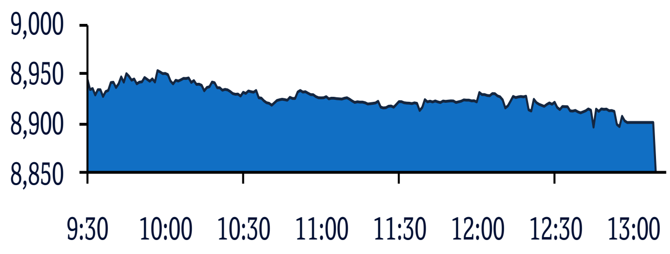
Daily Market Report

Thursday, 16 April 2020

QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.9% to close at 8,851.8. Losses were led by the Telecoms and Transportation indices, falling 1.9% and 1.8%, respectively. Top losers were Dlala Brokerage & Investment Holding Company and Gulf Warehousing Company, falling 7.0% and 5.0%, respectively. Among the top gainers, Qatari German Company for Medical Devices gained 4.3%, while Al Meera Consumer Goods Co. was up 2.5%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.9% to close at 6,813.7. Losses were led by the Software & Serv. and Consumer Dur. indices, falling 3.2% and 1.4% respectively. East. Province Cement declined 8.4%, while Wataniya Ins. was down 5.2%.

Dubai: The DFM Index fell 2.2% to close at 1,896.9. The Investment & Financial Services index declined 3.1%, while the Banks index fell 2.6%. SHUAA Capital declined 4.9%, while Ajman Bank was down 4.8%.

Abu Dhabi: The ADX General Index fell 1.2% to close at 4,127.4. The Telecommunication index declined 2.1%, while the Banks index fell 1.6%. Arkan Building Materials Co. declined 5.0%, while Waha Capital was down 4.9%.

Kuwait: The Kuwait All Share Index fell 1.3% to close at 4,767.2. The Banks index declined 2.0%, while the Consumer Goods index fell 1.1%. Gulf Bank declined 7.3%, while Kuwait Foundry Company was down 7.2%.

Oman: The MSM 30 Index fell 0.2% to close at 3,595.5. Losses were led by the Industrial and Financial indices, falling 1.2% and 0.6%, respectively. Al Jazeera Services Company declined 9.5%, while Oman Flour Mills was down 7.6%.

Bahrain: The BHB Index gained 0.1% to close at 1,308.4. The Services index rose 1.0%, while the Commercial Banks index gained marginally. APM Terminals Bahrain rose 3.0%, while Bahrain Telecommunication Company was up 1.6%.

Market Indicators	15 Apr 20	14 Apr 20	%Chg.
Value Traded (QR mn)	245.0	238.5	2.7
Exch. Market Cap. (QR mn)	496,814.5	501,992.5	(1.0)
Volume (mn)	103.1	98.1	5.0
Number of Transactions	8,343	8,583	(2.8)
Companies Traded	45	45	0.0
Market Breadth	10:34	35:7	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	16,927.75	(0.9)	(1.5)	(11.8)	13.0
All Share Index	2,747.99	(0.9)	(1.9)	(11.3)	13.7
Banks	3,988.49	(0.8)	(2.2)	(5.5)	12.9
Industrials	2,275.99	(1.1)	(2.6)	(22.4)	15.9
Transportation	2,304.11	(1.8)	(2.0)	(9.8)	11.4
Real Estate	1,270.65	(1.7)	(2.0)	(18.8)	10.0
Insurance	2,204.81	(0.8)	2.4	(19.4)	36.9
Telecoms	805.52	(1.9)	(2.9)	(10.0)	13.3
Consumer	7,010.26	(0.2)	1.0	(18.9)	16.2
Al Rayan Islamic Index	3,391.69	(1.0)	(1.5)	(14.2)	14.6

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Ooredoo Oman	Oman	0.46	2.7	562.5	(12.2)
National Shipping Co.	Saudi Arabia	34.90	1.7	2,069.1	(12.8)
Bahrain Telecom. Co.	Bahrain	0.37	1.6	290.0	(4.4)
Almarai Co.	Saudi Arabia	48.60	1.5	644.1	(1.8)
Oman Telecom. Co.	Oman	0.66	1.2	371.7	9.3

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Gulf Bank	Kuwait	0.20	(7.3)	10,207.3	(33.3)
Rabigh Refining & Petro.	Saudi Arabia	13.04	(5.0)	3,294.9	(39.8)
Banque Saudi Fransi	Saudi Arabia	28.50	(4.8)	1,289.8	(24.8)
Emirates NBD	Dubai	8.39	(4.7)	2,917.6	(35.5)
National Bank of Kuwait	Kuwait	0.74	(2.8)	8,761.7	(27.7)

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%
Qatari German Co for Med. Devices	0.63	4.3	7,978.7	8.9
Al Meera Consumer Goods Co.	16.20	2.5	460.0	5.9
Qatar Industrial Manufacturing Co	2.75	1.9	58.5	(23.0)
Salam International Inv. Ltd.	0.28	1.8	15,384.3	(46.4)
Al Khaleej Takaful Insurance Co.	1.65	1.5	486.4	(17.5)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Dlala Brokerage & Inv. Holding Co	0.52	(7.0)	3,944.3	(15.7)
Gulf Warehousing Company	4.56	(5.0)	1,121.5	(16.8)
Islamic Holding Group	1.43	(4.6)	1,315.5	(24.7)
Gulf International Services	1.16	(4.3)	1,167.2	(32.4)
Qatar Aluminium Manufacturing	0.64	(3.0)	7,876.2	(18.2)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Ezdan Holding Group	0.53	(1.5)	16,330.8	(13.5)
Salam International Inv. Ltd.	0.28	1.8	15,384.3	(46.4)
Qatari German Co for Med. Devices	0.63	4.3	7,978.7	8.9
Qatar Aluminium Manufacturing	0.64	(3.0)	7,876.2	(18.2)
Mesaieed Petrochemical Holding	1.98	(2.7)	7,214.7	(21.3)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	18.30	(1.1)	59,406.9	(11.1)
Barwa Real Estate Company	3.13	(2.1)	21,532.8	(11.5)
Qatar Islamic Bank	15.61	0.4	17,982.3	1.8
Mesaieed Petrochemical Holding	1.98	(2.7)	14,408.3	(21.3)
Masraf Al Rayan	3.81	(0.2)	10,640.6	(3.8)

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*	8,851.78	(0.9)	(1.5)	7.9	(15.1)	66.76	135,382.0	13.0	1.3	4.6
Dubai	1,896.91	(2.2)	3.7	7.1	(31.4)	89.53	76,393.5	7.0	0.7	6.6
Abu Dhabi	4,127.44	(1.2)	0.3	10.5	(18.7)	27.19	124,133.1	11.6	1.1	6.0
Saudi Arabia	6,813.67	(0.9)	(2.7)	4.7	(18.8)	944.36	2,064,869.3	18.9	1.6	3.9
Kuwait	4,767.18	(1.3)	3.7	(1.2)	(24.1)	119.75	88,334.0	13.0	1.1	4.6
Oman	3,595.50	(0.2)	3.5	4.3	(9.7)	3.03	15,565.9	7.3	0.7	7.7
Bahrain	1,308.39	0.1	0.6	(3.1)	(18.7)	3.89	20,215.8	9.4	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 declined 0.9% to close at 8,851.8. The Telecoms and Transportation indices led the losses. The index fell on the back of selling pressure from Qatari shareholders despite buying support from GCC and non-Qatari shareholders.
- Dlala Brokerage & Investment Holding Company and Gulf Warehousing Company were the top losers, falling 7.0% and 5.0%, respectively. Among the top gainers, Qatari German Company for Medical Devices gained 4.3%, while Al Meera Consumer Goods Company was up 2.5%.
- Volume of shares traded on Tuesday rose by 5.0% to 103.1mn from 98.1mn on Monday. However, as compared to the 30-day moving average of 134.8mn, volume for the day was 23.5% lower. Ezdan Holding Group and Salam International Investment Limited were the most active stocks, contributing 15.8% and 14.9% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	22.70%	32.23%	(23,345,787.56)
Qatari Institutions	18.75%	19.30%	(1,356,596.12)
Qatari	**41.45%**	**51.53%**	**(24,702,383.68)**
GCC Individuals	0.92%	1.85%	(2,277,184.13)
GCC Institutions	9.45%	4.27%	12,682,416.32
GCC	**10.37%**	**6.12%**	**10,405,232.19**
Non-Qatari Individuals	8.68%	9.25%	(1,397,229.92)
Non-Qatari Institutions	39.50%	33.10%	15,694,381.41
Non-Qatari	**48.18%**	**42.35%**	**14,297,151.49**

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

Earnings Releases, Global Economic Data 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
Al Fajar Al Alamia Co.	Oman	OMR	14.0	-14.5%	–	–	0.2	-89.7%
Gulf Stones Co.	Oman	OMR	0.7	-10.0%	–	–	(0.2)	N/A
A'Saffa Foods	Oman	OMR	8.1	2.8%	–	–	0.3	-4.9%
Taageer Finance Co.	Oman	OMR	4.7	9.0%	–	–	0.8	-8.2%
Voltamp Energy	Oman	OMR	9.9	-1.1%	–	–	0.4	201.5%
Oman Oil Marketing Co.	Oman	OMR	131.8	-6.8%	–	–	0.6	-46.7%
The National Detergent Co.	Oman	OMR	5.5	-11.3%	–	–	0.3	4.5%
Dhofar Poultry Co.	Oman	OMR	2.4	-4.9%	–	–	(0.1)	N/A
Ooredoo	Oman	OMR	67.1	-2.2%	–	–	5.4	-36.5%
Gulf International Chemicals#	Oman	OMR	716.9	22.3%	–	–	61.5	100.4%
National Gas Co.	Oman	OMR	20.4	5.7%	–	–	0.2	-47.9%

Source: Company data, DFM, ADX, MSM, TASI, BHB. (# – Values in Thousands)

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
04/15	US	Mortgage Bankers Association	MBA Mortgage Applications	10-Apr	7.30%	–	-17.90%
04/15	US	Federal Reserve	Industrial Production MoM	Mar	-5.40%	-4.00%	0.50%
04/15	US	Federal Reserve	Capacity Utilization	Mar	72.70%	74.00%	77.00%
04/15	US	U.S. Census Bureau	Business Inventories	Feb	-0.40%	-0.40%	-0.30%
04/15	France	INSEE National Statistics Office	CPI MoM	Mar	0.10%	0.00%	0.00%
04/15	France	INSEE National Statistics Office	CPI YoY	Mar	0.70%	0.60%	0.60%
04/15	India	Directorate General of Commercial	Trade Balance	Mar	-$9,760.0mn	-$7,000.0mn	-$9,850.0mn
04/15	India	Directorate General of Commerce	Exports YoY	Mar	-34.60%	–	2.90%
04/15	India	Directorate General of Commerce	Imports YoY	Mar	-28.70%	–	2.50%

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

Earnings Calendar

Tickers	Company Name	Date of reporting 1Q2020 results	No. of days remaining	Status
IHGS	Islamic Holding Group	19-Apr-20	3	Due
QIGD	Qatari Investors Group	19-Apr-20	3	Due
QEWS	Qatar Electricity & Water Company	19-Apr-20	3	Due
QGTS	Qatar Gas Transport Company Limited (Nakilat)	20-Apr-20	4	Due
ERES	Ezdan Holding Group	20-Apr-20	4	Due
ABQK	Ahli Bank	20-Apr-20	4	Due
IQCD	Industries Qatar	21-Apr-20	5	Due
CBQK	The Commercial Bank	21-Apr-20	5	Due
QNNS	Qatar Navigation (Milaha)	22-Apr-20	6	Due
QIMD	Qatar Industrial Manufacturing Company	22-Apr-20	6	Due
MCCS	Mannai Corporation	22-Apr-20	6	Due
VFQS	Vodafone Qatar	22-Apr-20	6	Due
QIIK	Qatar International Islamic Bank	22-Apr-20	6	Due
MCGS	Medicare Group	22-Apr-20	6	Due
UDCD	United Development Company	22-Apr-20	6	Due
DHBK	Doha Bank	22-Apr-20	6	Due
KCBK	Al Khalij Commercial Bank	23-Apr-20	7	Due
DBIS	Dlala Brokerage & Investment Holding Company	23-Apr-20	7	Due
NLCS	Alijarah Holding	23-Apr-20	7	Due
MARK	Masraf Al Rayan	23-Apr-20	7	Due
QCFS	Qatar Cinema & Film Distribution Company	26-Apr-20	10	Due
MPHC	Mesaieed Petrochemical Holding Company	27-Apr-20	11	Due
BLDN	Baladna	27-Apr-20	11	Due
QFBQ	Qatar First Bank	28-Apr-20	12	Due
QAMC	Qatar Aluminum Manufacturing Company	28-Apr-20	12	Due
AHCS	Aamal Company	28-Apr-20	12	Due
IGRD	Investment Holding Group	28-Apr-20	12	Due
GWCS	Gulf Warehousing Company	28-Apr-20	12	Due
QGRI	Qatar General Insurance & Reinsurance Company	29-Apr-20	13	Due
GISS	Gulf International Services	29-Apr-20	13	Due
MERS	Al Meera Consumer Goods Company	29-Apr-20	13	Due
DOHI	Doha Insurance Group	29-Apr-20	13	Due
ORDS	Ooredoo	29-Apr-20	13	Due
SIIS	Salam International Investment Limited	30-Apr-20	14	Due
AKHI	Al Khaleej Takaful Insurance Company	30-Apr-20	14	Due

Source: QSE

News

Qatar

- **QIBK posts 0.3% YoY increase but 18.2% QoQ decline in net profit in 1Q2020, below our estimate –** Qatar Islamic Bank's (QIBK) net profit rose 0.3% YoY (but declined 18.2% on QoQ basis) to QR687.5mn in 1Q2020, below our estimate of QR721.4mn (variation of -4.7%). Total net income from financing and investing activities increased 3.1% YoY in 1Q2020 to QR1,727.5mn. However, on QoQ basis total net income from financing and investing activities declined 4.9%. The company's total income came in at QR1,944.2mn in 1Q2020, which represents an increase of 5.1% YoY. However, on QoQ basis total income fell 4.1%. The bank's total assets stood at QR166.1bn at the end of March 31, 2020, up 6.9% YoY (+1.5% QoQ). Financing assets were QR114.0bn, registering a rise of 7.2% YoY (+0.2% QoQ) at the end of March 31, 2020. Customers' current accounts rose 2.2% YoY and 3.1% QoQ to reach QR15.4bn at the end of March 31, 2020. The earnings per share remained flat YoY at QR0.29 in 1Q2020. Total expenses of QR271mn for the three months' period ended March 31, 2020 with strict cost controls supporting higher operating revenues enabled further enhancement of efficiency and further decreased the cost to income ratio to 22.7% for the first quarter of 2020. QIBK was able to maintain the ratio of non-performing financing assets to total financing assets at 1.3% reflecting the quality of the bank's financing assets portfolio. QIBK continues to pursue the conservative impairment provisioning policy with the coverage ratio for non-performing financing assets at 100% as of March 2020. QIBK's efficient risk management framework have ensured that the results for the period ended March 31, 2020 have not been materially impacted by the events related to COVID-19. However, the bank prudently has taken total impairment charge of QR276mn representing an increment of QR74mn compared to same period in 2019. The bank continues to take necessary precautionary measures to ensure that its employees, customers and shareholders are safe and protected. Total Shareholders' Equity of the bank has reached QR16.3bn. Total Capital adequacy of the bank under Basel III guidelines is 18.9% as of March 2020, higher than the minimum regulatory requirements prescribed by Qatar Central Bank and Basel Committee. In April 2020, Standard & Poor's (S&P) affirmed the bank's credit rating at 'A-' with a Stable outlook. In November 2019, Fitch Ratings affirmed Qatar Islamic Bank at 'A' with a Stable outlook. Also in December 2019, Moody's Investors Service has affirmed the Long-term deposit ratings of QIBK at "A1" with a Stable outlook. In May 2019, Capital Intelligence Ratings (CI) has affirmed the bank's Long-term Currency Rating (LTCR) of 'A+' with a Stable outlook. (QNB FS Research, Company Press Release QSE)

- **QFLS' net profit declines 30.8% YoY and 34.4% QoQ in 1Q2020, below our estimate –** Qatar Fuel Company's (QFLS) net profit declined 30.8% YoY (-34.4% QoQ) to QR226.1mn in 1Q2020, below our estimate of QR270.5mn (variation of -16.4%). The company's revenues came in at QR4,978.6mn in 1Q2020, which represents a decrease of 2.4% YoY (-13.3% QoQ). EPS amounted to QR0.23 in 1Q2020 as compared to QR0.33 in 1Q2019. The decrease in net profits and earning per share for the period were partly attributed to the market slowdown prompted by the spread of COVID-19, and partly to supply and demand factors, where the completion of many projects that consume fuel had brought in a pro rata decrease in the overall fuel demand, the statement said. With regard to the company's operations, QFLS' Managing Director and CEO, Saad Rashid Al-Muhannadi explained that the company's overall sales decreased by 6.0% compared to the same period last year because of the COVID-19 impact. Diesel and super gasoline sales decreased by 8.0% and 7.4%, respectively, while jet fuel volumes decreased by 6.4% driven by the reduced operations of Qatar Airways and partial operations of private airlines. Bitumen sales have decreased by 65.0% due to the market situation and the completion of consuming projects. On the other hand, Al-Muhannadi explained that premium gasoline sales increased by 0.9%, while retail non-fuel revenue and fuel retail sales increased by 5.8% and 3.5%, respectively compared to the same period last year due to the opening of new stations and higher footfall in C-stores. HFO off take increased by 39.5% driven by market demand, while LPG and natural gas sales were higher by 3.1% and 22.8%, respectively driven by market demand. Al-Muhannadi indicated that QFLS has been working closely with its partners and stakeholders to coordinate the implementation all the governmental directives issued in preventing the spread of COVID-19. At the same time, being the sole downstream oil and gas company responsible for securing a continuous and sustainable supply of petroleum products and gas to all sectors within the state of Qatar, QFLS has implemented a suitable, flexible, and resilient business continuity plan that could effectively secure a persistent nonstop countrywide distribution of these vital energy products. (QNB FS Research, QSE, Gulf-Time.com)
- **QNCD posts 18.1% YoY decrease but 27.4% QoQ increase in net profit in 1Q2020 –** Qatar National Cement Company's (QNCD) net profit declined 18.1% YoY (but rose 27.4% on QoQ basis) to QR54.4mn in 1Q2020.The company's sales came in at QR166.1mn in 1Q2020, which represents a decrease of 22.1% YoY. However, on QoQ basis Sales rose 0.9%. EPS amounted to QR0.08 in 1Q2020 as compared to QR0.10 in 1Q2019. The company will held its Investors Relation conference call on April 16, 2020 at 1:00 pm. (QSE)
- **MERS opens door of its latest branch at "THE MALL" –** Al Meera Consumer Goods Company (MERS) has announced the opening of its latest branch at "The Mall". The new store is an important milestone in MERS' ambitious expansion plan, bringing its total number of stores to 55 serving localities across Qatar. The opening didn't take place as a usual media event due to the current situation and in line with the country's precautionary measures taken to avoid the COVID-19 spread. The opening was held in the presence of the CEO, Yousef Ali Al Obaidan and Central Municipal Council Member, Sheikha Al Jufairi. The new branch at "The Mall", spreading across more than 1,800 square meters, delivers MERS's rigorous quality and seamlessly integrated shopping experience to a new neighborhood. The retail giant has opened its doors on the strategically located "The Mall" on D-Ring road facing Al-Ahli stadium. The new branch will allow convenient access to goods and products for visitors of the mall at the difficult time of COVID-19. MERS is currently pursuing a strategic growth plan which will see a slew of branch openings in upcoming localities. The supermarket chain is working in close coordination with the Ministry of Municipality and Environment to further contribute to the development and urbanization of more districts and territories in Qatar. (QSE)
- **QGRI to disclose its 1Q2020 financial statements on April 29 –** Qatar General Insurance and Reinsurance Company (QGRI) announced its intent to disclose 1Q2020 financial statements on April 29, 2020. (QSE)
- **QFBQ to disclose its 1Q2020 financial statements on April 28 –** Qatar First Bank (QFBQ) announced its intent to disclose 1Q2020 financial statements on April 28, 2020. (QSE)
- **QEWS to hold investors relation conference call on April 21 –** Qatar Electricity & Water Company (QEWS) will hold a conference on Investor Relations by telephone to discuss the financial results of 1Q2020, on April 21, 2020 at 12:30pm Doha time. (QSE)
- **SIIS to disclose its 1Q2020 financial statements on April 30 –** Salam International Investment Limited (SIIS) announced its intent to disclose 1Q2020 financial statements on April 30, 2020. (QSE)
- **QNB Group becomes the first international bank in Sudan to be granted Visa license –** QNB Group, the largest financial institution in the Middle East and Africa, becomes the first foreign bank to obtain a license in Sudan from global payments technology leader, Visa, allowing QNB to provide Visa payment solutions in the country. QNB's customers in Sudan will soon be able to get access to fast, secure, and innovative digital payment products that are accepted both domestically and globally, including e-commerce transactions. Ms. Heba Al-Tamimi, General Manager - QNB Group Retail, said: "We are pleased to be working with the Sudanese regulators and Visa to launch a series of payment products and services that will allow our Sudanese customers to have access to the award-winning QNB payment products and solutions. We are committed to investing and growing the payments landscape in Sudan, which will contribute to the economic growth of the country." Mr. Ahmed Gaber, Visa's General Manager for North Africa, said: "This is an important milestone in the regional partnership we already enjoy with QNB, and we are delighted to partner with

them to help drive financial inclusion and economic growth in Sudan. We will work with QNB to enable their digital expansion and diversify their product offering in Sudan, and introduce Visa's world-class payment technology in the country, which will create entirely new ways to pay and be paid, bringing the benefits of security, convenience and global acceptance to Sudanese consumers and local merchants." Strategically located in major cities in Sudan, the Bank's branches provide personal, corporate and Islamic banking services. QNB Group's presence through its subsidiaries and associate companies extends to more than 31 countries across three continents, providing a comprehensive range of advanced products and services. It has more than 29,000 employees operating through 1,100 locations, with an ATM network of over 4,200 machines. (QNB Group Press Release)

- **BRES to enhance its strategic partnership with government; General Assembly approves cash dividend of QR0.20 per share –** Barwa Real Estate Company (BRES) yesterday announced it will further enhance its strategic partnership with the government of Qatar to address market needs, including developing various real estate projects as per the country's emerging Public Private Partnership (PPP) initiative. Addressing BRES' AGM, the Chairman HE Salah bin Ghanem Al Ali said the BRES will complete several key project under development in this year. They include the additional works in Mukynis Compound and the car service center as part of the third phase of Madinat Mawater. BRES has put together a proposal for the development of Lusail Land, formerly known as Lusail Golf, being a distinct addition to the group's available land bank, which will give the group a good advantage in developing new projects in the future. The group is also studying a number of promising investment opportunities, in addition to the existing projects, including in the sectors like education, healthcare and hospitality, the Chairman said. "BRES will also continue to study a number of investment opportunities, including phase three of Barwa Al Baraha and phase three of Barwa City, as well as the expansion of Umm Shaharian warehouses, preparing a detailed study to determine feasibility of the proposed design ideas and accomplish best use and return for the project," he added. The General Assembly approved the proposed distribution of a cash dividend of 20% i.e. QR0.20 per share, achieving a rate of return of 6.5% on the share price. (Peninsula Qatar, Gulf-Times.com)
- **BRES' shareholders elect new board via online voting –** Shareholders of Barwa Real Estate Company (BRES) yesterday elected its board of directors for 2020-2022 during the company's annual general meeting via an online voting mechanism held in cooperation with the Ministry of Commerce and Industry – Companies Control. Representatives of the Ministry of Commerce and Industry announced the board of directors for the period 2020-2022: Nasser Sultan N Al-Hemaidi; Abdulrahman Mohamed M A Al-Khayarin; Nasser Ali G A Alhajri, representing Ras Rokun Estate Investment Company; Ahmad Khalid A A Al-Maadeed; and Jamal Matar M A Al-Naimi (substitute). Qatari Diar Company also announced the appointment of the members of the board of directors: Salah bin Ghanem Al-Ali, Abdullah bin Hamad Al-Attiyah, and Ahmed Mohamed Nour Mohamed Tayeb. (Gulf-Times.com)
- **Qatar Petroleum starts development drilling campaign of North Field East Project –** Qatar Petroleum has announced the start of the development drilling campaign for the North Field East Project (NFE), previously known as the North Field Expansion Project. The first of 80 NFE development wells was spudded on 29 March by the jack-up rig "GulfDrill Lovanda", which is managed and operated by GulfDrill, a joint venture between the Qatar based drilling champion, Gulf Drilling International, and Seadrill Limited. This phase of the North Field expansion project will increase the State of Qatar's liquefied natural gas (LNG) production capacity from 77mn tons per annum (Mtpa) to 110 Mtpa. The second phase of the North Field LNG Expansion Project, called the North Field South Project (NFS), will further increase Qatar's LNG production capacity from 110 Mtpa to 126 Mtpa. Qatar Petroleum had earlier awarded a number of contracts for jack-up drilling rigs to be utilized for the drilling of 80 development wells for the NFE. The installation of the first four Offshore Jackets in Qatari waters is underway and is expected to be completed by the end of this month. (Peninsula Qatar)
- **Cabinet extends COVID-19 precautionary measures for two weeks –** The Cabinet has extended for two weeks from Thursday the precautionary measures against the novel coronavirus disease (COVID-19). A re-evaluation will be held during the period to take the appropriate decision. The regular Cabinet meeting on Wednesday was chaired by HE the Prime Minister and Interior Minister Sheikh Khalid bin Khalifa bin Abdulaziz Al-Thani through video conference. Following the meeting, HE the Minister of Justice and Acting Minister of State for Cabinet Affairs Dr Issa bin Saad Al-Jafali Al-Nuaimi issued a statement giving the details. The precautionary measures being extended are the following: Limiting the number of employees present at the headquarters of governmental institutions as well as private-sector organizations. It may be recalled that at the regular Cabinet meeting on April 1, it was decided to extend the decision taken on March 18 to reduce the number of employees present and working at public sector offices. It was later decided to slash the number of workers present in the private sector to 20% of the total in each organization, and allow 80% of the rest of the workers work remotely from their homes. Wednesday's Cabinet meeting reaffirmed that public and private-sector employees will work for six hours a day, from 7am to 1pm. Employees of the public and private sectors present at their work place should hold only remote meetings using modern technology. Home cleaning services provided by cleaning and hospitality companies will remain suspended. The number of workers transported by bus should be only half the capacity of the vehicle, while adhering to the necessary precautionary measures. Intensified inspection visits will continue to be made by the Ministry of Commerce and Industry to supermarkets and restaurants to ensure they adhere to the health conditions and precautions, including safe distancing measures between shoppers. (Gulf-Times.com)
- **QFC Authority fines company over QR1mn for failure in compliance –** The Qatar Financial Centre Authority (QFC Authority) announced yesterday that it fined Horizon Crescent Wealth LLC (HCW) over QR1mn for contraventions of provisions of the QFCA Rules. The QFCA had recently imposed financial penalties on Horizon Crescent Wealth LLC (HCW) for

failings regarding Anti-Money Laundering and Combating Terrorist Financing Rules 2010 (AML/CFTR). HCW is a QFC firm which is licensed to perform Administration of Trusts, and as such is required to comply with its legal obligations in line with the QFCA Rules. HCW's violations are evident in its failure to comply with the General Rules and Licensed Firm Assets Rules, in the QFCA Rules, especially when handling client money. HCW's contraventions have been documented in an investigation undertaken by the Monitoring and Enforcement Department between March and June 2018. Consequently, the QFCA issued a Decision Notice in October 2019 and imposed a financial penalty of over QR1mn on HCW. HCW appealed this decision to the QFC Regulatory Tribunal, and on March 9, 2020, the Tribunal dismissed the appeal and upheld the QFC Authority's decision. HCW may still appeal the Regulatory Tribunal's decision within the applicable deadline. (Gulf-Times.com)

- **Employers, workers urged to cooperate and find mutually beneficial solutions –** Employers and employees who are affected by the current COVID-19 situation can cooperate to mitigate the social and economic damage caused by the pandemic, the Ministry of Administrative Development, Labour and Social Affairs (MADLSA) has stressed. Adding that this will benefit both employers and workers alike, and the long-term sustainability of businesses and business relationships, the ministry said steps taken in this direction could include workers going on unpaid leave or their annual leave; reduced working hours or agreeing to temporarily reduce salaries. This will help employers and workers engaged in sectors, activities and services suspended due to the precautionary measures taken to prevent the spread of COVID-19, it said. (Gulf-Times.com)

International

- **G20 countries agree debt freeze for world's poorest countries –** Finance officials from the Group of 20 major economies agreed on Wednesday to suspend debt service payments for the world's poorest countries through the end of the year, a move quickly matched by a group of hundreds of private creditors. The actions to freeze both principal repayments and interest payments will free up more than $20bn for the countries to spend on improving their health systems and fighting the coronavirus pandemic, Saudi Finance Minister Mohammed Al-Jadaan told reporters after a virtual meeting of G20 finance officials. Saudi Arabia is hosting the G20 meetings this year. Wednesday's video conference meeting of finance ministers and central bank governors ran well over the scheduled two hours, delaying news conferences planned by Al-Jadaan and International Monetary Fund Managing Director Kristalina Georgieva. The meeting came amid widespread criticism - including from many G20 member countries - of US President Donald Trump's decision on Tuesday to temporarily halt funding to the World Health Organization over its handling of the COVID-19 disease pandemic, which has now killed 131,000 people. The debt standstill offer is open to the world's poorest and least-developed countries, as defined by the World Bank and the United Nations, as long as they are current in their debt service payments to the World Bank and the IMF. The initiative, backed by the Paris Club of creditors, is part of globally coordinated efforts to bolster the global economy which is facing the deepest recession since the Great Depression of the 1930s due to the pandemic. (Reuters)
- **IMF: Coronavirus impacts could include deflation, loss of output –** The coronavirus pandemic and economic shutdowns could have multiple second-order impacts such as deflation in some economies, a loss of output, permanently-shifted supply chains and a re-evaluation of regulation, the director of the International Monetary Fund's (IMF) monetary and capital markets department said. The comments came after the IMF, the world's largest multilateral lender, on Monday released its Global Financial Stability Report, warning the crisis presents a very serious threat to the stability of the global financial system. "For some countries around the world, it is dangerous to keep expanding public sector debt, because it may be unsustainable, but in the major advanced economies like the US and many European economies, the problem is more one of deflationary pressures," said Tobias Adrian in an interview. US consumer prices fell by the most in more than five years in March and further decreases are likely as the outbreak suppresses demand for some goods and services. Economists are predicting the disinflationary trend will persist for a while or there will even be a short period of outright deflation. Adrian also said he was concerned about a persistent loss of output as the economy cannot be simply switched off and back on and there "may be a permanent change in the structure of the economy and supply chains may shift permanently." (Reuters)
- **US retail sales collapse as coronavirus keeps consumers at home –** US retail sales suffered a record drop in March and output at factories declined by the most since 1946, buttressing analysts' views that the economy contracted in the first quarter at its sharpest pace in decades as extraordinary measures to control the spread of the novel coronavirus shut down the country. The reports on Wednesday came as millions of Americans have been thrown out of work, and were the most solid pieces of evidence yet that the economy was in deep recession and potentially at risk of a depression. States and local governments have issued "stay-at-home" or "shelter-in-place" orders affecting more than 90% of Americans to curb the spread of COVID-19, the respiratory illness caused by the virus, and abruptly stopping economic activity in the country. Retail sales plunged 8.7% last month, the biggest decline since the government started tracking the series in 1992, the Commerce Department said. Data for February was revised slightly up to show retail sales slipping 0.4% instead of falling 0.5% as previously reported. Economists polled by Reuters had forecast retail sales tumbling 8.0% in March. Compared to March last year, retail sales dropped 6.2%. The $46.2bn decrease in sales in March was almost equal in a single month to the $49.1bn peak-to-trough decline that unfolded over 16 months in the Great Recession. (Reuters)
- **US manufacturing output posts largest drop since 1946 –** US manufacturing output dropped by the most in just over 74 years in March as the novel coronavirus pandemic fractured supply chains, suggesting business investment contracted further in the first quarter. The Federal Reserve said on Wednesday manufacturing production plummeted 6.3% last month, the biggest decrease since February 1946. Data for February was revised down to show output at factories slipping 0.1% instead

of edging up 0.1% as previously reported. Economists polled by Reuters had forecast manufacturing output dropping 3.2% in March. The Fed said "the estimates in this release incorporated data on stay-at-home orders as well as other information on industrial activity for late in the month." Production at factories dropped at a 7.1% annualized rate in the first quarter, the sharpest since the first quarter of 2009, after decreasing at a 0.5% pace in the October-December period. Manufacturing, which accounts for 11% of the US economy, was already struggling from the fallout of the Trump administration's trade war with China well before the before the coronavirus hit US shores. In addition to disrupting global supply chains, the highly contagious virus, which causes a respiratory illness called COVID-19, has depressed demand for crude oil, undercutting spending by oil producers on drilling and shaft exploration equipment. Business investment has contracted for three straight quarters, the longest such stretch since the Great Recession. That downturn appears to have deepened in the first quarter. (Reuters)

- **US business inventories fall in February –** US business inventories fell in February amid a decline in imports and further decreases are likely as the novel coronavirus outbreak severely disrupts global supply chains and the flow of goods. The Commerce Department said on Wednesday that business inventories decreased 0.4% in February after falling 0.3% in January. Inventories are a key component of gross domestic product. February's decline in business stocks was in line with economists' expectations. Retail inventories decreased 0.3% in February as estimated in an advance report published last month. That followed a 0.1% dip in January. Motor vehicle inventories dropped 0.8% in February rather than tumbling 0.9% as previously reported. Retail inventories excluding autos, which go into the calculation of GDP, were unchanged as reported last month. Goods imports dropped to near a 2-1/2-year low in February, with merchandise from China the lowest since 2009, the government reported last month. The decline in imports could result in a drawing down of inventory, offsetting any contribution to GDP from a smaller trade deficit. The pace of inventory accumulation accelerated from the third quarter of 2018 through the first quarter of 2019, before shifting lower from the second through the fourth quarters. Inventory investment sliced off almost a full percentage point from GDP growth in the fourth quarter. The economy grew at a 2.1% annualized rate in the October-December period, matching the third quarter's pace. (Reuters)
- **Central bank: French retail sales plunged 24% in March –** French retail sales sank 24% in March from February as a nationwide lockdown due to the coronavirus pandemic left many shops shuttered, data from the central bank showed on Wednesday. Sales of industrial goods were down over 43% while food sales fell only 0.9%, the Bank of France said. The March freefall meant that retail sales fell 7.2% in the first quarter from the previous free months, with small retail outlets seeing a plunge of 9.6% and large general retailers seeing an increase 1.7%. More specifically, supermarket sales grew by 7.4% in the quarter and hypermarkets saw an increase of 1.7%, offsetting a 19.3% drop in department store sales, the central bank said. (Reuters)
- **Abe: Japan's $1tn coronavirus stimulus to lift GDP by 3.8% –** Japan's coronavirus emergency economic stimulus should boost the country's real gross domestic product by 3.8%, Prime Minister Shinzo Abe said on Wednesday at the end of a meeting of the government's top economic advisory council. The government last week approved an emergency economic stimulus package worth 108.2tn Yen ($1.01tn), with fiscal spending of 39.5tn Yen, aimed at battling the fallout from the coronavirus. (Reuters)
- **Reuters Tankan: Japan business mood slumps to decade low on coronavirus hit –** Japanese business confidence plunged to fresh decade lows in April as firms reported widespread damage from the coronavirus pandemic which is threatening to throw the world economy into recession, the Reuters Tankan survey showed on Thursday. The global spread of the highly contagious virus has caused entire regions to be placed on lockdown, upended supply chains and halted services and production around the world. The poll showed both manufacturers and service-sector firms in Japan expected to see a further sharp deterioration in business sentiment in the three months ahead. The weak business confidence could deal a hard blow to capital spending, one of the few bright spots in the world's third-largest economy, likely raising calls on the government to roll out more supportive measures. Last week, Prime Minister Shinzo Abe declared a state of emergency to fight coronavirus infections in major population centers and unveiled a nearly $1tn stimulus package to soften the economic blow. Sources told Reuters the Bank of Japan will discuss further steps to ease corporate funding strains at this month's rate review after it eased monetary policy last month to help firms grappling with the coronavirus crisis. (Reuters)
- **China cuts medium-term borrowing costs by 20 bps, steps up fight against pandemic –** China's central bank on Wednesday cut the interest rate on its medium-term funding for financial institutions to the lowest level on record, in an attempt to combat the economic fallout from the coronavirus health crisis. The move should pave the way for a similar reduction to the country's benchmark loan prime rate (LPR), which will be announced on the 20th, to lower financing costs for companies hit by pandemic. The People's Bank of China (PBoC) said it was lowering the one-year medium-term lending facility (MLF) loans to financial institutions to 2.95%, the lowest level since the liquidity tool was introduced in September 2014, down 20 basis point from 3.15% previously. The cut came largely in line with market expectations, as economists believe the central bank would keep its yield curve steady by lowering the MLF rate by the same margin as the cut to the 7-day reverse repo rate in late March. And a lower MLF rate should incentivize commercial banks to reduce the lending benchmark, as the medium-term lending cost now serves as a guide for the LPR. Global central banks have rolled out unprecedented stimulus measures in the past few weeks, cutting rates sharply and injecting trillions of dollars to backstop their economies as many countries have been put under tight lockdowns to contain the pandemic. The PBoC said in a statement that it was injecting 100bn Yuan ($14.19bn) through the liquidity tool. There is no MLF loans due to expire on the day, though a batch of 200bn Yuan worth of such loans is maturing on Friday. (Reuters)

- **India March exports shrink, outlook grim as coronavirus hits demand –** India's merchandise exports shrank by more than one-third from a year ago, hit by a fall in global demand and shipments due to the new coronavirus, and analysts warned of a grim outlook for exports in 2020 as global economic activity collapses. Merchandise exports fell 34.6% to $21.41bn in March from a year earlier, while imports were down 28.7% to $31.16bn during the same period, a trade ministry statement said on Wednesday. Oil imports, the biggest item in the import bill, fell 15% to $10.01bn, helped by fall in global crude oil prices and slowdown in domestic demand. India meets nearly 80% of its fuel demand from imports. Overall in March, India's trade deficit marginally declined to $9.76bn from $9.85bn in the previous month. Shipments of Indian goods have been hit by the shutdown of factories and cancellation of orders as the infection spread and amid a national lockdown imposed by the government late last month to try to combat the outbreak. On Tuesday, Prime Minister Narendra Modi announced the extension of the 21-day lockdown until May 3, while promising to allow some economic activities from next week. The ministry does not issue separate data for trade in services. That is issued in about a month's time by the Reserve Bank of India. However, the ministry did issue estimates for goods and services trade in the year to March 31, based on the full-year merchandise trade figures and the first 11 months of services trade. Total exports of goods and services were estimated at $528.45bn in the financial year, down 1.76% from a year earlier, compared with estimated imports of $598.61bn, down 6.33%, the statement said. (Reuters)

Regional

- **IMF: Coronavirus to hit Mideast growth more than 2008 crisis, 2015 oil shock –** Countries in the Middle East and Central Asia region will see a contraction this year bigger than the one seen during the 2008 global financial crisis and the 2015 oil price shock, the International Monetary Fund (IMF) said on Wednesday. The fund said earlier this week the global economy was expected to shrink by 3.0% during 2020 in a coronavirus-driven collapse of activity that will mark the steepest downturn since the Great Depression of the 1930s. In the Middle East, countries that rely heavily on oil exports will suffer the additional pressure of collapsing oil prices caused by reduced demand for oil and, until last Sunday, a battle for market share between oil titans Saudi Arabia and Russia that added to a glut of oversupply. Real GDP among regional oil exporters could contract by 4.2% this year, a sharp downward revision from the IMF's 2.1% growth projected in October last year. Their oil exports are expected to decline by more than $250bn. A record output cut agreement on Sunday between international producers could provide some support to oil prices, the IMF said, but "decreases in oil prices are so large that fiscal and export revenues are expected to decline across all oil-exporting countries in the region, including those that might manage to gain market share from higher-cost producers". Overall economic growth in the region is expected to fall from 1.2% in 2019 to a 2.8% contraction this year, said the fund, which however expects growth to pick up again to 4% next year as threats from the pandemic recede. Saudi Arabia, the world's biggest oil exporter, is expected to see its economy shrink 2.3% this year from 0.3% growth in 2019, IMF said, which had forecast 2.2% in real GDP growth for this year before the pandemic changed all growth scenarios. In the GCC countries, growth is projected to contract by 2.7% in 2020. Non-oil activity is expected to be a major drag on the near-term outlook, contracting by 4.3% this year, a significant downward revision from the 2.3% growth projected by IMF in its October 2019 'Regional Economic Outlook for the Middle East and Central Asia.' (Reuters, Peninsula Qatar)
- **PwC survey: 78% of Mideast CFOs expect a decrease in revenues due to pandemic –** As many as 67% of Chief Financial Officers (CFOs) in the Middle East believe that the COVID-19 pandemic has the potential to significantly impact their business. With financial impact as the primary concern of most CFOs in the region, about 78% are also expecting a decrease in revenue as a result of the pandemic, according to PwC's Middle East edition of the COVID-19 CFO Pulse Survey. The survey is the first in a biweekly series that shows how Middle East CFOs and finance executives in the region plan to react to the COVID-19 outbreak, and what business and economic impacts they anticipate in the coming weeks and months. The survey also found that CFOs now looking to cut costs are most likely to consider cost containment and deferral or cancelation of investments particularly on capital expenditure. Investments in digital transformation, customer experience and cybersecurity are most likely to be protected and, as a result of COVID-19, 55% of CFOs expect to make changes to their supply chain. These results provide a clear indication of the likely focus areas post COVID-19. Over half of Middle East CFOs plan to take advantage of government support program, but this varies greatly by country. Despite their concerns, a majority of CFOs in the Middle East believe that if COVID-19 were to end immediately, their company could get back to "business as usual" within three months. CFOs are concerned about the impact of COVID-19 on business operations and revenue. Highly affected sectors such as travel, tourism, hospitality and retail make up a material proportion of the economy, so these findings are perhaps unsurprising. (Peninsula Qatar)
- **Franklin Templeton: GCC banks earnings to drop 25-50% this year –** Banks in the Gulf are not expected to deliver any loan growth this year amid the impact of Covid-19 on economic activity and slumping oil prices, Head of Middle East and North Africa investments at Franklin Templeton Emerging Markets Equity, Salah Shamma said. Margins are expected to decline due to lower interest rates across the region, while non-performing loans and cost of risk will increase, Shamma said. "But we have seen from the policies that have been enacted that the government is going to try to mitigate those risks or spread them out. Even discounting a drop in earnings of as much as 50%, the impact on the intrinsic value of the banks "is not that great," since their power is not impaired, Portfolio Manager and Director of research, Bassel Khatoun said. "We are spending a lot of our time trying to see through the short-term, and trying to think of the implied valuation on a longer-term basis." (Bloomberg)
- **Saudi Arabia sells $7bn in three-part bonds as oil squeezes budget –** Saudi Arabia was set to raise $7bn with a three-tranche bond deal on Wednesday, a document showed, as the world's biggest oil exporter seeks to replenish state coffers

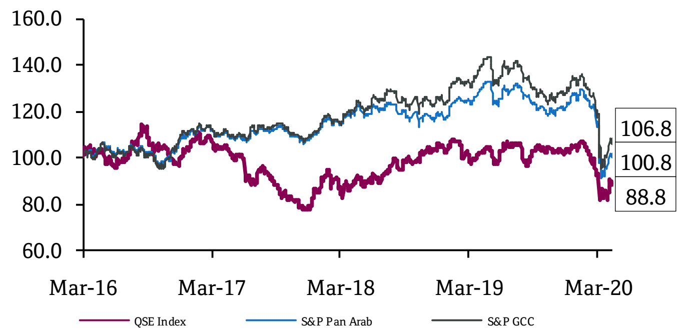
battered by low oil prices and expectations of lower output. Riyadh last month increased its debt ceiling to 50% of GDP from a previous 30% in March as it plans to increase borrowing amid the economic downturn caused by the coronavirus outbreak. The Kingdom, acting through the ministry of finance, sold $2.5bn in 5-1/2-year bonds at 260 basis points (bps) over US Treasuries, $1.5bn in 10-1/2-year bonds at 270 bps over the same benchmark and $3bn in 40-year bonds at 4.55%, the document showed. Saudi Arabia received around $54bn in combined orders for the bonds, a sign of strong investor appetite, though some fund managers said the bonds did not offer the returns they expected. "Very tight pricing. No juice for investors of the bonds," a Dubai-based fixed income strategist said. The 40-year bonds are the longest-dated ever issued in dollars by a Gulf borrower, Chief Investment Officer of global Sukuk and MENA fixed income at Franklin Templeton, Dino Kronfol said. A Saudi banker said the deal seemed to be targeted at foreign investors, given the long maturity and the spreads on offer. Citi, Goldman Sachs, HSBC, Bank of China, Mizuho, MUFG, SMBC and Samba Capital have been hired to arrange the debt sale. (Reuters)

- **Saudi King approves more private sector coronavirus crisis aid –** Saudi Arabia's King Salman has approved an additional package of measures to help the private sector deal with the economic impact of the coronavirus outbreak, its Finance Minister, Mohammed Al-Jadaan said. The package includes SR50bn to accelerate payment of private sector dues, provide liquidity to several sectors and cover wages of those working in passenger transport, he said on Wednesday. Another SR47bn has been set aside for the health sector, to be disbursed as needed to build capacity, he added. (Zawya)
- **Saudi Aramco says has not extended oil payment offers to refiners –** Saudi Aramco said on Wednesday it has not made any offers of extended payment terms to crude oil sales to refiners, contrary to an earlier report by Reuters. "Contrary to a recent media report, Aramco has not made any offers of extended payment terms to crude oil sales," Saudi Arabia's national oil company said. Reuters reported earlier that Saudi Aramco has offered oil refineries in Asia and Europe the option to defer payments for crude cargo deliveries by up to 90 days as plants struggle with shrinking demand, according to refining industry sources. (Reuters)
- **Saudi Arabia 'not happy with oil prices,' Finance Minister says –** Saudi Arabia's Finance Minister, Mohammed Al Jadaan said "Obviously we are not happy with oil prices. So are other oil producers, but we need to make sure the energy market is balanced as we have been doing for decades. Oil-producing countries vary, obviously. Some like Saudi Arabia face this Covid 19 and the significant drop in oil revenue from a position of strength. We have been going through significant reforms over the past few years, and we have sufficient buffers to deal with the low oil prices." (Bloomberg)
- **SAMA says there could be more G20 action on swap lines –** Saudi Arabian Monetary Authority (SAMA) Governor, Ahmed Al-Kholifey said on Wednesday G20 nations had worked on setting up currency swap lines and repo facilities to tackle the fallout from the coronavirus pandemic and they could take further action on bilateral swap lines. "At the same time, we will be looking to see more actions as the crisis unfolds, it will be bilateral swap lines," he said at a news conference. (Reuters)
- **UAE's February consumer prices fall 0.26% MoM and 1.3% YoY –** Federal Competitiveness and Statistics Authority in Dubai published UAE's consumer price indices for February which showed that prices fell 0.26% MoM and 1.3% YoY. (Bloomberg)
- **Dubai's Gulf Navigation 'resilient' despite coronavirus, plans new Sukuk –** Dubai's Gulf Navigation Holding (GNH) said on Wednesday its business has benefited from low oil prices and thus remained resilient despite the disruptions caused by the coronavirus pandemic. The Emirate's only listed crude shipper, which operates a fleet of chemical tankers and livestock transport vessels, also unveiled plans to raise AED124mn Sukuk to boost company liquidity. "Contrary to most businesses, GNH is proving adaptive and resilient to the disruptions witnessed by other industries," the company said in its statement to the Dubai bourse. The coronavirus pandemic has crippled most businesses worldwide and sent millions of people jobless as governments-imposed lockdowns and quarantine measures to curb infections. Among the hardest hit are airlines, which have grounded almost all their fleet as travelers retreated to their homes. However, for Gulf Navigation, the situation is different, citing that it has "witnessed higher demand" during the outbreak. "Seaborne cargo movements are essential to the global supply chain and vital to the continued availability of essential goods to consumers around the world," the company said. GNH's six out of seven chemical tankers still have fixed long-term contracts with remaining contract periods ranging from one year to four years. In some contracts, where the company is required to supply fuel to the vessels, cost savings from oil prices have been substantial. "Bunker costs have declined by 40% to 60%, leading to higher profitability on such voyages," the company said. "Since the COVID-19 outbreak, GNH's remaining vessels witnessed higher demand than in previous periods and GNH is actively working to bring the vessels to charter as soon as possible to benefit from the favorable business environment," it added. As for the Sukuk issuance, the company said it is currently in talks with potential investors. The proceeds will be used to "strengthen" the liquidity of the company at this time. (Zawya)
- **UAE credit survey sees 2Q2020 rebound in demand for business loans –** Demand for business loans in the June quarter were expected to rebound with a moderate increase across all Emirates, according to a Credit Sentiment Survey on Central Bank of UAE website. Survey respondents predicted that the demand for business loans will increase for conventional loans, local, large firms, and small and medium enterprises. Demand is predicted to decrease, marginally to moderately, among non-resident, Islamic loans, expat, and government related entities. Credit standards expected to continue to tighten, but to a lower extent than March quarter. Survey results for the March quarter revealed a moderate decrease in demand for business loans across all Emirates, except Dubai. Demand for personal loans in June quarter was projected to decrease further, while credit standards, in aggregate, expected to continue tightening but to a lesser extent. In March quarter, demand for personal loans

decreased as suggested by a net balance measure of -8.2. (Bloomberg)

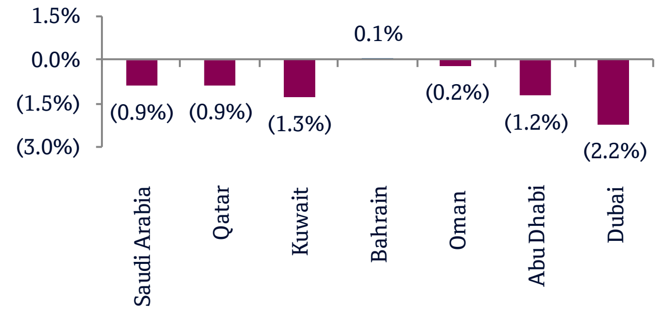
- **UAB's shareholders raise foreign ownership to 40% –** The ordinary general meeting (OGM) of United Arab Bank (UAB) has approved raising the foreign ownership limit to 40%, setting the national ownership not to fall below 60% of the capital at any time. During the OGM, shareholders have also approved to offset all the accumulated losses of AED897.90mn as of December 31, 2019, according to the bank's recent disclosure to the Abu Dhabi Securities Exchange (ADX). The bank's accumulated losses will extinguish the accumulated losses by deducting the special reserves of AED422.10mn and statutory reserves of AED475.80mn. Meanwhile, the OGM agreed on issuing non-convertible additional tier 1 instruments up to AED250mn. It is noteworthy to mention that in 2019, the bank has logged a net loss amounting to AED470.753mn, versus a net profit of AED77.227mn in 2018. (Zawya)
- **Kuwait's biggest refinery shifts output to diesel from jet fuel –** Kuwait's Mina Al Ahmadi refinery is shifting output to produce more diesel than jet fuel and gasoline as demand for those products slumps amid the coronavirus, the facility's Deputy CEO, Fahad Al-Dihani said. Ahmadi refinery is running at about 90% capacity. The diesel demand is holding up. The use of jet fuel has dropped as airlines halted many flights; gasoline consumption down due to national lockdown. Maintenance is currently being conducted on one Atmospheric Residue Desulfurization unit; work on second ARD unit planned for May. (Bloomberg)
- **Kuwait follows Saudi Arabia with deep discounts for oil to Asia –** Official selling price of Kuwait Export Blend Crude for eastern buyers in May set at a discount of $7.80 a barrel to Oman/Dubai crudes, according to a price list seen my Bloomberg. Move is very similar to Saudi Arabia, which announced a discount of $7.40 to the same benchmark for its Arab Medium grade. (Bloomberg)
- **Oman tightens state spending, safeguards citizens' jobs –** Oman told ministries and other government units to cut spending further and announced measures to support the private sector and safeguard Omani jobs from the impact of the coronavirus outbreak, state media said on Wednesday. The finance ministry directed all ministries and civilian government units to reduce approved liquidity for development budgets by 10%. It said state companies would no longer be set up for business activity, giving priority to the private sector. On Tuesday, government agencies were told to cut operating budgets by at least 10% this year to counter lower oil prices, including by reviewing salaries and benefits. The economy of Oman, a relatively small energy producer burdened by high levels of debt, is particularly vulnerable to swings in oil prices, which now exacerbate an expected regional and global economic slowdown caused by the coronavirus pandemic. Even before those two shocks, Oman had hesitated to push through unpopular tax and subsidy reforms to avoid any public unrest. The committee overseeing the sultanate's coronavirus response announced in a statement on Wednesday that Omanis cannot be fired. It said private businesses hurt by containment measures can put Omani staff on paid leave or cut wages for three months if working hours are also reduced. "We urge private-sector businesses and establishments that are impacted to ask non-Omani employees to leave permanently," the statement said, instructing firms that do not do so to negotiate wages with those employees or give them paid leave. Among incentives announced was a three-month waiver on utility bills and re-licensing fees, a reduction in labor fees and easing of restrictions on employee transfers between firms. Authorities said leniency would be shown on any delays in government projects carried out by the private sector. (Zawya)
- **BKDB's net profit falls 30.2% YoY to OMR8.8mn in 1Q2020 –** Bank Dhofar (BKDB) recorded net profit of OMR8.8mn in 1Q2020, registering decrease of 30.2% YoY. Profit from operations fell 27.7% YoY to OMR12.5mn in 1Q2020. Operating income fell 9.5% YoY to OMR31.1mn in 1Q2020. Total assets stood at OMR4.35bn at the end of March 31, 2020 as compared to OMR4.4bn at the end of March 31, 2019. Net loans and advances to customers stood at OMR3.2bn (+2.7% YoY), while deposits from customers stood at OMR3.1bn (+2.6% YoY) at the end of March 31, 2020. (MSM)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,717.03	(0.6)	1.2	13.2
Silver/Ounce	15.46	(1.8)	(0.7)	(13.4)
Crude Oil (Brent)/Barrel (FM Future)	27.69	(6.5)	(12.0)	(58.0)
Crude Oil (WTI)/Barrel (FM Future)	19.87	(1.2)	(12.7)	(67.5)
Natural Gas (Henry Hub)/MMBtu	1.68	(4.5)	(3.4)	(19.6)
LPG Propane (Arab Gulf)/Ton	34.38	(2.5)	8.3	(16.7)
LPG Butane (Arab Gulf)/Ton	34.25	(3.9)	3.8	(47.7)
Euro	1.09	(0.6)	(0.2)	(2.7)
Yen	107.46	0.2	(0.9)	(1.1)
GBP	1.25	(0.8)	0.5	(5.6)
CHF	1.04	(0.4)	0.2	0.3
AUD	0.63	(1.9)	(0.5)	(10.0)
USD Index	99.46	0.6	(0.0)	3.2
RUB	74.83	2.5	1.5	20.7
BRL	0.19	(1.4)	(2.5)	(23.3)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	1,960.20	(2.3)	(0.6)	(16.9)
DJ Industrial	23,504.35	(1.9)	(0.9)	(17.6)
S&P 500	2,783.36	(2.2)	(0.2)	(13.8)
NASDAQ 100	8,393.18	(1.4)	2.9	(6.5)
STOXX 600	323.06	(3.7)	(2.8)	(24.5)
DAX	10,279.76	(4.3)	(2.9)	(24.4)
FTSE 100	5,597.65	(3.9)	(3.5)	(29.8)
CAC 40	4,353.72	(4.2)	(3.6)	(29.2)
Nikkei	19,550.09	(0.7)	1.2	(16.2)
MSCI EM	888.14	(0.9)	(0.0)	(20.3)
SHANGHAI SE Composite	2,811.17	(0.8)	0.1	(9.2)
HANG SENG	24,145.34	(1.2)	(0.6)	(13.9)
BSE SENSEX	30,379.81	(1.2)	(3.3)	(31.4)
Bovespa	78,831.50	(2.3)	(1.9)	(47.8)
RTS	1,046.88	(7.6)	(8.3)	(32.4)

Source: Bloomberg (*$ adjusted returns)

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