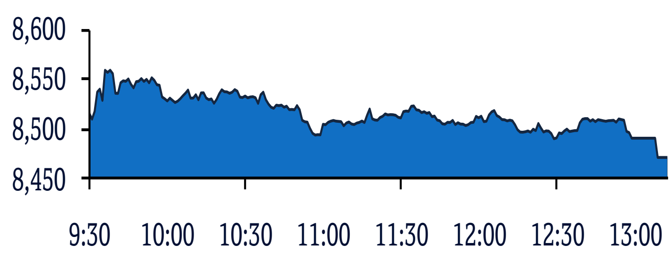
Daily Market Report

Sunday, 26 April 2020

QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.3% to close at 8,473.2. Losses were led by the Real Estate and Insurance indices, falling 1.3% and 1.1%, respectively. Top losers were Qatari German Company for Medical Devices and Mannai Corporation, falling 10.0% and 6.2%, respectively. Among the top gainers, Ezdan Holding Group gained 10.0%, while Qatar Gas Transport Company Limited was up 6.8%.

GCC Commentary

Saudi Arabia: The TASI Index gained 1.0% to close at 6,604.9. Gains were led by the Transportation and Insurance indices, rising 2.8% and 2.6%, respectively. Amana Cooperative Insurance rose 10.0%, while SABB Takaful was up 6.3%.

Dubai: The DFM Index gained 1.5% to close at 1,891.1. The Consumer Staples and Discretionary index rose 12.1%, while the Services index gained 5.5%. DXB Entertainments rose 13.0%, while Al Salam Group Holding was up 10.0%.

Abu Dhabi: The ADX General Index gained 1.9% to close at 4,063.0. The Real Estate index rose 5.1%, while the Energy index gained 3.1%. Abu Dhabi Ship Building Company rose 13.9%, while Dana Gas was up 6.5%.

Kuwait: The Kuwait All Share Index fell 0.7% to close at 4,685.4. The Consumer Services index declined 1.2%, while the Banks index fell 1.1%. Real Estate Trade Centers Company declined 13.7%, while Intl. Financial Advisors was down 12.4%.

Oman: The MSM 30 Index gained 0.9% to close at 3,482.1. Gains were led by the Industrial and Services indices, rising 0.8% and 0.7%, respectively. Oman Flour Mills rose 7.7%, while Al Anwar Ceramic Tiles Co. was up 3.3%.

Bahrain: The BHB Index fell 0.1% to close at 1,307.6. The Services index declined 0.7%, while the other indices ended flat or in green. Bahrain Duty Free Complex declined 7.8%, while Ahli United Bank was down 0.5%.

Market Indicators	23 Apr 20	22 Apr 20	%Chg.
Value Traded (QR mn)	449.2	422.5	6.3
Exch. Market Cap. (QR mn)	477,489.9	476,410.2	0.2
Volume (mn)	345.0	301.4	14.5
Number of Transactions	11,439	10,599	7.9
Companies Traded	45	44	2.3
Market Breadth	14:27	40:3	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	16,289.46	0.0	(0.9)	(15.1)	12.8
All Share Index	2,636.63	(0.0)	(1.3)	(14.9)	13.4
Banks	3,793.29	(0.4)	(2.0)	(10.1)	12.3
Industrials	2,160.79	0.1	(2.7)	(26.3)	16.5
Transportation	2,478.30	5.7	7.4	(3.0)	12.0
Real Estate	1,191.54	(1.3)	(2.7)	(23.9)	10.4
Insurance	2,011.28	(1.1)	(4.9)	(26.5)	33.6
Telecoms	812.48	(0.0)	4.6	(9.2)	13.4
Consumer	6,909.00	0.1	1.2	(20.1)	17.3
Al Rayan Islamic Index	3,275.40	(0.3)	(0.6)	(17.1)	14.8

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Qatar Gas Transport Co.	Qatar	2.35	6.8	16,895.3	(1.7)
Emaar Malls	Dubai	1.19	6.3	54,179.1	(35.0)
Aldar Properties	Abu Dhabi	1.58	5.3	23,481.5	(26.9)
Abu Dhabi Comm. Bank	Abu Dhabi	4.42	4.5	5,538.2	(44.2)
Bank Al Bilad	Saudi Arabia	21.50	3.9	1,455.6	(20.1)

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Qatar Fuel Company	Qatar	16.03	(3.7)	1,729.8	(30.0)
Masraf Al Rayan	Qatar	3.69	(2.6)	2,942.8	(6.8)
Burgan Bank	Kuwait	0.19	(2.6)	1,284.3	(37.8)
The Commercial Bank	Qatar	3.91	(1.9)	4,198.3	(16.7)
Agility Public Wareh. Co.	Kuwait	0.54	(1.5)	2,126.9	(33.6)

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

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Ezdan Holding Group	0.67	10.0	149,757.4	9.1
Qatar Gas Transport Company Ltd.	2.35	6.8	16,895.3	(1.7)
Salam International Inv. Ltd.	0.29	6.2	37,701.8	(43.9)
Qatar Navigation	5.20	5.7	2,666.2	(14.8)
Vodafone Qatar	0.99	4.5	9,192.4	(14.4)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatari German Co for Med. Dev.	0.79	(10.0)	21,243.2	35.1
Mannai Corporation	2.87	(6.2)	275.6	(6.9)
Islamic Holding Group	1.76	(6.0)	3,231.9	(7.6)
Dlala Brokerage & Inv. Holding	0.53	(6.0)	1,923.7	(13.4)
United Development Company	0.90	(4.9)	11,654.1	(40.7)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Ezdan Holding Group	0.67	10.0	149,757.4	9.1
Salam International Inv. Ltd.	0.29	6.2	37,701.8	(43.9)
Qatari German Co for Med. Dev.	0.79	(10.0)	21,243.2	35.1
Mazaya Qatar Real Estate Dev.	0.59	(0.5)	19,748.0	(18.6)
Qatar Gas Transport Co. Ltd.	2.35	6.8	16,895.3	(1.7)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Ezdan Holding Group	0.67	10.0	95,223.9	9.1
QNB Group	17.00	0.3	45,616.5	(17.4)
Qatar Gas Transport Co. Limited	2.35	6.8	39,061.2	(1.7)
Qatar Fuel Company	16.03	(3.7)	27,727.7	(30.0)
Qatari German Co. for Med. Dev.	0.79	(10.0)	17,825.8	35.1

Source: Bloomberg (* in QR)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	8,473.21	(0.3)	(1.2)	3.2	(18.7)	122.54	130,354.7	12.8	0.8	4.7
Dubai	1,891.06	1.5	1.7	6.8	(31.6)	86.58	75,793.4	7.2	0.7	6.6
Abu Dhabi	4,062.99	1.9	2.4	8.8	(20.0)	63.83	122,122.5	11.4	1.1	6.1
Saudi Arabia	6,604.90	1.0	(0.4)	1.5	(21.3)	1,102.87	2,011,177.9	18.2	1.6	4.0
Kuwait	4,685.43	(0.7)	(1.3)	(2.8)	(25.4)	97.91	85,811.2	13.2	1.1	4.5
Oman	3,482.08	0.9	(1.6)	1.0	(12.5)	1.16	15,138.1	7.3	0.7	8.0
Bahrain	1,307.59	(0.1)	(0.4)	(3.2)	(18.8)	1.33	20,205.6	9.4	0.8	5.9

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 0.3% to close at 8,473.2. The Real Estate and Insurance indices led the losses. The index fell on the back of selling pressure from non-Qatari shareholders despite buying support from Qatari and GCC shareholders.
- Qatari German Company for Medical Devices and Mannai Corporation were the top losers, falling 10.0% and 6.2%, respectively. Among the top gainers, Ezdan Holding Group gained 10.0%, while Qatar Gas Transport Company Limited was up 6.8%.
- Volume of shares traded on Thursday rose by 14.5% to 345.0mn from 301.4mn on Wednesday. Further, as compared to the 30-day moving average of 139.4mn, volume for the day was 147.5% higher. Ezdan Holding Group and Salam International Investment Limited were the most active stocks, contributing 43.4% and 10.9% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	27.60%	35.97%	(37,572,350.25)
Qatari Institutions	32.81%	19.21%	61,094,121.83
Qatari	**60.41%**	**55.18%**	**23,521,771.58**
GCC Individuals	1.46%	1.55%	(421,915.70)
GCC Institutions	5.27%	0.30%	22,319,969.27
GCC	**6.73%**	**1.85%**	**21,898,053.57**
Non-Qatari Individuals	11.80%	19.23%	(33,409,323.20)
Non-Qatari Institutions	21.07%	23.74%	(12,010,501.94)
Non-Qatari	**32.87%**	**42.97%**	**(45,419,825.14)**

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

Earnings Releases, Global Economic Data and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 1Q2020	% Change YoY	Operating Profit (mn) 1Q2020	% Change YoY	Net Profit (mn) 1Q2020	% Change YoY
Zahrat Al Waha for Trading Co.	Saudi Arabia	SR	123.6	-4.8%	16.5	23.1%	12.9	41.4%
Hail Cement Co.	Saudi Arabia	SR	119.5	74.2%	48.2	123.9%	40.2	78.4%
Herfy Food Services Co.	Saudi Arabia	SR	296.9	-5.3%	34.8	-41.2%	25.1	-47.7%
Saudi Automotive Services Co.	Saudi Arabia	SR	641.1	14.3%	17.1	148.6%	8.1	-8.6%
Muscat Insurance Co.	Oman	OMR	7.7	-5.3%	–	–	(0.3)	N/A
The Financial Corporation Co.	Oman	OMR	0.1	39.8%	–	–	(1.0)	N/A
Gulf Mushroom Products Co.	Oman	OMR	1.7	-16.1%	–	–	0.1	-68.8%
Computer Stationery Industry#	Oman	OMR	321.1	-30.2%	–	–	(31.9)	N/A

Source: Company data, DFM, ADX, MSM, TASI, BHB. (# – Values in Thousands)

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
04/23	US	Department of Labor	Initial Jobless Claims	18-Apr	4,427k	4,500k	5,237k
04/23	US	Department of Labor	Continuing Claims	11-Apr	1,5976k	1,6738k	1,1912k
04/23	US	Bloomberg	Bloomberg Economic Expectations	Apr	29	–	46.5
04/23	US	Bloomberg	Bloomberg Consumer Comfort	19-Apr	41.4	–	44.5
04/23	US	Markit	Markit US Manufacturing PMI	Apr	36.9	35	48.5
04/23	US	Markit	Markit US Services PMI	Apr	27	30	39.8
04/23	US	Markit	Markit US Composite PMI	Apr	27.4	–	40.9
04/23	US	US Census Bureau	New Home Sales	Mar	627k	642k	741k
04/23	UK	Markit	Markit UK PMI Manufacturing SA	Apr	32.9	42	47.8
04/23	UK	Markit	Markit/CIPS UK Services PMI	Apr	12.3	27.8	34.5
04/23	UK	Markit	Markit/CIPS UK Composite PMI	Apr	12.9	29.5	36
04/23	UK	Confederation of British Indus	CBI Business Optimism	Apr	-87	-58	23
04/24	UK	GfK NOP (UK)	GfK Consumer Confidence	Apr	-34	-40	-34
04/23	EU	Markit	Markit Eurozone Manufacturing PMI	Apr	33.6	38	44.5
04/23	EU	Markit	Markit Eurozone Services PMI	Apr	11.7	22.8	26.4
04/23	EU	Markit	Markit Eurozone Composite PMI	Apr	13.5	25	29.7
04/23	Germany	GfK AG	GfK Consumer Confidence	May	-23.4	-1.8	2.3
04/23	Germany	Markit	Markit/BME Germany Manufacturing PMI	Apr	34.4	39	45.4
04/23	Germany	Markit	Markit Germany Services PMI	Apr	15.9	28	31.7
04/23	Germany	Markit	Markit/BME Germany Composite PMI	Apr	17.1	28.5	35
04/24	Germany	IFO Institute - Institut fuer	IFO Business Climate	Apr	74.3	79.7	85.9
04/24	Germany	IFO Institute - Institut fuer	IFO Expectations	Apr	69.4	75	79.5
04/24	Germany	IFO Institute - Institut fuer	IFO Current Assessment	Apr	79.5	80.5	92.9
04/23	France	INSEE National Statistics Office	Business Confidence	Apr	62	80	94

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
04/23	France	INSEE National Statistics Office	Manufacturing Confidence	Apr	82	83	98
04/23	France	INSEE National Statistics Office	Production Outlook Indicator	Apr	-78	-45	-33
04/23	France	Markit	Markit France Manufacturing PMI	Apr	31.5	37	43.2
04/23	France	Markit	Markit France Services PMI	Apr	10.4	24.5	27.4
04/23	France	Markit	Markit France Composite PMI	Apr	11.2	24.5	28.9
04/23	Japan	Markit	Jibun Bank Japan PMI Mfg	Apr	43.7	–	44.8
04/23	Japan	Markit	Jibun Bank Japan PMI Services	Apr	22.8	–	33.8
04/23	Japan	Markit	Jibun Bank Japan PMI Composite	Apr	27.8	–	36.2
04/24	Japan	Bank of Japan	PPI Services YoY	Mar	1.60%	1.70%	2.10%
04/24	Japan	Ministry of Economy Trade and Ins.	All Industry Activity Index MoM	Feb	-0.60%	-0.50%	0.60%

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

Earnings Calendar

Tickers	Company Name	Date of reporting 1Q2020 results	No. of days remaining	Status
QISI	Qatar Islamic Insurance Group	27-Apr-20	1	Due
MPHC	Mesaieed Petrochemical Holding Company	27-Apr-20	1	Due
BLDN	Baladna	27-Apr-20	1	Due
QFBQ	Qatar First Bank	28-Apr-20	2	Due
QATI	Qatar Insurance Company	28-Apr-20	2	Due
QAMC	Qatar Aluminum Manufacturing Company	28-Apr-20	2	Due
AHCS	Aamal Company	28-Apr-20	2	Due
IGRD	Investment Holding Group	28-Apr-20	2	Due
GWCS	Gulf Warehousing Company	28-Apr-20	2	Due
QGRI	Qatar General Insurance & Reinsurance Company	29-Apr-20	3	Due
ZHCD	Zad Holding Company	29-Apr-20	3	Due
GISS	Gulf International Services	29-Apr-20	3	Due
MERS	Al Meera Consumer Goods Company	29-Apr-20	3	Due
DOHI	Doha Insurance Group	29-Apr-20	3	Due
ORDS	Ooredoo	29-Apr-20	3	Due
SIIS	Salam International Investment Limited	30-Apr-20	4	Due
QOIS	Qatar Oman Investment Company	30-Apr-20	4	Due
AKHI	Al Khaleej Takaful Insurance Company	30-Apr-20	4	Due

Source: QSE

News

Qatar

- **KCBK's bottom line rises 0.3% YoY and 18.8% QoQ in 1Q2020, in-line with our estimate –** Al Khalij Commercial Bank's (KCBK) net profit rose 0.3% YoY (+18.8% QoQ) to QR177.0mn in 1Q2020, in line with our estimate of QR184.2mn (variation of -3.9%). Net Interest Income increased 16.1% YoY and 12.0% QoQ in 1Q2020 to QR269.3mn. The company's Net Operating Income came in at QR315.2mn in 1Q2020, which represents an increase of 9.0% YoY (+12.1% QoQ). Operating expenses saw a 6% rise to QR82mn, translating into 26.1% cost-to-income ratio at the end of first quarter ended March 31, 2020 against 26.8% the year-ago period. The EPS remained flat YoY at QR0.05 in 1Q2020. The bank's Total Assets stood at QR56.1bn at the end of March 31, 2020, up 11.8% YoY (+4.4% QoQ). Loans and Advances to Customers were QR31.6bn, registering a rise of 2.6% YoY and QoQ at the end of March 31, 2020. Customer Deposits rose 6.8% YoY to reach QR28.8bn at the end of March 31, 2020. However, on QoQ basis Customer Deposits fell 1.3%. Fahad Al Khalifa, KCBK's Group CEO said that with a strong capital base, good liquidity, provision coverage and efficient control of costs, the bank is well placed to face the current challenges posed by the coronavirus pandemic. The bank's non-performing loans stood at 1.84% compared to 1.93% in the previous year period. The capital adequacy ratio was 17.6% at the end of March 31, 2020 compared to 18.4% in the comparable period of 2019. He said, "We ended the first quarter of 2020 expanding Balance Sheet and growing Operating Income. At the same time, we remain prudent and took necessary risk management steps, which included enhancing our provisions, and keeping close control over operating costs, enabling us to deliver a net profit of QR177mn. With a strong capital base, good liquidity, provision coverage and efficient control of costs, we are well placed to face the current challenges posed by the Coronavirus pandemic. This pandemic affects us all. Our primary goal is to safeguard our employees and their families. Coupled with that, our other goal is to maintain continuity of service to our customers with minimal disruption, and the bank has taken effective steps to deliver on this. In addition, in accordance with the directives of HH the Amir Sheikh Tamim bin Hamad Al Thani and guidelines issued by the Qatar Central Bank, we are working with our customers in effected sectors to see how best to accommodate their situation." (QNB FS Research, QSE, Gulf-Times.com)

- **MARK's bottom line rises 0.5% YoY and 4.2% QoQ in 1Q2020, in-line with our estimate –** Masraf Al Rayan's (MARK) net profit rose 0.5% YoY (+4.2% QoQ) to QR547.0mn in 1Q2020, in line with our estimate of QR556.3mn (variation of -1.7%). Total Net Income from Financing and Investing Activities increased 5.3% YoY in 1Q2020 to QR1,172.0mn. However, on QoQ basis Total Net Income from Financing and Investing Activities declined 1.9%. The company's Total Income came in at QR1,312.3mn in 1Q2020, which represents an increase of 4.1% YoY. However, on QoQ basis Total Income fell 1.0%. The bank's Total Assets stood at QR109.1bn at the end of March 31, 2020, up 8.7% YoY (+2.5% QoQ). Financing Assets were QR79.3bn, registering a rise of 4.5% YoY (+5.9% QoQ) at the end of March 31, 2020. Customer Current Accounts rose 2.4% YoY and 5.4% QoQ to reach QR7.9bn at the end of March 31, 2020. EPS remained flat YoY at QR0.073 in 1Q2020. Adel Mustafawi, Group CEO, stated that the results are a reflection of the strong ratios the bank continues to maintain in all its key financial indicators. Mustafawi further elaborated on the financial results as follows: (1) Return on average assets is 2.03%, (2) Return on average shareholders' equity is 16.41%, (3) Book value per share reached QR1.70 compared to QR1.64 as of March 31, 2019, (4) Capital adequacy ratio, using Basel-III standards and QCB regulations, reached 19.89% compared to 19.28% as of March 31, 2019, (5) Operational efficiency ratio (cost to income ratio) stood at 22.71% and remained as one of the best ratios in the region, (6) Non-performing financing (NPF) ratio reached 0.94% reflecting strong and prudent credit and risk management policies and procedures. MARK continues to focus on providing integrated Shari'ah-compliant banking solutions for both retail and corporate customers in order to meet their increasing and varied needs and on developing technology-based banking services made available in various forms and applications to ensure the best customer service at all times. (QNB FS Research, QSE, Gult-Times.com)
- **DBIS' bottom line rises 120.4% YoY in 1Q2020 –** Dlala Brokerage and Investments Holding Co. (DBIS) reported net profit of QR2.5mn in 1Q2020 as compared to net profit of QR1.1mn (+120.4% YoY) in 1Q2019 and net loss of QR9.4mn in 4Q2019.The company's Net brokerage Commission Income came in at QR4.1mn in 1Q2020, which represents an increase of 5.6% YoY (+18.1% QoQ). EPS amounted to QR0.009 in 1Q2020 as compared to QR0.004 in 1Q2019. (QSE)
- **NLCS reports net loss of QR5.5mn in 1Q2020 –** Alijarah Holding (NLCS) reported net loss of QR5.5mn in 1Q2020 as compared to net profit of QR5.0mn in 1Q2019 and net profit of QR11.3mn in 4Q2019.The company's Total Revenues and Income came in at QR28.2mn in 1Q2020, which represents a decrease of 19.0% YoY (-49.1% QoQ). Loss per share amounted to QR0.011 in 1Q2020 as compared to EPS of QR 0.010 in 1Q2019. (QSE)
- **QCFS posts 53.3% YoY decrease but 85.3% QoQ increase in net profit in 1Q2020 –** Qatar Cinema and Film Distribution Company's (QCFS) net profit declined 53.3% YoY (but rose 85.3% on QoQ basis) to QR1.5mn in 1Q2020.The company's Operating Income came in at QR1.3mn in 1Q2020, which represents a decrease of 14.2% YoY (-34.9% QoQ). EPS amounted to QR0.02 in 1Q2020 as compared to QR0.05 in 1Q2019. (QSE, Gulf-Times.com)
- **QSE announces official business and trading hours during the month of Ramadan –** Qatar Stock Exchange (QSE) announced that the official business hours during the month of Ramadan will be from 9:00 am to 1:00 pm as per QFMA instruction. Trading hours will remain unchanged from 09:30 to 13:15 with a pre-opening session starting at 09:00 and ending at 09:30. QSE wishes you all Ramadan Kareem. (QSE)
- **KCBK announces that Investors Relation conference call will be held on April 26 –** Al Khalij Commercial Bank (KCBK) announced that the conference call with the Investors to discuss the financial results for the 1Q2020 will be held on April 26, 2020 at 01:00 pm, Doha Time. (QSE)
- **QIIK announces that Investors Relation conference call will be held on April 29 –** Qatar International Islamic Bank (QIIK) has announced that its Investor Relations conference call will be held on April 29, 2020, at 1:00 pm Doha time. (QSE)
- **DHBK announces that Investors Relation conference call will be held on April 28 –** Doha Bank (DHBK) has announced that its Investor Relations conference call will be held on April 28, 2020, at 12:30 pm Doha time. (QSE)
- **DOHI announces that Investors Relation conference call will be held on April 30 –** Doha Insurance Group (DOHI) has announced that its Investor Relations conference call will be held on April 30, 2020, at 12:00 pm Doha time. (QSE)
- **MCGS announces that Investors Relation conference call will be held on April 28 –** Medicare Group (MCGS) has announced that its Investor Relations conference call will be held on April 28, 2020, at 1:00 pm Doha time. (QSE)
- **Qatar announces intention to bid for hosting 2030 Asian Games –** Qatar Olympic Committee (QOC) announced its intention to bid for hosting the 21st edition of the Asian Games in 2030, as Qatar is looking to continue hosting major world championships and sporting events. Qatar hosted the 15th Asian Games in 2006, achieving great success and it was a milestone in the history of Qatar sport. "In light of the full support from the wise leadership, QOC intends to bid for hosting the 21st edition of the Asian Games," President of the Qatar Olympic Committee HE Sheikh Joaan bin Hamad Al-Thani said, adding it was an honor that Qatar had hosted the Games for the first time in 2006. The President added, "We believe it is time to bid to host it again to welcome all of Asia to our country." (Peninsula Qatar)
- **KPMG: Qatar's consumer sector one of the least affected by the pandemic –** With e-Commerce assuming greater role amid restrictions to reduce the spread of COVID-19, Qatar's consumer sector is one of the least affected by the pandemic but logistics issues ought to be strengthened further, according to market experts. Highlighting the mixed response of the sector to the pandemic, KPMG Qatar said as the e-commerce (is) picking up, the traditional retail shopping (is) getting impacted. "Logistics and supply chain issues are to be sorted out in the short run," it said a report. There are as many as 10 companies under the consumer goods and services sector in the Qatar Stock Exchange (QSE). Already leading retailers and malls have started their online sales and going by the reports, there is a long queue and substantial wait period, analysts said, adding

many small neighborhood groceries and third-party app providers have embarked on online facilitation. Qatar has already launched Theqa' – the new website of Qatar's e-commerce gateway – aimed at stimulating Qatar's e-commerce sector and develop local online retail sales. It is learnt that the Ministry of Transport and Communications (MoTC) is drafting an e-commerce licensing code to organize shopping via social media and local e-commerce companies. The purpose behind drafting such a law is to protect consumers and regulate the work of these companies and websites by providing them with commercial licenses, legitimizing their transactions, and protecting intellectual property. KPMG Qatar said utilities, telecom and healthcare sectors were also least affected by the pandemic. Qatar government has announced a QR75bn stimulus package to the private sector, apart from an additional QR10bn fund support to the QSE. Much of the QR75bn package will be in the form of supporting the repo activities of the Qatar Central Bank through which the cost of borrowing is expected to be brought down considerably for the corporate sector, a credit rating agency note said. (Gulf-Times.com)

- **ValuStrat: Total housing stocks in Qatar rises to 299,100 units by end of the first quarter of 2020 –** Total housing stocks in Qatar by end of the first quarter of 2020 reached approximately 299,100 units with the addition of 900 apartments and 500 villas during the quarter, ValuStrat Qatar has said in a report. According to ValuStrat Qatar's report 'COVID 19 and The Qatar Housing Market Q1', all new additions were during the first two months of 2020. Approximately 60% of the new additions came from Lusail with completion of Maison Blanches compound and towers in Al Kharaej district and Al Erkyah district, the report said. Approximately, 8,600 units are projected to be added during the remaining quarters of 2020, assuming no construction delays, it said. COVID-19 is estimated to impact all sectors of real estate in Qatar directly or indirectly, the report said. The restrictions on mobility resulting from policies implemented by authorities, abroad, and in Qatar, to contain the spread has directly altered the way people socialize, work, eat, shop, and travel. As a result, the demand for spaces within the real estate industry has reduced. (Qatar Tribune)
- **MoCI: New working hours for private companies, retail outlets –** The working hours for private companies and retail outlets during the holy month of Ramadan have been set from 9am to 3pm, the Ministry of Commerce and Industry (MoCI) announced. But a number of activities have been excluded from the decision. They are: food, subsidized supplies, consumers goods, vegetables and fruits outlets (hypermarkets, supermarkets and grocery stores), restaurants and cafés (coffee shops) that may only process delivery orders and shops selling sweets, coffee and dates. Telecom companies, delivery companies through electronic apps, pharmacies, gas stations and car services, agencies' maintenance workshops, bakeries, companies in the hospitality sector, factories, maintenance companies (electricity, plumbing, and electronics services), and logistics services companies and freight companies operating in ports, airports, and customs services are also excluded. (Gulf-Times.com)
- **PM opens Ras Laffan Hospital, Ruwais Health Centre –** HE the Prime Minister and Minister of Interior Sheikh Khalid bin Khalifa bin Abdulaziz Al-Thani on Thursday inaugurated the Ras Laffan Hospital and the Ruwais Health Centre for Health and Recovery, which are dedicated to treating patients with the novel coronavirus (COVID-19). The new facilities are part of Qatar's continuous efforts to provide care for patients infected with the virus. During his visit to the hospital and health centre, the Prime Minister was briefed on the services and medical equipment at the new facilities, which have the latest medical technologies for healthcare and diagnostic services at the Ras Laffan Hospital, which has over 400 beds, and the emergency service and laboratory at the Ruwais Health Centre. (Gulf-Times.com)
- **Ezdan: Property deals worth QR109.7mn clinched during mid-April –** Despite a decline in number of property sale deals due to the precautionary measures taken to contain coronavirus outbreak, Qatar's real estate market still reflects a large capacity of flexibility and stability, according to Ezdan Real Estate (Ezdan). Citing the Real Estate Registration Department's figures during the period from April 4-16, 2020, Ezdan's latest real estate report noted that a total of 36 property sale deals were clinched, at a total sum exceeding QR109.7mn during the period. The deals were distributed over 8 municipalities such as Umm Salal, Al-Khor, Al-Thakhira, Doha, Al-Rayyan, Shamal, Al-Daayen, Al-Wakra and AlShehaniya. The deals were closed for selling vacant lands, multi-use buildings, multi-use space, and residential buildings. Al Rayyan Municipality ranked first in terms of deal value following the sale of a multi-use building in Aziziyah spanning over an area of 917 square meters, at a price per square foot that reached QR1662, totaling QR16.4mn. (Peninsula Qatar)
- **US firms upbeat on Qatari market despite pandemic –** American companies are keeping an upbeat outlook on the Qatari economy, an official of the US-Qatar Business Council (USQBC) has said, citing quick government support, among other initiatives offered, to mitigate the impact of the COVID-19 pandemic on foreign companies operating in the country. Speaking on how US firms in Qatar are coping with the COVID-19 issue, USQBC's Managing Director, Mohamed Barakat told Gulf Times how the council is helping maintain business continuity, "In general, prospective operations are still going and potentially growing." Barakat elaborated, "This global health crisis has affected all companies and businesses. The travel restrictions, restrictions on gatherings, and the most important part of maintaining distance for health and safety reasons have surely affected the normal operations of these companies. However, new technologies and the utilization of new methods of communications have started to allow the continuation of business, and maintain the supply chain flow. It is definitely difficult to operate in such conditions. But the State of Qatar's management of this health pandemic in a very transparent and coordinated effort, and the support to the private companies, provided a strong positive impact and raised the investors trust in the economy and the market." (Gulf-Times.com)

International

- **Global economic contraction to be steepest on record, recovery U-shaped –** Pummeled into recession by the coronavirus pandemic, the global economy will suffer its steepest contraction on record this year, with a longer, U-shaped recovery more likely, according to Reuters polls of economists from around the world. Many countries are under lockdowns to curb the spread of an outbreak in which more than 2.6 million people worldwide have been infected and over 180,000 have died, bringing global economic activity to a halt, particularly in the services industry. Reuters polls of more than 500 economists who were surveyed over the past few weeks showed most major economies were in the midst of a severe economic downturn and their recoveries were predicted to be U-shaped. More than 55% or 87 of 155 economists said the global economic recovery would be U-shaped. Thirty-one analysts said it would be V-shaped and 24 said it be more like a check mark. A few respondents expected a W- or L- shape. The global economy was forecast to shrink 2.0% this year, compared to a 1.2% contraction predicted just three weeks ago and growth of 1.6% forecast before that in the March 20 poll, underscoring how fast the outlook has deteriorated. Forecasts ranged between +0.6% and -6.0%. The latest private-sector view is a bit less pessimistic than the International Monetary Fund's latest forecast for a 3.0% contraction this year, but is a volte-face from 3.3% growth predicted at the start of the year before the global outbreak. (Reuters)

- **US core capital goods orders eke out surprise gain –** New orders for key US-made capital goods unexpectedly rose in March, but the gains are unlikely to be sustainable amid the novel coronavirus outbreak, which has virtually shut down the country and contributed to a collapse in crude oil prices. Despite the slight pickup in demand reported by the Commerce Department on Friday, shipments of these goods dropped further last month, suggesting that a downturn in business investment persisted into the first quarter and would contribute to what economists expect will be the sharpest economic contraction since the Great Recession. Orders for non-defense capital goods excluding aircraft, a closely watched proxy for business spending plans, edged up 0.1% last month. Data for February was revised up to show these so-called core capital goods orders falling 0.8% instead of dropping 0.9% as previously reported. Economists polled by Reuters had forecast core capital goods orders plunging 6.0% in March. Core capital goods orders increased 1.0% on a year-on-year basis in March. The economic picture is deteriorating rapidly amid nationwide lockdowns to control the spread of COVID-19, the potentially lethal respiratory illness caused by the virus. A record 26.5 million Americans have filed for unemployment benefits since mid-March. Retail sales, homebuilding, business activity and consumer confidence have weakened sharply. Much of the slump in economic activity occurred in the second half of March when states and local governments ordered nonessential businesses to close and enforced "stay-at-home" orders that have affected more than 90% of Americans. (Reuters)
- **More US companies return payroll loans after new Treasury guidance –** US companies on Thursday began refusing government loans they were just awarded, after the Treasury Department said that publicly traded firms would have a hard time proving they really needed the coronavirus relief funds. The about-face underscores problems with the way the Treasury's Payroll Protection Program (PPP), designed to keep American workers on company payrolls and off unemployment during coronavirus-related lockdowns, was structured and rolled out. Some large well-funded companies were granted millions of dollars from the $350bn pool of funding, while many small, mom-and-pop shops were unable to access any funding at all, sparking public outrage. The initial PPP funding was snapped up in less than two weeks by millions of small and mid-sized businesses, including restaurant chains Potbelly Corp and steakhouse operator Ruth Hospitality Group and a coal mine. Congress has now approved an additional $310bn. Under the original guidance from the Treasury Department, companies applying for PPP loans had to certify that "current economic uncertainty makes the loan necessary to support … ongoing operations." (Reuters)
- **US core capital goods orders unexpectedly rise in March –** New orders for key US-made capital goods unexpectedly rose in March, but the gains are not likely to be sustainable amid the novel coronavirus outbreak, which has abruptly shut down the economy and contributed to a collapse in crude oil prices. Orders for non-defense capital goods excluding aircraft, a closely watched proxy for business spending plans, edged up 0.1% last month, the Commerce Department said. Data for February was up to show these so-called core capital goods orders falling 0.8% instead of dropping 0.9% as previously reported. Economists polled by Reuters had forecast core capital goods orders plunging 6.0% in March. (Reuters)
- **UK retailers suffer record sales hit on COVID-19, worse ahead –** British retail sales fell by the most on record in March as a surge in food buying for the coronavirus lockdown was dwarfed by a plunge in sales of clothing and most other goods, and the slump is likely to be even worse in April. Official figures showed sales volumes plunged by 5.1% in March from February, the sharpest drop since the Office for National Statistics' records began in 1996. It was also a bigger fall than the median forecast for a drop of 4.0% in a Reuters poll of economists. The March 1-April 4 data covered only two weeks of the government's shutdown of much of the economy. Britain's economy could he heading into its deepest recession in more than 300 years, according to budget forecasters, even after the finance ministry and the Bank of England rushed out a string of emergency stimulus measures. The retail and distribution sector employs about 10% of the country's workers, many of whom face being put on leave due to store closures. Britain's store-based retailers, outside of food, have been severely hit by the lockdown to counter the pandemic, with already-weak firms such as Laura Ashley, Debenhams and Oasis Warehouse falling into administration over the past month. The ONS said a longer-running series that excludes fuel sales dropped by the most since it began in 1988, down by 3.7% on the month. Sales of fuel were down about 20% on the month. Food sales volumes were up by a record 10.4% in March from February as people stocked up for the government's stay-at-home order. Sales of alcohol at specialist stores rose by a record 31.4%. But clothing sales tumbled by 34.8%, the ONS said. Compared with March last year, total sales were down 5.8%, also a bigger fall than expected by economists in the poll and the largest on record. (Reuters)
- **FT: UK considering 100% guarantees on smallest business loans –** British Finance Minister Rishi Sunak is preparing to

offer 100%guarantees on loans to Britain's smallest businesses after sustained pressure from Conservative lawmakers and the Bank of England, the Financial Times reported. Sunak was "weighing up" whether to offer full state backing to loans of up to 25,000 Pounds ($30,800) for as many as 1mn small firms, typically with a handful of staff, to help them survive the coronavirus crisis, the FT said. A finance ministry spokesman declined to comment. Sunak said on Tuesday that he was still "not persuaded" that the government should offer a 100% guarantee to banks which lend to small businesses hit by the coronavirus. But the FT said a new loans program could be launched alongside Britain's emergency 330 billion-pound scheme offering loans of up to 5mn pounds, with state guarantees of 80%, to small and medium-sized companies. That program got off to a slow start with many companies saying they were struggling to get banks to approve their loans. Data published on Thursday showed banks had provided 2.8bn Pounds ($3.5bn) in loans, almost doubling from a week earlier. Last week, Bank of England Governor Andrew Bailey urged banks to speed up their handling of applications and suggested 100% state guarantees for the smallest loans might break a backlog in applications. (Reuters)

- **Indecisive EU to force ECB into more emergency action –** After another disappointing EU summit, the European Central Bank (ECB) finds itself in a familiar position as the leading savior of the Euro, once again being called upon to push out its boundaries while politicians bicker. European Union leaders agreed overnight to build a 1tn Euro emergency fund to support recovery from the coronavirus crisis that has shuttered the bloc's economies — a big step given previous discord over burden-sharing. But with scant detail given and deep divisions between them, especially over mutualizing debt, final decisions could take months. Even then, the package is a mere 1% of the 19-country Eurozone's GDP, a relatively small sum given forecasts of a 5-15% drop in output and double-digit unemployment. And unlike its counterparts in the US, Japan and Britain, all helped by coordinated budget policies as they try to save their economies from the biggest downturn since the Great Depression, the ECB is fighting largely alone. To buy governments time, the ECB will have to expand stimulus again, twisting and bending the rules of central banking even further and opening the door wider to political and legal challengers who say it is overstepping its mandate. It is a well-rehearsed scene: Faced with an emergency, the ECB takes bold steps to give politicians the room to follow. But thinking the central bank has their backs covered, leaders become complacent, forcing the ECB to act again and furthering the perception that it is the only serious player in town. (Reuters)
- **Breton: EU heading for 5-10% economic contraction in 2020 –** The European Union (EU) is heading this year towards a 5-10% economic contraction due to the new coronavirus outbreak, EU Industry Commissioner Thierry Breton said on Friday, adding that figure could get worse if "things don't get better". In an interview with France 2 television channel he also said he was optimistic about European leaders eventually working out the details of the trillion emergency fund they agreed upon Thursday. "As of today, in the European Union, we're on course for a 5% to 10% (recession), meaning it's about 7.5%. But that is today, and if things do not improve and if we have a second peak (of the outbreak), things could get worse", Breton said. "Everything hinges on the speed of the economic recovery. We're still in the midst of the pandemic and we're going to learn to live with it for several months." Europe is facing its worst economic shock since World War Two from the spread of COVID-19, the respiratory disease caused by the coronavirus, which has also led to border closures across the bloc and left member states fighting over medical supplies. Finding the means to support the economy have reopened bitter divisions between northern, richer EU countries and Mediterranean members of the bloc, which are also the hardest hit by the pandemic. UK retailers suffer record sales hit due to pandemic. (Reuters)
- **France first - Paris ignores EU calls to lift export bans on COVID-19 drugs –** France has expanded its list of drugs that face export restrictions through the coronavirus crisis despite repeated calls from the European Union to lift curbs that could cause shortages in other countries, documents show. The further clampdown on exports was adopted two days before EU leaders hold a conference call on Thursday meant to strengthen financial solidarity across the bloc in the fight against the pandemic and preserve its common market, which is based on free movement of goods. The European Commission sent a letter on April 7 to the French government urging it to lift export restrictions on dozens of vital medicines to treat coronavirus patients, EU officials told Reuters. But instead of heeding the call, Paris has vastly extended the list of drugs covered by restrictions, according to a letter seen by Reuters that was sent by the French drugs regulator ANSM to pharmaceutical distributors on April 21. The temporary restrictions apply to those distributors. Manufacturers, such as French pharmaceuticals giant Sanofi, are exempted from the export curbs. (Reuters)
- **EU's amorphous recovery fund bails out Italian PM, for now –** Prime Minister Giuseppe Conte, struggling to map a way out of Italy's coronavirus crisis and facing political fire from all sides, has won much-needed breathing space from the European Union (EU). EU leaders agreed on Thursday to build a trillion-euro emergency fund to help the continent recover from the pandemic, and while the details have yet to be worked out, the putative plan was portrayed as a major victory in Rome. "This is not just a win for Italy but for the whole European Union," European Affairs Minister Vincenzo Amendola told Reuters. "Italians have been concerned about a lack of European solidarity, but we have made clear this crisis cannot be tackled alone. We have made big steps forward." Rome's relations with the EU hit an all-time low in February as the disease took hold, when its 26 partners ignored appeals for aid and re-erected old borders. Italy has since suffered more coronavirus deaths than anywhere else in Europe and the disaster is ravaging its already fragile economy, making it essential to find new avenues of finance to help pay for the eventual rebuilding effort. Conte called for the creation of so-called coronabonds, which he wanted to be underwritten by all eurozone members to share out the huge burden of economic recovery. However, the Netherlands and other wealthy northern nations, said states in need should turn to the European Stability Mechanism, an intergovernmental bailout fund that has previously dolled out money with painful financial conditions attached. One of

Conte's coalition partners, the anti-establishment 5-Star Movement, warned the 8-month-old government would collapse if he tapped the ESM, saying the likely conditions would compromise national sovereignty and condemn Italy to austerity. The opposition, eurosceptic League party went one step further and questioned whether Italy should stay in the EU. Thursday's EU summit relieved the pressure, by confirming that three separate instruments, worth 540bn Euros ($582bn), would be available by June 1. In addition, leaders agreed to create a new recovery fund potentially worth 1tn Euros, or more. (Reuters)

- **World Bank warns Developing economies could see sharper recession in 2020 –** Senior World Bank officials on Friday warned that developing economies could see a deeper recession than currently expected if consumption and investment do not rebound quickly after the coronavirus pandemic. In a blog posting on the Bank's website, officials said the preliminary baseline scenario forecast a "grim" 2% drop in economic output in developing countries, the first contraction in these economies since 1960 and a sharp swing from average growth of 4.6% over the last 60 years. However, it said the situation could be "considerably worse" and output in those economies could drop by nearly 3% if just one of the Bank's assumptions failed to materialize, and investment and consumption did not rebound as hoped. "Even if three months of mitigation measures prove effective in halting the pandemic, investors and households could remain skittish or local or global supply chains may not be restored," wrote Ceyla Pazarbasioglu, vice president for equitable growth, and Ayhan Kose, director of the development prospects group. "Under such a scenario, the hit to global output would be larger — and developing economies would end up experiencing a deeper recession" that could reduce output nearly 3%, they said. The World Bank is preparing new detailed forecasts to be released in its Global Economic Prospects report in June. The authors said rich countries, institutions and the private sector should do more now to help developing countries manage their response to the pandemic, speed up the recovery process and avert a solvency crisis. (Reuters)

Regional

- **IATA: Middle East airlines may lose $24bn revenue this year on Covid-19 impact –** Airlines in the Middle East could lose $24bn of passenger revenue this year compared to 2019, as carriers in the region continue to be battered by the impact of Covid-19, according to International Air Transport Association (IATA). That is $5bn more than what was expected at the beginning of the month, IATA's Regional Vice President, (Africa and the Middle East) Mohamed Al-Bakri said. Job losses in aviation and related industries could grow to 1.2mn. That is half of the region's 2.4mn aviation related employment. Previous estimate was 0.9mn. Full-year 2020 traffic is expected to plummet by 51% compared to 2019. Previous estimate was a fall of 39%. GDP supported by aviation in the region could fall by $66bn from $130bn. Previous estimate was $51bn. These estimates, IATA noted, are based on a "scenario of severe travel restrictions lasting for three months, with a gradual lifting of restrictions in domestic markets, followed by regional and intercontinental." IATA renewed its call for government relief measures as the impacts of the Covid-19 crisis in MENA deepen. To minimize the broad damage that these losses would have across the Middle East economies, it is vital that governments step up their efforts to aid the industry. IATA has also called for a combination of direct financial support, loans, loan guarantees and support for the corporate bond market and tax relief. In addition to vital financial relief, the industry will also need careful planning and co-ordination to ensure that airlines are ready when the pandemic is contained. IATA is scoping a comprehensive approach to re-starting the industry when governments and public health authorities allow. A series of virtual regional summits, bringing together governments and industry stakeholders are taking place this week. The main objectives will be understanding what is needed to re-open closed borders, and agreeing solutions that can be operationalized and scaled efficiently. (Gulf-Times.com)
- **IATA: Middle East, African governments failing to protect airlines –** Middle Eastern and African governments are failing to take the action required to protect their airlines from the economic crisis caused by the new coronavirus pandemic, the International Air Transport Association (IATA) said on Thursday. Several states have stepped in to help their airlines that have seen travel demand decimated by the global outbreak, such as the US, Singapore and Australia, though few in the Middle East have made their intentions clear. IATA, which represents 290 global airlines, has been consulting with African and Middle Eastern governments, regulators and stakeholders on how to revive air travel as some countries start to slowly ease lockdowns. However, IATA Vice President for Africa and the Middle East, Muhammad Albakri, said the association was not satisfied with Middle Eastern state efforts to support their airlines. "We have not seen the desired movements and decisions of governments and decision makers to put on the table the economic stimulation packages and the rescue packages, financial packages necessary to keep the airlines in the region alive," Albakri said on a call with reporters. IATA wants to see Middle Eastern governments "prioritize aviation and announce specific rescue measures for the airlines and aviation industry in line with other nations," he said. The industry body also warned African airlines were on the verge of collapse unless governments urgently stepped in. (Reuters)
- **Russia halves Western sea oil exports in May after OPEC+ deal –** Russia plans to halve oil exports from its Baltic and Black Sea ports in May according to the first loading schedule for crude shipments since it agreed this month along with other major oil producers to cut output. According to the schedule seen by Reuters, Russian exports next month from its two Baltic ports and Novorossiisk in the Black Sea will total 1.3mn bpd, down from 2.2mn bpd in April. The OPEC+ group led by Saudi Arabia within OPEC and Russia for non-OPEC states has agreed to cut oil production by 9.7mn bpd from May 1, with Moscow reducing its output to 8.5mn bpd from a baseline of 11mn. Russian oil companies are now preparing for their biggest output cuts ever, which could lead to some oilfields shutting down permanently. Most of the crude set for export via Russia's Western sea routes in May is its flagship Urals blend, with only 160,000 tons of Siberian Light due to be shipped as well, according to the preliminary loading schedule. (Reuters)

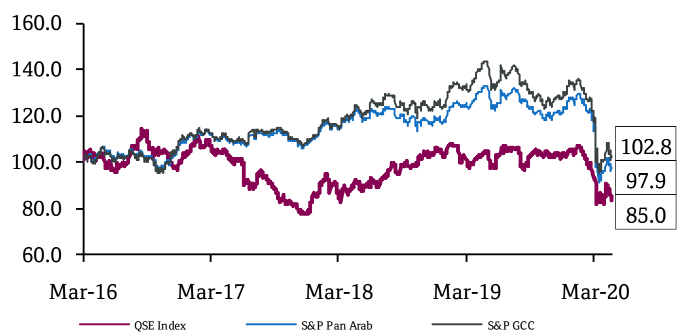
- **S&P: Gulf lenders can absorb up to $36bn shock –** The Covid-19 pandemic and the collapse of oil prices will test the earnings of Gulf-based lenders but overall they could absorb up to a $36bn shock (in normalized losses) before starting to deplete their capital base, according to Standard and Poor's (S&P), an international credit rating agency. "The rated banks' profitability and provision cushions built over past years will help them navigate the current rough waters," S&P said in its report. On average and factoring in the additional cushion, the GCC rated banks can absorb 2.7 times the normalized losses level without touching their capital base, which would correspond to a substantial level of stress, it said, referring to the absolute level of $36bn shock absorbing capacity. Most rated GCC banks have relatively strong profitability and a conservative approach to calculating and setting aside loan-loss provisions, it said, adding some Kuwaiti banks take a conservative approach as part of local regulatory requirements to set aside general provisions for all their lending portfolios. The rating agency acknowledges a high degree of uncertainty about the rate of spread and peak of the coronavirus outbreak with some government authorities estimating the pandemic will peak about midyear. (Gulf-Times.com)
- **Saudi Arabia raises SR5.55bn in local Sukuk –** Saudi Arabia has raised SR5.55bn in Sukuk, or Islamic bonds, the Finance Ministry said. The first tranche of the Sukuk issue has a size of SR1.3bn, and a total tranche size of SR2.523bn, maturing in 2027, the ministry said. The second tranche has a size of SR4.25bn, and a total tranche size of SR8.238bn, maturing in 2035. (Reuters)
- **Saudi sovereign fund sees opportunities after coronavirus, PIF head says –** The Head of Saudi Arabia's sovereign wealth fund, Yassir Al-Rumayyan said there will be a lot of potential for investment opportunities once the coronavirus crisis passes. Rumayyan said the Public Investment Fund (PIF) was looking into investment opportunities in areas such as aviation, oil and gas and entertainment. He was speaking at an online investment forum on Thursday. "There will be economies up and running, we will see a lot of potential," he said. The PIF earlier this month disclosed an 8.2% stake in coronavirus-hit Carnival Corp, sending the cruise operator's shares nearly 30% higher. It has also recently accumulated stakes in four major European oil companies, a source told Reuters this month. PIF manages over $300bn in assets and has stakes in Uber and electric car company Lucid Motors. The fund is Saudi Crown Prince, Mohammed bin Salman's vehicle for boosting Saudi Arabian investments at home and abroad, as he seeks to diversify the Kingdom's oil-heavy economy. (Reuters)
- **Standard Chartered expects Saudi GDP to shrink by 4.5% on oil production cuts –** Standard Chartered said it expects Saudi Arabia's GDP to contract by 4.5% year on year in 2020 against a previous expectation of a 5% growth, mainly because of oil production cuts agreed among international crude producers. The UAE will see its GDP drop by 4.6% this year against a previous 1.4% growth estimate, the bank said. Kuwait's GDP is expected to contract by 6.3%, against a previous 1% growth forecast, it said. (Reuters)
- **Saudis begin curbing oil output ahead of OPEC+ start date –** Saudi Aramco began reducing oil production earlier this week ahead of the May 1 start date for OPEC+ output cuts, according to a Saudi industry official familiar with the matter. Saudi Aramco has begun to curtail production from about 12mn bpd to achieve the agreed level of 8.5mn bpd, sources said. The country joins fellow OPEC members Kuwait, Algeria and Nigeria in kicking off cuts early. (Bloomberg)
- **Saudi Aramco said to hire JPMorgan to advise on pipeline stake sale –** Saudi Aramco has hired advisors to review a potential multi-billion Dollar stake sale in its pipeline business, sources said. The energy giant is working with JPMorgan Chase & Co. as it makes early preparations for the potential deal, according to sources. Mitsubishi UFJ Financial Group Inc. also has a role on the transaction, sources added. Saudi Aramco has not yet started a formal sale process. It may wait until market turmoil caused by plunging oil prices and the impact of measures to halt the spread of the coronavirus eases before it begins soliciting interest in the asset, they said. Chairman, Yasir Al-Rumayyan is looking for ways to raise money from assets that are not central to the company's operations. A sale could raise more than $10bn. The review comes amid a similar move by Abu Dhabi National Oil Co., which is seeking to attract investors to its $15bn gas pipeline after selling a portion of its oil pipelines for about $4bn last year. Saudi Arabia may slow production sooner than planned after US oil futures this week plunged below zero for the first time, Founder of consultant Rapidan Energy Group, Bob McNally said. The Kingdom agreed to cut output from May 1 as part of the drive by producers to re-balance an oversupplied market. (Bloomberg)
- **Saudi tourism sector could see 35%-45% decline this year on coronavirus –** Saudi Arabia's tourism sector could see a 35-45% decline this year due to measures taken by the government to fight the coronavirus pandemic, the country's Minister of Tourism, Ahmed Al-Khateeb said. The Kingdom, which opened its doors in September to foreign tourists by launching a new visa regime for 49 countries, hopes to diversify its oil-dependent economy through tourism and wants the sector to contribute 10% of GDP by 2030. "We believe this year the impact will be in the range of 35%-45% decline, compared to last year, depending on how fast we will reopen the country and receive visitors," he told Reuters. "The sector has been severely impacted, hotels globally are suffering today from very low occupancy ratios, it is the case here in Saudi Arabia as well. We hope things get better in the next few weeks and we have a fast recovery," he added. Reopening the economy is on top of the Saudi government agenda but this will only happen once the pandemic is under control, he said. In late-February the Kingdom closed its borders to foreign "umrah" pilgrims and to tourists from at least 25 countries. In March, it barred all travel in and out of the country. (Reuters)
- **Saudi Arabia gives three-month loan repayment delay for citizens –** Saudi Arabia's Monetary Authority (SAMA) has instructed the Kingdom's banks to delay by three months the payment of instalments due on all financing facilities extended to Saudi employees, without additional fees, SAMA said. The measure is part of a government economic package to help businesses and workers cope with the fallout of the COVID-19 outbreak, it said. (Reuters)

- **Saudi's APICORP hires Citi, Goldman, Standard Chartered for dollar bonds –** The Arab Petroleum Investments Corporation (APICORP), a Saudi-headquartered multilateral development bank, has hired banks to arrange investor meetings ahead of a potential dollar bond issue, sources said. APICORP has hired Citi, Goldman Sachs and Standard Chartered for the potential issue, which would have a maturity of three or five years and could be launched in the second quarter of this year, subject to market conditions. (Reuters)
- **Moody's changes Dar Al Arkan's outlook to stable from positive; affirms B1 rating –** Moody's Investors Service has changed Dar Al Arkan Real Estate Development Company (DAAR)'s outlook to Stable from Positive. Moody's has also affirmed DAAR's B1 corporate family rating (CFR), the existing (P)B1 and B1 ratings for debt issued under the $2bn trust certificate issuance program of Dar Al-Arkan Sukuk Company Ltd., and DAAR'S B1-PD probability of default rating (PDR). "The change of outlook to Stable from Positive is due to DAAR's weaker than expected results in 2019 and our expectation that market conditions will remain challenging over the next 12 to 18 months." a Moody's Vice President - Senior Analyst and local Market Analyst for DAAR, Julien Haddad said. "The rating affirmation reflects the company's strong liquidity profile and its disciplined and conservative approach in managing its debt maturity profile.". The rating action reflects a weaker than expected operating environment in Saudi Arabia with Moody's estimate of real GDP growth of only 0.3% in 2019. While Moody's expects real GDP to grow by 1.5% in 2020, it also expects non-oil related GDP to contract by 1% (the weakest reading growth since 1986). This is likely to hamper demand for lands in Saudi Arabia over the course of 2020, and therefore result in negative pressure on DAAR's ability to generate revenues and cash flows. DAAR's revenue in 2019 of SR3.5bn was materially weaker than 2018, falling by more than 45% from a record-high of SR6.4bn. While the decrease in revenues was partially offset by an increase in Moody's adjusted gross margins to 24.9% from 17.6% a year earlier, interest coverage (Moody's adjusted EBIT to interest expense) has weakened to 1.6x in 2019 from 2.0x a year earlier, below Moody's guidance of 2.0x for the B1 ratings. Moody's adjusted debt to book capitalization remained healthy, albeit weaker than in 2018, at 29%. Moody's expects interest coverage to remain in line with current levels over the course of the next couple of years, due to the weak market environment the company will be facing over the same period. (Bloomberg)
- **Saudi Binladin hires Houlihan Lokey for $15bn debt revamp –** Saudi Binladin Group hired Houlihan Lokey Inc. as an advisor to help the Kingdom's biggest construction firm to restructure an estimated $15bn of debt. The investment bank will assist in "a comprehensive review and financial restructuring of SBG's capital structure," according to a statement from Binladin International Holding Group. The restructuring is aimed at reorganizing privately held Saudi Binladin's assets into sector-led businesses, streamlining operations, and ramping activities across key projects and businesses, it said. Binladin -- for decades Saudi Arabia's go-to developer for mega-projects such as airports and holy sites in Mecca and Medina is restructuring debt after the government delayed payments to contractors. (Bloomberg)
- **UAE banks have used $8.17bn stimulus liquidity –** The Central Bank of the UAE (CBUAE) said commercial banks have used $8.17bn of a AED50bn "liquidity facility" the regulator introduced to stem the impact of the coronavirus outbreak. The CBUAE has launched $70bn worth of capital and liquidity measures as part of a Targeted Economic Support Scheme (TESS) aimed at providing economic stimulus during the coronavirus pandemic. "The CBUAE welcomes banks' active utilization of allocated funds, which have doubled in a one-week period, reaching over 60% of the TESS AED50bn liquidity facility which is equivalent to AED30bn total consumption of allocated funds," it said. (Reuters)
- **DP World handled 17.2mn TEU across its global portfolio of container terminals in 1Q2020 –** DP World handled 17.2mn TEU (twenty-foot equivalent units) across its global portfolio of container terminals in the first quarter of 2020, with gross container volumes decreasing by 1.7% YoY on a reported basis and up 0.3% on a like-for-like basis. Reported volumes declined in Asia Pacific and India Region due to the expiry of concession in Surabaya (Indonesia) and disposal in Tianjin (China). Jebel Ali (UAE) handled 3.4mn TEU in 1Q2020, down 3.4% YoY, due to loss of lower-margin cargo. Like-for-like growth in Asia, Middle East and Africa was offset by weakness in India, Europe and Australia. At a consolidated level, our terminals handled 10.3mn TEU during the first quarter of 2020, increasing 12.9% on a reported basis and up 0.9% YoY on a like-for-like basis. Reported consolidated volume in the Americas and Australia region was boosted by the consolidation of Australia, Caucedo (Dominican Republic), acquisition of container terminals in Chile and commencement of operations in Posorja (Ecuador). Group Chairman and Chief Executive Officer, Sultan Ahmed Bin Sulayem commented: While DP World has delivered a resilient performance in 1Q2020 with like-for-like throughput broadly flat year-on-year, the real impact of covid-19 will be seen from 2Q2020 onwards. Global trade and container volumes are forecast to decline in 2020 and the wide range of estimates by industry specialists (Drewry -3%, Sea-Intel -10%) further emphasizes the short-term uncertainty faced by our sector. Similarly, the timing of any recovery is uncertain with trade expected to pick-up as and when global economic activity normalizes. Given the more challenging environment, our near-term focus is on integrating our recent acquisitions to drive synergies, containing costs to protect profitability, managing growth capex to preserve cashflow and maintaining our investment grade rating. On a more positive note, DP World's investment in digital technology and automation has allowed us to minimize the disruption faced at our ports and we remain operational. Importantly, we continue to work with our customers and various governments to ensure supply chains remain open for the movement of essential and critical cargo across the world. Overall, the outlook is a cause for concern, but we remain positive on the long-term fundamentals of the industry. Furthermore, our strategy of providing integrated supply chain solutions to beneficial cargo owners leaves us well placed to benefit early from any sustained recovery in the global economy. The timing of a trade recovery from the economic crisis caused by the new coronavirus pandemic is uncertain, global ports operator DP World warned on Thursday. The Dubai state-controlled company just last month said it was

seeing demand bounce back as Chinese factories restarted, though the global spread of the virus has since drastically worsened, forcing many industries to a near halt. (Nasdaq Dubai, Reuters)

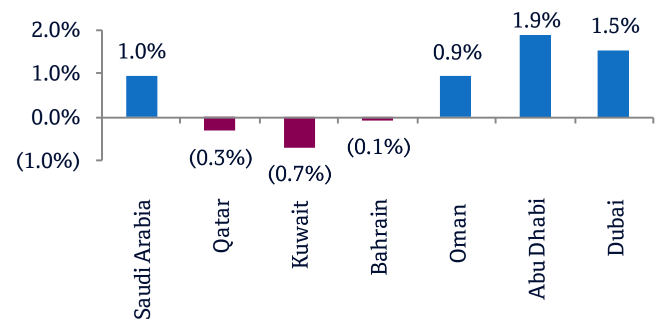
- **Etihad, Air Arabia joint venture secures operating license –** Air Arabia Abu Dhabi, a joint venture between UAE carriers Etihad Airways and Air Arabia, has received its air operating license, it said on Thursday. The launch of operations, which had been planned for this quarter, will depend on market conditions, it said in a statement. (Reuters)
- **S&P: Emirate of Sharjah’s outlook revised to Negative from Stable –** Emirate of Sharjah's long-term rating was affirmed by S&P at BBB, the second-lowest investment grade score. Long-Term Rating was affirmed by S&P at BBB, the second-lowest investment grade score. The outlook was revised to Negative from Stable. (Bloomberg)
- **UAE's Dana Gas pledges proceeds of Egypt sale to repay Sukuk –** Dana Gas plans to use the proceeds from its Egyptian assets, which the UAE-based firm has been trying to sell, to pay down its Sukuk, an Islamic bond which is due in October. The sale of Dana’s exploration and production assets in Egypt, which are onshore in the Nile Delta apart from Block 6 which is in the Eastern Mediterranean Sea, could be complicated by the recent plunge in oil prices. “If a sale of these assets were to go ahead the proceeds of the sale would be used to pay down the sukuk as required by the terms of the Sukuk,” Dana Gas, which is listed in Abu Dhabi, said. Dana, which also operates concessions in Iraq’s Kurdish region, recently delayed a decision on whether to sell the Egyptian assets because of the coronavirus crisis, two sources close to the talks told Reuters. On Wednesday, Dana said it had bought back roughly $17.8mn of its Sukuk and that there would be approximately $379.6mn outstanding. The Sukuk are trading at around $0.80 to $0.85 on the dollar, Refinitiv data shows. Dana rocked the Islamic finance world in 2017 when it halted payments on $700mn in Sukuk saying the instruments had become unlawful in the UAE. After a protracted legal dispute it reached a restructuring agreement with creditors in May 2018. (Reuters)
- **Kuwait has already begun reducing oil supply –** Kuwait began reducing oil supply to the international market without waiting for the deal agreed by oil exporting countries to come into effect, Kuwait’s state news agency KUNA said, citing the nation’s oil minister. The agreement is due to come into effect on May 1. (Reuters)
- **Kuwait's KNPC says oil refinery project halted over coronavirus case –** The Kuwait National Petroleum Co. (KNPC) said on Friday work on a project linked to the Al-Ahmadi oil refinery was halted because a worker was diagnosed with the new coronavirus. The worker, an Indian national, was employed by a contractor, KNPC said, without giving details about the project. “Work has stopped on the project until precautionary measures are taken to identify those who came in contact with him and the necessary tests are done,” it said. (Reuters)
- **Kuwait banking association head says 25% of bank branches will open on Sunday –** The Head of the Kuwait Banking Association, Adel Al-Majed, said on Thursday that 25% of bank branches in Kuwait will open from Sunday. He was speaking at an online news conference. (Reuters)
- **AUB Kuwait to pay $5.50mn dividends to Ahli United Sukuk –** Ahli United Bank–Kuwait (AUB Kuwait) will distribute the seventh periodic dividends worth $5.50mn to the permanent Sukuk shareholders of the Ahli United Sukuk Limited Company. The total value of the Sukuk is $200mn, with a 5.50% annual return rate, for the period from 26 October 2019 to 25 April 2020, according to stock exchange statement on Thursday. AUB Kuwait will distribute the dividends on the maturity date on April 25 or the first following business day. It is noteworthy that in 2019, the bank logged 7.3% higher earnings at KD55.02mn from KD51.26mn in 2018. (Zawya)
- **Bahrain exports BHD579mn worth national products in 1Q2020 –** The value of exports of national origin from Bahrain decreased by 1% to BHD579mn during first quarter of 2020, compared to BHD587mn for the same quarter of the previous year. The value of imports increased 8%, reaching BHD1.244bn during the quarter, compared to BHD1.157bn for the same quarter last year, Information & eGovernment Authority (iGA) foreign trade report for the first quarter said. The trade balance, difference between exports and imports, reached a deficit of BHD438mn compared to BHD374mn for the same quarter of 2019, an increase of 17%. The top 10 countries on the list of exports from Bahrain accounted for 83% of the total value of exports. The top 10 countries on the import list accounted for 67% of the value. According to the report, China ranked first in imports to Bahrain, with a total of BHD156mn; Brazil came second with BHD97mn and Saudi Arabia was third with BHD94mn. Non-agglomerated iron ores and concentrates were the top product imported into Bahrain with a total value of BHD90mn, while aluminum oxide was second with BHD88mn, and four-wheel drive cars third with BHD50mn. Saudi Arabia ranked first among countries receiving Bahraini exports of national origin, importing BHD163mn from Bahrain. The UAE was second with BHD64mn and the US came third with BHD57mn. (Zawya)
- **CI Ratings lowers National Bank of Bahrain’s Long-Term Foreign Currency Rating to 'BB-' with ‘Negative’ outlook –** Capital Intelligence Ratings (CI Ratings) announced that it has lowered the Long-Term Foreign Currency Rating (LT FCR) of National Bank of Bahrain to 'BB-' from 'BB '. This action follows the recent downgrade of Bahrain's LT FCR ('BB-'/'B'/Negative). The Bank's Short-Term Foreign Currency Rating (ST FCR) is affirmed at 'B'. The outlook for the LT FCR remains Negative, in line with that assigned to the Bahraini sovereign. (Capital Intelligence)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,729.60	(0.1)	2.8	14.0
Silver/Ounce	15.25	(0.0)	0.5	(14.6)
Crude Oil (Brent)/Barrel (FM Future)	21.44	0.5	(23.6)	(67.5)
Crude Oil (WTI)/Barrel (FM Future)	16.94	2.7	(7.3)	(72.3)
Natural Gas (Henry Hub)/MMBtu	1.81	(4.2)	6.5	(13.4)
LPG Propane (Arab Gulf)/Ton	34.38	(7.1)	(10.7)	(16.7)
LPG Butane (Arab Gulf)/Ton	31.38	(6.3)	(17.4)	(52.7)
Euro	1.08	0.4	(0.5)	(3.5)
Yen	107.51	(0.1)	(0.0)	(1.0)
GBP	1.24	0.2	(1.1)	(6.7)
CHF	1.03	0.3	(0.6)	(0.5)
AUD	0.64	0.0	0.1	(9.3)
USD Index	100.38	(0.1)	0.6	4.1
RUB	74.57	(0.3)	0.8	20.3
BRL	0.18	(1.0)	(6.4)	(28.1)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	1,987.65	0.7	(1.5)	(15.7)
DJ Industrial	23,775.27	1.1	(1.9)	(16.7)
S&P 500	2,836.74	1.4	(1.3)	(12.2)
NASDAQ 100	8,634.52	1.6	(0.2)	(3.8)
STOXX 600	329.59	(1.3)	(1.9)	(23.9)
DAX	10,336.09	(1.9)	(3.4)	(24.9)
FTSE 100	5,752.23	(1.5)	(1.9)	(29.1)
CAC 40	4,393.32	(1.5)	(3.1)	(29.4)
Nikkei	19,262.00	(0.8)	(3.1)	(17.5)
MSCI EM	879.41	(1.4)	(2.4)	(21.1)
SHANGHAI SE Composite	2,808.53	(1.3)	(1.2)	(9.5)
HANG SENG	23,831.33	(0.6)	(2.3)	(15.0)
BSE SENSEX	31,327.22	(2.3)	(0.6)	(29.2)
Bovespa	75,330.60	(9.8)	(12.6)	(54.4)
RTS	1,081.32	(1.7)	0.2	(30.2)

Source: Bloomberg (*$ adjusted returns)

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