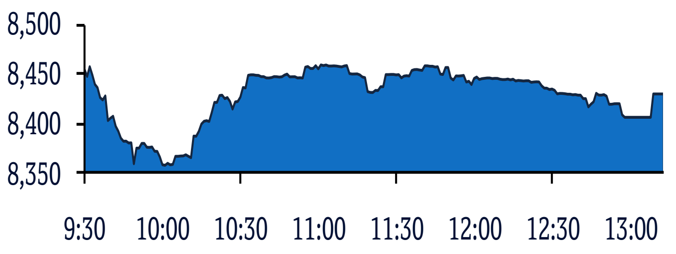
Daily Market Report

Monday, 30 March 2020

QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.6% to close at 8,431.2. Losses were led by the Telecoms and Real Estate indices, falling 2.3% and 1.3%, respectively. Top losers were Qatar General Insurance & Reinsurance Company and Alijarah Holding, falling 4.0% and 3.2%, respectively. Among the top gainers, Qatar Electricity & Water Company gained 2.5%, while Mazaya Qatar Real Estate Development was up 1.5%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.8% to close at 6,376.6. Gains were led by the Food & Beverages and Real Estate Mgmt. & Dev't. indices, rising 3.2% and 2.1%, respectively. Umm Al-Qura Cement rose 10.0%, while Saudi Fisheries was up 9.8%.

Dubai: The DFM Index gained 1.3% to close at 1,832.3. The Real Estate index rose 4.9%, while the Investment & Fin. Serv. index gained 3.3%. Gulfa Mineral Water & Processing Ind. Co. rose 14.9%, while Almadina for Finance and Inv. was up 7.9%.

Abu Dhabi: The ADX General Index gained 2.9% to close at 3,878.8. The Investment & Financial Services index rose 6.8%, while the Banks index gained 3.7%. Emirates Driving Company rose 14.9%, while International Holdings Co. was up 10.1%.

Kuwait: The Kuwait All Share Index fell 2.8% to close at 4,758.6. The Banks index declined 3.4%, while the Telecommunications index fell 3.1%. Coast Investment & Development Co. and National Mobile Telecommunication were down 9.8% each.

Oman: The MSM 30 Index fell 1.7% to close at 3,480.0. Losses were led by the Services and Financial indices, falling 1.1% and 0.9%, respectively. Oman Telecom. Co. declined 9.7%, while Oman & Emirates Investment Holding Co. was down 8.8%.

Bahrain: The BHB Index fell 1.9% to close at 1,362.4. The Investment index declined 2.4%, while the Commercial Banks index fell 2.1%. Arab Banking Corporation declined 10.0%, while Seef Properties was down 9.8%.

Market Indicators	29 Mar 20	26 Mar 20	%Chg.
Value Traded (QR mn)	133.9	289.2	(53.7)
Exch. Market Cap. (QR mn)	476,394.5	478,961.2	(0.5)
Volume (mn)	54.7	128.7	(57.5)
Number of Transactions	4,196	8,530	(50.8)
Companies Traded	43	46	(6.5)
Market Breadth	6:31	23:19	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	16,123.36	(0.6)	(0.6)	(16.0)	12.4
All Share Index	2,623.02	(0.5)	(0.5)	(15.4)	13.8
Banks	3,824.25	(0.4)	(0.4)	(9.4)	13.3
Industrials	2,121.63	(0.4)	(0.4)	(27.6)	15.5
Transportation	2,222.01	(0.5)	(0.5)	(13.1)	11.6
Real Estate	1,225.20	(1.3)	(1.3)	(21.7)	9.7
Insurance	2,020.52	(0.6)	(0.6)	(26.1)	35.2
Telecoms	778.20	(2.3)	(2.3)	(13.0)	13.4
Consumer	6,815.30	(0.2)	(0.2)	(21.2)	16.0
Al Rayan Islamic Index	3,176.14	(0.6)	(0.6)	(19.6)	13.4

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
First Abu Dhabi Bank	Abu Dhabi	10.40	6.2	1,341.6	(31.4)
Emaar Properties	Dubai	2.43	5.7	20,369.3	(39.6)
National Shipping Co.	Saudi Arabia	34.90	5.4	2,091.2	(12.8)
Jabal Omar Dev. Co.	Saudi Arabia	23.22	4.8	1,571.7	(14.5)
Emaar Malls	Dubai	1.13	4.6	7,475.5	(38.3)

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Oman Telecom. Co.	Oman	0.56	(9.7)	9.8	(6.7)
Aldar Properties	Abu Dhabi	1.54	(4.9)	13,926.1	(28.7)
Abu Dhabi Comm. Bank	Abu Dhabi	5.11	(4.8)	2,499.5	(35.5)
Kuwait Finance House	Kuwait	0.63	(4.3)	13,574.7	(22.9)
National Bank of Kuwait	Kuwait	0.72	(4.0)	3,300.5	(29.5)

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%
Qatar Electricity & Water Co.	14.57	2.5	63.7	(9.4)
Mazaya Qatar Real Estate Dev.	0.55	1.5	866.6	(23.8)
Qatar National Cement Company	3.49	1.0	109.0	(38.3)
Islamic Holding Group	1.29	0.2	21.5	(32.3)
Qatar First Bank	0.93	0.1	212.4	13.7

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Ezdan Holding Group	0.58	(1.2)	7,342.9	(5.2)
Qatar Aluminium Manufacturing	0.52	(1.9)	5,424.4	(33.4)
Masraf Al Rayan	3.63	(0.6)	3,772.8	(8.3)
Qatar Gas Transport Company Ltd.	2.07	(0.7)	3,703.6	(13.4)
Barwa Real Estate Company	3.05	(1.1)	3,430.7	(13.8)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatar General Ins. & Reins. Co.	1.95	(4.0)	199.0	(20.8)
Alijarah Holding	0.64	(3.2)	3,000.7	(8.7)
Qatari Investors Group	1.24	(3.0)	203.7	(30.7)
Aamal Company	0.63	(2.6)	1,222.9	(22.1)
Doha Bank	1.96	(2.6)	1,320.1	(22.6)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	17.58	(0.1)	20,953.2	(14.6)
Ooredoo	6.11	(2.3)	16,680.1	(13.7)
Masraf Al Rayan	3.63	(0.6)	13,704.2	(8.3)
Barwa Real Estate Company	3.05	(1.1)	10,477.7	(13.8)
Qatar Gas Transport Co. Ltd.	2.07	(0.7)	7,658.5	(13.4)

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*	8,431.15	(0.6)	(0.6)	(11.2)	(19.1)	36.38	129,388.7	12.4	1.2	4.7
Dubai	1,832.28	1.3	1.3	(29.3)	(33.7)	40.42	74,584.6	6.7	0.6	6.8
Abu Dhabi	3,878.84	2.9	2.9	(20.9)	(23.6)	39.2	115,263.2	11.3	1.1	6.3
Saudi Arabia	6,376.62	0.8	0.8	(16.4)	(24.0)	826.36	1,987,416.1	17.3	1.5	4.2
Kuwait	4,758.56	(2.8)	(2.8)	(21.6)	(24.3)	80.1	87,996.1	12.2	1.1	4.6
Oman	3,479.96	(1.7)	(1.7)	(15.8)	(12.6)	1.0	15,166.8	7.0	0.6	7.6
Bahrain	1,362.41	(1.9)	(1.9)	(18.0)	(15.4)	0.8	21,073.6	9.8	0.8	5.7

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 0.6% to close at 8,431.2. The Telecoms and Real Estate indices led the losses. The index fell on the back of selling pressure from Qatari and GCC shareholders despite buying support from non-Qatari shareholders.
- Qatar General Insurance & Reinsurance Company and Alijarah Holding were the top losers, falling 4.0% and 3.2%, respectively. Among the top gainers, Qatar Electricity & Water Company gained 2.5%, while Mazaya Qatar Real Estate Development was up 1.5%.
- Volume of shares traded on Sunday fell by 57.5% to 54.7mn from 128.7mn on Thursday. Further, as compared to the 30-day moving average of 121.9mn, volume for the day was 55.1% lower. Ezdan Holding Group and Qatar Aluminium Manufacturing Company were the most active stocks, contributing 13.4% and 9.9% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	25.03%	24.83%	271,936.31
Qatari Institutions	42.16%	45.94%	(5,065,739.48)
Qatari	**67.19%**	**70.77%**	**(4,793,803.17)**
GCC Individuals	2.86%	1.78%	1,448,544.49
GCC Institutions	0.79%	4.93%	(5,540,850.91)
GCC	**3.65%**	**6.71%**	**(4,092,306.42)**
Non-Qatari Individuals	10.82%	9.00%	2,445,262.40
Non-Qatari Institutions	18.33%	13.52%	6,440,847.20
Non-Qatari	**29.15%**	**22.52%**	**8,886,109.59**

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

Earnings Releases and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 4Q2019	% Change YoY	Operating Profit (mn) 4Q2019	% Change YoY	Net Profit (mn) 4Q2019	% Change YoY
Al Samaani for Metal Industries Co.*	Saudi Arabia	SR	42.0	6.3%	(1.6)	N/A	(1.9)	N/A
Ash-Sharqiyah Development Co.*	Saudi Arabia	SR	–	–	(4.1)	N/A	(67.5)	N/A
Amana Cooperative Insurance Co.*	Saudi Arabia	SR	248.1	80.5%	–	–	7.8	76.6%
Al Hassan Ghazi Ibrahim Shaker *	Saudi Arabia	SR	882.8	14.1%	(38.4)	N/A	(49.8)	N/A
National Metal Manufacturing and Casting Co.*	Saudi Arabia	SR	263.3	-32.7%	(54.7)	N/A	(65.1)	N/A
Tabuk Agricultural Dev. Co.*	Saudi Arabia	SR	84.1	-15.0%	(100.9)	N/A	(179.8)	N/A

Source: Company data, DFM, ADX, MSM, TASI, BHB. (*Financial for FY2019)

Earnings Calendar

Tickers	Company Name	Date of reporting 4Q2019 results	No. of days remaining	Status
ERES	Ezdan Holding Group	30-Mar-20	0	Due

Tickers	Company Name	Date of reporting 1Q2020 results	No. of days remaining	Status
QIBK	Qatar Islamic Bank	15-Apr-20	16	Due
KCBK	Al Khalij Commercial Bank	15-Apr-20	16	Due
QFLS	Qatar Fuel Company	15-Apr-20	16	Due
QIGD	Qatari Investors Group	19-Apr-20	20	Due
ABQK	Ahli Bank	20-Apr-20	21	Due
UDCD	United Development Company	22-Apr-20	23	Due
DHBK	Doha Bank	22-Apr-20	23	Due

Source: QSE

News

Qatar

- **IGRD posts 23.3% YoY decrease but 206.7% QoQ increase in net profit in 4Q2019, above our estimate –** Investment Holding Group 's (IGRD) net profit declined 23.3% YoY (but rose 206.7% on QoQ basis) to QR20.5mn in 4Q2019, above our estimate of QR19.1mn (variation of +7.5%). The company's revenue came in at QR120.5mn in 4Q2019, which represents an increase of 18.0% YoY (+8.2% QoQ). In FY2019, IGRD posted net profit of QR55.07mn as compared to QR58.36mn in FY2018. EPS amounted to QR0.066 in FY2019 as compared to QR0.070 in FY2018. IGRD recommended to the General Assembly to forgo the dividend distribution for the financial year 2019. (QNB FS Research, Company Press Release, QSE)
- **QGMD reports net loss of QR1.9mn in 4Q2019 –** Qatari German Company for Medical Devices (QGMD) reported net loss of QR1.9mn in 4Q2019 as compared to net loss of QR7.3mn in 4Q2018 and QR2.8mn in 3Q2019. The company's operating revenue came in at QR1.9mn in 4Q2019, which represents a decrease of 39.7% YoY (-13.4% QoQ). In FY2019, IGRD posted net loss of QR10.39mn as compared to net loss of QR12.83mn in FY2018. Loss per share amounted to QR0.090 in FY2019 as compared to QR0.111 in FY2018. (QSE, Company Press Release)
- **QGMD postpones its AGM and EGM until further notice –** Qatari German Company for Medical Devices (QGMD) has obtained the approval of the Ministry of Commerce & Industry to postpone its Ordinary and Extraordinary General Assembly meeting (AGM and EGM) date indefinitely and until further notice, to follow preventive measures to limit COVID-19 outbreak. (QSE)
- **ABQK to disclose its 1Q2020 financial statements on April 20 –** Ahli Bank (ABQK) announced its intent to disclose its 1Q2020 financial statements on April 20, 2020. (QSE)
- **KCBK to disclose its 1Q2020 financial statements on April 15 –** Al Khalij Commercial Bank (KCBK) announced its intent to disclose its 1Q2020 financial statements results on April 15, 2020. (QSE)
- **QIBK to disclose its 1Q2020 financial statements on April 15 –** Qatar Islamic Bank (QIBK) announced its intent to disclose its 1Q2020 financial statements results on April 15, 2020. (QSE)
- **BRES to holds its AGM on April 15 and announces the agenda –** Barwa Real Estate Company's (BRES) board of directors will hold the Ordinary General Assembly Meeting (AGM) of the company on April 15, 2020, at BRES Headquarters, Tower no. 1 second Floor, Barwa Al Sadd Towers – Suhaim Bin Hamad Street. In case the desired quorum for the first meeting is not achieved then the second reserved meeting will be held on April 22, 2020 at the same venue, to discuss the agenda. The agenda includes - to approve the board of directors' proposal of cash dividend of QR0.20 per share (20% of the share value) for the financial year ending December 31, 2019, among others. (QSE)
- **Qatar allocates QR3bn guarantees to local banks –** Guarantees worth QR3bn will be allocated to local banks as part of the directives of HH the Amir Sheikh Tamim bin Hamad Al Thani, to support the economic and financial sector within the framework of the precautionary measures to combat the spread of the novel coronavirus (COVID-19). HE the Prime Minister and Minister of Interior Sheikh Khalid bin Khalifa bin Abdulaziz Al Thani issued the directive on Sunday. This is in connection with the support package to provide financial and economic incentives, amounting to QR75bn for the private sector. Qatar Central Bank (QCB) said in a statement that the amount of QR3bn comes within the support package for granting soft loans and without commissions or fees for the affected companies to support salaries and rents through guarantees issued by Qatar Development Bank (QDB) to banks operating in the State. QCB in cooperation with QDB will set the standards and mechanisms for the implementation of the incentive. (Gulf-Times.com)
- **Qatar's PPI shrinks 10.6% YoY in February on earnings fall in hydrocarbons –** A substantial fall in the earnings within hydrocarbons led Qatar's PPI (producers' price index) shrink 10.6% YoY in February 2020, according to the official statistics. Qatar's PPI - a measure of the average selling prices received by the domestic producers for their output - saw a 5.8% MoM decline, accorind to the figures released by the Planning and Statistics Authority (PSA). The mining PPI, which carries the maximum weight of 72.7%, plummeted 14.4% on a yearly basis as price of crude petroleum and natural gas plunged 14.6% and that of stone, sand and clay by 5% in the review period. The PPI for mining registered 8.3% shrinkage MoM in February this year on the back of 8.3% increase in the price of crude petroleum and natural gas and 2.1% in stone, sand and clay. The manufacturing sector, which has a weight of 26.8% in the PPI basket, witnessed a 1.9% yearly shrinkage in February this year on a 6.9% contraction in the price of basic metals, 6.1% in basic metals, 3.4% in cement and other non-metallic mineral products, 0.8% in beverages and 0.2% in grain mill and other products. Nevertheless, there was 3% increase in the price of paper and paper products, 2.6% in juices, 2.2% in other chemical products and fibers, 0.3% in dairy products, 0.2% in rubber and plastics products and 0.1% in refined petroleum products. The manufacturing sector PPI had seen a monthly 0.8% fall in February 2020 as the price of refined petroleum products declined 1.9%, juices and rubber and plastics products (1.2% each), cement and other non-metallic mineral products (0.6%) and grain mill and other products (0.2%); whereas that of basic metals rose 3.4%, beverages (1.4%), paper and paper products (1%), basic chemicals (0.3%) and dairy products (0.1%). However, the utilities group, which has a mere 0.5% weightage in the PPI basket, saw its index expand 7% on yearly basis in February this year as water and electricity prices had risen 6.1% and 8.4% respectively. The index had seen a 2.5% growth MoM this February with electricity and water gaining 3.9% and 0.7% respectively. (Gulf-Times.com)
- **QFBA launches initiative to empower businesses in times of crisis –** The Qatar Finance and Business Academy (QFBA) has launched an initiative called "Azm" to empower businesses in times of crisis. The initiative aims at training and assisting talented and promising entrepreneurs from the Qatari community to reduce the key strategic risks associated with the coronavirus on the financial sector and facilitating the adoption of the best risk management practices by companies during the current global crisis. The initiative includes several remote training programs and activities, the most important of which are building and managing a virtual work team; effective teleworking skills; an accredited certification program in crisis

management; enterprise success in times of crisis; business model and risk assessment for entrepreneurs and SMEs; promoting trainers' capabilities for distance training and certified consultants in business continuity planning and management. The training programs and activities will be offered online at the rate of up to seven hours introductory to the various programs during different times, in addition to 18 intensive hours at the rate of two and a half hours for each program. (Gulf-Times.com)

- **QDB official: Six-month loan deferment to take sting out of COVID-19 bite on 450 SMEs –** The six-month loan deferment included in the QR75bn stimulus package will benefit 450 mall-and-medium-sized enterprises (SME) in the country, Qatar Development Bank's Executive Director of Business Finance, Khaled Abdullah Al Mana has said. The stimulus package was part of several measures initiated by the Amir HH Sheikh Tamim bin Hamad al Thani to shield Qatar's economy from the coronavirus impact. The present circumstances have led to a change in the nature of work of SMEs, Al Mana said. The six-month moratorium would address the liquidity problem they might face now, he added. "It is our duty, as a body responsible for supporting and supervising small and medium-sized companies, to provide support for this sector to ensure that it is not affected by any possible repercussions," he said. In a television interview, Al Mana said the Qatar Development Bank would continue its operations without interruptions through various means. All requests from banks, including those for financing, consulting or solving SME problems, would be entertained, he added. QDB would also promote the export of Qatari products to foreign markets, Al Mana said. (Qatar Tribune)
- **Essential businesses see huge rise in 'stay-at-home orders' –** While non-essential businesses in Qatar have been ordered to temporarily shut down their operations, several 'essential businesses' which remain open in the country see a growing demand for their services amidst the ongoing coronavirus pandemic. With residents encouraged to stay at home to prevent the local transmission of the COVID-19 virus, businesses offering food and grocery delivery services as well as home maintenance services have become much more in demand. While it may be business as usual for food and grocery delivery companies such as Talabat and Rafeeq, as well as home maintenance service providers like Alfaytri Trading and Maintenance, these companies have also put in place a number of precautionary measures to protect their employees and clients from the coronavirus, as they anticipate greater demand for their services. (Peninsula Qatar)
- **MoTC, Microsoft team up for remote working for public sector workforce –** The Qatar Government has announced its partnership with Microsoft to implement modern workplace solutions such as Microsoft Teams to enhance productivity by empowering its workforce to work remotely. The move will foster communication and collaboration amongst government entities to ensure uninterrupted delivery of services to businesses and citizens, the Ministry of Transport and Communications (MoTC) said in a statement. The swift enablement of government employees to work remotely stems from Qatar National Vision 2030 and readiness of the government as it began its digital transformation journey three years ago through a partnership between the MoTC and Microsoft on modernizing the government workplace. Microsoft Teams is a collaboration productivity tool that empowers workforces to chat, meet, call, and collaborate - all in one place. While governments and organizations across the globe are moving to remote work, Teams delivers an approach to foster a new culture of working together. (Gulf-Times.com)
- **QIBK launches mPay digital wallet on its mobile app –** Qatar Islamic Bank (QIBK) has gone live with the 'mPay' digital wallet initiative on its mobile app. The new payment method supports the efforts led by the Qatar Central Bank to achieve a safe, secure and cashless economy, ahead of the FIFA World Cup Qatar 2022 and beyond. Available to all QIBK customers, the mPay digital wallet provides a cashless and cardless payment gateway within Qatar. QIBK customers can activate their mPay digital wallet through its "award-winning" mobile app, which will be linked to their mobile number. Once activated, customers can easily load money on their mPay wallet using their QIBK accounts. With a loaded mPay digital wallet, customers can make instant transfers to other wallets within QIBK, or the wallets of customers at other banks that are registered on mPay, by simply entering the beneficiary mobile number from their phone 'Contact List'. (Gulf-Times.com)
- **Qatar Airways will have to seek state support, warns cash running out –** Qatar Airways will have to seek government support eventually, Chief Executive Akbar Al-Baker told Reuters on Sunday, warning the Middle East carrier could soon run out of cash needed to continue flying. Several state have already stepped in to help airlines that have seen demand decimated almost overnight by the coronavirus outbreak, with the US offering $58bn in aid. Qatar Airways is one of few airlines continuing to maintain scheduled commercial passenger services and over the next two weeks expects to operate 1,800 flights. "We have received many requests from governments all over the world, embassies in certain countries, requesting Qatar Airways not to stop flying," Baker said. The state-owned carrier is operating flights to Europe, Asia and Australia, ferrying passengers home who have been left stranded by the pandemic that has seen many countries close their borders. (Reuters)

International

- **BIS Chief: Governments, central banks must boost efforts to help economies cope with crisis –** Governments and central banks need to step up efforts urgently to support their economies in the face of the coronavirus crisis, the head of the Bank for International Settlements (BIS) said on Sunday. General Manager Agustín Carstens, who heads the BIS - an umbrella group for the world's central banks - wrote an opinion piece on Sunday saying "urgent" solutions beyond those used during the 2008 financial crisis were needed. Rules brought in after the 2008 crash were designed to prevent banks overextending themselves, but the worry now is that they are not stepping in and lending when the capital markets have slammed shut for many firms. "To give viable businesses a lifeline to tide them over the economic sudden stop wrought by Covid-19, a solution is needed to complete the last mile from potential lenders to those firms at the edge of the precipice," Carstens said. Major central banks have rushed to pour trillions of dollars worth of emergency funding into the global banking system but that money needed to reach those who need it, Carstens said. A first step towards bridging what he called "the last mile" would be for banks to use their capital buffers while "a global freeze on bank dividends and share buybacks," was also needed. A second step he recommended would be government-guaranteed loans by banks to small and medium firms, equal to the amount of taxes each paid last year, although it should only go to those that were profitable last year to limit scope for corruption. These "tax deferral loans" could be securitized and refinanced by the central bank, with any losses to be borne by governments. Finally he said, these principles must "go global", building on central bank dollar swap lines to channel liquidity toward preventing global supply chains from unravelling. Government-guaranteed loans by banks to finance receivables, such as invoices for exports, could also be securitized and financed by a central bank facility. (Reuters)

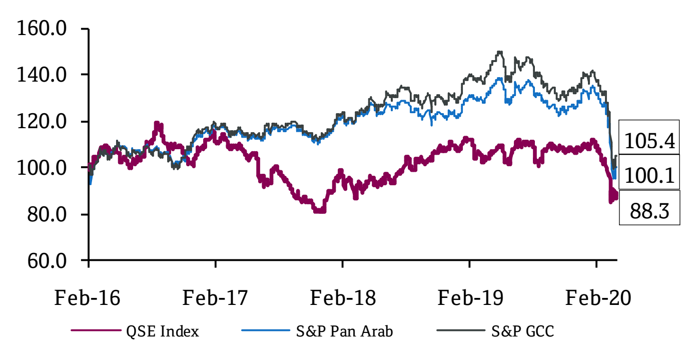
- **Partisan divide returns in US Congress on coronavirus next steps –** Fresh partisan divisions flared on Sunday on the next steps for the US Congress in dealing with the coronavirus crisis, with the top House of Representatives Republican casting doubt on the need for more economic stimulus legislation while House Speaker Nancy Pelosi signaled she plans to move forward with it. President Donald Trump on Friday signed into law a $2.2tn aid package - the largest on record - to address the economic downturn inflicted by the coronavirus pandemic after the Democratic-led House and Republican-led Senate put aside partisan differences to pass it nearly unanimously. It was the third legislative package approved by lawmakers to address the mounting crisis. Trump on Sunday left open the possibility that he would support a fourth relief bill, telling reporters he was prepared to do "whatever's necessary" to save lives and bring back the economy. But House Minority Leader Kevin McCarthy was more cautious in comments that aired earlier in the day. Pelosi, the top Democrat in Congress, told CNN's "State of the Union" program that the three bills already signed into law were merely a "down payment." US Treasury Secretary Steve Mnuchin said on Sunday he expects the stimulus package signed by Trump on Friday will provide economic relief overall for about 10 weeks. Mnuchin said his main focus now is on carrying out its provisions to get money to Americans as soon as possible. (Reuters)
- **Mnuchin: Small business loans up and running this week –** Treasury Secretary Steve Mnuchin said he expects to have a small business loan program up and running in the coming week while workers can expect aid from the $2tn stimulus package in the form of direct deposits or checks in about three weeks. The administration is focused on getting money out quickly, Mnuchin said on "Fox News Sunday," one of two television appearances for the day. "That's a combination of small business loans that will be available this week" and checks to households which he called "bridge checks." "Any FDIC bank, any credit union, any fintech lender will be authorized to make these loans" to a small business subject to certain approvals, Mnuchin said. (Bloomberg)
- **France: Coronavirus crisis puts EU credibility on the line –** How the European Union responds to the coronavirus outbreak will determine its future credibility, a French minister said on Sunday, after the bloc failed to agree last week on measures to cushion the economic blow. The EU is struggling for a coordinated response to the coronavirus, the latest test of the bloc's solidarity after it was shaken by Brexit, the 2015-2016 migration wave and the Eurozone debt crisis. "If Europe is just a single market when times are good, then it has no sense," European Affairs minister Amelie de Montchalin told France Inter radio. The bloc's divisions were laid bare after leaders hit an impasse on Thursday over how to minimize the economic pain and prepare for an eventual recovery, with the ailing south incensed by the resistance of the richer north to offer more support. Germany and the Netherlands came out strongly against a push by Italy, Spain, Portugal and France to issue joint bonds to help finance an economic stimulus. There were also squabbles over the sharing of medical equipment and border controls. In Austria, Chancellor Sebastian Kurz fumed at double-standards within the bloc after his country was slowed in efforts to secure face masks from Germany while other capitals criticized Vienna's own controls on the Italian border. (Reuters)
- **CBI: UK companies were worried about outlook even before lockdown –** British companies in key sectors were already bracing for the biggest hit to business since 2009 even before last week's shutdown of the much of the economy as the government moved to slow the spread of coronavirus, an employers' group said. Surveys conducted in the first half of March showed consumer services firms, such as restaurants, bars and cinemas, were the most pessimistic, the Confederation of British Industry (CBI) said on Sunday. A measure of their expectations for business volumes in the next three months showed a balance of -47%. The balance for manufacturers stood at -20% while the retail sector's sales expectations fell to -31%, it said. "Expectations of a sharp fall in activity give some sign of what is to come," Alpesh Paleja, the CBI's lead economist, said. "With strict social distancing measures still to be reflected in our data, the picture is only likely to deteriorate from here." On the other hand, business and professional services firms expected growth in the coming quarter. The CBI data is compiled from surveys of manufacturing and retail sectors, which it publishes separately, and a gauge of the services sector. The balances represent the difference in percentage points between the share of firms answering that output is, or is likely to be, up or down. (Reuters)
- **Japan's Economy Minister says Olympic postponement to push back trillions of Yen in demand –** The government's stimulus package will take into account the fact that the postponement of the Tokyo Olympic Games will push back several trillions of yen worth of demand until next year, Japan's Economy Minister Yasutoshi Nishimura said on Sunday. "If demand is being pushed back until next year, that means the same amount of demand will evaporate this year. We'll take this into account" in compiling the stimulus package, Nishimura told a television program. (Reuters)

Regional

- **Oil-rich wealth funds seen shedding up to $225bn in stocks –** Sovereign wealth funds from oil-producing countries mainly in the Middle East and Africa are on course to dump up to $225bn in equities, a senior banker estimates, as plummeting oil prices and the coronavirus pandemic hit state finances. The rapid spread of the virus has ravaged the global economy, sending markets into a tailspin and costing both oil and non-oil based sovereign wealth funds around $1tn in equity losses, according to JPMorgan Strategist, Nikolaos Panigirtzoglou. His estimates are based on data from sovereign wealth funds and figures from the Sovereign Wealth Fund Institute, a research group. Sticking with equity investments and risking more losses is not an option for some funds from oil producing nations. Their governments are facing a financial double-whammy – falling revenues due to the spiraling oil price and rocketing spending as administrations rush out emergency budgets. Around $100bn-$150bn in stocks have likely been offloaded by oil-producer sovereign wealth funds, excluding Norway's fund, in recent weeks, Panigirtzoglou said, and a further $50bn-$75bn will likely be sold in the coming months. "It makes sense for sovereign funds to frontload their selling, as you don't want to be selling your assets at a later stage when it is more likely to have distressed valuations," he said. Most oil-based funds are required to keep substantial cash-buffers in place in case a collapse in oil prices triggers a request from the government for funding. A source at an oil-based sovereign fund said it had been gradually raising its liquidity position since oil prices began drifting lower from their most recent peak above $70 a barrel in October 2018. In addition to the cash reserves, additional liquidity was typically drawn firstly from short-term money market instruments like treasury bills and then from passively invested equity as a last resort, the source said. It's generally a similar trend for other funds. "Our investor flows broadly show more resilience than market pricing would suggest," Head of policy research at State Street Global Advisors, Elliot Hentov said. "There has been a shift toward cash since the crisis started, but it's not a panic move but rather gradual." The sovereign fund source said the fund had made adjustments to its actively managed equity investments due to the market rout, both to stem losses and position for the recovery, when it comes. (Reuters)
- **APICORP: Renewable energy gets push with government support in MENA –** Renewable energy will account for 34% of power investment, or 12% of total energy investment, in the Middle East region's power sector within five years, a report by Arab Petroleum Investments Corporation (APICORP) has shown. APICORP estimates that in the next five years, close to $350bn could be invested in the Middle East and North Africa's (MENA) power sector. Renewable energy developments in the Arab world, it stated, have gained momentum in recent years. The main driver behind these developments is the strong support from governments that recognize the urgency of tackling rising demand for energy and are attracted by the declining costs of the solar PV. In addition, multilateral development banks (MDBs) and development agencies have played a critical role in financing some projects in some MENA countries at a time when international banks were reluctant to invest. (Gulf-Times.com)
- **SAMA asks banks to restructure financing without extra fees –** Saudi Arabian Monetary Authority (SAMA) stated banks should agree to restructure financing for customers without extra fees and asked banks to provide financing needed by private sector customers who lost their jobs. SAMA stated that banks should review interest and other fees levied on credit cards in line with the recent drop in interest rates. The guidelines are part of measures aimed at stemming the impact of the coronavirus outbreak, it said. (Reuters)
- **S&P: Deteriorating conditions could put pressure on UAE banks –** S&P has revised its outlooks for five UAE banks from 'Stable' to 'Negative', citing a deteriorating operating environment. The ratings agency, which reviewed First Abu Dhabi Bank (FAB), Abu Dhabi Commercial Bank (ADCB), Mashreqbank, Sharjah Islamic Bank (SIB) and National Bank of Fujairah (NBF), warned that the weakening conditions could put pressure on banks' profitability. In its latest analysis, S&P expects that in 2020, the sharp drop in oil prices as well as reduced economic activity due to the coronavirus, will exert significant pressure on the UAE economy, especially the real estate, trade, retail, transportation and hospitality sectors. "We expect loan quality will be tested and cost of risk will increase, weighing on banks' profitability in the next 12 to 24 months. In 2019, banks' asset quality indicators had already started to show signs of weakness," S&P stated in a note. (Zawya)
- **UAE letters of guarantee increase by 4.3% in February –** The total cumulative balance of letters of guarantee and other credit facilities provided by banks and other business entities in the UAE significantly grew to AED4.533tn in February, 2020, an increase of AED186bn, or 4.3% approximately, from AED4.347tn in January, statistics by the Central bank of the UAE (CBUAE) have shown. This significant increase in credit facilities is reflective of the continued business momentum maintained by various economic sectors in the UAE with overseas partners despite the global slowdown witnessed worldwide. A letter of guarantee is a type of contract issued by a bank on behalf of a customer who has entered a contract to purchase goods from a supplier. It lets the supplier know that they will be paid, even if the customer of the bank defaults. The apex bank's figures show that the balance of foreign currency derivatives soared to AED797.2bn in February 2020, against AED766.3bn in January of the same year. The balance of interest returns on foreign exchange derivatives likewise increased from AED2.763tn in January to circa AED2.928tn in February. The total balance of letters of guarantee at the end of February valued about AED382.7bn while the balance of letters of credit amounted to AED103.8bn. (Zawya)
- **Dubai property group Limitless seeks advisers for restructuring –** Dubai-based property developer Limitless told its creditors last week that it is looking to appoint legal and financial advisors to work on a financial restructuring plan, a company document seen by Reuters showed. Limitless, along with Nakheel, was among the biggest casualties of Dubai's property crash and subsequent debt crisis that began in 2009. The company, formerly owned by state investment vehicle Dubai World, was one of a number of entities in Dubai that were forced to restructure their debts. "Owing to the liquidity crisis, we are confirming that the company will be unable to pay

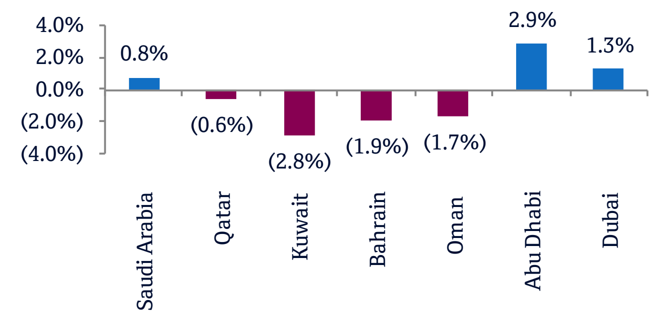
accrued profit at the end of March 2020," Limitless stated in a letter dated March 23 and sent to Mashreqbank, which works as an agent for a group of the company's creditors. A Limitless spokeswoman said: "We have written to our creditors as a first step to finding a solution that will benefit all stakeholders." Limitless stated in the letter a team from Dubai World was advising the company's board of directors. The company was committed to agreeing "on a restructuring plan for the benefits of the participants and other creditors. To this end, we are in the final stages of engaging legal as well as financial advisers to assist us." In 2016, Limitless reached a second restructuring agreement with lenders to pay around $1.2bn in bank debt in three instalments in December 2016, 2017 and 2018, but has only repaid part of it, sources have said. (Reuters)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,628.16	(0.2)	8.6	7.3
Silver/Ounce	14.47	0.4	14.7	(19.0)
Crude Oil (Brent)/Barrel (FM Future)	24.93	(5.4)	(7.6)	(62.2)
Crude Oil (WTI)/Barrel (FM Future)	21.51	(4.8)	(4.1)	(64.8)
Natural Gas (Henry Hub)/MMBtu	1.70	(1.7)	(3.4)	(18.7)
LPG Propane (Arab Gulf)/Ton	25.13	2.0	(3.3)	(39.1)
LPG Butane (Arab Gulf)/Ton	22.63	0.5	10.4	(65.9)
Euro	1.11	1.0	4.2	(0.6)
Yen	107.94	(1.5)	(2.7)	(0.6)
GBP	1.25	2.1	7.1	(6.0)
CHF	1.05	1.2	3.6	1.7
AUD	0.62	1.7	6.6	(12.1)
USD Index	98.37	(1.0)	(4.3)	2.1
RUB	78.81	1.8	(1.5)	27.1
BRL	0.20	(1.5)	(0.7)	(21.2)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	1,827.17	(2.6)	10.7	(22.5)
DJ Industrial	21,636.78	(4.1)	12.8	(24.2)
S&P 500	2,541.47	(3.4)	10.3	(21.3)
NASDAQ 100	7,502.38	(3.8)	9.1	(16.4)
STOXX 600	310.90	(2.6)	10.4	(26.1)
DAX	9,632.52	(3.0)	12.2	(28.0)
FTSE 100	5,510.33	(3.2)	13.3	(31.6)
CAC 40	4,351.49	(3.6)	11.8	(28.1)
Nikkei	19,389.43	5.3	19.7	(17.4)
MSCI EM	842.54	(1.0)	4.9	(24.4)
SHANGHAI SE Composite	2,772.20	(0.1)	1.0	(10.8)
HANG SENG	23,484.28	0.6	3.0	(16.3)
BSE SENSEX	29,815.59	(1.0)	0.0	(31.6)
Bovespa	73,428.80	(6.9)	7.4	(49.9)
RTS	955.34	(6.1)	3.4	(38.3)

Source: Bloomberg (*$ adjusted returns)

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