and 2018. (Reuters)
- **Central Bank of Bahrain gives instructions to postpone all loan installments** – Central Bank of Bahrain (CBB) gave

instructions on Thursday to postpone all loan installments for individuals and companies by six months, the government media office said, to help the economy cope with the impact of restrictions imposed to contain the coronavirus. Shopping malls, restaurants and coffee shops began on Thursday observing a two-week shutdown as part of the restrictions announced on Wednesday by the government, which also banned events and conferences during this period. (Reuters)

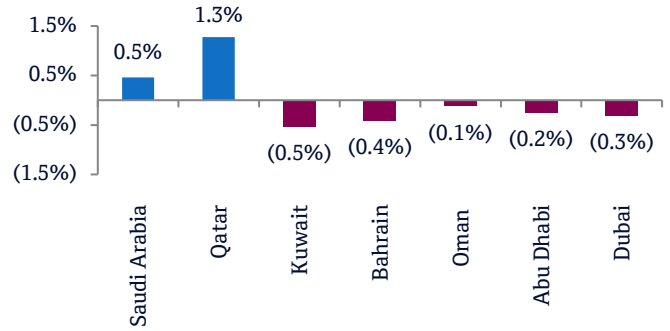
- **S&P revises Bahrain's outlook to 'Negative' on continued fiscal pressures** – S&P revised Bahrain's outlook to 'Negative' from 'Stable', citing the country's pace and ability to service its finances and external debt. The oil-producing Gulf state's economy contracted by 5.4% last year, the International Monetary Fund estimated, as the pandemic hurt vital sectors such as energy and tourism. "The tentative pace of fiscal reform is insufficient to stabilize Bahrain's debt to GDP over the next few years, despite higher oil prices compared with 2020", the rating agency said in a statement. Bahrain expects to post a deficit of \$3.20bn in 2021, state news agency BNA said, citing the finance ministry's statement in March. "The delicate political and social environment will continue to constrain the government's fiscal reform efforts this year and beyond," S&P said. The rating agency expects Bahrain's economy to rebound in 2021, with real GDP expanding by 2.7%, citing an increase in oil prices and regional economic activity. The agency affirmed Bahrain's rating at 'B+/B'. (Reuters)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,903.77	0.4	1.2	0.3
Silver/Ounce	27.94	0.3	1.3	5.8
Crude Oil (Brent)/Barrel (FM Future)	69.63	0.2	4.8	34.4
Crude Oil (WTI)/Barrel (FM Future)	66.32	(0.8)	4.3	36.7
Natural Gas (Henry Hub)/MMBtu	2.84	0.0	1.4	18.8
LPG Propane (Arab Gulf)/Ton	89.00	0.8	8.2	18.3
LPG Butane (Arab Gulf)/Ton	93.50	(0.1)	8.4	34.5
Euro	1.22	(0.0)	0.1	(0.2)
Yen	109.85	0.0	0.8	6.4
GBP	1.42	(0.1)	0.3	3.8
CHF	1.11	(0.3)	(0.2)	(1.7)
AUD	0.77	(0.5)	(0.3)	0.2
USD Index	90.03	0.1	0.0	0.1
RUB	73.18	(0.4)	(0.6)	(1.7)
BRL	0.19	0.3	2.7	(0.6)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,979.30	0.3	1.2	10.8
DJ Industrial	34,529.45	0.2	0.9	12.8
S&P 500	4,204.11	0.1	1.2	11.9
NASDAQ 100	13,748.74	0.1	2.1	6.7
STOXX 600	448.98	0.7	1.3	12.3
DAX	15,519.98	0.8	0.8	12.3
FTSE 100	7,022.61	0.2	0.4	13.0
CAC 40	6,484.11	0.9	1.8	16.6
Nikkei	29,149.41	2.2	2.2	(0.1)
MSCI EM	1,360.78	0.5	2.3	5.4
SHANGHAI SE Composite	3,600.78	0.0	4.3	6.3
HANG SENG	29,124.41	0.0	2.4	6.8
BSE SENSEX	51,422.88	0.9	2.4	8.6
Bovespa	125,561.40	1.8	4.7	4.3
RTS	1,603.79	0.0	2.2	15.6

Source: Bloomberg (*\$ adjusted returns)

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