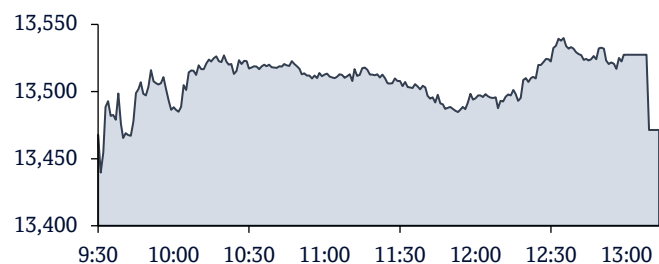


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.2% to close at 13,471.3. Gains were led by the Industrials and Telecoms indices, gaining 0.6% and 0.5%, respectively. Top gainers were Qatar Aluminum Manufacturing Co. and United Development Company, rising 2.1% and 1.4%, respectively. Among the top losers, QLM Life & Medical Insurance Co. fell 2.5%, while Doha Insurance Group was down 2.3%.

GCC Commentary

Saudi Arabia: The TASI Index fell 1.0% to close at 13,379.1. Losses were led by the Healthcare Equipment & Svc. and Banks indices, falling 1.7% and 1.3%, respectively. Axa Cooperative Insurance declined 8.0%, while Mouwasat Medical Services Co. was down 6.6%.

Dubai: The DFM Index fell 1.9% to close at 3,528.5. The Transportation index declined 3.3%, while the Consumer Staples and Discretionary index fell 2.7%. Ektitab Holding Company declined 9.1%, while Deyaar Development was down 6.8%.

Abu Dhabi: The ADX General Index declined 1.3% to close at 9,747.3. The Industrials index declined 1.8%, while the Basic Materials index was down 1.7%. Ras Al Khaimah Poultry & Feeding Co. declined 9.7%, while Fujairah Cement Industry was down 6.9%.

Kuwait: The Kuwait All Share Index fell 1.9% to close at 8,142.2. The Industrials index declined 2.6%, while the Telecommunications index fell 2.5%. AlSafat Investment Company declined 7.6%, while Al Arabi Group Holding Co. was down 5.9%.

Oman: The MSM 30 Index gained 0.1% to close at 4,159.3. Gains were led by the Industrial and Financial indices, rising 0.3% and 0.2%, respectively. A'Saffa Foods rose 9.9%, while Sembcorp Salalah Power and Water Co. was up 4.3%.

Bahrain: The BHB Index gained 1.2% to close at 2,011.7. The Materials and Consumer Discretionary Indices gained marginally. Aluminum Bahrain rose 7.6%, while National Bank of Bahrain was up 4.0%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar Aluminum Manufacturing Co.	2.14	2.1	28,011.8	18.7
United Development Company	1.46	1.4	1,481.8	(5.2)
Qatar Islamic Bank	24.90	1.4	3,179.9	35.8
Industries Qatar	17.88	1.1	3,759.1	15.4
Al Khaleej Takaful Insurance Co.	3.74	1.1	66.1	3.8

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatar Aluminum Manufacturing Co.	2.14	2.1	28,011.8	18.7
Investment Holding Group	2.36	0.3	19,350.0	91.8
Baladna	1.71	(0.6)	18,556.9	18.3
Masraf Al Rayan	5.44	(1.1)	17,455.7	17.2
Salam International Inv. Ltd.	0.96	0.1	14,321.8	17.1

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	13,471.32	0.2	(0.9)	(0.9)	15.9	234.67	207,633.4	16.7	1.9	3.2
Dubai	3,528.53	(1.9)	(5.5)	(5.1)	10.4	130.47	155,320.1	15.8	1.2	2.9
Abu Dhabi	9,747.28	(1.2)	(2.8)	(2.8)	15.4	513.14	507,422.3	20.8	2.8	2.0
Saudi Arabia	13,379.08	(1.0)	(2.6)	(2.6)	18.6	2,311.25	3,358,707.4	24.5	2.9	2.1
Kuwait	8,142.22	(1.9)	(3.8)	(2.6)	15.6	285.70	159,016.1	20.5	1.9	2.5
Oman	4,159.31	0.1	0.0	0.0	0.7	4.63	19,484.3	11.9	0.8	4.9
Bahrain	2,011.65	1.2	(2.1)	(2.2)	11.9	8.32	31,909.3	8.4	0.9	5.6

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

Market Indicators	11 May 22	10 May 22	%Chg.
Value Traded (QR mn)	856.0	1137.2	(24.7)
Exch. Market Cap. (QR mn)	758,894.0	757,659.4	0.2
Volume (mn)	171.3	345.6	(50.4)
Number of Transactions	25,626	28,698	(10.7)
Companies Traded	46	46	0.0
Market Breadth	20:22	13:30	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	27,593.63	0.2	(0.9)	19.9	16.7
All Share Index	4,328.79	0.1	(0.8)	17.1	170.9
Banks	6,009.40	0.1	0.2	21.1	18.6
Industrials	4,836.43	0.6	(3.5)	20.2	13.9
Transportation	3,915.11	(0.1)	0.4	10.1	13.7
Real Estate	1,813.92	0.4	(1.4)	4.2	19.0
Insurance	2,639.45	(0.4)	(1.0)	(3.2)	16.8
Telecoms	1,129.62	0.5	(1.5)	6.8	34.6
Consumer	8,628.54	(0.9)	(0.7)	5.0	24.2
Al Rayan Islamic Index	5,456.64	0.1	(1.4)	15.7	13.8

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Aluminum Bahrain	Bahrain	1.27	7.6	322.4	58.8
National Bank of Bahrain	Bahrain	0.65	4.0	46.6	8.3
HSBC Bank Oman	Oman	0.11	2.8	6.1	6.7
Savola Group	Saudi Arabia	36.80	2.4	2,511.4	15.2
Qatar Aluminum Man. Co.	Qatar	2.14	2.1	28,011.8	18.7

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Mouwasat Med. Services Co.	Saudi Arabia	222.40	(6.6)	114.9	28.0
Abu Dhabi Islamic Bank	Abu Dhabi	8.20	(4.1)	1,588.6	19.4
First Abu Dhabi Bank	Abu Dhabi	20.54	(3.8)	13,400.8	10.3
Saudi Arabian Fertilizer Co.	Saudi Arabia	153.40	(3.5)	2,816.1	(13.1)
Emirates NBD	Dubai	13.75	(3.5)	6,662.4	1.5

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

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
QLM Life & Medical Insurance Co.	5.76	(2.5)	129.3	14.0
Doha Insurance Group	1.90	(2.3)	36.8	(1.0)
Mannai Corporation	8.16	(2.3)	192.5	71.9
Zad Holding Company	18.01	(1.9)	2.1	13.2
Islamic Holding Group	6.12	(1.7)	555.9	55.1

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	23.30	0.2	252,236.3	15.4
Masraf Al Rayan	5.44	(1.1)	95,617.9	17.2
Qatar Islamic Bank	24.90	1.4	78,486.0	35.8
Industries Qatar	17.88	1.1	67,546.7	15.4
Qatar Aluminum Manufacturing Co.	2.14	2.1	60,273.5	18.7

Qatar Market Commentary

- The QE Index rose 0.2% to close at 13,471.3. The Industrials and Telecoms indices led the gains. The index rose on the back of buying support from non-Qatari shareholders despite selling pressure from Qatari shareholders.
- Qatar Aluminum Manufacturing Co. and United Development Company were the top gainers, rising 2.1% and 1.4%, respectively. Among the top losers, QLM Life & Medical Insurance Co. fell 2.5%, while Doha Insurance Group was down 2.3%.
- Volume of shares traded on Wednesday fell by 50.4% to 171.3mn from 345.6mn on Tuesday. Further, as compared to the 30-day moving average of 241.6mn, volume for the day was 29.1% lower. Qatar Aluminum Manufacturing Co. and Investment Holding Group were the most active stocks, contributing 16.4% and 11.3% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	21.34%	27.96%	(56,725,015.3)
Qatari Institutions	16.50%	34.72%	(155,996,295.2)
Qatari	37.83%	62.68%	(212,721,310.5)
GCC Individuals	0.29%	0.46%	(1,464,054.9)
GCC Institutions	2.87%	1.02%	15,852,033.9
GCC	3.15%	1.47%	14,387,979.0
Arab Individuals	6.16%	5.52%	5,459,629.9
Arab Institutions	0.28%	0.00%	2,415,820.0
Arab	6.44%	5.52%	7,875,449.9
Foreigners Individuals	2.88%	2.69%	1,575,204.1
Foreigners Institutions	49.70%	27.63%	188,882,677.4
Foreigners	52.58%	30.33%	190,457,881.5

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
Saudi Azm for Com. and Information Technology Co.	Saudi Arabia	SR	73.3	5.5%	9.0	-12.8%	41.4	27.3%
AXA Cooperative Insurance Co.	Saudi Arabia	SR	538.8	-0.5%	N/A	N/A	(4.8)	N/A
Abdullah Al Othaim Markets Co.	Saudi Arabia	SR	2,462.4	17.4%	90.3	34.4%	90.8	68.9%
Eastern Province Cement Co.	Saudi Arabia	SR	161.0	-25.8%	32.0	-45.8%	29.0	-51.7%
Deyaar Development	Dubai	AED	161.9	8.5%	1.2	-36.7%	25.1	66.5%
Arabian Scandinavian Insurance Takaful	Dubai	AED	35.9	13.8%	N/A	N/A	3.4	-65.7%
Orient Unb Takaful	Dubai	AED	131.8	26.6%	N/A	N/A	5.2	20.6%
Al Salam Sudan	Dubai	AED	489.3	292.7%	1,135.1	389.5%	2,238.3	-49.0%
Ras Alkhaima National Insurance Co.	Abu Dhabi	AED	115.2	-5.8%	N/A	N/A	(4.8)	N/A
Rak Ceramics	Abu Dhabi	AED	783.1	8.3%	N/A	N/A	56.6	-6.7%
International Holdings Co.	Abu Dhabi	AED	10,492.8	361.0%	N/A	N/A	1,600.1	20.1%
Abu Dhabi National Hotels	Abu Dhabi	AED	408.1	81.6%	N/A	N/A	152.8	275.1%
Dana Gas	Abu Dhabi	AED	513.0	31.9%	N/A	N/A	198.0	125.0%
Al Yah Satellite Communications Company	Abu Dhabi	AED	98.7	9.4%	22.2	27.7%	20.1	26.4%
Bahrain Cinema Company	Bahrain	BHD	N/A	N/A	N/A	N/A	909.7	N/A
Delmon Poultry Company	Bahrain	BHD	4.6	20.9%	0.1	-19.5%	0.3	3.8%
Solidarity Bahrain	Bahrain	BHD	11.3	39.2%	N/A	N/A	123.0	16.0%
Bahrain Family Leisure	Bahrain	BHD	226.7	125.7%	N/A	N/A	(84.2)	N/A

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
05/11	US	Bureau of Labor Statistics	CPI MoM	Apr	0.30%	0.20%	1.20%
05/11	US	Bureau of Labor Statistics	CPI Ex Food and Energy MoM	Apr	0.60%	0.40%	0.30%
05/11	US	Bureau of Labor Statistics	CPI YoY	Apr	8.30%	8.10%	8.50%
05/11	US	Bureau of Labor Statistics	CPI Ex Food and Energy YoY	Apr	620%	6.00%	6.50%
05/11	US	Bureau of Labor Statistics	CPI Index NSA	Apr	289.109	288.715	287.504
05/11	US	Bureau of Labor Statistics	CPI Core Index SA	Apr	290.455	289.822	288.811
05/11	Germany	German Federal Statistical Office	CPI MoM	Apr F	0.80%	0.80%	0.80%
05/11	Germany	German Federal Statistical Office	CPI YoY	Apr F	7.40%	7.40%	7.40%
05/11	China	National Bureau of Statistics	PPI YoY	Apr	8.00%	7.80%	8.30%
05/11	China	National Bureau of Statistics	CPI YoY	Apr	2.10%	1.80%	1.50%

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

Qatar

- QETF announces the distribution of dividends for 2021** – Doha Bank, as founder, and Aventure Capital Management (Qatar), the fund manager of the QE Index ETF announced a cash distribution of QR0.051 per unit. Unitholders of record of the QETF, at the close of business 18 May 2022, will receive a cash distribution payable on 22 May 2022. (QSE)
- Dukhan Bank reports QR392mn net profit for Q1** – Dukhan Bank has announced QR392mn net profit for the first quarter of 2022, recording an increase of 47% compared to the first quarter of 2021. During the three months period ending on 31 March 2022, the Bank's total assets exceeded QR108bn, and the total financing assets rose to QR75bn, while customer deposits reached QR72bn. Dukhan Bank's total income increased by more than 12% to QR1.1bn, compared to QR946mn for the same period in 2021. In addition, the cost-to-income ratio decreased to 23.7% from 26.2% during the same period last year, due to income growth and reduction in costs, which led to more operational efficiency. Total shareholders' equity exceeded QR14bn, and the capital adequacy ratio stands at 18.3% in accordance with the Basel III requirements, comfortably higher than the minimum supervisory ratio as specified by the Qatar Central Bank and guidelines of the Basel Committee. It is worth noting that Fitch Ratings affirmed the Bank's rating at "A-" with a stable outlook and the international rating agency Moody's affirmed the Bank's rating at "A2/Prime-1" with a stable outlook. (Peninsula Qatar)
- Cabinet approves draft decision to regulate price hikes** – In order to protect consumers' purchasing power, the Cabinet yesterday approved a draft decision by the Minister of Commerce and Industry on regulating the price increase mechanism. The decision will not only protect consumers but will also ensure the market balance for all players including suppliers and producers. The Prime Minister and Minister of Interior HE Sheikh Khalid bin Khalifa bin Abdulaziz Al Thani chaired the Cabinet's regular meeting held at its seat at the Amiri Diwan. The preparation of the draft decision comes to replace Article No. 8 of 2013 and in implementation of the provisions of Article 10 of Law No. 8 of 2008 regarding consumer protection, which prohibits the supplier from making any increase in the prices of goods and services, without complying with the bases and rules issued by the decision of the Minister, and within the framework of keeping pace with the economic and commercial developments and changes, and ensuring the effectiveness and balance of markets in a manner that allows suitable prices for all parties, whether producers, suppliers or consumers. This decision also comes in line with the state's policy aimed at preserving the purchasing power of individuals' income, reducing the burden on them, limiting price increases, and addressing any form of unjustified rises in the prices of goods and services, especially basic ones. (Peninsula Qatar)
- Qatar Insurance Group, Deloitte, Google Cloud to host Mena's first InsurTech Hackathon** – Qatar is gearing up to host InsurHack Mena, the first InsurTech Hackathon in the Mena region organized by Qatar Insurance Group, the leading insurer in Qatar, and the Mena region, together with Deloitte, the leading global professional services firm, Google Cloud, the global cloud provider, and QIC Digital Venture Partner (QIC DVP), the venture builder arm of Qatar Insurance Group. Insurance Mena is scheduled to take place virtually from June 5-6, giving the flexibility for participants to join from any part of the world. The Hackathon calls upon teams and startups across pre-seed, seed, and Series A stages from the Mena, Sea regions, and Europe to join the event. Following the two-day online event, 15 participants will be shortlisted out of 50 and will proceed to a one-week mentorship phase. The final six "best" teams selected, will be invited to a demo day in Doha on June 23, during the InsurTech Summit in Doha. (Peninsula Qatar)
- Customs duties will be collected on items sold only at end of exhibition** – Customs duties on jewelry and watches brought to the ongoing 18th Doha Jewelry and Watches Exhibition (DJWE) will be collected only on pieces sold at the end of the exhibition, Ahmed Yousef Al Khanji, director of Air Cargo and Private Airports Customs Department and head of the working team of the exhibition, has said. He said daily sales are deducted from the original invoice on the same day or the following day of sale in order to save time and effort of customs and exhibitors when reexporting the remaining jewelry and watches. Khanji added that the customs had

formed a specialized working team to facilitate the procedures for entering of the exhibits at arrival at the customs ports under the 'temporary entry' system, stressing that the uploading of shipment information to the system was also carried out using an excel file. He said the customs provide customs clearance services through the single window system 'Al-Nadeeb' for clearance, which helped companies to carry out temporary entry tasks easily and from anywhere and at their convenient time, noting that the ease of customs procedures provided the opportunity for senior representatives of international companies to participate in the exhibition. (Qatar Tribune)

- UDST and Qatar Solar Energy sign MoU to promote renewable energy** – University of Doha for Science and Technology (UDST) has signed a memorandum of understanding (MoU) with Qatar Solar Energy to develop collaboration opportunities that enhance education and support renewable energy and sustainability. The agreement was signed by UDST President Dr Salem Al-Naemi and Chairman of Qatar Solar Energy Salim Abbasi in the presence of a number of officials of the college and a delegation from the company. The MoU constitutes a strong base that explores research in the energy field, specifically renewable energy. Qatar Solar Energy will participate in the university's program advisory committee and will join UDST events and conferences that tackle energy audit and renewable energy. The university will consult with Qatar Solar Energy to equip many of its facilities and labs with the right sustainable machinery and tools. Moreover, UDST students will be offered an internship program by the company. (Qatar Tribune)
- Karwa introduces brand-new eco-taxi fleet** – In a push towards eco-mobility in public transport, Mowasalat (Karwa) has led the trend for greener drive systems and alternative fuels for the last several years. Now, the company is about to take a leap and replace all Karwa city taxis by an entire hybrid electric eco-taxi fleet. The vehicles use a self-charging Hybrid Electric System that runs on a mix of highly efficient low emission gasoline and electric motor. When starting up, stopping, or moving at slow speed, the vehicle is run entirely on electric power. Decelerating or breaking turns kinetic energy from the wheels into electricity, to be stored in the car battery. This is especially efficient in the inner-city boundaries, where traffic slows down the taxis. The company estimates that each vehicle will save around 12,000 kg of CO2 in comparison to a Taxi powered by a conventional fuel drive system. (Bloomberg)
- Qatari Boheme Investment buys McDonald's Turkey franchise owner** – AG Anadolu Group Holding on Wednesday signed a binding share transfer agreement with Qatari Boheme Investment GmbH for the sale of shares representing 100% of the capital of its subsidiary, Anadolu Restaurant, which operates the McDonald's franchises in Turkey. The holding made the related statement to the Public Disclosure Platform (KAP). "A binding share transfer agreement was signed between our company and Boheme Investment GmbH on May 11, 2022," the statement noted. It was also stated that the completion of the share transfer is subject to the fulfillment of the prerequisites in the share transfer agreement and that the transfer is expected to be concluded in the first half of 2022. According to the agreement reached by the parties, the transfer price will be determined by excluding the net debt amount in Anadolu Restaurant's balance sheet at the closing date and netting out the other assets and liabilities defined in the share transfer agreement from the amount of \$54.5mn, the statement said. It is estimated that the amount to be calculated by excluding the mentioned net debt amount and other assets and liabilities defined in the share transfer agreement is approximately \$5mn to \$6mn. Vienna-based Boheme Investment GmbH is the subsidiary of Kamal Saleh Al Mana, a Qatari investor. Kamal Saleh Al Mana also has a partnership that operates the franchise of McDonald's restaurants in Qatar. (Bloomberg)

International

- US Treasury reports record budget surplus in April as revenues soar** – The US government posted a \$308bn surplus in April - a record for any month - as receipts nearly doubled from a year earlier amid a strong economic recovery from the COVID-19 pandemic, the Treasury Department said on Wednesday. The April surplus compared to a \$226bn deficit for April 2021, when receipts were reduced by a one-month delay in the annual tax filing



deadline. The previous record monthly surplus was \$214bn in April 2018. April has traditionally been marked by budget surpluses due to the traditional April 15 tax filing deadline, but deficits for that month were recorded in 2009, 2010 and 2011 after the financial crisis, and in 2020 and 2021 due to the pandemic, a Treasury official told reporters. Receipts last month rose 97% from the year-earlier period to \$864bn, also a record for any month, the Treasury said. The growth in receipts was driven by an increase of \$400bn, or 274%, in individual non-withheld tax payments to \$546bn, with part of the rise accounted for by last year's tax deadline delay. But individual taxes withheld from paychecks also grew 8% to \$245bn in April. Outlays last month were \$555bn, down 16% from April 2021. The decline reflected lower spending for COVID-19 relief, including the end of direct payments to individuals and lower payments for unemployment and small business relief. For the first seven months of the 2022 fiscal year, the government reported a deficit of \$360bn, down 81% from the year-earlier deficit \$1.932tn. It was the lowest deficit for the first seven months of a fiscal year since a \$344bn gap for the same period of fiscal 2017, prior to the enactment of a Republican-backed tax cut package. Year-to-date receipts swelled by 39% to \$2.98tn - a record for the period - while outlays fell 18% to \$3.346tn. Federal Reserve earnings for the year-to-date period rose 46% to \$71bn, due to the expansion of the US central bank's bond portfolio over the past year. But the Treasury official said the growth would soon begin to reverse as the Fed pays out higher interest on bank reserve deposits due to a jump in interest rates. The Treasury's interest costs climbed 32% to \$60bn last month and rose 28% to \$350bn in the year-to-date period, largely as a result of compensation paid to holders of Treasury Inflation-Protected Securities (TIPS), which are indexed to consumer price inflation. The Treasury official said that interest costs on normal public debt securities increased by only \$2bn during the year-to-date period and the weighted-average yield on outstanding Treasury securities was 1.66% in April, versus 1.65% in April 2021. The Treasury said last week that strong receipts would allow it to pay down \$26bn in debt during the second quarter, with a period-end cash balance of \$800bn as it cuts debt auction sizes. (Reuters)

- US inflation simmers, worst of price gains likely behind** – US consumer price growth slowed sharply in April as gasoline eased off record highs, suggesting inflation has probably peaked, though it is likely to stay hot for a while and keep the Federal Reserve's foot on the brakes to cool demand. That aspect was reinforced by the report from the Labor Department on Wednesday, which also showed underlying monthly inflation pressures building up again after a lull in March as airline ticket prices notched their biggest increase on record. Rents rose by the most since 2006, further squeezing consumers who also paid more for food and healthcare. "The country's struggle with high inflation isn't over yet, but the markets can still breathe a sigh of relief that it is not getting any worse," said Christopher Rupkey, chief economist at FWDBONDS in New York. "The Fed can stay on plan with 50 basis points rate hikes in June and July and there is no reason to move more expeditiously to fight inflation." The consumer price index increased 0.3% last month, the smallest gain since last August as gasoline prices fell 6.1% after soaring 18.3% in March. That stood in sharp contrast to the 1.2% month-to-month surge in the CPI in March, which was the largest advance since September 2005. The drop in gasoline blunted a 0.9% increase in food prices. The rise in food prices was broad, with the cost of dairy and related products surging 2.5%, the largest gain since July 2007. Economists polled by Reuters had forecast consumer prices gaining 0.2% in April. But the deceleration in the monthly CPI is probably temporary. Gasoline prices are rising again and were averaging \$4.404 per gallon on Wednesday after hovering just above \$4.00 in April, according to AAA. Russia's unprovoked war against Ukraine is the main catalyst for the surge in gasoline prices, and has also driven up global goods prices. Inflation was already a problem before Moscow's Feb. 24 invasion of Ukraine because of stretched global supply chains as economies emerged from the COVID-19 pandemic after governments around the world injected large amounts of money in pandemic relief and central banks slashed interest rates. President Joe Biden on Wednesday again acknowledged the pain inflation was inflicting on American families and reiterated that bringing prices down "is my top economic priority." The Fed last week raised its policy interest rate by half a percentage point, the biggest hike in 22 years, and said it

would begin trimming its bond holdings next month. The US central bank started raising rates in March. (Reuters)

- US household strength may prolong Fed's inflation fight** – The financial strength built up in US households limited the damage from the coronavirus pandemic but may now be aggravating - and prolonging - the Federal Reserve's inflation fight as the central bank waits for people to run out of spending power. The recent dive in stock market prices - a source of household wealth that has broadened its influence across income levels in recent years - may help soften consumption eventually, but reports this week on household debt, financial conditions and inflation gave little sense consumers are close to a breaking point. Inflation data for April published Wednesday by the Labor Department cast the Fed's conundrum in sharp relief. As predicted overall consumer price growth eased significantly from March's highest-since-2005 pace but not by as much as expected. And under the hood were fresh indications of inflation pressures holding fast in key areas like rent and travel. read more "This is another upward inflation surprise and suggests that the deceleration is going to be painstakingly slow," said Seema Shah, chief strategist at Principal Global Investors. The Fed lifted interest rates by half a percentage point last week and Chair Jerome Powell signaled hikes of the same magnitude at its coming meetings in June and July as officials pledge to move "expeditiously" to battle inflation. Wednesday's Consumer Price Index's surprise to the upside was enough to rekindle market pricing for even more aggressive action. Officials will have the benefit of another month's inflation and employment data ahead of their mid-June gathering, which is when they will also release policymakers' collective projections for the interest rate and inflation outlook. The pressure - from consumers, businesses and elected officials - is clearly rising for the Fed to show progress in a fight that Powell warned last week would be unpleasant. President Joe Biden called inflation "unacceptably high" in a statement on Wednesday and said the Fed plays "a primary role" in slowing price hikes and criticized Republicans as having no plans to thwart inflation. "While it is heartening to see that annual inflation moderated in April, the fact remains that inflation is unacceptably high," Biden said. "While I will never interfere with the Fed's independence, I believe we have built a strong economy and a strong labor market, and I agree with what Chairman Powell said last week that the No. 1 threat to that strength - is inflation. I am confident the Fed will do its job with that in mind. Beyond the Fed, my inflation plan is focused on lowering the costs that families face and lowering the federal deficit." (Reuters)
- YouGov/Cebr: UK consumer gloom over finances sinks to new low** – The gloom among people in Britain over their personal finances hit a fresh all-time low in April, according to a survey which added to signs of how households are struggling to cope with a cost-of-living crisis. The monthly consumer sentiment survey from pollsters YouGov and consultancy Cebr showed sentiment around household finances - both in the past and in the future - slid to the lowest levels last month since the survey began 10 years ago. Previously released consumer confidence surveys have also pointed to a slump in expectations around personal finances. Last week the Bank of England warned of double-digit inflation and a high risk of recession. A Reuters analysis this week showed people were more downbeat about their finances and the economic outlook in Britain than in any other major European economy, raising questions about the levels of government support for households. YouGov/Cebr's overall gauge of consumer sentiment fell for a fifth month running to 102.9 in April, its lowest since November 2020, from 103.9 in March. "The YouGov/Cebr Consumer Confidence Index remains in free fall," said Kay Neufeld, head of forecasting at Cebr. Business surveys and labour market data have painted a healthier picture of the economy, which is one reason why the BoE has raised interest rates four times since December. But those indicators lagged behind consumer confidence ahead of the 2008/09 recession. "Worryingly consumers are also becoming less optimistic on the outlook for business activity going forward, which is likely driven by greater anxiety about a potential recession further down the line," Neufeld said. (Reuters)
- REC: UK jobs market cools a little but pay pressure still strong** – British employers added permanent staff last month at the weakest rate in over a year suggesting the labor market might be cooling a bit, according to a survey that will be noted by the Bank of England as it assesses inflation

pressures. The permanent staff placements index from accountants KPMG and the Recruitment and Employment Confederation (REC) fell for a fifth month running to 59.8 from 64.1, its lowest level since March 2021 but still well above the 50 threshold for growth. The survey's gauge of temporary staff hiring in April also fell to its lowest in a year. While starting pay for new hires continued to rise at a near-record pace, the survey suggested some of the heat from Britain's labor market - a key reason why the BoE has raised interest rates four times since December - is starting to fade. Neil Carberry, REC chief executive, said it was no surprise that some of the readings were coming off the boil. "The number of job placements being made is still growing, but at a more stable rate," he said. Last week the BoE warned Britain risks a double-whammy of inflation above 10% and a recession as it raised borrowing costs, although some of its officials are worried about the strength of pay pressure which could entrench price pressures. (Reuters)

- Bank of England interest rate could hit 4% or more, ex-policymakers warn** – The Bank of England will probably need to raise interest rates much more sharply than financial markets expect to get soaring inflation under control, former policymakers said on Wednesday. The BoE's Monetary Policy Committee (MPC) has raised its key interest rate four times since December to 1% - the highest level since 2009 - but still expects inflation to exceed 10% by the end of this year. "In my view the nominal interest rate - the short-term interest rate the MPC controls - will have to go up at least 250 to 300 basis points from here," Adam Posen, who served on the MPC from 2009 to 2012, told the British parliament's Treasury Committee. That would mean an interest rate of 3.5% to 4% - well above the 2.5% peak priced in by financial markets for June 2023. Posen, who is now the president of Washington's Peterson Institute for International Economics, said unemployment needed to go higher - effectively requiring a recession - for inflation to fall back swiftly to the BoE's 2% target. Last month the International Monetary Fund forecast Britain would see weaker growth and higher inflation than any other major advanced economy next year. While countries globally are suffering from soaring energy prices and supply chain bottlenecks, exacerbated by Russia's invasion of Ukraine, Posen said the extra inflation in Britain appeared to be mostly due to Brexit. The BoE's own forecasts imply interest rates might rise less than markets expect, as it predicts inflation will significantly undershoot its 2% target in three years if interest rates follow the path expected by markets. Annual consumer price inflation in Britain hit 7.0% in March, the highest reading in 30 years. Current MPC members typically do not talk directly about how high interest rates might go. Massachusetts Institute of Technology professor Kristin Forbes, who served on the MPC from 2014 to 2017, told lawmakers she was concerned the BoE had not been clear enough about the scale of rate hikes that might come. "Anyone who is buying a home or might have a variable interest rate on a credit card needs to be aware that rates could go up to the 3%-type level that Adam has mentioned," she said. Charles Goodhart, who served on the BoE's first MPC after it gained independence in 1997 and has taught at the London School of Economics, speculated that rates might need to go even higher. "It will take nominal interest rates well above 4% to actually start having a significant effect on the housing market, and my bet would be that we will go over 5%," Goodhart told the parliamentary hearing into inflation and economic policy. (Reuters)
- China says it will use various policy tools to support employment** – China will strive to stabilize the economy and will use various policy tools to support employment, state media quoted the cabinet as saying on Wednesday. China's fiscal and monetary policy will prioritize employment, and various policy tools will be used to help stave off job losses, the cabinet was quoted as saying after a regular meeting. "The new downward pressure on China's economy increased further in April due to the larger than expected impact from a new round of the pandemic and changes in the international situation," the cabinet said. The economy has taken a hit as local authorities raced to stop the spread of record COVID-19 cases, which have led to a full or partial lockdown in dozens of Chinese cities, including a city-wide shutdown in the commercial hub of Shanghai. The official jobless rate hit 5.8% in March, a near two-year high. China will exempt interest payments on student loans due this year for college graduates of this year and last year, the cabinet said. Price stability, grain output and goods supplies will be ensured, it added. An

additional 50bn yuan (\$7.45bn) in renewable energy subsidies will be allocated for central-government backed power firms, the cabinet said. China will also expand effective investment by channeling more private funds into infrastructure projects via issuance of real estate investment trusts (REITs), the cabinet said. The China Securities Regulatory Commission (CSRC) said in a separate statement that it would launch a special corporate financing scheme in its unwavering support to the private economy. The scheme is funded by state-owned China Securities Finance Corp, and will support private firms with good prospects and competitive technology, the CSRC said. (Reuters)

- Japan's economy to suffer Q1 slump on lower consumption** – Japan's economy likely contracted in the first three months of this year as the lingering fallout from the COVID-19 pandemic took a toll on consumption and exports, a Reuters poll showed. The weak reading will underscore the challenge policymakers face in pulling the world's third-largest economy sustainably out of the pandemic-induced doldrums. While the economy is likely to rebound in the current quarter, the outlook remains clouded by Russia's invasion of Ukraine that has led to a surge in commodity and fuel costs. Gross domestic product (GDP) likely shrank an annualized 1.8% in the January-March period after a 4.6% expansion in the previous quarter, according to analysts polled by Reuters. That would translate into a quarterly 0.4% contraction. "A big drop in consumption was mainly behind the contraction in January-March GDP, due largely to the outbreak of the Omicron variant," said Saisuke Sakai, senior economist at Mizuho Research and Technologies. "The recovery will remain moderate due to Japan's worsening terms of trade blamed on the Ukraine crisis and slowing global growth," he said. Private consumption, which accounts for more than half of GDP, likely fell 0.5%, largely because of the Omicron outbreak that forced the government to impose curbs on activity. External demand, or exports minus imports, likely knocked 0.3 percentage point off GDP growth, reflecting weak exports. Capital spending is expected to have risen 0.7% after a 0.3% increase in the previous quarter, according to the poll. (Reuters)

Regional

- GCC takes lead in ESG sukuk issuance** – GCC-based financial institutions took the lead in environmental, social and governance (ESG) sukuk issuance, comprising green and sustainability-linked sukuk in the first quarter of 2022, according to global data provider Refinitiv. The issuances, most of which came from the energy and utilities sectors, reached \$2.4bn in Q1 2022, slightly lower than the \$2.5bn issued during the same period in 2021. The debut issuance of \$900mn from Bahrain-based Infracorp, the infrastructure investment arm of Gulf Finance House, was the largest ESG sukuk issued during the quarter. Two other debut issuances, also from financial institutions, came from Saudi Arabia; the Saudi National Bank and Riyadh Bank issued sustainability-linked sukuk worth \$750mn each, Refinitiv said in a report. (Bloomberg)
- Shell leads all oil and gas brands, and Saudi Aramco takes second place** – Oil major Shell tops the oil and gas brands, growing its brand value by 18% to \$49.9bn this year, despite Covid, the conflict in Ukraine and increased awareness about ESG causing widespread havoc to the sector globally. Saudi Arabian oil giant Aramco retains the second place globally with 16% brand value growth to \$43.6bn and UAE's Adnoc grows strongly, up 19% to \$12.8bn, benefiting from top brand guardian CEO in the industry, according to a new report from the world's leading brand value consultancy, Brand Finance. After a tough two years due to wildly fluctuating demand, the oil and gas sector is powering ahead with the world's 50 most valuable oil and gas brands achieving an aggregate growth of 8% this year. Saudi Aramco is the world's second most valuable oil and gas brand and has substantially recovered its brand value lost during the pandemic. Aramco has been serving significantly increased demand for oil and gas products, correlated with large fiscal stimulus programs initiated around the world last year. (Zawya)
- UK to introduce eVisa Service to Saudi, Bahraini Citizens Starting June 1** – Starting June 1, nationals of Saudi Arabia and Bahrain can apply to travel to the UK (for tourism, business, study or medical treatment) for up to 6 months with an evisa waiver. An electronic visa waiver allows the holder to travel to the UK without obtaining a visa provided they complete

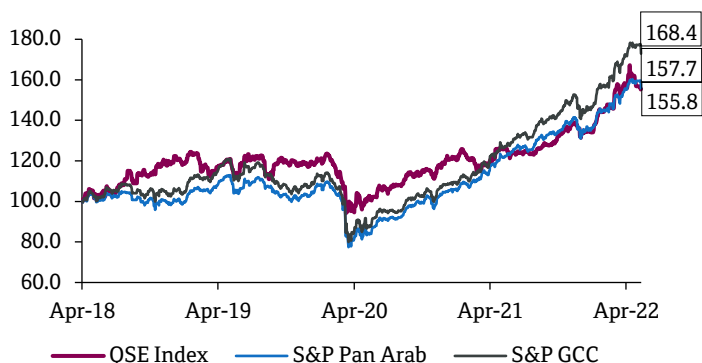


an online waiver for each visit. Saudi Arabia's Embassy in the UK said that holders of the Saudi passport can get an electronic visa waiver within 24 hours for \$37 (£30). In addition, the embassy clarified that applicants whose evisa waiver has been approved must print the approval to present it to British authorities upon arrival. (Bloomberg)

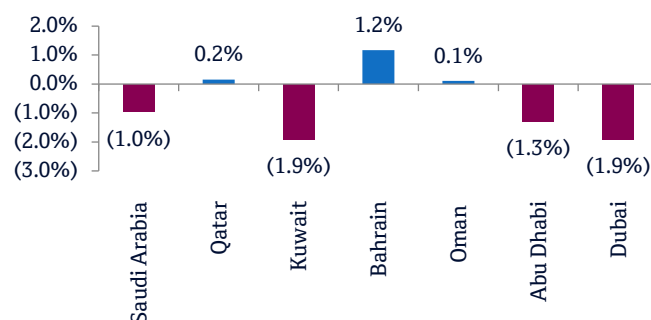
- Dubai Trade, Dubai Chamber tie up to expand services** – Dubai Trade, a DP World company, and the Dubai Chamber of Commerce have signed an agreement to allow the local business community easier access to the Chamber's trade services. This includes certificates of origin, attestation, and other membership services, which will be accessible on the Dubai Trade Portal, a single-window platform for international trade. The agreement was signed by Hamad Buamim, President & CEO of Dubai Chambers and Abdulla Bin Damithan, CEO & Managing Director, DP World UAE & Jafza. (Zawya)
- ADIB arranges AED 495mn in Shari'ah-compliant financing to finance two Gas Carriers** – Abu Dhabi Islamic Bank (ADIB), a leading financial institution, has arranged and structured a Shariah-compliant transaction of AED 495mn for ABGC DMCC, a joint venture between Al Seer Marine and BGN, for the construction of two Very Large Gas Carriers (VLGCs). The transaction represents ABGC's first Sharia based financing employing an 'Istisna-Ijarah' structure as well as ADIB's ongoing commitment and ability to finance significant assets in the marine and energy sectors. ADIB acted as the Mandated Lead Arranger and Bookrunner on the deal, with Commercial Bank of Dubai and National Bank of Fujairah as Mandated Lead Arrangers. The vessels will be constructed by Hyundai Heavy Industries for ABGC DMCC. (Zawya)
- Minister of Economy: UAE to begin reducing tariffs on India's goods by 90%** – Abdullah bin Touq Al Marri, Minister of Economy, said the implementation of a Comprehensive Economic Partnership Agreement (CEPA) signed between India and the UAE on 18th February 2022, came into force on 1st May, 2022, with the arrival of the first imports exempted from tariffs. In an interview with the Emirates News Agency (WAM), Al Marri said the CEPA between the two countries would help encourage trade by reducing custom tariffs by 90% and increase non-oil trade from US\$45bn at end of 2021 to US\$100bn annually in the next five years. The UAE chose India to sign the first CEPA, which underscores the strategic ties between the two countries. Since the launch of the CEPA programme as part of the 'Projects of the 50' initiative, the UAE began talks to sign CEPAs with several countries of strategic importance both regionally and internationally, aiming to sign eight agreements in 2022, he added. On the annual growth of the trade exchange between the two countries and their targets over the next five years, Al Marri said the CEPA between the UAE and India will intensify their bilateral trade and add 1.7%, or US\$9bn, to the UAE's GDP by 2030, increase the UAE's exports by 1.5% and its imports by 3.8% by 2030. It will also create some 140,000 jobs for talented people and those with specialist skills in the most promising sectors of the UAE economy by 2030. (Zawya)
- Dubai's DMCC to co-develop trade hub, free zone in Colombia** – DMCC, a key flagship free zone in Dubai, has signed an agreement with Dakia U Ventures (U Ventures), to co-develop a trade hub and free zone at Cartagena de India's in Colombia. As per the MoU, the Cartagena International Commerce Zone will be developed and operated in direct collaboration with federal and national government entities of Colombia. U Ventures is an international investment holding company specializing in designing, financing, developing, and operating international macro-scale projects. The free-trade designated territory will be a common law district based on English common law, which will create an international business platform with unique benefits such as balanced arbitration facilities, incorporated country risk insurance, global trade networks, and access to capital. Once established, the Cartagena International Commerce Zone will become Latin America's first Common Law District Arbitration Centre. As per the deal, DMCC and the Cartagena International Commerce Zone aim to offer their member companies passporting rights between the two free zones, which will enhance bilateral trade opportunities and provide greater access to global markets. (Zawya)
- Dubai government departments to be restructured to reduce operating costs** – Two government departments in Dubai will be restructured to support the Emirate's growth and development plans. His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice-President and Prime Minister of the UAE and Ruler of Dubai announced the restructuring plans for Dubai Municipality and Land Department as he chaired a meeting of the Dubai Council. The Dubai Municipality will be transformed into a "specialized institution" that adopts a "private sector mindset" to provide high-quality municipal services. The move seeks to enhance the authority's ability to keep pace with global changes in the environment, climate change, circular economy, and the acceleration of partnerships with the private sector. The restructuring aims to create economic opportunities worth Dh10bn within five years and reduce operating costs by 10%. It will also increase the quality of services by 20%, tweeted Sheikh Mohammed. A comprehensive restructuring of the Land Department aims at raising operational efficiency by 20%. (Zawya)
- Dubai: Global Village concludes with record-breaking 7.8mn visitors** – Dubai's Global Village, the region's leading multicultural family destination, concluded Season 26 on May 7, 2022. The tourist attraction has welcomed a record-breaking 7.8mn guests since its opening on October 26, 2021. As the UAE became one of the most sought-after destinations with millions of tourists visiting Expo 2020 Dubai, Global Village brought together an exciting line-up of shows, festivals, events and live concerts. (Zawya)
- Emirates partners with DCT Abu Dhabi to encourage more visits and boost tourism to the emirate** – Emirates and the Department of Culture and Tourism – Abu Dhabi (DCT Abu Dhabi), have signed a Memorandum of Understanding (MoU) to boost tourist numbers across the airline's global network. The new partnership is part of the airline's commitment to promote tourism to the UAE by aligning activities with other tourism partners and capitalizing on opportunities to encourage visitors to experience more than one destination in the UAE during their stay. The MoU was signed at Arabian Travel Market by Adnan Kazim, Emirates' Chief Commercial Officer and Saleh Mohamed Al Geziry, Director-General for Tourism, at DCT Abu Dhabi. Under the MoU, the parties will work closely to explore and implement promotional activities as well as bespoke packages for tour operators and the wider travel trade in key markets across the airline's network to encourage visits to Abu Dhabi as part of their overall UAE holiday. The two partners will also collaborate on advertising and cross-promotional marketing campaigns, familiarization programs for travel trade and media, as well as promotional competitions. (Zawya)
- Uncertainty over bank loan deferrals 'hits businesses' in Bahrain** – Uncertainty over bank loan deferrals has led to people cutting back on spending, leading to a slump in business, MPs have claimed. Twenty legislators led by Bahrainization Committee chairman Ebrahim Al Nefaei have urged the Cabinet and the Central Bank of Bahrain (CBB) to defer loans until the end of the year, asserting that the move was vital to spur the market. "The CBB must take the decision before the six-month deal expires in June to pump more cash into businesses," they said. Parliament last month unanimously approved a proposal to defer all bank loan instalments until the end of the year for Bahrainis and local businesses and referred it to the Cabinet, which hasn't responded to it yet. Loans were initially deferred in 2020, from March until August, without bank charges. They were deferred four more times under optional deals in which interest was calculated from August 2020 until June this year. Mr Al Nefaei said the aim was to allow people and businesses to 'properly recover' from the effects of the Covid-19 pandemic, despite positive indicators on the economy rebounding with the easing of restrictions. Global repercussions of the Russia-Ukraine conflict are also causing concern, he said. (Zawya)
- Oman to fast-track nod to pharma products** – Oman, a member of the Gulf Cooperation Council (GCC) has agreed to fast-track the approval of Indian pharma products registered by regulatory agencies in the US, the UK and the EU, the commerce and industry ministry said after the India-Oman Joint Commission Meeting on Wednesday. A commerce ministry official said that India is also examining Oman's request for a limited trade agreement with India, adding that Oman will also be part of the Free Trade Agreement (FTA) currently being negotiated with the GCC. (Bloomberg)
- India, Oman agrees to have joint feasibility study on limited trade deal** – India and Oman agreed to undertake a joint feasibility study, before going



ahead with a preferential trade deal on limited goods. A senior commerce department official said Oman had requested India for a preferential trade agreement on limited items, where both nations can discuss reduction in tariff of some items of export interest. The development is taking place at a time when India is set to begin deeper engagements with the Gulf Cooperation Council (GCC) countries towards inking a free trade agreement (FTA). GCC is a regional, intergovernmental political-economic union comprising six countries — Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates (UAE). “We are also negotiating a free trade agreement with GCC (Gulf Cooperation Council) countries, in which Oman is also a member... Oman will also be a party to the GCC FTA as and when it is concluded. Meanwhile, they suggested that they can consider a PTA. For that, India said both nations need to do a feasibility study jointly. (Bloomberg)

Rebased Performance


Source: Bloomberg

Daily Index Performance


Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,852.40	0.8	(1.7)	1.3
Silver/Ounce	21.57	1.4	(3.5)	(7.4)
Crude Oil (Brent)/Barrel (FM Future)	107.51	4.9	(4.3)	38.2
Crude Oil (WTI)/Barrel (FM Future)	105.71	6.0	(3.7)	40.6
Natural Gas (Henry Hub)/MMBtu	7.48	6.9	(11.1)	104.4
LPG Propane (Arab Gulf)/Ton	124.63	1.7	(2.4)	11.0
LPG Butane (Arab Gulf)/Ton	126.13	1.3	(3.1)	(9.4)
Euro	1.05	(0.2)	(0.4)	(7.5)
Yen	129.97	(0.4)	(0.5)	12.9
GBP	1.23	(0.5)	(0.8)	(9.5)
CHF	1.01	0.1	(0.6)	(8.2)
AUD	0.69	0.0	(2.0)	(4.5)
USD Index	103.85	(0.1)	0.2	8.5
RUB	118.69	0.0	0.0	58.9
BRL	0.19	(0.2)	(1.2)	8.4

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,652.59	(0.9)	(4.0)	(17.9)
DJ Industrial	31,834.11	(1.0)	(3.2)	(12.4)
S&P 500	3,935.18	(1.6)	(4.6)	(17.4)
NASDAQ 100	11,364.24	(3.2)	(6.4)	(27.4)
STOXX 600	427.59	1.7	(0.9)	(18.9)
DAX	13,828.64	2.1	0.8	(19.0)
FTSE 100	7,347.66	1.3	(1.1)	(9.7)
CAC 40	6,269.73	2.5	(0.2)	(18.9)
Nikkei	26,213.64	0.4	(2.6)	(19.3)
MSCI EM	1,011.22	0.4	(2.0)	(17.9)
SHANGHAI SE Composite	3,058.70	0.9	1.1	(20.5)
HANG SENG	19,824.57	1.0	(0.9)	(15.8)
BSE SENSEX	54,088.39	(0.5)	(1.8)	(10.5)
Bovespa	104,396.90	1.7	(2.1)	8.1
RTS	1,123.93	3.3	3.3	(29.6)

Source: Bloomberg (*\$ adjusted returns)



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