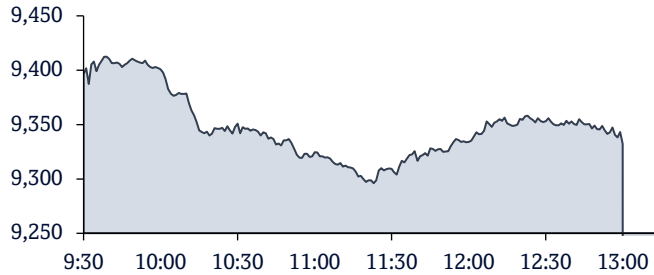


### QSE Intra-Day Movement



### Qatar Commentary

The QE Index declined 0.7% to close at 9,332.4. Losses were led by the Banks & Financial Services and Transportation indices, falling 1.2% and 0.8%, respectively. Top losers were Mekdam Holding Group and The Commercial Bank, falling 3.7% and 2.7%, respectively. Among the top gainers, Doha Insurance Group gained 2.2%, while Qatar Industrial Manufacturing Co was up 1.3%.

### GCC Commentary

**Saudi Arabia:** The TASI Index fell 0.2% to close at 11,831.2. Losses were led by the Capital Goods and Media and Entertainment indices, falling 2.6% and 1.9%, respectively. East Pipes Integrated Company for Industry declined 5.8%, while Riyadh Cables Group Co. was down 5.6%.

**Dubai:** The DFM Index gained 0.4% to close at 4,027.5. The Consumer Staples index rose 3.2%, while the Financials index gained 2.4%. Al Mazaya Holding Company rose 14.7%, while Commercial Bank of Dubai was up 8.6%.

**Abu Dhabi:** The ADX General Index fell marginally to close at 8,830.7. The Industrial index declined 1.1%, while the Energy index fell 1.0%. E7 Group declined 4.6%, while Sudatel was down 4.0%.

**Kuwait:** The Kuwait All Share Index fell 0.7% to close at 7080.5. The Basic Materials index declined 1.1%, while the Real Estate index fell 0.9%. Equipment Holding declined 11.1%, while Manazel Holding was down 5.9%.

**Oman:** The MSM 30 Index fell 0.3% to close at 4,790.5. Losses were led by the Financial and Services indices, falling 0.7% and 0.1%, respectively. Oman Fisheries Company declined 7.7%, while Ahli Bank was down 5.6%.

**Bahrain:** The BHB Index gained 0.2% to close at 2,025.3. The Materials index rose 0.8% while the Financials index gained 0.1%. Inovest rose 10.3%, while Aluminum Bahrain was up 0.8%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Doha Insurance Group	2.425	2.2	322.4	1.5
Qatar Industrial Manufacturing Co	2.584	1.3	167.2	(13.9)
Qatar Electricity & Water Co.	14.68	1.2	581.7	(21.9)
Diala Brokerage & Inv. Holding Co.	1.236	1.1	628.4	(6.4)
Gulf Warehousing Company	3.377	1.1	1,008.1	7.8

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatari German Co for Med. Devices	1.890	(2.2)	13,498.8	30.3
Vodafone Qatar	1.629	(1.1)	11,689.1	(14.6)
Qatar Aluminum Manufacturing Co.	1.390	(0.1)	10,927.6	(0.7)
Ezdan Holding Group	0.801	(0.6)	8,133.9	(6.6)
Masraf Al Rayan	2.385	(1.0)	7,876.4	(10.2)

Market Indicators	27 May 24	26 May 24	%Chg.
Value Traded (QR mn)	445.3	351.2	26.8
Exch. Market Cap. (QR mn)	541,127.3	544,361.7	(0.6)
Volume (mn)	141.6	124.7	13.5
Number of Transactions	16,772	12,831	30.7
Companies Traded	50	48	4.2
Market Breadth	15:33	6:41	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	20,990.43	(0.7)	(2.4)	(9.7)	10.5
All Share Index	3,269.40	(0.7)	(2.3)	(9.9)	11.2
Banks	3,811.58	(1.2)	(3.2)	(16.8)	9.2
Industrials	3,903.05	0.0	(1.4)	(5.2)	2.6
Transportation	4,971.28	(0.8)	(2.2)	16.0	23.9
Real Estate	1,639.57	(0.4)	(2.4)	9.2	13.4
Insurance	2,261.74	0.3	(0.7)	(14.1)	167.0
Telecoms	1,499.83	0.3	(1.2)	(12.1)	8.2
Consumer Goods and Services	7,327.43	(0.2)	(1.2)	(3.3)	228.4
Al Rayan Islamic Index	4,494.61	(0.4)	(2.1)	(5.7)	13.7

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Q Holdings	Abu Dhabi	2.90	5.5	10,985.6	(7.3)
Dubai Islamic Bank	Dubai	5.67	3.1	5,663.7	(0.9)
Power & Utility Co.	Saudi Arabia	62.50	2.6	470.6	(3.5)
Multiply Group	Abu Dhabi	2.07	2.5	27,453.5	(34.9)
ADES Holdings	Saudi Arabia	18.16	2.3	6,918.5	(24.3)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Ahli Bank	Oman	0.15	(5.6)	8.1	(1.9)
Salik Co.	Dubai	3.21	(4.2)	4,882.0	3.2
Mouwasat Medical Services	Saudi Arabia	111.80	(2.8)	419.7	0.0
Riyad Arab	Saudi Arabia	24.46	(2.7)	5,204.4	(14.2)
Bupa Arabia for Coop. Ins.	Saudi Arabia	234.20	(2.7)	113.4	9.7

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%
Mekdam Holding Group	3.576	(3.7)	263.6	(10.9)
The Commercial Bank	3.849	(2.7)	6,293.2	(37.9)
National Leasing	0.710	(2.5)	2,505.0	(2.6)
Qatar Islamic Insurance Company	8.018	(2.2)	465.9	(9.9)
Qatari German Co for Med. Devices	1.890	(2.2)	13,498.8	30.3

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	13.00	(1.5)	86,520.6	(21.4)
Qatar Islamic Bank	16.98	(1.4)	32,032.6	(21.0)
Industries Qatar	11.60	0.1	29,637.9	(11.3)
Qatari German Co for Med. Devices	1.890	(2.2)	25,632.6	30.3
The Commercial Bank	3.849	(2.7)	24,309.6	(37.9)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	9,332.39	(0.7)	(2.4)	(4.1)	(13.8)	122.33	148,377.1	10.5	1.2	5.1
Dubai	4,027.46	0.4	0.1	(3.1)	(0.8)	60.16	185,667.4	7.9	1.2	6.0
Abu Dhabi	8,830.65	(0.0)	(0.7)	(2.6)	(7.8)	329.78	669,627.0	17.7	2.6	2.2
Saudi Arabia	11,831.22	(0.2)	(1.4)	(4.5)	(1.1)	1,572.85	2,789,581.0	20.5	2.4	3.5
Kuwait	7,080.50	(0.7)	(0.8)	0.4	3.9	156.29	149,633.6	14.1	1.7	3.3
Oman	4,790.51	(0.3)	(0.3)	0.1	6.1	10.53	24,233.9	12.8	1.0	5.5
Bahrain	2,025.31	0.2	0.3	(0.2)	2.7	4.67	21,237.2	7.8	0.8	8.3

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 0.7% to close at 9,332.4. The Banks & Financial Services and Transportation indices led the losses. The index fell on the back of selling pressure from GCC and Foreign shareholders despite buying support from Qatari and Arab shareholders.
- Mekdam Holding Group and The Commercial Bank were the top losers, falling 3.7% and 2.7%, respectively. Among the top gainers, Doha Insurance Group gained 2.2%, while Qatar Industrial Manufacturing Co was up 1.3%.
- Volume of shares traded on Monday rose by 13.5% to 141.6mn from 124.8mn on Sunday. However, as compared to the 30-day moving average of 170.2mn, volume for the day was 16.8% lower. Qatari German Co for Med. Devices and Vodafone Qatar were the most active stocks, contributing 9.5% and 8.3% to the total volume, respectively.

Overall Activity	Buy%*	Sell%*	Net (QR)
Qatari Individuals	34.12%	25.43%	38,683,695.71
Qatari Institutions	35.16%	29.94%	23,243,660.28
<b>Qatari</b>	<b>69.28%</b>	<b>55.37%</b>	<b>61,927,355.99</b>
GCC Individuals	0.46%	0.40%	247,012.46
GCC Institutions	2.59%	3.88%	(5,741,080.43)
<b>GCC</b>	<b>3.05%</b>	<b>4.28%</b>	<b>(5,494,067.97)</b>
Arab Individuals	9.57%	8.61%	4,272,495.21
Arab Institutions	0.10%	0.00%	436,187.00
<b>Arab</b>	<b>9.67%</b>	<b>8.61%</b>	<b>4,708,682.21</b>
Foreigners Individuals	3.53%	3.82%	(1,292,151.11)
Foreigners Institutions	14.48%	27.92%	(59,849,819.12)
<b>Foreigners</b>	<b>18.01%</b>	<b>31.74%</b>	<b>(61,141,970.22)</b>

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

### Global Economic Data

#### Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
05-27	China	National Bureau of Statistics	Industrial Profits YTD YoY	Apr	4.30%	NA	4.30%
05-27	China	National Bureau of Statistics	Industrial Profits YoY	Apr	4.00%	NA	-3.50%

### Qatar

- Dlala Brokerage and Investment Holding Co.: Board of directors meeting on June 03** - The Dlala Brokerage and Investment Holding Co. has announced that its Board of Directors will be holding a meeting on 03/06/2024 to discuss the company's operations. (QSE)
- QatarEnergy announces FID in second development phase for Brazil's Sepia field** - QatarEnergy has announced that the consortium partners in the Sepia joint venture have taken the final investment decision (FID) for the second development phase of the Sepia field, located in the prolific pre-salt Santos Basin, offshore Brazil. The Sepia joint venture is a partnership between QatarEnergy, TotalEnergies, Petronas, Petrogal Brazil, and Petrobras (the operator). The FID was marked by the signing of a contract with Seatrium O&G Americas Limited to construct a floating production storage and offloading (FPSO) unit to operate in the ultra-deep waters of the Sepia field. The FPSO will have a crude oil production capacity of 225,000 barrels of oil per day, and a gas processing capacity of ten million cubic meters per day. Minister of State for Energy Affairs and QatarEnergy President and CEO HE Saad Sherida Al Kaabi welcomed the award of the contract as an important landmark in QatarEnergy's activities in Brazil. The FPSO is expected to result in reducing greenhouse gas emission intensity per barrel of oil equivalent by 30%. The reduction is due to the benefits of an all-electric configuration and optimization in the processing plant to increase energy efficiency. The FPSO also incorporates several environmental technologies, such as zero routine ventilation (recovery of ventilated gases from cargo tanks and the processing), deep seawater capture, use of speed variators in pumps and compressors, cogeneration (Waste Heat Recovery Unit), routine zero burning (torch gas recovery – closed flare), valves with requirements for low fugitive emissions and the capture, use and geological storage of CO2 from the gas produced. The FPSO's construction will be carried out in shipyards in Brazil, China, and Singapore. It will be the second FPSO in the Sepia field (in addition to the already operating Carioca FPSO) and will target the northern part of the Sepia field. (Qatar Tribune)
- CWQ: Qatar's overall purpose-built office supply at 5.4mn sq m** - Qatar's overall supply of purpose-built office accommodation has been estimated at 5.4mn sq m with West Bay cornering more than 33% of it, according to Cushman and Wakefield Qatar (CWQ). West Bay has the largest concentration of supply with about 1.8mn sq m of gross leasable area, followed by Lusail which has more than 850,000sq m, CWQ said in a report. "There have been no significant additions to the supply of office space in Qatar in the first quarter (Q1) of 2024," it said. Finding that office vacancy rates remain considerably higher in the older commercial districts around Doha, it said older office buildings of lower specification

find it increasingly challenging to secure new tenants, with the majority of occupiers favoring newer buildings in Lusail or West Bay. Many buildings are experiencing prolonged periods of vacancy, it said, adding this may encourage redevelopment of refurbishment projects to bring the buildings to levels that meet modern energy efficiency and sustainability standards. Highlighting that office vacancy rates remain considerably higher in the older commercial districts around Doha, CWQ said older office buildings of lower specification find it increasingly challenging to secure new tenants, with the majority of occupiers favoring newer buildings in Lusail or West Bay. Many buildings are experiencing prolonged periods of vacancy, encouraging redevelopment of refurbishment projects to bring the buildings to levels that meet modern energy efficiency and sustainability standards, according to the report. There was reduced office leasing activity in Q1-2024, following a strong take-up of office space towards the end of 2023. More than 70,000sq m of Grade A office space has been leased or reserved by various government sectors over the past six months, which has reduced availability in the prime office locations of West Bay, Msheireb Downtown, and Lusail Marina. Indications are that the majority of the commercial space in the Msheireb Downtown District is leased or under offer, with limited options for new tenants now available. Government and private sector companies have been attracted by the development's LEED certification for sustainability as well as access to amenities on the doorstep, according to CWQ. With demand focused on the Grade A accommodation and reduced availability in these areas, there are signs of upward pressure on rents for selected prime buildings, it said, adding while overall supply and vacancy is high, "we expect the gap to widen in rental values between prime and secondary stock over the coming year!" Grade A stock is now typically available to lease for between QR100 and QR130 per sq m per month, exclusive of service charges. Office spaces leased as 'shell and core' can be secured for QR50-60 per sq m per month in some of Doha's office districts. Various office lease transactions in West Bay throughout Q1-2024 have seen the amount of available space fall by approximately 8,000sq m with just 13% of all office accommodation now available to lease. (Gulf Times)

- Amir's visit to Cyprus opens new horizons for cooperation** - Chairman of Qatar Chamber Sheikh Khalifa bin Jassim Al Thani stated that the visit of the Amir HH Sheikh Tamim bin Hamad Al Thani to the Republic of Cyprus is expected to open broad horizons for the development of cooperation between the two countries in various fields, which will positively impact trade, investment exchange, and cooperation between the business sectors in both countries, especially given the distinguished relations that connect the two countries at all levels. In a statement to Qatar News Agency (QNA), he said that Qatar and Cyprus are linked by strong and advanced cooperation relations, noting that relations between the two

countries are witnessing rapid development in all fields, with reciprocal visits at the level of leaders, officials, and trade delegations, in addition to numerous cooperation agreements and memoranda of understanding signed in various sectors. Sheikh Khalifa bin Jassim Al Thani clarified that Cyprus is a promising investment destination due to the significant investment opportunities available there, pointing out that the Qatar Chamber encourages Qatari businessmen to explore the available investment opportunities and enhance cooperation between the Qatari private sector and its Cypriot counterpart. He also expressed his confidence that the visit of HH the Amir to Cyprus will stimulate business sectors in both countries to increase cooperation and enhance joint and mutual projects, thereby contributing to increasing the volume of trade between the two friendly countries, which is still below aspirations despite the available potentials. Several promising economic sectors could serve as a future platform for cooperation between the private sectors in both countries, especially in tourism and services, as around three-quarters of Cypriots work in the services sector, while the agricultural sector employs 5% of the workforce. (Peninsula Qatar)

- Qatar, Cyprus trade reaches €49.2mn in 2023** - Minister of Energy, Commerce, and Industry of the Republic of Cyprus HE George Papanastasiou stressed the importance of HH the Amir Sheikh Tamim bin Hamad Al Thani's visit, considering it an essential factor for further enhancement of bilateral relations between Cyprus and Qatar, building upon the excellent results of H E Cypriot President Nikos Christodoulides' visit to Doha in November, 2023. In his remarks to News Agency (QNA), Cyprus' Minister of Energy, Commerce and Industry said, "Cypriot authorities are planning to present to our Qatari guests investment prospects in various sectors of our economy, such as energy, technology, and tourism." The Cypriot Minister highlighted the multifaceted cooperation between the two countries, involving the hydrocarbons' exploration activities in the Exclusive Economic Zone (EEZ) of the Republic of Cyprus. QatarEnergy has a 40% share in Blocks 5 and 10 of the EEZ and together, with their partners ExxonMobil have already been very successful in Block 10, making in 2019 the "Glaucus" natural gas discovery, His Excellency noted. "In the hydrocarbons' sector, Cyprus is working closely with the ExxonMobil and QatarEnergy consortium, which is planning to proceed with new exploration activities in Blocks 5 and 10 in the near future, whilst also working on the development of the "Glaucus" discovery," he said, adding that "the high quality of the discovery has also been confirmed by an appraisal well in 2022. Hopefully, the consortium will enjoy similar success in their upcoming exploration activities in Block 5." His Excellency noted that Cyprus has significant potential for further cooperation in renewable, noting its energy green energy export potential, adding that the country invests heavily in clean energy between neighboring countries and regions and has some of the highest potentials for renewable energy in Europe for solar generation. "Further cooperation could be explored for the Great Sea Interconnection project. This is a project that is expected to terminate Cyprus' energy isolation, increase energy security in the Eastern Mediterranean, and encourage the development and export of clean energy to both Cyprus, Greece, and the rest of the European Union (EU)," H E Cypriot Minister said. Commenting on trade volumes, the total trade in goods between Cyprus and Qatar has recorded an impressive increase of 504% between 2023 and 2022, jumping from €8.2mn to €49.2mn. (Peninsula Qatar)
- Shura Council reviews public discussion request on supporting national and foreign investment** - The Shura Council held its regular weekly session at Tamim bin Hamad Hall on Monday under the chairmanship of Speaker of the Shura Council HE Hassan bin Abdullah Al Ghanim. The council took note of the request for public discussion submitted by a host of members of the council on supporting the national and foreign investment. The speaker of the Shura Council highlighted that investment is a core pillar to advance national economy, noting the interest of the country's wise leadership in this field as stipulated in article (28) of the constitution, which underscored that the state shall ensure freedom of economic activity based on social justice and balanced cooperation between public and private activities to further achieve economic and social development, as well as increase production. The Qatar National Vision 2030 vowed in its third pillar to develop a diversified and competitive national economy capable of meeting the

current and future needs of citizens and ensuring a high standard of living, he pointed out. He highlighted some impediments facing the investment sector that should be handled through exploring appropriate solutions in implementation of the directives of the wise leadership represented by the Amir His Highness Sheikh Tamim bin Hamad Al Thani, underscoring the council's keenness to strengthen the economic development and drawing investment, stemming from its role as the state's legislative authority. For their part, members of the council underlined the interest of the state's wise leadership in fostering investment, in pursuit of achieving economic development through enacting laws that encourage investment and establish institutions to help support the economic diversification, in addition to upgrading small and medium-sized enterprises and providing the facilitations that attract investment and encourage investors to lend impetus to the development in the state. Members of the Shura Council highlighted a range of impediments that face the investment sector and require appropriate and rapid solutions, such as unclear procedures, complexity of licensing procedures, lack of unification, complexities of using electronic services, overlapping requirements and standards for licensing, difficulties related to investment sites and attracting professional manpower, problems in some legislation related to the labor market, as well as rise in some government fees, among others. The council members underscored the importance of optimizing labor market and investment-related laws and legislation to ensure a stable and rewarding environment, support startups, and streamline the administrative and financial procedures. Upon conclusion of the discussions, the council decided to refer the request of public discussion to the Financial and Economic Affairs Committee for further perusal and submission of its report accordingly. The council then approved the request of extending the Financial and Economic Affairs Committee's works to study the draft law on job localization in the private sector. The session discussed its delegation's participation in the 14th plenary session of the Asian Parliamentary Association (APA) and its associated meetings, held in Azerbaijan in February 2024, in addition to the report of its delegation's participation in the Fourth Counter-Terrorism Coordination Meeting, convened in Vienna in October 2023. The speaker of the Shura Council also briefed the council on the participation of the Council's delegation under his chairmanship in the 36th conference of the Arab Inter-Parliamentary Union (AIPU), held in Algeria on Sunday. (Qatar Tribune)

- Finance minister inaugurates Project Qatar 20th edition** - HE the Minister of Finance Ali bin Ahmed al-Kuwari led on Monday's opening ceremony of Project Qatar 2024, which will run until May 30 at the Doha Exhibition and Convention Centre (DECC). Organized by IFP Qatar with the support of the Ministry of Commerce and Industry (MoCI) and in partnership with the Public Works Authority (Ashghal), the 20th edition of the event is featuring 130 Qatari firms and 120 international companies from 25 countries. The inauguration was graced by several distinguished guests and official delegations, including Assistant Undersecretary for Industry and Business Development Affairs at MoCI, Saleh bin Majid al-Khulaifi, and a large number of prominent business leaders. Additionally, more than 60 ambassadors from participating countries and heads of diplomatic missions in Qatar, along with dozens of international trade delegations attended the opening ceremony. Haidar Mshaimesh, general manager of IFP Qatar, said: "The construction market in Qatar is on the brink of a transformative era with the aim to fulfil Qatar National Vision 2030. This new chapter emphasizes the development of industrial and social infrastructure projects, seamlessly integrating cutting-edge technologies and elements of smart cities into construction endeavors." Mshaimesh noted that the 20th edition of Project Qatar marks a significant transformation in terms of sectoral diversity. Emerging sectors, such as smart manufacturing, sustainable construction, and digital innovation account for a significant portion of the participation. He said, "As Qatar seeks to attract foreign investment and expertise to support its ambitious infrastructure ongoing and planned projects, the event focuses on strengthening partnerships between Qatari and international companies, attracting exhibitors and visitors from key markets worldwide, and facilitating cross-border collaborations and joint ventures." According to Mshaimesh, this year's Project Qatar attracted a large number of exhibitors offering green building solutions, renewable energy technologies, energy-efficient products, and sustainable construction



practices. "As smart manufacturing gains momentum globally, exhibitors specializing in Industry 4.0 technologies, automation solutions, Internet of Things (IoT) devices, and digital manufacturing processes are prominent in this year's line-up at Project Qatar," he explained. Citing a report by Mordor Intelligence, Mshaimesh said Qatar's construction market is estimated at \$62.95bn in 2024 and is expected to reach \$97.42bn by 2029, growing at a CAGR of 9.13% during the forecast period. Project Qatar has attracted this year around 250 exhibitors, including 120 international companies from 25 different countries, four of which are participating with national pavilions, along with 130 Qatari companies, including major governmental and semi-governmental entities and leading private sector companies. The list of sponsors and partners for the event this year includes MoCI and Ashghal as Strategic Partners; Qatar Tourism (Destination Partner); Qatari Diar (Property Development Partner); Qatar Development Bank (QDB) and Al Sraiya Holding Group (Platinum Sponsor); Nask Chemical Solutions (Industrial Sponsor); Imar Group, Aamal, and Sahand Industrial Group (Gold Sponsors); QTerminals (Silver Sponsor); Gulf Organization for Research and Development (Gord) (Official Sustainability Partner); Gulf Organization for Industrial Consulting (GOIC) (Industrial Consulting Sponsor); Oriental Trading Company (OTC) (Integrity Sponsor); and Gulf Crafts (Innovative Branding Sponsor). Along with the exhibition, the four-day conference will cover key issues related to the construction, industrial, sustainability, and environmental sectors. The first day's sessions focus on the most significant current and future projects in Qatar and the investment opportunities available within them, featuring speakers from Ashghal, the Ministry of Transport, and the Qatar Free Zones Authority. The second day, under the title 'Towards a Climate-Resilient Future', will be held in partnership with Gord, covering sustainability and climate change issues. It will conclude with the 'Eco Champions' awards ceremony in which Gord will honor the pioneers of eco-innovation and community resilience in Qatar to highlight their pivotal role in shaping a greener future. The third day under the title 'Towards Smart Manufacturing' will be held in collaboration with GOIC. It will focus on the recent developments in the manufacturing and logistics sectors, exploring the latest trends of Industry 4.0, also known as the Fourth Industrial Revolution. IFP Qatar will also host an awards ceremony to honor local and international companies in recognition of their vital role in ensuring the continued success of Project Qatar. (Gulf Times)

- Sheikh Khalifa emphasizes significance of facilitating procedures for exchanging goods among Islamic countries** - Qatar Chamber recently participated in the 36th Board of Directors meeting of the Islamic Chamber for Commerce and Development (ICCD), as well as the 'Invest in the Digital Economy' forum held in Amman, Jordan. Led by Qatar Chamber chairman Sheikh Khalifa bin Jassim al-Thani, the chamber's delegation included board members Abdulrahman bin Abduljaleel al-Abdulghani, Dr Mohamed bin Jawhar al-Mohamed, and Abdulla bin Mohamed al-Emadi. The ICCD meeting's agenda discussed a number of topics, including the progress of the ICCD accreditation program, the approval of the 68th Finance Committee report, the 'Manafea' initiative, the completion of the first phase of the Gaza Reconstruction Initiative, and other relevant topics. Sheikh Khalifa, who is also the first vice president of the ICCD, commended its efforts and vital role in fostering economic and trade development among Islamic countries. He emphasized that ICCD activities and events are instrumental in promoting co-operation between chambers of commerce, ultimately benefiting the economies of member states. Sheikh Khalifa emphasized the chamber's strong support for co-ordination and co-operation among member chambers, with the aim of streamlining procedures for exchanging goods and services and boosting intra-trade among Islamic countries. He further underscored the significance of fostering co-operation between the private sector of Islamic countries by holding conferences and exhibitions that showcase investment opportunities and incentives, thereby promote mutual investments and joint ventures. Sheikh Khalifa also reiterated the importance of the 'Invest in the Digital Economy' forum, held under the patronage of King Abdullah II bin al-Hussein, King of Jordan. The forum was organized by the Jordan Chamber of Commerce, in collaboration with the Islamic Chamber of Commerce and Development. Sheikh Khalifa underscored the growing global interest in the digital economy, which is backed by the digital transformation in many world countries and the

growth of technology and e-commerce in various sectors. He said the forum presents a valuable opportunity for participating countries to explore cooperation in these vital sectors, noting that discussions delved into investment opportunities in the digital economy, as well as the challenges that hinder its development and potential solutions. Sheikh Khalifa emphasized that Qatar Chamber was keen to participate in the forum, noting that this aligns with Qatar's significant strides in the digital economy and commercial trade. "Qatar's success in establishing a cutting-edge digital infrastructure reflects its belief in the digital economy's role in fostering economic growth, achieving sustainable development, and diversifying the economy, in line with Qatar National Vision 2030," he said. Sheikh Khalifa added that Qatari business owners are interested in investing in digital economy and e-commerce projects, affirming that e-commerce has achieved significant growth in Qatar. (Gulf Times)

- MoCI, Qatar Tourism unveil new licensing initiative for hospitality & tourism sectors** - The Tourism Licensing Department at Qatar Tourism (QT), in collaboration with the Ministry of Commerce and Industry (MoCI), has announced a joint initiative that facilitates qualitative licensing procedures for tourism establishments and businesses. This includes seasonal discounts, festival-specific discounts, loyalty customer discounts, promotional offers and special deals. This initiative allows establishments to adhere to all regulations and legal procedures to ensure the safety and smoothness of the licensing issuance process. This collaborative initiative aims to simplify and expedite 'Qualitative Licensing Services' procedures for granting hotel and tourism establishments, to stimulate the tourism sector. MoCI and QT aim to restrict the challenges that entities in the sector face when applying for promotional and price reduction offers licenses, as well as the procedures for festivals, events and exhibition licensing. As part of the collaboration, it was agreed to issue a one-fee annual license that includes all offers and discounts offered by hotels, to be announced through their marketing plans. Visit Qatar, the main arm of QT, announced that it will handle the application process for the 'single license' on behalf of entities and individuals participating in festivals, and events, which will contribute to streamlined procedures and enhanced cooperation between various entities within the sector. This procedure safeguards businesses, expands industry opportunities, and allows for a more optimal and safe tourism experience for visitors. In addition, there are streamlined and expedited qualitative licensing services which will come into effect this month. Hassan Sultan Al-Ghanim, assistant undersecretary for consumer affairs at the MoCI, expressed his delight for launching this initiative in collaboration with Qatar Tourism. He said, "This was introduced to facilitate the procedures for obtaining specific licenses for tourism and hospitality establishments, where obtaining the license would take one business day, with the prerequisite that all terms and conditions are met and the required documents submitted, this would have a direct positive impact on the entire sector's value chain." Omar Al Jaber, acting chief of the Tourism Development Sector at Qatar Tourism, said: "This initiative reflects Qatar Tourism's commitment to develop and expand the reach of the tourism sector in the country, by including more tourism and hospitality businesses and focus on being comprehensive with its licensing protocol and elevating the efficacy and transparency of key services." The two main goals of this collaborative initiative are to protect the interests of businesses and maintain high quality licensing standards to uphold the reputation of the tourism sector. (Qatar Tribune)

### International

- Policymakers: ECB has room to cut rates but should take its time** - The European Central Bank has room to cut interest rates as inflation slows but must take its time in easing policy, even if the direction of travel is already clear, key policymakers said on Monday. The ECB has all but promised a rate cut for June 6, so the debate has shifted to subsequent moves and the speed at which they come, and markets have dialed back their expectations to bet on just one more cut this year. "Barring a surprise, the first rate cut in June is a done deal, but afterwards we have several degrees of freedom," French central bank chief Francois Villeroy de Galhau told Germany's Boersen Zeitung. He did not call for a quick follow-up but he gently chided colleagues like board member Isabel Schnabel who are already discussing a pause after the initial step. "Why so, if we

(go) meeting-by-meeting and data-driven?" Villeroy said. "I don't say that we should commit already on July, but let us keep our freedom on the timing and pace." ECB chief economist Philip Lane took a more measured stance but warned that easing too late risked pushing inflation below target, which would then force the ECB to rush with rate cuts. "Keeping rates overly restrictive for too long could push inflation below target over the medium term," Lane said in a speech in Dublin. "This would require corrective action through a subsequent acceleration in rate cuts that could even require having to descend to below-neutral levels." Markets currently see just one more rate cut this year after the initial move in June, a big reversal compared with the start of the year, when up to six cuts were expected. Still, Lane insisted that disinflation was on track and even if price growth figures could be choppy in the coming months, trends remained in line with the bank's projections that put inflation back at the ECB's 2% target in 2025. Villeroy said that this could then allow the ECB to ease policy further and that expectations that its deposit rate, now at 4%, could settle at 2%, were not outlandish. "We have significant room for rate cuts," he said. "From today's perspective, my feeling is that present market expectations for our terminal rate are not unreasonable." Speaking to the Financial Times, Lane also said that ECB policymakers needed to keep rates in restrictive territory all year and more progress was needed on inflation. "But within the zone of restrictiveness we can move down somewhat," he said. Both Lane and Villeroy agreed that a recent rise in negotiated wage growth was not particularly worrisome and a further deceleration in earnings was expected. "Deceleration does not necessarily mean an immediate return to steady state," Lane said. "This year the adjustment is clearly quite gradual." (Reuters)

- S&P Global: China's property stimulus raises risks for banks in smaller cities** - China's latest steps to revive its struggling property market could pose risks to banks operating in lower-tier cities, S&P Global said on Monday. The measures announced earlier this month such as cutting down payment requirements and removing the floor for mortgage rates are expected to temporarily increase property demand, but the increased leverage could also cause an uptick in mortgage defaults, according to a S&P Global report. Property prices in smaller tier-three cities are expected to decline about 14% through the 2024-2025 period, the report said. This could potentially push some homebuyers into negative equity situations, where their outstanding mortgage balances exceed the value of their properties, it said. Consequently, some homebuyers may walk away from their properties and default on the mortgages, the report said. "The removal of the floor on mortgage rates will also give lenders less buffer to absorb potential losses when defaults do happen," said S&P Global Ratings credit analyst Ryan Tsang. "Banks would have to incur additional costs to pursue defaulters' other assets to mitigate the losses in such cases," said Tsang. A number of cities across China, including first-tier Shanghai and lower-tier Wuhan and Changsha, have lowered down payment and mortgage loan interest rates in response to the nation's "historic" steps announced on May 17 to stabilize its crisis-hit property sector. The lower limit of down payment was cut to 15% from 20% at a national level for first-time homebuyers and to 25% from 30% for second-time homebuyers. (Reuters)
- Japan net external assets hit record high in 2023, remains world's top creditor** - Japan's net external assets rose to a record 471.3tn yen (\$3tn) in 2023, increasing for a sixth straight year, as a weak yen and overseas corporate acquisitions boosted the value of its foreign assets, the Ministry of Finance said on Tuesday. As a result, Japan retained its position as the world's top creditor, followed by Germany with 454.8tn of net external assets and China with 412.7tn yen as of the end of 2023, according to the ministry. A weak yen, coupled with a rise in direct investment overseas, helped Japan post a 51tn yen annual increase in the value of net external assets held by the Japanese government, businesses and individuals. Gross external assets stood at 1,488tn yen and external debt came to 1,017tn yen. The ministry also released revised current account balance data. For the whole of 2023, Japan logged a current account surplus of 21.4tn yen, versus the preliminary 20.6tn yen surplus. (Reuters)

## Regional

- Report: Saudi, UAE homes getting more smarter** - Smart home devices are becoming more prominent in Saudi Arabia and the UAE as a total of 6mn

smart devices are integrated into the everyday lives of Alexa customers, who are enjoying the benefits of a connected smart home, according to a report by Amazon. Customers are turning to Alexa to control lighting, air conditioners, TVs and cameras - among the most popular smart home devices categories, stated the report. In 2023 alone, Alexa customers in KSA and UAE have initiated nearly 130mn smart home actions and over 100mn requests to listen to music, Quran and podcasts, totaling more than 70mn hours of listening. Throughout 2023, Alexa turned the lights on and off over 24mn times in homes across the UAE and KSA. Customers in these two countries turned to Alexa nearly 9mn times to control their air conditioners only by using their voice, the second-most frequently used device category, it stated. Customers from the Middle East usually have multiple compatible devices connected to Alexa, demonstrating the growing adoption of voice-enabled home automation. There was a +50% YoY increase in Smart Home customers in 2023 vs 2022, with a +90% YoY increase in number of smart home devices connected to Alexa. No wonder Alexa heard "I love you" over 2mn times in 2023 and received 60,000 marriage proposals! Dr. Raf Fatani, Regional General Manager, Alexa, Amazon Mena said: "The UAE and Saudi Arabia are embracing cutting-edge technologies with palpable excitement. We're humbled by the adoption pace of Alexa and our smart home devices, welcoming ambient intelligence into daily lives across the region." "Ambient intelligence weaves together AI, devices, and services for an experience greater than the sum of its parts. We've invested in local talent and resources to tailor our products for these markets, ensuring Alexa and our devices cater to unique customer needs. We're excited to be at the forefront of AI advancement in the UAE and Saudi Arabia, with an unwavering passion for customer obsession here," he added. According to him, Alexa seamlessly integrates with a large number of smart home devices to simplify and automate customers' lives. Amazon has recently added a new feature for customers in UAE and KSA to enable the multi-view option. This allows customers to see live feeds from up to four cameras, including Ring, on their multimodal devices. Customers can also ask Alexa to show their recently active cameras or all those belonging to a specific group, with a command such as "Show my Living Room cameras", he added. Mohammad Meraj Hoda, VP of business development - MEA, Ring said, "Ring is driven by the goal to provide our customers with peace of mind. We continue to focus on making homes more intuitive, as well as making it easier to connect and control devices so that everything works together effortlessly." Alexa's customers in the UAE and KSA are making use of integrated smart home hub in Echo devices, with support for a variety of standards like Zigbee, Sidewalk, Thread, Bluetooth, and Matter, enabling easy control of compatible lights, locks and sensors. The most commonly used lighting brands in smart homes in the KSA are Smart Life, Tuya, and Sonoff. In the television segment, the top brands connected to Alexa are Samsung, LG and Broadlink IR Remote, said Hoda. For cameras, Ring, EZVIZ and Tapo reign supreme. When it comes to climate control, customers in KSA turn to Broadlink IR Remote, Smart Life, and Midea, he added. (Zawya)

- DP World and Mawani break ground on \$250mn logistics park at Jeddah Islamic Port** - DP World and Saudi Ports Authority (Mawani) have commenced construction of a new SAR900mn (\$250mn) logistics park at Jeddah Islamic Port, set to provide state-of-the-art storage and distribution facilities, as well as boost trade in the Kingdom of Saudi Arabia and the wider region. The 415,000 sq m greenfield facility will feature 185,000 sq m of warehousing space and a sprawling multipurpose storage yard, making it the largest integrated logistics park in the Kingdom. It will have the capacity for more than 390,000 pallet positions, offering customers an efficient platform for the seamless flow of goods to and from Jeddah. Established in 2022 as part of a 30-year concession, Jeddah Logistics Park will be developed in two phases with a planned opening in Q2 2025. The facility will have a rooftop solar plant on the warehouse that will generate 20MW of renewable energy, contributing to its sustainable design. The collaboration between Mawani and DP World also includes the management of South Container Terminal through a separate 30-year concession signed in 2020. The terminal is currently in the final phase of a comprehensive modernization project, scheduled for completion in Q4 2024, which will see the handling capacity being ramped up to 5mn twenty-foot equivalent units (TEUs). Altogether, the two DP World projects represent a combined investment of close to 4bn SAR



(\$1bn). Speaking at the event, Sultan Ahmed bin Sulayem, Chairman and CEO of DP World, said, "Saudi Arabia has always been a deeply important market for DP World and this milestone represents our ongoing commitment to the Kingdom. Jeddah Logistics Park, strategically located on the vital Asia-Europe shipping route, will provide world-class multimodal connectivity and market access for our customers while supporting the ambitious aims of Saudi Vision 2030. This investment marks a significant step as we mark 25 years of operations in Jeddah and underscores our enduring commitment to facilitating the flow of trade." President of Saudi Ports Authority (Mawani), Omar Bin Talal Hariri, said "this new logistics area will be connected to DP World's South Container Terminal at Jeddah Islamic Port, facilitating growth and increasing the number of containers handled at the terminal. The project is part of Mawani's broader efforts to expand the number of logistics centers in Saudi ports, in partnership with major national and international companies, and in line with the objectives of the National Transport and Logistics Strategy and Vision 2030." Mohammad Alshaikh, DP World Country Head, KSA, delivered details on the comprehensive project to attendees at the groundbreaking including the UAE Consul General to Jeddah, Nasser Huwaiden Thaiban Ali AlKetbi, and senior Saudi government representatives and members of DP World's leadership team. Aligning closely with Saudi Vision 2030, Jeddah Logistics Park represents a major development for DP World at Jeddah Islamic Port. This state-of-the-art facility will optimize the logistics processes for both importers and exporters, providing an integrated platform for trade and logistics. Customers will be able to benefit from efficient services that link port operations to last-mile activities, as well as bonded and unbonded zones, world-class temperature-controlled storage, import and export consolidation centers and other value-added services. The groundbreaking follows on the heels of the opening of freight forwarding offices in Dammam, Jeddah and Riyadh, expanding the logistics footprint of DP World and strengthening end-to-end supply chains in the Kingdom of Saudi Arabia and beyond. (Zawya)

- UAE and Republic of Korea: Strategic partnership of development and prosperity paragon** - The strong ties between the United Arab Emirates and the Republic of Korea stand as a testament to the transformative power of strategic alliances. The two countries have embarked on a partnership that promises to unlock new frontiers, driving development and prosperity in both nations. Tomorrow's state visit by President His Highness Sheikh Mohamed bin Zayed Al Nahyan to the Republic of Korea marks a monument in the long-standing relationship between the two nations, a journey that began 44 years ago. This visit underscores the UAE's distinction as the first Middle Eastern country to form a special strategic partnership with the Republic of Korea, a partnership that has flourished across multiple domains including economic cooperation, nuclear energy, climate change, cybersecurity, food security, defense, healthcare, culture, public administration, and space. UAE-Korea relations are seeing steady growth across various areas, propelled by ongoing dialogue and high-level visit exchanges. Perhaps this is best exemplified in the visit of President Yoon Suk-yeol of the Republic of Korea to the UAE in January 2023, which culminated in agreements that further elevated their strategic cooperation. H.H. Sheikh Abdullah bin Zayed Al Nahyan, Minister of Foreign Affairs, and the Republic of Korea's Minister of Foreign Affairs, in June 2023, co-chaired the first bilateral strategic dialogue between the foreign ministries of the UAE and Republic of Korea. The dialogue is one of the outcomes of the official visit of His Highness Sheikh Mohamed bin Zayed Al Nahyan to the East Asian country in 2019. A Thriving Economic Partnership Economic and investment ties between the UAE and the Republic of Korea have seen remarkable growth. Non-oil trade between the two countries reached \$5.3bn in 2023, a 12.5% increase year-on-year. Korea's investments in the UAE surged to \$2.2bn, while UAE investments in Korea stood at \$578mn by the end of 2022. The UAE is Korea's second-largest Arab trade partner and its 14th globally, accounting for 20% of the East Asian country's trade with Arab countries. In return, the Republic of Korea ranks as the UAE's 10th largest non-oil trade partner among non-Arab Asian countries and 30th globally. Within the framework of their strategic partnership, the UAE committed \$30bn in sovereign investments in Korea's strategic sectors in January 2023. During the eighth session of the UAE-Korea Joint Economic Committee in July, both nations agreed to broaden and diversify

their economic cooperation across 11 vital sectors and boost mutual investments. Additionally, the UAE and the Republic of Korea concluded the negotiations on the Comprehensive Economic Partnership Agreement (CEPA) in October 2023, which will turbocharge their trade and investment cooperation, further driving the economic growth of both nations. A Major Stride in Clean Energy: The Barakah Nuclear Energy Plant is possibly the flagship project that came into being under this partnership. The \$20bn project is the Republic of Korea's first nuclear power plant construction implemented abroad, after the Emirates Nuclear Energy Corporation (ENEC) awarded it to a consortium led by Korea Electric Power Corporation (KEPCO). Marking a major milestone, ENEC announced the successful connection of Unit 4 of the Barakah Nuclear Energy Plant to the UAE's transmission grid in March 2024. (Zawya)

- UAE: Federal Tax Authority issues corporate tax guide on Free Zone Persons** - The Federal Tax Authority (FTA) has issued a guide outlining the application of Corporate Tax to Free Zone Persons in line with the Free Zone Corporate Tax regime, which enables Qualifying Free Zone Persons to benefit from a 0% Corporate Tax rate on Qualifying Income. The guide provides general guidance on the application of the Corporate Tax Law to Free Zone Persons. It provides an overview of the conditions required to be met for a Free Zone Person to be a Qualifying Free Zone Person and benefit from the 0% Corporate Tax rate, and the activities that are considered Qualifying Activities and Excluded Activities for a Qualifying Free Zone Person. The guide includes many examples to assist Businesses with understanding how the key elements of the Corporate Tax Law apply to Free Zone Persons. The guide also includes an explanation of the calculation of Corporate Tax for Free Zone Persons, determination of Qualifying Income, and determination of taxable income that is subject to the 9% rate of Corporate Tax. In addition, the guide outlines the conditions for maintaining adequate substance for Qualifying Free Zone Persons and the criteria for determining a Foreign Permanent Establishment or a Domestic Permanent Establishment. Furthermore, the guide clarifies the treatment of income derived from immovable property as well as the treatment of income derived from Qualifying Intellectual Property. The Guide also included a detailed explanation of Qualifying Activities, Excluded Activities and compliance requirements. The FTA added that where a Qualifying Free Zone Person operates through a Permanent Establishment in the UAE (outside the Free Zones) or in a foreign country, the profits attributable to such Permanent Establishment will be subject to the 9% Corporate Tax rate. The FTA highlighted in its guide that Free Zones are an integral part of the UAE economy and play a critical role in driving economic growth and transformation both in the UAE and internationally. It added that Free Zones offer Businesses various benefits such as relaxed foreign ownership restrictions, streamlined administrative procedures, modern and sophisticated infrastructure, developed business communities and the availability of additional legal entity forms and commercial activities. In a press statement, the FTA called on all Free Zone Persons to read the guide in its entirety for a complete understanding of the definitions and interactions of the different rules. The FTA noted that the Corporate Tax implementing decisions as well as guides including the new guide on Free Zone Persons are available on the FTA's website. (Zawya)
- 'Next50' holds 1st meeting to formulate new vision to promote growth of UAE's private sector companies** - Investopia, in partnership with EMIR, an emerging market research specialist, held the first meeting of the 'Next50' initiative, which aims to promote dialogue and knowledge sharing among leading companies in the UAE, and stimulate investment in emerging sectors in the private sector. The meeting was held in the presence of Abdulla bin Touq Al Marri, Minister of Economy and Chairman of Investopia, Hadi Badri, CEO, Economic Development at Dubai Department of Economy, Dr. Jean Fares, CEO of Investopia, and Trevor McFarlane, CEO of EMIR. The Next50 initiative launched by Investopia in its third edition comes under the umbrella of Investopia Communities, which brings together 50 founders and CEOs of UAE companies in finance, construction, tourism, services and other sectors. Their combined revenues exceed tens of billions, which represent success stories achieved by the private sector. The initiative provides them with a valuable platform to share experiences, explore opportunities for collaboration and partnerships, and review investment opportunities in new economy

sectors in promising markets. Bin Touq said that the Next50 initiative reflects Investopia's commitment to supporting the private sector in accordance with the UAE government's efforts to enhance the competitiveness of leading companies that have achieved considerable growth in the UAE market. This approach stems from the private sector's key role in driving national economic growth, the need to provide an enabling environment for its success, and the strengthening of the business community's capabilities in the light of the 'We the UAE 2031' vision. He added that the 'Next50' initiative opens up new prospects for cooperation, fostering continued dialogue between investors; facilitating knowledge exchange, financing, stimulating capital flows, and expansion of partnerships at local and global levels. These objectives align with Investopia's vision to encourage entrepreneurs to invest in new economic sectors, provide all growth enablers, explore promising investment opportunities, and to connect local businesses with their global counterparts. Furthermore, the Minister of Economy reviewed the incentives and growth prospects that the UAE economy offers to the private sector including startups. The UAE has succeeded in developing a comprehensive, resilient, and competitive legislative system to foster an ideal economic climate. By doing so, the country has consolidated its position as a leading global economic, investment, and financial hub, which provides all ingredients for success to businesses, investors, and startups from all over the world. According to a UNCTAD report, the UAE has the second-highest growth globally in the number of new foreign investment projects in 2023, with over 788,000 companies currently operating in the country. The meeting discussed a range of topics aimed at enhancing the investment and business growth of the Next50 companies, including the formulation of a new vision to support their growth in the local and global markets, the promotion of communication and cooperation between the business community, local and federal economic bodies, banking institutions and investment funds, as well as facilitating their financing in local and international markets and supporting their active participation in 'Investopia dialogues'. Hadi Badri, CEO of the Dubai Economic Development Corporation, reviewed the Dubai Economic Agenda D33, which entails 100 transformational projects with ambitious economic targets that seek to double the size of Dubai's economy by 2033 and consolidate its position among the top three economic cities in the world. The meeting also discussed a range of mechanisms aimed at leveraging the UAE's innovation landscape by supporting scientific research activities, enhancing the competitiveness of technology startups, efforts to facilitate business processes and eliminating all unnecessary bureaucracy. Fostering transparency within the business and investment environment, providing training programs for start-ups, as well as attracting and retaining talent and developing their skills are also key focus areas. Through the 'Next50' initiative, Investopia, in collaboration with EMIR Research, will help accelerate the UAE economy's growth by selecting the fastest-growing companies to join the initiative and supporting the growth of their operations. It seeks to provide channels for entrepreneurs to communicate with government and private institutions and governing bodies, facilitate access to funding through major investment funds, banks and family offices, and strengthen their presence within local and international markets. In its third edition held in Abu Dhabi in 2024, Investopia brought together a diverse group of investors, government officials, and economists. The event provided an excellent platform for forging partnerships and fostering collaboration within emerging economic sectors. With over 1,800 attendees, the summit featured more than 105 speakers who delved into various topics, including the latest trends in investment, new economy, and risk capital management, as well as discussions on the green economy, digital economy, creative industries, tourism, sports, technology, AI, and the next generation of investments. (Zawya)

- **'Kuwait, China maintain strategic partnership'** - The Ambassador of China to Kuwait Zhang Jianwei says the Chinese-Gulf relations are developing very significantly, and the two sides are focusing their efforts on the development process and enhancing cooperation between them in a way that serves their common interests, especially since China is interested in spreading peace, stability and progress in the region. In his speech during a press conference held at his home, Ambassador Jianwei said the Gulf countries have aspirations to strengthen cooperation with China as it is a peaceful country and its economy is ranked second in the

world. Regarding the latest developments in the agreement with Kuwait to manage Mubarak Port, he explained, "During the visit of His Highness the Amir Sheikh Mishal Al-Ahmad Al-Jaber Al-Sabah, a cooperation agreement was signed between the two countries regarding Mubarak Port. The Amir's decree regarding this framework was issued, and the two sides are in the process of consulting extensively and in-depth about this project. Mubarak Port is a huge and strategic project and when completed, it will bring development to Kuwait." Strategic partner Amb. Jianwei said, "We have confidence in the future of cooperation with Kuwait, which is going through an important stage. Kuwait is a strategic partner for China, which will remain a reliable partner with Kuwait. We are working with the Kuwaiti side in accordance with these agreements on the ground. I will do my best to implement what has been agreed upon between the leaderships of the two countries." In response to a question about whether there is an expected visit by the Chinese president to Kuwait in the near future, the ambassador replied, "The president pays great attention to Kuwait and there is a desire on his part to visit it." He then emphasized the implementation of the agreements reached between the leadership of the two countries during the visit made by His Highness the Amir, when he was the Crown Prince, to China last September. Amb. Jianwei said, "We are working with Kuwait to materialize these agreements, because realizing these achievements and agreements are in the common interests between the two friendly countries. There is a plan for visits by officials from both sides and in all sectors". He denied having any knowledge of an expected visit by His Highness the Amir Sheikh Mishal Al-Ahmad to China in the near future. Regarding the fate of the free trade agreement between China and the GCC countries, the ambassador said, "The signing of the free trade agreement between China and the GCC countries is very important. There are negotiations between the two sides in this field." He stressed that his country has a strong desire to complete this agreement as soon as possible, adding that the terms and details of the agreement require further consultation between the two sides. (Zawya)

- **S&P affirms Bahrain's ratings, maintains confidence in reforms** - S&P Global Ratings yesterday reaffirmed Bahrain's 'B+/B' credit ratings with a stable outlook, acknowledging the government's commitment to fiscal consolidation through non-oil revenue growth. While 2023 saw a temporary widening of the budget deficit due to higher global interest rates and social support programs, S&P expects a return to a sustainable fiscal path by 2027. The stable outlook signifies confidence in the government's reform plans to strengthen its non-oil revenue base. "S&P recognizes Bahrain's proactive approach to fiscal management," said a spokesperson for the rating agency. "The stable outlook reflects our belief that the government will continue implementing effective measures to reduce the budget deficit." The potential for continued support from other Gulf Co-operation Council (GCC) members further bolsters the kingdom's financial position. Additionally, a recent successful bond issuance demonstrates continued investor confidence in Bahrain's economic prospects. S&P highlighted the upside potential for a ratings upgrade if the government's reforms lead to a faster-than-expected improvement in the fiscal position. The island nation's ongoing economic diversification efforts are key to long-term financial stability. The development of non-oil revenue streams will create a more resilient economy and reduce reliance on oil price fluctuations. Bahrain boasts a relatively diverse economy, aided by its proximity to Saudi Arabia, a strong regulatory framework for the financial sector, a skilled workforce, and lower costs compared to regional peers. However, population growth has outpaced GDP growth, suggesting a need to boost productivity alongside labor supply. As a small, non-Opec oil producer, the kingdom's oil production is currently below Opec+ quotas. Most of its production comes from the Abu Safa field, shared with Saudi Arabia. While Bahrain doesn't currently export gas, recent discoveries offer the potential for increased self-sufficiency and even exports. Additionally, aluminum exports remain a significant source of foreign currency earnings. Bahrain's real GDP expanded 2.4% in 2023, driven by tourism, transportation, and hospitality. However, a contraction in the oil sector due to temporary maintenance offset some of this growth. The government's economic recovery plan is expected to continue driving non-oil activity in the medium term, attracting investments in key sectors like tourism, housing, infrastructure and energy. Project financing continues to be supported by neighboring GCC states, likely to remain the case for the foreseeable

future. Projects funded under the \$7.5bn GCC Development Fund are expected to support investment until around 2027. Beyond this time frame, further GCC support alongside private-public partnerships are anticipated. Looking ahead, S&P's affirmation positions Bahrain favorably for continued access to international capital markets, paving the way for further investment and economic growth. (Zawya)

- **Mega-development plans in Nizwa to create more jobs and boost tourism**

- A massive development plan of tourist places is ongoing in Al Dakhiliyah Governorate to attract local and foreign tourists. Nearly a million tourists are expected to visit the region annually after the completion of projects. Many tourism projects have been fast-tracked so that the completion rate of development projects in the Governorate has reached almost 66% by the end of May 2024. Some of these projects, executed under the Governorate Development Program, will be completed during the first half of the current year, and on completion, they will become tourist destinations, enhancing aesthetic value, and serve the local community and visitors. Sheikh Hilal bin Said bin Hamdan Al Hajri, Governor of Al Dakhiliyah, said: "The completion rate of the entrance to the wilayat of Nizwa reached 85%, as the basic infrastructure of the project has been completed." The work which includes construction from the Firq Bridge to the traffic lights intersection leading to the city center, with a length of 1.5 km, includes developing both sides of the public road through green areas over an area of 23,000 square meters. He explained that the implementation of the Nizwa Park project, which is located on an area of 150,000 square meters, will begin next month. The project has been assigned to the executing company and will include a recreational park and an integrated site for family members. It will provide opportunities for investment and open new horizons for the owners of small and medium enterprises. It includes a library, an artificial lake with an area of 4,542 square metres, an indoor games hall, 25,000 square metres of green areas, 1,800 square metres of rubber tiles for the children's play area, and about 4,000 shade and flowering trees, in addition to sports facilities, restaurants, and kiosks for selling products. He said: "The Interior Boulevard is one of the entertainment, cultural and service projects that will be implemented soon, especially after the financial nod for the project was given by the Tender Board. Tenders will be opened before the end of this month by the Tender Board. The project cost will be OMR7mns. "We expect the private sector to play their part in enhancing their contribution with an amount of OMR1.5mn. It will represent a qualitative leap in the tourism sector of the government. The project is an extension of the plan to develop the Nizwa Gate, with a total area of 145,000 square meters. He pointed out that the project will be one of the vital entertainment places in the governorate, in addition to an open field and entertainment center on an area of 145,000 square meters, which includes a sports walkway extending for about 4 kilometers, paths for bicycles and scooters with a length of 1.65 kilometers, and open theatres for the holding of festivals, events, fountains, sites for laser shows, restaurants, mobile libraries, sites for productive families and small and medium enterprises. It also includes 10 investment sites and 50 sites for usufruct contracts in various fields. It is hoped that the project will attract 944,000 tourists and visitors annually and provide permanent and temporary job opportunities. Regarding the project of the integrated station for public transport buses and taxis in the state of Nizwa, he said that it was presented on a development platform for investment by the private sector in coordination with the Omani Transport Company (Mwasalat), and the idea of the project was also presented to companies specialized in this aspect. It will be built on an area of 11,412 square meters, and will include a commercial market, a passenger waiting station, and shaded and public parking. Regarding Samail General Hospital, he confirmed that the company implementing the project has begun actual work, and it will be one of the reliable reference hospitals to integrate with Nizwa and Bahla hospitals and will serve the states of Samail, Izki and Bidbid. (Zawya)

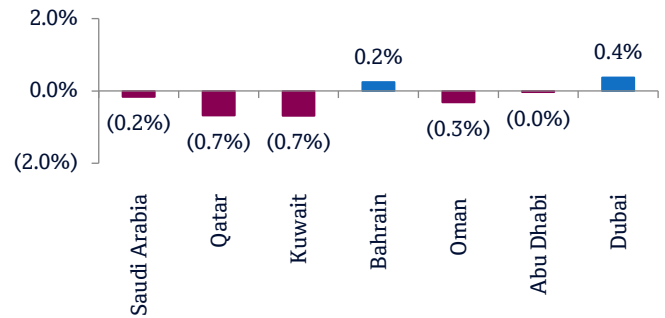
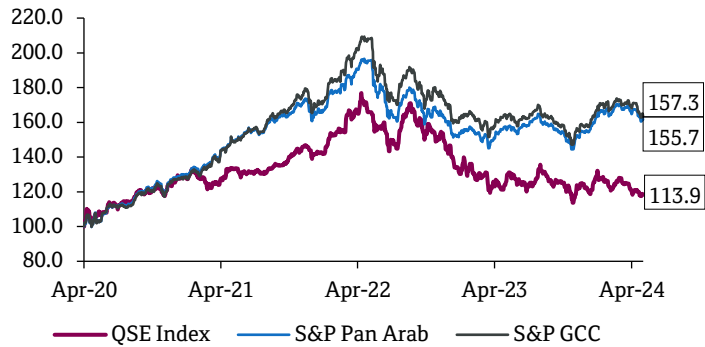
- **Omani, Bahraini entrepreneurs to explore partnership at Products Exhibition** - Activities of the 2nd Omani-Bahraini Products Exhibition will begin on Wednesday, May 29, in Manama, the Kingdom of Bahrain. The opening ceremony will be held under the auspices of Jameel Mohammed Al Humaidan, Bahraini Minister of Labor. The exhibition is organized by the Omani-Bahraini Friendship Society and the Embassy of the Kingdom of Bahrain in the Sultanate of Oman. Thirty exhibitors and entrepreneurs

will showcase their products at the exhibition, which will display famous types of local perfumes, candy, fashion and food products, as well as other products that express care for the environment and heritage. The exhibition provides an opportunity for exchanging expertise and establishing partnership among entrepreneurs in both countries. (Zawya)



### Rebased Performance

### Daily Index Performance



Source: Bloomberg

Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	2,350.97	0.7	0.7	14.0
Silver/Ounce	31.63	4.5	4.5	32.9
Crude Oil (Brent)/Barrel (FM Future)	83.10	1.2	1.2	7.9
Crude Oil (WTI)/Barrel (FM Future)	77.72	0.0	0.0	8.5
Natural Gas (Henry Hub)/MMBtu	2.22	0.0	0.0	(14.0)
LPG Propane (Arab Gulf)/Ton	73.90	0.0	0.0	5.6
LPG Butane (Arab Gulf)/Ton	67.00	0.0	0.0	(33.3)
Euro	1.09	0.1	0.1	(1.6)
Yen	156.88	(0.1)	(0.1)	11.2
GBP	1.28	0.3	0.3	0.3
CHF	1.09	0.1	0.1	(7.9)
AUD	0.67	0.4	0.4	(2.3)
USD Index	104.60	(0.1)	(0.1)	3.2
RUB	110.69	0.0	0.0	58.9
BRL	0.19	(0.1)	(0.1)	(6.2)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	3,468.13	0.2	0.2	9.4
DJ Industrial	39,069.59	0.0	(2.3)	3.7
S&P 500	5,304.72	0.7	0.0	11.2
NASDAQ 100	16,920.79	1.1	1.4	12.7
STOXX 600	522.21	0.4	0.4	7.0
DAX	18,774.71	0.6	0.6	10.0
FTSE 100	8,317.59	(0.1)	(1.0)	7.3
CAC 40	8,132.49	0.6	0.6	5.8
Nikkei	38,900.02	0.7	0.7	4.3
MSCI EM	1,090.32	0.7	0.7	6.5
SHANGHAI SE Composite	3,124.04	1.1	1.1	2.9
HANG SENG	18,827.35	1.2	1.2	10.5
BSE SENSEX	75,390.50	(0.0)	(0.0)	4.6
Bovespa	124,495.68	(0.2)	(0.2)	(12.8)
RTS	1,173.92	(1.8)	(1.8)	8.3

Source: Bloomberg (\*\$ adjusted returns if any)

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