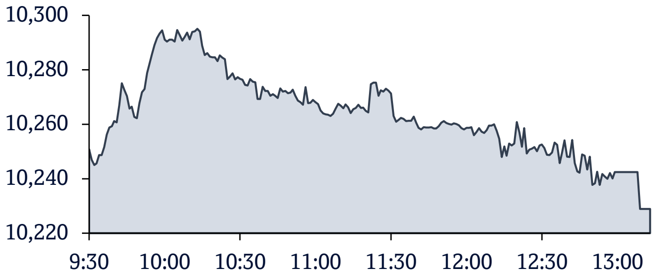
## QSE Intra-Day Movement




## Qatar Commentary

The QE Index declined 0.2% to close at 10,228.8. Losses were led by the Consumer Goods & Services and Transportation indices, falling 0.5% and 0.3%, respectively. Top losers were Gulf Warehousing Company and Al Meera Consumer Goods Co., falling 5.9% and 4.4%, respectively. Among the top gainers, QLM Life & Medical Insurance Co. gained 9.8%, while Ezdan Holding Group was up 0.8%.

## GCC Commentary

*Saudi Arabia:* The TASI Index fell 0.5% to close at 10,905.5. Losses were led by the Software & Services and Pharma, Biotech & Life Science indices, falling 1.7% and 1.5%, respectively. Ash-Sharqiyah Development Co. declined 6.1%, while Al Kathiri Holding Co. was down 5.4%.

*Dubai:* The DFM Index gained marginally to close at 3,411,8. The Consumer Staples index rose 1.6%, while the Real Estate index gained 0.7%. Ekttitab Holding Company rose 8.2% while Tecom Group was up 3.4%.

*Abu Dhabi:* The ADX General Index gained 0.4% to close at 9,499.2. The Consumer Staples index rose 1.9%, while the Telecommunication index gained 0.8%. Ghitha Holding rose 15.0% while Gulf Cement was up 4.1%.

*Kuwait:* The Kuwait All Share Index fell 1.0% to close at 6,833.1. The Banks index declined 1.4%, while the Insurance index fell 1.1%. Senergy Holding Company declined 8.5%, while Gulf Investment House was down 5.0%.

*Oman:* The MSM 30 Index fell 0.5% to close at 4,739.3. The Financial index declined 0.4% and the Services index fell marginally. Al Anwar Ceramic Tiles Co. declined 9.1%, while Gulf Mushroom Company was down 4.1%.

*Bahrain:* The BHB Index fell 0.1% to close at 1,884.4. The Financials and the Materials indices were down 0.1% each. Kuwait Finance House declined 3.8% while GFH Financial Group was down 1.6%.

| Market Indicators | 10 Apr 23 | 09 Apr 23 | %Chg. |
|---|---|---|---|
| Value Traded (QR mn) | 266.2 | 285.7 | (6.8) |
| Exch. Market Cap. (QR mn) | 596,742.5 | 597,777.8 | (0.2) |
| Volume (mn) | 93.7 | 119.0 | (21.3) |
| Number of Transactions | 9,038 | 8,345 | 8.3 |
| Companies Traded | 48 | 47 | 2.1 |
| Market Breadth | 12:32 | 13:34 | – |

| Market Indices | Close | 1D% | WTD% | YTD% | TTM P/E |
|---|---|---|---|---|---|
| Total Return | 21,952.54 | (0.2) | (1.1) | 0.3 | 12.2 |
| All Share Index | 3,425.61 | (0.2) | (1.0) | 0.3 | 133.1 |
| Banks | 4,297.70 | (0.2) | (1.0) | (2.0) | 12.1 |
| Industrials | 4,019.92 | (0.1) | (0.9) | 6.3 | 11.8 |
| Transportation | 4,159.36 | (0.3) | (1.3) | (4.1) | 11.9 |
| Real Estate | 1,468.61 | (0.1) | (0.8) | (5.9) | 16.6 |
| Insurance | 1,964.97 | 0.8 | 1.3 | (10.1) | 15.9 |
| Telecoms | 1,477.26 | (0.1) | (0.8) | 12.0 | 52.9 |
| Consumer Goods and Services | 7,770.92 | (0.5) | (1.9) | (1.8) | 21.2 |
| Al Rayan Islamic Index | 4,553.41 | (0.2) | (1.1) | (0.8) | 8.7 |

| GCC Top Gainers## | Exchange | Close# | 1D% | Vol. '000 | YTD% |
|---|---|---|---|---|---|
| Q Holding | Abu Dhabi | 2.57 | 5.8 | 4,173.2 | (35.8) |
| National Marine Dredging Co | Abu Dhabi | 24.00 | 5.5 | 1,670.6 | (2.0) |
| Mouwasat Medical Services | Saudi Arabia | 236.60 | 2.9 | 56.7 | 13.2 |
| Abu Dhabi Commercial Bank | Abu Dhabi | 8.49 | 2.3 | 1,461.3 | (0.8) |
| Etihad Etisalat Co. | Saudi Arabia | 43.00 | 2.0 | 1,025.6 | 23.7 |

| GCC Top Losers## | Exchange | Close# | 1D% | Vol. '000 | YTD% |
|---|---|---|---|---|---|
| Dar Al Arkan Real Estate | Saudi Arabia | 15.60 | (2.4) | 39,185.0 | 34.3 |
| Rabigh Refining & Petro. | Saudi Arabia | 10.88 | (2.3) | 3,118.4 | 1.9 |
| Saudi Kayan Petrochem. Co | Saudi Arabia | 12.66 | (2.3) | 1,075.3 | (7.3) |
| National Bank of Kuwait | Kuwait | 0.94 | (2.3) | 4,046.1 | (8.3) |
| Sahara Int. Petrochemical | Saudi Arabia | 39.00 | (2.3) | 1,561.4 | 14.9 |

*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% |
|---|---|---|---|---|
| QLM Life & Medical Insurance Co. | 3.307 | 9.8 | 0.8 | (31.1) |
| Ezdan Holding Group | 0.929 | 0.8 | 6,485.5 | (7.2) |
| Vodafone Qatar | 1.678 | 0.7 | 548.6 | 5.9 |
| Qatar Electricity & Water Co. | 16.65 | 0.4 | 123.2 | (5.9) |
| QNB Group | 16.14 | 0.2 | 1,379.7 | (10.3) |

| QSE Top Volume Trades | Close* | 1D% | Vol. '000 | YTD% |
|---|---|---|---|---|
| Dukhaan Bank | 3.373 | (0.8) | 14,624.1 | 0.0 |
| Estithmar Holding | 2.100 | (0.5) | 13,345.6 | 16.7 |
| Qatar Aluminum Manufacturing Co. | 1.540 | (0.8) | 6,589.8 | 1.3 |
| Ezdan Holding Group | 0.929 | 0.8 | 6,485.5 | (7.2) |
| Gulf Warehousing Company | 3.523 | (5.9) | 6,126.0 | (13.0) |

| QSE Top Losers | Close* | 1D% | Vol. '000 | YTD% |
|---|---|---|---|---|
| Gulf Warehousing Company | 3.523 | (5.9) | 6,126.0 | (13.0) |
| Al Meera Consumer Goods Co. | 14.25 | (4.4) | 149.3 | (7.0) |
| Damaan Islamic Insurance Company | 3.800 | (3.8) | 2.9 | 0.0 |
| Widam Food Company | 1.435 | (3.0) | 100.1 | (29.4) |
| Qatar Islamic Insurance Company | 8.253 | (3.0) | 5.9 | (5.1) |

| QSE Top Value Trades | Close* | 1D% | Val. '000 | YTD% |
|---|---|---|---|---|
| Dukhaan Bank | 3.373 | (0.8) | 49,725.3 | 0.0 |
| Estithmar Holding | 2.100 | (0.5) | 28,189.6 | 16.7 |
| QNB Group | 16.14 | 0.2 | 22,303.6 | (10.3) |
| Gulf Warehousing Company | 3.523 | (5.9) | 22,019.4 | (13.0) |
| Industries Qatar | 13.08 | 0.2 | 17,603.4 | 2.1 |

| Regional Indices | Close | 1D% | WTD% | MTD% | YTD% | Exch. Val. Traded ($ mn) | Exchange Mkt. Cap. ($ mn) | P/E** | P/B** | Dividend Yield |
|---|---|---|---|---|---|---|---|---|---|---|
| Qatar* | 10,228.84 | (0.2) | (1.1) | 0.2 | (4.2) | 72.76 | 163,149.4 | 12.2 | 1.3 | 4.9 |
| Dubai | 3,411.80 | 0.0 | (0.1) | 0.1 | 2.3 | 41.70 | 164,458.5 | 9.8 | 1.2 | 3.9 |
| Abu Dhabi | 9,499.20 | 0.4 | 0.3 | 0.7 | (7.0) | 274.06 | 713,778.8 | 22.5 | 2.5 | 1.8 |
| Saudi Arabia | 10,905.48 | (0.5) | (0.0) | 3.0 | 4.1 | 1,406.91 | 2,700,590.5 | 17.2 | 2.2 | 3.0 |
| Kuwait | 6,833.10 | (1.0) | (2.0) | (3.1) | (6.3) | 71.65 | 142,918.1 | 16.3 | 1.5 | 4.1 |
| Oman | 4,739.28 | (0.5) | (0.4) | (2.5) | (2.4) | 4.14 | 22,559.6 | 14.4 | 1.0 | 4.4 |
| Bahrain | 1,884.37 | (0.1) | (0.1) | (0.1) | (0.6) | 4.53 | 63,726.3 | 6.0 | 0.6 | 9.2 |

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

## Qatar Market Commentary

- The QE Index declined 0.2% to close at 10,228.8. The Consumer Goods & Services and Transportation indices led the losses. The index fell on the back of selling pressure from Qatari and Arab shareholders despite buying support from GCC and Foreign shareholders.
- Gulf Warehousing Company and Al Meera Consumer Goods Co. were the top losers, falling 5.9% and 4.4%, respectively. Among the top gainers, QLM Life & Medical Insurance Co. gained 9.8%, while Ezdan Holding Group was up 0.8%.
- Volume of shares traded on Monday fell by 21.3% to 93.7mn from 119mn on Sunday. Further, as compared to the 30-day moving average of 139mn, volume for the day was 32.6% lower. Dukhaan Bank and Estithmar Holding were the most active stocks, contributing 15.6% and 14.2% to the total volume, respectively.

| Overall Activity | Buy %* | Sell %* | Net (QR) |
|---|---|---|---|
| Qatari Individuals | 33.25% | 28.92% | 11,524,243.38 |
| Qatari Institutions | 38.79% | 49.63% | (28,856,484.44) |
| **Qatari** | **72.04%** | **78.55%** | **(17,332,241.05)** |
| GCC Individuals | 0.24% | 0.29% | (132,604.23) |
| GCC Institutions | 3.14% | 1.10% | 5,419,980.73 |
| **GCC** | **3.38%** | **1.39%** | **5,287,376.50** |
| Arab Individuals | 10.03% | 10.41% | (1,023,692.48) |
| Arab Institutions | 0.00% | 0.00% | - |
| **Arab** | **10.03%** | **10.41%** | **(1,023,692.48)** |
| Foreigners Individuals | 2.63% | 2.26% | 975,916.37 |
| Foreigners Institutions | 11.93% | 7.39% | 12,092,640.67 |
| **Foreigners** | **14.56%** | **9.65%** | **13,068,557.04** |

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

## Earnings Releases, Earnings Calendar and Global Economic Data

### Earnings Releases

| Company | Market | Currency | Revenue (mn) 1Q 2023 | % Change YoY | Operating Profit (mn) 1Q 2023 | % Change YoY | Net Profit (mn) 1Q 2023 | % Change YoY |
|---|---|---|---|---|---|---|---|---|
| Sohar Power Co. | Oman | OMR | 0.90 | -86.5% | – | – | (0.4) | N/A |
| Al Anwar Ceramics Tiles Co. | Oman | OMR | 6.50 | -14.5% | – | – | 2.6 | 36.8% |
| Oman Refreshment Co. | Oman | OMR | 22.04 | 15.6% | – | – | 1.2 | 143.2% |
| Hotels Management Co. International | Oman | OMR | 2.72 | 6.8% | – | – | 0.6 | 14.5% |
| Alanwar Investment | Oman | OMR | 1.83 | 113.0% | – | – | 0.4 | N/A |
| Muscat City Desalination Co. | Oman | OMR | 4.21 | 0.0% | – | – | 0.5 | -3.0% |
| Barka Desalination Co. | Oman | OMR | 4.48 | 8.1% | – | – | 0.3 | -17.7% |

### Earnings Calendar

| Tickers | Company Name | Date of reporting 1Q2023 results | No. of days remaining | Status |
|---|---|---|---|---|
| QIBK | Qatar Islamic Bank | 11-Apr-23 | 0 | Due |
| QFLS | Qatar Fuel Company | 12-Apr-23 | 1 | Due |
| BRES | Barwa Real Estate Company | 12-Apr-23 | 1 | Due |
| QFBQ | Lesha Bank | 12-Apr-23 | 1 | Due |
| FALH | Al Faleh Educational Holding | 13-Apr-23 | 2 | Due |
| MRDS | Mazaya Qatar Real Estate Development | 13-Apr-23 | 2 | Due |
| QGTS | Qatar Gas Transport Company Limited (Nakilat) | 16-Apr-23 | 5 | Due |
| QEWS | Qatar Electricity & Water Company | 16-Apr-23 | 5 | Due |
| QIGD | Qatari Investors Group | 17-Apr-23 | 6 | Due |
| CBQK | The Commercial Bank | 17-Apr-23 | 6 | Due |
| MARK | Masraf Al Rayan | 17-Apr-23 | 6 | Due |
| QIIK | Qatar International Islamic Bank | 17-Apr-23 | 6 | Due |
| IHGS | Inma Holding | 18-Apr-23 | 7 | Due |
| ABQK | Ahli Bank | 18-Apr-23 | 7 | Due |
| MCGS | Medicare Group | 18-Apr-23 | 7 | Due |
| QNCD | Qatar National Cement Company | 18-Apr-23 | 7 | Due |
| VFQS | Vodafone Qatar | 18-Apr-23 | 7 | Due |
| QNNS | Qatar Navigation (Milaha) | 18-Apr-23 | 7 | Due |
| MERS | Al Meera Consumer Goods Company | 18-Apr-23 | 7 | Due |
| ERES | Ezdan Holding Group | 19-Apr-23 | 8 | Due |
| QIMD | Qatar Industrial Manufacturing Company | 19-Apr-23 | 8 | Due |
| UDCD | United Development Company | 19-Apr-23 | 8 | Due |
| SIIS | Salam International Investment Limited | 19-Apr-23 | 8 | Due |
| QATR | Al Rayan Qatar ETF | 19-Apr-23 | 8 | Due |
| MKDM | Mekdam Holding Group | 20-Apr-23 | 9 | Due |
| DOHI | Doha Bank | 30-Apr-23 | 19 | Due |
| QISI | Qatar Islamic Insurance | 30-Apr-23 | 19 | Due |

*Source: QSE*

Global Economic Data

| Date | Market | Source | Indicator | Period | Actual | Consensus | Previous |
|---|---|---|---|---|---|---|---|
| 10-04 | US | U.S. Census Bureau | Wholesale Inventories MoM | Feb | 0.10% | 0.20% | 0.20% |
| 10-04 | US | U.S. Census Bureau | Wholesale Trade Sales MoM | Feb | 0.40% | 0.60% | 0.40% |
| 10-04 | Japan | Economic and Social Research I | Consumer Confidence Index | Mar | 33.90 | 31.50 | 31.30 |

## *Qatar*

- **QNB Group discloses results for the three months ended 31 March 2023 - Income statement results:** Net profit for the three months ended 31 March 2023 reached QR3.9bn, an increase of 7% compared to the same period last year. Operating Income increased by 20% to reach QR9.3bn reflects the Group's continued successful efforts in maintaining growth across a range of revenue sources amidst turbulence in global markets. QNB Group's efforts to enhance operational efficiency continues to provide cost-savings and diversification of revenue sources have resulted in the efficiency (cost to income) ratio reached 21.7% which is considered one of the best ratios among large financial institutions in the MEA region.
  **Balance sheet drivers:** Total Assets as at 31 March 2023 reached QR1,178bn, an increase of 6% from 31 March 2022, mainly driven by good growth in loans and advances by 6% to reach QR810bn. New customer deposits helped to increase customer deposits by 5% to reach QR828bn from 31 March 2022. QNB's active role in the Group's asset and liability management function helped the loans to deposits ratio to reach 97.9% as at 31 March 2023.
  **Credit quality:** The ratio of non-performing loans to gross loans stood at 2.9% as at 31 March 2023, one of the lowest amongst financial institutions in the MEA region, reflecting the high quality of the Group's loan book and the effective management of credit risk. Also, during the quarter, QNB Group set aside QR2.5bn as provision for potential loan losses which resulted in augmenting its NPL coverage ratio to 104%, reflecting a prudent approach adopted by the Group towards non-performing loans.
  **Regulatory ratios:** QNB Group's Capital Adequacy Ratio (CAR) as at 31 March 2023 amounted to 19.3%. Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) as at 31 March 2023 amounted to 118% and 106% respectively. These ratios are higher than the regulatory minimum requirements of the Qatar Central Bank and Basel Committee.
  **Top-tier credit ratings:** QNB Group's financial strength continues to be supported by top tier credit ratings that continue to attract institutional, corporate and individual customers to bank with QNB, and provide assurance to investors and market participants. QNB remains the highest-rated bank in Qatar and one of the highest-rated banks in the world with ratings of Aa3 from Moody's, A+ from S&P and A from Fitch. These ratings are a testament to QNB Group's capital strength, governance, prudent risk management, business and operating model. This provides QNB Group with a competitive advantage when accessing global capital markets for wholesale funding and enables QNB to continue its growth and expansion plans in line with the strategy.
  **QR0.39 EPS for 2023 vs. QR0.36 in 2022:** The Earnings per Share (EPS) amounted to QR0.39 as of 31st March 2023 versus QR0.36 for the same period in 2022 and QR1.44 in 4Q2022. (QNB Press Release)

- **QNB Group to hold its investors relation conference call on April 12 to discuss the financial results –** QNB Group announces that the conference call with the Investors to discuss the financial results for the Quarter 1 2023 will be held on 12/04/2023 at 12:30 PM, Doha Time. (QSE)

- **Zad Holding AGM and EGM endorses items on its agenda** - Zad Holding Co. announces the results of the AGM and EGM. The meeting was held on 10/04/2023 and the following resolution were approved. After hearing the Board of Directors report on the company performance during the year 2022 and the external auditors report on the financial year ended 31 December 2022, the AGM passed the following resolutions: Ordinary General Meeting Resolutions: First: Approved the financial report of the company for the year ended 31 December 2022. Second: Approved the BOD recommendation for a distribution of cash dividends of 62% cash and 5% bonus shares for the financial year 2022. Third: The AGM heard the auditor's report on ICOFR and Corporate Governance. Fourth: Approved the Management Report on the Corporate Governance for 2022. Fifth: Absolved the members of the Board of Directors from the responsibility for the financial year ended 31 December 2022 and approved their remunerations. Sixth: Appointed KPMG Chartered Accountants as external auditor of the company for the year 2023. Seventh: Elected the following nominees for the Board of Directors membership for the term 2023 – 2025: i. Independent Members: 1- Qatar Business House S.P.C. represented by Mr. Saoud Omar H.A. Al-Mana. 2- Ali Iskandar Al Ansari & Sons Company Represented by Mr. Ali Iskandar Al-Ansari. 3- Abdulla A. Al Ansari Trading Est. represented by Mr. Abdulla Ali M.A. Al-Ansari. ii. Non-Independent Members: 4- Alliance Investment Company represented by Sheikh Nasser Mohammed J M Al-Thani. 5- Future Investment Company represented by Sheikh Nawaf Mohammed J M Al-Thani. 6- Al Merqab Investment Company represented by Sheikh Mansoor Mohammed J M Al-Thani. 7- 7Brothers Investment Company represented by Sheikh Thamer Mohammed J M Al-Thani. 8- Potential Investment Company represented by Sheikh Talal Mohammed J M Al-Thani. 9- Sheikh Jabor Mohammed Hassan Al-Abdulla Al-Thani Extraordinary General Meeting Resolutions: Zad EGM approved the amendments in the company Articles of Association to increase the share capital by 5% in accordance with the AGM resolution to distribute 5% bonus shares. Hence, EGM authorized the BOD to make the necessary changes on the Articles of Association according to its resolution. (QSE)

- **Zad Holding Board of directors meeting results** - Zad Holding Co. announces the results of its Board of Directors' meeting held on 10/04/2023 and approved. The Board of Directors of Zad Holding held its meeting on Monday, 10 April 2023, following the AGM in which the Board was elected for its term from 2023 to 2025, and the Board passed the following resolutions: First: Formation of the Board of Directors: 1. Sheikh Nasser bin Mohammed bin Jabor Al Thani – Chairman 2. Sheikh Talal Bin Mohammed Bin Jabor Al Thani - Vice Chairman 3. Sheikh Nawaf bin Mohammed bin Jabor Al Thanin - Managing Director. Second: Formation of the Nomination and Remuneration Committee: 1. Sheikh Mansour bin Mohammed bin Jabor Al Thani – Head 2. Sheikh Jabor bin Mohammed bin Hassan Al-Abdullah Al-Thani – Member 3. Sheikh Thamer bin Mohammed bin Jabor Al Thani – Member. Third: Formation of the Audit Committee: 1. Mr. Abdullah Ali Al Ansari – Head 2. Mr. Ali Iskandar Al Ansari – Member 3. Sheikh Jabor bin Mohammed bin Hassan Al Abdullah Al Thani – Member. (QSE)

- **Inma Holding to disclose its Quarter 1 financial results on April 18 -** Inma Holding to disclose its financial statement for the period ending 31st March 2023 on 18/04/2023. (QSE)

- **Inma Holding to hold its investors relation conference call on April 19 to discuss the financial results -** Inma Holding announces that the conference call with the Investors to discuss the financial results for the Quarter 1 2023 will be held on 19/04/2023 at 01:30 PM, Doha Time. (QSE)

- **Qatar Navigation to disclose its Quarter 1 financial results on April 18 -** Qatar Navigation to disclose its financial statement for the period ending 31st March 2023 on 18/04/2023. (QSE)

- **Qatar Navigation to hold its investors relation conference call on April 19 to discuss the financial results -** Qatar Navigation announces that the conference call with the Investors to discuss the financial results for the Quarter 1 2023 will be held on 19/04/2023 at 02:00 PM, Doha Time. (QSE)

- **Al Meera Consumer Goods Company to disclose its Quarter 1 financial results on April 18 -** Al Meera Consumer Goods Company discloses its financial statement for the period ending 31st March 2023 on 18/04/2023. (QSE)

- **Doha Bank to disclose its Quarter 1 financial results on April 30 -** Doha Bank to disclose its financial statement for the period ending 31st March 2023 on 30/04/2023. (QSE)
- **Estithmar Holding Q.P.S.C. awarded MEP Works for three Hotels in Red Sea, Saudi Arabia -** Estithmar Holding Q.P.S.C. announces that its Subsidiary "Elegancia Arabia Trading Company" has been awarded the MEP Package Works for three hotels in the Red Sea destination under development in Saudi Arabia. (QSE)
- **Qatari banks among Forbes '50 Most Valuable Banks' -** Eight Qatari banks have been ranked among '50 Most Valuable Banks 2023' list in the Middle East by Forbes magazine. The list includes QNB Group, Qatar Islamic Bank (QIBK), Masraf Al Rayan, Commercial Bank, Qatar International Islamic Bank (QIIK), Dukhan Bank, Ahlibank, and Doha Bank who have made it to the ranking of the top banks in their respective categories in April's issue of Forbes Middle East. Qatar's eight banks have a market value of $81.3bn, among which, QNB Group ranked third in '50 Most Valuable Banks 2023'. "QNB Group is the largest bank in Qatar and is a Qatari-owned commercial bank, with 51.93% owned by the Qatar Investment Authority. The group has a presence in more than 28 countries across three continents. It employs 28,000 people serving over 27mn customers," noted the April 2023 issue of the magazine. The next on the list according to Forbes Middle East April 2023 issue was QIBK which ranked 12th. It has 23 branches in Qatar and one branch in Sudan, with investments in the UK and Lebanon. The group has stakes in a number of Qatari Shariah-compliant financial services companies, including QInvest, Beema, and Al Jazeera Finance. Masraf Al Rayan came 20th in the ranking, while Commercial Bank ranked 21st, QIIK (26), Dukhan Bank (28), Ahli Bank (35), and Doha Bank (44). The magazine stated, "Our list of the region's most valuable banks features entities from 10 markets. The 50 banks had an aggregate market value of $548.1bn as of February 28. GCC banks dominate with 41 entries, representing 82% of the list. Saudi Arabia and the UAE are the most represented countries, with 10 entries each." "Saudi Arabia's 10 most valuable banks have an aggregate market value of $223.5bn. The UAE's 10 entries are worth $121.2bn, and Kuwait's seven entries are worth $76.2bn. Saudi Al Rajhi Bank tops the list with a market cap of $75bn, followed by Saudi National Bank with $56.4bn," it added. According to a report by Moody's, GCC banks are resilient to the US banks' distress, thanks to broad franchises and their sovereign footprint. The report also referred to the rapid growth of Islamic finance across GCC banking systems, adding that deposits at these banks are lower cost than at conventional banks and support the banks' profitability at times of high-interest rates. (Peninsula Qatar)
- **Municipalities issue 6% more building permits in March -** The number of building permits issued by all municipalities of the State in March 2023 showed an increase of 3% to 666 permits compared to 644 in February 2023. According to data released by Planning and Statistics Authority (PSA), the increase was noted in most of the municipalities: Al Sheehaniya (140%), Al Shammal (25%), Al Khor (24%), Al Rayyan (18%), Al Wakrah (3%), Al Da'ayen (2%), On the other hand, there was a clear decrease in the municipality of Um Slal (29%), Al Doha (15%). In a quick review of the data on building permits issued during the month of March 2023, according to their geographical distribution, municipality of Al Rayyan comes at the top of the municipalities where the number of building permits issued were 184 permits, i.e. 28% of the total issued permits, while municipality of Al Wakrah came in second place with 131 permits, i.e. 20%, followed by Al Da'ayen municipality with 126 permits, i.e.19%, then municipality of Al Doha with 115 permits, i.e.17%. The rest of the municipalities were as follows: Um Slal 40 permits (6%), Al Khor 36 permits (5%), Al Sheehaniya 24 permits (4%), and finally Al Shammal 10 permits (2%). In terms of type of permits issued, data indicates that the new building permits (residential and non-residential) constitutes 36% (240 permits) of the total building permits issued during the month of March 2023, while the percentage of additions permits constituted 60% (402 permits), and finally fencing permits with 4% (24 permits). By analyzing new residential buildings permits data, it was found that villas' top the list, accounting for 80% (153 permits) of all new residential buildings permits, followed by apartments buildings permits by 12% (23 permits) and dwellings of housing loans permits by 6% (11 permits). On the other hand, commercial buildings and industrial buildings e.g., workshops/factories were found to be in the forefront of non-residential buildings permits with 41% (20 permits) each, followed by governmental buildings with 8% (4 permits), then mosques with 6% (3 permits). Comparing a number of certificates issued in March 2023 with those issued in the previous month we noted a general increase of 17%. This increase was clearly noted in most of the municipalities: Al Shammal (500%), Al Da'ayen (30%), Al Rayyan (22%), Al Doha (11%), Al Khor (6%), Um Slal (3%), On the other hand, there was a clear decrease in the municipality of Al Wakrah (2%), while Al Sheehaniya municipality remain the same number of issued certificates. In a quick review of the data on building completion certificates issued during the month of March 2023, according to their geographical distribution, we find that Al Rayyan municipality come at the top of the municipalities where the number of building completion certificates issued were 96 certificates, i.e. (24%) of the total issued certificates, while municipality of Al Da'ayen came in second place with 87 certificates, i.e. (22%), followed by municipality of Al Wakrah with 81 certificates (20%), then municipality of Al Doha with 63 certificates, i.e.16%. The rest of the municipalities were as follows: Umm Slal 30 certificates 7%, Al Khor and Al Shammal 18 certificates (4% each municipality), Al Sheehaniya 8 certificates 2%. In terms of type of certificates issued, data indicates that the new building completion certificates (residential and non-residential) constitutes 78% (313 certificates) of the total building certificates issued during the month of March 2023, while the percentage of additions certificates constituted 22% (88 certificates). By analyzing new residential buildings completion certificates data, it was found that villas' top the list, accounting for 84% (203 certificates) of all new residential building's completion certificates, followed by dwellings of housing loans by 7% (17 certificates), then apartments buildings certificates by 6% (14 certificates). On the other hand, commercial buildings were found to be in the forefront of non-residential buildings completion certificates with 54% (39 certificates), followed by industrial buildings e.g., workshops and factories with 26% (19 certificates), then mosques with 13% (9 certificates). Building permits and building completion certificates data is of particular importance as it is considered an indicator for the performance of the construction sector which in turn occupies a significant position in the national economy. The release of this monthly data comes under the joint cooperation between the Planning and Statistics Authority and the Ministry of Municipality to make use of the existing electronic link between the two sides. (Qatar Tribune)
- **CEOs: Promising prospects for real estate sector -** Chief Executive Officers of several Qatari real estate companies and research experts affirmed the promising aspects for the real estate sector in the country in light of the strength of the Qatari economy, the wide scope of construction operations taking place in all regions, and the completion of many economic diversification plans within Qatar National Vision 2030, which makes it one of the fastest growing sectors, and the second after the energy sector. In exclusive interviews with Qatar News Agency (QNA), the experts pointed out that these promising prospects for the sector are driven by the high domestic liquidity and huge spending in recent years on infrastructure and transportation projects, the rise in the state's gross domestic product (3.4% this year), and the increasing number of tourists, which will lead to a positive impact on the various indicators of the sector's performance in the coming years. QNA's interviews with these figures in the market shed light on the performance of the real estate sector during the current period, and expectations regarding the return on real estate investment during the current year, in addition to the response of local banks to provide banking facilities to real estate companies, as well as whether there is a need for mergers in the market, such as those witnessed in the local banking market, to create major real estate entities that can compete locally and globally. CEO of Qatari Diar Eng. Abdullah bin Hamad Al Attiyah told QNA in an exclusive statement that the real estate market in Qatar witnessed a state of recovery with the hosting of the FIFA World Cup Qatar 2022, and this recovery was accompanied by an increase in rental prices and occupancy rates, indicating that the State of Qatar aims to attract 5.6mn visitors in 2023 - twice the number it received in 2016. Qatar also aims to achieve occupancy rates of 70% in hotel establishment by increasing demand and diversifying tourism projects in the coming period, he added, noting that if this number is accomplished, the attractiveness of the Qatari real estate sector will

increase in the medium and long term. Al Attiyah explained that the features of recovery were reflected in the city of Lusail, which is one of the most significant real estate projects of Qatari Diar. People witnessed the opening of several new projects in the city, including Lusail Plaza Towers (Al-Sa'ad Plaza), Lusail Boulevard (Darb Lusail), Al-Saif Towers and Lusail Stadium, in addition to many new hotels and tourist facilities, he added. He also noted that occupancy rates have reached 100% in some of these projects, which reflects the strong demand for modern and qualitative projects in Qatar that depend on quality and sustainability. In regard to current real estate investment returns and expectation for the rest of the year 2023, Eng. Al Attiyah said that the real estate sector is considered one of the important sectors that are currently giving good returns to investors in the market and acquires a large share in economic activity, as investors in this vital sector seek to achieve permanent profits and returns with the least risks. Real estate investments achieve a rate of 7% to 9%, as a return on investment, according to the type of real estate investment, the location, and the age of the property, he added. Al Attiyah indicated that 2023 is a challenging year for the real estate sector, due to the increase in bank interest globally, as the real estate sector relies mainly on bank financing, pointing out that this challenge is expected to be temporary for a maximum of two years until the current inflation is overcome, and this applies to the global real estate market and not only to the State of Qatar. Regarding opportunities for expansion and growth in the local real estate market, he said that the state took into account the concerns about the real estate scene after the 2022 World Cup - signing long-term contracts with real estate owners in order to preserve the stability of the real estate market after the World Cup. In addition to that, the state is making unremitting efforts to regulate and strengthen the real estate sector and support the continuity of recovery through legislative amendments that made it easier for foreign investors to reside and own freehold property in the State of Qatar, he added. (Peninsula Qatar)

- **GECF: Qatar's LNG fleet growth underpins domestic expansion of North Field project -** Qatar's LNG fleet expansion will underpin its domestic expansion of the North Field project, as well as investments in the Golden Pass LNG terminal in the US Gulf Coast region, Gas Exporting Countries Forum (GECF) has said in a report. To accomplish this, it has been reported that Qatar has secured booking slots at all of the major South Korean shipbuilding yards over the next five years, for orders of around 100 new carriers, GECF said in the fourth edition of its Annual Gas Market Report. At the end of 2022, the global LNG carrier fleet stood at 677 vessels. Although the total has gradually increased, only 28 new vessels were commissioned in 2022. This represented growth of 4%, which was the lowest increase since 2013, it said. As observed in the recent historical trend since 2010, the years in which there is a sharp increase in the fleet growth rate are typically followed by a drop in the subsequent year. Accordingly, this was repeated in 2022, with just over 4,600,000 cubic meters of LNG carrier capacity entering into service, merely half of the capacity commissioned in 2021. Nevertheless, most of these new builds were of the capacity range between 170,000 and 200,000 cubic meters; in recent years, this new conventional class of carriers has been phasing out the previous standard range of 125,000 to 170,000 cubic meters. Additionally, around 240,000 cubic meters of "mid-sized" LNG carriers were brought online in 2022. This, GECF noted, is an "important" growing niche market for LNG transportation, demonstrated by a further 320,000 cubic meters of capacity already confirmed on the global LNG carrier orderbook. Of the vessels for which the technical specifications are known, around 170 of the new conventional-sized carriers are on order for delivery between 2023 and 2026 In respect of LNG shipments, GECF noted that in 2022, the number of LNG cargoes traded globally reached 6,210, increasing 2% over the total number of shipments in 2021. This continued the trend of more cargoes being traded annually in each of the past five years, except during the initial breakout of the pandemic in 2020. Compared with 2021, the number of LNG shipments per month was greater for most of 2022; over the year, the monthly average number of cargoes was 518 compared with 506 in 2021. For the fourth consecutive year, Australia delivered the highest number of LNG cargoes. In 2022, just as in 2021, the US, Qatar, Russia, and Malaysia completed the top five exporters by number of shipments. The US also had the highest increase in number of cargoes, recording an additional 81 more shipments in 2022 than in 2021 The second highest increase was attributed to Norway, which loaded 49 cargoes from the restarted Hammerfest LNG terminal since June 2022. The increasing trend in global LNG shipments is expected to continue in 2023 as per the overall growth in LNG demand. Furthermore, LNG shipping would be boosted by the restart of the Freeport LNG plant in the US, and increased cargo imports in Europe and Asia Pacific. However, the LNG shipping market may experience tightness due to new IMO regulations in 2023 and further ahead, GECF noted. (Gulf Times)

- **Qatar Chamber starts attestation on proxies for elections -** The Internal Committee for Facilitating the Procedures of Qatar Chamber's Elections held its first meeting on Monday at the Chamber's headquarters, presided over by Al-Anoud Al-Mohannadi. The meeting discussed the procedures of facilitating the election of the Chamber Board of Directors for the seventh council 2023. It also touched on enabling the candidates to obtain proxies and how to ratify them. In press statements, the Al-Anoud Al-Mohannadi said that the Chamber will provide the ratification service on proxies during official working hours until the day before the Chamber's General Assembly Meeting. She also said that the Chamber has printed proxies forms so that each candidate could collect copies of proxies from the Chamber's headquarters, noting that forms are also available on the Chamber's website where any candidate could print out and copy any number of copies, he/she wants. Al Mohannadi stressed that the committee will continue its meetings to provide all possible means to ensure a smooth election process, noting that it is prepared to respond to any inquiries from the candidates. (Qatar Tribune)

- **EU envoy expects bilateral trade boom -** A post-World Cup period is expected to witness a significant boost in trade relations, as well as in other areas of co-operation, between Qatar and European Union (EU) and EU member states, EU ambassador and head of EU Delegation to Qatar Dr Cristian Tudor has said. "I think that the EU member states, and Qatar are very well engaged and I strongly believe that post World Cup there will be a substantial boom in trade relations," he told Gulf Times, noting the tournament's positive impact on Qatar. FIFA World Cup Qatar 2022 was lauded and highly regarded as the best ever, showcasing "Qatar's ability to stage mega events and set a new benchmark for future mega-event host nations". EU ambassador Dr Tudor said that Qatar seems interested in continuing to expand its network of embassies in Europe, which reflects "how important Europe has become for Qatar." "And this is reflected also in our EU policies towards the GCC, as we opened a diplomatic mission in Qatar, and lately a few additional EU member states have opened diplomatic missions in Doha. For instance, I am very happy to see the impact of Finland who opened the embassy not long ago and as a result I see more business delegations and more cooperation between the Qatari and Finnish private sectors... This is something fantastic," he said. Citing a proactive private sector, EU ambassador Dr Tudor said people are aware of Qatar's success, particularly those who came for the World Cup and are coming back to visit and set up businesses. Tudor described Qatar as "a very important strategic partner" for the EU – a country that played a key role in helping many Europeans and Europe in general during the Covid-19 pandemic. Capitalizing on the success that Qatar had with the World Cup, the envoy said he sees a lot of opportunities to strengthen these relations and co-operation with Qatar this year. Ambassador Tudor noted that the EU Delegation to Qatar is focusing on organizing (hopefully) in May the senior officials meeting, which he said is like the annual strategic dialogue between Qatar and the EU. He said discussions on organizing the next round of human rights dialogue in Doha are also underway, hopefully, to take place either in September or October this year. (Gulf Times)

## *International*

- **World Bank chief raises 2023 global growth outlook slightly, eyes debt progress -** World Bank Group President David Malpass said on Monday that the lender has revised its 2023 global growth outlook slightly upward to 2% from a January forecast of 1.7% but the slowdown from stronger 2022 growth will increase debt distress for developing countries. Malpass told a media briefing that the upward revision was due to an improved outlook for China's recovery from COVID-19 lockdowns, with growth now pegged at 5.1% this year compared to 4.3% in the bank's January Global

Economic Prospects report. Advanced economies, including the US and in Europe, are also doing a bit better than the World Bank anticipated in January, Malpass said as the World Bank's and International Monetary Fund's Spring Meetings week kicked off. But the departing World Bank chief warned that turmoil in the banking sector and higher oil prices could again put downward pressure on growth prospects in the second half of 2023. A bank asset maturity mismatch will take some time to work through and banks are likely to pull back credit for businesses, slowing growth, he said. Malpass said that technical meetings this week with Chinese officials can help "break the ice" on potential movement on badly needed debt relief for poor countries. Malpass said China also would be able to score some political points at a fairly low cost for its lending institutions. "From the standpoint of their institutions, it's not such a big amount," Malpass said. "It beneficial to China to be making this movement" from both economic and political standpoints. In a separate session, both Malpass and IMF Managing Director Kristalina Georgieva said the slow medium-term outlook for growth -- below 3% this year and around 3% for the next five years estimated by the IMF -- is a problem for developing countries. Malpass said higher growth was needed for job creation and also to slow economic migration from poor countries, but said capital was on net flowing out of developing countries and such flows needed to be reversed as interest rates normalize. I do hope that as we have these meetings to talk about the immediate pressing priorities of price stability, financial stability, we will pay more attention to how the world can go into higher growth," Georgieva said. The IMF will release its latest economic forecasts on Tuesday. The World Bank's forecasts tend to be a bit lower because they are based on market exchange rates, while the IMF's forecasts are based on purchasing power parity exchange rates. (Reuters)

- **BofA sees 'meaningful risks' of Q2 US economic contraction -** The US economy is at risk of shrinking in the second quarter, BofA Global Research wrote in a client note, following recent economic data that hinted that the Federal Reserve's aggressive interest rate hikes were cooling the economy. “This week's data flow is consistent with our view that the US economy slowed steadily over the course of 1Q 2023,” BofA economists wrote in a note dated Friday and emailed Monday. “As a result, the hand-off to 2Q looks weak. We see meaningful risks of a contraction in GDP in 2Q.” BofA pointed to data from April 3 showing US manufacturing activity slumped in March to the lowest level in nearly three years as new orders plunged. (Reuters)
- **Fed's Williams doubts monetary policy spiked banking sector stress -** Federal Reserve Bank of New York President John Williams said on Monday that financial system troubles that drove the central bank to provide large amounts of credit to banks is not collateral damage from the Fed's aggressive effort to lower inflation. “I personally don't think the pace of rate increases was behind the issues at the two banks back in March,” Williams said at an event held at New York University. The central banker, who is also vice-chairman of the rate-setting Federal Open Market Committee, was referring to the failures of Silicon Valley Bank and Signature Bank, which kicked off market fears over the state of the financial system. Analysts say some of the issues faced by banks were due to not having properly prepared for an environment of rapidly rising rates, which has defined monetary policy over the last year as the Fed tried to bring down high levels of inflation. The banking sector stress drove the Fed to provide substantial amounts of liquidity to the financial system, even as officials have stressed repeatedly that by and large the banking system is safe and sound and abounding with liquidity. Recent data shows a slow move down in Fed emergency lending, but the absolute level of lending still remains very high. Williams said he viewed the trouble at the two banks as unique in nature and unlikely to reflect broader trends in the financial system. That said, Fed officials have said that banking sector stress will likely weigh on the economy, as financial firms pull back on lending. That in turn could result in lower activity levels while also helping to further cool price pressures. New York Fed data released earlier Monday said American households are facing greater headwinds in obtaining credit and foresee that challenge growing over time, even as they rate their personal financial conditions favorably. Williams said that while past episodes of financial sector stress point to tightening credit, as it now stands, “we haven't seen clear signs yet of credit conditions tightening and we don't know how big this effect will be” if it happens. In his speech, Williams also reiterated that he believes inflation, now at around 5%, will come down slowly over time and will ease to 3.75% this year and will likely ebb to the 2% target by 2025. Williams said that he also sees a gradual rise over time in unemployment from the current low 3.5% to between 4% and 4.5%. Williams said he is not concerned by market expectations of rate cuts even though the Fed currently has penciled in an additional rate rise this year. Instead, he said he was cheered by what he sees as market participants reacting to incoming data. “I don't really worry about” the divergence, Williams said. “I think part of it is because there is an expectation among many market participants and economists that the economy's going to slow even more than I expect.” (Reuters)
- **BlackRock: Fed might not need to hike rates in May as economy slows -** The Federal Reserve may not need to raise interest rates further to fight inflation, as the fallout from last month's turmoil in the banking sector and a series of recent labor data point to a slowing US economy, a BlackRock executive said on Monday. Though Friday's closely followed Labor Department employment report showed that US employers maintained a strong pace of hiring last month, it was also marked by slowing wage gains and jobs growth that was below the three-, six- and 12-month moving averages, said Rick Rieder, chief investment officer of global fixed income at BlackRock, the world's largest asset manager. That data, together with labor market numbers released last week and expectations of tighter credit conditions after the failure of two US banks last month, paint a picture of a slowing economy, according to Rieder. “Last Friday's employment report, while clearly not alarming in any way, allows investors to see more clearly through to what a tangibly slower set of economic conditions should be,” Rieder wrote in a report. “Presumably, this will also see a cessation of Fed policy rate hikes after one more possible hike at the May meeting, although it's also possible the Fed is done already,” he added in an emailed statement to Reuters. The Fed over the past year has embarked on one of its most aggressive rate hiking cycles in decades to curb price pressures and has forecast borrowing costs will remain around current levels to the end of 2023. For now, traders take a more dovish view and are betting policymakers will cut rates later in the year, taking the fed funds rate to 4.35% from its current 4.75% to 5% range. Investors will be closely watching an inflation report on Wednesday to gauge the near-term trajectory for interest rates. According to Rieder, inflation should ease going forward, in line the economic slowing seen last month. “Hopefully ... markets can look forward to a more relaxed Fed from here,” he said. (Reuters)
- **NY Fed survey finds Americans more downbeat on credit access -** Americans said last month that access to credit was at its toughest level in nearly a decade, as they also braced for higher levels of inflation over the next few years, a report from the New York Fed said Monday. In the March Survey of Consumer Expectations, the bank found that the share of households who said credit is harder to get versus a year ago rose to the highest level in a survey that dates back to 2014. The bank's report also said, “respondents were more pessimistic about future credit availability as well, with the share of households expecting it will be harder to obtain credit a year from now also rising.” Meanwhile, households project that inflation a year from now would stand at 4.7%, versus February's 4.2%. That was the first increase in year-ahead expected inflation since October. Inflation three years from now is seen at 2.8%, from 2.7% the prior month, while five years out, survey respondents said they expected inflation at 2.5%, down from the prior month's 2.6%. Despite expectations of higher near-term inflation, respondents to the New York Fed survey see lower gasoline, food and rent costs, while they forecast a 1.8% rise in home prices. The rise in inflation expectations could prove to be a new challenge for the Federal Reserve's effort to lower inflation. Central bankers broadly believe that where the public expects price pressures to go exerts a strong influence on where inflation is now. Over the last year the Fed has been engaged in a very aggressive campaign to lower inflation, now at 5%, back to 2%, and signs inflation may be starting to cool off has opened the door to an end to the rate rise cycle. Fed rate rises are by design intended to make credit more expensive, so the rise in households reporting trouble in getting loans is not surprising. That said, survey respondents said their current and future financial situations

improved in March, amid expectations of both higher household incomes and spending. While the Fed report does not mention the situation, the survey took place in a month where the financial system was rattled by the failure of Silicon Valley Bank and troubles at other financial institutions, which has led the Fed to lend significant amounts of money to the banking community. Fed officials have stressed they view the banking system as solid and they see trouble spots as isolated. (Reuters)

- **China's March consumer inflation lowest since Sept 2021 -** China's consumer inflation in March hit the slowest pace since September 2021, driven by falling food prices, official data showed on Tuesday, suggesting demand weakness persists amid an uneven economic recovery. Producer deflation extended into a sixth month. The consumer price index (CPI) for the month rose 0.7% year-on-year, compared with the 1.0% annual gain seen in February, said the National Bureau of Statistics (NBS). The result missed the median estimate of a 1.0% rise in a Reuters poll. The CPI fell 0.3% from a month earlier after a 0.5% fall in February, slower than a forecast of no change. The government has set a target for average consumer prices in 2023 to be about 3%. Prices rose 2% on year in 2022. The producer price index (PPI) fell 2.5% from a year earlier, compared with a 1.4% drop in February. It was in line with a forecast tipped in a Reuters poll. The PPI remained flat from a month earlier, in line with the previous month's rate. Recent data showed China's economic rebound remained uneven in March with the services sector seeing strong recovery but the sprawling manufacturing sector losing momentum amid still-weak export orders. (Reuters)

## *Regional*

- **Mubasher Capital: GCC economies likely to grow at 3.9% in 2023 -** The six GCC economies are expected to grow at 3.9% throughout 2023, which marks twice the pace of the estimated world growth of 1.7%, according to a recent report by Mubasher Capital. As governments plan to boost the growth of their non-oil sector, four out of the six economies registered fiscal surplus in 2022. Mubasher Capital added that the stocks trading on the GCC stock markets offer a broad diversification under 11 sectors. Furthermore, there are 368 out of the 668 GCC companies which disburse cash dividends that are sufficiently distributed among sectors. "Cash dividends are almost tax-free in the majority of GCC markets and capital gains are completely tax-free," Mubasher Capital stated. The Gulf countries offer more than capital gains from price movements, as in excess of 300 companies distribute a portion of their earnings/retained earnings in cash to shareholders on an annual basis. "Mubasher Asset Management sets certain parameters for the selection of the stocks paying dividends each quarter that ensure it adds value to shareholders, our investors," according to the report. The GCC has diverse sectors that are considered a significant pillar of investment portfolio construction which targets capital gains and is economically oriented. It also cuts systematic and sectoral risks, in addition to capturing cash returns from dividend-paying stocks. Information technology sectors and healthcare, which are considered the defensive sectors providing insurance to the portfolios during the transitional economic periods, have at least six companies that pay cash dividends. Meanwhile, the financial and real estate sectors, including real estate investment funds, have 120 and 31 companies, respectively, while being the largest in terms of the number and value of cash dividends. It is worth noting that Mubasher Asset Management's investment professionals provide strategies covering the full spectrum of asset classes, including equity, fixed income, alternatives, money market, ETFs, and multi-asset solutions. It guarantees that both professional and individual investors receive personalized insights to help make smart, long-term investment decisions. (Zawya)

- **MENA poised for strong economic growth -** Giga-investment projects, elevated energy prices, greater fiscal responsibility, and improving demographics are helping drive a resurgence in growth in the Middle East and North Africa (Mena) region, a study showed on Monday. "Mena stock valuations, as measured by price-to-earnings ratios, have declined from their March 2022 peak, and now sit comfortably below their 10-year average of 13.5x.1Earnings growth in the region is forecast to increase by mid-single digits in 2023, driven by rising investment and consumption," said Salah Shamma, Head of Mena Equities for Franklin Templeton's Emerging Markets Equity Group. The Gulf Cooperation Council (GCC) has big spending plans, especially in Saudi Arabia, the region's largest economy. As part of its Vision 2030 economic transformation plan, the government has announced its intention to invest over US$2tn in the domestic economy between now and the end of this decade. Giga-projects have been the cornerstone of the multi-year reform process underway in the region. The imperatives of diversifying the economy away from oil, attracting capital and talent, and generating jobs for a young population have driven sustained momentum on the projects despite local and global headwinds, Franklin Templeton said in its report. In Dubai, its economic Agenda 2033 aims to double the size of the economy and place the city among the top three economic cities in the world. "Dubai will focus on foreign trade, foreign direct investment, private sector investments, and government spending to achieve its 2033 goals," Shamma noted. Franklin Templeton remains bullish on the energy price outlook over the medium-term. "The balance of risks for oil prices in 2023 appears to be on the upside, given the reopening of China, a continued revival in global travel, and the embargo/price cap on Russian oil by the United States and the European Union," Shamma said. The four major countries in the GCC (Saudi Arabia, the United Arab Emirates, Qatar, and Kuwait) are expected to experience double surpluses due to elevated oil prices, on both their fiscal and current accounts. Fiscal surpluses during 2022 didn't translate into excessive government expenditure. "This time around, the GCC governments have acted prudently and focused on their long-term economic agendas rather than provide a short-lived stimulus. transferring capital to state sovereign wealth funds," the report said. Mena's weight in the MSCI Emerging Markets Index has increased from 1.6% in 2016 to 7.7%, as of 2022. The implementation of several market-based reforms in recent years has driven this increase. These include initial public offerings, privatization and increasing foreign ownership limits. Saudi Arabia is the largest single market, with a weight of 4.1% in the Index—which looks likely to increase. In sum, Franklin Templeton seed a positive backdrop for Mena equity markets in 2023. The region is not immune from risk, including the impact of rising interest rates on growth and, in turn, the demand for energy, as well as the impact of Russia's war in Ukraine. "Nevertheless, the connection between oil prices and the economic and market outlook for Mena is being steadily diluted thanks to economic diversification and a greater reliance on sovereign wealth funds to finance investment in the region," Shamma said. (Zawya)

- **Gartner forecasts IT spending in Mena to grow 2% in 2023 -** Spending on information technology is the Middle East and North Africa region this year is estimated to total $175.5bn, research released on Monday showed. This is up 2% from $171.9bn in 2022, according to data released by Gartner. Worldwide IT spending is projected to total $4.6tn in 2023, an increase of 5.5% from 2022, according to the latest forecast by Gartner, Inc. Despite continued global economic turbulence, all regions worldwide are projected to achieve IT spending growth in 2023. "Macroeconomic headwinds are not slowing digital transformation," said John-David Lovelock, Distinguished VP Analyst at Gartner. "IT spending will remain strong, even as many countries are projected to have near-flat gross domestic product (GDP) growth and high inflation in 2023. Prioritization will be critical as CIOs look to optimize spend while using digital technology to transform the company's value proposition, revenue and client interactions." The software segment will see double-digit growth this year as enterprises prioritize spending to capture competitive advantages through increased productivity, automation and other software-driven transformation initiatives. Conversely, the devices segment will decline nearly 5% in 2023, as consumers defer device purchases due to declining purchasing power and a lack of incentive to buy. As enterprises navigate continued economic turbulence, the split of technologies being maintained versus those driving the business is apparent in their position relative to overall average IT spending growth. "CIOs face a balancing act that is evident in the dichotomies in IT spending," said Lovelock. "For example, there is sufficient spending within data center markets to maintain existing on-premises data centers, but new spending has shifted to cloud options, as reflected in the growth in IT services." The IT services segment will continue its growth trajectory through 2024, largely driven by the infrastructure-as-a-service market, which is projected to reach over 30% growth this year. For the first time, price is a key driver of increased spend for cloud services segments, rather than just increased usage. In the Mena region, communication services are expected to witness the highest spending this year, at $115.13bn. This is 2.5% higher than the $112.31bn spent in 2022. However, the highest growth is expected to be seen in the software sector. At $13.34bn, the spending will be 9.8% higher than $12.15bn spent last year. On the other hand, spending on devices is expected to drop 6.4% from $26.68bn in 2022 to $24.97bn this year, Gartner data showed. The collapse of Silicon Valley Bank, Signature Bank and Credit Suisse created a shockwave within the banking and tech industries, Gartner said. While exposure remains relatively contained, tech startups are likely to face renewed questions and scrutiny from stakeholders, clients and prospects. "This is not just a tech problem, as these firms lent money to all forms of startups – not just IT," said Lovelock. "Tech CEOs must urgently ensure they are moving their organization forward by conserving working capital, monitoring the impact on cash, securing access to credit and keeping a close eye on talent and culture. Once the organization is properly prepared, tech CEOs can then direct and engage employees to find, accelerate and execute on market opportunities." Even as layoffs continue to impact the tech industry at large, there is still a critical shortage of skilled IT labor. The demand for tech talent greatly outstrips the supply, which will continue until at least 2026 based on forecast IT spend. "Tech layoffs do not mean that the IT talent shortage is over," said Lovelock. "IT spending on internal services is slowing in all industries, and enterprises are not keep up with wage rate increases. As a result, enterprises will spend more money to retain fewer staff and will turn to IT services firms to fill in the gaps." (Zawya)

- **Saudi maintains crude supply to Asian refiners despite OPEC+ cuts -** State oil giant Saudi Aramco (2222.SE) will supply full crude contract volumes loading in May to several North Asian buyers despite its pledge to cut output by 500,000 barrels per day, several sources with knowledge of the matter said on Monday. This comes after the Organization of the Petroleum Exporting Countries (OPEC) and allies, known as OPEC+, surprised markets last week by announcing an extra output cut of 1.16mn barrels per day (bpd) from May for the rest of the year. (Reuters)

- **UAE announces list of entities exempted from corporate tax -** The Ministry of Finance has issued Ministerial Decision No. 43 of 2023 on the exception from tax registration for the purposes of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law). The decision is issued in accordance with Article 51 of the Corporate Tax Law which requires taxable persons to register for Corporate Tax with the Federal Tax Authority, except in certain circumstances. The Ministerial Decision on the Exception from Tax Registration sets out who would be excluded from registering for Corporate Tax. Certain exempt include government entities, government-controlled entities, extractive businesses and non-extractive natural resource businesses that meet the necessary conditions under the Corporate Tax Law and are not required to register for Corporate Tax purposes. A non-resident person will also not be required to register for Corporate Tax if they only earn UAE-sourced income and do not have a Permanent Establishment in the UAE. The exception stipulated in the decision is in line with international best practices, whereby persons exempted from Corporate Tax such as the federal government, UAE government departments and authorities, other public institutions and other categories referred to above are excepted from tax registration because they are not subject to tax. Therefore, there is no need for these entities to register with the Federal Tax Authority as long as they continue to meet the exemption conditions, noted in the relevant articles of the Decree-Law. (Zawya)

- **DIEZ records 42% increase in operating profit in 2022 -** The Dubai Integrated Economic Zones Authority (DIEZ) recorded a 42% increase in its operating profit in 2022, while total revenue increased by 29%, compared to 2021. The exceptional performance, which resulted in a 9% increase in rental revenue and a 69% increase in revenue from commercial licenses, government services and other services in 2022, signifies the effectiveness of DIEZ's new integrated model and the Authority's growing contribution to the economic development of Dubai and the UAE. H.H. Sheikh Ahmed bin Saeed Al Maktoum, Chairman of DIEZ, said, "These exceptional results, which point to a promising future for DIEZ, highlight the success of the Authority's unique approach to supporting businesses and investors. The results reinforce DIEZ's status as a platform for attracting foreign direct investment as well as our strategic role in achieving the goals of the Dubai Economic Agenda D33 to double the size of the emirate's economy and consolidate its position as one of the world's top three cities over the next decade." "The strong performance, which reflects our commitment to delivering an exceptional business model, gives a strong boost to DIEZ's aspiration to be an even bigger player in enhancing Dubai and the UAE's competitiveness and economic attractiveness. Over the next phase of growth, we will continue fostering a culture of innovation and excellence and enhancing our globally benchmarked solutions, facilities, benefits, and services. DIEZ contributed five% to Dubai's GDP and 11% to the emirate's non-oil foreign trade in 2021," Sheikh Ahmed added. Dr. Mohammed Al Zarooni, Executive Chairman of Dubai Integrated Economic Zones Authority (DIEZ), said, "Our exceptional results in 2022 were driven by the strategic integration of economic zones focused on enhancing growth and expansion opportunities and providing a supportive environment for the business and investment community. The unwavering support of our leadership has enabled us to realize our goals and transform DIEZ's business ecosystem through ambitious strategic plans, innovative initiatives and fruitful local, regional, and global partnerships. Today, more than 22,000 companies and over 41,000 employees are based out of DIEZ." "These indicators encourage us to continue making major contributions to the expansion of trade and efforts to drive economic growth and diversification in Dubai and the UAE. By keeping pace with innovative trends and providing a flexible and supportive environment, we seek to further nurture the growth of businesses," he added. (Zawya)

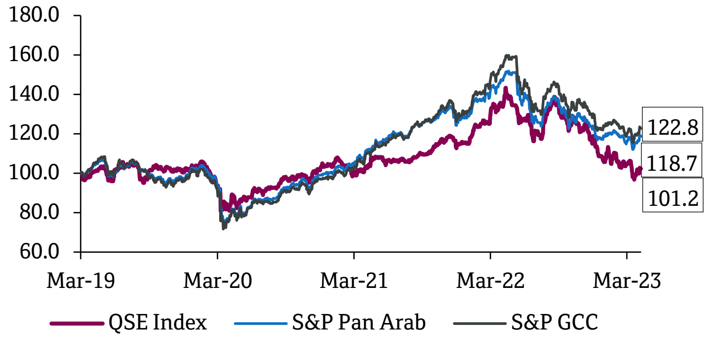
- **UAE's e& takes $400mn majority stake in ride-hailer Careem's Super App -** Emirates Telecommunications Group Company (EAND.AD) has agreed to take a 50.03% stake in a super app managed by Careem, Uber Technologies' (UBER.N) Middle East subsidiary, in a transaction valued at $400mn, e& said in a filing on Monday. The Super App will be managed by Careem founders Mudassir Sheikha and Magnus Olsson, said the company, formerly known as Etisalat Group and now called e&. The ride-hailing business will be separated from the Careem Super App business and will be fully owned by Uber, but will still be available on the super app. The deal will be financed from e&'s existing cash balance, and subject to regulatory approvals, customary closing conditions and administrative procedures, e& said in the filing. Reuters reported last month that talks with e& were at an advanced stage and a deal could be announced soon. Careem began seeking outside investors last year to help finance its Super App, which offers services outside its core ride-hailing business such as food delivery, bike rentals, digital payments and courier services. Etisalat rebranded to e& in June last year as the majority state-owned telco company embarked on a new strategy to position itself as a global technology and investment conglomerate. E& said the transaction fits into its own ambitions to scale up consumer digital offerings and would allow the company to take advantage of the app to boost the growth of its consumer digital services. Uber and Careem's co-founders Sheikha, Olsson and Abdullah Elyas have the remaining stakes in the super app, a Careem spokesperson said. (Reuters)

- **Oman's second-largest lender weighs merger with smaller rival -** Oman's Bank Dhofar SAOG plans to submit a non-binding bid to merge with smaller rival Ahli Bank SAOG in a deal that could create an entity with more than $19bn in assets. Any transaction will be subject to approval from regulators and the boards of both lenders, Bank Dhofar said in a statement on Monday. (Bloomberg)

- **Oman to launch 48 initiatives in 2023 to stimulate economy -** The Ministry of Commerce, Industry and Investment Promotion (MoCIIP) announced on Monday that it will launch 48 initiatives in the commercial and industrial sectors this year. The announcement was made during its annual media meeting wherein the achievements of the past year and plans for the current year were reviewed. The ministry stated that the volume of trade exchange between Oman and the world amounted to more than RO40bn until December 2022, registering an increase of 41%, while the total exports were over RO25bn. The ministry confirmed that there has been an increase in the contribution of domestic trade to the gross domestic product (GDP) from most economic activities at current prices, including the services sector by 9.7%. (Zawya)

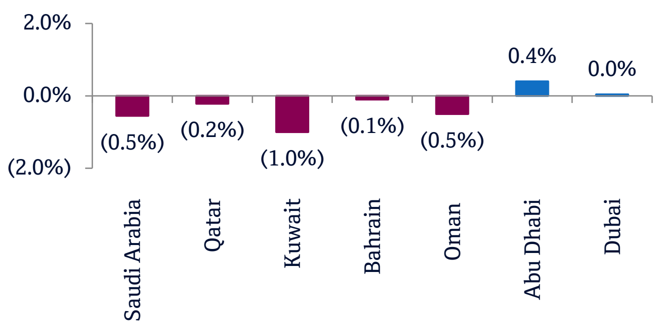
- **Oman: 12% rise in state's public revenues by February 2023 -** The state's public revenue by the end of February 2023 amounted to OMR2,148mn, up by 12% when compared to OMR1,918mn registered over the same period in 2022, according to the Fiscal Performance Monthly Bulletin Published by the Ministry of Finance. This is mainly attributed to an increase in oil and gas revenues, representing 78% of total public revenue, and an increase of current revenue by 51%. Net oil revenue at the end of February 2023 amounted to OMR1,153mn, up by 5% compared to OMR 1,094mn achieved over the same period in 2022. This is driven by higher oil prices of $86 per barrel, as well as an increase in oil production to 1,064,000 barrels per day. Furthermore, gas revenue increased to OMR521mn, up by 2% when compared to the same period in 2022. Current revenue at the end of February 2023 increased by OMR160mn, amounting to OMR471mn compared to OMR311mn registered over the same period in 2022. Public spending at the end of February 2023 amounted to OMR1,776mn, up by OMR68mn, i.e. 4% when compared to the same period in 2022. This is mainly due to an increase in current expenditure and contributions and other expenses by OMR108mn, while gas purchase and transport expenditure declined by OMR132mn as a result of transferring such expenditure to the Integrated Gas Company. Development expenditure of ministries and government units amounted to OMR50mn, representing 6% of total development spending, i.e. OMR900mn, allocated for 2023. Current expenditure of civil ministries at the end of February 2023 amounted to OMR643mn, up by OMR32mn, compared to OMR611mn registered over the same period in 2022. Total contributions and other expenses at the end of February 2023 amounted to OMR133mn, up by 133%, compared to OMR57mn registered over the same period in 2022. Oil products subsidy and water sector subsidy amounted to OMR47mn and OMR17mn, respectively, by the end of February 2023. Additionally, an amount of OMR66mn was transferred to the future debt obligations budget-item. At the end of February 2023, the budget achieved a surplus of OMR372mn compared to a surplus of OMR210mn registered over the same period in 2022. During the first quarter of 2023, the Government repaid OMR1.1bn against public debt, reducing the total Government debt to OMR16.6bn at the end of March 2023. Moreover, the most significant results of the Medium-Term Fiscal Plan 2021-2024 (MTFP) include reducing the fiscal breakeven oil price to $68 per barrel, increasing non-hydrocarbon revenue, reducing public debt, improving Oman's credit ratings, developing social protection system and restructuring pension funds, as well as other direct and indirect results. (Zawya)

## Rebased Performance




*Source: Bloomberg*

## Daily Index Performance




*Source: Bloomberg*

| Asset/Currency Performance | Close ($) | 1D% | WTD% | YTD% |
|---|---|---|---|---|
| Gold/Ounce | 1,991.48 | (0.8) | (0.8) | 9.2 |
| Silver/Ounce | 24.87 | (0.4) | (0.4) | 3.8 |
| Crude Oil (Brent)/Barrel (FM Future) | 84.18 | (1.1) | (1.1) | (2.0) |
| Crude Oil (WTI)/Barrel (FM Future) | 79.74 | (1.2) | (1.2) | (0.6) |
| Natural Gas (Henry Hub)/MMBtu | 2.14 | (1.8) | (1.8) | (39.2) |
| LPG Propane (Arab Gulf)/Ton | 80.80 | (1.5) | (1.5) | 14.2 |
| LPG Butane (Arab Gulf)/Ton | 92.30 | (3.1) | (3.1) | (9.1) |
| Euro | 1.09 | (0.4) | (0.4) | 1.4 |
| Yen | 133.61 | 1.1 | 1.1 | 1.9 |
| GBP | 1.24 | (0.3) | (0.3) | 2.5 |
| CHF | 1.10 | (0.5) | (0.5) | 1.6 |
| AUD | 0.66 | (0.5) | (0.5) | (2.5) |
| USD Index | 102.58 | 0.5 | 0.5 | (0.9) |
| RUB | 110.69 | 0.0 | 0.0 | 58.9 |
| BRL | 0.20 | (0.2) | (0.2) | 4.3 |

*Source: Bloomberg*

| Global Indices Performance | Close | 1D%* | WTD%* | YTD%* |
|---|---|---|---|---|
| MSCI World Index | 2,786.20 | (0.1) | (0.1) | 7.1 |
| DJ Industrial | 33,586.52 | 0.3 | 0.3 | 1.3 |
| S&P 500 | 4,109.11 | 0.1 | 0.1 | 7.0 |
| NASDAQ 100 | 12,084.36 | (0.0) | (0.0) | 15.5 |
| STOXX 600^ | 458.94 | 0.9 | 0.8 | 10.3 |
| DAX^ | 15,597.89 | 0.8 | 0.4 | 14.4 |
| FTSE 100^ | 7,741.56 | 1.1 | 2.4 | 7.0 |
| CAC 40^ | 7,324.75 | 0.5 | 0.6 | 15.5 |
| Nikkei | 27,633.66 | (0.7) | (0.7) | 3.8 |
| MSCI EM | 988.68 | 0.2 | 0.2 | 3.4 |
| SHANGHAI SE Composite | 3,315.36 | (0.6) | (0.6) | 7.5 |
| HANG SENG^ | 20,331.20 | 0.3 | (0.3) | 2.1 |
| BSE SENSEX | 59,846.51 | (0.2) | (0.2) | (0.8) |
| Bovespa | 101,846.64 | 0.7 | 0.7 | (3.4) |
| RTS | 983.86 | 1.0 | 1.0 | 1.4 |

*Source: Bloomberg (*$ adjusted returns ^ Data as of April 6, 2023)*

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