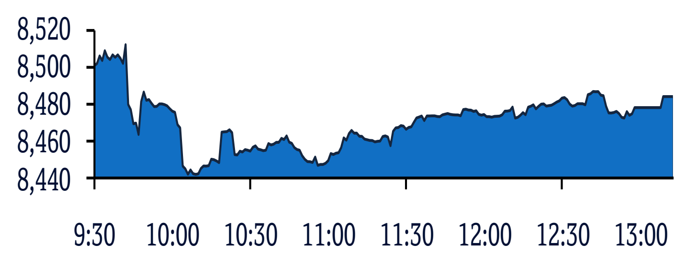
Daily Market Report

Monday, 06 April 2020

QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.3% to close at 8,485.3. Gains were led by the Real Estate and Industrials indices, gaining 2.7% and 2.6%, respectively. Top gainers were Mesaieed Petrochemical Holding Company and Alijarah Holding, rising 8.3% and 5.9%, respectively. Among the top losers, Qatar Islamic Bank fell 2.0%, while QNB Group was down 1.5%.

GCC Commentary

Saudi Arabia: The TASI Index gained marginally to close at 6,752.2. Gains were led by the Food & Beverages and Materials indices, rising 1.7% and 1.6%, respectively. Baazeem Trading rose 9.5%, while Rabigh Refining and Petrochemical was up 9.0%.

Dubai: The DFM Index fell 2.4% to close at 1,682.1. The Banks index declined 4.1%, while the Telecommunication index fell 3.8%. Dubai National Insurance & Reinsurance and Emirates NBD were down 4.9% each.

Abu Dhabi: The ADX General Index fell 2.2% to close at 3,676.5. The Real Estate index declined 4.5%, while the Banks index fell 3.1%. Abu Dhabi Islamic Bank and Abu Dhabi National Co. for Building Materials were down 4.9% each.

Kuwait: The Kuwait All Share Index gained 0.2% to close at 4,712.9. The Consumer Goods index rose 4.4%, while the Basic Materials index gained 0.8%. Mashaer Holding Company rose 8.7%, while Tamdeen Real Estate Company was up 6.8%.

Oman: The MSM 30 Index gained 0.1% to close at 3,385.8. The Financial index gained 0.9%, while the other indices ended in the red. Ominvest rose 6.6%, while Al Madina Investment Company was up 5.0%.

Bahrain: The BHB Index fell 0.6% to close at 1,322.4. The Industrial index declined 2.4%, while the Investment index fell 1.0%. Al Salam Bank - Bahrain declined 5.9%, while Arab Banking Corporation was down 4.0%.

Market Indicators	05 Apr 20	02 Apr 20	%Chg.
Value Traded (QR mn)	144.7	212.1	(31.7)
Exch. Market Cap. (QR mn)	478,651.9	478,182.1	0.1
Volume (mn)	111.6	91.6	21.8
Number of Transactions	4,220	6,229	(32.3)
Companies Traded	44	44	0.0
Market Breadth	33:9	33:8	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	16,226.83	0.3	0.3	(15.4)	12.6
All Share Index	2,639.54	0.0	0.0	(14.8)	13.2
Banks	3,829.93	(1.1)	(1.1)	(9.3)	12.4
Industrials	2,186.56	2.6	2.6	(25.4)	15.3
Transportation	2,248.84	0.3	0.3	(12.0)	11.1
Real Estate	1,263.12	2.7	2.7	(19.3)	10.9
Insurance	2,048.49	(0.0)	(0.0)	(25.1)	34.2
Telecoms	773.94	0.1	0.1	(13.5)	12.8
Consumer	6,664.03	1.2	1.2	(22.9)	15.4
Al Rayan Islamic Index	3,238.82	1.5	1.5	(18.0)	14.0

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Rabigh Refining & Petro.	Saudi Arabia	13.30	9.0	13,395.1	(38.6)
Mesaieed Petro. Holding	Qatar	1.79	8.3	10,794.6	(28.8)
Ominvest	Oman	0.32	6.6	25.0	(5.3)
Saudi Kayan Petrochem.	Saudi Arabia	8.18	6.5	21,896.7	(26.3)
Alinma Bank	Saudi Arabia	22.50	5.3	28,053.5	(11.2)

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Abu Dhabi Islamic Bank	Abu Dhabi	3.66	(4.9)	4,451.2	(32.1)
Emirates NBD	Dubai	6.56	(4.9)	1,892.6	(49.5)
Dubai Islamic Bank	Dubai	3.19	(4.8)	16,427.8	(42.1)
Aldar Properties	Abu Dhabi	1.43	(4.7)	10,986.1	(33.8)
National Shipping Co.	Saudi Arabia	34.75	(4.4)	1,399.4	(13.1)

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

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Mesaieed Petrochemical Holding	1.79	8.3	10,794.6	(28.8)
Alijarah Holding	0.63	5.9	3,224.8	(10.4)
United Development Company	1.05	5.4	8,324.5	(30.9)
Investment Holding Group	0.41	4.9	6,604.4	(28.2)
Qatari German Co for Med. Devices	0.43	4.9	2,114.4	(26.6)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatar Islamic Bank	14.55	(2.0)	277.7	(5.1)
QNB Group	17.73	(1.5)	231.8	(13.9)
Zad Holding Company	14.00	(1.3)	4.2	1.3
Aamal Company	0.57	(1.1)	2,201.9	(30.5)
Ooredoo	5.99	(0.8)	1,186.3	(15.4)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Ezdan Holding Group	0.52	0.8	20,487.5	(15.8)
Qatar Aluminium Manufacturing	0.53	2.3	15,345.0	(31.8)
Salam International Inv. Ltd.	0.24	0.4	13,569.5	(53.8)
Mesaieed Petrochemical Holding	1.79	8.3	10,794.6	(28.8)
United Development Company	1.05	5.4	8,324.5	(30.9)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Mesaieed Petrochemical Holding	1.79	8.3	19,124.9	(28.8)
Barwa Real Estate Company	3.07	1.6	11,384.9	(13.2)
Ezdan Holding Group	0.52	0.8	10,627.8	(15.8)
Al Meera Consumer Goods Co.	15.21	2.1	9,602.6	(0.6)
United Development Company	1.05	5.4	8,818.7	(30.9)

Source: Bloomberg (* in QR)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	8,485.26	0.3	0.3	3.4	(18.6)	39.54	130,241.2	12.6	1.2	4.8
Dubai	1,682.08	(2.4)	(2.4)	(5.0)	(39.2)	61.81	70,638.9	6.2	0.6	7.4
Abu Dhabi	3,676.46	(2.2)	(2.2)	(1.6)	(27.6)	25.97	112,337.0	10.7	1.0	6.7
Saudi Arabia	6,752.19	0.0	0.0	3.8	(19.5)	1,534.42	2,099,371.0	19.2	1.6	3.9
Kuwait	4,712.85	0.2	0.2	(2.3)	(25.0)	65.52	85,827.2	11.7	1.1	4.7
Oman	3,385.84	0.1	0.1	(1.8)	(15.0)	1.60	14,801.8	6.8	0.6	8.2
Bahrain	1,322.38	(0.6)	(0.6)	(2.1)	(17.9)	3.01	20,526.1	9.5	0.8	6.0

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 rose 0.3% to close at 8,485.3. The Real Estate and Industrials indices led the gains. The index rose on the back of buying support from non-Qatari shareholders despite selling pressure from Qatari and GCC shareholders.
- Mesaieed Petrochemical Holding Company and Alijarah Holding were the top gainers, rising 8.3% and 5.9%, respectively. Among the top losers, Qatar Islamic Bank fell 2.0%, while QNB Group was down 1.5%.
- Volume of shares traded on Sunday rose by 21.8% to 111.6mn from 91.6mn on Thursday. However, as compared to the 30-day moving average of 124.7mn, volume for the day was 10.5% lower. Ezdan Holding Group and Qatar Aluminium Manufacturing Company were the most active stocks, contributing 18.4% and 13.8% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	49.99%	51.22%	(1,770,437.59)
Qatari Institutions	15.69%	19.21%	(5,098,836.60)
Qatari	**65.68%**	**70.43%**	**(6,869,274.18)**
GCC Individuals	1.59%	1.45%	199,071.52
GCC Institutions	0.24%	3.74%	(5,073,285.49)
GCC	**1.83%**	**5.19%**	**(4,874,213.97)**
Non-Qatari Individuals	20.06%	16.53%	5,099,494.74
Non-Qatari Institutions	12.43%	7.84%	6,643,993.41
Non-Qatari	**32.49%**	**24.37%**	**11,743,488.15**

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

Earnings Releases and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 1Q2020	% Change YoY	Operating Profit (mn) 1Q2020	% Change YoY	Net Profit (mn) 1Q2020	% Change YoY
Advanced Petrochemicals Co.	Saudi Arabia	SR	535.0	-17.4%	125.0	-17.6%	104.0	-35.8%
Almarai Co.	Saudi Arabia	SR	3,592.4	8.6%	512.8	5.4%	383.0	14.0%

Source: Company data, DFM, ADX, MSM, TASI, BHB.

Earnings Calendar

Tickers	Company Name	Date of reporting 1Q2020 results	No. of days remaining	Status
QNBK	QNB Group	12-Apr-20	6	Due
QIBK	Qatar Islamic Bank	15-Apr-20	9	Due
KCBK	Al Khalij Commercial Bank	15-Apr-20	9	Due
QFLS	Qatar Fuel Company	15-Apr-20	9	Due
QIGD	Qatari Investors Group	19-Apr-20	13	Due
QGTS	Qatar Gas Transport Company Limited (Nakilat)	20-Apr-20	14	Due
ERES	Ezdan Holding Group	20-Apr-20	14	Due
ABQK	Ahli Bank	20-Apr-20	14	Due
CBQK	The Commercial Bank	21-Apr-20	15	Due
QEWS	Qatar Electricity & Water Company	21-Apr-20	15	Due
QIIK	Qatar International Islamic Bank	22-Apr-20	16	Due
DOHI	Doha Insurance Group	22-Apr-20	16	Due
MCGS	Medicare Group	22-Apr-20	16	Due
UDCD	United Development Company	22-Apr-20	16	Due
DHBK	Doha Bank	22-Apr-20	16	Due
NLCS	Alijarah Holding	23-Apr-20	17	Due
MARK	Masraf Al Rayan	23-Apr-20	17	Due
ORDS	Ooredoo	29-Apr-20	23	Due

Source: QSE

Qatar

- **GWCS appoints Deputy CEO –** Gulf Warehousing Company (GWCS) has appointed Salman Mohammed Ali Kaldari as Deputy CEO of the company, effective from April 1, 2020. Salman brings more than 14 years of diverse experience with serving in various public and private sector positions, including 11 years as a CEO. Salman also brings deep expertise in technology, risk, and operational transformation, providing innovative solutions to different business challenges. Salman holds an Executive MBA in Business Administration from Plymouth University in the UK. (QSE)
- **ERES to disclose its 1Q2020 financial statements on April 20 –** Ezdan Holding Group (ERES) decided to disclose its 1Q2020 financial statements results on April 20, 2020. (QSE)
- **QGTS to disclose 1Q2020 its financial statements on April 20 –** Qatar Gas Transport Company (QGTS) announced its intent to disclose its 1Q2020 financial statements results on April 20, 2020. (QSE)
- **QEWS to disclose 1Q2020 its financial statements on April 21 –** Qatar Electricity & Water Company (QEWS) decided to disclose its 1Q2020 financial statements results on April 21, 2020. (QSE)
- **AKHI's AGM and EGM endorses items on its agenda and approves the distribution of 5% cash dividend** – Al Khaleej Takaful Insurance Company's (AKHI) AGM and EGM, which were held on April 5, 2020, endorsed items on its agenda. AGM has approved the following resolutions: - (i) Hearing Board of Director's (BOD) Report about the company's activities and financial position for the year ending December 31, 2019 and the future plan of the company, (ii) Hearing Auditors Report about company's financial statements for the year ending December 31, 2019, (iii) Hearing the Shari'ah Authority Report on the activities for the financial year 2019, (iv) Discussing and approving the balance sheet of the company and accounts of profits & losses for the fiscal year ending December 31, 2019 and approving the BOD recommendation to distribute 5% cash dividends of the capital to shareholders, (v) Discharging the BOD of the responsibility of fiscal year 2019 & determining their remuneration, (vi) Discussing the governance report of the company for the year 2019, (vii) Appointing the External Auditor for the year 2020 & determining their fees. EGM has approved the following resolutions:- (i) Approval to amend Article (6) of the company's articles of association to reconcile the difference of four Qatari Riyal between the company capital and the number of shares by transferring the difference to the Statutory reserve. Before amendment:- The company's paid-up capital is QR255,279,024 divided into 255,279,020 shares nominal value per share QR1. After amendment:- The company's paid-up capital is QR255,279,020 divided into 255,279,020 shares nominal value per share QR1. (QSE)
- **QDB launches National Guarantee Program to back private firms –** The Qatar Development Bank (QDB) has launched the National Guarantee Program that provides guarantees to local banks to grant interest-free loans to private companies affected by the COVID-19. The program is being implemented as part of the directives of HH the Amir Sheikh Tamim bin Hamad Al Thani to support and provide financial and economic incentives amounting to QR75bn to the private sector and directives of HE the Prime Minister and Minister of Interior Sheikh Khalid bin Khalifa bin Abdulaziz Al Thani, to allocate guarantees worth QR3bn to local banks. The scheme is run in cooperation with the Ministry of Finance and the Qatar Central Bank (QCB) and all banks operating in the country. The National Guarantee Program aims to support salaries and rents of companies in the private sector. QDB will manage and issue the guidelines for this program, while banks operating in the country will grant the financing on the basis of a guarantee from the QDB. According to the QDB, companies wishing to benefit from the program are required to be fully owned by the private sector and registered in the wage protection system in force in Qatar. Regarding the application mechanism, Qatar Development Bank said official representatives of the companies should communicate with the commercial and Islamic banks in which their accounts are registered for the wages protection system, and submit requests for benefits exclusively through commercial and Islamic banks operating in the country. QDB will provide 100% guarantee to the commercial and Islamic banks granting the financing without any fees or commission being charged for the grace period, provided that the financing is paid by the beneficiary company to the commercial and Islamic donor banks within a maximum of three years, including a one-year grace period. (Gulf-Times.com)
- **Oxford Economics: Qatar able to afford more fiscal support amid COVID-19 crisis –** Qatar is among the financially strong countries that are able to afford more significant fiscal support despite the slump in oil prices, Oxford Economics said in its research brief on GCC response to the COVID-19 crisis. Oman and Qatar, it said have implemented programs to support loans to business and liquidity in the banking sector, post coronavirus spread. Although budget deficits have soared across the GCC as a result of low oil prices, most Gulf countries have significant financial assets upon which to draw, it noted. As a result, concerns about fiscal consolidation can be delayed to 2021, Oxford Economics said. The authorities across the GCC have all announced initial packages, but the majority were announced a few days ago and the situation relating to the coronavirus pandemic has moved rapidly even since then. The size of the fiscal packages, Oxford Economics noted, are small compared to the reductions in our GDP forecasts caused by the coronavirus, and the measures proposed seem too narrow to provide support across the economies of the GCC. "And we expect to lower our GDP forecasts in the GCC even further as the toll on economic growth in 2020 mounts – we assess that the non-oil sectors in most GCC countries are already in recession and we anticipate declines of 2% or more in non-oil GDP in 2020 as a whole. It seems likely that most GCC governments will need to introduce further packages in the coming weeks to both deepen and broaden support for their economies. Failure to do so could see businesses collapse, especially among SMEs, despite the

measures taken so far to ease access to credit and lower costs. This will limit the speed at which the non-oil economy can be restarted," Oxford Economics said. The biggest support program in the GCC comprises a package that reflects many of the features of packages implemented in Europe. Measures include paying the salaries of all private sector employees for three months from April from the unemployment fund and all water and utility bills will be paid for three months from April. The government is also exempting individuals and businesses from municipal and industrial land rental fees for three months, while tourism-related companies will be exempt from tourism levies, Oxford Economics noted. (Gulf-Times.com)

- **Ezdan: Qatar's robust economic performance to overpower COVID-19 out-turn –** The strategic measures taken by Qatar to prop up the private sector, including the real estate industry, in light of the awestricken coronavirus (COVID-19) pandemic, will help the local economy absorb potential shocks, according to Ezdan Real Estate's (Ezdan) monthly report. Global rating agencies expect Qatar's economic stability will continue and they forecast the country has outstanding potentials in trouncing these challenges successfully. The Ezdan report noted Qatar's real estate index strived to retain its flat momentum during the past month. The solid performance in the real estate deals is followed by the release of a package of decisions related to the economic and financial sectors and their performance during the past period, on top of which is providing a package of financial and economic incentives worth QR75bn to the private sector, and directing Qatar Central Bank to enforce the appropriate mechanism to encourage banks to postpone loan maturities of the private sector with a grace period of six months. Qatar Development Bank (QDB) was also directed to adjourn maturities to the same period. State-owned funds are also set to increase their investments in the stock market by QR10bn, moreover, QCB shall inject a surplus of liquidity to Qatari banks. Among the most important decisions that will bolster Qatari real estate sector is the exemption of the hospitality and tourism, retail sectors and commercial complexes from electricity and water consumption charges for a period of six months in exchange for providing services and exemptions to tenants, as well as exempting areas of logistics and SMEs for the same period. (Peninsula Qatar)

International

- **Trump says he does not expect to impose tariffs on oil imports –** President Donald Trump said he doesn't think he'll have to impose tariffs on imported oil to blunt the impact of a price war between Russia and Saudi Arabia, but held out the option to protect US oil producers. "I would use tariffs if I have to," he said at a White House news conference on Sunday, restating his position from Saturday's briefing. "I don't think I'm going to have to." The US has been in talks with Russia and Saudi Arabia about cutting excess production that's cratered global oil prices, including calls between Trump and the leaders of both nations. However, despite Trump's assertion last week the two countries would cut production by 10mn to 15mn barrels, no agreement has been reached. "We want to save a great industry," Trump said of the US oil industry. "If they don't get along, I would do that, yeah, I would do tariffs, very substantial tariffs." (Bloomberg)
- **Fed's Bullard says another coronavirus economic relief bill may not be needed –** A top official at the US Federal Reserve said on Sunday the $2.3tn economic relief bill approved by Congress was appropriately sized and that a further relief effort may not be needed if support efforts are well executed. "I felt like this one was well-sized for the situation," St. Louis Federal Reserve Bank President James Bullard told CBS' "Face the Nation" when asked if further legislation would be needed. "I think you've got the right amount of resources," he added. "The challenge is how are you going to get that to the right people that really have been disrupted. That's the execution risk that you have here." US lawmakers have said they plan to push forward with further legislation to respond to the pandemic. Senate Republican leader Mitch McConnell told the Associated Press on Friday he would like the next relief bill to focus on healthcare, while House Speaker Nancy Pelosi - the top congressional Democrat - has said lawmakers need to focus on further economic relief. If relief efforts are well-executed, there was no reason to think the US economy could not have a sharp rebound, Bullard said. "There's nothing wrong with the economy itself," he said, noting that people have been asked to stay at home. Bullard said a move to universal testing for COVID-19, the respiratory illness caused by the novel coronavirus, could help spur recovery by offering clarity on who could move about freely and fully participate in the economy. He also said an emergency small business lending program that is a key part of the last economic relief bill could be quite helpful. (Reuters)
- **GfK: UK consumer confidence suffers record fall over coronavirus –** British consumer confidence has recorded its biggest fall in more than 45 years, a survey showed on Monday, as a widening shutdown of the economy to slow the spread of the coronavirus hammered households' financial hopes. GfK, which has conducted monthly surveys of British consumer sentiment since 1974, ran an extra poll in late March which showed the weakest sentiment since February 2009. The drop in the index to -34 from -9 in its regular survey for March, conducted earlier in the month, was the biggest on record. "Our COVID-19 'flash report' shows a dramatic result with consumer confidence falling off the cliff in the last two weeks of March," GfK client strategy director Joe Staton said. Surveys of businesses have been similarly bleak. IHS Markit's monthly purchasing managers' index for the services and manufacturing sectors, published on Friday, pointed to the sharpest contraction on record. The biggest decline in the GfK survey came in households' willingness to make major purchases, despite a spike in demand for freezers, televisions and home office equipment as people prepared to spend most of their time at home. (Reuters)
- **Bailey: BoE will not print money to fund UK fight against coronavirus –** The Bank of England (BoE) will not resort to irreversibly printing money in order to fund a surge in government spending as it tries to shield Britain's economy from the coronavirus crisis, its governor Andrew Bailey said on Sunday. The BoE last month ramped up its bond-buying program by a record 200bn Pounds ($245.2bn), similar to moves by the Federal Reserve and the European Central Bank as central banks around the world scrambled to limit a deep recession. The next day, finance minister Rishi Sunak announced the British state would pay 80% of the wages of workers who are temporarily laid off by companies, in the hope of getting them back into work

quickly when the crisis abates. That historic step was part of a series of emergency measures that will cost the government at least 60bn pounds at a time when it will also suffer a plunge in tax revenues. Bailey, acknowledging that the world faced a "time of great uncertainty", said he would oppose any calls for the BoE to print money simply to help the government. When the BoE announced the expansion of its bond purchase plan to 645bn Pounds on March 19 - most of it for government bonds - Bailey stressed he was not abandoning the long-standing concerns of central bankers about monetary financing "because history tells us where that leads". The idea of central banks helping governments to spend more has raised concerns about a rise in inflation in the future. It has even drawn parallels with the disastrous hyperinflation of 1930s Germany and 1990s Zimbabwe. In his article for the FT, Bailey said the BoE remained in full control of how and when the expansion of its reserves to buy bonds is unwound, and that the central bank would not allow its 2% inflation target to be threatened. (Reuters)

- **Deputy CMO: Britain must not ease coronavirus restrictions too soon –** Britain should not start to lift restrictions on social contact until it is clear that coronavirus transmission is in retreat, otherwise a second wave could occur, England's Deputy Chief Medical Officer Jenny Harries said on Sunday. "The very last thing we would want to do is to have put in all of this effort, with everybody trying to do the right thing – almost everybody – across the country, and then finally lift the lid too early and we have a second spike," she said. "It will waste the effort we have put in. And we will still need to get over the first hump of the epidemic curve, and then look at the detail (of restrictions)." (Reuters)
- **India reassures banks of capital infusion –** India has assured state banks it is ready to provide capital support as the coronavirus pandemic may lead to a surge in bad loans when economic growth is slowing, three government and banking sources told Reuters. New Delhi may need to make a provision of at least 200-250bn Rupees ($5.90bn) for capital infusion in state-run banks. However, this number can increase significantly as the situation evolves, the officials said. "The NPAs (non-performing assets) could remain an issue and the government may need to make a provision for some capital infusion in the public sector banks," said a senior government official with direct knowledge of the issue. None of the sources wanted to be named as the plan is not yet public. A finance ministry spokesman declined to comment. The government has already pumped in 3.5tn Rupees ($45.91bn) in the last five years to rescue the beleaguered banks. In this financial year's budget announcement in February, it had not allocated any funds for capital infusion. Instead, the banks had been encouraged to tap capital markets for funds. (Reuters)

Regional

- **PMI: Saudi Arabia's non-oil private sector hits decade-low on coronavirus –** Saudi Arabia's non-oil private sector shrank in March at its fastest rate on record as emergency measures to contain the coronavirus outbreak dealt a heavy blow to business, a survey showed on Sunday. The seasonally adjusted IHS Markit Saudi Arabia Purchasing Managers' Index (PMI) fell to 42.4 in March - the biggest drop since the survey began in August 2009 - from 52.5 in February. It was also the first time the headline index has fallen below the 50.0 mark that separates expansion from contraction. As of April 2, Saudi Arabia had recorded 1,885 infections and 21 deaths, the most in the six-member GCC. To contain the spread of the virus the country has implemented incremental social restriction measures that have led to business closures, declines in new orders and stocks of purchases, and delays in projects. "The latest survey data were collected between March 12-23 and therefore signal a steep economic downturn even before the tightening of workplace and travel restrictions to contain the COVID-19 pandemic," Economics Director at IHS Markit, Tim Moore said. Non-oil private sector output dropped in March for the first time in over 10 years. The little growth that was registered last month reflected demand for essential goods and services such as the pharmaceutical and healthcare sectors, the survey showed. Despite the sharp drop-in activity and new work, employment dropped only slightly below the 50.0 threshold. (Zawya)
- **Saudi Arabia delays setting May prices, looks to OPEC meeting to settle price war –** Saudi Arabia is taking unprecedented action in delaying the release of its international crude selling prices by five days, a senior Saudi source said on Sunday, as the Kingdom and other major producers seek to halt the free-fall in worldwide crude prices. However, oil prices fell anew at the open of Asian trading as the weekend did not bring major producers Saudi Arabia, Russia and the US any closer to resolving a growing supply glut that is overwhelming markets. A month-long price war between Saudi Arabia and Russia, against the backdrop of the coronavirus pandemic, has cut the price of crude to $34 a barrel from $65. Members of OPEC, led by Saudi Arabia, have stepped up efforts to resolve the dispute in recent days, but they have called on other big producers - including the US- to be involved. The OPEC is expected to meet Thursday - delayed from Monday - to discuss cutting production to alleviate a supply glut as fuel demand is expected to fall by about a third worldwide due to the COVID-19 pandemic. (Reuters)
- **Saudi Arabia and Russia push negotiations for global oil pact –** Saudi Arabia and Russia and other large oil producers are racing to negotiate a deal to stem the historic price crash as diplomats said some progress was made on Sunday. The talks still face significant obstacles: a meeting of producers from OPEC+ and beyond -- delayed once is only tentatively scheduled for Thursday. Russia and Saudi Arabia want the US to join in, but US President, Donald Trump has so far shown little willingness to do so. Oil diplomats are trying to stitch together a meeting of G20 energy ministers for Friday, as part of the effort to bring the US on board, according to sources. (Bloomberg)
- **PMI: Coronavirus hits already sluggish UAE non-oil private sector in March –** The coronavirus pandemic in March accelerated the downturn in an already sluggish non-oil private sector in the UAE, bringing business conditions there to their weakest level on record, a survey showed. The seasonally adjusted IHS Markit UAE Purchasing Managers' Index (PMI), which covers manufacturing and services, fell to 45.2 in March from 49.1 in February. Readings above 50 indicate expansion while those below point to contraction. It was the biggest contraction on record, as travel and social restrictions aimed at containing the spread of the virus hurt businesses. "New business volumes fell at a steep pace, driven by lower customer

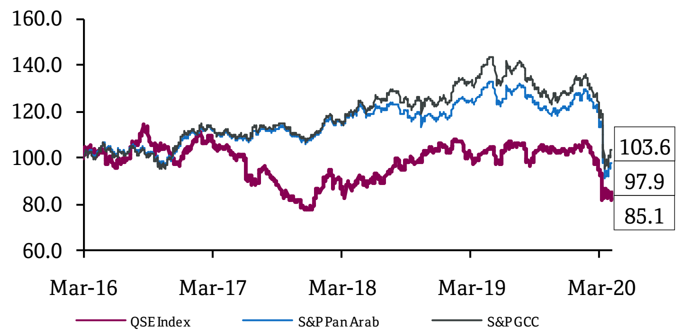
sales, reduced tourism and weaker trade as countries across the world closed borders," said David Owen, economist at IHS Markit and author of the report. "Meanwhile, the closure of airports in the UAE and working-from-home policies, as seen across the globe, are likely to extend the downturn into April, particularly as there is no end in sight to the pandemic." Dubai - the Middle East's tourism and business hub - could see a 5%-6% loss of GDP this year if virus-containment measures were to last for another three to four months, analysts have said. The UAE in March suspended passenger flights for two weeks until April 8 to combat the spread of the coronavirus. For the country's vital tourism sector, this has been a heavy blow, with some hotels closed and occupancy rates dropping. An expected bump in business this year coming from Expo 2020 - which Dubai is to host - is also in doubt after the event's organizers backed a proposal to postpone it for a year due to the pandemic. "The Expo 2020 remained a key source of optimism, though some were concerned of its viability in a potentially weak year for global growth," the compilers said in the survey. Lower overall business demand led firms to cut activities and costs in March, with output declining faster than in February, the survey showed. Some increases in activity were registered for food sellers due to bulk-buying from consumers amid fears of food shortages due to the virus outbreak. Employment in the non-oil private sector contracted at the quickest rate ever in the survey, which began in 2009, with firms not hiring new stuff and many asking employees to take extra leave to reduce costs. (Zawya)

- **UAE supports Saudi call for oil talks, joint effort needed by all –** UAE supports Saudi Arabia's proposal to call for an emergency meeting for OPEC+ and other producers, Energy Minister, Suhail Al-Mazrouei said on Sunday "A joint and combined effort by all oil-producing countries is required, not only the group of OPEC+ countries," the Minister said. "The UAE is confident that, if an agreement can be reached, all producing countries will work quickly and cooperatively to address the weak demand for oil in global markets, helping to rebalance the market and maintain global oil inventories at reasonable levels." (Reuters)
- **CBUAE takes new anti-coronavirus steps, bringing stimulus to AED256bn –** The Central Bank of the UAE stated on Sunday it had reduced banks' reserve requirements for demand deposits by 50% to support the country's economy during the COVID-19 pandemic. The aggregate value of all capital and liquidity measures adopted by the central bank since March 14 is AED256bn, CBUAE stated. The bank halved the reserves requirements for demand deposits for all banks to 7% from 14%, which it stated will inject about AED61bn of liquidity to support banks' lending and liquidity management. CBUAE also extended the duration of a previously announced stimulus package for affected retail businesses and corporates. The deferral of loan principal and interest payments for customers was extended until the end of the year, and banks participating in the scheme can benefit from a capital buffer relief until December 2021. The value of the capital buffer relief is AED50bn. Banks are also allowed a "zero-cost funding facility" against collateral until the end of this year - a program also worth AED50bn. Banks will be allowed to use a third of their current liquidity buffers and have the flexibility to maintain a minimum loan coverage ratio (LCR) of 70% and a minimum eligible liquid assets ratio (ELAR) of 7%. The overall release of regulatory liquidity buffers is estimated at AED95bn, the regulator said. CBUAE said it has collaborated with other regulators to issue guidance on financial reporting standard IFRS 9 for banks and finance companies. "The planned implementation of certain Basel III capital standards will be postponed to March 31, 2021 for all banks, to minimize the operational burden on the financial industry during this challenging period," the CBUAE said. "CBUAE has issued a new requirement for all banks to apply a prudential filter to IFRS 9 expected loss provisions," the bank said, adding it aims to minimize IFRS 9 provisions' effect on regulatory capital "in view of expected volatility due to the COVID-19 crisis." (Zawya)
- **Emirates NBD's exposure to troubled hospital group NMC Health at AED747.3mn –** Emirates NBD, Dubai's biggest bank, stated that it had an exposure of AED747.3mn, including AED676.5mn linked to its unit Emirates Islamic Bank. (Reuters)
- **Emirates Airline said to seek billions of dollars in bank loans –** Emirates is seeking to raise billions of dollars from loans after the coronavirus forced the airline to ground its passenger fleet, according to sources. The carrier is reaching out to local and international banks, sources said. Dubai's government last week stepped in to shield the airline and said it would receive unspecified financial aid. Airlines around the world have grounded their fleets, laid off staff and requested government support for survival. Dubai moves to shield prized Emirates airline from virus fallout. (Bloomberg)
- **Dubai's DIB reveal exposure to NMC Health at $425mn as of March 31 –** Dubai Islamic Bank (DIB) has revealed their exposure to embattled healthcare provider NMC Health Group in a note to the stock exchange. DIB's exposure to NMC Health is approximately $425mn as of March 31, 2020. Its subsidiary Noor Bank has an exposure of $116mn to the country's largest healthcare provider. All facilities were extended exclusively to group's operating companies and based entirely on UAE operating cash flows. The bank has no exposure to Finablr and UAE Exchange Centre. The aggregate exposure constitutes approximately 0.7% of the bank's total assets. Executive Chairman of the UAE's largest private healthcare provider, Faisal Belhoul said in a statement that his immediate priority is to achieve operational and financial stability to provide frontline care in the battle against COVID-19 and to prioritize payments to its healthcare workers and critical suppliers. NMC Health has been facing major setbacks since the US-based short seller Muddy Waters Capital accused it of financial improprieties in December. Later in March it was cut from the UK's benchmark FTSE 100 Index. NMC's debt is currently estimated at $6.6bn, much higher than the approximately $5bn reported earlier in March. (Zawya)
- **Emaar Properties says amount due by UAE Exchange Center to AED167,000 –** Emaar Properties has stated that the amount due by UAE Exchange Center to Emaar Properties stands at AED167,000. (Reuters)
- **Dubai's Mashreqbank says no exposure to UAE Exchange or Finablr –** Mashreqbank has stated that it does not have exposure to either UAE Exchange or Finablr. The exposure to New Medical Centre Trading is in the form of guarantees issued on NMCT'S behalf in amount of AED502,598. The bank has indirect exposure to NMC Health through participation in Makaseb Arab Tigers

fund. Makaseb Arab Tigers fund has 25,000 shares in NMC health. (Reuters)

- **ADCB says exposure to Finablr and subsidiaries approximately $182mn –** Abu Dhabi Commercial Bank Group (ADCB) stated that its exposure to Finablr and its subsidiaries, including UAE Exchange, (Finablr Group), totaled approximately $182mn as at March 31, 2020. This credit was extended through various facilities by ADCB, Al Hilal Bank and Union National Bank (UNB) prior to the merger of the three banks on May 1, 2019. ADCB Group also disclosed earlier that it extended credit to NMC Health and its subsidiaries (NMC Health Group), and that NMC Health Group's liabilities to the Bank totaled approximately $981mn as at March 31, 2020. The combined liabilities of NMC Health Group and the Finablr Group to ADCB Group represent circa 1% of ADCB Group's total assets. (ADX)
- **Etisalat says exposure to NMC Healthcare Group AED8.37mn –** With reference to the Abu Dhabi Securities Exchange (ADX)'s circular number 2020/012/L.C., dated April 02, 2020, Emirates Telecommunications Group Company (Etisalat Group) has informed that its exposure to the NMC Healthcare group is limited to AED8.37mn as of March 31, 2020, representing outstanding receivables for telecom services extended to NMC and UAE Exchange Center. It has also been informed that there is no relation with Finablr company. (ADX)
- **United Arab Bank says total exposure of AED135.3mn to NMC –** United Arab Bank (UAB) stated that it maintains an exposure of AED129.8mn in form of funded exposure. The AED5.5mn is in the form of non- funded exposure to NMC Medical Group. It has total exposure of AED135.3mn to NMC. (Reuters)
- **Ajman Bank says total outstanding due to NMC Healthcare equal to AED151.9mn –** Ajman Bank has total outstanding due amount against facilities given to NMC Healthcare is equal to AED151.9mn till date. No finance has been given to sister companies Finablr & UAE Exchange Center till date. (Reuters)
- **Kuwait backs Saudi Arabia's call for talks on cutting oil output –** Kuwait supports Saudi Arabia's call to renew talks on cutting oil supply due later this week and hopes for a successful outcome to stabilize the oil market, Kuwait's Oil Minister, Khaled Al-Fadhel said. OPEC and allies led by Russia, a group known as OPEC+, are due to hold a meeting on Thursday to discuss a new pact on curbing output and ending a price war between Saudi Arabia and Russia which has prompted US President, Donald Trump to intervene. Saudi Arabia has called for an emergency meeting between OPEC and its allies as well as other oil producers. "We totally support Saudi Arabia and its current efforts in bringing back OPEC and non-OPEC countries to the table," he told Reuters by telephone. "We always welcome efforts to stabilize the market for the benefit of producers and consumers. We are being proactive, and many countries are working hard on it to make it a success. "We all care about energy investments and we all hope for a successful outcome out of the meeting," he said. (Reuters)
- **CBK says too early for banks to suspend 2020 dividends –** Kuwaiti banks can continue to distribute dividends for 2019 and it is early to ask them to suspend dividends for 2020, the Governor of the Central Bank of Kuwait (CBK), Mohammad Al-Hashel said on Sunday, speaking to Al Arabiya TV. "The exchange rate system is excellent and there is no fear for the Kuwaiti Dinar," he said, adding that banks' average capital adequacy ratio was above 18%. The minimum ratio has been reduced to 10.5%, the Governor said. Last week, the Central Bank of Kuwait (CBK) announced a stimulus package to support vital sectors and small and medium enterprises amid the fallout from the coronavirus epidemic. The measures will raise banks' lending by KD5bn, the Kuwait Banking Association said last week. He said banks had agreed to refrain from liquidating collateral assets like real estate or stocks, unless customers ask for it, "to avoid any serious decline in the markets". Banks should not be "very strict" in refraining from lending, he said. He added monetary policy measures taken so far were adequate, but the central bank was ready to act again if necessary. (Reuters)
- **Kuwaiti parliament unlikely to approve current version of debt law –** Kuwait's parliament is unlikely to approve the current version of a debt law proposed by the government, the speaker of the Kuwaiti National Assembly, Marzouq Al-Ghanim said on Sunday. Kuwait needs to pass the law to be able to borrow more and have additional tools at its disposal to avoid depleting one of its state funds to finance the government deficit. The speaker said the law had been on the legislature's agenda since 2018 and aimed to raise the maximum public debt to KD25bn. On Thursday, the government withdrew the law from early 2018 and submitted a new one that would make the maximum public debt KD20bn, he said. However, the timing of introducing the law was bad and the chances of passing it in parliament are "almost non-existent," Ghanim said in the parliament on Sunday. He advised the government to withdraw the law and introduce a new one that takes into account the circumstances of the coronavirus outbreak. "The new law was approved by the cabinet from early to mid-February, that is, before the crisis and before its repercussions, and it has nothing to do with what is happening now," he said. (Reuters)

Rebased Performance



Source: Bloomberg

Daily Index Performance

Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,620.81	0.4	(0.5)	6.8
Silver/Ounce	14.39	(0.7)	(0.6)	(19.4)
Crude Oil (Brent)/Barrel (FM Future)	34.11	13.9	36.8	(48.3)
Crude Oil (WTI)/Barrel (FM Future)	28.34	11.9	31.8	(53.6)
Natural Gas (Henry Hub)/MMBtu	1.50	(2.6)	(11.8)	(28.2)
LPG Propane (Arab Gulf)/Ton	30.00	7.1	19.4	(27.3)
LPG Butane (Arab Gulf)/Ton	32.25	21.7	42.5	(51.4)
Euro	1.08	(0.5)	(3.1)	(3.7)
Yen	108.55	0.6	0.6	(0.1)
GBP	1.23	(1.0)	(1.5)	(7.5)
CHF	1.02	(0.4)	(2.6)	(1.0)
AUD	0.60	(1.1)	(2.8)	(14.6)
USD Index	100.58	0.4	2.2	4.3
RUB	76.49	(1.0)	(2.9)	23.4
BRL	0.19	(1.8)	(4.7)	(24.9)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	1,776.86	(1.5)	(2.8)	(24.7)
DJ Industrial	21,052.53	(1.7)	(2.7)	(26.2)
S&P 500	2,488.65	(1.5)	(2.1)	(23.0)
NASDAQ 100	7,373.08	(1.5)	(1.7)	(17.8)
STOXX 600	309.06	(1.5)	(3.4)	(28.6)
DAX	9,525.77	(1.0)	(3.9)	(30.8)
FTSE 100	5,415.50	(2.3)	(3.2)	(33.8)
CAC 40	4,154.58	(2.1)	(7.2)	(33.2)
Nikkei	17,820.19	(0.5)	(8.5)	(24.4)
MSCI EM	831.72	(0.8)	(1.3)	(25.4)
SHANGHAI SE Composite	2,763.99	(0.7)	(0.2)	(11.0)
HANG SENG	23,236.11	(0.2)	(1.1)	(17.2)
BSE SENSEX	27,590.95	(2.0)	(8.7)	(37.6)
Bovespa	69,537.60	(4.5)	(9.4)	(54.6)
RTS	1,049.88	1.5	9.9	(32.2)

Source: Bloomberg (*$ adjusted returns)

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