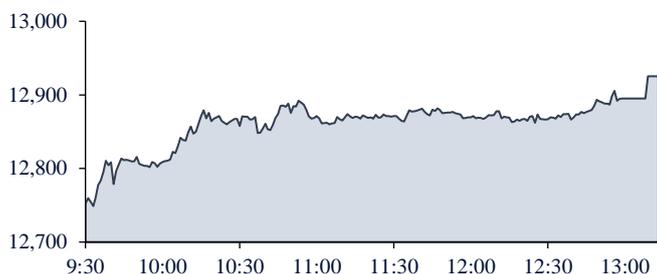


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 1.4% to close at 12,925.3. Gains were led by the Real Estate and Banks & Financial Services indices, gaining 2.1% and 2.0%, respectively. Top gainers were Barwa Real Estate Company and Qatar Islamic Bank, rising 3.6% and 3.5%, respectively. Among the top losers, QLM Life & Medical Insurance Co. fell 2.6%, while Al Meera Consumer Goods Co. was down 2.1%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.8% to close at 12,235.9. Losses were led by the Commercial & Professional Svc and Food & Beverages indices, falling 3.9% and 3.0%, respectively. Arab Sea Information Systems declined 7.3%, while Gulf Union Cooperative Insurance was down 6.3%.

Dubai: The DFM Index fell 2.5% to close at 3,307.4. Invest. & Fin. Services index declined 3.2%, while Real Estate & Const. index fell 3.0%. Emirates Refreshments Co. declined 8.5%, while Dubai Islamic Insurance Co. was down 5.0%.

Abu Dhabi: The ADX General Index declined 2.3% to close at 9,682.5. The Consumer Staples index fell 4.6%, while the Utilities index was down 3.9%. Easy Lease Motorcycle Rental declined 7.1%, while Sharjah Cement and Industrials Development Co. was down 6.4%.

Kuwait: The Kuwait All Share Index fell 1.4% to close at 7,697.0. The Telecommunications index declined 3.3%, while the Consumer Staples index fell 1.9%. Osos Holding Group Co declined 8.9%, while Fujairah Cement Industries Co. was down 5.5%.

Oman: The MSM 30 Index fell 0.2% to close at 4,133.3. Losses were led by the Industrial and Services indices, falling 0.6% and 0.4%, respectively. A'Saffa Foods declined 8.6%, while Galfar Engineering & Contracting was down 3.7%.

Bahrain: The BHB Index fell 0.6% to close at 1,893.8. The Financials index declined marginally. Gfh Financial Group declined 3.2%, while Solidarity Bahrain was down 1.9%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Barwa Real Estate Company	3.34	3.6	2,990.0	9.2
Qatar Islamic Bank	24.99	3.5	5,206.8	36.3
Masraf Al Rayan	4.86	2.7	21,837.7	4.7
Qatar Industrial Manufacturing Co.	3.08	2.6	603.1	0.2
Medicare Group	6.93	2.6	188.5	(18.5)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Masraf Al Rayan	4.86	2.7	21,837.7	4.7
Qatar Aluminum Manufacturing Co.	2.03	(1.0)	20,433.6	12.7
Baladna	1.68	1.1	13,399.7	16.1
Salam International Inv. Ltd.	0.96	(0.3)	10,731.8	17.2
Investment Holding Group	2.22	(0.7)	8,241.3	80.9

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	12,925.30	1.4	1.5	(4.9)	11.2	196.17	197,755.9	16.0	1.9	3.4
Dubai	3,307.39	(2.5)	(2.4)	(11.1)	3.5	127.66	147,700.5	13.4	1.1	3.1
Abu Dhabi	9,682.51	(2.3)	(1.3)	(3.6)	14.5	436.14	512,837.8	20.3	2.7	2.0
Saudi Arabia	12,235.91	(0.8)	(1.5)	(10.9)	8.5	1,992.44	3,130,563.0	21.7	2.6	2.3
Kuwait	7,696.97	(1.4)	(1.7)	(7.9)	9.3	211.80	148,520.0	18.7	1.8	2.7
Oman	4,133.32	(0.2)	(0.6)	(0.6)	0.1	10.59	19,409.9	11.9	0.8	5.0
Bahrain	1,893.82	(0.6)	(1.5)	(7.9)	5.4	3.46	30,602.9	7.2	0.9	5.9

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

Market Indicators	23 May 22	22 May 22	%Chg.
Value Traded (QR mn)	716.7	322.6	122.2
Exch. Market Cap. (QR mn)	723,585.5	715,115.1	1.2
Volume (mn)	144.4	081.2	77.8
Number of Transactions	23,969	8,573	179.6
Companies Traded	46	46	0.0
Market Breadth	27:15	25:19	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	26,475.21	1.4	1.5	15.0	16.0
All Share Index	4,131.87	1.3	1.2	11.7	163.2
Banks	5,575.50	2.0	2.0	12.4	17.3
Industrials	4,732.14	0.6	0.4	17.6	13.6
Transportation	3,917.58	(0.2)	1.6	10.1	13.7
Real Estate	1,819.71	2.1	2.4	4.6	19.1
Insurance	2,683.77	(0.0)	(1.3)	(1.6)	17.1
Telecoms	1,105.70	(0.1)	(1.2)	4.5	33.9
Consumer	8,659.67	(0.4)	(0.7)	5.4	24.2
Al Rayan Islamic Index	5,314.56	1.0	1.2	12.7	13.4

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Kingdom Holding Co.	Saudi Arabia	10.94	9.5	12,495.5	8.3
Dar Al Arkan Real Estate	Saudi Arabia	10.96	6.0	20,181.8	8.9
Arab National Bank	Saudi Arabia	29.95	4.2	1,686.5	31.0
Barwa Real Estate Co.	Qatar	3.34	3.6	2,990.0	9.2
Qatar Islamic Bank	Qatar	24.99	3.5	5,206.8	36.3

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Emirates NBD	Dubai	12.60	(4.9)	6,798.4	(7.0)
Almarai Co.	Saudi Arabia	50.10	(4.8)	524.9	2.8
Bupa Arabia for Coop. Ins.	Saudi Arabia	154.00	(4.6)	235.6	17.2
Jarir Marketing Co.	Saudi Arabia	167.00	(4.6)	437.7	(15.1)
Advanced Petrochem. Co.	Saudi Arabia	58.90	(4.4)	870.0	0.5

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%
QLM Life & Medical Insurance Co.	5.89	(2.6)	205.5	16.6
Al Meera Consumer Goods Co.	18.15	(2.1)	408.9	(7.4)
Al Khaleej Takaful Insurance Co.	3.82	(2.1)	1,069.8	6.1
Qatar Electricity & Water Co.	17.46	(1.7)	498.4	5.2
Qatari German Co for Med. Devices	1.99	(1.1)	1,172.3	(37.5)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	20.85	1.3	136,587.0	3.3
Qatar Islamic Bank	24.99	3.5	129,157.8	36.3
Masraf Al Rayan	4.86	2.7	105,428.8	4.7
The Commercial Bank	6.88	1.1	54,163.5	1.9
Qatar Aluminum Manufacturing Co.	2.03	(1.0)	41,775.0	12.7

Qatar Market Commentary

- The QE Index rose 1.4% to close at 12925.3. The Real Estate and Banks & Financial Services indices led the gains. The index rose on the back of buying support from Arab and Foreign shareholders despite selling pressure from Qatari and GCC shareholders.
- Barwa Real Estate Company and Qatar Islamic Bank were the top gainers, rising 3.6% and 3.5%, respectively. Among the top losers, QLM Life & Medical Insurance Co. fell 2.6%, while Al Meera Consumer Goods Co. was down 2.1%.
- Volume of shares traded on Monday rose by 77.8% to 144.4mn from 81.2mn on Sunday. However, as compared to the 30-day moving average of 227.4mn, volume for the day was 36.5% lower. Masraf Al Rayan and Qatar Aluminum Manufacturing Co. were the most active stocks, contributing 15.1% and 14.2% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	24.30%	34.94%	(76,233,403.1)
Qatari Institutions	16.61%	26.56%	(71,298,228.5)
Qatari	40.91%	61.50%	(147,531,631.6)
GCC Individuals	0.29%	0.46%	(1,239,986.1)
GCC Institutions	2.08%	3.48%	(10,036,944.1)
GCC	2.37%	3.94%	(11,276,930.2)
Arab Individuals	8.73%	8.06%	4,838,628.3
Arab Institutions	0.00%	0.00%	-
Arab	8.73%	8.06%	4,838,628.3
Foreigners Individuals	2.35%	1.72%	4,554,798.9
Foreigners Institutions	45.64%	24.79%	149,415,134.6
Foreigners	47.99%	26.51%	153,969,933.5

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

Earnings Releases and Global Economic Data

Earnings Releases

Company	Market	Currency	Revenue (mn) 1Q2022	% Change YoY	Operating Profit (mn) 1Q2022	% Change YoY	Net Profit (mn) 1Q2022	% Change YoY
Jazan Energy and Development Co.	Saudi Arabia	SR	26.3	13.5%	4.0	52.6%	547.8	4.1%
Development Works Food Co.	Saudi Arabia	SR	20.2	2.1%	(3.6)	N/A	30.3	-7.0%
Middle East Specialized Cables Co.	Saudi Arabia	SR	187.6	67.8%	3.9	-26.4%	338.4	29.2%
Al Hassan Ghazi Ibrahim Shaker Co.	Saudi Arabia	SR	319.9	11.0%	15.5	76.9%	636.9	5.1%
Saudi Industrial Export Co.	Saudi Arabia	SR	0.1	-99.2%	(4.9)	N/A	8.1	-67.8%
Al Abdullatif Industrial Investment Co.	Saudi Arabia	SR	181.7	17.9%	(7.7)	N/A	1,082.8	-3.9%
BinDawood Holding Co.	Saudi Arabia	SR	1,175.2	4.5%	72.8	-16.1%	1,402.3	-0.6%
Batic Investments and Logistics Co.	Saudi Arabia	SR	109.7	-11.3%	467.5	N/A	521.5	47.0%
Saudi Public Transport Co.	Saudi Arabia	SR	299.3	41.5%	(9.2)	N/A	1,046.1	-14.0%
Aseer Trading, Tourism & Manufacturing Co.	Saudi Arabia	SR	473.0	11.0%	30.0	62.2%	1,388.4	-3.1%
Saudi Marketing Co.	Saudi Arabia	SR	438.8	5.1%	13.3	4.2%	641.1	3.6%

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

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
05-23	UK	Rightmove	Rightmove House Prices MoM	May	2.10%	N/A	1.60%
05-23	UK	Rightmove	Rightmove House Prices YoY	May	10.20%	N/A	9.90%

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

Qatar

- Milaha announces resignation of President and CEO** – Qatar Navigation Company (Milaha) has announced the resignation of the company's President and CEO, Mr. Abdulrahman Essa Al-Mannai, in order to pursue other duties. Milaha stated that the company's Board of Directors have accepted the resignation of the Group President and CEO and named Mr. Mohammed Abdulla Swidan - Executive Vice President of "Milaha Offshore and Marine Services", as interim President and CEO. Mr. Swidan has nearly twenty years of experience in the maritime transport sector and holds a master's degree in business administration (MBA) in "Global Shipping Management" from the University of Greenwich-London, in addition to his Senior Marine Engineering certificate. HE Sheikh Jassim bin Hamad bin Jassim Jaber Al-Thani, Chairman of Milaha's Board of Directors stated: "Mr. Al-Mannai has played a vital role in the company's development, in-line with Milaha's vision and strategic plans set by the board. His efforts resulted in creating a successful and sustainable business model, which will enable the group to continue achieving future growth and development." The members of the Board of Directors expressed their immense gratitude to Mr. Al-Mannai, for his leadership and valuable contribution throughout his service period in Milaha that extended for nearly seven years, wishing him all the success in his future endeavors. For his part, Mr. Al-Mannai expressed his appreciation to the Board of Directors and to all Milaha employees for their full support throughout his years of service. (QSE)
- Qatar General Insurance & Reinsurance Company announces the holding of the second Ordinary General Assembly Meeting for the year 2021 on 23 May 2022** – Qatar General Insurance and Reinsurance Company held the second Ordinary General Assembly Meeting for the year 2021, the results of voting on the agenda items of the Ordinary General Assembly for the year 2021 will be disclosed upon completion of the counting of all shareholders and in compliance with Qatar Central Bank Law No. (13) of 2012 and Qatar Central Bank Circular No. (1) of 2016, regarding the ownership and voting limits in financial institutions listed on the Stock Exchange. (QSE)
- Al Faleh Educational Holding announces Doha Academy schools successfully obtained Qatar National School Accreditation from the 'School Evaluation Department' at the Ministry of Education and Higher Education** – Following the recent inspections of Doha Academy schools located in Al Waab and Salwa, the accreditation team at the Ministry of Education and Higher Education evaluated and measured the schools' based on several criteria that include all aspects of the schools' operational and strategic functioning. Both schools were awarded 3-years' accreditation for their "commitment to the vision of achieving the principles of the educational system in Qatar, and the management's continuous improvement of schools, and quality assurance". Both schools were deemed by the Qatar National School Accreditation (QNSA) inspectors "able to achieve the required quality standards in school performance". Both Schools encompass the vision, mission, and objectives in addition to the desired expectations of students



within the curriculum. The schools offer a variety of programs and activities that support the Qatari identity and Islamic culture while focusing on the role of the Parents' Council in school life. The schools have solid relationships with the teachers and students as well as strong communication and effective partnerships with the various community institutions. Doha Academy schools work and follow on the progression and development of Students' performance while celebrating the various achievements of students (academic and non-academic) to encourage a sense of pride in the school. In addition, an effective academic guidance program is implemented to raise students' awareness of their career paths and seek admission to various universities. Additionally, the Student Council also plays an important and effective role in communicating the students' voices and participating in decision-making. Dr. Sheikha Aisha Bint Faleh Al Thani, Founder, and Chairperson of Al Faleh Educational Holding commented: "This significant milestone reflects the unremitting and distinguished efforts of the involved parties including Doha Academy employees (academic, administrative, and managerial staff), parents, and student communities who are determined to ensure personal and collective success across the schools. I would like to extend heartfelt congratulations and gratitude to all the stakeholders for this achievement. We recognize that this success was only made possible through teamwork, shared values, and the ongoing support of the Board of Directors." About the Doha Academy Schools in Al Waab and Salwa, Doha Academy Schools located in Al Waab was established in 2000 and Salwa in 2008. Both schools are wholly owned by Al Faleh Education Holding. The schools offer classes from Kindergarten to High School, and education is based on the National Curriculum of England and Wales along with the teachings of Qatari and Islamic values. (QSE)

- Qatar World Cup audience projected at 5bn** – The 2022 World Cup hosted by Qatar is expected to be watched by 5bn people around the world, FIFA president Gianni Infantino said on Monday May 23. The TV audiences for the 2018 World Cup in Russia was a record-breaking 3.5bn people. Qatar, a small but wealthy Gulf Arab state, will host the first World Cup in the Middle East starting late November. Its ruling Emir Sheikh Tamim bin Hamad al-Thani on Monday criticized attacks on Qatar by some people, "including many in positions of influence," over its hosting of the event. "Even today, there are still people who cannot accept the idea, that an Arab Muslim country, would host a tournament, like the World Cup," he said in a speech at the World Economic Forum. He said Qatar, like other states, was "not perfect" but has pushed reforms and development. Reforms include raising the minimum wage and new rules authorities say are designed to protect workers, including from heat stress. (Bloomberg)
- Chinese companies eye partnerships with Qatar on new energy** – A number of Chinese companies are keen to partner with Qatar in developing and producing technological solutions on new energy such as car batteries and chips which are used in electric cars, according to an official. Speaking to The Peninsula on the sidelines of the 'Post-Pandemic Economic Development Forum' yesterday May 23, Pegasus Wong, Chairman of the Belt and Road China-Arab Investment and Trade Association, which organized the event, said Qatar and China will witness a stronger economic cooperation from this year moving forward, as economies recover from the pandemic. "Also, the Qatar Investment Authority (QIA) has started to diversify its investments on new energy. These two years, they are looking in Asia for partnerships in new energy like the car batteries, technological solutions and electric cars," said Wong. He added that some Chinese manufacturers of fast chargers for electric cars as well as robots used in airports are also interested to bring their technologies to the Qatari market. It may be noted that the Qatar Free Zones Authority has previously signed an agreement with China's Yutong to manufacture electric buses. Wong said there will be more such partnerships between Qatar and China. (Peninsula Qatar)
- Qatar Airways releases 2021 Sustainability Report** – Qatar Airways Group published its Sustainability Report for FY2019-21, a special 2-year edition themed "Response, Relief, Recovery, Resilience". Acknowledging the unprecedented circumstances, the global aviation community faced in 2020, the approach of this two-year report differs from previous years, due to the impact of the COVID-19 pandemic on its business-as-usual operation. The latest report details how the airline group was able to quickly respond to the needs of its customers, and its relief efforts in providing repatriation to people stranded and transport of essential medical and other supplies, as well as the airline's strategy to recover and build resilience to ensure long-term business sustainability. (Peninsula Qatar)
- 9 local entities, 22 countries to participate in 14th Milipol Qatar** – This year's Milipol Qatar will host 220 exhibitors from 22 countries and 99 exhibiting local companies, the organizing committee disclosed during a press conference. The 14th edition of the biennial event will kick off today May 24 at the Doha Exhibition and Convention Centre (DECC) and conclude on May 26. Milipol Qatar is the international event for homeland security and

civil defense in the Middle East. According to organizers, exhibitors will come from Europe, the Middle East, North America and Asia, and 60% of the exhibitors will be first time participants. The exhibiting companies making their debut include Australia, Canada, Cyprus, Croatia, Finland, India, the Netherlands and Slovakia. The exhibition also contains pavilions representing five countries, including France, North America, Germany, Italy, and Austria, participating in the event for the first time and the individual international participation. (Peninsula Qatar)

International

- ELFA: US business borrowing for equipment rises 7% in April** – US companies borrowed 7% more in April to finance their investments in equipment compared to a year earlier, the Equipment Leasing and Finance Association (ELFA) said on Monday, as firms ramp up production to meet demand. The companies signed up for \$10.5bn in new loans, leases and lines of credit, compared with \$9.3bn a year earlier. "Soaring energy prices and inflation are headwinds confronting the industry as we move into the summer months," said Ralph Petta, ELFA's chief executive officer, in a statement. ELFA, which reports economic activity for the nearly \$1tn equipment finance sector, said credit approvals totaled 77.4%, down from 78.3% in March. The index is based on a survey of 25 members, including Bank of America Corp, and financing affiliates or units of Caterpillar Inc, Dell Technologies Inc, Siemens AG, Canon Inc and Volvo AB. The Equipment Leasing and Finance Foundation, ELFA's non-profit affiliate, said its confidence index for May was at 49.6, down from 56.1 in April. A reading above 50 indicates a positive business outlook. (Reuters)
- Fed says: US households felt financially flush going into 2022** – US households reported their highest level of financial well-being since tracking began almost a decade ago and the gains late last year were felt across all racial and ethnic groups, a Federal Reserve report released on Monday showed, a sign of both the benefits and risks of the central bank's aim to vanquish inflation. Workers during the late fall of 2021 also reported enjoying the benefits of working from home even as the recovery from the coronavirus pandemic continued, with little fervor to return to the office and general bullishness about the labor market. Both findings were part of the US central bank's annual "Survey of Household Economics and Decision-making" report based on responses from 11,000 adults in October and November of 2021, before a surge in COVID-19 cases due to the Omicron variant briefly dented economic growth. Some 78% of adults said they were living comfortably or doing "okay" financially, up from 75% in 2020 and the highest level since the survey began in 2013, the Fed's survey showed, and financial well-being increased among all racial and ethnic groups, with a noted jump among Hispanics. The Fed is closely watching the US unemployment rate, which at 3.6% currently, is back near pre-pandemic levels, as it strives to choke inflation without causing outsized job losses more likely to impact the very same communities who have benefited the most from a tight labor market. Around 22% of employees worked from home in the fall of last year, down from 29% in the previous year, and well above the 7% who worked completely from home before the pandemic. Most workers reported wanting to continue to do so, citing a better work-life balance, and said they would be about as likely to look for a new job if they were forced to return to the office as if their employer implemented a pay freeze, the Fed report said. (Reuters)
- British junior finance minister: Inflation picture is concerning** – The inflation picture is hugely concerning but the British government has confidence in the Bank of England to get it right, Chief Secretary to the Treasury Simon Clarke said on Monday. British inflation surged last month to its highest annual rate since 1982, pressuring finance minister Rishi Sunak to offer more help to households and the Bank of England to keep raising interest rates despite a risk of recession. "The inflation picture is what is hugely concerning and is making waves across both America and Europe as well. And that's because this is a truly global problem," Clarke told LBC Radio. "We absolutely have confidence in the independent Bank of England to get this right and it's vitally important that we don't compromise their independence." (Reuters)
- Eurozone plans fiscal policy shift from supportive to neutral** – Eurozone finance ministers agreed on Monday they would gradually shift their fiscal policies from supportive this year to neutral in 2023, the chairman of the ministers Paschal Donohoe told a news conference. Eurozone countries have been supporting their economies with public money since 2020, when the COVID-19 pandemic plunged the 19 countries sharing the euro, and the global economy, into a deep recession. But with the return of growth and with inflation at record highs, blanket stimulation of the economy no longer made sense the ministers said, focusing more on targeted and selective support, where needed. "Fiscal strategy should be agile and responsive to unfolding events," Donohoe told a news conference, adding the increased uncertainty created by the Russian invasion of Ukraine on Feb. 24 required sufficient



flexibility. The policy shift declaration, echoing a pledge from March, comes as the European Commission proposed to keep EU borrowing limits suspended for one more year in 2023 to give governments room to deal with the fallout of the war in Ukraine, if needed. Economics Commissioner Paolo Gentiloni said the war in Ukraine meant euro zone growth was likely to be 2.7% this year, rather than 4.0% predicted earlier. Around three quarters of that growth would be due to a statistical carry-over from 2021. "This outlook is subject to downside risks and very high uncertainty. Our economy is still far from economic normality. And this is why we concluded in favor of extending the (suspension of borrowing limits) through 2023," he said. (Reuters)

- German business morale rises in May on buoyant services sector** – German business morale rose unexpectedly in May thanks to a pick up in the services sector in Europe's largest economy that helped offset the impact of high inflation, supply chain problems and the war in Ukraine, a survey showed on Monday. The Ifo institute said its business climax index rose to 93.0 in May following a reading of 91.9 in April, revised up slightly from 91.8. A Reuters poll of analysts had pointed to a May reading of 91.4. Ifo said in its statement there were "currently no observable signs of a recession". "The German economy is showing resilience," Ifo economist Klaus Wohlrabe told Reuters, adding that service providers were benefiting from the easing of COVID-19 restrictions - especially in the tourism and hospitality sector. The situation in the industrial sector was more difficult. "There are no signs of an easing of supply bottlenecks here," Wohlrabe said, adding that demand for industrial products had waned. Overall, companies' price expectations had fallen. "Price increases, however, remain on the agenda," Wohlrabe said. Data released last Friday showed German producer prices saw their highest-ever annual rise in April -- surging 33.5% on the year -- as the Ukraine war sends the cost of energy spiralling for German industry. Inflation and supply bottlenecks threatened a post-pandemic consumption boom, said Alexander Krueger at private bank Hauck Aufhaeuser Lampe, adding: "The question mark over a stronger reviving economy in the second half of 2022 is getting bigger." German Finance Minister Christian Lindner, hosting a meeting of the Group of Seven economic powers last week, said inflation needed to get back to 2% quickly and that central banks had a "great responsibility" to help get it under control in the G7. (Reuters)
- China says it will take targeted steps to support the economy** – China will broaden its tax credit rebates, postpone social security payments and loan repayments, roll out new investment projects and take other steps to support the economy, state television quoted the cabinet as saying on Monday. Many private-sector economists expect the economy to shrink this quarter from a year earlier, compared with the first quarter's 4.8% growth. Among the agreed new steps, the government will provide tax credit rebates to more sectors and increase annual tax cuts by more than 140bn Yuan (\$21bn) overall to 2.64tn Yuan, the cabinet was quoted as saying. China will also reduce some passenger car purchase taxes by 60bn yuan, state media said. Authorities will postpone social security payments, including pension insurance premium payments, by small firms, individual businesses and some severely distressed sectors until the end of this year, the cabinet said. The deferred payments are expected to reach 320bn Yuan this year, it added. "The government will continue to roll out stimulus packages in the second half of this year, through both monetary and fiscal channels," Zhu Ning, professor at the Shanghai Advanced Institute of Finance at Shanghai Jiao Tong University, told Reuters at the annual meeting of the World Economic Forum in Davos. (Reuters)
- PMI: Japan's May factory activity grows at slowest rate in 3 months** – Japan's manufacturing activity expanded at the slowest pace in three months in May, as supply bottlenecks due to parts shortages and China's COVID-19 lockdowns caused output and new orders growth to slow. Activity in the services sector improved for the second consecutive month on stronger domestic demand due to the fading impact of the pandemic, though service-sector firms faced a drag from the sharpest rise in input prices on record. The au Jibun Bank Flash Japan Manufacturing Purchasing Managers' Index (PMI) slipped to a seasonally adjusted 53.2 in May from a final 53.5 in April. The 50-mark separates contraction from expansion. Output and overall new orders both expanded at their slowest rate in three months, as uncertainty over the outlook for price and supply developments lingered. New overseas orders shrank at the fastest pace since July 2020 in a sign of cooling demand from China, Asia's top economy and Japan's biggest trading partner. Manufacturers' input prices rose for the 24th straight month at an increasingly fast pace, while delivery times lengthened to the greatest extent since April 2011. "Private sector firms reported that the reduced impact of COVID-19 had lifted services activity, most notably in the tourism sector," said Usamah Bhatti, economist at S&P Global Market Intelligence, which compiles the survey. The au Jibun Bank Flash Services PMI Index improved to a seasonally adjusted 51.7 in May from the prior month's 50.7 final, pushing

up the composite index despite the slower manufacturing activity expansion. The au Jibun Bank Flash Japan Composite PMI, which is calculated by using both manufacturing and services, rose to 51.4 from a final of 51.1 in April. (Reuters)

Regional

- GCC economies to expand by 5.9% in 2022** – The economies of the Gulf Cooperation Council (GCC) are projected to expand by 5.9% overall in 2022, with this recovery likely to continue in the medium-term, driven by the hydrocarbon and non-hydrocarbon sectors. The GCC comprises six countries—Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates. The latest issue of the World Bank's Gulf Economic Update (GEU), "Achieving Climate Change Pledges," describes them as rebounding robustly from the COVID-19 pandemic in the course of 2021 and at the beginning of 2022. It attributes the rebound to a broadly successful vaccination rollout across the GCC, the easing of pandemic restrictions, and developments in the hydrocarbon market. As a result, fiscal deficits have markedly improved, with the GCC external balance reaching pre-pandemic levels in 2021 as energy prices and export earnings strengthened. (Bloomberg)
- GCC Secretary General Meets with Indian Minister of Commerce** – Secretary General of the Gulf Cooperation Council (GCC) Dr. Nayef Falah Mubarak Al-Hajraf met with Indian Minister of Commerce Piyush Goyal on the sidelines of the World Economic Conference, Davos, Switzerland. During the meeting, they reviewed the GCC-Indian relations, and the importance of working to strengthen them, especially in the economic fields. They also reviewed the developments of the joint working group and free trade negotiations. (Bloomberg)
- Saudi finance minister: No immediate plans to transfer more funds to PIF** – Saudi Arabia's finance minister said on Monday May 23 there were no immediate plans to transfer more funds to the Public Investment Fund (PIF), the sovereign wealth fund at the center of the kingdom's plans to diversify its economy away from oil. The PIF manages over \$600bn in assets, a figure that has doubled in about two years. "I think there is no immediate plan to transfer any funds to PIF," said Finance Minister Mohammed al-Jadaan, speaking at the World Economic Forum in Davos, Switzerland. In 2020, the PIF got a \$40bn injection from the central bank, which Jadaan said at the time was done on an "exceptional basis". In February this year, Saudi Arabia transferred 4% of oil giant Saudi Aramco's shares, now worth \$92bn, to the PIF. Jadaan said Saudi Arabia would, in the first quarter of next year, deploy its expected surplus from this year where it would have "the most positive impact on the economy", including to the National Development Fund, which supports private sector investment. (Reuters)
- Aramco CEO warns of global oil crunch due to lack of investment** – The world is facing a major oil supply crunch as most companies are afraid to invest in the sector as they face green energy pressures, the head of Saudi Aramco told Reuters, adding it cannot expand production capacity any faster than promised. Amin Nasser, head of the world's largest oil producer, said he was sticking to the target of expanding capacity to 13mn barrels per day from the current 12mn by 2027, despite calls to do it faster. "The world is running with less than 2% of spare capacity. Before COVID the aviation industry was consuming 2.5mn bpd more than today. If the aviation industry picks up speed, you are going to have a major problem," Nasser told Reuters on the sidelines of the World Economic Forum in Davos. "What happened in Russia-Ukraine masked what would have happened. We were going through an energy crisis because of a lack of investment. And it started to bite following the pandemic," he added. Nasser said COVID restrictions in China would not last long and global oil demand would therefore resume its growth. Saudi Arabia is currently producing 10.5n bpd, or every tenth barrel in the world, and will likely raise output to 11mn bpd later this year when a broader pact between OPEC and allies such as Russia expires. Riyadh has faced calls from the West to raise output more quickly and expand capacity faster to help combat the energy crisis. "If we could do it (expand capacity) before 2027 we would have done it. This is what we tell policymakers. It takes time". (Reuters)
- Saudi NEOM to start international flights; Dubai is first destination** – The first direct international flights to Saudi Arabian gigaproject NEOM will be round trips to Dubai, with direct flights to London to follow soon after. In a joint announcement, NEOM and Saudia, the kingdom's flagship airline, said the first international flights will land at NEOM Bay, the airport that currently serves the project, by the end of June, with a weekly round trip service from Dubai International Airport (DXB). Flights to London will follow shortly after, with others to selected regional and international destinations after that. NEOM will operate the flights in partnership with Saudia, with planes landing there to have special NEOM livery. NEOM has more than 1,500 full-time employees from 65 nationalities, many of whom travel regularly to and from



the project. NEOM Bay is currently only served by domestic flights. The gigaproject, first announced in 2017, is a key component of Saudi Arabia's Vision 2030, which highlights the need for economic diversification including a focus on bringing tourism to the kingdom. So far, NEOM's developers have announced smart city The Line, industrial and port project Oxagon as well as outdoor ski field Trojena. The first tourists are expected in early 2024. (Zawya)

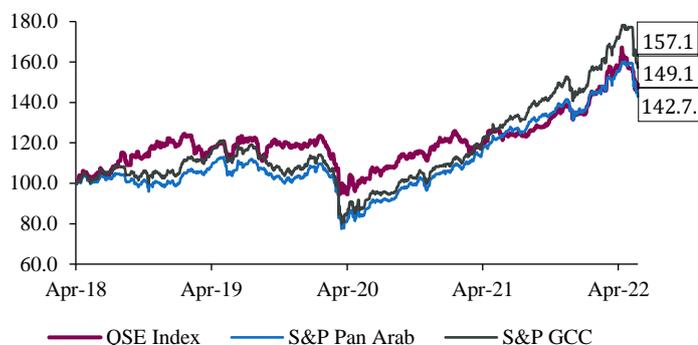
- Saudi Arabia to use oil windfall to boost private sector** – Saudi Arabia will use this year's oil windfall to accelerate the economy's diversification from fossil fuels, according to a minister. The Saudi government will focus on initiatives to grow the non-oil economy in 2023 but won't boost fiscal spending, Faisal Alibrahim, minister of economy and planning, said in an interview at the Davos conference in Switzerland. The kingdoms in discussions with companies from all over the world to get them to move some of their operations to the country, he said. Saudi Arabia will be the fastest-growing Group of 20 economy this year after India, according to Bloomberg's surveys of analysts, with oil having climbed almost 50% since the end of 2021 to \$110 a barrel. Gross domestic product will surpass \$1tn for the first time, the International Monetary Fund forecasts. (Gulf News)
- Marriott, TRSDC to debut Ritz-Carlton Reserve in Mideast** – Marriott International, a leading global hospitality company, has signed an agreement with The Red Sea Development Company (TRSDC) to debut its Ritz-Carlton Reserve brand off the west coast of Saudi Arabia. Slated to debut in 2023, Nujuma, a Ritz-Carlton Reserve, is expected to form part of the eagerly anticipated Red Sea destination and offer a highly personalized leisure experience that blends intuitive and heartfelt service with stunning natural beauty and indigenous design. Nujuma will be the first property from the brand in the Middle East and joins an exclusive collection of only five Ritz-Carlton Reserves worldwide. "We are thrilled to bring our most luxurious brand, Ritz-Carlton Reserve, and its exemplary experience to the Middle East. Perfectly situated on one of the most anticipated regenerative tourism projects in the world, the resort will blend seclusion and sophistication to provide a highly personalized luxury escape," said Jerome Briet, Chief Development Officer, Europe, Middle East & Africa, Marriott International. (Zawya)
- The World Bank raises its forecast for the growth of the UAE economy** – The World Bank expected that the economic recovery in the United Arab Emirates will continue through 2022. In a recent report, the World Bank expected that the UAE's economic growth would rise to 4.7%, driven by the oil and non-oil sectors. The report also expected that the economies of the Gulf Cooperation Council countries will grow by 5.9% in general during 2022, with the possibility of this recovery continuing in the medium term, driven by the oil and non-oil sectors. These expectations came in the latest edition of the World Bank's report on the latest economic developments for the Gulf Cooperation Council countries, titled: "Achieving pledges related to climate change," which describes the economies of the GCC countries as having succeeded in recovering strongly from the "Corona" pandemic during 2021 and early 2022. According to the report, this recovery is due to the success of large-scale vaccination campaigns throughout the GCC countries, the easing of restrictions imposed by the "pandemic", and the developments in the hydrocarbon market. The report indicates that, as a result, there has been a noticeable improvement in the deficits in the public finances of the GCC states, as the external balance of the GCC states reached pre-pandemic levels in 2021 in light of the increase in energy prices as well as in export revenues. (Bloomberg)
- AD Ports in tie-up to build pulp, paper products hub in Abu Dhabi** – Aiming to transform Abu Dhabi into a leading pulp and paper products hub, AD Ports Group, the region's premier facilitator of logistics, industry and trade has signed a strategic agreement with Alexander Global Logistics GmbH. As per the agreement, the two parties will work closely to establish and launch a transshipment hub dedicated to handling pulp and paper products, which will operate from Khalifa Port, AD Ports Group's flagship port and a vital link connecting East and West trade. "The hub aims to address the changing needs of the global supply chain, both for pulp and paper producers and customers. In the first stage, expected to be completed by Q3 2022, a total of 20,000 sqm of quayside warehousing will be established in Khalifa Port. From there, all kinds of forestry products will be distributed into the Gulf region and beyond," said Saif Al Mazrouei, CEO of Ports Cluster, AD Ports Group. (Zawya)
- Abu Dhabi's Borouge secures cornerstone investors including India's Adani family** – Abu Dhabi-headquartered petrochemicals firm Borouge said it secured seven cornerstone investors, including India's wealthy Adani family for its \$2bn initial public offering (IPO). The Abu Dhabi National Oil Company and Borealis' joint venture set the offer price for its IPO at 2.45 Dirhams (\$0.67) a share, which implies an equity value of \$20bn, it said in a

statement. Borouge said it secured a total commitment of about \$570mn from Abu Dhabi state holding firm ADQ, the Abu Dhabi Pension Fund, the Emirates Investment Authority, India's Adani family and entities controlled by International Holding Company (IHCAD), Multiply Group and Alpha Dhabi (ALPHADHABIAD). Books for the initial public offering were covered in about an hour after opening, a bookrunner on the deal said. ADNOC declined to comment. The company, whose products are used in items such as cars and food packaging, said last week that its offering will consist of approximately 3bn existing shares, representing 10% of the company's issued share capital. (Reuters)

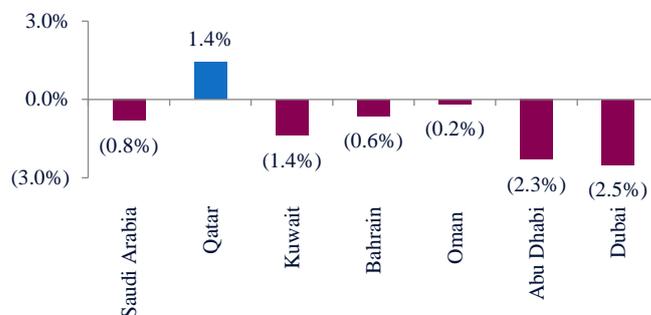
- Bahrain says first-half deficit will be much narrower than expected** – Bahrain expects a significantly narrower budget deficit for the first half of 2022 due to high oil prices, Minister of Finance and National Economy Shaikh Salman bin Khalifa Al-Khalifa said on Monday May 23. Speaking on a panel at the World Economic Forum in Davos, he did not give a specific projection for the budget deficit, but said the oil price assumption for the budget was \$60 a barrel. (Reuters)
- Top Indian IT firms eye Bahrain expansion** – Top Indian ICT companies are considering to set up new bases in Bahrain or expand their existing offices in the Kingdom, it was revealed at a B2B and networking event at the Embassy of India, Bahrain. Representatives of major Indian IT firms, who were part of a delegation of Nasscom, an association of Indian IT sector firms, to Bahrain, expressed their keenness to explore opportunities provided by the kingdom. The event was organised by the Bahrain India Society (BIS) and Bahrain Technology Companies Society (BTECH) in association with the Embassy of India, Bahrain and Bahrain Economic Development Board (EDB) on Sunday. The Nasscom delegation, during its two-day visit to the kingdom, met several industry partners, stakeholders and government agencies to explore business cooperation and investment opportunities. The delegation comprised representatives of leading Indian IT companies including HCL Technologies, ITC Infotech, Tata Consultancy Services, Mastek Limited, Nagarro Software and Addteq Software India Private Limited. The event was attended by a number of Bahraini companies from the sector. (Bloomberg)
- Iran and Oman agree to jointly develop shared oilfield** – Iran and Oman have agreed to form a committee to jointly develop the Hengam oilfield, which straddles both countries' sea border, Iran's semi-official Fars news agency reported its oil minister Javad Owji as saying on Monday May 23. In 2005, both countries signed a memorandum of understanding to jointly develop the Hengam oil field but the agreement did not materialize and Iran decided to develop the field independently in 2012. "As the first basis of my talks with Omani Oil Minister Mohammed bin Hamad Al-Rumhi, it was agreed to form a joint technical committee to develop the next phases of the Hengam oil field in a seamless manner between Iran and Oman," Owji said. "Joint exploitation, in contrast to competitive exploitation, will be mutually beneficial to both countries as this method leads to less damage to the reservoir and allows for more extraction," the oil minister added. Last week, Iran's state news agency IRNA reported that Owji had agreed to revive a long-stalled project to lay an undersea pipeline to carry gas to Oman. (Reuters)
- Oman's sovereign wealth fund considers IPO for water company Majis Industrial Services** – Oman's sovereign wealth fund, the Oman Investment Authority (OIA), is considering a public share-sale for water company Majis Industrial Services, two sources close to the matter said. The OIA has invited banks to pitch for roles in Majis' initial public offering, said the sources, declining to be named as the matter is not public. The OIA and Majis did not respond to Reuters' requests for comment. The OIA, which holds \$17bn worth of assets according to the Sovereign Wealth Fund Institute, was created in 2020 when two of the sultanate's wealth funds – State General Reserve Fund and the Oman Investment Fund – were merged into one entity. Oman aims to list 35 state-owned enterprises in the next five years and plans to take one or two oil companies public this year, the CEO of the Muscat Stock Exchange told CNBC Arabia in March. Majis covers two industrial areas in Oman, the SOHAR Port and Freezone and Sohar Industrial Estate, delivering seawater, treatment, supply and waste management to customers who require cooling water, potable water, and wastewater services. The company also owns a significant minority stake in Dubai-based utilities firm Utico, which it acquired for \$400mn in 2019. (Reuters)
- Kuwait state-backed aircraft lessor Alafco explores sale** – Kuwait-headquartered aircraft leasing firm Alafco is exploring a sale and has held talks with private equity firms and other aircraft lessors, sources familiar with the talks said. Alafco, whose shareholders include the Kuwaiti government, has a fleet of 77 wide- and narrow-body Airbus (AIR.PA) and Boeing (BAN) aircraft operated by airlines and another 68 on order. Alafco and major shareholder Kuwait Finance House did not respond to emailed requests for comment. The potential sale comes as the lessor reported a 79% increase in half-year losses to 4.5mn Dinar (\$14.71mn), which it blamed on



impairment charges. Over the same period, Alafco's leasing revenue fell 2% to 51mn Dinar (\$166.75mn). The potential sale comes as aircraft lessors around the world are confronted with inflation, higher borrowing costs and the impact of Russia's invasion of Ukraine. Alafco's customers include Air India, Indonesia's Garuda, Malaysia Airlines, Kuwait Airways and Italy's new carrier ITA. Its average remaining lease term is 8.5 years, according to Alafco's latest earnings presentation which predicts more consolidation among lessors without saying if it would do so. (Reuters)


Rebased Performance


Source: Bloomberg

Daily Index Performance


Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,853.59	0.4	0.4	1.3
Silver/Ounce	21.79	0.1	0.1	(6.5)
Crude Oil (Brent)/Barrel (FM Future)	113.42	0.8	0.8	45.8
Crude Oil (WTI)/Barrel (FM Future)	110.29	(2.6)	(2.6)	46.6
Natural Gas (Henry Hub)/MMBtu	8.26	3.6	3.6	125.7
LPG Propane (Arab Gulf)/Ton	120.25	(0.4)	(0.4)	7.1
LPG Butane (Arab Gulf)/Ton	115.50	(0.8)	(0.8)	(17.1)
Euro	1.07	1.2	1.2	(6.0)
Yen	127.90	0.0	0.0	11.1
GBP	1.26	0.9	0.9	(7.0)
CHF	1.04	1.0	1.0	(5.5)
AUD	0.71	1.0	1.0	(2.1)
USD Index	102.08	(1.0)	(1.0)	6.7
RUB	118.69	0.0	0.0	58.9
BRL	0.21	1.4	1.4	15.8

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,702.25	1.7	1.7	(16.4)
DJ Industrial	31,880.24	2.0	2.0	(12.3)
S&P 500	3,973.75	1.9	1.9	(16.6)
NASDAQ 100	11,535.27	1.6	1.6	(26.3)
STOXX 600	436.54	2.5	2.5	(16.1)
DAX	14,175.40	2.6	2.6	(15.8)
FTSE 100	7,513.44	2.5	2.5	(5.5)
CAC 40	6,358.74	2.4	2.4	(16.6)
Nikkei	27,001.52	0.9	0.9	(15.5)
MSCI EM	1,034.51	(0.1)	(0.1)	(16.0)
SHANGHAI SE Composite	3,146.86	0.7	0.7	(17.4)
HANG SENG	20,470.06	(1.2)	(1.2)	(13.1)
BSE SENSEX	54,288.61	0.4	0.4	(10.5)
Bovespa	110,345.82	3.1	3.1	22.0
RTS	1,253.69	1.1	1.1	(21.4)

Source: Bloomberg (*\$ adjusted returns)



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