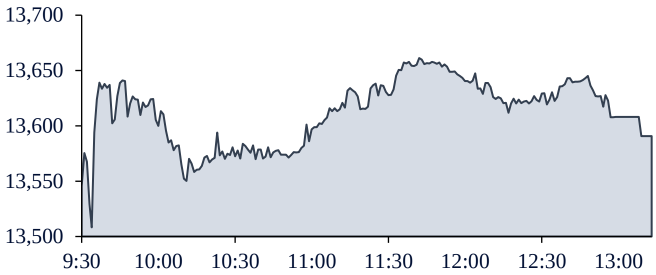
الداعم الرسمي لكأس العالم FIFA 2022™ في الشرق الأوسط وإفريقيا
Official Middle East and Africa Supporter of the FIFA World Cup 2022™

Daily Market Report

Sunday, 08 May 2022

QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.2% to close at 13,590.8. Losses were led by the Real Estate and Transportation indices, falling 0.6% and 0.4%, respectively. Top losers were Masraf Al Rayan and Mannai Corporation, falling 5.2% and 4.8%, respectively. Among the top gainers, Gulf International Services gained 10.0%, while Islamic Holding Group was up 6.2%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.7% to close at 13,733.9. Gains were led by the Software & Services and Telecommunication Services indices, rising 4.4% and 2.0%, respectively. Saudi Enaya Cooperative Insurance rose 10.0%, while Amana Cooperative Insurance was up 9.9%.

Dubai: The DFM Index fell 1.0% to close at 3,694.9. The Investment & Financial Services index declined 1.4%, while the Real Estate & Construction index fell 1.2%. Islamic Arab Insurance Co. declined 3.1%, while Gulf Navigation Holding was down 2.8%.

Abu Dhabi: The ADX General Index declined 0.1% to close at 10,022.8. The Industrials index declined 1.3%, while the Real Estate index was down 1.2%. Fujairah Cement Industries declined 10.0%, while National Marine Dredging Co. was down 7.0%.

Kuwait: The Kuwait All Share Index gained 1.2% to close at 8,460. The Health Care index rose 2.6%, while the Energy index gained 1.6%. Gulf Bank rose 6.2%, while Integrated Holding co. was up 3.4%.

Oman: The MSM 30 Index fell 0.1% to close at 4,158.4. Losses were led by the Services and Industrial indices, falling 0.8% and 0.1%, respectively. Sembcorp Salalah Power and Water Co. declined 8.5%, while Aman Real Estate was down 6.2%.

Bahrain: The BHB Index fell 0.1% to close at 2,054.3. The Communications Services index declined 9.3%, while the Financials index declined 6.2%. Albaraka Banking Group declined 2.1%, while Bahrain Telecom. Co. was down 0.4%.

Market Indicators	28 Apr 22	27 Apr 22	%Chg.
Value Traded (QR mn)	1,058.5	735.6	43.9
Exch. Market Cap. (QR mn)	760,719.8	760,090.6	0.1
Volume (mn)	268.7	162.22	65.6
Number of Transactions	22,710	17,788	27.7
Companies Traded	46	45	2.2
Market Breadth	26:15	5:33	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	27,838.40	0.2	(2.9)	21.0	27,838.40
All Share Index	4,364.75	0.2	(2.4)	18.0	4,364.75
Banks	5,998.61	0.0	(1.4)	20.9	5,998.61
Industrials	5,011.01	0.5	(5.9)	24.6	5,011.01
Transportation	3,897.68	(0.4)	(2.8)	9.6	3,897.68
Real Estate	1,839.86	(0.6)	(2.4)	5.7	1,839.86
Insurance	2,666.47	0.9	(0.4)	(2.2)	2,666.47
Telecoms	1,146.38	4.1	3.7	8.4	1,146.38
Consumer	8,692.19	(0.1)	(1.9)	5.8	8,692.19
Al Rayan Islamic Index	5,533.04	(0.3)	(3.4)	17.3	5,533.04

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Gulf Bank	Kuwait	0.36	6.2	12,681.8	36.2
The Commercial Bank	Qatar	7.69	3.9	10,139.1	13.9
Doha Bank	Qatar	2.60	3.4	14,545.9	(18.8)
Burgan Bank	Kuwait	0.31	3.0	5,985.5	27.6
GFH Financial Group	Bahrain	0.34	2.1	773.3	6.8

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Masraf Al Rayan	Qatar	5.39	(5.2)	24,732.7	16.2
Qatar Electricity & Water Co.	Qatar	17.10	(2.3)	659.6	3.0
Sabic Agri - Nutrients	Saudi Arabia	162.60	(2.2)	2,331.9	(7.9)
Qassim Cement Co.	Saudi Arabia	80.40	(2.0)	229.5	6.2
Saudi Industrial Inv. Group	Saudi Arabia	33.00	(1.8)	1,751.8	5.9

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%
Gulf International Services	1.95	10.0	34,270.2	13.5
Islamic Holding Group	6.35	6.2	945.9	61.0
Salam International Inv. Ltd.	1.01	5.4	32,489.0	23.4
Ooredoo	7.49	5.3	4,961.9	6.7
Medicare Group	6.90	5.0	344.0	(18.8)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Masraf Al Rayan	5.39	(5.2)	24,732.7	16.2
Mannai Corporation	8.89	(4.8)	779.5	87.2
Baladna	1.47	(3.9)	29,758.4	1.4
Qatar International Islamic Bank	11.55	(2.5)	1,233.9	25.4
Qatar Electricity & Water Co.	17.10	(2.3)	659.6	3.0

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Gulf International Services	1.95	10.0	34,270.2	13.5
Salam International Inv. Ltd.	1.01	5.4	32,489.0	23.4
Baladna	1.47	(3.9)	29,758.4	1.4
Masraf Al Rayan	5.39	(5.2)	24,732.7	16.2
Qatar Aluminum Manufacturing Co.	2.40	1.7	19,371.6	33.3

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	23.25	0.0	217,394.4	15.2
Masraf Al Rayan	5.39	(5.2)	134,388.8	16.2
Industries Qatar	18.81	0.6	101,844.6	21.4
The Commercial Bank	7.69	3.9	77,130.2	13.9
Gulf International Services	1.95	10.0	65,600.1	13.5

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	13,590.81	(0.2)	(3.3)	0.4	16.9	289.86	208,056.9	16.8	2.0	3.2
Dubai	3,694.89	(1.0)	(0.7)	(0.7)	15.6	65.70	160,127.8	16.6	1.3	2.8
Abu Dhabi	10,022.82	(0.1)	(0.1)	(0.1)	18.7	416.01	511,185.4	21.5	2.8	1.9
Saudi Arabia	13,733.87	0.7	1.5	4.9	21.7	2,283.83	3,324,855.7	25.4	2.9	2.1
Kuwait	8,460.04	1.2	0.0	1.2	20.1	243.41	161,400.4	22.0	2.0	2.4
Oman	4,158.37	(0.1)	(1.8)	(1.1)	0.7	11.60	19,485.1	12.0	0.8	4.9
Bahrain	2,054.30	(0.1)	(0.1)	(0.1)	14.3	2.62	32,963.0	8.7	1.0	5.5

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

Qatar Market Commentary

- The QE Index declined 0.2% to close at 13,590.8. The Real Estate and Transportation indices led the losses. The index fell on the back of selling pressure from Qatari and GCC shareholders despite buying support from Arab and Foreign shareholders.
- Masraf Al Rayan and Mannai Corporation were the top losers, falling 5.2% and 4.8%, respectively. Among the top gainers, Gulf International Services gained 10.0%, while Islamic Holding Group was up 6.2%.
- Volume of shares traded on Thursday rose by 65.6% to 268.7mn from 162.2mn on Wednesday. Further, as compared to the 30-day moving average of 231.3mn, volume for the day was 16.2% higher. Gulf International Services and Salam International Inv. Ltd. were the most active stocks, contributing 12.8% and 12.1% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	26.33%	29.91%	(37,883,991.0)
Qatari Institutions	13.90%	30.03%	(170,786,039.3)
Qatari	**40.23%**	**59.94%**	**(208,670,030.3)**
GCC Individuals	0.24%	0.37%	(1,361,224.4)
GCC Institutions	2.17%	4.84%	(28,180,913.8)
GCC	**2.42%**	**5.21%**	**(29,542,138.2)**
Arab Individuals	9.84%	9.64%	2,089,453.5
Arab Institutions	0.00%	0.01%	(60,005.5)
Arab	**9.84%**	**9.65%**	**2,029,448.0**
Foreigners Individuals	2.25%	3.12%	(9,230,710.0)
Foreigners Institutions	45.27%	22.08%	245,413,430.4
Foreigners	**47.52%**	**25.20%**	**236,182,720.4**

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

Earnings Releases and Global Economic Data

Earnings Releases

Company	Market	Currency	Revenue (mn) 1Q2022	% Change YoY	Operating Profit (mn) 1Q2022	% Change YoY	Net Profit (mn) 1Q2022	% Change YoY
Al-Baha Investment and Development Co.	Saudi Arabia	SR	2.6	0.4%	(3.2)	N/A	(4.1)	N/A
Saudi Telecom Co.	Saudi Arabia	SR	16,991.0	8.3%	3,824.0	9.8%	3,035.0	2.8%
Bupa Arabia For Cooperative Insurance Co.	Saudi Arabia	SR	4,222.4	29.8%	N/A	N/A	138.0	-21.4%
Saudi Steel Pipe Co.	Saudi Arabia	SR	184.1	99.9%	20.0	N/A	14.5	N/A
Advanced Petrochemicals Co.	Saudi Arabia	SR	866.0	37.0%	182.0	11.0%	164.0	-4.1%
Bawan Co.	Saudi Arabia	SR	950.0	10.2%	66.6	34.3%	50.3	20.8%
Alpha Dhabi Holding Co.	Abu Dhabi	AED	8,167.0	700.8%	N/A	N/A	1,972.6	1862.8%
Sharjah Cement and Industrial Development Co.	Abu Dhabi	AED	148.9	8.6%	N/A	N/A	(17.6)	N/A
RAK Co. for White Cement & Construction Materials	Abu Dhabi	AED	64.1	-2.9%	4.4	-36.3%	16.3	130.4%

*Source: Company data: DFM, ADX, MSM, TASI, BHB. (#Values in Thousands, *Financial for 1Q2022)*

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
05/06	US	Bloomberg	Two-Month Payroll Net Revision	Apr	-39k	N/A	N/A
05/06	US	Bureau of Labor Statistics	Change in Nonfarm Payrolls	Apr	428k	380k	428k
05/06	US	Bureau of Labor Statistics	Change in Private Payrolls	Apr	406k	390k	424k
05/06	US	Bureau of Labor Statistics	Change in Manufact. Payrolls	Apr	55k	35k	43k
05/06	US	Bureau of Labor Statistics	Unemployment Rate	Apr	3.6%	3.5%	3.6%
05/06	Germany	Deutsche Bundesbank	Industrial Production SA MoM	Mar	-3.9%	-1.3%	0.2%
05/06	Japan	Bank of Japan	Monetary Base End of period	Apr	¥688.4t	N/A	¥688.0t
05/07	China	National Bureau of Statistics	Foreign Reserves	Apr	$3119.72b	$3130.00b	$3187.99b

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

Qatar

- **Qatar Central Bank raises interest rates –** The Qatar Central Bank (QCB) announced that it will raise the bank's deposit rate (QCBDR) by 50 basis points to become 1.50%. Qatar Central Bank also raised the bank's lending rate (QCBLR) by 25 basis points, to 2.75%. In the same context, it decided to raise the QCB Repo Rate by 50 basis points, to become 1.75%. The Qatar Central Bank stated, in a statement that the decision to raise the interest rate was taken based on the evolving domestic and international macroeconomic developments. The rate hikes comes after US Federal Reserve announced to increase its interest rates. (Peninsula Qatar)

- **S&P Affirms Qatar 'AA-/A-1+' Ratings; Outlook Stable -** Qatar's status as one of the largest exporters of liquefied natural gas and our estimate of its substantial fiscal and external buffers mitigate the vulnerabilities raised by the high level of foreign debt in the Qatari banking system. We therefore affirmed our 'AA-/A-1+' long- and short-term foreign and local currency ratings on Qatar. The outlook is STABLE. The stable outlook reflects our view that Qatar's fiscal and external buffers should continue to benefit from the country's status as one of the world's largest exporters of liquefied natural gas (LNG) over the next two years, against a backdrop of high global energy demand. We could consider raising the ratings if the Qatari government's debt servicing costs were to moderate to below 5% of revenue consistently, perhaps due to a continued reduction in the government's debt stock or sustained strong growth in government revenue. We could lower the ratings should Qatar experience a significant external shock, either due to a material worsening of its terms of trade, or to a sizable outflow of nonresident deposit funding from its large banking system, where financial assets amount to about 250% of GDP. We could also take a negative rating action if the Qatari government's balance sheet were to weaken substantially, reducing our estimate of government liquid assets to below 100% of GDP. The ratings on Qatar are supported by our estimates of the country's strong external and fiscal net asset positions, underpinned by funds accumulated within the sovereign wealth fund, the Qatar Investment Authority (QIA). Qatar remains one of the largest exporters of LNG globally. From 2025-2027, the government plans to increase LNG production by about 64%, to 126 million tons per year (mtpa) from 77 mtpa, or approximately 3.1 million barrels of oil per day. The strategic pivot away from Russian gas production, particularly by European economies, suggests there will be a ready market for Qatari gas (see "Qatar Could Gain As Europe Diversifies From Russian Gas," published March 16, 2022, on RatingsDirect). Qatar's economic indicators should strengthen further when the additional production capacity is available. The country's income levels remain high, and we forecast GDP per capita of about $76,000 in 2022. We expect that Qatar will run large surpluses in its budgetary accounts over the period to 2024. (S&P Global Ratings).

- **The profits of listed companies amounted to QR13.61bn in Q1 2022 –** All companies listed on the Qatar Stock Exchange disclosed their financial results for the period ending on March 31, 2022. The value of their net profits for that period amounted to QR13.61bn, compared to QR10.72bn for the same period last year 2021, with an increase of approximately 26.43%. It is worth noting that all the financial statements of the listed companies are available on QSE's website. The QSE management would like to thank all the managements of the listed companies for their cooperation in promoting the principle of disclosure and transparency. (QSE)

- **QE Index ETF discloses its financial statements as at and for the period from 01 January 2022 to 31 March 2022 –** QE Index ETF disclosed its financial statements as at and for the period ending 31 March 2022. The statements show that the net asset value as of 31 March 2022 amounted to QR552,455,450 representing QR13.586 per unit. In addition, QE Index ETF distributed dividends during the second quarter of 2022. (QSE)

- **United Development Company announced signing a preliminary term sheet –** United Development Company announced signing a preliminary term sheet with international Hotel Investment Company, a Public Shareholding Company in the Republic of Malta; to assess possible Investment of United Development Company in International Hotel Investment Company. (QSE)

- **Clarification for Shareholders' on calculating Zakat for Baladna's shares for the fiscal year ended 31 December 2021 –** With reference to the results of Baladna General Assembly Meeting held on April 20, 2022; where it was decided to distribute dividends for the period ended December 31, 2021; a letter is issued from Professor Dr. Ali Al Quradaghi, Chairman of Baladna's Shariah Advisory Committee, addressed to Baladna shareholders for the zakat calculation of Baladna shares for the period ended December 31, 2021. (QSE)

- **Baladna's new factory for evaporated milk to start early next year –** The evaporated milk processing factory of Baladna is expected to become operational from early next year. The company had announced the plan to set up evaporated milk processing factory in 2021. "The most significant factor in our manufacturing progress for 2021 is the construction of the evaporated milk factory which will be up and running in 2023," said Piet Hilarides, CEO of Baladna in the latest Annual Report. In April last year, Baladna Board of Directors had approved plans to establish an evaporated milk processing factory and extending current facilities for a butter processing line facility in Qatar. The company had taken this decision as both product segments in Qatar are dominated by imported brands. The company looked at this situation to be an opportunity to establish its products to become the market leader in this category. (Peninsula Qatar)

- **Ezdan Holding Group AGM and EGM endorses items on its agenda –** Ezdan Holding Group announced the results of the AGM and EGM. The meeting was held on 28/04/2022 and the following resolution were approved. 1) The report of the Board of Directors on the Company's activities, financial position for the year ended 31 December 2021 and the future plan of the Company for 2022. 2) The report of the External Auditors on the Company's Financial Statements for the year ended 31 December 2021. 3) The financial position and statement for profit or loss statement of the Group for the year ended 31 December 2021. 4) BOD's recommendation of no dividend payout. 5) The Corporate's Governance Report for 2021. 6) The auditors' report on the requirements of Article (24) of the Governance Code for Companies and Legal Entities Listed on the Main Market, issued pursuant to Qatar Financial Markets Authority Resolution No. (5)/2016. 7) Discharge the liability of the members of the Board of Directors for the financial year ended 31/12/2021, and no bonus for members of Board of Directors due to no dividend payout. 8) To elect a new Board Members for a period of three years (2022 -2024). List of Non-Independent: - Sheikh Thani bin Abdullah Thani Al Thani- representing of Al Sarh Business Company. 1) DR. Sheikh. Khaled Bin Thani Al- Thani representing of Imtilak Trading & Contracting and Property Investment Company 2) Sheikh Mohammed Bin Thani Al Thani–representing of Shasii Trading and Property Investment Company. 3) Sheikh Khalifa Thani Abdullah Al Thani - representing of Tadawul Trading Group. List of Independent: 1) Mr. Ayedh Dabsan E A Al-Qahtani. 2) Mr. Walid Ahmed Ibrahim Al-Saadi. 3) Mr. Amr Shafiq Mustafa Omar Ajoura. 9) Approval of the settlement of the dues to Sak Holding Group in the projects developed through the partnership, in which the decision of the General Assembly was issued in its meeting on 20/11/2013, according to the average of the three valuations prepared with amount of QR1,471,336,547 and those dues be paid in cash or in kind. And authorizing the Chairman of the Board of Directors, the Vice Chairman and the Managing Director individually to execute contracts regarding the payment of in-kind dues and the execution of the final settlement. 10) Appointing MAZARS Company as an External Auditor for the Company (For the year 2022) Second: Resolutions endorsed by Ezdan Holding Group Extraordinary General Meeting EGM 1) Approval of increasing the %age of non-Qatari ownership in the Group's capital to 100% after obtaining all the necessary approvals from the competent authorities and completing obtaining the approval of the BOD in accordance with the provisions of Law no. (1) of 2019 On Regulating Non-Qatari Capital Investment in the Economic Activity. 2) Approval of the proposed amendments and additions to the articles of association of Ezdan Holding Group to comply with Law No. (8) of 2021 amending some provisions of the Commercial Companies Law promulgated by Law No. (11) of 2015 and Corporate Governance System No. (5) of 2016 (attached). 3) Authorizing the Chairman of the Board of Directors / or the Vice Chairman and / or whomever the Board delegates to sign the amended Articles of Association of Ezdan Holding Group and commence the necessary procedures in this regard. (QSE)

- **Strong non-oil growth seen in Qatar; economy to grow 5.1% in 2022 –** Investment in the North Field Expansion Project will underpin Qatar's hydrocarbon sector GDP growth over the medium term; Emirates NBD said and noted it expects Qatar's economy to grow 5.1% in 2022. Qatar's PMI data continue to point to strong non-oil and gas growth in Q1, 2022, with the headline PMI averaging 60.2. This reflects a sharp expansion in business activity as well as new work in February and March, after a slight dip in January. "We expect this to continue as the country prepares to host the FIFA world cup in Q4, 2022," Emirates NBD said. The survey data also show little evidence of inflationary pressure with input costs rising at a slower rate than in Q4, 2021, and selling prices declining in February and March 2022. Official CPI data show inflation averaging 4.2% YoY in Q1, 2022, down from 5.5% in Q4 2021. Food inflation has moderated over February and March, and while housing and utilities costs have increased, the annual rate of inflation in this component is modest. The main source of consumer inflation in Qatar appears to be recreation and culture, which is up 38% YoY followed by miscellaneous goods and services. "With a sizeable budget surplus expected this year, Qatar has the fiscal room to limit the pass-through of higher global food and fuel prices to consumers. Petrol prices have remained unchanged in Qatar this year and transport CPI inflation slowed to 1.6% YoY in March 2022 from 4.9% in February. We expect headline inflation to average 3.5% in 2022, up from 2.3% in 2021," Emirates NBD noted. (Gulf Times)

- **Qatar reclaims crown from US as world's top LNG exporter –** Qatar reclaimed the crown as the world's top liquefied natural gas exporter from the US as the end of winter lowered demand for the heating fuel in the northern hemisphere. April exports of the superchilled fuel from Qatar surpassed 7.5mn metric tons, edging out the US, according to ship tracking data compiled by Bloomberg. Maintenance at Qatar gas reduced the Middle Eastern nation's exports a month earlier. During the winter months, low temperatures, combined with Europe's desire to cut dependence on Russian energy, drove up the demand for natural gas and prices of the fuel. Once winter ended, some US export terminals have used the period of softer demand and lower prices to undergo maintenance, which has lowered the US production. A shale gas revolution, coupled with billions of dollars of investments in liquefaction facilities, transformed the US from a net LNG importer to a top exporter in less than a decade. Looking ahead, the US and Qatar are expected to engage in a two-horse race for dominance in the global LNG market. Once the Calcasieu Pass export terminal in Louisiana is complete later this year, the US is expected to reach a peak LNG production capacity of 13.9bn cubic feet of natural gas per day. Meanwhile, Qatar is planning a gargantuan export project that will come online in the late 2020s, which could cement the Middle Eastern nation as the top supplier of the fuel. (Peninsula Qatar)

- **QatarEnergy awards final major NFE Project EPC contract –** Marking the final major milestone to deliver its North Field East (NFE) LNG Expansion Project to boost Qatar's LNG production capacity to 110mn tons per annum (MTPA), QatarEnergy announced the award of a major engineering, procurement, and construction (EPC) contract for the North Field Expansion Project. A joint venture between Técnicas Reunidas S.A. (TR) and Wison Engineering (Wison) has been selected as the EPC con-tractor and was awarded a lump-sum contract for the expansion of the sulfur handling, storage, and loading facilities within Ras Laffan Industrial City. These facilities will support the NFE's four new LNG trains, which are scheduled to start by year-end 2025. The contract will also include an option for further expansion to support sulfur production for the two additional LNG trains of the North Field South (NFS) project, and infrastructure to support future additional LNG trains. (Peninsula Qatar)

- **QatarEnergy and partners conclude pacts marking entry in Brazil's Sépia Field –** A QatarEnergy consortium has entered into a production sharing agreement with the Brazilian government related to surplus volume rights of the world class Sépia oil field in Brazil. The Production Sharing Contract, and other key agreements, were signed in Brasilia, during a special ceremony hosted by the Brazilian Ministry of Mines and Energy. Pursuant to the signed agreements, QatarEnergy will hold a 21% interest along with its consortium partners Petrobras (30% and Operator), TotalEnergies (28%), and Petronas (21%). This signing follows the award of the Sépia surplus volume rights to the consortium at the conclusion of the second transfer of rights surplus bidding round on 17 December 2021, held by Brazil's National Agency of Petroleum, Natural Gas and Biofuels (ANP). (Peninsula Qatar)

- **Qatar's industrial sector PPI up 69.48% YoY in March –** The overall monthly Producer Price Index (PPI) of Qatar's industrial sector for March 2022 was estimated at 145.67 points, showing an increase of 69.48% when compared to the PPI of the corresponding month the previous year (March 2021). When compared on month-on-month (MoM) basis, the PPI of March 2022 showed an increase of 8.88% against PPI of the previous month (February 2022), official data released by the Planning and Statistics Authority (PSA) showed. The 'Mining' sector PPI registered an increase of 9.87% when compared with the PPI of February 2022, primarily due to the price increase of "Crude petroleum and natural gas" by 9.88%, and "Other mining and quarrying" decrease by 0.53%. The PPI of March 2022, when compared with its counterpart in previous year (March 2021), there was an increase of 75.05%. In the 'Manufacturing' sector index, an increase of 4.89% has been recorded in March 2022, when compared with the previous month's Manufacturing index (February 2022). The prices increase were seen in: "Refined Petroleum products" by 14.47%, followed by "Printing and reproduction of recorded media" by 10.04%, "Chemicals and chemical products" by 3.70 %, "Basic metals" by 2.79%, "Rubber and Plastics products" by 0.31%, "food products" by 0.21%, and "Beverages" by 0.06%. However, the decreasing price was noticed in "Cement & other non-metallic mineral products" by 0.04%. When compared with the previous year's (March 2021) index, 'Manufacturing' PPI of March 2022 showed an increase of 52.48%. The major groups which explain this price increase were: "Refined Petroleum products" by 67.03%, followed by "Chemicals and chemical products" by 62.69%, "Rubber and Plastics products" by 38.10%, "Basic metals" by 33.68%, "Cement & other non-metallic mineral products" by 15.61%, and "Food products" by 1.09%.However prices decreased in "Beverages" by 2.25%, and "Printing and reproduction of recorded media" by 0.21%.The PPI of the 'Electricity, gas, steam and air conditioning supply' showed a decrease of 4.96% compared to February 2022. When compared the PPI of March 2022, to the PPI of March 2021 (YoY), showed a decrease of 5.34%. Also, the PPI of the 'Water supply' showed a decrease of 3.41% compared to February 2022. When compared the PPI of March 2022, to the PPI of March 2021 (YoY), showed a decrease of 2.34%. (Peninsula Qatar)

- **Qatar records 64 real estate deals worth QR207.8mn in one week –** The value of real estate transactions in Qatar stood at QR207.8mn during the third week of April 2022, with an average of QR3.25mn per deal, according to the weekly real estate bulletin issued by the Real Estate Registration Department at the Ministry of Justice. Data collected from April 17-21 showed there were as many as 64 real estate deals during the period, with a weekly decrease of 11% in the number of the real estate transactions. The weekly real estate index issued by the Market Research Department at Utopia Properties also noted a decrease in the value of the real estate deals by 30.5% compared to the previous week. Real estate deals which have been executed during the period varied to include 32 deals of vacant land which comprised 50% of the total weekly deals with a total value of QR66.7mn, representing 32 % of the weekly deals value. Other transactions included 29 houses deals with a total value of QR106.8mn, two multi-purpose vacant lands worth QR31.5mn, and one residential building with a value of QR2.9mn.The highest deal in terms of value during the third week of April came through selling a multi-purpose vacant land in Al Waab zone at Al Rayyan Municipality with a value of QR19.1m and a price of QR950 per foot, with a total area of 1,865sqm.Secondly, there was a deal to sell a house in Al Gharafa zone at Al Rayyan Municipality worth QR13mn with a price of QR762 per foot, and a total area of 1,584sqm. Also, Al Waab zone at Al Rayyan Municipality witnessed a deal to sell another multi-purpose vacant land worth QR12.4mn with a selling price of QR1,100 per foot with a total area of 1,046sqm. (Peninsula Qatar)

- **Commercial banks deposits rise by 2.4% to QR967.7bn in March –** Qatar's banking sector continued to register robust growth in March, with commercial banks in the country witnessing an increase in deposits and credit facilities, latest data released by the Planning and Statistics Authority (PSA) showed. According to the report, cash equivalents including commercial bank deposits in Qatar stood at QR967.7bn in March, an increase of 0.3% compared to QR964.5bn during the previous month (February 2022). When compared year-on-year (YoY), commercial banks total deposits grew by 2.4% from QR945.2bn in the same period last year (March 2021). Similarly, total broad money supply (M2) recorded about QR632.9bn in March 2022, an annual increase of 3.3% compared to March 2021. One of the prominent variables in this issue is the increase in the value of traded shares at a monthly rate of 72.8%, vis-à-vis a rise in the general market index (point) at a monthly rate of 4.5% compared to the previous month (February 2022). In addition, Qatar's commercial banks credit facilities increased by 0.4% com-pared to February 2022 and recorded an annual increase rate of 3.5% compared to March 2021. (Peninsula Qatar)

- **Agricultural sector implements 28 projects to boost food security –** Ministry of Municipality has started 23 different research projects for boosting agricultural produce in the country. The initiative aims to strengthen food security in the country. The research projects cover agricultural and livestock production sectors, said the Ministry by publishing Achievements of the Agricultural Research Department 2021. The Ministry of Municipality has adopted various plans to maintain Qatar's food security and there is a comprehensive program to enhance the research capabilities. "The agricultural sector at the Ministry of Municipality seeks to achieve food security in the country, by achieving 8 strategic objectives within the Ministry's strategy 2018-2022, and the state's national development strategy. Among these goals, is the activation of applied and extension research, and the Agricultural Research Department is considered the main administration to achieve this goal," said the Ministry in its tweeter handle. The date production development project aims to develop pastures and feed and it includes 6 search works, the project to raise the sustainable productivity of vegetable crops in order to achieve food security and 7 research studies are being conducted, and the project to develop small ruminant breeding systems in Qatar contains 3 research studies. (Peninsula Qatar)

- **QCB Governor meets Head of Citi Group's Head of Public Sector for EMEA –** Governor of the Qatar Central Bank (QCB) HE Sheikh Bandar bin Mohammed bin Saoud Al Thani met with Head of Citi Group's Public Sector Group for Banking Capital Markets and Advisory for the Europe Middle East and Africa region David Walker, who is currently visiting the country. The meeting dealt with ways to discuss enhancing cooperation between Qatar Central Bank and Citi Group. (Peninsula Qatar)

- **Qatari Ambassador: Qatar, Korea trade exchange exceeds $10bn in 2021 –** Qatar's Ambassador to the Republic of Korea HE Khalid bin Ibrahim Al Hamar has affirmed the keenness of the State of Qatar to expand economic cooperation and investment relations with Korea. In an interview he gave to South Korean News Agency (Yonhap), Al Hamar said relationship between Qatar and Korea has been developing continuously since the establishment of relations between the two countries in April 1974, saying they witnessed a wide exchange of visits between ranking officials. The relationship is close and based on common interests, cooperation and exchange between the two countries, the Ambassador said. He pointed out that trade volume between the two countries exceeded $10bn in 2021, adding that investments between Qatar and Korea have become diversified and are no longer limited to gas and its derivatives. AL Hamar added that during 2021 a major deal was concluded between the two countries in the field of building liquefied natural gas ships, which works to strengthen the developed relations in this vital and important field, noting that the current year 2022 will witness the convening of the sixth meeting of the higher joint committee between the two countries, which is the committee responsible for developing relations in various fields between Doha and Seoul. (Peninsula Qatar)

- **AM Best affirms QGRI's financial strength, issuer credit ratings –** Global credit rating agency AM Best has affirmed the financial strength rating of 'B++' (Good) and the long-term issuer credit rating of 'bbb' (Good) of Qatar General Insurance and Reinsurance Company (QGRI). The ratings reflect QGRI's consolidated balance sheet strength, which AM Best assesses as very strong, as well as its adequate operating performance, limited business profile and appropriate enterprise risk management. The rating agency notes that QGRI has taken remedial actions to strengthen the internal controls, processes and governance; however, these are currently untested. QGRI's balance sheet strength assessment is underpinned by risk-adjusted capitalization at the "very strong" level, as measured by Best's Capital Adequacy Ratio (BCAR). The rating agency projects the company's prospective risk-adjusted capitalization to remain at least at the very strong level, supported by internal capital generation. The balance sheet strength assessment benefits from QGRI's history of favorable reserve development and adequate liquidity to cover its net insurance liabilities. (Gulf Times)

- **Experts discuss future of Qatar's technology sector –** Qatar's technology sector, which is set to expand further, offers immense opportunity for companies, said experts during a webinar. Tasmu Digital Valley and Berlin Partner organized a webinar entitled 'Back to Global - Berlin Startups Explore Opportunities in Qatar' in which panelists shared insights on the future of Qatar's technology sector and opportunities. Experts also shared views on how to grow Qatar's digital ecosystem. Addressing the event about the support QFC offers to startups interested to come to Qatar and non-Qatari entrepreneurs, Jahongirbek Burhonov, Vice-President of Business Development at QFC said, "We have our own regulatory environment where we base ourselves in English common law jurisdiction and we have our own commercial jurisdiction, and international dispute resolution court. So, all this ecosystem enables to setup in Qatar and access those opportunities." (Peninsula Qatar)

- **CRA conducting survey on Qatar's IT landscape –** The Communications Regulatory Authority (CRA) initiated a survey in early April 2022, targeting all local companies providing information technology (IT) products and services. The survey is part of a large-scale strategic CRA research study, with the aim of building measurements and a comprehensive understanding of Qatar's IT industry and on the information and communications technology (ICT) sector. The study comes in the context of global rapid technological developments and features the IT industry as a critical enabler of innovation across sectors and as a driver of economic growth and diversification, social prosperity, and environ-mental sustainability. The survey is themed to cover various related aspects including market landscape, governance and regulations, infrastructure, research and development, innovation, funding and talent. The data and information collected through the survey will help build insights about the existing ICT landscape and highlight challenges and development opportunities for the future of the sector. (Peninsula Qatar)

- **Ports see 10% growth in vehicles handling –** Hamad, Ruwais and Doha ports recorded a robust performance in April after witnessing significant growth in handling 7,857 vehicles, an increase of 10 % over same period last year according to Mwani Qatar. Wani Qatar tweeted that the ports received 116,431 tons of general cargo and over 100,000 TEUs (twenty-foot equivalent units), in April 2022. RORO units achieved an increase of about 10% over the same period last year to reach 7,857 units. The vehicles (RORO) witnessed a rise of 10 % year-on-year and surged 18.2% month-on-month in April 2022. The number of ships calling on Qatar's three ports stood at 247 in April 2022 compared to 216 in last month recording a growth of 14.3% on monthly basis and the general cargo stood at 116,431 tons in April 2022. The three ports handled 9,586 livestock and the building materials handled by the ports amounted to 31,613 tons in April 2022. (Peninsula Qatar)

- **Doha featured in top 10 busiest international route in Middle East, Africa –** The Doha to London Heathrow route has emerged as one of the top 10 busiest international routes in April 2022 by region (Middle East), according to the Official Airline Guide (OAG), a global travel data provider. According to OAG, the world's busiest air routes have the largest volume of scheduled airline seats in the current calendar month. In April's Global Top 10 Busiest International Airline Routes Cairo to Jeddah took top position. The released data disclosed that the route which sees flights from the Hamad International Airport to the London Heathrow Airport recorded 138,796 seats occupied in April to make the top 10 cut. In the same category, Cairo to Jeddah saw the largest capacity with 334,157 seats, followed by Dubai-Jeddah, Dubai-London Heathrow, Dubai-Mumbai, Dubai-Riyadh, Delhi-Dubai, Istanbul- Tehran Imran Khomeini, Bahrain-Dubai, and Cairo-Riyadh. Meanwhile, Cairo to Doha route was placed ninth in the African category, with 58,071 seats in April. The busiest was the Cairo to Jeddah route which stood at 334,157. OAG added that the Middle East region dominated the Top 10 International Busiest Airline Routes for April. (Peninsula Qatar)

- **Euromoney Qatar Conference to begin on May 29 –** The ninth Euromoney Qatar Conference, co-hosted with Qatar Central Bank, returns on 29 May to Doha. The Euromoney Conference focused on the latest developments around Qatar's strategy and finance in the new global landscape. As the eyes of the world turn to Qatar for World Cup 2022, they will see a country that has emerged from the pandemic in strong economic shape and with an increasingly important role in regional and global geopolitics. Euromoney explore how Qatar can capitalize on the success of its strategy. What's next for the nation, its financial institutions, and its investors? How will they deploy their capital domestically and internationally? How will the financial sector get ahead in the drive for digitalization? What are the risks and challenges? The event will focus on answering these questions and more. (Peninsula Qatar)

- **Qatar-India Joint Working Group agrees to enhance workers' welfare –** The Qatar-India Joint Working Group in the field of employment held its seventh meeting in the Indian capital, New Delhi. The meeting was chaired from the Qatari side by Assistant Under-secretary for Labor Affairs at the Ministry of Labor, Mohammed Hassan Al Obaidli, and from the Indian side by Assistant Undersecretary for Expatriates Affairs at the Ministry of Foreign Affairs, Anurag Bhushan. The Qatari and Indian sides had fruitful discussions on a wide range of issues related to the movement of labor and manpower. The Indian side welcomed the labor reform measures taken by the State of Qatar during the past years. The Qatari side also praised the contribution of the Indian community to social development and infrastructure projects in Qatar, stressing Doha's commitment to protecting and promoting labor rights. The two sides agreed to adopt an integrated approach to enhance the welfare of workers, including regulating the recruitment process, and strengthening cooperation to resolve issues of common concern, within a specific time frame. In this regard, they also agreed to work to integrate employment portals. (Peninsula Qatar)

- **IMF: Qatar managed to quickly overcome repercussions of Covid-19 –** The International Monetary Fund (IMF) has underlined that the State of Qatar was able to quickly overcome the repercussions of the Covid-19 pandemic, through the measures and mechanisms adopted by the government to support the sectors most affected by the pandemic. Director of IMF Middle East and Central Asia Department Jihad Azour said that the measures undertaken by Qatar to confront the pandemic contributed to raising the growth levels of the Qatari economy, backed by the improvement in oil and gas prices, and the investments made by the country in preparation for the FIFA World Cup Qatar 2022. Azour gave his remarks in response to queries from Qatar News Agency (QNA) during a press conference held in Amman to discuss the "World Economic Outlook" report for the Middle East and Central Asia region. He said that the Qatari economy is expected to grow by 3.4% in 2022. He also expected that Qatar's production of natural gas will rise at the medium level, to become the largest LNG exporter. With regard to the Middle East and Central Asia region, Azour noted that the war in Ukraine is expected to affect the rapid recovery of monetary and fiscal policies in the region, whose economies were affected by the spread of the "Omicron" mutant. He expected the region's GDP growth to decline by 5% in 2022, after reaching 5.8% last year. He added that inflation rates in the region are expected to decrease to 13.9% this year, compared to 14.8% past year. The IMF report expected the global economic growth to slow down to 3.6% in the current and next year, compared to 6.1% in 2021. (Gulf Times)

- **Boeing META chief: Relations with Qatar and Qatar Airways solid, valuable –** President of Boeing Middle East, Turkey and Africa (META) Kuljit Ghata-Aura affirmed that the company is proud to continue its solid partnership with the State of Qatar, which it began nearly two decades ago. Ghata Aura said that participating in the Doha International Maritime Defense Exhibition and Conference (DIMDEX 2022), hosted recently by Doha, provided an important platform for the company to emphasize this goal, by highlighting the latest technological solutions, especially in the fields of defense and security. In a statement to Al-Arab news agency published, he described the relations with Qatar and Qatar Airways as solid and valuable, stressing keenness to develop these relations for the benefit t of all parties. He pointed out that the contracts between the two sides, which are based on the 25-year partnership with Qatar Airways, are extremely important to Boeing, adding that Qatar Airways' selection of the 777-8 freighter is testament to the company's commitment to building cargo aircraft with large capacity, high reliability and outstanding fuel efficiency. (Gulf Times)

- **Demographic factor critical to achieving goals of QNV 2030 –** Qatar has said that it attaches special importance to the demographic factor in its project and its continuous approach to building an advanced society, which is reflected in Qatar National Vision 2030 (QNV 2030). This aims to bring about quantitative and qualitative change in population variables and related issues, through a set of operational plans and programs that aim to achieve a balance between population growth and the requirements of sustainable development, in order to ensure a better life for the residents of Qatar. This came in the statement of Qatar, made by HE the President of the Planning and Statistics Authority Dr Saleh bin Mohamed al-Nabit, before the 55th session of the United Nations Commission on Population and Development (CPD55), which is held from April 25 to 29 under the theme 'Population and sustainable development, in particular sustained and inclusive economic growth'. HE al-Nabit stated that this approach has contributed to making important achievements in the fi elds of economy, urbanisation, infrastructure, digital, health and education, and other vital fi elds, which enabled Qatar to rank 45 out of 189 countries in the Human Development Index 2022 issued by the United Nations Development Program. (Gulf Times)

- **IMF: Diligent supervision must continue to safeguard Qatar's well-capitalized banking sector –** The IMF has suggested diligent banking supervision in Qatar should continue for banks to promptly recognize and address NPLs and comply with provisioning and capital requirements. In its latest country report, the IMF said Qatar's banking sector remains well-capitalized and liquid, with non-performing loans (NPLs) at relatively low levels. However, IMF noted Qatari banks' large and increasing exposure to foreign liabilities poses potential risks as global financial conditions tighten, while the existing prudential framework and efforts to lengthen the maturity and diversify the sources of foreign funding are mitigating factors. Strong state support provides the last line of defense, but sovereign contingent liabilities could increase. Prudential measures and reforms to promote domestic stable funding could help to alleviate the risks. Prudent public finance management and a reduced public sector's footprint in the domestic banking sector could avoid crowding out private credit. In its report, IMF said to balance the need to facilitate the recovery and to ensure banking sector strength, a carefully calibrated exit from remaining support measures is crucial. (Gulf Times)

- **OBG: Qatar ahead of GCC neighbors in food security –** Among Gulf Co-operation Council (GCC) countries, Qatar is leading its Gulf neighbors in the Global Food Security Index 2021, according to a report by Oxford Business Group (OBG). Qatar was listed in the 24th spot (out of 113) in the global ranking and garnered an overall score of 73.6 (out of 100). Kuwait followed with a global ranking of 30 and an overall score of 72.2. According to the Covid-19 Response Report, produced by OBG, in partnership with the Arab Organization for Agricultural Development, the Global Food Security Index 2021 listed other GCC countries as follows: UAE (35th global ranking, 71 overall score), Oman (40th, 70), Saudi Arabia (43rd, 68.5), and Bahrain (44th, 68.1). Titled 'Agri-tech & Food Security in the GCC', the report shines a spotlight on the wide-ranging strategies for agricultural innovation and food production taking shape across the region in an easy-to-navigate and accessible format that includes key data and infographics, OBG said in an earlier statement. The report highlights the investment opportunities emerging in agri-tech across the Gulf as GCC countries move collaboratively and individually to find sustainable solutions for their food security challenges, it also stated. (Gulf Times)

- **IPA Qatar: Qatar's startup ecosystem 'making strides' to expand and innovate –** Qatar remains a viable seedbed for different startups and offers entrepreneurs a host of opportunities to transform their innovative ideas through different programs and access to funding, according to a report released recently by the Investment Promotion Agency Qatar (IPA Qatar). In its first 'Invest Qatar Annual Report 2021', the agency stated that the country's startup ecosystem "is also making strides in expanding and improving the environment for startups to thrive and innovate." According to the report, the Tasmu program, launched by the then Ministry of Transport and Communications, was a key player in expanding Qatar's ICT sector through building connections between the public and private sector, providing funding, and empowering startups. The report also noted that the Qatar Science and Technology Park (QSTP) also took several initiatives to foster innovation in the country, including partnerships with Qatar Development Bank (QDB) and Microsoft. The funding available for startups has also increased significantly in Qatar compared to the previous year, the report emphasized, citing Qatar FinTech Hub (QFTH) as the "second-highest investor in the region." Despite the pandemic, the report said Qatar has succeeded in building momentum to launch new program, initiatives, events, and partnerships to encourage technological innovation and further rejuvenate the startup ecosystem. A number of events, including 'Qatar FinTech Summit', 'Qatar Innovation Week', and 'Qitcom' – the largest information and communication technology showcase and event in Qatar – were held since 2019, the report stated. According to the report, Qatar's growing economy offers investors lucrative opportunities while bringing progress to development and diversification goals across sectors and geographies. As the country continues to pursue its economic diversification objectives, the report noted that many opportunities, especially in the non-hydrocarbon sector, have become available for investors. (Gulf Times)

- **AM Best affirms financial strength, issuer credit ratings on QISI –** International credit rating agency has affirmed the financial strength rating of A- (excellent) and the long-term issuer credit rating of "A-" (excellent) of Qatar Islamic Insurance Group (QISI). The outlook of these credit ratings is "stable". The ratings reflect QISI's balance sheet strength, which AM Best assesses as very strong, as well as its strong operating performance, limited business profile and appropriate enterprise risk management. The risk cover provider employs a hybrid takaful model, whereby the shareholders' fund charges the policyholders' fund (PHF) a Wakala fee based on gross written contributions (GWC) and a Mudaraba fee based on investment income. Its ability to accumulate surpluses within the PHF, whilst regularly distributing surplus back to policyholders, supports the sustainability of its takaful model. The insurer's balance sheet strength is underpinned by its risk-adjusted capitalization, which was at the strongest level at year-end 2021, as measured by Best's capital adequacy ratio (BCAR) and is expected to remain at the strongest level over the medium term. Supporting the balance sheet strength assessment is the insurer's consistent demonstration of internal capital generation, according to the rating agency. Capital and surplus grew by 7.3% in 2021 to QR424.8mn (10.3% growth including the policyholders' fund to QR652.3mn. While QISI maintains sufficient liquidity to support its insurance operations, it has material holdings of illiquid assets in the form of real estate and investments in associates, which accounted for about 45% of its total investments as at year-end 2021. The insurer is moderately dependent on reinsurance, as the group cedes a high proportion of its large commercial risks. QISI reported a net profit of QR80.1mn in 2021, equivalent to a return on equity of 12.9%, demonstrating its ability to generate strong operating returns. Profitability is driven mainly by its strong and stable technical results, demonstrated by a five-year (2017-21) weighted average combined ratio of 66.7%. Its investment yields have been modest in recent years, driven by fair value losses arising on real estate and the impairment of investments in associates. QISI holds a niche position within its domestic insurance market, as an established provider of Shariah-compliant products. In 2021, QISI reported a 7% increase in contributions compared with 2020, writing GWC of QR428.6mn. The group's operations are concentrated in Qatar, where it maintains a strong reputation benefiting from its track record of distributing surpluses back to its policyholders. Moreover, the group is a member of the National Insurance Consortium, which provides QISI with access to large government infrastructure contracts. (Gulf Times)

- **Qatar investors increasingly looking at Cyprus realty –** Investors and business leaders from Qatar are increasingly making Limassol as their second business home location, enabling access to the European Union (EU) market. Sales at the developer's latest, high-end development Limassol Blu Marine, have now totaled €100mn, of which 4% have been generated from buyers from Qatar. As much as 7% is being generated from buyers from the UAE, 6% from Jordan, 4% from Egypt, 3% from Kuwait and 2% from Saudi Arabia. Limassol is the second largest city in Cyprus and is renowned for its entrepreneurship with many firms in the service, financial, technology and healthcare sectors flourishing. The introduction of the Fast Track Business Activation Mechanism, the employment of third-country nationals, work permits for spouses, huge savings on corporate and personal taxes, access to the EU markets and digital nomad visas are all attracting companies from the Middle East to this uniquely connected and positioned country. The Middle East and North Africa-based businesses looking to expand their operations to Cyprus can enjoy office spaces in Limassol Blu Marine, a development in the heart of the city, which provides luxury residencies and open offices in one spot. Limassol offers a robust environment for business, a diverse workforce and is a strong international centre of business with links to the UK, Middle

East and Western Europe," said Pantelis Leptos, co-president of Leptos Group of Companies, a leading property developer in Cyprus and Greece. (Gulf Times)

- **Huge rise in number of tourists in Qatar in March –** The latest data from the Planning and Statistics Authority showed an increase in the number of tourists coming to the country in March this year, by 759% over the same month last year, while it increased by 98.7% from February of this year. The data included in the 99th issue of the Qatar monthly statistics bulletin showed that the number of tourists reached 152,700 in March this year, compared to 76,880 in February, with 17,780 recorded in March last year. (Bloomberg)
- **Doha Metro sells over 1.5mn Travel Cards since launch –** Qatar Rail Company (Qatar Rail) marked the third anniversary of the launch of the preview service of Doha Metro, which has become a key transportation choice for the country's residents and visitors, and the backbone of the integrated public transport system in Qatar. On May 8, 2019, Qatar Rail started the preview service of Doha Metro with 13 stations on the Red Line, starting from Al Qassar station in the north to Al Wakra station in the south. The three Metro lines that form the current network were fully operational by September 2020. Doha Metro services have witnessed continuous growth since their launch. More than 1.5mn Travel Cards (standard and goldclub) have been sold from Day 1 up until March 2022, Qatar Rail said in a press statement. (Bloomberg)
- **Qatar's first gems, metals calibration lab to play key role in economic development –** Qatar, particularly its burgeoning jewelry sector, will stand to gain from the establishment of the country's first laboratory specializing in examining and grading diamonds and precious stones. According to co-founder Ahmed al-Obaidli, the Gems & Metals Calibration Lab will "effectively contribute" to accelerating development in Qatar even as the country is preparing to host the 2022 FIFA World Cup. Al-Obaidli explained that the establishment of the lab, which is located on the seventh floor, Tower 2, The Gate Mall, "is considered an integral part of Qatar's economy as it will keep pace with the change in the concept of individual consumption and the view of purchasing priorities". The lab operates in collaboration with one of the largest institutes in this field – the International Gemological Institute (IGI), and it is fully equipped with the necessary testing devices used worldwide. The lab's academic and technical team is also part of the IGI team, al-Obaidli noted. (Bloomberg)
- **GECF: Qatar's future role in global LNG trade 'very promising' –** The outlook for Qatar's future role in global LNG trade is very promising since the country has a great potential to send its LNG cargoes into Asian markets with lower shipping costs compared to other LNG suppliers, the Gas Exporting Countries Forum (GECF) has said in a report. Additionally, Qatar has a strong global business relationship with major European LNG consumers and is securing regasification capacity in countries such as the UK, the Netherlands, France and Belgium. In its 'Global Gas Outlook 2050' GECF said currently Qatar is the biggest LNG exporter worldwide with 77.1mn tons per year (MTPY), which accounted for 22% of global LNG production in 2020. The country is the major supplier to Asian and European markets. Qatar is working to increase its liquefaction capacity to 126 MTPY by 2027. Post-2027, a further 55 MTPY of speculative LNG projects remain to be completed. It is forecast that Qatar will maintain its position as the top LNG exporter in the world by 2050. While in 2010 approximately 50% of Qatar LNG was streamed to Europe and the other 50% to Asia, in 2020, Asia already accounted for over two-third (68%) of Qatari exports. As the third-largest natural gas reserve holder, Qatar has been playing a meaningful role in the global natural gas trade that resulted from continuous and successful exploration in its giant North Field and investing in advanced LNG trains, employing the best practices in associated technologies, GECF said. Qatar's North Field along with Iran's South Pars form one of the world's largest gas fields. (Bloomberg)
- **Qatar joins financiers of Elon Musk's acquisition of Twitter –** Circulating reports and information revealed Qatar's participation in the financing of the acquisition of businessman Elon Musk on the Twitter platform. And Al-Quds Al-Arabi monitored information about Qatar joining major investors in the world to finance the acquisition of Twitter. And a report published by Bloomberg Network stated that Musk succeeded in convincing the largest investors in the world to finance the deal, the largest in the history of acquisitions in the technology industry. So far, it appears that Qatar Holding, the investment arm of the Qatar Investment Authority, has participated in an amount of $375mn, among the investors contributing to the financing. According to identical sources, Qatari parties can raise the value of funding to acquire the global Twitter platform, and its total is likely to exceed half a billion dollars. The information showed that a number of international financial companies participated in the financing process. Among the most prominent shareholders in addition to the Qatar body, Fidelity Investments, Brookfield Asset Management, and Lawrence J. Ellison Fund, which is the largest contributor with a billion dollars. According to the sources collected by Al-Quds Al-Arabi, the richest man in the world raised $7.14bn in funding from a group of investors to finance his acquisition of Twitter for $44bn. (Bloomberg)
- **PR1MA tries to explain QIA's potential investment –** PR1MA Corporation Malaysia, the agency responsible for developing affordable housing projects in the country, is seeking a strategic investment from the Qatar Investment Authority (QIA). On March 29, Bernama reported that Prime Minister Datuk Seri Ismail Sabri Yaakob said PR1MA had put forward a strategic investment proposal worth RM8.1 billion to QIA to explore investment opportunities in Malaysia, especially in the housing sector. Ismail was reported as saying that the Qatari government had agreed for QIA to hold further discussions with PR1MA, particularly in providing more affordable housing for Malaysians. (Bloomberg)
- **dnata, Qatar Airways Cargo extend tie-up in Belgium –** dnata, a leading global air and travel services provider, and Qatar Airways Cargo, a world-leading air cargo carrier, have extended their partnership in Belgium. The multi-year extension of the contract will see dnata continue to deliver a range of cargo handling and road feeder services for the airline from its state-of-the-art facility at Brussels Airport (BRU). Qatar Airways Cargo currently operates a mix of 15 freighter and passenger flights each week to and from the Belgian capital. In 2021, dnata handled 25% more cargo for the airline at BRU than in the previous year. Stef Vanbinst, Managing Director of dnata Belgium, said: "We are proud to have earned the trust and loyalty of Qatar Airways Cargo with our reliable and safe services. We continue to invest in our operations to consistently provide world-class quality to the airline and its customers." dnata entered the Belgian cargo market in 2019, substantially increasing cargo capacity in the Benelux states. Since then, it has more than doubled the size of its advanced cargo center which now covers an area of 7,000 m^2. dnata has also been operating the Animal Care & Inspection Centre offering a top-notch, 2,000 m^2 facility for the handling of live animals at BRU. (Bloomberg)
- **Boeing seals deals with Qatar Airways, launches new cargo plane –** Boeing launched a new freighter jet Monday (May 2) while announcing a pair of major agreements with Qatar Airways, in a boost to the still-struggling US aviation giant. The deal with the Middle Eastern carrier was unveiled at a White House ceremony attended by top US and Qatari officials, and includes the sale of 34 777X freighters, plus options for 16 more planes in the latest incarnation of Boeing's storied dual-aisle 777 line. Boeing said the US$20bn value of the Qatar Airways deal constitutes the largest freighter commitment in Boeing history. The airline also reached an agreement worth nearly US$7bn for a firm order of 25 737 MAX planes plus purchase rights for another 25 planes, Boeing said. The agreements give a lift to Boeing, which continues to struggle with quality control problems as commercial aviation experiences a mixed recovery from the depths of the coronavirus downturn. The announcements show that Boeing "serves a global need that in a post-Covid world will be coming back, and coming back in a significant way," Boeing Chief Executive David Calhoun said at the signing. For Qatar Airways, the deals with Boeing follow an unusual public fight with European plane maker Airbus. Earlier this month, Airbus canceled the carrier's multi-billion-dollar order of 50 new single-aisle planes in an escalating feud over Qatar Airways' decision to ground its A350 widebody aircraft. "Today marks a great day in the ever-building and strong relationship between Qatar Airways and Boeing," said Qatar Airways Chief Executive Akbar Al Baker. "We certainly push Boeing hard to deliver upon our expectations, and the team at Boeing consistently strives to meet and exceed our expectations, giving the opportunity for us to be here today to launch the most significant new freighter aircraft for a generation." The signing ceremony came as Qatar's Sheikh Tamim bin Hamad al-Thani visited the White House, where President Joe Biden was expected to shore up the energy back-up for European allies as Washington pressures Russia over the Ukraine crisis. (Bloomberg)
- **Qatar's Snoonu plans GCC foray –** After growing rapidly in the domestic market, Snoonu- Qatar's home-grown success story- is aiming to foray into foreign markets. Qatar's leading tech start-up is planning to enter two GCC markets- Oman and Kuwait- this year. Rather than starting its operations from the scratch in these countries, the company aims to acquire already established companies in the market. "In the next two months we are planning to enter two GCC countries, Oman and Kuwait," Hamad Al Hajri, Founder and CEO of Snoonu, told The Peninsula in an exclusive interview. "We are looking at already established company in the market and acquire it. We are not looking to start from the zero in new market. We are looking at the acquisition of already established company in that market," said Hajri.With over 20 years of experience in business innovation, seasoned entrepreneur Hamad Al Hajri founded Snoonu in 2019 and has steered the company to new heights. With over 300,000 users, Snoonu plans to expand

and diversify its offering by adding new features and services to its platform. “We are growing with an average 55% every month,” said Al Hajri, explaining the rapid growth of company. (Peninsula Qatar)

International

- **Fed's Kashkari says supply chain progress key to avoiding recession -** The Federal Reserve will have to raise interest rates more aggressively and risk a recession if supply chain issues don't begin to ebb, Minneapolis Fed President Neel Kashkari said on Friday, as he reiterated that policymakers are keenly watching how far rates will have to rise above the neutral level. "We know we have to bring inflation back down to 2%. If the job market softened a little bit, that's not much of a tradeoff," Kashkari said during an event at the University of Minnesota in Minneapolis. "The challenge is going to be if the supply chain issues don't help us, if they don't unwind a little bit on their own ... and we have to use aggressive monetary policy to bring inflation back down then that could lead to a higher unemployment rate, that could lead to a recession," he said. The US central bank raised interest rates by half a percentage point earlier this week, the biggest hike in 22 years, and Fed Chair Jerome Powell signaled policymakers stand ready to approve half-percentage-point rate hikes at upcoming policy meetings in June and July as the Fed steps up its fight to lower high inflation. Earlier on Friday, in a post on Medium, Kashkari warnedthat the war in Ukraine and COVID lockdowns in China will likely delay any normalization of supply chains. Kashkari also repeated he sees the neutral rate, which is the level of borrowing costs that neither stimulates nor curbs economic growth, to be at 2% but noted that there is a wide range of estimates - roughly between 2% and 3% - among his fellow policymakers. "The general consensus is we have to at least get up to neutral and probably moderately above neutral over the course of this year into early next year, but again there are a range of estimates on what neutral looks like," Kashkari said. On how much more the Fed will have to go above neutral, the Minneapolis Fed chief said, "many of us are just waiting to see how the economy evolves." (Reuters)

- **Manufacturing drives strong US hiring; wage growth cools -** US job growth increased more than expected in April as manufacturers boosted hiring, underscoring the economy's strong fundamentals despite a decline in output in the first quarter. Though the Labor Department's closely watched employment report on Friday showed a moderation in wage gains last month, wage price pressures are likely to continue to build amid record job openings. About 363,000 people left the labor force in April, pulling down the participation rate from a two-year high and potentially worsening worker shortages. The Federal Reserve is trying to tighten monetary policy to bring down high inflation without tipping the economy into recession. The economy contracted last quarter under the weight of a record trade deficit. "The firm payroll data is good in that it confirms that the labor market is strong and suggests the US economy may be sufficiently resilient to deal with the forthcoming monetary tightening," said Seema Shah, chief strategist at Principal Global Investors. "For the Fed, there is nothing in today's report to suggest they can take their foot off the brake." The survey of establishments showed nonfarm payrolls rose by 428,000 jobs last month. But the economy created 38,000 fewer jobs in February and March than previously reported. It was the 12th straight month of employment gains in excess of 400,000. Economists polled by Reuters had forecast payrolls would rise by 391,000 jobs. Estimates ranged from a low of 188,000 to a high of 517,000. Employment is now 1.2mn jobs below its pre-pandemic level. The broad increase in hiring last month was led by the leisure and hospitality sector, which added 78,000 jobs. Restaurants and bars contributed 44,000 jobs to those gains, leaving employment in the industry 1.4mn below its February 2020 level. Employment in most industries is now at or above the February 2020 levels, though healthcare and manufacturing are thousands of jobs away from achieving that milestone. The leisure and hospitality sector still has a gap of 1.4mn jobs. The labor force participation rate, or the proportion of working-age Americans who have a job or are looking for one, fell to 62.2% from a two-year high of 62.4% in March. That drop occurred despite reports of retirees returning to the workforce because of the rising cost of living, with annual inflation surging at its quickest pace in more than 40 years. (Reuters)

- **US productivity posts biggest decline since 1947 in first quarter -** US worker productivity fell at its steepest pace since 1947 in the first quarter, while growth in unit labor costs accelerated, indicating that rising wage pressures will continue contributing to keeping inflation elevated for a while. Nonfarm productivity, which measures hourly output per worker, plunged at a 7.5% annualized rate last quarter, the deepest since the third quarter of 1947, the Labor Department said on Thursday. Data for the fourth quarter was revised slightly lower to show productivity growing at a 6.3% rate instead of the previously reported 6.6% pace. Economists polled by Reuters had expected productivity would drop at a 5.4% pace. The decline was flagged in last week's first-quarter gross domestic product report, which showed the economy contracting at a 1.4% rate in the January-March period. Productivity fell at a 0.6% pace from a year ago. It has been volatile since the start of the COVID-19 pandemic more than two years ago. Hours worked increased at a 5.5% rate in the first quarter after rising at a 2.5% pace in the fourth quarter. Unit labor costs - the price of labor per single unit of output - shot up at an 11.6% rate. That followed a 1.0% growth pace in the October-December quarter. Last quarter's jump likely exaggerates the pace of growth in labor costs. Unit labor costs increased at a 7.2% rate from a year ago. The surge in costs followed on the heels of a government report last week showing that compensation for American workers notched its largest increase in more than three decades in the first quarter amid a persistent labor shortage. There were a record 11.5mn job openings at the end of March. The Federal Reserve on Wednesday raised its policy interest rate by half a percentage point, the biggest hike in 22 years, and said the US central bank would begin trimming its bond holdings next month as it battles sky-high inflation. Fed Chair Jerome Powell told reporters that "the labor market is extremely tight, and inflation is much too high." Hourly compensation rose at a 3.2% rate in the first quarter after growing at a 7.4% pace in the fourth quarter. Compensation increased at a 6.5% rate compared to the first quarter of 2021. (Reuters)

- **ISM survey: US service sector slows; input prices measure at record high -** US services industry growth unexpectedly slowed in April, with employment contracting for the second time this year, while a measure of input prices raced to a record high. The Institute for Supply Management said on Wednesday its non-manufacturing activity index fell to a reading of 57.1 last month from 58.3 in March. Economists polled by Reuters had forecast the non-manufacturing index little changed at 58.5. A reading above 50 indicates expansion in the services sector, which accounts for more than two-thirds of US economic activity. The surprise slowdown could reflect persistent supply constraints, which have been worsened by new COVID-19 lockdowns in China and Russia's war against Ukraine. Coming on the heels of an ISM survey on Monday showing manufacturing growing at its slowest pace in more than 1-1/2 years in April, the slowdown in the services industry could be a potential red flag for the economy. The economy contracted at a 1.4% annualized rate in the first quarter, though that was largely because of a record trade deficit. Domestic demand remained solid, with consumer spending rising and business investment on equipment accelerating. The ISM's measure of new orders received by services businesses fell to 54.6 from a reading of 60.1 in March. The moderation came despite spending shifting back to services from goods. Order backlogs also increased at a slower pace relative to March and exports cooled. Its services industry employment gauge fell to 49.5, the second contraction this year, after rebounding to 54.0 in March. The decline likely reflects perennial worker shortages. The Labor Department reported on Tuesday that there were a record 11.5mn job openings at the end of March. The contraction, together with a slowdown in factory employment growth last month, could temper expectations for strong job gains in April. According to a Reuters survey of economists, nonfarm payrolls likely increased by 394,000 jobs last month after rising 431,000 in March. The ISM survey's measure of supplier deliveries increased to 65.1 from 63.4 in March. A reading above 50% indicates slower deliveries. As a result, services inflation accelerated. A measure of prices paid by services industries for inputs increased to an all-time high of 84.6 from 83.8 in March. The Federal Reserve is expected to hike interest rates by half of a percentage point later on Wednesday, and likely to start trimming its asset holdings soon. The US central bank raised its policy interest rate by 25 basis points in March. (Reuters)

- **Robust imports push US trade deficit to record high in March -** The US trade deficit surged to a record high in March, confirming that trade weighed on the economy in the first quarter and could remain a drag for a while as businesses replenish inventories with imported goods. The Commerce Department said on Wednesday that the trade deficit accelerated 22.3% to $109.8bn in March amid a record increase in imports. Economists polled by Reuters had forecast a $107bn deficit. The government reported last week that a record trade deficit sliced 3.20 percentage points from gross domestic product in the first quarter, resulting in GDP contracting at a 1.4% annualized rate after growing at a robust 6.9% pace in the fourth quarter. Trade has subtracted from GDP for seven straight quarters. Imports of goods and services jumped 10.3% to $351.5bn, outpacing a 5.6% rise in exports to $241.7bn. (Reuters)

- **US Treasury sees economy still expanding in 2022 despite Q1 GDP drop -** The US economy is expected to continue its expansion this year despite a surprise contraction in the first quarter, the US Treasury's chief economist said on Monday, adding that inflation may be peaking. Benjamin Harris, assistant secretary for economic policy, said in a statement to the Treasury Borrowing Advisory Committee that there may be downward revisions to private GDP forecasts for 2.3% growth on a fourth-quarter comparison after the 1.4% first quarter decline in real GDP. "Although this estimate may be revised down — and downside risks remain to the outlook — the US economy is expected to continue its expansion this year," Harris said. "Waning fiscal and monetary stimulus along with recovering labor supply should help balance labor markets and relieve some inflationary pressures." The statement was issued as part of the Treasury's May quarterly refunding process. The Treasury said on Monday that it expects to pay down $26bn of debt in the second quarter, compared to a January estimate of $66bn in net borrowing, primarily due to an increase in receipts. Harris said that while lower exports, higher imports and low inventory investment caused the decline, private consumption and fixed investment remained strong. He said that supply-demand mismatches have driven headline and core inflation higher so far in 2022, with further increases in headline inflation driven by higher energy and grain prices due to Russia's invasion of Ukraine. "Still, core inflation may have peaked in spring 2022 and started to ebb, given a further waning of the pandemic, government efforts to contain energy prices, and an easing of supply bottlenecks in some markets," Harris said. (Reuters)

- **BoE's Pill says UK must accept income hit from high inflation -** People and businesses in Britain need to realise they are unlikely to recover the income lost to high inflation any time soon, the Bank of England's chief economist said on Friday in the latest warning from the central bank of tough times ahead. A day after the BoE forecast inflation would surpass 10% later this year, causing a sharp economic slowdown - and possibly a recession - Huw Pill said the central bank was unable to cushion people from surging energy and goods prices. "What we are buying is becoming more expensive relative to what we are selling," Pill told an online briefing for businesses hosted by the BoE. "That does imply some sort of squeeze ... on the real spending power of domestic residents in the UK. How that is distributed across firms, across wage-earners, across pensioners and so forth, monetary policy does not have much to say about that." On Thursday, the BoE raised its benchmark interest rate to 1.0%, its highest since 2009, and said Britain's economy was set to flat-line in 2023 and 2024 as it suffered from this year's inflation surge. After that, the BoE's forecasts for Britain's medium-term economic potential were weak by historic standards, Pill said. "Maybe the benchmark shouldn't be that wage growth gets back to inflation growth quickly, because there is a need at some point for some parts of society to accept the reality that this real income squeeze is taking place." Companies might also absorb some of the hit via smaller profit margins, Pill said. "Just to be clear about it, over the next 18 months, the squeeze in real income is a very large squeeze, reflecting the very large shock to the economy." Earlier this year, BoE Governor Andrew Bailey prompted an angry response from trade unions when he called for restraint in pay deals to avoid fuelling the rise in inflation. On Thursday, Bailey said people able to preserve their income level were likely to be doing so at the expense of those with the least bargaining power in society. The combination of high inflation and weak growth raises difficult questions for the BoE about how many more rate hikes will be needed after the four it has done since December, the fastest pace of monetary tightening in 25 years. Pill was one of six Monetary Policy Committee members who voted on Thursday for the quarter-percentage-point hike while three others voted for an increase twice that size. "We should be orientated towards the medium term in what we're trying to do, and not over-respond to short-term developments ... (and) have a smoother and more sustained, and more resolute and purposeful, approach to policy " Pill said. (Reuters)
- **UK construction sector suffers April slowdown on higher costs -** Britain's construction sector in April had its slowest month since January, hit by rising costs and higher interest rates to finance new projects, a survey published on Friday showed. The S&P Global/CIPS construction Purchasing Managers' Index (PMI) slipped to 58.2 from 59.1 in March, which was its joint-highest reading since June 2021. Economists polled by Reuters had on average expected the index to fall to 58.0. The wider all-sector PMI, which includes previously released services and manufacturing data, fell to 58.2 from 60.7, also the lowest since January, when Britain faced a wave of Omicron cases of coronavirus. "The construction sector is moving towards a more subdued recovery phase as sharply rising energy and raw material costs hit client budgets," Tim Moore, economics director at S&P Global, said. A measure of prices paid by construction firms was its highest since September last year. House-building expanded at its weakest pace since September 2021. Order books were strong, leading to more employment, but growth in demand slowed as borrowing costs rose and business optimism was the weakest since September 2020. The Bank of England raised its benchmark interest rate to 1.0% on Thursday, its fourth increase since December, and said further hikes were likely to be needed as it sought to counter a surge in inflation which was likely to top 10% later this year. (Reuters)
- **Halifax says: UK annual house price rise eases to 10.8% -** British house prices rose for a tenth consecutive month in April, although the annual rate of growth eased slightly from the 15-year high recorded in March, figures from mortgage lender Halifax showed on Friday. House prices increased by a hefty 1.1% on the month, down from 1.5% in March, and were 10.8% higher in April than a year earlier, just below the peak of 11.2% recorded in February, which was the largest annual increase since June 2007. House prices so far have shown little sign of being affected by the cost-of-living squeeze caused by consumer price inflation rising to a 30-year high of 7.0%, despite increasing affordability challenges as prices outstrip pay growth. But this may soon change, as the Bank of England forecast on Thursday inflation would exceed 10% by the end of this year and the economy would shrink sharply in the final three months of 2022. The BoE raised interest rates by a quarter point on Thursday to 1%, and financial markets see rates rising to 2% or more by December. "The headwinds facing the wider economy cannot be ignored," Halifax managing director Russell Galley said. "The house price to income ratio is already at its highest-ever level, and with interest rates on the rise and inflation further squeezing household budgets, it remains likely that the rate of house price growth will slow by the end of this year," he added. (Reuters)
- **BoE flags risk of recession and 10% inflation as it raises rates again -** The Bank of England sent a stark warning that Britain risks a double-whammy of a recession and inflation above 10% as it raised interest rates on Thursday to their highest since 2009, hiking by quarter of a percentage point to 1%. The pound fell by more than a cent against the US dollar to hit its lowest level since mid-2020, below $1.24, as the gloominess of the BoE's new forecasts for the world's fifth-largest economy caught investors by surprise. They also trimmed bets on the central bank hiking rates aggressively this year. Short-dated British government bond yields slid sharply. The BoE's nine rate-setters voted 6-3 for the rise in Bank Rate from 0.75%, with Catherine Mann, Jonathan Haskel and Michael Saunders calling for a bigger increase to 1.25%. Economists polled by Reuters had forecast an 8-1 vote to raise benchmark borrowing costs to 1%, with one policymaker opposing a hike. Central banks are scrambling to cope with a surge in inflation that they described as transitory when it began with the post-pandemic reopening of the global economy, before Russia's invasion of Ukraine sent energy prices spiralling. The BoE said it was also worried about the impact of renewed COVID-19 lockdowns in China which threaten to hit supply chains again and add to inflation pressures. But policymakers around the world are also trying to avoid sending their economies into a slump. "It is a very weak projection, a very sharp slowdown," BoE Governor Andrew Bailey told reporters. "There's a technical definition of a recession it doesn't meet - but put that to one side - it is a very sharp slowdown in activity." On Wednesday, the US Federal Reserve raised rates by a half-point to a range of 0.75-1.0%, its biggest increase since 2000. Chair Jay Powell said more such hikes were on the table. But Powell said the US economy was performing well, a contrast with Bailey's more downbeat assessment. The BoE's rate rise was its fourth since December, the fastest pace of policy tightening in 25 years. The BoE said most policymakers believed "some degree of further tightening in monetary policy may still be appropriate in the coming months". It dropped the word "modest" to describe the scale of rate hikes ahead. A split emerged, with two members saying the guidance was too strong given the risks to growth. "The new forecasts, taken together with the increasing division among committee members, suggest the Bank is getting closer to a pause in its tightening cycle," said ING economist James Smith. Suren Thiru, head of economics at the British Chambers of Commerce, said the rate hike and deteriorating outlook would cause "considerable alarm among households and businesses". British consumer price inflation hit a 30-year high of 7% in March, more than triple the BoE's 2% target, and the central bank revised up its forecasts for price growth to show it peaking above 10% in the last three months of this year. It had previously predicted a peak of about 8% in April. The BoE said British inflation would peak later than in other big advanced economies due to a cap on household energy tariffs. Fuel bills jumped by 54% in April and the BoE now sees a further 40% increase in October, hitting the economy. Real post-tax household disposable income - a measure of living standards - is forecast to fall 1.75% this year, the biggest calendar-year drop since 2011 and the second-biggest since the BoE's records began in the 1960s. Voters in local government elections on Thursday are expected to punish Prime Minister Boris Johnson over the cost-of-living crisis and for breaking his own COVID lockdown rules. (Reuters)
- **PMI: UK business activity slows to three-month low as inflation soars -** British private-sector growth slowed to its weakest pace in four months in April as businesses raised prices on the broadest basis since at least the late 1990s, a closely watched survey showed on Thursday. The figures from the S&P Global/CIPS Purchasing Managers' Index (PMI) highlight the challenge facing the Bank of England, which is widely expected to raise interest rates later on Thursday as it seeks to tame inflation while minimising the chance of a longer-term slowdown. "The twin headwinds of the cost of living crisis and the war in Ukraine started to bite on the UK service sector during April, as evidenced by a sharp slowdown in new order growth to the lowest in the year

so far," S&P Global economics director Andrew Harker said. The services PMI fell to 58.9 in April from 62.6 in March, dropping to its lowest level since January, when the economy was suffering from the Omicron wave of coronavirus cases, and business confidence declined to an 18-month low. The composite PMI - which includes Tuesday's manufacturing PMI data - fell to 58.2 from 60.9, while the output prices component rose to its highest since the series started in 1999. The official consumer price index showed annual inflation hit a 30-year high of 7.0% in March, and many economists think it will come close to double digits later this year due to surging energy prices. The BoE is expected to announce it is raising interest rates by a quarter-point to 1%, their highest since 2009, at 1100 GMT. Wages are not keeping up with inflation, however, and in March government forecasters predicted the biggest cost of living squeeze since records began in the late 1950s. Consumer confidence has since fallen to its weakest since July 2008, a potential harbinger of recession. The International Monetary Fund predicts British growth will slow to the weakest in the G7 next year at 1.2%. S&P Global said businesses have continued to increase staffing levels to meet higher demand, albeit at the slowest pace since January. Some firms reported delays to projects from staff shortages. Unemployment in the three months to February fell to 3.8%, its joint-lowest since 1974. (Reuters)

- **Villeroy: ECB rate should be back in positive territory by year end -** The European Central Bank (ECB) should raise its deposit rate back into positive territory this year, French central bank chief Francois Villeroy de Galhau said on Friday, comments that point to his support for at least three rate hikes in 2022. The ECB has been moving slowly to remove support this year but record high inflation and surging longer-term price expectations have prompted a growing number of policymakers to advocate a quicker end to nearly a decade-long experiment with unconventional support. In a first step, the ECB should end bond purchases at the end of June, then raise its minus 0.5% deposit rates in "the next few" policy meetings, Villeroy said, declining to specify his preferred lift-off date. "I would rather set a marker a bit further down the road: barring unforeseen new shocks, I would think it reasonable to have entered positive territory by the end of this year," Villeroy, an influential voice on the ECB's Governing Council, said in a speech. Olli Rehn, Finland's central bank governor and a moderate voice on the Governing Council, also called for quick action. "We have to prevent high inflation expectations from being entrenched," Rehn told CNBC. "We should move relatively quickly to zero and continue our gradual process of normalisation of monetary policy, as we have done." A host of policymakers, including Rehn and board member Isabel Schnabel, have recently made the case for a move already in July, with little push-back from policy "doves," suggesting that a summer rate hike is now the most likely option. With the deposit rate at -0.5%, getting back into positive territory would suggest at least three 25-basis-point rate hikes, starting with the ECB's first increase since 2011, if the ECB followed the "gradual" approach advocated by Villeroy. Markets currently price 98 basis points of rate hikes this year, so nearly four 25 basis-point moves, which would suggest a hike in each meeting from July onwards. The bank next meets on June 9 but a hike there has essentially been ruled out as asset buys must end first, which is not expected until the end of next month. The bank should then gradually move its nominal interest rate towards the "neutral" level, which is between 1% and 2%, a full percentage below the US level, Villeroy added. High inflation, including a rise in longer-term inflation bets is the main reason for the rate rises as recent surveys suggest that expectations are "less and less" anchored around the ECB's 2% target. De-anchoring, in central bank jargon, is a worrisome phenomenon when price growth expectations rise as investors start doubting the central bank's resolve to get inflation back to its target. Rate hikes could also help the euro regain some strength against the dollar, which would be welcome as currency weakness lifts imported inflation. "The level of the euro matters significantly for imported inflation," Villeroy said. "A euro that is too weak would go against our price stability objective." (Reuters)
- **German industrial output falls more than expected in March -** German industrial production fell more than expected in March as pandemic restrictions and war in Ukraine disrupted supply chains, making it difficult to fill orders, official data showed on Friday. The Federal Statistics Office said industrial output fell 3.9% on the month after a downwardly revised increase of 0.1% in February. A Reuters poll had pointed to a fall of 1.0% in March. The last time there was a sharper decline was at the beginning of the coronavirus crisis in April 2020, it said. Commerzbank chief economist Joerg Kraemer said that, due to weakness in industry, the German economy is likely to stagnate in the second quarter, despite easing pandemic restrictions. "The economic environment remains exceptionally difficult," said LBBW economist Jens-Oliver Niklasch. On the supply side, high raw material prices and supply chain disruptions are making life difficult for industry, while inflation and the war weigh on the demand side, Niklasch added. Industry, excluding energy and construction, saw output fall 4.6% in March, according to the statistics office. Industrial companies received 4.7% fewer orders in March - the sharpest monthly fall since last October - driven mainly by a reduction in orders from abroad. (Reuters)
- **China's trade seen faltering in April as COVID curbs hit output -** China's export growth is expected to have slowed to a crawl in April as strict COVID-19 curbs hit production while imports likely extended declines, creating heavy headwinds for the world's second-largest economy in the second quarter. The trade sector, which accounts for about a third of gross domestic product and employed 180mn people in 2020, is losing momentum as widening anti-virus curbs ensnared supply chains. Exports likely grew 3.2% from a year earlier, according to a median forecast in a Reuters poll of 18 economists, slowing sharply from a 14.7% gain in March. The forecast is the slowest growth since June 2020. The uncertainty over the Ukraine war and recovering production capacity overseas also squeezed China's share of global trade. The new export orders component of the official manufacturing purchasing managers' index hit a two-year low in April. Imports were expected to have fallen 3% year-on-year in April, the poll showed, worsening from a 0.1% fall in March and marking the steepest decline since May 2020. Sixteen economists in the poll forecast a $50.65bn trade surplus in April, wider than the $47.38bn in March, mostly due to the decline in imports. The trade data will be released on Monday. Analysts at Goldman Sachs said in a note on Friday that COVID related restrictions disrupted domestic supply chains and port operations in the month. Trading partners such as South Korea reported weaker trade data with China. Data from the China Port Association showed throughput of foreign goods at eight major container ports in China declined 4.1% year-on-year in the April 11-20 period. Premier Li Keqiang this week urged support for production, logistics and employment at key trade firms. Nomura analysts estimate that it would cost 1.8% of China's GDP if 70% of the 814mn population came under a 48-hour testing mandate. (Reuters)
- **Caixin PMI: China's services activity falls at second sharpest rate on record -** China's services sector activity contracted at the second-steepest rate on record in April, as tighter COVID curbs halted the industry, leading to sharper reductions in new business and employment, a private-sector survey showed on Thursday. The Caixin services purchasing managers' index (PMI) fell to 36.2 in April, the second-lowest since the survey begun in November 2005 and down from 42 in March. The index hit 26.5 in February 2020 during the onset of the pandemic, representing the biggest contraction in activity on record. The 50-point mark separates growth from contraction on a monthly basis. The pessimistic findings from the survey, which focuses more on small firms in coastal regions, are in line with the government's official PMI, pointing to the fast deterioration in a sector that accounts for about 60% of the economy and half of urban jobs. A sub-index for new business stood at 38.4, also the second-lowest on record and down from 45.9 the previous month, with services firms reporting the escalation of measures to contain the spread of COVID cases weighed heavily on customer demand at the start of the second quarter. A China lockdown index compiled by Goldman Sachs increased by more than 14 points on average in April from March, as the commercial hub of Shanghai went into a city-wide lockdown, with 25mn residents confined to their homes. The private-sector survey also showed employment declined for the fourth straight month in April, although the drop was marginal, compared with sizeable falls in activity. Input costs meanwhile rose at a solid pace but efforts by services firms to attract more business amid lacklustre demand drove a drop in prices charged, highlighting the dwindling profit margins services providers face. "Demand was under pressure, external demand deteriorated, supply shrank, supply chains were disrupted, delivery times were prolonged, backlogs of work grew, workers found it difficult to return to their jobs, inflationary pressures lingered, and market confidence remained below the long-term average," said Wang Zhe, senior economist at Caixin Insight Group. As of Tuesday, 43 cities are under full or partial lockdowns or have implemented district-based controls, which involve strict mobility restrictions for local residents, according to Nomura. The Politburo, a top decision-making body of the ruling Communist Party, said China will step up policy support but analysts say their tasks and goals will become harder unless China eases its zero-COVID policy, which it has shown few signs of doing. Caixin's April composite PMI, which includes both manufacturing and services activity, slumped to 37.2 from 43.9 from the previous month. The Caixin PMI is compiled by S&P Global from responses to questionnaires sent to purchasing managers in China. (Reuters)
- **Tokyo consumer prices rise at fastest pace in 7 years -** Core consumer prices in Tokyo, considered a leading indicator of Japanese price trends, rose 1.9% in April from a year earlier, marking the fastest annual pace in seven years, government data showed on Friday. The increase in inflation, driven mostly by food costs and the dissipating effect of past cellphone fee cuts, underscores a common view among economists that Japan will see price rises accelerate to the central bank's 2% target in coming months. "The nationwide (core) inflation may rise above 2% in April-June...as the picture has been the

same in recent months - food price hikes have been widening," said Takumi Tsunoda, senior economist at Shinkin Central Bank Research Institute. "Meanwhile, it may not keep accelerating further as the pace of the energy price inflation is slowing." The rise in the Tokyo core consumer price index (CPI) was faster than a median market forecast for a 1.8% gain and followed a 0.8% increase for March. The index excludes fresh food, which is a volatile factor, but includes energy items. That marked the fastest gain since March 2015, when the index rose 2.2%. In the overall reading, which includes fresh food costs, Tokyo CPI increased 2.5% in April from a year before, the fastest growth since October 2014. The fading effect of cellphone fee cuts last year pushed up the overall CPI by 0.80 points, while non-fresh food prices drove it up by 0.17 points, the data showed. To-go sushi packages, hamburgers and breads saw the biggest price hikes among food items in April, according to a government official. Energy prices in Tokyo rose 24.6% year-on-year in April, slower than in March, thanks to the government's fuel subsidy programs to lower gasoline and other energy costs. The so-called core-core CPI in Tokyo excluding fresh food and energy items rose 0.8% in April, posting the first increase since March 2021. The Bank of Japan (BOJ) last week raised its forecast for this year's inflation rate but kept its ultra-loose monetary policy unchanged, stressing its resolve to maintain massive stimulus until inflationary pressures were accompanied by wage rises and stronger demand. "By looking at the core-core CPI, Japan's price inflation stands at a fairly high level compared to its past trends, so in theory the BOJ should naturally shift its monetary policy to the direction of tightening," said Takahide Kiuchi, executive economist at Nomura Research Institute. "There is an increasing risk of a downward (economic) spiral to kick off, where consumption is dragged down by a weak yen and rising prices, which decrease workers' real wages." (Reuters)

- **'Japan is a buy,' PM Kishida tells City of London -** Japanese Prime Minister Fumio Kishida took his appeal for foreign investment to the bankers and investors of the City of London on Thursday, saying his shift to an upgraded version of capitalism would spur economic growth. In a speech at the medieval Guildhall at the heart of Britain's financial district, Kishida set out his plan to grow the world's third-largest economy by attracting private-sector investment and redistributing wealth. Japan, like countries around the world, has been hit by rising energy, food and living costs however, and its economy is expected to have slowed to a crawl in the first quarter while the yen trades at two-decade lows to the dollar. In a world of geopolitical instability, Kishida said Japan could stand out. It has vowed to double the amount of foreign direct investment to 80tn yen ($617bn), or 12% of GDP in 2030, from the current 43.5tn yen, and encourage firms to increase wages and spend more on research and development. "Of course, Japan does face many challenges," he said. "But I am prepared to lead reform efforts to tackle these challenges head-on. "Sustained growth; stable markets; and safe, reliable companies, products and services. This is why Japan is a 'buy'". Kishida, who became prime minister and won an election last autumn, had been on an extended visit to Southeast Asia before he arrived in London to address the City of London and meet British Prime Minister Boris Johnson. (Reuters)

Regional

- **GCC growth outlook is positive despite threat of inflation –** The outlook for the GCC economies is constructive, according to a new report by the Dubai-based lender, Emirates NBD. "Growth will be driven by increased investment and production in the hydrocarbon sectors, while the non-oil sectors will continue to recover from the pandemic contraction as restrictions have been eased, Covid-19 vaccination rates are high and international travel rebounds," the report noted. The report however warned that higher inflation, slower global growth and rising interest rates are likely to prove headwinds to growth in the non-oil sectors. Improved fiscal dynamics for GCC oil exporters will allow governments to cushion some of the impact of higher global energy and food prices on their consumers, if they choose to do so, as well as provide support to other MENA countries that are more vulnerable to global supply shocks. By contrast, most of the rest of the MENA region is facing a far more challenging 2022. With most of the non-GCC countries reliant on oil imports, they will be hit by the higher global prices while their FX inflows from tourism remain below pre-pandemic levels. The report noted that the UAE economy has had a strong start to 2022, with crude oil production up 12% y-o-y in the first quarter of this year. Survey data points to a solid expansion in non-oil sectors as well. "We expect inflation to average 4.3% this year from 2.3% previously, significantly higher than last year's 0.2% average CPI," it said. For Saudi Arabia, the bank said growth to set to accelerate from 3.2% in 2021 to 7.7% this year on higher oil production. Non-oil growth is likely to slow to 4.1% this year with government spending remaining disciplined. (Zawya)
- **Just 38% of GCC listings priced 'successfully', according to Iridium Advisors –** In a finding pointing to how hard it is to see an IPO succeed over the longer term, Iridium Advisors says just 38% of IPOs across the Gulf Cooperation Council (GCC) region were priced successfully – even with the firm using a 20% price range to define 'success'. Iridium arrived at the figure after looking at how many companies saw a first day closing price within 20% of the offer price, analyzing 457 GCC listings between 2005 and 2021. The Dubai-based company adds that less than a third (32%) of companies traded within a 20% range of the offer price during the first 30 days of trading. Five years after listing, 69% of companies underperformed their country's benchmark index. The findings come as Iridium says 2021 was the best year for IPOs since 2007 and the following financial crisis. Looking at both traditional market debuts and direct listings, Iridium data shows 38 companies entered the market in 2021. The majority of these debuted in Saudi Arabia (21 listings), including nine IPOs on the main market, six IPOs on the small-cap board Nomu and six direct listings. (Bloomberg)
- **Moody's: Sukuk issuances down 22% in 2021 on lower GCC sovereign borrowing needs –** Long-term sovereign sukuk issuance volumes fell 22% in 2021 compared to 2020, primarily due to the impact of higher oil prices reducing GCC sovereign borrowing needs, Moody's said in a report. The largest decline in the supply of sukuk came from the GCC sovereigns, Moody's said in its 'Quarterly EM Issuance Monitor'. Moody's expects long-term sovereign sukuk issuance to decline to $73bn in 2022 and $75bn in 2023. Several factors will drive the decline, including higher oil prices and recovering economic activity, both of which will boost government revenue and hence reduce financing requirements. Emerging markets (EM) sovereign issuance has declined amid Russia's invasion of Ukraine, although tightening financial conditions are only partly to blame, it said. Africa &and Middle East issuance, which is dominated by oil exporting GCC sovereigns, declined 83% amid the sharp rise in oil prices triggered by the invasion of Ukraine. International sanctions on Russia have shut down the Eurobond market for the Russian sovereign and entities for the foreseeable future, which will weigh on Emerging European issuance from Q2 onwards. Sovereign issuance from Latin America has not declined as severely, with sovereigns in the region benefiting from higher soft commodity prices and fewer economic and financial linkages to Russia. Still-elevated government borrowing requirements and sizeable rollover needs could support a rebound for EM sovereign issuance across the year, but higher oil prices will continue to suppress issuance from the Middle East, Moody's noted. (Bloomberg)
- **Saudi Arabia and Kuwait top the rises of the Gulf stock exchanges, $656.6bn in "TASI" gains since the beginning of the year –** Kuwaiti and Saudi stocks have led the Gulf stock exchanges' gains since the beginning of this year, "four months," up 21.9% and 21.7% for the two market indices, respectively. According to the monitoring unit of the reports in the newspaper "Al-Iqtisadiah" based on the data of the official websites of the Gulf stock exchanges, the liquidity or the value of the trader in the Gulf stock exchanges since the beginning of the year has reached about $237.5bn, 82.1% of which was traded in the Saudi market about $195bn dollars "$732.1bn." Rial". The market value of the Gulf markets amounted to $4.44tn at the end of trading before Eid al-Fitr, 74.9% of which was for the Saudi market. Due to the significant increase in the Saudi stocks, which are the largest Gulf, Arab and Middle Eastern stock exchanges in terms of market value, their value increased by about $656.6bn (2.46tn Riyals) since the beginning of the year, when it was $2.67tn (10.01tn Riyals) at the end of 2021, while It jumped to $3.33tn "12.47tn Riyals" at the end of last April. Gulf stock exchanges are witnessing significant rises, benefiting from the rise in oil prices, the main Source of income for the Gulf Cooperation Council countries, exceeding $100 a barrel, in addition to benefiting from foreign investments flowing into them this year and increasing their weight in global market indices. performance indicators The Kuwaiti index topped the rises with 21.9%, followed by Saudi 21.7%, Abu Dhabi 18.8%, Qatar 16.9%, Dubai 16.4%, Bahrain 14.4%, and Oman 0.7%. (Bloomberg)
- **Oil to power growth, diversification of GCC economies –** High oil prices driven by rising demand and medium-term supply constraints are boosting the fortunes of GCC countries that is likely to drive economic diversification, deep structural reforms and reduced oil dependency. All recent forecasts suggest the GCC economies are going to gain significant growth momentum during the current year, largely driven by high oil revenues and higher export volumes. Undoubtedly, relatively low levels of inflation, aided by dollar pegged currencies, which appreciated vis-à-vis most trading partners gives further boost to real GDP growth. According to the latest Regional Economic Outlook of the International Monetary Fund (IMF), the windfall from higher oil prices is expected to improve fiscal and external balances and GDP growth of GCC. Forecasts suggest, the region's economic resurgence will be led by UAE, Saudi Arabia, Kuwait and Qatar. A recent Reuters poll predicted growth overall in the six GCC economies would average 5.9% this year, which would

be the fastest since 2012. Forecasts by the IMF, the Institute of International Finance (IIF) and various independent think tanks are close to these projections. (Bloomberg)

- **Saudi Arabia's GDP grows by 9.6% in Q1 2022; achieves highest rate since 2011 –** Saudi Arabia's real gross domestic product (GDP) rose 9.6% YoY in Q1 2022, achieving the highest growth rate since 2011, data issued by the General Authority for Statistics (GASTAT) showed. The growth was fueled by oil activities that increased by 20.4% in Q1 2022. Non-oil activities saw a rise of 3.7%, with government services activities growing by 2.4% YoY. The figures showed that the seasonally adjusted real GDP in the Kingdom grew by 2.2% in the first quarter of 2022 compared to the previous year. This increase was due to the growth in oil activities by 2.9%, and an increase in non-oil activities by 2.5%, while government services activities decreased by 0.9% (Zawya)
- **Saudi central bank raises base rate by 50 basis points –** The Saudi Central Bank (SAMA) decided to raise the rate of "repo" agreements by 0.5% (from 1.25% to 1.75%). SAMA also raised the rate of "reverse repo" agreements by 0.5% (from 0.75% to 1.25%), as part of the Bank's efforts to maintain monetary and financial stability. This decision was taken after the US Federal Reserve Board's announcement on 4th May 2022 to increase the Interest on Reserve Balances (IORB) by 50 basis points. The Base Rate, which is anchored to the US Federal Reserve's IORB, signals the general stance of the CBUAE's monetary policy. It also provides an effective interest rate floor for overnight money market rates. The UAE Central Bank also has decided to raise the Base Rate applicable to the Overnight Deposit Facility (ODF) by 50 basis points, effective from Thursday, May 5, 2022. Meanwhile, the Central Bank of Kuwait (CBK) has raised the discount rate from 1.75% to 2.00% effective May 5. (Zawya)
- **Fitch revises outlook on Saudi sovereign fund PIF to 'positive' –** Ratings agency Fitch revised the outlook on Saudi Arabia's sovereign wealth fund, the Public Investment Fund (PIF), to "positive" from "stable" following a similar action on the country. It also affirmed the PIF's rating at "A". Fitch had cited improvements in Saudi Arabia's balance sheet due to higher oil revenues as reasons for its outlook revision on the country earlier this month. (Zawya)
- **Saudi, Turkish finance ministers discuss bilateral economic relations –** Minister of Finance Mohammed Al-Jadaan met virtually with Turkey's Minister of Treasury and Finance Nureddin Nebati in the context of the Spring Meetings of the International Monetary Fund and the World Bank, which were recently concluded in Washington D.C. They discussed global economy developments and bilateral financial and economic relations between the two countries. The meeting was attended virtually by a number of officials from the Saudi Ministry of Finance and the Turkish side. (Zawya)
- **Saudi Arabia, Azerbaijan Sign MoU –** Currently on a visit to the Republic of Azerbaijan, the President of the Saudi General Bureau for Auditing Dr. Hossam bin Abdul Mohsen Al-Angari signed a memorandum of understanding (MoU) with the Chairman of the Chamber of Accounts of Azerbaijan, Vugar Gulmammadov to enhance cooperation in the field of accounting, control and professional work, in the presence of the Saudi Ambassador to the Republic of Azerbaijan, Dr. Hamad bin Abdullah bin Khudair. Dr. Hossam Al-Angari explained that the memorandum aims to enhance cooperation between the two agencies in the areas of financial auditing and performance control, in accordance with the laws and regulations in force in both countries, and within the framework of the main provisions and principles of the International Organization of Supreme Audit Institutions (INTOSAI) and the Asian Organization of Supreme Audit Institutions (ASOSAI). (Zawya)
- **King Salman orders establishing commissions to develop Saudi's Taif, Al-Ahsa –** The Custodian of the Two Holy Mosques King Salman has issued several royal orders, including establishing two commissions to develop Taif and Al-Ahsa. Establishing the two commissions comes after the King reviewed what was presented to him by the Crown Prince Mohammed bin Salman, who's also the deputy prime minister and chairman of the council for economic and development affairs, the royal order said. The two commissions separately will each have a Board of Directors whose chairman and members are appointed by the Prime Minister. The Experts Committee in the Council of Ministers - in coordination with the relevant authorities it deems appropriate – and within a period not exceeding three months from the date of this order, shall prepare the necessary organizational arrangements, including determining the supervisory scope of the competence of the commissions, and completes the necessary procedures for that. (Zawya)
- **Saudi Arabia: Passport's validity should not be less than 3 months to travel to GCC countries –** The General Directorate of Passports (Jawazat) stated that those wishing to travel to the Gulf Cooperation Council (GCC) States and Arab countries must check their passports validity before traveling. Travelers must ensure that the remaining period in their passport is not less than 3 months while traveling to the GCC States and the Arab countries, the Jawazat said. While it has emphasized that those wishing to travel to other countries, the validity period of their passports must not to be less than 6 months. It is worth mentioning that the Saudi citizens and the citizens of other GCC States can now travel to and from Saudi Arabia by using the national identity card after the Jawazat lifted the suspension of its usage for traveling. They only had been allowed to use passports as a travel document. (Zawya)
- **Saudi's GACA instructs air carriers on lifting travel suspension to GCC countries with national ID –** The General Authority of Civil Aviation (GACA) has issued an instruction for air carriers regarding the lifting of the travel suspension to the use of the national identity cards from the Kingdom for citizens of the Gulf Cooperation Council (GCC) countries. GACA has called on travelers to check the entry requirements of the countries that they want to travel to before traveling. Lifting the suspension of travel with the national identity does not include the family registry card, as it is not considered a document that can be used for travel, GACA noted. It is noteworthy that the General Directorate of Passports (Jawazat) had announced earlier that it had lifted the suspension of the use of the national identity card as a valid document for travel to and from Saudi Arabia for citizens as well as for the citizens of other GCC States. (Zawya)
- **Saudi, Pakistani finance ministers discuss enhancing economic relations –** Saudi Minister of Finance Mohammed Al-Jadaan met with Pakistan's Federal Minister of Finance and Revenue Affairs Miftah Ismail, on the sidelines of the Pakistani Prime Minister official visit to Saudi Arabia. During the meeting, they discussed enhancing financial and economic bilateral relations between the two nations. The meeting was attended by a number of officials from the Saudi Ministry of Finance and the Pakistani side. (Zawya)
- **SPA: Saudi Arabia to attract investments worth $32bn in mining, minerals sector –** Saudi Arabia's minister of industry and mineral resources said the ministry has a goal to attract investments worth $32bn to its mining and minerals sector through nine new projects, state news agency SPA reported. The projects are aimed at supporting supplies of mineral products to local and international markets, according to SPA. Minister Bandar Alkhorayef added that the ministry is currently studying 145 applications for exploration licenses from foreign companies, SPA said. (Reuters)
- **Saudi Arabia announces $6bn investments in steel complex, EV metals plant –** Saudi Arabia's Ministry of Industry and Mineral Resources said it has secured $6bn for a steel plate mill complex and electric vehicle battery metals plant as part of plans to lure $32bn of investment into the mining sector. The ministry's target would fund nine mining projects for midstream minerals and metals, said Industry and Mineral Resources Minister Bandar al-Khorayef, according to a statement. The kingdom is seeking to diversify its economy away from oil by pouring hundreds of billions of dollars into a plan called Vision 2030 initiated by de facto ruler Crown Prince Mohammed bin Salman. Mining is one of the sectors that has been identified for expansion. The nine projects include a $4bn steel plate mill complex for the shipbuilding, oil and gas, construction and defence sectors and a "green" flat steel complex that will supply the automotive, food packaging, machinery and equipment, and other industrial sectors. Both projects are already underway, as is a $2bn EV battery metals plant. Last month the Saudi government signed an agreement to purchase between 50,000 and 100,000 EVs over 10 years from Lucid Group Inc (LCID.O), which Saudi sovereign fund PIF owns a majority stake in. The minister said the projects would create over 14,000 jobs and added the ministry is now processing 145 exploration license applications from foreign companies. "These targeted investments represent an important 'down payment' in our efforts to move beyond exploration and extraction and into the creation of integrated value chains, a central focus of our overall mining strategy," al-Khorayef said in the statement. "The investments will continue to position the Kingdom as a mining production and logistics hub for a region that stretches from Africa to Asia, while also supporting the transformation of our mining sector so it can achieve its potential." (Reuters)
- **Abu Dhabi's economy going from strength to strength –** Through effective economic and investment policies of the leadership, key legislations and initiatives, Abu Dhabi has been able to make rapid economic recovery from the pandemic, said the top officials from the Abu Dhabi Department of Economic Development (ADDED). Rashed Abdulkarim Al Blooshi, Undersecretary, ADDED, noted that Abu Dhabi could overcome several challenges during the pandemic because of a supportive business environment. "Our economic performance in 2021 shows the fast and solid recovery of sectors affected by Covid-19, thanks to our leadership's vision

and initiatives to mitigate negative impacts of the global pandemic on the local economy." Earlier this month, Statistics Centre – Abu Dhabi announced that the emirate's GDP at constant prices grew 1.9% in 2021 compared with 2020. The non-oil GDP at constant prices grew by 4.1%. Al Blooshi underlined that with pre-emptive measures to offset the impact of Covid-19 situation, Abu Dhabi has been able to move successfully with its growth and diversification plans. "We are forging ahead with plans to foster businesses in key priority sectors to expand and accelerate our economic diversification strategy. In the past few months, Abu Dhabi has taken great strides by launching new legislations, policies, and initiatives to strengthen its position as a preferred destination for business and investments." Last year, the emirate of Abu Dhabi saw the issuance of 25,427 new economic licenses, an increase of 21.5% compared to the 2020 figure of 20,925. (Zawya)

- **Dubai Free Zones to boost their contribution to Dubai's GDP to AED250bn by 2030 –** The Dubai Free Zones Council (DFZ Council) held its 20th meeting, headed by HH Sheikh Ahmed bin Saeed Al Maktoum, Chairman of the DFZ Council. During the meeting, Sheikh Ahmed noted that Dubai's free zones, continuing to develop their services throughout the current decade in line with the demands of new economic opportunities, are on track to boost their contribution to Dubai's GDP to AED250bn by 2030. He underlined the significance of facilitating investor journey and its critical role in strengthening Dubai's and the wider UAE's position as a preferred investment destination. He also highlighted the pioneering role of Dubai's free zones, across their various industries and specializations, in enhancing a diversified integrative economics and putting in place the pillars of a flexible economy that achieves sustainability, accelerates growth, and transforms challenges into opportunities. Sheikh Ahmed commended the valuable options that the Invest in Dubai platform offers, launched in line with the directives of HH Sheikh Mohammed bin Rashid Al Maktoum, Vice President, Prime Minister and Ruler of Dubai, as an entry point into Dubai's free zones and a gateway into the local market. It offers a comprehensive suite of services that facilitate business establishment and accelerate founding of promising startups, strengthening Dubai's status as a capital for valuable economic and investment opportunities. (Zawya)
- **UAE Central Bank: Total bank deposits amounted to AED 1,988.2bn by end of February –** The Central Bank of the UAE said that total bank deposits increased by 0.3%, climbing from AED 1,982.4bn at the end of January 2022 to AED 1,988.2bn at the end of February 2022. "The rise in total bank deposits was due to growth in Resident Deposits by 0.5%, overshadowing the reduction in Non-Resident Deposits by 1.4%. Resident Deposits rose due to 1.7%, 1.4% and 8.9% appreciation in Government Sector Deposits, Private Sector Deposits and Non-Banking Financial Institutions Deposits, respectively. Public Sector (Government Related Entities) Deposits fell by 6.4%," the apex bank said in its Monetary & Banking Developments Report for February 2022. The Money Supply aggregate M1 increased by 0.8%, from AED 706.5bn at the end of January 2022 to AED 712.1bn at the end of February 2022, the CBUAE added. The Money Supply aggregate M2 grew by 0.4%, from AED 1,563.4bn at the end of January 2022 to AED 1,570.3bn at the end of February 2022. The Money Supply aggregate M3 also increased by 0.6%, from AED 1,856.6bn at the end of January 2022 to AED 1,867.8bn at the end of February 2022. (Zawya)
- **A&A Associates aligns with new tax regime in UAE –** In a landmark move, the UAE this week announced its decision to levy a 9% tax on corporate profits from June 2023. Robin Philip, director — Assurance and Business Advisory, A&A Associates has so far helped set up close to 10,000 businesses in Dubai and other emirates over the last three years feel the new measure will not only prove to be highly attractive but also competitive for the taxation rates being one of the lowest in the world. "It is evident the UAE Corporate Tax (CT) regime has been designed to incorporate best practices globally and minimize the compliance burden for UAE businesses. It will bring more transparency overall and thus also make corporate balance sheets stronger at the end of the day," said Philip while comparing existing corporate tax rates around the world. According to the Washington, D.C.-based think tank Tax Foundation that monitors tax and spending policies of government agencies worldwide, Comoros has the highest corporate tax rates in the world at 50% with Barbados levying the lowest corporate tax at 5.5%. This was at a time when only three countries — Bangladesh, Argentina and Gibraltar –increased their corporate income tax rates last year while as many as 17 countries reduced their corporate tax rates. (Zawya)
- **Dubai one of the most livable expat cities in the world –** Constant improvements to the UAE's regulations are boosting business, cultural and social spheres, and cementing Dubai's position as an attractive destination for people from around the world, says Ahmed Al Suwaidi, managing director of Residential Communities at Dubai Asset Management. He explained that the UAE leadership's readiness to evolve with the changing times and markets, paired with a series of economic strategies, have enhanced Dubai's already rising reputation as a city known for its high-quality lifestyles. "We ranked in the top three best cities to live and work in the InterNations Expat City Ranking 2021, scoring higher than major cities such as Sydney, Prague, and Madrid," said Al Suwaidi. "Dubai's appeal is only rising – the Dubai Statistics Centre's live population counter has passed the 3.5mn mark with our population rising since the end of 2020 by almost 100,000 new arrivals. The reasons to relocate here are aplenty – it is the reasons to stay that prove most important in preserving." Echoed around the world, Al Suwaidi said that the UAE is known for a "lifestyle that spoils." "Everyday conveniences, access to high quality living, international and regional brands, and a plethora of cultural, recreational and business opportunities; the UAE has always ranked high in the World Happiness Report, especially within the Arab world, surpassing many developed countries like Singapore, Italy, and Spain," he said. He also described Dubai's quality of healthcare as "outstanding" and which continues to improve under the directives of government-led initiatives and growing private healthcare providers. "We are home to world-class primary and higher education institutions, including some of the world's most credible universities. Dubai's economy is strong and remained resilient despite the challenges of recent years, demonstrating strong economic growth and widespread job opportunities across a variety of key sectors stimulated by the push for economic diversification." (Zawya)
- **Central bank of UAE increases base rate by 50bps –** The Central Bank of the UAE (CBUAE) has decided to raise the Base Rate applicable to the Overnight Deposit Facility (ODF) by 50 basis points, effective from Thursday, 5th May 2022. This decision was taken following the US Federal Reserve Board's announcement on 4th May 2022 to increase the Interest on Reserve Balances (IORB) by 50 basis points. The CBUAE also has decided to maintain the rate applicable to borrowing short-term liquidity from the CBUAE through all standing credit facilities at 50 basis points above the Base Rate. The Base Rate, which is anchored to the US Federal Reserve's IORB, signals the general stance of the CBUAE's monetary policy. It also provides an effective interest rate floor for overnight money market rates. (Zawya)
- **Visa reforms set to drive FDI, economy in UAE –** The visa reforms, introduced recently in the UAE, will accelerate economic activities, create more job opportunities and boost foreign direct investment over a period of time, experts say. Analysts, executives and legal experts said the new rules for the 10-year Golden Visa, five-year Green Visa and other reforms will attract global talent, skilled professionals, freelancers, investors, and entrepreneurs that will ultimately benefit the economy. The new rules for the UAE Golden Visa, which will see the eligibility criteria for the 10-year residency permit expanded from September 2022, and the five-year Green Visa, aimed at exceptional talents, skilled professionals, freelancers, investors, and entrepreneurs, signals a positive move from the UAE leadership to attract and retain skilled labor and boost foreign direct investment, according to ICAEW (Institute of Chartered Accountants in England and Wales). Scott Livermore, economic advisor at Institute of Chartered Accountants in England and Wales, and chief economist and managing director of Oxford Economics Middle East, said the UAE's amendments to its visa regulations comes at a time when the leadership is looking at how they can continue to grow and diversify the economy, with the understanding that talent and foreign investment will play a vital role. This distinguishes the UAE from many countries around the world, and within the region, where reforms have only focused on the business environment in order to draw in FDI, he said. (Zawya)
- **Historic UAE-India CEPA trade deal comes into force on May 1 –** The historic UAE-India Comprehensive Economic Partnership Agreement (CEPA) came into force on Sunday (May 1). The trade deal went live with the first consignment of goods comprising gems and jewelry being flagged off to Dubai during an event held in New Delhi. According to the Indian Ministry of Commerce and Industry, the first consignment to Dubai will not attract any customs duty. The ministry noted that the gems and jewelry sector contribute a "substantial portion" of India's exports to the UAE and is expected to benefit significantly from the tariff concessions. During the ceremony, B.V.R. Subrahmanyam, Commerce Secretary, Government of India, handed over Certificates of Origin to three exporters: Siroya Jeweler's, Malabar Gold and Diamonds, and Emerald. He said that coming into effect of the agreement signed on February 18 was a "momentous occasion". "The agreement was an outcome of the vision of the leaders of the two nations. The agreement is a trendsetter because of the short time in which it was negotiated." On February 18, India and the UAE inked the agreement following a virtual summit between Indian Prime Minister Narendra Modi and His Highness Sheikh Mohamed bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Deputy Supreme Commander of the UAE Armed Forces. Subrahmanyam stressed that the agreement has potential to achieve a bigger trade volume than the projected target of $100bn in the next five years. "Although the agreement had envisioned a target of $100bn worth of trade, given the size of India's market and the access that UAE would give to India, much more could

be achieved. For India, UAE would be a gateway to the world," Subrahmanyam pointed out. (Zawya)

- **CBUAE: New 5, 10, 50 Dirham banknotes enter circulation, replenished to dedicated ATMs –** The Central Bank of the UAE (CBUAE) has announced that the new AED5 and AED10 banknotes have entered circulation in the UAE following distribution to all banks operating in the country. To promote public awareness of the new denominations and increase their circulation, the CBUAE – in collaboration with the UAE Banks Federation (UBF) – has provided the new AED5, AED10 and AED50 notes through participating banks' ATMs. Emirates NBD, Abu Dhabi Commercial Bank (ADCB), First Abu Dhabi Bank (FAB) and Bank of Sharjah are amongst the national banks to program their ATMs for the new denominations and update their settings in a short time span. These efforts have ensured the success of the initiative's objectives, met public needs for the new banknotes and resulted in continued consumer happiness. The new denominations have been replenished to dedicated ATMs from participating banks across the country, each of whom will contact their customers to guide them on the locations of the ATMs that supply the new banknotes along with the other denominations. (Zawya)
- **UAE's MoF launches digital public consultation initiative –** The Ministry of Finance (MoF) has launched the digital public consultation initiative on its website and the UAE Government portal, ahead of the official release of Corporate Tax relevant legislation. The initiative aims at consulting with the business community and relevant stakeholders to acquire their views and comments on Corporate Tax, to refine and implement proposed UAE Corporate Tax regulations. The digital public consultation initiative reflects MoF's firm belief in the importance of consulting the business community and is part of its commitment to help the UAE achieve its strategic objectives, thereby cementing the country's position as a leading hub for business and investment. Younis Haji Al Khoori, Under-Secretary of Ministry of Finance, noted that the initiative will assist the MoF in further refining and implementing the proposed UAE Corporate Tax regulations, by bolstering means of communication with the business community and stakeholders, as they play a key role in drawing government financial policies. "The Ministry of Finance welcomes comments until 19th May by using the online Corporate Tax Submission Public Consultation Form, which can be found on the ministry's website and the UAE Government portal. Since the announcement in January 2022, the Ministry of Finance continued working on the design and implementation of the UAE Corporate Tax regime to ensure that it incorporates best practices globally and minimises the compliance burden for UAE businesses," Al Khoori said. (Zawya)
- **Abu Dhabi returns to 100% operating capacity across all commercial activities, tourist attractions, and events –** The Abu Dhabi Emergency, Crisis and Disasters Committee has approved a return to 100% operating capacity in all commercial activities, tourist attractions, and events in the emirate. It has also approved an extension of the green pass validity period from 14 to 30 days for those who are fully vaccinated. Continued wearing of masks is required in indoor spaces. The updates are effective from Friday, 29th April 2022, in line with the maintained low COVID-19 infection rate. (Zawya)
- **Dubai's Averda explores IPO; abandons merger talks –** Averda, the Dubai-based provider of waste-disposal services, is exploring an IPO in Saudi Arabia or the UAE, Bloomberg reported citing sources. The company had earlier held merger talks with US blank-check firm Better World Acquisition Corp., but those discussions have been abandoned, the report said. The privately-owned business has in the past considered an IPO and sold a 33% stake to Bahrain-based private equity firm Growthgate Capital in 2008, it said. (Zawya)
- **Govt pays $23.70mn in pension, social security for Emiratis working in private sector in 2021 –** The General Pension and Social Security Authority (GPSSA) revealed that the value of government support for Emiratis working in the private sector, as part of the contribution calculation salary, reached AED87.74mn ($23.70mn) in 2021. Ibrahim Shukralla, Head of GPSSA's Government Communications Office, said the total share of monthly contributions due from insured individuals employed in government and private entities is 20%, out of which the insured bears 5%. "The employer in the government sector bears 15%, while the employer in the private sector affords 12.5%, and the government pays 2.5% of the total contribution that supports Emiratis working in the private sector," he explained. "This reflects the UAE government's effective role in creating job opportunities for Emiratis, while encouraging the private sector to employ UAE nationals." (Zawya)
- **UAE to issue first tranche of federal treasuries on May 9 –** The United Arab Emirates' finance ministry said on it will issue on May 9 the first tranche of federal treasury bonds, as part of a plan to develop a local currency bond market. The central bank will act as issuing and payment agent, the ministry said on Twitter. The ministry said on April 20 it plans to raise AED 9bn ($2.45bn) with eight auctions between May and the end of the year, with varying tenors of two, three and five years in an initial phase and 10 years in the medium term. (Zawya)
- **UAE's regulatory reforms are a magnet for GCC startups –** The UAE has successfully proven, yet again, its attractiveness to international investors and businesses. The administrative efforts of the past two years have demonstrated the country's determination to remain the top ranked investment hub in the region. The latest IPO in Dubai showcased the global attention towards investment opportunities, which resulted in a substantial increase in the IPO size offered by DEWA, which finalized it at 18% and up from the original 6.5%. The IPO's books witnessed a broad range of 65,000 investors with a total of Dh315bn in order values, making it one of the world's largest listed utility company at an evaluation of Dh124bn. The success of Expo 2020 and the sharp incline in oil prices is helping with the UAE rebounding swiftly to accelerated growth rates and proving itself as an economic safe haven targeted to welcome more investors and value-adding individuals. The UAE has positioned itself as a leading tech hub in the region as local startups acquired 45% of the funding raised across the region. This shows the great potential in UAE startups to mature and expand to service the region, which has encouraged many GCC startups to expand and relocate in Dubai and Abu Dhabi. (Bloomberg)
- **AED6.3bn worth real estate transactions in Sharjah during the first quarter –** Sharjah (Union) Real estate transactions in Sharjah during the first quarter of this year amounted to about AED 6.3bn, according to the statistics of the Real Estate Registration Department. Abdulaziz Ahmed Al Shamsi, Director General of the Sharjah Real Estate Registration Department, said: "The first three months of this year witnessed a remarkable growth in the performance of the real estate sector in the emirate in terms of monetary value, the number of real estate transactions, and the total number of real estate transactions executed by the various branches of the department in the cities of the emirate." In detail, Al Shamsi explained that the main branch of the Real Estate Registration Department in the city of Sharjah accounted for 97% of the total value of these trades at a value of AED 6.1bn, while the transactions of the Central Region branch amounted to AED 69.7mn, and as for the Khorfakkan city branch, it recorded transactions worth AED 57.5mn, in When the Kalba city branch witnessed real estate transactions worth AED 54.9mn, while the Dibba Al-Hisn city branch made deals worth AED 6.5mn. He pointed out that the month of March was the highest in terms of the value of trades, with a total of AED 2.7bn, recording an increase in the value of trades by 32.3% compared to February, in which the value of trades amounted to AED 1.9bn. (Bloomberg)
- **Oman's FDI in Q4 2021 rises 7.7% to top $44bn –** The volume of foreign direct investments (FDI) in Oman grew by 7.7% to reach RO17.08bn ($44.2bn) by the end of the fourth quarter of 2021 compared to RO15.86bn during the same period in 2020. Inflows of FDIs by the end of the fourth quarter of 2021 reached RO1.22bn, reported Oman News Agency (ONA), citing statistics released by the National Centre for Statistics and Information (NCSI). The UK came at the forefront of FDI in Oman at the end of the fourth quarter of 2021, with investments amounting to RO7,873.4mn followed by the US with RO2,220.9mn. The UAE came third with RO1,048.6mn, followed by Kuwait with RO937.6mn, China by RO862mn, Bahrain by RO375mn and Qatar by RO313mn. The oil and gas extraction sector accounted for the largest proportion of FDIs during 2021, with a value of RO11,833.9mn, constituting a rise by 15.08% compared to the same period in 2020. The financial intermediary sector came second with RO1,446.5mn, comprising a drop by 1.81% compared to the same period in 2020, followed by converting industries with RO1,395.9mn and real estate sector by RO1,147.3mn. Other sectors came last with RO1,256.9mn, comprising a decline by 4.71% compared to the same period in 2020. (Zawya)
- **Indian Ambassador: Oman, India entering new phase of relationship –** Oman and India are entering a new phase of their relationship that stretches back millennia. Speaking about the crucial role played by the Omani people in fostering close ties between both countries, Amit Narang, ambassador of India to the Sultanate of Oman, during a recent interview with T TV, said: "When I was here, the very first month, a total Omani stranger approached me and said 'welcome to your home'. That is how he made me feel, and that is how every Indian feels in Oman…right at home. "We have a great, fantastic relationship – centuries of friendly contact – but frankly, the x-factor of being in Oman is the exceptional kindness and grace of the Omani people that makes our stay here so pleasurable," he added. Shedding light on the evolution of ties between both countries, Narang said it was part of his mandate to ensure that the relationship is taken to the next level. "When I came six months ago to Oman, I genuinely felt that we are on the cusp of a new phase in our relationship," he said. "The COVID-19 pandemic restrictions were easing, both India and Oman are showing strong signs of an economic

rebound leading to economic growth, our fundamentals are strong and over that we have excellent leadership…a visionary leadership that has put in place comprehensive plans for national transformation. "Taken together, if we harness all these factors, we are entering a new phase in India-Oman relations, and my job is to make that happen," he added. "India-Oman relationships are truly special. It is founded on what we call the triple advantage: Proximity, familiarity and connectivity. "We believe that we are maritime neighbors: The blue waters of the Arabian Sea unite us, rather than divide us," he went on to say. "We can gauge our closeness by the fact that it takes just three days of shipping time and two hours of flying time [to travel between both countries]." The ambassador admitted that the time taken to fly to certain cities in India, from the Omani capital of Muscat, was shorter than the flying time between two destinations inside his own country. "In fact, it takes less time to travel from Muscat to Mumbai than from Mumbai to Delhi," he stated. "It's not just about proximity, it is also about familiarity: Our countries have traded with each other over goods, over ideas, over friendship, over centuries…in fact, over millennia. "On top of that, there is connectivity: Every major city in India is now connected to Muscat, but I am not talking about physical connectivity alone." "It is about cultural connectivity, the mental connectivity, the connectivity of the heart that binds our two peoples together," said the Indian envoy. (Zawya)

- **Power sector fuel efficiency delivers over $72mn in gas savings in one year in Oman –** The Omani power sector's utilization of increasingly efficient power generation systems has contributed to natural gas savings amounting to over RO 280mn in one year alone, according to Oman Power and Water Procurement Company (OPWP) – the single buyer of all power and water output in the Sultanate of Oman. Gas savings, the state-owned procurement agency – part of Nama Group – said in its 7-Year Outlook Statement for 2021 – 2027, are expected to dramatically escalate when new solar and wind-based capacity comes on stream in the coming years in line with the government's strong pivot towards renewable resources. "Since 2005, through the introduction of progressively more efficient generation plants, OPWP has achieved a 47% reduction in the gas required per unit of electricity production, from 374 Sm3/MWh (standard cubic metres / megawatt-hour) in 2005 to 196 Sm3/MWh in 2020," OPWP said. (Zawya)

- **Work begins on unified Oman e-government portal –** In order to implement the directives of His Majesty Sultan Haitham bin Tarik, Oman Information Technology and Communications Group announced a tender to study, design and implement a unified national portal for electronic services. The initiative is part of the government's digital transformation program 2021-2025. The deadline for submitting bids is June 30, 2022. The Ministry of Transport, Communications and Information Technology recently announced that the digital transformation program (2022) includes launching the first phase of the National Unified E-Government Services Portal, unrolling 88 e-services rendered to citizens and businesses, and streamlining procedures and re-engineering of 70% of basic e-government services. Within the context of the Royal directives to continue boosting digital competence and preparedness and to accelerate the pace of e-government transformation, His Majesty the Sultan during his meeting with the Council of Ministers in December 2020 reaffirmed his constant follow-up of the efforts exerted by the government. During the meeting, His Majesty directed the speedy implementation of the National Unified E-Government Services Portal to serve as a composite platform incorporating all government services. (Zawya)

- **Moody's upgrades outlook for Bahrain's banking system –** Bahrain banks' profitability will return to pre-pandemic levels over the next 12 to 18 months, forecasts Moody's Investors Service, noting that resilient funding, liquidity, and capital positions are back after the coronavirus economic shock. In reports issued yesterday, the US-based ratings agency has changed the outlook for the banking systems of Bahrain, Saudi Arabia, Kuwait, the UAE, Qatar, and Oman to stable from negative, as operating conditions improve after the pandemic. "We have changed banking outlooks in Gulf Cooperation Council states as the jump in oil prices is boosting economic activity and economies are recovering after the coronavirus shock," said Nitish Bhojnagarwala, vice-president, and senior credit officer at Moody's. "Non-oil activities including tourism will also contribute to the improvement in some areas." Moody's expects Bahrain's non-oil sector, where banks do most of their business, to expand by 3.2% in 2022 and 2023 after bouncing back to 3.6% in 2021 from a 5.9% contraction in 2020 (0.4% contraction in 2019). Higher oil prices are easing government spending constraints and a new national economic growth plan will help revive the non-oil sector, it says. Recovering business and consumer sentiment will support lending, while the easing of social distancing measures and travel restrictions – particularly the re-opening of the border with Saudi Arabia from where millions of tourists arrive on a yearly basis – will encourage a return to business as usual. Off-budget spending on GCC-financed infrastructure projects will continue to provide business opportunities for banks. (Zawya)

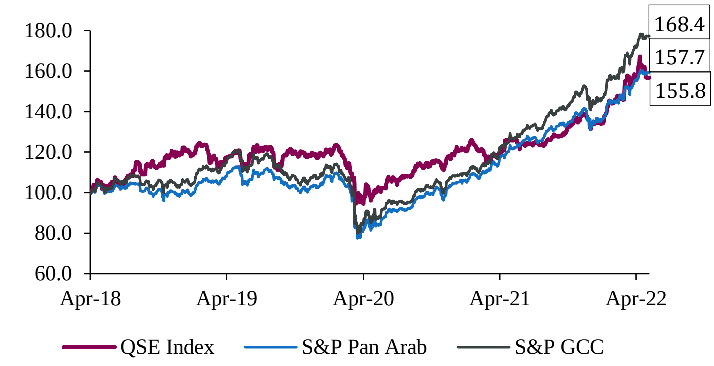
- **Bahrain's co-operation with Oman highlighted –** Housing Minister Basem bin Yacoub Al Hamer held a meeting with Oman's Housing and Urban Planning Minister Khalfan bin Saeed bin Mubarak Al Shuaili and praised the strong relations between the two countries across all fields. Mr Al Hamer stressed the importance of co-operation and exchanging expertise with other countries, highlighting Bahrain's successful housing projects and programs. He underlined the kingdom's strides, since the establishment of the ministry, in promoting social housing and stepping up partnership with the private sector. Al Hamer is leading Bahrain's delegation to the UN High Level Meeting on the Implementation of the Urban Agenda in New York, which also discussed the 2030 Social Development Goals (SDGs). (Zawya)

- **Aluminum Bahrain refinances $1.247bn loan with sustainability targets –** Aluminum Bahrain (Alba), the world's largest smelter ex-China, has successfully achieved sustainability-linked refinancing for its $1.247bn syndicated loan facility in connection to the Line 6 Expansion Project. Alba is the first Bahraini company to have achieved such sustainability-linked refinancing. The senior-unsecured conventional and Islamic facility carries an interest margin of 235 basis points per annum over the sum of Secured Overnight Financing Rate (SOFR) and the Credit Adjustment Spread (CAS). This new facility has an 8-year tenor and the principal amount will be repaid in 16 semi-annual instalments. The margin is subject to an adjustment (upwards or downwards) on an annual basis by an aggregate amount of up to 2.5 basis point tied to three sustainability-linked key performance indicators: Total Waste Recycled (Solid Waste), Training Hours and Lost Time Injury Frequency's Incident Count, said a statement. This facility comprises two tranches: a US Dollar-denominated senior unsecured conventional term-loan facility (the Conventional Facility) of $537.47mn and a US Dollar-denominated senior Shari'ah-compliant facility (the Islamic Facility) of $710mn. Arab Banking Corporation (Bank ABC), Gulf International Bank (GIB) and National Bank of Bahrain (NBB) were the coordinators and underwriters of this transaction with NBB and Standard Chartered Bank serving as joint Environment, Social and Governance (ESG) Coordinators. (Zawya)

- **Boursa Kuwait records 60.67% jump in its Q1 net profit –** The national stock market of Kuwait, Boursa Kuwait's first quarter 2022 net profit (attributable to the equity holders of the parent company) has rocketed 60.67% to KD5.25mn ($17.12mn) from KD3.26mn in Q1 2021. Meanwhile, the company's earnings per share recorded an increase of 60.67% from 16.26 fils in the first quarter of 2021 to 26.13 fils in the first quarter of 2022. Total operating revenue for the period increased to KD8.79mn, an increase of 29.76% from KD6.77mn in Q1 2021. Operating profit soared 65.67% from KD3.81mn to KD6.32mn, while total assets amounted to KD121.4mn, up 9.95% from KD110.42mn a year ago. (Zawya)

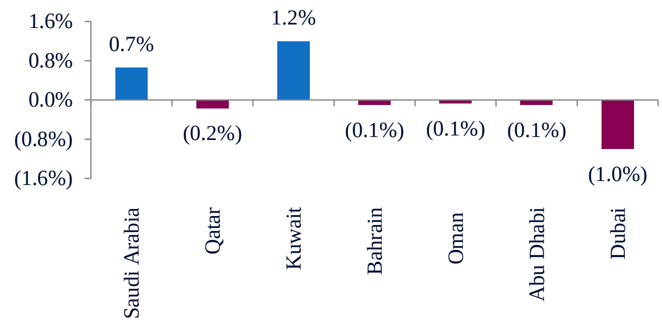
- **Kuwait sets aside $6.9bn for key residential development –** Kuwait has approved the funding for the development of a key residential project, South Saad Al Abdullah Town, as well as the rehabilitation of the historic Souq Al Mubarakiya, which was recently hit by a huge fire, reported Kuna. The South Saad Al Abdullah housing project costs a total of KD2.1bn ($6.8bn) which will be phased over the coming state budgets according to the construction stages of the project, stated the report, citing the country's finance and economic and investment affairs minister. "It is listed in the draft bill linking the budgets of the state departments for FY 2022-2023, Abdulwahab Al Rasheed told reporters, adding that the bill still awaits endorsement from the National Assembly. "The housing question is a top priority for the government, which does its utmost to provide adequate funding for the Public Authority for Housing Welfare (PAHW) to meet its obligations towards the people of Kuwait," he noted. "On January 25, the government injected liquidity to appropriation of 11,428 plots of land," he added. On the Souq Al Mubarakiya revamp, the minister said an initial budget amounting to KD6mn ($19mn) had been set aside for the rehabilitation process of the historic marketplace. An investigation panel was set up to determine the cause of the fire and draw up safety measures that could prevent recurrence of similar incidents, he added. (Zawya)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,883.81	0.4	(0.7)	3.0
Silver/Ounce	22.36	(0.7)	(1.8)	(4.1)
Crude Oil (Brent)/Barrel (FM Future)	112.39	1.3	2.8	44.5
Crude Oil (WTI)/Barrel (FM Future)	109.77	1.4	4.9	46.0
Natural Gas (Henry Hub)/MMBtu	8.41	(0.7)	23.0	129.8
LPG Propane (Arab Gulf)/Ton	127.75	0.0	(1.8)	13.8
LPG Butane (Arab Gulf)/Ton	130.13	(0.6)	(8.7)	(6.5)
Euro	1.06	0.1	0.1	(7.2)
Yen	130.56	0.3	0.7	13.5
GBP	1.23	(0.1)	(1.8)	(8.7)
CHF	1.01	(0.4)	(1.5)	(7.7)
AUD	0.71	(0.5)	0.2	(2.6)
USD Index	103.66	(0.1)	0.7	8.4
RUB	118.69	0.0	0.0	58.9
BRL	0.20	(1.1)	(2.1)	9.6

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,762.21	(0.8)	(1.2)	(14.5)
DJ Industrial	32,899.37	(0.3)	(0.2)	(9.5)
S&P 500	4,123.34	(0.6)	(0.2)	(13.5)
NASDAQ 100	12,144.66	(1.4)	(1.5)	(22.4)
STOXX 600	429.91	(1.4)	(4.4)	(18.2)
DAX	13,674.29	(1.1)	(2.8)	(19.6)
FTSE 100	7,387.94	(1.4)	(3.8)	(8.7)
CAC 40	6,258.36	(1.2)	(4.0)	(18.8)
Nikkei	27,003.56	0.5	1.0	(17.2)
MSCI EM	1,031.50	(2.6)	(4.2)	(16.3)
SHANGHAI SE Composite	3,001.56	(2.3)	(2.4)	(21.4)
HANG SENG	20,001.96	(3.8)	(5.2)	(15.1)
BSE SENSEX	54,835.58	(2.1)	(4.4)	(8.9)
Bovespa	105,134.73	(0.4)	(4.7)	10.4
RTS	1,088.02	(2.8)	0.6	(31.8)

Source: Bloomberg ($ adjusted returns)*

Contacts

QNB Financial Services Co. W.L.L. Contact
Center: (+974) 4476 6666
info@qnbfs.com.qa
Doha, Qatar

Saugata Sarkar, CFA, CAIA Head
of Research
saugata.sarkar@qnbfs.com.qa

Shahan Keushgerian Senior
Research Analyst
shahan.keushgerian@qnbfs.com.qa