

### QSE Intra-Day Movement



### Qatar Commentary

The QE Index declined 0.3% to close at 13,512.9. Losses were led by the Industrials and Insurance indices, falling 1.5% and 0.4%, respectively. Top losers were Zad Holding Company and Qatari German Co. for Med. Devices, falling 3.3% and 3.1%, respectively. Among the top gainers, Baladna gained 10.0%, while QLM Life & Medical Insurance Co. was up 3.3%.

### GCC Commentary

**Saudi Arabia:** The TASI Index fell marginally to close at 13,814.9. Losses were led by the Insurance and Commercial & Professional Svc. indices, falling 1.3% and 1.2%, respectively. Saudi Industrial Export Co. declined 9.9%, while Allianz Saudi Fransi Cooperation was down 5.6%.

**Dubai:** The DFM Index fell 2.0% to close at 3,622.0. The Transportation index declined 2.8%, while the Investment & Financial Services index fell 2.4%. Takaful Emarat Insurance declined 4.6%, while Air Arabia was down 3.7%.

**Abu Dhabi:** The ADX General Index declined 0.7% to close at 9,957.5. The Consumer Discretionary index declined 2.1%, while the Utilities index was down 1.4%. Abu Dhabi National Takaful Co. declined 10.0%, while Eshraq Investments was down 7.7%.

**Kuwait:** The Kuwait All Share Index fell 0.2% to close at 8,387.8. The Consumer Discretionary index declined 0.8%, While the Banks Index was down 0.4%. Salbookh Trading Co. and Gulf Franchising Holding Co. were down 5.0% each.

**Oman:** The MSM 30 Index gained 0.5% to close at 4,174.3. Gains were led by the Services and Financial indices, rising 0.5% and 0.4%, respectively. A'Saffa Foods rose 5.6%, while Construction Materials Industries & Contracting was up 4.8%.

**Bahrain:** The BHB Index fell 0.7% to close at 2,027.9. The Materials and Telecommunications Services Indices declined marginally. Aluminum Bahrain declined 5.2%, while Esterad Investment Co. was down 3.6%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Baladna	1.63	10.0	47,116.9	12.9
QLM Life & Medical Insurance Co.	6.25	3.3	625.6	23.8
Investment Holding Group	2.32	1.9	34,277.2	88.6
Doha Bank	2.65	1.7	1,659.5	(17.2)
Ooredoo	7.40	1.5	3,279.5	5.4

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Baladna	1.63	10.0	47,116.9	12.9
Investment Holding Group	2.32	1.9	34,277.2	88.6
Masraf Al Rayan	5.60	0.9	17,672.5	20.7
Qatar Aluminum Manufacturing Co.	2.21	(2.7)	15,327.4	22.7
Mazaya Qatar Real Estate Dev.	0.91	(1.2)	14,914.7	(0.7)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	13,512.87	(0.3)	(0.6)	(0.6)	16.2	270.93	207,907.5	16.7	1.9	3.2
Dubai	3,622.01	(2.0)	(3.0)	(2.6)	13.3	120.26	157,627.8	16.2	1.3	2.8
Abu Dhabi	9,957.46	(0.7)	(0.7)	(0.8)	17.9	474.58	511,185.4	21.4	2.8	2.0
Saudi Arabia	13,814.85	(0.0)	0.6	0.6	22.5	3,087.13	3,324,855.7	25.5	3.0	2.0
Kuwait	8,387.78	(0.2)	(0.9)	0.4	19.1	202.72	160,434.1	21.6	2.0	2.4
Oman	4,174.30	0.5	0.4	0.4	1.1	5.20	19,538.5	12.1	0.8	4.9
Bahrain	2,027.92	(0.7)	(1.3)	(1.4)	12.8	13.66	32,780.3	8.6	1.0	5.5

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

Market Indicators	10 May 22	09 May 22	%Chg.
Value Traded (QR mn)	988.8	566.3	74.6
Exch. Market Cap. (QR mn)	759,895.8	755,797.2	0.5
Volume (mn)	236.4	210.8	12.2
Number of Transactions	26,244	12,773	105.5
Companies Traded	47	46	2.2
Market Breadth	14:29	22:21	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	27,678.74	(0.3)	(0.6)	20.3	16.7
All Share Index	4,335.84	(0.3)	(0.7)	17.2	171.2
Banks	6,007.66	0.0	0.2	21.1	18.6
Industrials	4,844.74	(1.5)	(3.3)	20.4	13.9
Transportation	3,901.55	0.0	0.1	9.7	13.6
Real Estate	1,836.72	0.0	(0.2)	5.5	19.3
Insurance	2,661.42	(0.4)	(0.2)	(2.4)	16.9
Telecoms	1,134.91	0.8	(1.0)	7.3	34.8
Consumer	8,727.69	(0.0)	0.4	6.2	24.4
Al Rayan Islamic Index	5,504.33	(0.3)	(0.5)	16.7	13.9

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Saudi Telecom Co.	Saudi Arabia	119.20	3.1	9,660.0	6.0
Acwa Power Co.	Saudi Arabia	145.40	3.0	2,015.0	73.1
Almarai Co.	Saudi Arabia	53.50	2.9	1,601.5	9.7
Dar Al Arkan Real Estate	Saudi Arabia	11.14	2.6	13,518.8	10.7
Emaar Economic City	Saudi Arabia	11.06	2.4	2,760.6	(7.4)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Aluminum Bahrain	Bahrain	1.29	(5.1)	608.2	61.3
Arab National Bank	Saudi Arabia	33.70	(4.9)	1,533.3	47.4
Rabigh Refining & Petro.	Saudi Arabia	30.05	(3.8)	3,731.6	45.2
The Commercial Bank	Qatar	7.51	(3.0)	10,096.4	11.3
GFH Financial Group	Bahrain	0.33	(2.9)	2,324.1	3.7

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

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Zad Holding Company	17.96	(3.3)	0.3	12.9
Qatari German Co for Med. Devices	2.10	(3.1)	2,439.9	(33.9)
The Commercial Bank	7.51	(3.0)	10,096.4	11.3
Qatar Aluminum Manufacturing Co.	2.21	(2.7)	15,327.4	22.7
Aamal Company	1.14	(2.6)	695.5	5.2

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	23.09	0.4	174,562.7	14.4
Industries Qatar	17.89	(2.1)	111,992.0	15.5
Qatar Islamic Bank	24.57	0.1	99,404.0	34.0
Masraf Al Rayan	5.60	0.9	98,818.8	20.7
Investment Holding Group	2.32	1.9	77,128.9	88.6

### Qatar Market Commentary

- The QE Index declined 0.3% to close at 13,512.9. The Industrials and Insurance indices led the losses. The index fell on the back of selling pressure from Qatari, GCC and Arab shareholders despite buying support from Foreign shareholders.
- Zad Holding Company and Qatari German Co. for Med. Devices were the top losers, falling 3.3% and 3.1%, respectively. Among the top gainers, Baladna gained 10.0%, while QLM Life & Medical Insurance Co. was up 3.3%.
- Volume of shares traded on Monday rose by 12.2% to 236.4mn from 210.8mn on Sunday. Further, as compared to the 30-day moving average of 233.9mn, volume for the day was 1.1% higher. Baladna and Investment Holding Group were the most active stocks, contributing 19.9% and 14.5% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	26.25%	33.79%	(74,644,991.7)
Qatari Institutions	18.05%	25.02%	(68,901,486.0)
<b>Qatari</b>	<b>44.30%</b>	<b>58.81%</b>	<b>(143,546,477.7)</b>
GCC Individuals	0.39%	0.39%	(5,523.5)
GCC Institutions	2.76%	3.57%	(8,004,388.5)
<b>GCC</b>	<b>3.14%</b>	<b>3.95%</b>	<b>(8,009,912.1)</b>
Arab Individuals	7.44%	7.51%	(706,536.9)
Arab Institutions	0.01%	0.50%	(4,839,950.0)
<b>Arab</b>	<b>7.45%</b>	<b>8.01%</b>	<b>(5,546,486.9)</b>
Foreigners Individuals	1.96%	2.14%	(1,798,281.9)
Foreigners Institutions	43.15%	27.08%	158,901,158.6
<b>Foreigners</b>	<b>45.11%</b>	<b>29.22%</b>	<b>157,102,876.7</b>

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

### Earnings Releases and Global Economic Data

#### Earnings Releases

Company	Market	Currency	Revenue (mn) 1Q2022	% Change YoY	Operating Profit (mn) 1Q2022	% Change YoY	Net Profit (mn) 1Q2022	% Change YoY
Jarir Marketing Co.	Saudi Arabia	SR	2,286.9	-9.6%	267.9	-6.2%	251.3	-6.1%
Seera Group Holding	Saudi Arabia	SR	493.0	165.1%	(55.0)	N/A	(63.0)	N/A
Wafrah For Industry & Development Co.	Saudi Arabia	SR	34.6	60.2%	7.1	1327.5%	6.2	N/A
Umm Al-Qura Cement Co.	Saudi Arabia	SR	65.6	-27.4%	19.8	-47.7%	13.8	-55.4%
Al Rajhi Company for Cooperative Insurance	Saudi Arabia	SR	789.7	6.8%	N/A	N/A	80.8	-15.9%
Halwani Bros. Co.	Saudi Arabia	SR	301.5	5.2%	30.7	-11.3%	19.7	-22.4%
United Foods Company	Dubai	AED	195.9	39.0%	N/A	N/A	8.2	-0.4%
Agthia Group	Abu Dhabi	AED	1,053.1	58.2%	101.9	104.5%	82.2	65.8%
Al Khaleej Investment	Abu Dhabi	AED	4.2	-0.3%	N/A	N/A	(5.5)	N/A

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

#### Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
05/09	US	U.S. Census Bureau	Wholesale Inventories MoM	Mar F	2.30%	2.30%	2.30%
05/09	US	U.S. Census Bureau	Wholesale Trade Sales MoM	Mar	1.70%	1.80%	1.70%
05/09	France	Ministry of the Economy, France	Trade Balance	Mar	-12374m	-11190m	-10360m
05/09	France	Banque De France	Current Account Balance	Mar	-3.2b	N/A	-1.1b
05/09	China	National Bureau of Statistics	Trade Balance	Apr	\$51.12b	\$53.45b	\$47.38b
05/09	China	National Bureau of Statistics	Exports YoY	Apr	3.90%	2.70%	14.70%
05/09	China	National Bureau of Statistics	Imports YoY	Apr	0.00%	-3.00%	-0.10%
05/09	China	Customs General Administration	Exports YoY CNY	Apr	1.90%	3.10%	12.90%
05/09	China	Customs General Administration	Imports YoY CNY	Apr	-2.00%	-3.30%	-1.70%
05/09	China	Customs General Administration	Trade Balance CNY	Apr	325.08b	339.48b	300.58b

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

### Qatar

- AM Best reaffirms the credit rating of Qatar General Insurance & Reinsurance Co.** – Qatar General Insurance and Reinsurance Company disclosed that “AM Best” reaffirmed the Financial Strength Rating of B++ (Good) and the Long-Term Issuer Credit Rating of “bbb”. The outlook of these credit ratings is negative. “AM Best” assured the strength of the company's consolidated balance sheet as very strong, as well as its adequate operating performance, and appropriate enterprise risk management. (QSE)
- Ezdan Holding Group announces Chairman and Vice Chairman of its Board of Directors** – The new Board of Directors of Ezdan Holding Group met on 09/05/2022 and elected from among its members the following: 1) Sheikh Thani bin Abdullah Thani Al Thani- representing of Al Sarh Business Company as Chairman of the Board of Directors 2) Sheikh Khalifa Thani Abdullah Al Thani - representing of Tadawul Trading Group as Vice Chairman of the Board of Directors. (QSE)
- Qatari German Co. for Medical Devices to hold its investor's relation conference call on May 11 to discuss the financial results** – Qatari German Co. for Medical Devices announced that the conference call with the Investors to discuss the financial results for the Quarter 1 2022 will be held on 11/05/2022 at 01:30 PM, Doha Time. (QSE)
- Investment Holding Group reveals Al Maha Island** – Investment Holding Group, rolled out plans for its latest entertainment and leisure destination that will transform Qatar tourism. Al Maha Island is set to become a hotspot for Qatar tourism - attracting over 1.5mn visitors per year. The island is located in Lusail near Place Vendome mall and linked to the

mainland via a causeway. The world-class project is led by the association of Investment Holding Group subsidiary, Elegancia, and IMG, in collaboration with Qatar Tourism Authority. "This project is a unique attraction, expected to attract tourists from around the world, while being especially popular with citizens and residents of the GCC countries in the region" said Henrik Christiansen, Group Chief Executive Officer. (Bloomberg)

- Qatar regarded as the world's fastest-growing luxury market** – Qatar's luxury goods market, which has been valued at \$1.84bn and is expected to grow at a healthy CAGR of 2.55% in the forecast period 2019-2024, is regarded as the world's fastest-growing luxury market, according to a report by Mordor Intelligence. Qataris are also considered as the biggest buyers of goods in the Middle East, said the report, which reiterated Qatar's majority stake in the Italian fashion brand Valentino as well as the landmark department stores Harrods and Printemps in London and Paris, in addition to developing its own luxury label Qela. With a number of shopping malls being improved and launched in the run-up to the FIFA World Cup 2022, such as the opening of the Palace Vendome recently, the country's luxury industry poses a huge potential to further grow. Aside from investments made by the Qatari sovereign wealth fund Qatar Investment Authority (QIA) in global luxury brands, individual Qataris and other Qatar-based entrepreneurs are also investing in luxury markets both locally and internationally. (Peninsula Qatar)
- HIA receives 7.14mn passengers in Q1** – As the official airport partner for the FIFA World Cup Qatar 2022 and contender for the SKYTRAX World's Best Airport 2022, Hamad International Airport (HIA) has witnessed a strong increase in passenger traffic, with a 162% surge in first quarter compared to the same period in 2021. HIA served a total of 7.14mn passengers in the first quarter of 2022, with 2,163,086 passengers in January, 2,168,265 passengers in February and 2,812,874 passengers in March 2022. It also introduced three new passenger destinations in Q1 2022 to the 153 destinations the airport currently serves. (Peninsula Qatar)
- QNB Group, Commercial Bank brokerages more than double share trade turnover in January-April** – The brokerage subsidiaries of QNB Group and Commercial Bank witnessed more than doubling of its share trade turnover year-on-year during the first four months of this year, according to Qatar Stock Exchange data. The Group Securities, QNB Financial Services and CBQIS together accounted for more than 80% of the share trade turnover of the brokerages on the QSE during the review period. The Group Securities' share stood at 40.44% in January-April 2022 compared to 45.65% the previous-year period. Its trading turnover surged 38.27% year-on-year to QR53.18bn. The transactions through it expanded 20.89% to 1.06mn even as volumes shrank 5.97% to 23.14mn equities at the end of April 30. QNB subsidiary QNBFS' trade turnover amounted to QR37.24bn, which constituted 28.31% of the total traded value during January-April against 21.59% in the year-ago period. The turnover more than doubled year-on-year as volumes zoomed 28.98% to 5.43mn stocks on more-than- doubled transactions to 934,920 in the review period. CBQIS, the stock broking arm of Commercial Bank, accounted for 11.88% of trade turnover compared to 9.11% during January-March 2021. The brokerage house's trade turnover more than doubled year-on-year to QR15.63bn as volumes shot up 77.29% to 3.67mn shares and deals by 63.98% to 325,599 in the review period. CBQIS last year launched its margin trading product, becoming the first bank brokerage subsidiary in Qatar to launch such a product. The Qatar Financial Market Authority had approved the Group Securities and CBQIS as liquidity providers, while saying other licenses were on the pipeline. In May 2013, the financial market regulator had approved the liquidity provision scheme that can be carried out by the financial services firms. (Gulf-Times)
- Qatar's first gems and metals calibration laboratory opens** – Qatar Chamber Chairman Sheikh Khalifa bin Jassim Al Thani inaugurated the first of its kind laboratory in the state for gems and metals calibration. Held on the sidelines of the 18th edition of the Doha Jewelry and Watches Exhibition (DJWE 2022), the lab's opening ceremony was attended by Sheikh Mansour bin Khalifa Al Thani, CEO of Qatar Museums Ahmed Al Namla and QC board member Mohamed Al Obaidly, as well as founders of the lab Enas Mohamed and Ahmed Al Obaidly. The laboratory aims to

calibrate minerals and precious stones, examine, and classify diamonds, and ensure their quality and purity. Commenting on this event, Sheikh Khalifa stressed the importance of opening the laboratory, noting that it makes Qatar the first country in the Arab world in educating the public about the importance of diamond classification, and combating fraud in this important field. (Peninsula Qatar)

- MoF takes part in 65th GCC Undersecretaries of Ministries of Finance Committee meeting** – The Ministry of Finance (MoF) participated in the 65th meeting of the GCC Undersecretaries of Ministries of Finance Committee, preparatory to the 116th meeting of the Financial and Economic Cooperation Committee, which was held at the headquarters of the Councils General Secretariat in Riyadh, the sisterly Kingdom of Saudi Arabia. The Ministry was represented in the meeting by the Undersecretary of the Ministry of Finance HE Khalaf bin Ahmed Al Mannai. Their Excellencies the undersecretaries of the ministries of finance in the GCC states discussed, during the meeting, a number of topics, including the recommendations submitted by the GCC Central Bank Governors Committee, the GCC Customs Union Authority, the Committee of Heads and Directors of Tax Administrations in the GCC countries, the Gulf Common Market Committee, and the developments of the program to achieve economic unity among the GCC countries by 2025, as well as a number of topics on the agenda. (Peninsula Qatar)
- Qatar Airways returns to Arabian Travel Market; to showcase best products in Dubai** – Qatar Airways is participating at Arabian Travel Market (ATM), which is taking place in Dubai until May 12. Following the Covid-19 pandemic ease of restrictions, the national carrier will showcase the 'World's Best Business Class Seat', the multi award-winning 'Qsuite' and a virtual reality experience of Hamad International Airport, recently voted the 'Best Airport in the World'. Qatar Airways is "strongly positioned" to continue to lead the global recovery of the aviation industry – the 'World's Best Airline' operates from the 'World Best Airport' as voted by Skytrax. It has introduced new routes as part of a robust growing network, stronger partnerships agreements with Alaska Airlines, American Airlines and JetBlue in place, membership of the leading global oneworld alliance and a new loyalty programme currency with Avios. The national carrier operated the world's first fully vaccinated flight and becoming the first global airline in the world to achieve a five star Covid-19 Airline Safety Rating from Skytrax. (Gulf-Times)
- Baker: DJWE attracts global luxury brands and industry experts** – In a statement, Chairman of Qatar Tourism and Qatar Airways Group Chief Executive Akbar Al Baker said, "For nearly two decades, DJWE has successfully attracted a growing number of global luxury brands and industry experts, cementing its position as the only business-to-consumer show of its kind in the region, directly connecting brands with customers." "As the global tourism and travel sector works on its recovery from the events of the past two years, hosting DJWE is particularly special this year as we can once again welcome customers from around the world for this spectacular event. Exhibitions such as DJWE serve to energize multiple private sector players such as travel, hospitality, food & beverage, retail, and event organizers." The glittery exhibition promises to provide international, regional, and local brands a networking platform for companies and visitors in Qatar. In addition, DJWE's workshops and sideline events are designed to allow industry experts and specialists to connect with buyers and learn more about the preferences of their customers in the region. The Gems and Metals Calibration Lab will also be present to guide buyers and raise awareness on the importance of grading diamonds, tackling fraud, and purchasing products that adhere to international standards. Bringing new brands, limited edition collections and extraordinary showpieces, this year's big nine include AlFardan Jewellery, Ali Bin Ali Luxury, Al Majed Jewellery, Al Muftah Jewellery, Amiri Gems, Blue Salon, Bvlgari, Fifty One East and Louis Vuitton. In addition, as the country gears up to host the first-ever World Cup tournament in the Middle East, Al Majed Jewelry has been named the official luxury jewelry and accessories maker for the FIFA World Cup 2022. Its special collection of football-inspired pieces will be revealed for the first time ever at DJWE. (Qatar Tribune)
- Al-Sulaiti leads Qatar delegation to 'Future Aviation Forum' in Riyadh** – Qatar is participating in the 'Future Aviation Forum', organized under the

patronage of the Custodian of the Two Holy Mosques King Salman bin Abdulaziz al-Saud. HE the Minister of Transport Jassim Saif Ahmed al-Sulaiti is heading the Qatari delegation. The three-day forum began in Riyadh Monday with an opening session that featured several transportation ministers and civil aviation authority chairpersons from around the world, as well as high-profile specialists representing regional and international civil aviation organizations, and CEOs of multiple universal airlines. With more than 60 participating countries and 120 speakers, the forum focuses on three main themes: "Innovation, growth, and sustainability as key and influential axes in the civil aviation industry" and aims at finding solutions that contribute to civil aviation industry's prosperity in the coming years. (Gulf-Times)

- MoL: 192 citizens recruited by the private sector in April** – The Ministry of Labor announced the recruitment of 192 male and female job seekers in the private sector during April 2022. The Ministry's Statistical Bulletin, which includes the most prominent statistics and figures of the labor sector in Qatar, as well as the results of inspection visits to various establishments, indicated that the recruitments were distributed among the sectors as follows: Finance and insurance sectors - 74 jobs, energy and industry - 27, IT and telecom sector - 24, services and transportation - 25, real estate and contracting - 12, private entities - 26s, and hospitality sector - 4 jobs. The ministry stated that the key companies that were among the most cooperative in employing citizens during April were Qatar National Bank (9 jobs), Doha Bank (13), Dukhan Bank (22), Djala Brokerage and Investment Holding Company (7), Qatar Foundation (4), Aspire Zone (12), Vodafone Qatar (17), BEIN Sports (5), Katara Hospitality (3), Msheireb Properties (2), Qatari Diar Real Estate Company (2), Waseef Asset Management Company (3), Qatar Ports Management Company (2), Al Rayyan for Media and Marketing Company (3) and RKH (3 jobs). (Peninsula Qatar)

### International

- US wholesale inventories rise strongly; first-quarter GDP seen revised slightly up** – US wholesale inventories increased solidly in March and the pace of accumulation in the prior month was stronger than previously reported, which could lead to a small upward revision to the first-quarter gross domestic product estimate. The Commerce Department said on Monday that wholesale inventories rose 2.3% in March as reported last month. Data for February was revised higher to show stocks at wholesalers climbing 2.8% instead of the previously reported 2.6%. Economists polled by Reuters had expected March inventories would be unrevised. Wholesale inventories advanced 22.0% in March on a year-on-year basis. Inventories are a key part of gross domestic product. Wholesale motor vehicle inventories accelerated 2.4% after rebounding 1.9% in February. Wholesale inventories, excluding autos, rose 2.3% in March. Inventory investment slowed in the first quarter from the October-December period's robust pace, subtracting 0.8 percentage point from GDP last quarter. That combined with a record trade deficit to weigh on GDP, resulting in the economy contracting at a 1.4% annualized rate in the first quarter. Following February's upward revision, economists estimate that inventories subtracted 0.6 percentage point from GDP, which would trim the pace of decline in output to a 1.3% rate. Economists had anticipated the rate of decrease in GDP would be raised to a 1.5% rate after data last week showed the surge in the trade deficit in March was bigger than what they said the government assumed in its snapshot of first-quarter GDP. "The real change in inventories in the first quarter looks strong," said Daniel Silver, an economist at JPMorgan in New York. "But this is still more modest than the fourth quarter change in inventories, and we still believe inventories weighed on GDP growth in first quarter." The government is scheduled to publish its first GDP revision later this month. The number could also be impacted by March business inventories data due next week as well as any revisions to March retail sales, industrial production, housing starts and durable goods orders data. Sales at wholesalers increased 1.7% in March after gaining 1.5% in February. At March's sales pace it would take wholesalers 1.22 months to clear shelves, unchanged from February. With the Federal Reserve raising interest rates to curb inflation, demand is expected to cool. Some economists warn that this, in an environment of fractured supply chains, could create an inventory imbalance that could trigger a recession. "The current supply-

chain disruptions are making it difficult for businesses to manage their inventories," said Matt Colyar, an economist at Moody's Analytics in West Chester, Pennsylvania. "Therefore, it's possible that businesses are caught with excess inventories in a couple of years as they over-order today to compensate for the delays." (Reuters)

- NY Fed survey: US consumer short-term inflation outlook dips, spending plans rise** – US consumers' inflation expectations one year from now dipped in April but their view of inflation over the medium-term rose and household spending expectations also climbed to a record high, according to a Federal Reserve Bank of New York survey published on Monday. Median expectations for where inflation will be in one year fell 0.3 percentage point to 6.3%, while they increased to 3.9%, a rise of 0.2 percentage point, over a three-year outlook. Americans are in the grip of 40-year-high inflation with few signs it will swiftly abate any time soon. Russia's invasion of Ukraine has driven up food and energy prices and COVID lockdowns in China are keeping the supply chains of other goods snarled. But there are still tentative signs it has peaked, with the Labor Department's closely watched Consumer Price Index gauge for April due to be released on Wednesday. Both headline numbers and core prices are seen dropping year over year for the first time since August, according to a Reuters poll of economists but on a month to month basis core price inflation may tick back up to 0.4% from 0.3%. Last week the central bank raised interest rates by half a percentage point, the biggest hike in 22 years, and Fed Chair Jerome Powell signaled policymakers stand ready to approve half-percentage-point rate hikes at upcoming policy meetings in June and July as the Fed steps up its fight to lower the rate of price increases. Tightening monetary policy works to lower inflation by dampening demand but the New York Fed survey suggests households as yet have no plans to cut back. Median household spending growth expectations rose to 8.0%, a rise of 0.3 percentage point and a record high for the series. Despite a recent drop in the US stock market, consumers also have renewed optimism on its near-term gains. The mean perceived probability that stock prices will be higher 12 months from now increased by 0.6 percentage point to 37.9%. The New York Fed survey suggests consumers see short-term relief in some areas over the year ahead with inflation expectations for gas prices, which have recently dropped back slightly, declining 4.4 percentage point to 5.2%, and food and medical care costs down by 0.2 percentage point to 9.4%. Still, median home prices expectations were unchanged at 6.0% and the expected increase in rent rose to a record high. The internet-based survey taps a rotating panel of 1,300 households. (Reuters)
- Fed report: Inflation, Ukraine war seen as chief financial risks** – High inflation, volatility in stock and commodity markets and the war in Ukraine have emerged as the chief risks to the US financial system, the Federal Reserve reported on Monday in a biannual update on financial stability that warned of a system poised for potentially "sudden" disruption. The quick rise in US Treasury yields, the war-related trouble in oil markets and other factors have already strained some parts of the financial system, the report cautioned, and while the stress "has not been as extreme as in some past episodes, the risk of a sudden significant deterioration appears higher than normal." "It is noteworthy that households and businesses have decreased their borrowing as a percentage of gross domestic product, and currently appear to have resources to cover debt burdens, which is an important aspect of resilience in an environment of rising interest rates," Fed Governor and vice chair-designate Lael Brainard said in a statement accompanying the report. The report is the first to take stock of the rapid shifts in the financial landscape that have taken place since last fall, including a swifter tightening of monetary policy by the Fed and rising interest rates generally, inflation that has threatened to become more persistent, and Russia's invasion of Ukraine. The volatility has been apparent in US stock markets that have dropped sharply in recent weeks as well as in bond markets that have adjusted to higher US interest rates and tougher financial conditions as part of the Fed's efforts to slow inflation. "Inflation has been higher and more persistent than expected, even before the invasion of Ukraine, and uncertainty over the inflation outlook poses risks to financial conditions and economic activity," the report noted. "Financial markets experienced high volatility and some strains on market liquidity," over the last six months, the report said. "On net, over the period, Treasury yields



increased markedly, broad equity prices declined notably, and credit spreads widened considerably in corporate bond markets." Since closing at a record high on the first trading day of 2022, the benchmark Standard & Poor's 500 Index (.SPX) has since slid 16.5% and the Nasdaq Composite (.IXIC) has fared even worse, losing more than a quarter of its value in roughly six months. Yields on the 10-year Treasury note, influential to a range of consumer and business financing costs, has roughly doubled since the year began. In a survey of economists and market participants about the chief risks facing the US financial system, threats from the pandemic had faded and been replaced a suddenly uncertain geopolitical environment. Survey respondents, the report said, were concerned that "stresses in Europe related to the Russian invasion of Ukraine or in emerging markets - such as those that could arise from China or be driven by inflationary pressures - could spill over to the United States. In addition, elevated inflation and rising rates in the United States could negatively affect domestic economic activity, asset prices, credit quality, and financial conditions more generally." Overall corporate balance sheets remain healthy, with ample cash flow now to cover interest payment obligations. But, the report said, "the effect of high inflation, rising interest rates, supply chain disruptions, and the ongoing geopolitical conflict on corporate profitability is uncertain. A significant decline in corporate profitability or an unexpectedly large increase in interest rates could curtail the ability of some firms to service their debt." "In addition, the upward pressure on oil prices, if sustained, could curb the recovery in hard-hit industries such as airlines." (Reuters)

- UK shoppers cut spending as inflation squeeze tightens** – British shoppers, feeling the hit from surging inflation, cut their spending for the first time since early 2021 when the country was under a coronavirus lockdown, according to a survey published on Tuesday. The British Retail Consortium (BRC) said total retail spending among its members - mostly large chains and supermarkets - was 0.3% lower than a year earlier, compared with 3.1% annual growth in March. "The rising cost of living has crushed consumer confidence and put the brakes on consumer spending," BRC chief executive Helen Dickinson said. The annual fall in spending was the first since January 2021. The figures are not adjusted for inflation, so the fall in the volume of goods purchased will have been much greater than the drop in money spent. A 13% leap in global food prices between March and April, pushed up by the war in Ukraine, spelt more trouble ahead for retailers who would be unable to absorb all the extra costs, Dickinson said. Britain's consumer prices rose by 7.0% in the 12 months to March - a 30-year high - and the Bank of England said last week that inflation was likely to peak at more than 10% later this year, causing a sharp economic slowdown or possibly a recession. An increase in payroll taxes for both employers and workers also took effect in April. The BRC said its 'like-for-like' retail sales measure, covering only outlets open in April 2021, when non-essential shops were shut for part of the month, showed a 1.7% annual fall in spending after a 0.4% contraction in March. Spending on expensive items such as furniture and electrical goods was hit the hardest in April with delays in shipments from China adding to the problems for retailers. But good weather helped sales of garden goods. Spending on clothing for events such as weddings, many of which had been delayed by the pandemic, also rose. Separate data from payment processor Barclaycard, covering a broader range of spending, showed outlays on essential items grew by slightly less in April than in March as drivers cut back on fuel and shoppers sought to save money on groceries. But average spending on utilities leapt by almost 30% compared with a year ago as household energy tariffs went up. Overall spending by consumers grew 18.1% in April compared to the same period in 2019, reflecting the rising energy costs. The travel sector had its best month since before the pandemic as people prepared to go on holiday again. Nine in 10 people surveyed by Barclaycard expressed concern about the impact of rising household bills on their finances. But shoppers' confidence in their ability to spend on non-essential items and to live within their means was stable. Barclaycard said slower increases in spending on takeaway meals, nights out and subscriptions showed how consumers were changing their behavior. (Reuters)
- BoE's Saunders worries inflation will be higher than forecasts** – Bank of England policymaker Michael Saunders, who called in vain for a big interest rate hike last week, said inflation risked exceeding BoE forecasts

that already go above 10%, and urged the BoE to "lean heavily" against it. With price growth already more than three times the BoE's 2% target, Saunders and two other members of the nine-strong Monetary Policy Committee voted to raise Bank Rate from 0.75% to 1.25% at their meeting last week. But a majority of six members backed a smaller rise to 1.0% as they worried about signs of an economic slowdown. Saunders said in a speech that he put "considerable weight" on the risk that inflation pressures would probably be greater and more persistent than expected by the BoE. He told an audience at the Resolution Foundation think tank that the BoE should "lean strongly" against high inflation expectations because "the process of re-anchoring price expectations could be very costly in economic terms". Key measures of longer-term price growth expectations were uncomfortably high and were feeding into underlying pay growth and services inflation. "The strength of external costs is eroding real incomes and is likely to cap real spending," Saunders said, acknowledging the concerns of his colleagues. "But, by creating a long period of above-target inflation, these external cost increases also may exacerbate the rise in inflation expectations and hence, with the tight labor market, could make it harder to ensure domestic inflation pressures return to a target-consistent pace." Britain's consumer prices rose by 7.0% in the 12 months to March - a 30-year high - and the BoE said last week that inflation was likely to peak at more than 10% later this year, causing a sharp economic slowdown or possibly a recession. Saunders warned that high inflation eroded the BoE's ability to loosen monetary policy during future downturns. "That credibility is not infinite and cannot be taken for granted," he said. As well as the inflationary pressures hitting many other global economies, Britain also had to contend with the fallout from its departure from the European Union and its single market which had hurt investment and productivity, he said. He also said the neutral rate of interest - the level at which it neither stimulates nor restrains demand - might be somewhere in the range of 1.25% to 2.5%. Replying to a question after his speech, Saunders said financial markets were pricing that kind of range for Bank Rate over the next five years and he was inclined to think that was suitable for estimating the neutral rate. Saunders voted for a 50 basis-point rate hike in February as well as last week but backed a 25 basis-point increase in March. He told reporters that his May decision was based on the calmer conditions in financial markets at that point. (Reuters)

- China's central bank pledges to step up policy support for slowing economy** – China's central bank said on Monday it would step up support for the slowing economy, while closely watching domestic inflation and monitoring policy adjustments by developed economies. The People's Bank of China (PBOC) will keep liquidity reasonably ample, prioritize stability and take steps to boost confidence, the bank said in its first-quarter monetary policy implementation report. "Recently, the COVID-19 and the Ukraine crisis have led to increased risks and challenges, and the complexity, severity and uncertainty of China's economic development environment have increased," the central bank said. But China still has favorable conditions to develop its economy over the long term thanks to its big market potentials and ample room for manoeuvre, it said. China will keep its economic operations within reasonable ranges, the central bank said, adding it would not resort to flood-like stimulus. The central bank will support housing demand and step up support for housing leases, it said, reiterating it would not use property as short-term stimulus for the economy. China will keep its macro leverage ratio basically stable and also keep the Yuan exchange rate essentially stable, the central bank. The economy has taken a hit from efforts to contain the spread of record COVID-19 cases, which have led to a full or partial lockdown in dozens of Chinese cities, led by a city-wide shutdown in the economic and financial hub of Shanghai. The PBOC cut the amount of cash that banks must hold as reserves last month and more modest easing steps are expected. China will take steps to support its economy as risks grow from its COVID-19 outbreaks and conflict in Ukraine, a top decision-making body of the ruling Communist Party said last month. (Reuters)
- China April trade surplus with US at \$32.2bn** – China's trade surplus with the US stood at \$32.2bn in April, compared with a \$32.1bn surplus in March, Reuters calculations based on customs data showed on Monday. (Reuters)

- China's exports growth hits 2 year-low as virus curbs hit factories –** China's export growth slowed to single digits, the weakest in almost two years, while imports barely changed in April as tighter and wider COVID-19 curbs halted factory production and crimped domestic demand, adding to wider economic woes. Exports in dollar terms grew 3.9% in April from a year earlier, dropping sharply from the 14.7% growth reported in March although slightly better than analysts' forecast of 3.2%. It was the slowest pace since June 2020. Imports were broadly stable year-on-year, improving slightly from a 0.1% fall in March and a bit better than the 3.0% contraction tipped by the Reuters poll. The weak figures show China's trade sector, which accounts for about a third of gross domestic product, is losing momentum as lockdowns across the country ensnared supply chains in major centers like Shanghai, heightening risks of a deeper slowdown in the world's second-largest economy and beyond. "The virus outbreaks in China led to huge difficulties in the production chains and the supply chains," Chang Ran, a senior analyst at Zhixin Investment Research Institute said in a note on Monday. "Meanwhile, some countries in Southeast Asia have transitioned from recovery to production expansion, replacing Chinese exports to some extent." Julian Evans-Pritchard, senior China economist at Capital Economics, said the main headwind to exports is weakening foreign demand. "The sharpest falls were in shipments to the EU and US, where high inflation is weighing on real household incomes," he said. "The declines were also especially pronounced in electronics exports which suggest a further unwinding of pandemic-linked demand for Chinese goods." (Reuters)
- Japan household spending beats expectations, but inflation risks loom –** Japan's household spending fell in March for the first time in three months, though the 2.3% drop was smaller than expected, as consumers remained cautious despite some easing of COVID-19 curbs. While lower coronavirus risks have boosted consumer activity since April, rising living costs may cramp Japan's consumption-led recovery for the rest of 2022, analysts say. Inflation is at a multi-year-high in the world's third-biggest economy, fanned by war in Ukraine and the yen's skid to 20-year-lows. Government data on Tuesday confirmed the March spending drop versus the same month a year earlier. The decrease was narrower than Reuters' median market estimate for a 2.8% drop, and followed 1.1% growth in February. The first fall since December was also partly due to a tough comparison with March 2021, when spending surged 6.5%, a government official told a media briefing. Some items like mobile devices, cars and takeaway foods saw robust demand, the official said. Service spending on dining and travel agencies also slightly increased year-on-year, he said. Meanwhile, spending on fresh foods and home appliances decreased from a year earlier, and consumption still remained below pre-pandemic levels in March, according to the data. Household spending in the January-March quarter was down 1.8% from the previous quarter, the data showed, as curbs to combat the Omicron COVID variant lasted until late March. "Japan has constantly lagged behind other countries in economic reopening, where consumption is still hugely swayed by infection trends and hindered from recovering further," said Takeshi Minami, chief economist at Norinchukin Research Institute. On a seasonally-adjusted, month-on-month basis, spending rose 4.1% in March, which was the first rise in three months and stronger than the forecast 2.6% growth. "So-called 'revenge spending' on previously restricted areas likely covered the dip from consumer price hikes," said Minami, referring to households jumping on early opportunities to spend after the lifting of COVID curbs on in-person services. "However, as energy costs such as electricity bills as well as food prices have been rising, the upcoming rebound in consumption might end up not as strong as expected," he said. With households facing bigger bills, in March, Japanese real wages fell for the first time in three months as inflation outstripped steady nominal wage growth. Economists expect the world's third-largest economy to have contracted an annualized 0.7% in the January-March, followed by a 5.1% rebound in April-June, according to the latest Reuters poll. (Reuters)

## Regional

- Saudi's non-oil economy remains strong, but business confidence at 3-month low –** Business conditions in Saudi Arabia's non-oil economy remained strong in April, but confidence worsened amidst concerns over inflation, the war in Ukraine and renewed COVID-19 restrictions in Asia,

according to a new survey. The headline seasonally adjusted S&P Global Saudi Arabia Purchasing Managers' Index (PMI) dipped to a three-month low at 55.7, compared to 56.8 in March. However, S&P said its latest study still indicates a "strong improvement in non-oil private sector business conditions" in the kingdom, citing that the PMI reading is "firmly above" the 50.0 neutral mark. Purchasing activity and inventories in Saudi Arabia also rose at the sharpest rate since December 2017, as businesses looked to meet demand and expand inventories amid rising material costs, while job creation accelerated at its fastest pace since June 2021. "The Saudi Arabia PMI signaled another strong improvement in the health of the non-oil sector in April, but one that also showed the first signs of price pressures swaying clients' spending decisions," said David Owen, Economist at S&P Global. "Business confidence in future activity levels was down to a three-month low and one of the lowest ever recorded, indicating a marked degree of uncertainty over whether the current rate of output growth can be sustained." Respondents polled for the survey noted that some clients are wary of volatile prices and increased economic uncertainty. "There was a degree of hesitancy from some clients in the wake of volatile global prices and increased economic uncertainty," S&P said. "Notably, the latest data pointed to a solid, albeit less severe rise in average input costs as rising energy prices and supply shortages due to the war in Ukraine impacted raw material prices." (Zawya)

- 20,000 new jobs for citizens as MHRSD starts implementing Saudization of four key professions –** The Ministry of Human Resources and Social Development has started implementing Saudization of four key professions in the private sector establishments effective from May 8. These include secretary, translator, storekeeper, and data entry operator in various regions of the Kingdom. Saudization of these sectors is expected to generate jobs for around 20,000 Saudi men and women. This comes in implementation of a decision issued by the ministry in October 2021 to restrict jobs in these professions in the private sector establishments to Saudis. The ministry has fixed minimum wage of SR5000 for the professions of translator and storekeeper. This decision is part of the continued efforts of the ministry to create appropriate and stimulating work environment for male and female citizens as well as to expand their participation in the local employment market. The ministry started implementing the Saudization of jobs in the marketing and administrative support fields effective from April 1, 2022, and it is expected to create more than 12,000 jobs for Saudi men and women. The minimum salary to calculate hiring one Saudi person under the Nitaqat Saudization program had been set at SR5,500 in these jobs. Minister of Human Resources and Social Development Eng. Ahmed Al-Rajhi had issued a decision under which 30% of the marketing professions have to be Saudized by all private sector establishments that employed five or more workers in the marketing professions. The marketing professions that cover under the new Saudization drive include the following: manager, marketing specialist, advertising and public relations manager, marketing sales expert, advertising designer, and commercial advertising photographer. (Zawya)
- Saudi Arabia to restart privatization plan for 29 airports –** Saudi Arabia is re-launching the privatization of its airports in an effort to diversify the kingdom's oil-dominated economy and secure investment as it seeks to triple annual visitor numbers by 2030. Ownership of the 29 airports has already been moved to a new entity, Matarat, in order to prepare them for the process, Abdulaziz Al Duailej, president of the General Authority of Civil Aviation, said in an interview. An international investor roadshow could start in the next 12 to 18 months. "I will not wait until 2030 to privatize the whole sector," Al Duailej said on the sidelines of the Saudi Future of Aviation Forum in Riyadh, with the selloff to be completed long before then. He said it's not yet clear how much the privatization program might raise. Saudi Arabia has previously embarked on attempts to privatize its airports, hiring Goldman Sachs in 2017 to sell a stake in Riyadh's King Khalid International hub, before abandoning the plan. The kingdom's tourism push is part of a strategy announced by Crown Prince Mohammed bin Salman to reduce reliance on the world's largest crude oil exports. The plan would turn Riyadh into a global business centre, draw foreign talent and attract 330mn visitors a year by the end of the decade. In contrast to established hubs in Doha and Dubai, the aim is to bring people into the country rather than provide global connections, Al Duailej

said. As part of the plan, Saudi Arabia is also looking to launch a new international airline based in Riyadh, separate to existing flag carrier Saudia, and owned by its sovereign wealth fund, the Public Investment Fund. The strategy includes developing a new airport in Riyadh that will be owned by the PIF, and an increase in the number of direct destinations served from the country to 250 from about 100 currently. (Bloomberg)

- Saudi Arabia eyes \$32bn investments for 9 projects** – Saudi Arabian industry sector is seeking to attract investment of \$32bn in nine projects in the fields of mining and metals to bolster exports of metal products to local and global markets, the Saudi Press Agency (SPA) reported on May 6th, citing Minister of Industry and Mineral Resources Bandar Al-Khorayef. The Saudi industry ministry is considering 145 applications for exploration licenses submitted by foreign companies, Al-Khorayef added. The underway projects include a steel panels factory with investments of over \$4bn, along with a \$2bn electrical vehicles (EV) battery plant, the minister revealed. Al-Khorayef noted that there are other projects under development for the production of aluminum, steel sheets, copper, and zinc. The recently announced investments are a part of Saudi Vision 2030 that aims to establish the mining sector as the third pillar of the national industry, Al-Khorayef said, adding that mining projects will create more than 14,500 jobs. (Zawya)
- National network for supply of natural gas in all Saudi industrial zones is in pipeline** – The Ministry of Energy, in cooperation with the National Mining Committee at the Federation of Saudi Chambers (FSC), will build a national network to supply natural gas in industrial zones in all cities across the Kingdom. This will be in accordance with a well-thought-out time-bound plan in order to achieve the Kingdom's Vision 2030 to support the mining sector and raise its contribution to the gross domestic product (GDP). According to Asharq Al-Awsat newspaper, the National Mining Committee is carrying out a survey to measure the industrial sector's need to use natural gas in the manufacturing process. The National Industrial Development and Logistics Program (NIDLP), one of the programs of the Kingdom's Vision 2030, aims to transform the country into a leading industrial power and a global logistics platform by maximizing the value achieved from the mining and energy sectors. (Zawya)
- Retal plans IPO and listing shares on Saudi Stock Exchange** – Saudi Arabia - Retal Urban Development Company, a next generation real estate development company, intends to proceed with an Initial Public Offering (IPO) and list its shares on the Main Market of the Saudi Stock Exchange. The Capital Market Authority (CMA) has approved the company's application for the IPO of 12,000,000 ordinary shares, representing 30% of its share capital. The final offer price will be determined at the end of the book-building period. The company has developed a number of Saudi Arabia's most prestigious and exciting communities, including Nesaj Town Dammam 1 and 2, Nesaj Town AlKhubar and Retal Residence. It has also developed a number of residential communities under the 'Ewan' brand, including Ewan Al Nahda, Ewan Al Nawras and Ewan Al Maali, and launched the high-end villa project, Ayala, with its new concept and digital pre-customization, which allows customers to choose and add the details to their liking and make modifications to designs and spaces prior to purchase. (Zawya)
- UAE, Greece agrees investments in energy and other sectors** – Greece and the UAE agreed to jointly fund investments worth 4bn Euros (\$4.2bn) in the Mediterranean country and explore further cooperation in the energy sector, the Greek prime minister's office said. Prime Minister Kyriakos Mitsotakis met with Crown Prince HH Sheikh Mohammed bin Zayed al Nahyan in Abu Dhabi and discussed ways to strengthen bilateral ties as well as the impact of the war in Ukraine, his office said. "The renewal of the successful collaboration between the Hellenic Development Bank and Mubadala Emirates investment fund and the creation of a joint initiative for investments worth 4bn Euros is of pivotal importance," it said. Mitsotakis said there was room for further cooperation between the European Union and the UAE on renewable energy. (Peninsula Qatar)
- PMI: UAE's non-oil private sector maintains robust growth in April** – The UAE's non-oil private sector maintained robust growth in April supported by improving demand and a sharp rise in exports but cost pressures were a matter of concern, a survey showed on Monday. The seasonally adjusted S&P Global UAE Purchasing Managers' Index (PMI) slipped to 54.6 in April from 54.8 in March, a three-month low. The indicator however remained above the 50.0 mark that separates expansion from contraction. There was a sharp rise in non-oil output at the start of the second quarter of the year as firms continued to benefit from increased new orders and project work. "In fact, the expansion in activity was the fastest registered since December last year, with just under a quarter of respondents seeing output increase since March," the report said. New order growth remained on a strong footing during April, despite softening slightly to a three-month low. Exports also grew, with the latest data pointing to the fastest rise in foreign new business since January 2021. However, a solid increase in input costs during the month, largely associated with an increase in energy prices due to the Russia-Ukraine war, remained a concern weighed with survey participants pointing to higher fuel charges and a further increase in raw material prices. The rate of input price inflation was unchanged at its joint-highest for nearly three-and-a-half years. David Owen, Economist at S&P Global, said the increase "will spur greater concern of an inflationary-led dip in demand, particularly as the positive efforts from the pandemic recovery and Expo 2020 fade." Average output prices rose, albeit marginally, for the first time in nine months, as firms raised prices to shift part of the additional cost on to customers. They also boosted their inventories. Meanwhile, employment numbers slipped slightly as firms trimmed labor costs. (Zawya)
- Dubai ranks first globally in attracting FDI projects in 2021** – HH Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai and Chairman of Dubai Executive Council, revealed that Dubai has achieved the top ranking globally in attracting foreign direct investment (FDI) in 2021, with a record number of 418 greenfield FDI projects. Sheikh Hamdan expressed his gratitude to His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President, Prime Minister and Ruler of Dubai, for his exceptional leadership and attributed Dubai's remarkable achievements and global rankings to His Highness's farsighted vision. Unveiling the annual 'DUBAI FDI Results and Rankings Highlights Report 2021', published by Dubai Investment Development Agency (Dubai FDI), an agency of the Department of Economy and Tourism (DET), Sheikh Hamdan stated, "Dubai's rise as the world's top-ranked destination for foreign direct investment has been driven by the visionary leadership of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President, Prime Minister and Ruler of Dubai. Under His Highness's directives, Dubai has created a stable, sustainable economic environment and a vibrant business ecosystem for companies and entrepreneurs to launch new ventures, tap new opportunities and expand their business both in the country and beyond its borders. Over the years, Dubai has also demonstrated its resilience to global economic fluctuations, earning the confidence of global investors, and enhancing its reputation as one of the world's leading lifestyle and business destinations. (Zawya)
- Sharjah Ruler issues Emiri Decree on Sharjah Chamber of Commerce and Industry** – HH Dr. Sheikh Sultan bin Muhammad Al Qasimi, Supreme Council Member and Ruler of Sharjah, has issued Emiri Decree No.36 for 2022 regarding formation of the Board of Directors of Sharjah Chamber of Commerce and Industry (SCCI). The decree stipulated that the board of directors of the Sharjah Chamber of Commerce and Industry would be reformed under the chairmanship of Abdullah Sultan Mohammed Al Owais, and the membership of the following: 1. Sheikh Majid bin Faisal bin Khalid bin Khalid Al Qasimi. 2. Ahmed Mohammed Obaid Issa Al Naboodah. 3. Jamal Muhammad Sultan bin Howiden. 4. Halima Hamid Ali Al Owais. 5. Raghda Humaid Omran Taryam. 6. Ziyad Mahmoud Khairallah Al Haji. 7. Muhammad Ahmad Muhammad Al Shehhi. 8. Sultan Muhammad Hussain Al Mulla. 9. Abdullah Ibrahim Deaifis. 10. Obaid Awad Al Tunajji. 11. Ali Obaid Ali Obaid Al Zaabi. 12. Ali Muhammad Abdullah Al Khayal. 13. Mohammed Rashid Ali Al Dimas. 14. Muhammad Ali Marzouq bin Kamel. 15. Mohammed Hilal Al Hazami. 16. Nasser Mosbeh Ahmed Al Tunajji. 17. Waleed Abdul Rahman Bukhatir. According to the Decree, the term of membership in the Council is four years, starting from the date of its first meeting, and may be extended for a similar period, provided that the Council continues to conduct its business at the end of its term until a new council is appointed. (Zawya)
- Fitch Downgrades Mashreqbank's viability rating to 'bb+'** – Fitch Ratings has downgraded UAE-based Mashreqbank (Mashreq) viability rating

(VR) to 'bb+' from 'bbb-' and removed it from rating watch negative. (Fitch Ratings)

- DEWA completes 98.83% of its AED266mn water pipeline project** – Dubai Electricity and Water Authority (DEWA) has completed 98.83% of its project to extend its water transmission network by 36 kilometers across Dubai, at a total cost of about AED 266mn. The project includes the enhancement of water network including the installation and commissioning of pipelines along Sheikh Mohamed bin Zayed Road and Emirates Road; pipelines from the Hassyan Pump Station to Dubai Investments Park and Dubai World Central, pipelines from the Seawater Reverse Osmosis (SWRO) station in the Jebel Ali Power Station and Water Desalination Complex to Sheikh Zayed Road, all of which are 100% completed. The project also includes installation and commissioning of a pipeline from Nakhali Reservoir to Alaweer roundabout alongside the Dubai-Hatta Road, which is 95% completed; pipelines in Muhaisinah area, which is 98% completed, and a pipeline from Margham wellfield to Dubai Al Ain Road, which is 100% completed; All the project's phases are expected to be completed by July 2022. (Zawya)
- Dubai government establishes debt management office, appoints CEO** – The Dubai Government said on Monday that it has established a debt management office (DMO) and appointed Rashid Ali bin Obood Al-Falasi as its chief executive. The DMO will manage the sovereign debt portfolio and will be responsible for meeting the government's financing requirements, the government said in its statement. (Zawya)
- DCT Abu Dhabi: Saadiyat Island will contribute \$1.14bn to tourism economy by 2025** – Saadiyat Island will drive Abu Dhabi's tourism sector, contributing AED 4.2bn (\$1.14bn) and attracting 19mn visitors by 2025, according to the emirate's Department of Culture and Tourism (DCT). Abu Dhabi DCT has appointed Miral, Abu Dhabi's leading creator of destinations and experiences, to oversee the Destination Management strategies of Saadiyat Island. Miral will be responsible for building on Saadiyat's current reputation of offering exceptional art and cultural experiences, raising awareness of the destination's unique proposition and growing local and international visitor numbers. Under a new "One Island Many Journeys" campaign, the island's Cultural District, including its outpost of the Paris-based Louvre Museum will be highlighted, as well as Abrahamic House, a venue to foster global tolerance and understanding, New York University Abu Dhabi and the island's beach resorts and wildlife pursuits. In April, UAE-based real estate development and investment company Aldar has acquired a 6.2mn square metre plot on the eastern side of Saadiyat Island for 3.68bn dirhams (\$1bn). The proposed development will be home to over 15,000 people and the integrated community will include 2,700 units. (Zawya)
- UAE to introduce unemployment insurance in latest economic reforms** – The United Arab Emirates will introduce a form of unemployment insurance, the cabinet said, the latest reform by the Gulf country as it strives to attract talent and investment amid increasing regional economic competition. Insured workers would receive some money for a limited time period if made unemployed, UAE Prime Minister and Vice-President Sheikh Mohammed bin Rashid al-Maktoum, who is also ruler of Dubai, said on Twitter, citing a cabinet decision. The statement did not specify whether this would apply equally to citizens and non-citizen residents in the UAE. "The intention is to strengthen labor market competitiveness, provide a social umbrella for workers and establish a stable working environment for all," the statement said. (Zawya)
- Bahrain's rating remains stable** – The Arab Investment and Export Credit Guarantee Agency announced the stability of Bahrain's country rating at level B in various degrees until the end of March 2022, by the world's leading credit rating agencies like Standard & Poor's, Fitch and Moody's. In its report published on its Twitter account @DHAMANnet, based on the assessment of the risks of countries to repay their debts to the state by specialised international institutions and companies, the agency also announced that Bahrain is among the countries that invest the most moderate/medium risks in repayment of outstanding debts, according to an assessment by both PRS and Fitch, as well as the Coface Business Climate Assessment. Credendo Group for Credit Insurance also ranked Bahrain fourth among low-risk countries in government actions in property expropriation and direct investments in the country, and fourth

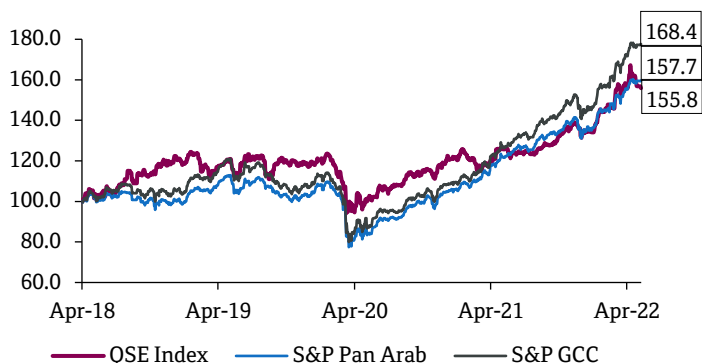
in each of short-term political risks in export operations to the country and risks of political violence in direct investments. The bulletin revealed that Bahrain falls into the category of countries where international exporters prefer to deal with an irrevocable letter of credit (ILC) with a maximum maturity of three years in commercial transactions. (Zawya)

- GFH acquires a majority stake in SQ Asset Management in the United States** – GFH Financial Group ("GFH") announced that it has signed an agreement to acquire a majority stake in SQ Corporation – a US-based asset manager for the living sector and a property manager focused on student housing. The acquisition will see GFH launch its US operations by adding 180 real estate professionals to GFH's employee base, bringing extensive investment and asset management experience to the US real estate sector. Founded in 2013, SQ has grown into a leading living asset manager with total transactions in excess of \$1.4bn and 32 residential properties and 10,300 beds currently under management across the United States. Hisham El Rayes, CEO of GFH Financial Group, said, "We are excited to announce this acquisition, which launches GFH's US operations and provides us with direct access to the attractive living space sector and enables the Group to better access the local US market to help in Executing our real estate strategy. (Bloomberg)
- Kuwait Finance House: Bahrain Wins prestigious award from CitiBank** – Bahrain announced that it has received the Straight-Through Processing (STP) Excellence Award, which is awarded in recognition of exceptional performance in the field of automated processing of private transfers to individuals and financial institutions. During the event at the Bank's headquarters, the award was handed by Mr. Mohamed Al-Hammadi, Director of Correspondent Banking Group, Head of Financial Institutions in GCC, Pakistan and Iraq at CitiBank to Mr. Mohamed Fahmi Hamad, Executive Manager of Operations, IT and Corporate Communications at KFH-Bahrain. Commenting on the occasion, Mr. Mohamed Fahmi Hamad, Executive Manager of Operations, IT and Corporate Communications at KFH-Bahrain said: "We are proud of this achievement, as this award reiterates KFH-Bahrain's commitment to process remittances in accordance with the standards approved by CitiBank. We affirm our continued efforts to maintain the level of excellence whilst continuing to accomplish all our banking activities at the highest levels of quality and efficiency." "We would like to congratulate KFH-Bahrain for receiving this prestigious award, which bears witness to its outstanding performance in the field of automated remittance processing. This award also comes as a testament to the Bank's solid position as one of the leading Islamic banks at a local level and a major contributor to the development of the Islamic financial sector in the Kingdom of Bahrain," commented Mr. Mohamed Al-Hammadi, Director of Correspondent Banking Group, Head of Financial Institutions in GCC, Pakistan and Iraq at CitiBank. (Bloomberg)
- Oman reports a budget surplus in Q1** – The Sultanate's general budget achieved a financial surplus of RO357mn by the end of the first quarter of this year, which will be directed to stimulating economic recovery, increasing spending on priority development projects, reducing the level of indebtedness, and managing its risks. The Ministry of Finance paid RO146.4mn by the end of the first quarter of 2022 in dues to the private sector through the financial system. (Zawya)
- GFOW calls for quick solutions to improve minimum wages in Oman** – The General Federation of Oman Workers (GFOW) has called for quick solutions by the government to improve the minimum wages for the national workforce. "According to the statistics published by the competent authorities, it appears that about 24% of Omanis insured in the social insurance system, have wages ranging between OMR 325 and OMR 400 only, and the same data indicates that about half of the insured Omanis receive a wage of less than OMR 500," Nabhan bin Ahmed Al Batashi, Chairman of the Board of Directors of the General Federation of Oman Workers said. "We find that the average monthly expenditure of the Omani family is about OMR 757, according to the National Centre for Statistics and Information (NCSI). This situation calls for the need for rapid intervention and finding solutions to improve the level of wages for the national workforce, and to improve the social protection system to ensure a decent living for the worker and his family." "The recent economic conditions imposed by the adoption of some taxes, the rise in

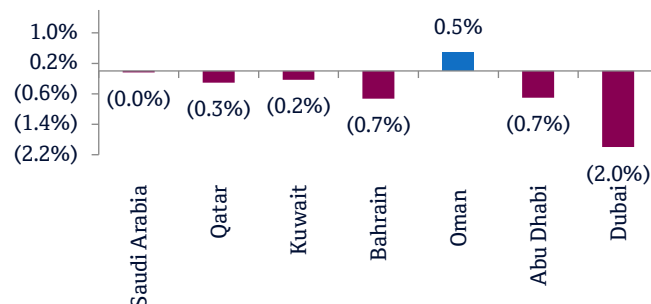




prices, the gradual lifting of subsidies on a large number of goods and services, the increase in some fees, and the high rates of inflation, whose rates reached 3.6% by the end of March 2022, lead us to the importance of finding quick solutions by the government to improve the minimum wage, and the adoption of the national system for social protection," Al Batashi said. The Chairman pointed out that the review of the minimum wage should be based on full consultation between stakeholders. The International Labour Organization Convention No. (131) encourages the establishment of a minimum wage system, the adoption of the principle of consultation with the stakeholders in this regard, and the establishment of a mechanism to amend the minimum wage system from time to time, taking into account when determining it the needs of workers and their families, and adopting appropriate measures to ensure its implementation. (Zawya)

**Rebased Performance**


Source: Bloomberg

**Daily Index Performance**


Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,854.17	(1.6)	(1.6)	1.4
Silver/Ounce	21.80	(2.5)	(2.5)	(6.5)
Crude Oil (Brent)/Barrel (FM Future)	105.94	(5.7)	(5.7)	36.2
Crude Oil (WTI)/Barrel (FM Future)	103.09	(6.1)	(6.1)	37.1
Natural Gas (Henry Hub)/MMBtu	8.03	(4.5)	(4.5)	119.4
LPG Propane (Arab Gulf)/Ton	123.75	(3.1)	(3.1)	10.2
LPG Butane (Arab Gulf)/Ton	125.00	(3.9)	(3.9)	(10.2)
Euro	1.06	0.1	0.1	(7.1)
Yen	130.29	(0.2)	(0.2)	13.2
GBP	1.23	(0.1)	(0.1)	(8.9)
CHF	1.01	(0.5)	(0.5)	(8.2)
AUD	0.70	(1.8)	(1.8)	(4.3)
USD Index	103.65	(0.0)	(0.0)	8.3
RUB	118.69	0.0	0.0	58.9
BRL	0.19	(1.5)	(1.5)	8.0

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,671.83	(3.3)	(3.3)	(17.3)
DJ Industrial	32,245.70	(2.0)	(2.0)	(11.3)
S&P 500	3,991.24	(3.2)	(3.2)	(16.3)
NASDAQ 100	11,623.25	(4.3)	(4.3)	(25.7)
STOXX 600	417.46	(2.9)	(2.9)	(20.5)
DAX	13,380.67	(2.1)	(2.1)	(21.3)
FTSE 100	7,216.58	(2.4)	(2.4)	(10.8)
CAC 40	6,086.02	(2.7)	(2.7)	(21.0)
Nikkei	26,319.34	(2.4)	(2.4)	(19.2)
MSCI EM	1,014.68	(1.6)	(1.6)	(17.6)
SHANGHAI SE Composite	3,004.14	(0.9)	(0.9)	(22.1)
HANG SENG*	20,001.96	0.0	0.0	(15.1)
BSE SENSEX	54,470.67	(1.2)	(1.2)	(10.0)
Bovespa	103,250.02	(3.1)	(3.1)	7.0
RTS*	1,088.02	0.0	0.0	(31.8)

Source: Bloomberg (\*\$ adjusted returns, \*Market was closed on May 09, 2022)

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