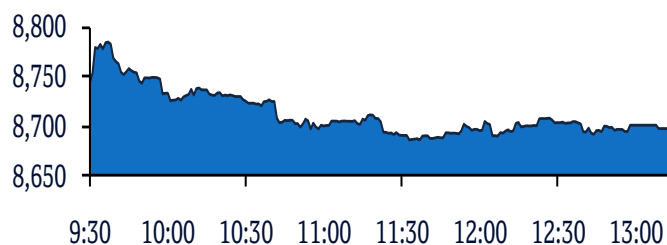


## QSE Intra-Day Movement



## Qatar Commentary

The QE Index declined 0.4% to close at 8,699.5. Losses were led by the Telecoms and Industrials indices, falling 1.3% and 0.6%, respectively. Top losers were Qatari German Company for Medical Devices and Ezdan Holding Group, falling 6.7% and 3.8%, respectively. Among the top gainers, Baladna gained 8.5%, while Dlala Brokerage & Investment Holding Company was up 2.8%.

## GCC Commentary

**Saudi Arabia:** The TASI Index gained 1.6% to close at 6,824.7. Gains were led by the Transportation and Food & Beverages indices, rising 3.7% and 3.2%, respectively. Saudi Fisheries and Salama Cooperative Insurance were up 10.0% each.

**Dubai:** The DFM Index gained 0.9% to close at 1,911.8. The Investment & Financial Services index rose 5.8%, while the Services index gained 1.6%. Dubai Financial Market rose 14.9%, while Amlak Finance was up 8.0%.

**Abu Dhabi:** The ADX General Index fell marginally to close at 4,065.0. The Industrial index declined 1.2%, while the Investment & Financial Services index fell 0.6%. Gulf Pharmaceutical Ind. declined 5.0%, while Gulf Cement was down 4.9%.

**Kuwait:** The Kuwait All Share Index gained 1.9% to close at 4,787.0. The Banks index rose 2.5%, while the Financial Services index gained 2.1%. Real Estate Trade Centers Company rose 20.3%, while Commercial Facilities Company was up 10.0%.

**Oman:** The MSM 30 Index gained 0.5% to close at 3,437.5. Gains were led by the Industrial and Financial indices, rising 0.5% and 0.3%, respectively. Oman Cement Company rose 3.1%, while Ominvest was up 2.5%.

**Bahrain:** The BHB Index gained 0.4% to close at 1,246.1. The Commercial Banks index rose 1.1%, while the other indices ended flat or in red. GFH Financial Group rose 2.9%, while National Bank of Bahrain was up 2.6%.

Market Indicators	17 May 20	14 May 20	%Chg.
Value Traded (QR mn)	203.2	329.5	(38.3)
Exch. Market Cap. (QR mn)	492,332.4	495,336.9	(0.6)
Volume (mn)	121.5	229.4	(47.0)
Number of Transactions	5,823	11,129	(47.7)
Companies Traded	43	45	(4.4)
Market Breadth	10:28	15:29	-

Market Indices	Close	1D%	WTD%	YTD%	TTMP/E
Total Return	16,724.40	(0.4)	(0.4)	(12.8)	13.7
All Share Index	2,701.90	(0.5)	(0.5)	(12.8)	14.4
Banks	3,786.19	(0.6)	(0.6)	(10.3)	12.4
Industrials	2,385.03	(0.6)	(0.6)	(18.7)	19.0
Transportation	2,573.25	0.6	0.6	0.7	12.5
Real Estate	1,347.16	(0.3)	(0.3)	(13.9)	13.3
Insurance	2,018.78	0.5	0.5	(26.2)	33.7
Telecoms	821.28	(1.3)	(1.3)	(8.2)	13.8
Consumer	7,012.39	(0.4)	(0.4)	(18.9)	17.9
Al Rayan Islamic Index	3,453.45	(0.7)	(0.7)	(12.6)	15.9

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Jabal Omar Dev. Co.	Saudi Arabia	23.44	6.5	2,059.8	(13.7)
Burgan Bank	Kuwait	0.19	4.9	3,149.2	(37.2)
Gulf Bank	Kuwait	0.21	4.5	2,511.2	(31.0)
Almarai Co.	Saudi Arabia	48.00	4.1	861.6	(3.0)
Yanbu National Petro. Co.	Saudi Arabia	49.95	4.1	740.5	(10.6)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Saudi Cement Co.	Saudi Arabia	43.00	(2.8)	739.5	(38.7)
Banque Saudi Fransi	Saudi Arabia	28.35	(2.4)	573.3	(25.2)
Dar Al Arkan Real Estate	Saudi Arabia	6.88	(1.6)	25,322.4	(37.5)
Masraf Al Rayan	Qatar	3.72	(1.4)	3,055.6	(6.1)
Bank Sohar	Oman	0.08	(1.3)	150.0	(26.0)

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%
Qatari German Co for Med. Dev.	1.04	(6.7)	13,673.0	78.7
Ezdan Holding Group	0.73	(3.8)	26,755.9	19.0
Qatari Investors Group	1.55	(3.3)	1,265.5	(13.6)
Mannai Corporation	3.00	(3.3)	131.4	(2.6)
Vodafone Qatar	1.04	(3.1)	1,590.1	(10.3)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Qatar Gas Transport Co. Ltd.	2.40	1.3	36,678.6	0.2
QNB Group	17.03	(0.7)	26,197.8	(17.3)
Ezdan Holding Group	0.73	(3.8)	19,720.2	19.0
Qatari German Co for Med. Dev.	1.04	(6.7)	15,585.7	78.7
Qatar Electricity & Water Co.	14.87	(0.4)	15,153.5	(7.6)

Source: Bloomberg (\* in QR)

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Baladna	1.18	8.5	9,437.2	18.1
Dlala Brokerage & Inv. Holding Co.	0.62	2.8	170.1	1.0
Mazaya Qatar Real Estate Dev.	0.64	1.6	6,472.2	(11.0)
Qatar Gas Transport Company Ltd.	2.40	1.3	15,256.2	0.2
Islamic Holding Group	1.82	1.1	43.5	(4.2)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Ezdan Holding Group	0.73	(3.8)	26,755.9	19.0
Qatar Gas Transport Company Ltd.	2.40	1.3	15,256.2	0.2
Qatari German Co for Med. Devices	1.04	(6.7)	13,673.0	78.7
Aamal Company	0.64	(0.3)	10,206.2	(20.9)
Baladna	1.18	8.5	9,437.2	18.1

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	8,699.45	(0.4)	(0.4)	(0.7)	(16.6)	55.51	134,259.1	13.7	1.3	4.6
Dubai	1,911.83	0.9	0.9	(5.7)	(30.9)	53.99	76,447.3	7.4	0.7	5.1
Abu Dhabi	4,065.03	(0.0)	(0.0)	(3.9)	(19.9)	20.08	123,595.8	12.2	1.2	6.3
Saudi Arabia	6,824.70	1.6	1.6	(4.1)	(18.6)	1,082.93	2,132,499.0	20.1	1.6	3.7
Kuwait	4,787.00	1.9	1.9	(3.8)	(23.8)	57.41	86,556.5	13.4	1.1	4.4
Oman	3,437.50	0.5	0.5	(2.9)	(13.7)	0.77	14,998.6	8.2	0.7	7.0
Bahrain	1,246.14	0.4	0.4	(4.9)	(22.6)	1.38	19,115.4	8.7	0.8	5.7

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

## Qatar Market Commentary

- The QE Index declined 0.4% to close at 8,699.5. The Telecoms and Industrials indices led the losses. The index fell on the back of selling pressure from non-Qatari shareholders despite buying support from Qatari and GCC shareholders.
- Qatari German Company for Medical Devices and Ezdan Holding Group were the top losers, falling 6.7% and 3.8%, respectively. Among the top gainers, Baladna gained 8.5%, while Dlala Brokerage & Investment Holding Company was up 2.8%.
- Volume of shares traded on Sunday fell by 47.0% to 121.5mn from 229.4mn on Thursday. Further, as compared to the 30-day moving average of 203.8mn, volume for the day was 40.4% lower. Ezdan Holding Group and Qatar Gas Transport Company Limited were the most active stocks, contributing 22.0% and 12.6% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	42.48%	39.70%	5,657,691.93
Qatari Institutions	23.03%	16.13%	14,016,096.34
<b>Qatari</b>	<b>65.51%</b>	<b>55.83%</b>	<b>19,673,788.27</b>
GCC Individuals	1.03%	0.85%	378,664.19
GCC Institutions	3.56%	2.08%	3,005,337.15
<b>GCC</b>	<b>4.59%</b>	<b>2.93%</b>	<b>3,384,001.34</b>
Non-Qatari Individuals	19.84%	15.31%	9,210,743.63
Non-Qatari Institutions	10.04%	25.92%	(32,268,533.23)
<b>Non-Qatari</b>	<b>29.88%</b>	<b>41.23%</b>	<b>(23,057,789.61)</b>

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

## Earnings Releases

Company	Market	Currency	Revenue (mn) 1Q2020	% Change YoY	Operating Profit (mn) 1Q2020	% Change YoY	Net Profit (mn) 1Q2020	% Change YoY
Al Rajhi Company for Coop. Ins.	Saudi Arabia	SR	787.5	-6.6%	-	-	3.7	28.8%
Leejam Sports Co.	Saudi Arabia	SR	196.1	-9.8%	22.1	-58.7%	6.3	-84.2%
Al Kathiri Holding Co.	Saudi Arabia	SR	25.6	-2.0%	4.1	-10.5%	3.6	-20.6%
Saudi Re For Coop. Reinsurance Co.	Saudi Arabia	SR	527.7	24.4%	-	-	7.2	-68.6%
Saudi Cement Co.	Saudi Arabia	SR	450.4	15.4%	157.8	11.9%	147.6	11.5%
SABB Takaful Co.	Saudi Arabia	SR	46.9	19.3%	-	-	1.9	-26.2%
Bupa Arabia For Coop. Insurance Co.	Saudi Arabia	SR	3,470.0	19.4%	-	-	26.6	14.8%
Tabuk Cement Co.	Saudi Arabia	SR	75.4	42.9%	11.6	44.4%	28.9	696.4%
Southern Province Cement Co.	Saudi Arabia	SR	457.0	33.6%	181.0	43.7%	183.0	52.5%
Dubai Refreshments Company	Dubai	AED	142.1	1.8%	12.8	50.5%	15.5	27.2%
Deyaar Development	Dubai	AED	98.8	-43.8%	-	-	2.6	-85.8%
Dar Al Takaful	Dubai	AED	104.4	18.0%	-	-	2.5	19.5%
Air Arabia	Dubai	AED	901.4	-12.4%	-	-	70.6	-40.8%

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

**Qatar**

- QGMD announces the names of candidates for membership of the board of directors** – Qatari German for Medical Devices Company (QGMD) announced the named of candidates for membership of the Board of Directors of vacant position in the current membership for the remaining period until 2021 as follows: Noora Abdullah Al-Mulla – representing herself (Independent member) and Ali Hassan Al-Emadi – representing himself (shareholder member). (QSE)
- QGMD holds its AGM and postpones EGM to June 17 due to lack of quorum** – The Qatari German for medical Devices Company (QGMD) held its Ordinary General Assembly Meeting (AGM) electronically via modern virtual tools on May 17, 2020 and has the postponed the Extra Ordinary assembly meeting (EGM) to June 17, 2020 for not meeting the quorum. The AGM approved the company's balance sheet and profit and loss account for the year ending December 31, 2019 and considered the recommendation of the Board of Directors to not to distribute dividends. (QSE)
- OBG: Qatar's export volume expected to increase significantly** – Qatar's export volume is expected to increase significantly this decade as Qatar Petroleum (QP) has commissioned six new LNG trains and a new petrochemical cracker capable of producing 1.9mn tons of ethylene per year, Oxford Business Group (OBG) has said in its latest report. These projects will boost LNG output by 64% by 2027 and polyethylene by 82% by 2025, QBG said citing QP estimates. "There will also be implications for many of QP's downstream subsidiaries and joint ventures, some of which are trading products that are not directly tied to the price of oil. The vast North Field contains only a 0.04% trace of helium, but the scale of the deposit means this could meet total global demand for the next 30 years," the report said. The two plants supply between 25% and 30% of the world's helium at full capacity, the report said adding the third plant is due to come on-line in mid-to-late 2020. In line with Qatar National Vision 2030, the government has been working to transform the economy to create export-focused manufacturing clusters that could ensure fewer planes and ships that import goods into Qatar leave comparatively empty. Qatar's wealth of hydrocarbons puts it at the center of global trade as its LNG is feeding factories in China and powers stations in Japan, while its helium is used in everything from MRI scanners to aircraft parts. The report stated, "The revenue that has flowed into Qatar in the two and a half decades since gas exports were first shipped from its ports has enabled the country to build an investment portfolio that includes prominent London landmarks, as well as significant stakes in a leading Swiss bank and one of the world's most valuable car manufacturers. There are signs the country's sovereign wealth fund is pursuing new global investment strategies aligned with technology and green infrastructure, while on the home front, investors are working to develop industrial segments that can draw on Qatar's multiple economic strengths to make innovative products that can leverage its modern port and airport infrastructure to develop new overseas markets." (Qatar Tribune)
- Amiri Diwan announces Eid Al-Fitr holidays** – The Amiri Diwan announced the Eid Al-Fitr holidays for government bodies in Qatar. For Ministries and other government agencies, public bodies and institutions, the holiday will begin from (26 Ramadan 1441 AH), May 19, 2020 till May 28, 2020. Employees will start work on Sunday, May 31. Qatar Central Bank, banks and financial institutions subject to the supervision of the bank and the Qatar Financial Markets Authority: The Governor of the Qatar Central Bank will specify the start and end dates of the holiday. (Peninsula Qatar)
- Qatar offers great opportunity for long-term equity investors** – As Qatar continues to combat COVID-19 pandemic and tries to reopen its economy without fueling resurgence in coronavirus, top market experts are 'cautiously optimistic' on Qatari stock market. A long-term investor has numerous opportunities across a number of sectors, they said yesterday. Participating in a Webinar organized by Qatar Stock Exchange (QSE) on "COVID-19, Oil and Outlook on Qatari Stocks" the expert panel noted that the global economy has started to resume activities and there is 'nothing much to worry' for long-term investors. The panelists included Sheikh Hamad bin Mohammed Al Thani, Senior Vice President, Investment & Treasury, Qatar Insurance Company; Akber Khan, Senior Director, Al Rayan Investment; and Bassam Slim, Portfolio Manager, Avenicum. Mohsin Mujtaba, Director, Product and Market Development, QSE, was the moderator. Sheikh Hamad said the recent plunge in oil prices was due to the storage fears. Oil prices are expected to be stabilized at \$50-\$70 range in long-term. "The current stress in the market is a 6-12 month game," he said. On Qatari economy, he stressed the need for a 'balanced budget', instead of going for a deep cut in spending. A severe budget cut will potentially have negative impact, he added. Commenting on Qatar's stock market outlook, Sheikh Hamad said, "There is nothing to worry for long-term investors. Currently, there are lots of uncertainties about where the market is really heading to. Even the well-capitalized global companies with good business models are facing crisis. We need to get the second quarter data to understand where the market is really going. But I don't think long-term investors need to worry a lot. The second quarter and third quarter results will tell you more about the dividends. It's very complicated market at the moment." (Peninsula Qatar)
- GWCS CEO: Qatar at forefront of supporting country's private sector** – Qatar's government has been at the forefront of supporting the private sector, thanks to the directive of HH the Amir to deploy the QR75bn stimulus package, by which the private sector can manage to service their loans and meet their operational requirements, Gulf Warehousing Company's (GWCS) Group CEO, Ranjeev Menon said. Additionally, the government's effort will assist the private sector in navigating the COVID-19 situation as this sector fulfils its economic role in the society, Menon said in an interview with Gulf Times. Moreover, he noted, the additional measures included the government's rapid response to the public health crisis by creating makeshift hospitals and treatment areas and enforcing new policies meant to safeguard the business community. "We can expect the same attention to detail and quick adjustments to

take place as we re-establish the strength of our economy,” Menon said. Asked whether the Qatari private sector needs a special package to deal with the post-COVID phase, he said, “The effects of COVID-19 will be experienced for years, though we hope that everyone’s health is secured and the virus is contained as soon as possible. It will again be a matter of balancing the gains earned through new automations and efficient management of operations at a distance that have been fast-tracked due to the containment efforts against the true losses experienced because of halted or delayed business and trade. The government support will help the private sector to sustain itself and hopefully revive those that took a harder hit.” (Gulf-Times.com)

- **MoTC survey: Qatar’s e-commerce sector has huge growth potential** – The prospect for exponential growth in Qatar’s promising e-commerce industry is to be expected, a survey conducted by the Ministry of Transport and Communications (MoTC) has said. Social distancing policies and government-issued preventive measures against the spread of the novel coronavirus pandemic (COVID-19) have been pushing Qatar residents to migrate online, which means e-commerce will play a vital role in people’s day-to-day lives. Even as early as 2019, the MoTC had conducted a survey to gain insights on key trends related to e-commerce in the country, according to the ministry’s e-commerce portal. The survey captured how often Qatari residents make online purchases and revealed their experiences with online shopping in Qatar. The data extracted from the survey is now driving the MoTC’s new initiatives to promote e-commerce in Qatar, the portal stated. The results showed that as much as 60% of Qatar consumers are willing to use e-commerce, while another 44% said they are willing to shop online; 15% of the survey respondents bought a product or a service online in 2017. The MoTC said the survey results indicate an enormous growth potential for Qatar’s e-commerce industry and presents a clear business opportunity for local entrepreneurs and businesses to engage and invest in the sector. Also, the survey showed that people shop online for convenience and efficiency with 34% of e-shoppers saying that they use e-commerce to save time. “This emphasises how important product availability and delivery time are in the e-Commerce experience,” the survey said. (Gulf-Times.com)
- **C&W: Residential realty sector active despite COVID-19 restrictions** – The residential real estate sector is still active despite COVID-19 restrictions, according to Cushman and Wakefield Qatar (C&W). “Despite the challenges faced due to COVID-19, residential leases continued to expire, with renewals and re-locations driving activity,” C&W said, adding some residential occupiers are using this time to take advantage of the recent fall in rents to upgrade their current accommodation. While no official policy has been introduced on residential rent relief, some residential landlords have already started negotiating with tenants on deferring rental payments or granting temporary discounts, it said in its ‘1Q (first quarter) Real Estate Market Review’. Some landlords are extending temporary discounts of 20%-50% to be paid back later, while the others are using a rent-free incentive — one or two months — provided a renewed contract is signed/extended for up to two years. (Gulf-Times.com)

## International

- **Fed’s Powell: ‘Medical metrics’ most important data for US economy now** – The most important data for the U.S. economy right now are the “medical metrics” around the coronavirus pandemic, Federal Reserve Chairman Jerome Powell said Sunday night in broadcast remarks where he outlined the likely need for three to six more months of government financial help for firms and families. In an interview with CBS’s “60 Minutes” news program, Powell repeatedly returned to health issues as central to the success of a US economic reopening, calling on Americans to “help each other through this” by adhering to social distancing rules as state and local governments begin to lift restrictions on social and economic activities. “If we are thoughtful and careful about how we reopen the economy so that people take these social distancing measures forward and try to do what we can not to have another outbreak...then the recovery can begin fairly soon,” Powell said. States are now easing restrictions imposed to slow the spread of the coronavirus. That has raised the hope of a gradual return to normal, but also has increased the risk of new infections. As Congress debates possible further economic relief, Powell has stretched the limits of typical central bank commentary, directly calling for more fiscal spending. In Sunday’s interview, he even urged people to wash their hands and wear masks to aid the recovery. Under the best of circumstances it will be a long road, Powell said, with additional job losses likely through June, a rebound that takes time to “gather steam,” and some parts of the economy like the travel and entertainment industries possibly under pressure until there is a vaccine. The economic devastation already has been severe. Powell said unemployment may hit 25% before it begins to fall, and gross domestic product may contract at an annualized rate of perhaps 20% in the April through June period. Those are levels reminiscent of the Great Depression in the 1930s, though Powell said he thought a prolonged crash of that magnitude remains unlikely. (Reuters)
- **CBS: Pelosi sees negotiations on new \$3tn coronavirus legislation** – US House Speaker Nancy Pelosi said on Sunday there will be negotiations on the new \$3tn coronavirus relief legislation passed by the Democratic-controlled House of Representatives. Asked if there has been a Republican response or counteroffer to begin negotiations on the bill passed late on Friday, Pelosi said on CBS’ “Face the Nation” program, “No bill that is proffered will become law without negotiations, so, yeah.” (Reuters)
- **Budget office: UK economy to recover slowly from COVID** – Britain’s economy is unlikely to have a quick bounce back as it recovers from its coronavirus shutdown which could have wiped more than 30% off output last month, the head of the country’s budget forecasting office said on Sunday. Chairman of the Office for Budget Responsibility (OBR), Robert Chote said April was probably the bottom of the crash as the government is now moving to gradually ease its lockdown restrictions. “We know that the economy, probably at its worst last month, may have been a third or so smaller than it normally would have been, in terms of output of goods and services and people’s spending,” he told BBC television. “But that should be the worst of it.” Britain, like many other countries, has shut down much of its economy to slow the spread of COVID-19. Last month, the OBR said

Britain's GDP could plummet by 13% in 2020, its biggest collapse in more than 300 years. Chote said a quick, V-shaped recovery included in that report was only meant to be an illustrative scenario to show the hit to the public finances. (Reuters)

- **UK's Gove says EU trade deal can be done despite talks stalemate**

– Senior British government minister Michael Gove said on Sunday there was a post-Brexit trade deal to be done with the European Union (EU) providing the bloc agreed to compromise, days after both sides said talks were making little progress. The United Kingdom left the EU on January 31 but the main terms of its membership remain in place for a transition period until the end of this year to allow it time to negotiate a free trade agreement. Both Britain's and the EU's chief negotiators on Friday gave downbeat assessments of the latest round of talks, saying the other side had to give ground if any progress was to be made. The stalemate has raised the prospect that there will be no deal struck, a scenario that would damage global trade as the world copes with the economic fallout from the coronavirus pandemic. On Friday, investors' concerns about the state of the trade negotiations pushed sterling to its lowest level in more than a month. The main sticking point in the talks has been so-called "level playing field" rules to ensure fair competition. The EU says they are indispensable to ensure Britain does not undercut its standards, but Britain rejects them as binding it to European laws. (Reuters)

- **Japan slips into recession, worst yet to come as pandemic wreaks havoc**

– Japan's economy slipped into recession for the first time in 4-1/2 years, GDP data showed on Monday, putting the nation on course for its deepest postwar slump as the coronavirus crisis takes a heavy toll on businesses and consumers. The world's third-largest economy shrank for the second consecutive quarter in the three months to March, intensifying the challenge for policymakers battling a once-in-a-century pandemic that has already caused widespread disruptions. GDP contracted an annualized 3.4% in the first quarter as private consumption, capital expenditure and exports fell, preliminary official data showed, following a revised 7.3 decline in the October-December period, meeting the technical definition of a recession. The median market forecast was for a 4.6% contraction in the first quarter. The last time Japan suffered recession was in the second half of 2015. "It's near certainty the economy suffered an even deeper decline in the current quarter," said Yuichi Kodama, chief economist at Meiji Yasuda Research Institute. "Japan has entered a full-blow recession." Private consumption, which accounts for more than half of Japan's \$5 trillion economy, slipped 0.7%, versus a 1.6% drop expected by economists. That marked the second straight quarter of decline, as households were hit by the double-whammy of the coronavirus and a sales tax hike to 10% from 8% in October last year. The virus' impact on corporate Japan has been telling, with the GDP data showing exports contracted sharply by 6% in the first quarter. The shakeout in global trade was highlighted in the recent March data, with Japan's exports slumping the most in nearly four years due to plunging US-bound shipments including cars. Capital expenditure fell 0.5% in the fourth quarter, against a median forecast for a 1.5% drop and marked the second consecutive quarter of declines, the data showed. (Reuters)

- **India to privatize state-run companies and halt fresh insolvencies amid COVID-19 pandemic** – India said on Sunday it would privatize state-run companies in non-strategic sectors and stop fresh insolvency cases for a year, as the country battles with the economic fallout from the coronavirus pandemic. A list of strategic sectors will also be announced in which only one to four public sector enterprises will remain, Finance Minister Nirmala Sitharaman said, as part of a slew of measures to kickstart the economy. Indian officials said most of the privatizations would happen in the next fiscal year, starting April 2021. India has been trying to divest parts of state-run companies in sectors ranging from aviation to power to fill its coffers, but it has confronted weak investor sentiment and limited demand. "Such measures have to be done at times the government can get the right price," said Shriram Subramanian, founder of proxy advisory firm InGovern, adding that the intention was good. He said that in order to attract private investors, the government needed to improve the efficiency of state-run companies by freeing boards from interference by bureaucrats and "shed lot of flab" by cutting their labor force and hiring the right talent. The government's revenues have been hit hard as a nationwide lockdown imposed in March to prevent the spread of the novel coronavirus has ground the economy, Asia's third largest, to a halt. The finances of Indian states have also been tipped into disarray, barring a few well-managed ones, because of the losses of tax revenues from fuel to stamp duties. Indian states would be allowed to borrow 5% of their gross domestic product, up from 3% earlier, Sitharaman said on Sunday, adding that it would allow states to raise an additional 4.28tn rupees (\$56.45bn) in the year ending March 2021. "(The move) will help to absorb the expected plunge in their revenue receipts, and avoid a severe cutback in capital expenditure," said Jayanta Roy, group head of corporate sector rating at ICRA. (Reuters)

#### **Regional**

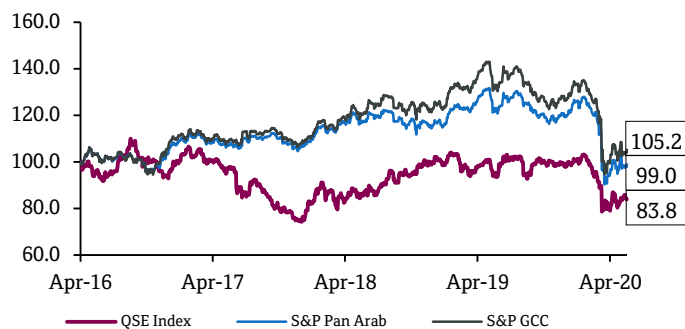
- **Saudi Arabia's wealth fund seeks IPO of information security firm Elm** – Saudi Arabia's sovereign wealth fund is considering an IPO of its information security company Elm, sources told Reuters. The \$300bn Public Investment Fund sent banks a request in recent weeks to come up with proposals on how to go ahead with a sale of Elm shares to the public, sources said. It was not immediately clear how big the deal would be. One of the sources said the PIF plans to sell up to 30% of the company in an IPO, which would be mid-sized. Investors should expect more of an exit strategy by the fund over coming period. Elm is fully owned by the PIF and provides secure e-business services and information technology and project support services and government project outsourcing in Saudi Arabia, according to information on its website. Sources added the sovereign wealth fund's request for proposal (RFP) had asked banks to submit a bid bond, a debt instrument secured by a bidder, and a performance bond, which is a bond issued by a bank or other financial institution. The first source and a third source said a deal was unlikely to take place before next year. Last year Elm participated in the series A+ round of financing for Syarah, an online marketplace for buying and selling cars in Saudi Arabia, information on Elm's website shows. PIF's strategy is two-pronged; building an international portfolio of investments and

investing locally in projects that will help reduce Saudi Arabia's reliance on oil. (Reuters)

- **SAMBA posts 19.6% YoY rise in net profit to SR1,274mn in 1Q2020** – Samba Financial Group (SAMBA) recorded net profit of SR1,274mn in 1Q2020, an increase of 19.6% YoY. Total operating profit rose 10.8% YoY to SR2,431mn in 1Q2020. Total revenue for special commissions/investments rose 1.1% YoY to SR2,156mn in 1Q2020. Total assets stood at SR267.1bn at the end of March 31, 2020 as compared to SR231.1bn at the end of March 31, 2019. Loans and advances stood at SR147.8bn (+28.5% YoY), while customer deposits stood at SR177.7bn (+4.4% YoY) at the end of March 31, 2020. EPS came in at SR0.64 in 1Q2020 as compared to SR0.53 in 1Q2019. (Tadawul)
- **RIBL's net profit falls 0.6% YoY to SR1,476mn in 1Q2020** – Riyad Bank (RIBL) recorded net profit of SR1,476mn in 1Q2020, registering decrease of 0.6% YoY. Total operating profit rose 11.8% YoY to SR2,885mn in 1Q2020. Total revenue for special commissions/investments rose 7.3% YoY to SR2,608mn in 1Q2020. Total assets stood at SR279.7bn at the end of March 31, 2020 as compared to SR239.5bn at the end of March 31, 2019. Loans and advances stood at SR182.8bn (+15.5% YoY), while customer deposits stood at SR192.9bn (+11.2% YoY) at the end of March 31, 2020. EPS remained flat YoY at SR0.49 in 1Q2020. (Tadawul)
- **ALINMA's net profit falls 42% YoY to SR370mn in 1Q2020** – Alinma Bank (ALINMA) recorded net profit of SR370mn in 1Q2020, registering decrease of 42% YoY. Total operating profit fell 1.7% YoY to SR1,268mn in 1Q2020. Total revenue for special commissions/investments rose 8.1% YoY to SR1,395mn in 1Q2020. Total assets stood at SR138.0bn at the end of March 31, 2020 as compared to SR121.8bn at the end of March 31, 2019. Loans and advances stood at SR97.8bn (+13.9% YoY), while customer deposits stood at SR103.9bn (+12.6% YoY) at the end of March 31, 2020. EPS came in at SR0.25 in 1Q2020 as compared to SR0.43 in 1Q2019. (Tadawul)
- **SABB's net profit falls 7.6% YoY to SR1,022mn in 1Q2020** – The Saudi British Bank (SABB) recorded net profit of SR1,022mn in 1Q2020, registering decrease of 7.6% YoY. Total operating profit rose 23.6% YoY to SR2,435mn in 1Q2020. Total revenue for special commissions/investments rose 28.3% YoY to SR2,304mn in 1Q2020. Total assets stood at SR265.2bn at the end of March 31, 2020 as compared to SR173.8bn at the end of March 31, 2019. Loans and advances stood at SR157.8bn (+43.0% YoY), while customer deposits stood at SR188.3bn (+48.0% YoY) at the end of March 31, 2020. EPS came in at SR0.5 in 1Q2020 as compared to SR0.74 in 1Q2019. (Tadawul)
- **NCB posts 2.1% YoY rise in net profit to SR2,834mn in 1Q2020** – The National Commercial Bank (NCB) recorded net profit of SR2,834mn in 1Q2020, an increase of 2.1% YoY. Total operating profit rose 7.2% YoY to SR5,305mn in 1Q2020. Total revenue for special commissions/investments fell 3.1% YoY to SR4,897mn in 1Q2020. Total assets stood at SR535.0bn at the end of March 31, 2020 as compared to SR464.9bn at the end of March 31, 2019. Loans and Advances Portfolio (Financing & Investment) stood at SR305.2bn (+14.2% YoY), while customer deposits stood at SR375.2bn (+21.2% YoY) at the end of March 31, 2020. EPS came in at SR0.91 in 1Q2020 as compared to SR0.89 in 1Q2019. (Tadawul)
- **Dallah Healthcare to acquire majority stake in Care Shield Holding in share and cash deal** – Dallah Healthcare has signed an agreement to acquire 58.64% in Care Shield Holding from Kingdom Investment & Development in share and cash deal valued at SR300mn. Dallah Healthcare will acquire 6.8mn shares in Care Shield Holding for a consideration of 3.74mn Dallah Healthcare treasury shares valued at SR186mn. The cash consideration is of SR114mn. The agreement may be terminated if the conditions are not satisfied within six months. (Bloomberg)
- **Emirates Group plans to cut about 30,000 jobs amid virus outbreak** – Emirates Group is planning to cut about 30,000 jobs to reduce costs amid the coronavirus outbreak, which will bring down its number of employees by about 30% from more than 105,000 at the end of March, Bloomberg News reported on Sunday. The company is also considering speeding up the planned retirement of its A380 fleet, the report added, citing sources. An Emirates spokeswoman said, "No public announcement has been made yet by the company regarding redundancies at the airline, however, that the company is conducting a review of costs and resourcing against business projections. Any such decision will be communicated in an appropriate fashion. Like any responsible business would do, our executive team has directed all departments to conduct a thorough review of costs and resourcing against business projections." (Reuters)
- **First Abu Dhabi Bank puts talks to acquire Bank Audi's Egyptian business on hold** – First Abu Dhabi Bank (FAB) has put on hold discussions to acquire the Egyptian assets of Lebanon's Bank Audi due to difficult market conditions, sources told Reuters. FAB, the UAE's biggest lender, communicated the request a few days ago to Bank Audi, sources said, declining to be identified due to commercial sensitivities. FAB said in February it would decide on the deal in the second quarter. Bank Audi Egypt has grown from a three-branch operation acquired by Bank Audi in 2005 to 50 branches with total assets of \$4.4bn at the end of September. Sources said the timing of the deal, which the source said was worth \$700mn, was not right due to the need to support the UAE economy in light of the coronavirus pandemic. The Central Bank of the UAE (CBUAE) has launched \$70bn worth of capital and liquidity measures to support the economy during the crisis. FAB said last month it was among the first UAE lenders to launch relief measures for customers, including the postponement of loan repayments and the suspension or reduction of fees and charges across a wide range of financial products. FAB's move came after Kuwait Finance House last month agreed to postpone finalizing its acquisition of Bahrain's Ahli United Bank, one of the biggest cross-border banking deals for years, until December due to the coronavirus outbreak. (Zawya)
- **Bahrain's UGH subsidiary has \$8.5mn exposure to agri-trader Phoenix** – Bahrain's United Gulf Holding Company (UGH) revealed that its unit, FIMBANK, has \$8.5mn exposure to Phoenix Commodities, an agri-trader with offices in Dubai and Singapore, which entered into liquidation after accumulating more than \$400mn in potential trading losses. UGH, the Bahrain-listed financial services firm does not have any direct exposure to the commodities trader, the company said in a statement to

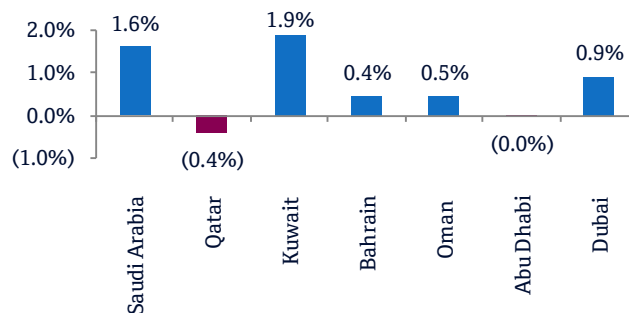
the bourse. FIMBANK's exposure of \$8.5mn is net of cash cover and credit insurance. In the UAE, First Abu Dhabi Bank revealed last week a \$73.2mn total exposure to the rice trading firm. Emirates NBD revealed an exposure of \$23.66mn, while Mashreq Bank's exposure to the rice trading firm stood at \$11.7mn. (Zawya)

## Rebased Performance



Source: Bloomberg

## Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,743.67	0.8	2.4	14.9
Silver/Ounce	16.61	4.6	7.3	(7.0)
Crude Oil (Brent)/Barrel (FM Future)	32.50	4.4	4.9	(50.8)
Crude Oil (WTI)/Barrel (FM Future)	29.43	6.8	19.0	(51.8)
Natural Gas (Henry Hub)/MMBtu	1.66	3.8	(5.1)	(20.6)
LPG Propane (Arab Gulf)/Ton	42.25	2.4	11.2	2.4
LPG Butane (Arab Gulf)/Ton	37.25	3.5	6.8	(43.9)
Euro	1.08	0.1	(0.2)	(3.5)
Yen	107.06	(0.2)	0.4	(1.4)
GBP	1.21	(0.9)	(2.4)	(8.6)
CHF	1.03	0.2	(0.0)	(0.4)
AUD	0.64	(0.8)	(1.8)	(8.7)
USD Index	100.40	(0.1)	0.7	4.2
RUB	73.60	0.2	0.2	18.7
BRL	0.17	(0.8)	(2.2)	(31.4)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,008.41	0.4	(2.6)	(14.8)
DJ Industrial	23,685.42	0.3	(2.7)	(17.0)
S&P 500	2,863.70	0.4	(2.3)	(11.4)
NASDAQ 100	9,014.56	0.8	(1.2)	0.5
STOXX 600	328.24	0.7	(4.1)	(24.0)
DAX	10,465.17	1.5	(4.4)	(23.9)
FTSE 100	5,799.77	0.4	(4.2)	(29.7)
CAC 40	4,277.63	0.3	(6.3)	(31.1)
Nikkei	20,037.47	0.5	(1.3)	(14.0)
MSCI EM	901.16	0.0	(1.2)	(19.2)
SHANGHAI SE Composite	2,868.46	(0.2)	(1.3)	(7.8)
HANG SENG	23,797.47	(0.1)	(1.8)	(15.2)
BSE SENSEX	31,097.73	(0.5)	(2.1)	(29.2)
Bovespa	77,556.60	(0.4)	(4.6)	(53.7)
RTS	1,107.49	0.4	(2.5)	(28.5)

Source: Bloomberg (\*\$ adjusted returns)

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