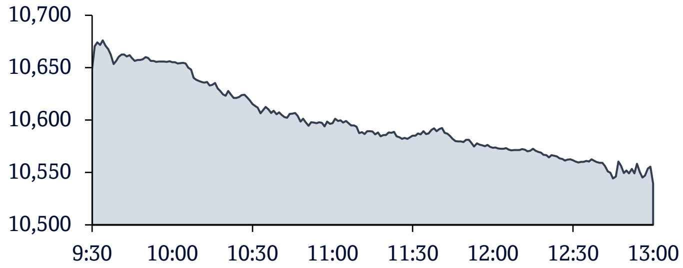
## QSE Intra-Day Movement




| Market Indicators | 28 May 25 | 27 May 25 | %Chg. |
|---|---|---|---|
| Value Traded (QR mn) | 451.0 | 455.5 | (1.0) |
| Exch. Market Cap. (QR mn) | 624,234.8 | 629,186.7 | (0.8) |
| Volume (mn) | 157.1 | 187.1 | (16.1) |
| Number of Transactions | 27,794 | 22,705 | 22.4 |
| Companies Traded | 53 | 52 | 1.9 |
| Market Breadth | 11:38 | 13:37 | – |

| Market Indices | Close | 1D% | WTD% | YTD% | TTM P/E |
|---|---|---|---|---|---|
| Total Return | 24,863.46 | (1.0) | (2.2) | 3.1 | 11.7 |
| All Share Index | 3,897.52 | (0.9) | (2.0) | 3.2 | 11.9 |
| Banks | 4,850.76 | (1.0) | (2.4) | 2.4 | 10.4 |
| Industrials | 4,221.02 | (0.5) | (1.6) | (0.6) | 16.1 |
| Transportation | 5,700.54 | (1.5) | (2.1) | 10.4 | 13.3 |
| Real Estate | 1,624.26 | (0.4) | (0.9) | 0.5 | 19.5 |
| Insurance | 2,352.29 | 0.1 | (0.2) | 0.2 | 12.0 |
| Telecoms | 2,156.63 | (1.6) | (3.0) | 19.9 | 13.5 |
| Consumer Goods and Services | 7,944.95 | (0.3) | (1.0) | 3.6 | 19.9 |
| Al Rayan Islamic Index | 5,024.99 | (1.1) | (2.4) | 3.2 | 13.7 |

## Qatar Commentary

The QE Index declined 1.0% to close at 10,539.4. Losses were led by the Telecoms and Transportation indices, falling 1.6% and 1.5%, respectively. Top losers were Qatar General Ins. & Reins. Co. and Qatar Islamic Bank, falling 9.5% and 2.4%, respectively. Among the top gainers, Widam Food Company gained 3.0%, while Qatar Insurance Company was up 1.6%.

## GCC Commentary

*Saudi Arabia:* The TASI Index gained 1.2% to close at 11,052.8. Gains were led by the Software & Services and Consumer Services indices, rising 2.0% and 1.9%, respectively. Fawaz Abdulaziz Alhokair Co. rose 5.8%, while Ataa Educational Co. was up 5.5%.

*Dubai* The DFM Index gained 0.4% to close at 5,526.5. The Financials index rose 0.9%, while the Industrials index gained 0.7%. Dubai Residential REIT rose 13.6%, while National General Insurance Company was up 9.9%.

*Abu Dhabi:* The ADX General Index gained 0.7% to close at 9,743.5. The Energy index rose 1.4%, while the Consumer Staples index gained 1.2%. E7 Group PJSC Warrants rose 10.6%, while Insurance House was up 6.4%.

*Kuwait:* The Kuwait All Share Index gained 0.6% to close at 8,119.3. The Health Care index rose 6.0%, while the Consumer Discretionary index gained 2.0%. Advanced Technology Company rose 9.3%, while Mubarrad Holding Co. was up 7.8%.

*Oman:* The MSM 30 Index fell 0.3% to close at 4,517.4. The Financial index declined 0.7%, while the other indices ended flat or in green. Oman Cables Industry declined 3.6%, while National Bank of Oman was down 3.4%.

*Bahrain:* The BHB Index fell 0.1% to close at 1,920.7. The Consumer Discretionary declined 0.8%, while the Materials index fell 0.5%. Khaleeji Bank declined 2.3%, while Bahrain Duty Free Shop Complex was down 2.3%.

| GCC Top Gainers## | Exchange | Close# | 1D% | Vol. '000 | YTD% |
|---|---|---|---|---|---|
| Presight | Abu Dhabi | 2.53 | 5.4 | 13,033.0 | 22.2 |
| Kingdom Holding Co. | Saudi Arabia | 8.66 | 5.2 | 776.6 | (2.0) |
| Saudi Industrial Inv. Group | Saudi Arabia | 15.94 | 4.5 | 1,538.1 | (7.7) |
| Multiply Group | Abu Dhabi | 2.35 | 3.5 | 80,822.5 | 13.5 |
| Abu Dhabi Commercial Bank | Abu Dhabi | 12.60 | 2.9 | 10,662.3 | 20.9 |

| GCC Top Losers## | Exchange | Close# | 1D% | Vol. '000 | YTD% |
|---|---|---|---|---|---|
| National Bank of Oman | Oman | 0.29 | (3.4) | 3,690.0 | (3.7) |
| Qatar Islamic Bank | Qatar | 21.50 | (2.4) | 1,812.7 | 0.7 |
| Ooredoo | Qatar | 12.51 | (1.9) | 1,591.0 | 8.3 |
| Qatar Gas Transport Co. Ltd | Qatar | 4.83 | (1.5) | 1,647.9 | 16.4 |
| Qatar Int. Islamic Bank | Qatar | 10.57 | (1.2) | 1,293.4 | (3.0) |

*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% |
|---|---|---|---|---|
| Widam Food Company | 2.300 | 3.0 | 2,636.1 | (2.1) |
| Qatar Insurance Company | 1.955 | 1.6 | 1,416.7 | (7.9) |
| Estithmar Holding | 3.251 | 0.8 | 13,085.0 | 91.9 |
| Inma Holding | 3.665 | 0.4 | 590.5 | (3.2) |
| Qatari Investors Group | 1.493 | 0.3 | 2,756.7 | (2.9) |

| QSE Top Losers | Close* | 1D% | Vol. '000 | YTD% |
|---|---|---|---|---|
| Qatar General Ins. & Reins. Co. | 1.215 | (9.5) | 69.7 | 5.4 |
| Qatar Islamic Bank | 21.50 | (2.4) | 1,812.7 | 0.7 |
| Damaan Islamic Insurance Company | 3.800 | (2.3) | 2.2 | (3.9) |
| Qatar Oman Investment Company | 0.677 | (2.0) | 6,728.3 | (3.6) |
| Ooredoo | 12.51 | (1.9) | 1,591.0 | 8.3 |

| QSE Top Volume Trades | Close* | 1D% | Vol. '000 | YTD% |
|---|---|---|---|---|
| Estithmar Holding | 3.251 | 0.8 | 13,085.0 | 91.9 |
| Mesaieed Petrochemical Holding | 1.373 | (0.3) | 12,578.6 | (8.2) |
| Mazaya Qatar Real Estate Dev. | 0.627 | (0.9) | 11,226.3 | 7.4 |
| Masraf Al Rayan | 2.269 | (1.1) | 10,764.4 | (7.9) |
| Baladna | 1.229 | (0.6) | 8,983.6 | (1.8) |

| QSE Top Value Trades | Close* | 1D% | Val. '000 | YTD% |
|---|---|---|---|---|
| QNB Group | 17.05 | (0.3) | 56,527.2 | (1.4) |
| Estithmar Holding | 3.251 | 0.8 | 42,674.3 | 91.9 |
| Industries Qatar | 12.12 | (0.8) | 40,131.6 | (8.7) |
| Qatar Islamic Bank | 21.50 | (2.4) | 39,519.7 | 0.7 |
| Masraf Al Rayan | 2.269 | (1.1) | 24,498.6 | (7.9) |

| Regional Indices | Close | 1D% | WTD% | MTD% | YTD% | Exch. Val. Traded ($ mn) | Exchange Mkt. Cap. ($ mn) | P/E** | P/B** | Dividend Yield |
|---|---|---|---|---|---|---|---|---|---|---|
| Qatar* | 10,539.41 | (1.0) | (2.2) | 0.8 | (0.3) | 123.76 | 171,165.2 | 11.7 | 1.3 | 4.7 |
| Dubai | 5,526.54 | 0.4 | 1.4 | 4.1 | 7.1 | 247.99 | 266,930.8 | 9.6 | 1.6 | 5.4 |
| Abu Dhabi | 9,743.45 | 0.7 | 0.8 | 2.2 | 3.4 | 504.34 | 752,072.3 | 18.4 | 2.6 | 2.4 |
| Saudi Arabia | 11,052.76 | 1.2 | (1.2) | (5.3) | (8.2) | 1,219.73 | 2,486,032.1 | 17.0 | 2.0 | 4.2 |
| Kuwait | 8,119.30 | 0.6 | 0.8 | 2.0 | 10.3 | 295.42 | 157,727.8 | 10.5 | 1.5 | 3.4 |
| Oman | 4,517.44 | (0.3) | 0.4 | 4.7 | (1.3) | 22.66 | 32,607.7 | 8.1 | 0.9 | 6.1 |
| Bahrain | 1,920.71 | (0.1) | (0.1) | 0.4 | (3.3) | 1.1 | 19,799.0 | 13.0 | 1.4 | 4.1 |

*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 1.0% to close at 10,539.4. The Telecoms and Transportation indices led the losses. The index fell on the back of selling pressure from Foreign shareholders despite buying support from Qatari, Arab and GCC shareholders.
- Qatar General Ins. & Reins. Co. and Qatar Islamic Bank were the top losers, falling 9.5% and 2.4%, respectively. Among the top gainers, Widam Food Company gained 3.0%, while Qatar Insurance Company was up 1.6%.
- Volume of shares traded on Wednesday fell by 16.1% to 157.1mn from 187.2mn on Tuesday. Further, as compared to the 30-day moving average of 201.0mn, volume for the day was 21.9% lower. Estithmar Holding and Mesaieed Petrochemical Holding were the most active stocks, contributing 8.3% and 8% to the total volume, respectively.

| Overall Activity | Buy%* | Sell%* | Net (QR) |
|---|---|---|---|
| Qatari Individuals | 33.21% | 26.46% | 30,471,787.00 |
| Qatari Institutions | 33.49% | 24.89% | 38,797,510.40 |
| **Qatari** | **66.71%** | **51.35%** | **69,269,297.40** |
| GCC Individuals | 0.44% | 0.52% | (351,873.27) |
| GCC Institutions | 4.54% | 3.75% | 3,558,087.73 |
| **GCC** | **4.98%** | **4.27%** | **3,206,214.46** |
| Arab Individuals | 9.08% | 8.14% | 4,274,103.82 |
| Arab Institutions | 0.07% | 0.07% | (396.02) |
| **Arab** | **9.15%** | **8.20%** | **4,273,707.80** |
| Foreigners Individuals | 2.22% | 1.59% | 2,860,289.47 |
| Foreigners Institutions | 16.94% | 34.60% | (79,609,509.13) |
| **Foreigners** | **19.17%** | **36.19%** | **(76,749,219.66)** |

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

## *Global Economic Data*

**Global Economic Data**

| Date | Market | Source | Indicator | Period | Actual | Consensus | Previous |
|---|---|---|---|---|---|---|---|
| 05-28 | US | Mortgage Bankers Association | MBA Mortgage Applications | 23-May | -1.20% | NA | NA |

## *Qatar*

- **AlRayan Bank: Issuance of $500mn 5-year Senior Unsecured RegS Sukuk -** AlRayan Bank (Q.P.S.C) rated A2 by Moody's with a stable outlook has successfully issued its $500mn 5-year Senior Unsecured RegS Sukuk at a final Price of 5-year US Treasuries + 80 bps (Expected Profit rate of 4.875% at an Issue price of 99.82). The successful completion of this transaction underscores the robustness of the Qatari economy and AlRayan Bank's strong credit fundamentals. This issuance reaffirms AlRayan Bank's standing as a leading financial institution in the region and marks a significant milestone in its journey to diversify its funding sources and continue to strengthen its presence in the international markets. (QSE)
- **QSE & MSCI Indexes review changes take effect at cob today, May 29th –** Following the QSE Index Committee's June 2025 Semi-annual review (on May 15th) and MSCI's quarterly review (on May 13th), the changes will be implemented today, 29th May 2025, at close of business. While no changes are expected from the MSCI review, the QSE Index review will see the following changes take effect: **QE Index**: Estithmar Holding and Ezdan Holding Group will replace Baladna and United Development Company in the QE Index. Any qualifying component exceeding 15% weight in the index as of market close May 29th,2025 will have its weight capped at the 15% level and excess weight allocated to remaining stocks proportionately. **QE Al Rayan Islamic Index**: Qatar Islamic Insurance will join the QE Al Rayan Islamic Index whilst Meeza will be removed from the Index. **QE All Share Index & Sectors**: Ahli Bank will join QE All Share Index and QE Banks and Financial Services Sector Index. (QSE)
- **Al Mahhar Holding: The EGM endorses items on its agenda -** Al Mahhar Holding announces the results of the EGM. The meeting was held on 28/05/2025 and the following resolutions were approved 1. Approval for the potential acquisition by the subsidiary (Qatar Welding and Fabrication Supplies "QFAB") of the remaining 49% stake in the subsidiary (European Equipment Company "EEC"), and approval of the EGM Chair's recommendation to set a maximum purchase price and take the necessary steps to complete the potential transaction, subject to the completion of negotiations with relevant parties, internal procedures, final documentation, and receipt of required regulatory approvals. 2. Approval for the potential acquisition by the subsidiary (Petroleum Technology Company "Petrotec") of a 90% stake in (Gulf Automation System "GAS"), and approval of the EGM Chair's recommendation to set a maximum purchase price and take the necessary steps to complete the potential transaction, subject to the completion of legal and financial due diligence, negotiations with relevant parties, internal approvals, and receipt of required regulatory consents. 3. Authorizing the Chairman, Vice Chairman, Chief Executive Officer, or Board Secretary — each acting individually — to negotiate, sign, and execute all documents and take all actions necessary to proceed with the two potential acquisitions, including the issuance of powers of attorney and completion of any required filings or approvals with competent authorities. (QSE)
- **Fitch: Qatar banks see lesser pressure for M&A in Gulf -** Qatar's banking sector has less pressure for consolidation in the Gulf region, which otherwise is prone to see stronger momentum for mergers and acquisitions (M&A) owing to lower oil revenues, according to Fitch, an international credit rating agency. "Qatar has many banks for its small population, but profitability is strong, so there is less pressure for M&A to diversify revenues," Fitch said in its latest report. Consolidation among the Gulf Co-operation Council (GCC) banks may gain momentum if lower oil prices add to competitive pressure in the region, it however said. Sustained lower oil prices and weaker global demand may put pressure on the GCC bank operating environments, leading to weaker profitability and acting as a catalyst for M&A as banks seek to diversify their revenues and increase scale, the rating agency said. Smaller banks may become targets due to their weaker franchises, and often higher funding costs and thinner capital buffers, according to Fitch. Lower oil prices and weaker global demand are the main risks for the GCC bank operating environments. Government spending strongly affects bank operating conditions in most GCC countries, and a further drop in oil prices could weaken Fitch's lending growth forecasts "Consolidation is likely to be less widespread in Qatar and Saudi Arabia," it said, adding Saudi Arabia stands out as the one GCC market that does not appear overbanked given its much larger population; lower banking system assets/GDP (gross domestic product) ratio and strong growth prospects. Highlighting that bank sector M&A in the GCC has been focused on enhancing shareholder value through strengthened market positions and economies of scale; it said this has led to the creation of dominant entities, such as First Abu Dhabi Bank and Saudi National Bank. The recent merger between Kuwait Finance House and Bahrain's Ahli United Bank, creating a regional Islamic banking powerhouse, exemplifies the trend. Nevertheless, smaller banks with weaker franchises, pricing power and capital buffers are increasingly likely to feature in M&A, it said. "We expect digital banking and new digital entrants to be an increasingly significant driver of consolidation in the region, with banks seeking technological partnerships to improve competitiveness. The expansion of open banking is also likely to influence M&A strategies, fostering joint ventures between tech companies, telecom firms and banks," Fitch said. Islamic banks have increasingly been involved in M&A to consolidate their franchises, as with Dubai Islamic Bank's acquisition of Noor. The UAE's ambitious domestic Islamic finance strategy may lead to further M&A involving Islamic banks. Emirates NBD and Abu Dhabi Commercial Bank have acquired domestic

Islamic subsidiaries, which should support financing and deposit growth. In Oman, banks such as Oman Arab Bank and Sohar International Bank have completed or are pursuing Islamic bank acquisitions to cement their positions in the market. Most GCC bank M&A has been domestic, but "we expect a gradual shift towards regional transactions", such as Kuwait Finance House's takeover of Ahli United Bank, Fitch said. (Gulf Times)

- **Construction sector a key pillar of Qatar's sustainable development -** The construction sector is a vital part of Qatar's sustainable development, aligning with the Qatar National Vision 2030. It focuses on sustainable construction practices, reducing environmental impact, conserving resources, and enhancing quality of life, while also driving economic growth and job creation. Sustainable construction plays a pivotal role in this transformation by promoting environmental stewardship, economic diversification, and social development. The 21st edition of Project Qatar which will conclude today is the country's largest and most influential trade exhibition for construction materials, equipment, and technologies, plays an active role in enhancing the business environment and developing productive sectors, most notably the construction sector which is a key pillar of development. Sustainable It directly supports Qatar National Vision 2030 and aligns with commitment to economic diversification, private sector empowerment, and strengthening public-private partnerships. This year's edition embraces the theme 'Innovation & Sustainability: Qatar's Path to 2030,' highlighting the nation's forward-looking development priorities in line with its national vision. The Ministry of Commerce and Industry, represented by Assistant Undersecretary for Industry and Business Development, Saleh Majid Al-Khulaifi participated in the exhibition. He highlighted the Ministry's commitment to supporting initiatives that promote industrial development and enable the private sector to play a greater role in economic activity. He pointed out that the exhibition is a prominent platform that brings together experts, investors, and decision-makers to exchange experiences and explore the latest products, technologies, services, and best practices in the construction sector. Project Qatar continues to play a vital role in driving growth, fostering innovation, and shaping the future of the construction industry by bringing together hundreds of local and international exhibitors and participants from across the world, positioning it as a global gateway for the Qatari economy. Recently, in a strategic move to drive investment growth and accelerate economic diversification, Invest Qatar officially launched a $1bn incentives program, aimed at strengthening Qatar's position as a leading global business hub. Unveiled at the 5th edition of Qatar Economic Forum, the program offers a comprehensive suite of incentive packages tailored for both local and international investors. These incentives provide financial support covering up to 40% of eligible local investment expenses over five years, including business setup costs, construction, office leases, equipment and employee-related expenses. Targeting key growth sectors identified in the Third National Development Strategy (NDS3), namely advanced industries, logistics, IT and digital and financial services, the incentive program will be rolled out in phases. (Peninsula Qatar)
- **Cabinet approves draft decision to restructure Ministry of Labor units -** Prime Minister and Minister of Foreign Affairs HE Sheikh Mohammed bin Abdulrahman bin Jassim Al-Thani chaired the Cabinet's regular meeting held on Wednesday at the Amiri Diwan. Following the meeting, HE Minister of Justice and Minister of State for Cabinet Affairs Ibrahim bin Ali Al Mohannadi stated the following: At the outset of the meeting, the Cabinet hailed the participation of HH the Amir Sheikh Tamim bin Hamad Al-Thani in the Second GCC-ASEAN Summit held on Tuesday, in the Malaysian capital, Kuala Lumpur. The Cabinet emphasized that HH the Amir's participation reflects the State of Qatar's commitment to strengthening partnerships and deepening the GCC-Asian cooperation across various fields, in a manner that serves the interests of people and supports joint efforts for development and peace. Afterward, the Cabinet considered the topics on its agenda. It approved a draft Cabinet decision to amend the structure of certain administrative units within the Ministry of Labor and define their jurisdictions. This draft decision, prepared by the Ministry of Labor, aims to update responsibilities related to the formulation and development of nationalization policies, which are considered one of the main pillars for achieving workforce-related development goals. The Cabinet also approved a draft basic contribution agreement between Qatar Fund for Development and the United Nations Population Fund (UNFPA) to support the regular resources of UNFPA. Additionally, it approved a draft agreement between the State of Qatar and the United Nations regarding arrangements for the 11th session of the Conference of the States Parties to the United Nations Convention against Corruption. A draft memorandum of understanding for political consultations on issues of mutual interest between the Ministry of Foreign Affairs of the State of Qatar and the Ministry of Foreign and European Affairs of the Republic of Croatia was also approved. The Cabinet was also briefed on the audited financial statements of the Qatar Financial Centre Regulatory Authority for the fiscal year ending Dec. 31, 2024, as well as the Authority's annual report for 2024. The Cabinet's meeting concluded with a review of the 15th annual report on the activities and outcomes of the Qatar Committee for the Alliance of Civilizations for the year 2024, before the appropriate decision regarding the report was taken. (Peninsula Qatar)
- **Qatar Economic Forum, Powered by Bloomberg 2025 concludes with global participation, strategic deals -** The fifth edition of the 'Qatar Economic Forum, Powered by Bloomberg' concluded in Doha last week with strong international turnout, high-level conversations, and concrete outcomes that reinforced Qatar's growing role as a global convening power. The forum welcomed over 3,000 in-person attendees from more than 90 countries and featured more than 120 speakers, including global leaders, CEOs, policymakers, and government officials. Across the three-day program, more than 20 Memoranda of Understanding (MoUs) were signed and over 300 meetings were held, demonstrating the forum's role in advancing partnerships and enabling cross-border collaboration. With over 280 members of the press representing more than 80 local and international outlets, the event also garnered widespread media attention, amplifying its reach across regional and global platforms. This year's edition, themed 'The Road to 2030: Transforming the Global Economy', explored global shifts across geopolitics, investment, energy security, technology, and sports and entertainment. Through more than 40 sessions, the Forum convened high-level discussions on development, economic transformation, and the evolving role of the Gulf in shaping the decade ahead. "The 2025 forum was a high-level strategy meeting for the global economy, offering a window into how global leaders are thinking about several topics, from geopolitics to investment. It revealed their priorities, the shifts they anticipate, and how they are preparing for the years ahead," said Sheikh Dr Abdulla bin Ali al-Thani, chairman of Media City Qatar and the Organizing Committee of the Forum. He added: "This is what Qatar stands for: open dialogue, meaningful partnerships, and a belief that progress happens when we come together across borders and sectors. Convening voices at this level is a conscious choice to stay ahead of the shifts already unfolding. With our partners, we are committed to building this platform year after year as a steady part of Qatar's role on the global stage." Karen Saltser, CEO of Bloomberg Media, added: "The fifth edition of the Qatar Economic Forum stood out for its clarity and conviction. We saw global leaders speak candidly about the forces shaping our world, from capital flows to technology and trade. Through our collaboration with Media City Qatar, Bloomberg Media is helping bring these critical conversations to a global audience, while continuing to deepen our presence in Doha as this platform grows in reach and impact." As the 'Official Partner' of the forum, Media City Qatar announced three strategic agreements during the event aimed at expanding international partnerships, strengthening Qatar's media ecosystem, and advancing the creative economy. Bloomberg Media announced it will be deepening its presence in Qatar with an expanded studio setup in Doha, following five successful years of producing the global 'Qatar Economic Forum, Powered by Bloomberg.' Media City Qatar and Microsoft signed an MoU during the event to advance digital innovation in Qatar's media and creative technology sectors, with a focus on entrepreneurship, training, and startup support. Meanwhile, a co-operation agreement signed with Qatar Development Bank will enhance Qatar's creative and cultural industries by fostering innovation, nurturing global talent, and unlocking new opportunities for media startups. Additionally, during the Forum, Media City Qatar also hosted an exclusive networking event, bringing together key voices from the media, technology, and creative industries to connect, exchange ideas, and build meaningful relationships. (Gulf Times)

- **QC: Qatar's trade with Malaysia grows 80% to QR5.2bn -** Trade relations between Qatar and Malaysia have witnessed remarkable growth, with bilateral trade increasing by 80% in 2024 to reach QR5.2bn, up from QR2.9bn in 2023, according to Rashid bin Hamad Al Athba, second vice chairman of Qatar Chamber. Al Athba made the announcement during the ASEAN-GCC-China Economic Forum held in the Malaysian capital on Wednesday. The event brought together senior government officials, business leaders, and investors from ASEAN, GCC countries, and China to explore economic cooperation and strategic investments across key sectors. Qatar Chamber participated in the forum with a delegation headed by Al Athba and included board members Eng Ali bin Abdul Latif Al Misnad and Nasser bin Suleiman Al Haidar. The forum featured high-level sessions on boosting investment between ASEAN, GCC, and China, the role of artificial intelligence in transforming industries, and accelerating growth in energy and logistics sectors across the ASEAN region. On the sidelines of the forum, Al Athba held bilateral meetings with regional leaders to strengthen economic ties. He met with Minister of Finance and Economy of Brunei Dato Amin Abdullah where both sides discussed opportunities for collaboration and the signing of new cooperation agreements with the Brunei Chamber of Commerce and Industry. Al Athba also met with Malaysia's Deputy Minister of Investment, Trade and Industry Liew Chin Tong. The two discussed ways to deepen trade and economic cooperation between Qatar and Malaysia, as well as enhancing mutual investments in diverse sectors. Speaking to the media, Al Athba emphasized the readiness of Qatar's private sector to expand cooperation with ASEAN countries. "ASEAN is one of the world's fastest-growing economic regions, strategically located on global trade routes and home to a population of approximately 690mn. These attributes make it highly attractive to Gulf investors looking to scale their global footprint," he said. He called on business leaders in ASEAN countries and China to explore Qatar's dynamic business environment, benefit from the investment incentives on offer, and form commercial alliances with Qatari companies. The forum reaffirmed Qatar Chamber's commitment to advancing economic collaboration between Qatar, ASEAN countries, and China, while also promoting Qatar as a leading hub for trade and investment in the region. (Qatar Tribune)

- **Qatar, Argentina seek to boost trade beyond QR366mn -** Mohammed bin Mahdi Al-Ahbabi, Member of the Board of Directors of Qatar Chamber, received Hernán Lombardi, Minister of Economic Development of the City of Buenos Aires, Argentina, and his accompanying delegation at the Chamber's headquarters on Wednesday. The meeting discussed bilateral cooperation between the two countries, particularly in the commercial and economic fields, and ways to enhance them. The two sides also reviewed the investment climate in both countries and the available investment opportunities that businesspeople from both sides can capitalize on to strengthen trade exchanges. Al-Ahbabi praised the distinguished relations between the State of Qatar and the Republic of Argentina, pointing out that the volume of trade exchange between the two countries reached about QR366mn in 2024. He noted that this figure does not reflect the true potential and mutual ambitions, emphasizing the need to work diligently to boost trade cooperation by encouraging the private sector to establish joint ventures in both Qatar and Argentina. Al-Ahbabi also highlighted the presence of nine Argentine companies registered with Qatar Chamber and operating in the Qatari market in partnership with Qatari firms. He affirmed that Qatar Chamber welcomes Argentine companies interested in investing in Qatar and noted that, conversely, many Qatari investors are keen to explore investment opportunities in Argentina. For his part, Hernán Lombardi commended the relations between Qatar and Argentina. He stated that his visit to Doha comes as part of his country's desire to strengthen trade and economic cooperation with the State of Qatar. He invited Qatari businesspeople and investors to explore the investment environment and opportunities available in Argentina, particularly in sectors such as agriculture, technology, and others. (Qatar Tribune)

- **Fitch Ratings: Qatar DCM Growth Steady; Sukuk, ESG and Riyal Penetration Rising -** Fitch Ratings expects debt capital market (DCM) issuance from Qatari entities to grow steadily, and to exceed $150bn in the medium term. Sukuk, ESG, and Qatari riyal market penetration are on an upward trajectory. The potential development of digital government sukuk, as part of the Qatar Central Bank's (QCB) Central Bank Digital Currency project (CBDC), can support the market's depth and sophistication. However, DCM continues to face a number of long-standing structural gaps. Qatar stands as the third-largest DCM source among the GCC countries, with a 13% regional share outstanding as of end-4M25. The market expanded by 8% yoy to $131.8bn outstanding (all currencies), dominated by the sovereign at nearly 60%, followed by banks and corporates at 26% and 14%, respectively. US dollar issuance was minimal in April 2025, reflecting heighted global macroeconomic, financial-market volatility and uncertainties, on the back of the announced US tariffs increase. DCM issuance in 4M25 reached $9.6bn, which was 36% lower than in 4M24. The sukuk share of DCM rose to 16.9% outstanding (4M24: 10.8%; all currencies), expanding rapidly by 68% yoy to reach $22bn outstanding at end-4M25. However, sukuk issuance during 4M25 dropped by 86% yoy, while bonds were down by 18%. Fitch rates close to 60% of Qatar's dollar sukuk outstanding as of 1Q25, all investment-grade and holding an 'A' rating with a Stable Outlook. No sukuk or bonds from Qatari entities had defaulted as of 4M25. Fitch's base case is that the government is going to refinance upcoming external market debt maturities and tap markets to cover a small budget surplus in 2025 under the assumption of a Brent oil price of $65/bbl (excluding QIA investment income), while banks and corporates are likely to continue to diversify funding sources. The government's debt is below peers. We project debt/GDP to rise to about 49% of GDP by 2025 before falling to below 45% by 2027 as addition gas production volumes boost budget surpluses (2024: 48%; 2020: 85%). Fitch also projects that the US Federal Reserve interest rates will drop to 4.25% by end-2025, with Qatar Central Bank (QCB) likely to mirror this trend. Most banks have issued long-term senior unsecured debt to extend their maturity profiles, with strong capital markets access. Banks have been active issuers over the last three years, with their total share of the DCM issuance reaching 48% in 4M25 (2024: 24.7%; 2023: 12.9%). This is driven by refinancing needs for maturing debt and diversification effort. In 2024, corporate issuances were nearly 2% of total DCM issuance. About 67% of the DCM outstanding was US dollar-denominated (2021: 65%) and 28% riyal-denominated (2021: 26%). About 90% of the sovereign's bond issuance and all sovereign's bond sukuk issuance in 2024 were in riyal. Qatari riyal corporate sukuk also made its debut issuance in 2024. No banks issued riyal debt in 2024, though one bank issued sukuk in riyal during 4M25. ESG debt is becoming a key dollar funding tool, at close to 30% of all dollar DCM issuance in 2024 (2023: 0%). In April 2025, QCB launched the Sustainable Finance Framework, covering both bonds and sukuk, though no ESG debt has been issued this year. ESG DCM reached $4.1bn by end-4M25, up 204% yoy with a sukuk share at 18%. The QCB completed the infrastructure development for the CBDC in 2024 and will investigate digital government bonds issuance. The lack of a link with international central securities depositories such as Euroclear or Clearstream partly hinders foreign-investor participation in the local-currency DCM. Private-sector issuance is limited, with most corporates preferring bank financing over bonds or sukuk. The riyal market remains nascent, and the investor base is concentrated with banks. (Bloomberg)

- **BNEF: Carbon credits could put major dent in airlines' wallets -** Emirates, Qatar Airways and United Airlines are expected to become the biggest carbon credit buyers under a United Nations-led decarbonization scheme for aviation. As these credits become increasingly expensive, this could add hefty financial strain to their wallets — and for many other airlines. Under the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), airlines must reduce their emissions from international passenger and cargo flights between participating states, relative to 2019 levels. They could use CORSIA-eligible fuels or purchase and cancel approved carbon credits. The current market has voluntary participation from 129 markets but will grow to 135 – including Russia, Brazil, India and China – in 2027 and will become mandatory. According to BloombergNEF estimates, Emirates, Qatar Airways and United Airlines alone are responsible for 14% of total estimated emissions covered under CORSIA from 2024 to 2035 at 418mn metric tons of carbon dioxide equivalent (MtCO2e), 258MtCO2e and 223MtCO2e, respectively. To fulfill their emission reduction mandates under CORSIA, bnEF projects airlines would need to spend up to $62bn cumulatively on carbon credits in the same period. Emirates alone could shoulder up to $3.7bn of spend. The financial strain on airlines – particularly the top emitters – will grow as carbon credit prices are expected to rise over time. bnEF modelling shows that the average price of CORSIA-eligible credits could reach $16.70 per ton in Phase I, before increasing almost 200% to $49.40 per ton during Phase II. As airlines are only required to submit their offsetting requirements 13 months after the end of each compliance cycle, airlines may end up bearing the brunt of this expense for each cycle in a single given year. Consequently, their operating costs in that period could see an upsurge. (Bloomberg)

- **Cabinet okays Qatar-Croatia agreement -** A draft memorandum of understanding for political consultations on issues of mutual interest between the Ministry of Foreign Affairs of Qatar and the Ministry of Foreign and European Affairs of Croatia was also approved. The Cabinet was also briefed on the audited financial statements of the Qatar Financial Centre Regulatory Authority for the fiscal year ending December 31, 2024, as well as the Authority's annual report for 2024. The Cabinet's meeting concluded with a review of the 15th annual report on the activities and outcomes of the Qatar Committee for the Alliance of Civilizations for the year 2024, before the appropriate decision regarding the report was taken. (Qatar Tribune)
- **MoECC highlights Qatar's climate adaptation plan steady progress -** Undersecretary of the Ministry of Environment and Climate Change Eng. Abdulaziz bin Ahmed bin Abdullah bin Zaid Al Mahmoud has affirmed that Qatar is moving steadily towards the development and implementation of a comprehensive National Adaptation Plan (NAP) which aims to enhance the country's readiness to confront growing climate challenges and to mitigate their impacts across various vital sectors. This came during his opening remarks at a workshop on 'The Future of Climate Change in Qatar: Assessing Measures and Setting Priorities'. The workshop was attended by representatives from government entities, the private sector, academic institutions and international organizations, and local and international experts. He explained that climate change is no longer merely an environmental issue but has become an economic and developmental challenge impacting strategic sectors such as water and food security, public health, infrastructure, and biodiversity. The workshop represents a pivotal milestone in the development of the National Adaptation Plan, which is based on a scientific approach and a strategic vision that relies on long-term climate impact assessments and aligns with Qatar's national sustainable development strategies and priorities, HE added. The adaptation plan, he noted, is consistent with the country's commitments under the United Nations Framework Convention on Climate Change (UNFCCC), particularly regarding the Global Goal on Adaptation outlined in the Paris Agreement. He emphasized that the plan also contributes to enhancing transparency and reporting through national reports submitted to the UN Secretary-General's office on climate change. He pointed out that the proposed measures within this plan have been developed through active participation from various stakeholders, including government institutions, the private sector, academic institutions, and international organizations reflecting a comprehensive and participatory approach to shaping climate adaptation policy in Qatar. Eng. Al Mahmoud concluded his remarks by stressing that the success of the National Adaptation Plan relies on continued cooperation and coordination among all relevant parties, and on adopting practical and scientifically grounded actions. He called on participants to share their opinions and expertise in support of implementing the priority measures to be adopted at the end of the workshop. The workshop featured a detailed presentation on the criteria selection process used to classify adaptation measures. This was followed by a sectoral vote, where attendees were divided into six groups representing key sectors: agriculture and livestock, water, energy, industries and infrastructure, coastal resilience and biodiversity, and public health. Each group identified top priority adaptation measures within their sector based on the approved criteria. Additionally, the World Café method was adopted to facilitate cross-sector discussions, culminating in a consolidated list of Qatar's climate adaptation priorities. Participants used "Mentimeter" to contribute to the final prioritization process. (Qatar Tribune)
- **NAQ, Microsoft partner to digitize national documents -** The National Archives of Qatar (NAQ) has signed a strategic cooperation framework with Microsoft Qatar to digitize and facilitate access to national documents. NAQ Secretary-General Dr Ahmed Abdullah Al Buainain said the move enhances institutional knowledge, preserves national identity and supports decision-making in line with the sustainability and governance pillars of Qatar National Vision 2030. He added the partnership is part of NAQ's 2025–2030 strategy that seeks an integrated document management system based on digital transformation, innovation and sustainability. Dr Al Buainain elaborated that the cooperation continues the innovative initiatives undertaken by the Ministry of Communications and Information Technology to drive economic growth, improve the quality of public services, and foster a culture of creativity to advance national innovation. Meanwhile, Microsoft Qatar General Manager Lana Khalaf took her pride in the partnership, hailing NAQ's endeavors to leverage technology to protect national memory. Through Microsoft Azure's cloud technologies and artificial intelligence applications, Microsoft is contributing to the development of an advanced, sustainable, and secure digital preservation system, she said. Khalaf affirmed that this collaboration reflects Microsoft's commitment to empowering Qatari institutions to enhance their digital capabilities and to provide cloud infrastructure that supports development and innovation, in line with the highest standards of security and digital sovereignty. In this context, NAQ Assistant Secretary-General Aisha Al Saad said the partnership with Microsoft would develop research initiatives that meet the needs of institutions, with a focus on security, efficiency, and sustainability. The project digitizes both print and digital newspapers, as well as social media archives, as part of a vision aimed at enriching national content and facilitating access for researchers and interested individuals. Work is also underway to develop a unified digital platform that will offer more than 32 services in the coming years, including document registration, restoration, research requests, interaction with experts, and electronic access to national records. The platform will feature advanced search tools, contribute to improving the efficiency of services provided, and reduce reliance on paper-based procedures. (Qatar Tribune)
- **QNB Group recognized with prestigious accolades from The Digital Banker -** QNB Group has been recognized with accolades from The Digital Banker as part of its 2025 Middle East and Africa Innovation Awards and CX Awards, including 'Best Bank for Trade Finance – Qatar', 'Best Bank for Cash Management – Qatar' and 'Excellence in Omni-Channel Customer Experience'. QNB was awarded 'Best Bank for Trade Finance in Qatar' for leveraging digital platforms to streamline trade processes, improve operational efficiency, and deliver comprehensive trade finance solutions. In 2024, QNB facilitated trade solutions exceeding QR212bn — an increase of 12.7% compared to the previous year. QNB was also named 'Best Bank for Cash Management in Qatar', highlighting its efforts in transforming international payments, expanding currency coverage from 30 to 130 markets, and improving transparency, speed, and efficiency. QNB also received the 'Excellence in Omni-Channel Customer Experience' award for its commitment to delivering consistent, integrated customer journeys across its physical and digital channels, further strengthening its position as a customer centric bank. Commenting on the achievements, Khalid Ahmed al-Sada, Senior Executive Vice-President, QNB Group Corporate and Institutional Banking, said: "We are proud to be recognized for our innovation and commitment to excellence. These awards reflect the hard work and dedication of our teams across all business units, and our ongoing investment in digital transformation to better serve our clients." "These awards reflect QNB's leadership in digital innovation, operational excellence, and its continued commitment to providing seamless, customer focused banking solutions across the region", he added. (Gulf Times)

## *International*

- **Fed saw inflation, jobless, stability risks at May meeting, minutes show -** U.S. Federal Reserve officials at their last meeting acknowledged they could face "difficult tradeoffs" in coming months in the form of rising inflation alongside rising unemployment, an outlook buttressed by concerns about financial market volatility and Fed staff warnings of increasing recession risk, according to minutes of the May 6-7 session. The foreboding outlook has likely shifted since then following President

Donald Trump's decision just a week after the meeting to postpone the severe import tariffs, including a 145% levy on goods from China, that had forced up bond yields, driven down stock prices, and led to widening predictions of a U.S. economic downturn. But the minutes released on Wednesday still showed Fed policymakers and staff engaged in a consequential discussion of the likely fallout from Trump administration policies that remain in flux - with even the highest tariffs on hold but not yet withdrawn altogether. Officials at the meeting noted that volatility in bond markets in the weeks before "warranted monitoring" as a possible risk to financial stability, and noted that a change in the U.S. dollar's safe-haven status, along with rising Treasury bond yields, "could have long-lasting implications for the economy." Fed officials continue to cite the possibility of inflation and unemployment rising in tandem as a risk that would leave them forced to decide whether to prioritize fighting inflation with tighter monetary policy or cutting interest rates to support growth and employment. "Almost all participants commented on the risk that inflation could prove to be more persistent than expected," as the economy adapted to higher import taxes proposed by the Trump administration. "Participants noted that the (Federal Open Market) Committee might face difficult tradeoffs if inflation proves to be more persistent while the outlooks for growth and employment weaken," the minutes said. "Participants agreed that uncertainty about the economic outlook had increased further, making it appropriate to take a cautious approach until the net economic effects of the array of changes to government policies become clearer." The prospect of rising unemployment and higher inflation was outlined in staff briefings that projected a "markedly" higher inflation rate this year due to the impact of tariffs and a job market "expected to weaken substantially" with the unemployment rate rising above estimates of full employment by the end of this year and remaining there for two years. The unemployment rate was 4.2% as of April; Fed officials consider 4.6% to represent the level sustainable in the long run with inflation steady at the central bank's 2% target. The delay in the most aggressive tariffs to be imposed on China and other nations caused many analysts to lower their own estimated recession risks, which Fed staff as of early May had considered "almost as likely" as their baseline outlook of slowing but continued growth. In theory those stiff tariffs are only on hold until July pending negotiations over final tax rates, with Fed officials and business executives left in the dark about key aspects of the upcoming economic landscape. The uncertainty still felt today was also the watchword at the meeting in early May, when the Fed decided to hold the benchmark policy rate steady in the 4.25% to 4.5% range. In a press conference after the meeting, Fed Chair Jerome Powell indicated the central bank was effectively sidelined until the Trump administration finalizes its tariff plans and the impact on the economy becomes clearer, a view reiterated by Powell and other Fed policymakers in the weeks since. The Fed next meets on June 17-18, when the central bank will release new projections from policymakers about their outlook for inflation, employment and economic growth in coming months and years, and the projected interest rate they feel would be appropriate. At their March meeting the median projection among policymakers was for two quarter-point interest rate cuts by the end of 2025. (Reuters)

- **US court blocks Trump's tariffs, says president exceeded his authority -** A U.S. trade court on Wednesday blocked President Donald Trump's tariffs from going into effect in a sweeping ruling that the president overstepped his authority by imposing across-the-board duties on imports from nations that sell more to the United States than they buy. The Court of International Trade said the U.S. Constitution gives Congress exclusive authority to regulate commerce with other countries that is not overridden by the president's emergency powers to safeguard the U.S. economy. "The court does not pass upon the wisdom or likely effectiveness of the President's use of tariffs as leverage. That use is impermissible not because it is unwise or ineffective, but because [federal law] does not allow it," a three-judge panel said in the decision. The Trump administration minutes later filed a notice of appeal and questioned the authority of the court. The decisions of the Manhattan-based Court of International Trade, which hears disputes involving international trade and customs laws, can be appealed to the U.S. Court of Appeals for the Federal Circuit in Washington, D.C., and ultimately the U.S. Supreme Court. Trump has made charging U.S. importers tariffs on goods from foreign countries the central policy of his ongoing trade wars, which have severely disrupted global trade flows and roiled financial markets. Companies of all sizes have been whipsawed by Trump's swift imposition of tariffs and sudden reversals as they seek to manage supply chains, production, staffing and prices. A White House spokesperson on Wednesday said U.S. trade deficits with other countries constituted "a national emergency that has decimated American communities, left our workers behind, and weakened our defense industrial base – facts that the court did not dispute." "It is not for unelected judges to decide how to properly address a national emergency," Kush Desai, the spokesperson, said in a statement. Financial markets cheered the ruling. The U.S. dollar rallied following the court's order, surging against currencies such as the euro, yen and the Swiss franc in particular. Wall Street futures rose and equities across Asia also rose. The ruling, if it stands, blows a giant hole through Trump's strategy to use steep tariffs to wring concessions from trading partners, draw manufacturing jobs back to U.S. shores and shrink a $1.2tn U.S. goods trade deficit, which were among his key campaign promises. Without the instant leverage provided by the tariffs of 10% to 54% that Trump declared under the International Emergency Economic Powers Act (IEEPA) -- which is meant to address "unusual and extraordinary" threats during a national emergency -- the Trump administration would have to take a slower approach of lengthier trade investigations under other trade laws to back its tariff threats. The ruling came in a pair of lawsuits, one filed by the nonpartisan Liberty Justice Center on behalf of five small U.S. businesses that import goods from countries targeted by the duties and the other by 13 U.S. states. The companies, which range from a New York wine and spirits importer to a Virginia-based maker of educational kits and musical instruments, have said the tariffs will hurt their ability to do business. "There is no question here of narrowly tailored relief; if the challenged Tariff Orders are unlawful as to Plaintiffs they are unlawful as to all," the trade court wrote in its decision. At least five other legal challenges to the tariffs are pending. Oregon Attorney General Dan Rayfield, a Democrat whose office is leading the states' lawsuit, called Trump's tariffs unlawful, reckless and economically devastating. "This ruling reaffirms that our laws matter, and that trade decisions can't be made on the president's whim," Rayfield said in a statement. Trump has claimed broad authority to set tariffs under IEEPA. The law has historically been used to impose sanctions on enemies of the U.S. or freeze their assets. Trump is the first U.S. president to use it to impose tariffs. The Justice Department has said the lawsuits should be dismissed because the plaintiffs have not been harmed by tariffs that they have not yet paid, and because only Congress, not private businesses, can challenge a national emergency declared by the president under IEEPA. In imposing the tariffs in early April, Trump called the trade deficit a national emergency that justified his 10% across-the-board tariff on all imports, with higher rates for countries with which the United States has the largest trade deficits, particularly China. Many of those country-specific tariffs were paused a week later. The Trump administration on May 12 said it was also temporarily reducing the steepest tariffs on China while working on a longer-term trade deal. Both countries agreed to cut tariffs on each other for at least 90 days. (Reuters)

- **German unemployment rises faster than expected in May -** The number of people out of work in Germany rose at a faster pace than expected in May, labor office figures showed on Wednesday, putting pressure on a new government battling to wrench Europe's largest economy from a prolonged downturn. The office said the number of unemployed increased by 34,000 in seasonally adjusted terms to 2.96mn. Analysts polled by Reuters had expected a rise of 10,000. The number of unemployed people in Germany is approaching the 3mn mark for the first time in a decade. "The current labor market figures show that we urgently need economic policy impulses that create growth," German Labor Minister Baerbel Bas said. Economic malaise has put pressure on the job market even against a backdrop of long-term labor shortages, adding to pressure on conservative Chancellor Friedrich Merz, who has vowed to pull the economy out of a two-year decline. Tariffs announced by U.S. President Donald Trump could deal a major blow to those efforts - possibly putting the German economy on track for a third straight year of recession for the first time in the country's post-war history. Hiring intentions in the service sector, however, offer a rare bright spot, said Marc Schattenberg, economist at Deutsche Bank. "Especially if the trade conflict between the U.S. and the

EU is resolved soon, the German economy could grow slightly again this year," Schattenberg said. "That would finally give the labor market more tailwind." The seasonally adjusted employment rate remained unchanged in May from the previous month at 6.3%, in line with a forecast by analysts in a Reuters poll. Excluding the pandemic, this is the highest level since December 2015. Pantheon Macroeconomics forecasts that the German unemployment rate will climb to closer to 6.5% over the coming months. "The labor market is not getting the tailwind it needs for a trend reversal. Therefore, we expect unemployment figures to continue to rise in the summer," said labor office head Andrea Nahles. There were 634,000 job openings in May, or 67,000 fewer than a year ago, showing a slowdown in labor demand, the labor office said. (Reuters)

## *Regional*

- **GCC, ASEAN to boost economic ties -** Association of Southeast Asian Nations (ASEAN) and Gulf Cooperation Council (GCC) agreed on Tuesday to boost bilateral ties at their second summit hosted in the Malaysian capital. GCC leaders agreed to continue furthering partnerships with ASEAN nations in the face of global challenges and attain common economic opportunities. “We want to raise this figure to $180bn by 2032 because there is huge potential that has yet to be explored in bilateral trade and investment,” said Sheikh Sabah Khaled al Hamad al Sabah, Crown Prince of Kuwait. The total trade volume between the two blocs amounted to $130.7bn in 2024. Sheikh Sabah stressed the importance of accelerating negotiations for a GCC–ASEAN Free Trade Agreement, which is expected to unlock new investment opportunities and enhance regional supply chains. He also called for greater collaboration in energy security, climate action and technical fields. Key summit topics included economic cooperation, regional security, food and energy security, climate change and collaboration in education, technology and culture. In his opening remarks, Anwar Ibrahim, Prime Minister of Malaysia, expressed “appreciation for the presence of all leaders, a strong signal of their shared resolve to strengthen ASEAN-GCC cooperation and to explore broader, forward-looking partnerships for the benefit of their peoples”. The ASEAN-GCC Framework of Cooperation 2024-2028, adopted at the inaugural summit in Riyadh in 2023, “serves as our strategic roadmap to advance collaboration across political and security, economic and socio-cultural pillars”, said Anwar. Oman’s delegation was led by H H Sayyid Asaad bin Tarik al Said, Deputy Prime Minister for International Relations and Cooperation Affairs and Special Representative of His Majesty the Sultan. Addressing the summit, H H Sayyid Asaad said permanent peace in the Middle East cannot be achieved unless Israel halts its policy of genocide against the Palestinian people. “The international community, and all nations represented at this summit, must take urgent political, diplomatic and economic measures to end Israeli aggression and ensure the unimpeded delivery of humanitarian aid to the Gaza Strip.” (Zawya)
- **GCC’s improved air connectivity reflects region’s strategic importance, economic vitality -** Air passenger connectivity offered by airports in the Middle East, Gulf Co-operation Council (GCC) region in particular, posted an impressive 28% increase year-on-year in 2024, surpassing all post-Covid recovery forecasts. This, according to Airports Council International Asia-Pacific & Middle East (ACI APAC & MID), has been driven by strong international demand, robust network recovery, and the return of major travel corridors. Analysts say improved air connectivity is a reflection of the Middle East region’s strategic importance, economic vitality, and appeal to airlines and passengers. Since improved air connectivity facilitates trade, tourism, business travel, and global integration — these are integral to regional economic growth. The ACI Asia-Pacific & Middle East Air Connectivity Ranking is a comprehensive, passenger-centric analytical tool developed in collaboration with PwC in 2023 and refined for its third edition in 2025. The ranking evaluates the overall level of air passenger connectivity offered by airports across the Asia-Pacific and Middle East regions. It assesses performance through three fundamental building blocks: network scale and frequency, economic weight of destinations, and connection quality and efficiency. According to Airports Council International Asia-Pacific & Middle East, the Asia-Pacific region witnessed a remarkable 13% jump in overall connectivity compared to 2023, while the Middle East posted an impressive 28% increase, surpassing all post-pandemic recovery forecasts. On average, connectivity across all airports rose in both Asia-Pacific and the Middle East by +14%, a strong testament to the resilience and dynamism of the aviation sector. In Asia-Pacific, intra-regional connections are nearly back to pre-pandemic levels, trailing by just 0.2%. At the same time, intercontinental connectivity is on the rise, showing a solid 4% increase. The Middle East, however, isn't just recovering – it's setting a new pace. Both intra-regional and inter-continent connectivity have not only bounced back but have exceeded pre-pandemic levels by a significant margin of 18% and 16%, respectively. Commenting on the report, Stefano Baronci, Director General, ACI Asia-Pacific and Middle East, said: “Air connectivity is not only relevant for passengers seeking more travel options and convenience; it is equally crucial for supporting global trade and economic resilience, particularly through belly hold cargo capacity.” “While we celebrate this growth, we must remain forward-looking to ensure the momentum is sustained. Investment in airport infrastructure and technological upgrades is a prerequisite for enhancing connectivity, and airports across the region are undertaking significant investments to make this possible. In the face of growing geopolitical and trade tensions, we urge governments to prioritize air service liberalization, streamlined visa policies, and transparent slot allocation frameworks. Lastly, we must not lose sight of the needs of small island and remote communities-- air connectivity remains their lifeline,” Baronci added. Rise of Airport City Clusters: The 2025 edition introduces a fresh dimension: An analysis of airport city clusters. Larger urban agglomerations like Shenzhen–Hong Kong–Macau, Tokyo, Shanghai, and Beijing dominate the new City Connectivity Index, demonstrating that the presence of multiple large airports enables higher flight frequencies and diversified routing options. Clusters such as Beijing and Shenzhen–Hong Kong-Macau have seen a substantial enhancement of connectivity through effective use of secondary airports. Seoul, Bangkok, and Taipei lead in per capita accessibility, offering exceptional connectivity relative to population size. Analysts see improved air connectivity in the GCC region reflecting a deliberate strategy by Gulf countries to position themselves as global aviation and economic hubs. Doha’s Hamad International Airport, Dubai, Abu Dhabi, Riyadh, and Jeddah have all undergone massive expansions. These GCC airports now serve as mega-hubs for international travel, offering seamless connections between the East and the West. Airports in the GCC now act as a midpoint hub for connecting passengers between continents. Improved transit facilities and airline alliances enhance the region’s attractiveness to global travelers. In the last two decades or so, GCC countries have either opened or increased frequencies on high-demand long-haul routes (e.g., to Europe, Asia, and North America). Enhanced intra-GCC connectivity also improves movement between Gulf States for business and tourism. Enhanced connectivity supports not just passenger travel but also air freight and cargo, making the GCC a logistics powerhouse. Doha and Dubai are cases in point. Improved air connectivity in the GCC denotes the transformation of the region into a critical global aviation and economic hub, driving diversification beyond oil and increasing regional and international influence. It clearly reflects a broader strategic vision that combines infrastructure development, airline growth, and geopolitical positioning. (Gulf Times)
- **Sixth Gulf Conference recommends boosting economic diversification through innovation, AI -** Chairwoman of the 6th Gulf Virtual Conference for Innovation, Entrepreneurship, and Artificial Intelligence (AI), Dr. Hanadi Mubarak Al-Mubaraki, announced Tuesday that the conference concluded with four main recommendations aimed at strengthening economic diversification through innovation, technology, and entrepreneurship. In a statement to KUNA, Al-Mubaraki said that the conference, held virtually under the patronage of Minister of Information, Culture, and Minister of State for Youth Affairs Abdulrahman Al-Mutairi from May 26 to 27, featured distinguished participation from sheikhs, ministers, diplomats, inventors, entrepreneurs, researchers, and experts across various sectors, exceeding 100 participants. Al-Mubaraki noted that the four recommendations focused on key themes, namely economic diversification through innovation and technological entrepreneurship, digital transformation and artificial intelligence, advancement in financial, health, and educational technologies, as well as building smart cities and clean energy. She pointed out that the first recommendation

emphasized the necessity of long-term investment in innovative and sustainable projects, the establishment of an Arab investment fund to support innovation, entrepreneurship, and technology transfer, the creation of a GCC center for institutional innovation and technological entrepreneurship, and strengthening partnerships among governmental and private sectors, academia, and financial institutions to raise innovation and AI indicators. She mentioned that the second recommendation called for developing digital infrastructure to support AI applications and cybersecurity, encouraging startups and SMEs in the AI sector, designing specialized AI algorithms in Arabic, enabling digital commerce, and establishing clear data protection and privacy policies. She indicated that the third recommendation emphasized enhancing the use of technology, artificial intelligence, and cloud computing in vital sectors such as health, education, and finance, developing innovative fintech tools, and supporting digital regional integration among Gulf and Arab countries. Al-Mubaraki added that the fourth and final recommendation highlighted the importance of investing in smart cities infrastructure, communication networks, renewable energy technologies, enhancing technological innovation in clean energy, promoting sustainable marketing through technology to reduce harmful emissions, and raising community awareness about sustainability. (Zawya)

- **Riyadh hails oil discovery as step for energy coop. with Kuwait -** The Saudi Cabinet on Tuesday lauded the new oil discovery in in the partitioned zone between Saudi Arabia and State of Kuwait as a positive step towards a further cooperation in the energy sector. This came during the Saudi Cabinet's meeting, chaired by Crown Prince and Prime Minister Prince Mohammad bin Salman, according to the kingdom's official news agency. The cabinet said that recent oil discovery would lead to promoting Saudi-Kuwait cooperation in energy and continuing joint discovery and development efforts. The Governments of Kuwait and Saudi Arabia on Monday declared a new oil discovery in the partitioned zone, said the Kuwaiti Ministry of Oil. They announced that Wafra Joint Operations had made a new oil discovery in (North Wafra Wara-Burgan) field, located five kilometers north of Wafra field. Crude oil flowed from the Wara reservoir in the North Wafra (Wara-Burgan-1) well at a rate exceeding 500 barrels per day, with an API gravity of 26 to 27 degrees. API gravity is a scale that defines the gravity or density of liquid petroleum products. (Zawya)

- **71% of Saudi population under the age of 35 -** About 71% of the Saudi population is under the age of 35, according to the Saudi Family Statistics Report 2024, released by the General Authority for Statistics (GASTAT) on its website on Tuesday. The average age of a Saudi individual is 26.6 years, with a median age of 23.5 years, it was revealed in the report. The GASTAT report presented a comprehensive overview of household composition in the Kingdom based on the latest statistical data. According to the report's findings, Saudi households made up around 51% of all households. Households comprising two or more members made up approximately 86%, of which nuclear families accounted for 70% while composite and extended families together accounted for 16%. In contrast, single-person households represented 14%. The results showed that the average Saudi household size was about five members, with households of six members comprising 13.5%, and those of four or five members accounting for 12.8%. In terms of head of household, the data indicated that men make up 83.1% of Saudi household heads, while women account for 16.9%. The highest proportion of male heads of household was found in the 35–39 age group (17.6%), whereas the highest proportion of female heads of household was in the 30–34 age group (14.3%). Regarding housing types, the report showed that 44.9% of Saudi households live in apartments, and 31% live in villas. Among single-person households, 55.8% live in apartments, and 16.2% live in villas. For multi-member households, 43.4% live in apartments and 33.3% in villas, the report pointed out. (Zawya)

- **Abu Dhabi's Mubadala Sells $1bn in 10-year sukuk -** Abu Dhabi sovereign wealth fund Mubadala has sold $1bn in 10-year U.S. dollar-denominated Islamic bonds, or sukuk, in its first debt sale of the year, fixed income news service IFR said on Wednesday. Acting through the Mamoura Diversified Global Holding debt vehicle, Mubadala priced the bonds at 60 basis points over U.S. Treasuries, narrower than the 95 bps guidance given earlier in the day after receiving more than $4.75bn in orders, IFR said. The wealth fund last raised 1bn dirhams ($272.3mn) from sale of 5-year sukuk in October. Mubadala this month reported a 9.1% jump in assets under management to 1.2tn dirhams driven by investments in sectors such as technology, manufacturing and private credit. It is the second largest state investment fund in Abu Dhabi, the oil-rich capital of the United Arab Emirates, behind the Abu Dhabi Investment Authority (ADIA). Together with smaller peer ADQ, the three funds manage around $1.7tn in assets. (Reuters)

- **UAE, EU continue talks on Comprehensive Economic Partnership Agreement -** Dr. Thani bin Ahmed Al-Zeyoudi, Minister of State for Foreign Trade, welcomed Maroš Šefčovič, EU Commissioner for Trade and Economic Security, to the UAE for ongoing talks regarding the Comprehensive Economic Partnership Agreement (CEPA) between the UAE and the EU. The visit also included an investment roundtable with representatives from leading private sector companies aimed at exploring opportunities for increased collaboration and investment flows between the EU and UAE. The UAE-EU CEPA is poised to be a significant milestone in strengthening economic ties and unlocking new avenues for trade and cooperation. The agreement will pave the way for the removal of trade barriers, enhance market access for goods and services, and stimulate investment in key sectors. By consolidating access to the EU market, the second largest economic bloc in the world, the CEPA will reinforce the UAE's status as a global trade and logistics hub. The EU is already one of the UAE's key trading partners, accounting for 8.3% of non-oil trade. In 2024, non-oil trade between the two reached $67.6bn, representing a growth of 3.6% over 2023. Al Zeyoudi emphasized the importance of the CEPA with the EU, stating, "Our negotiations toward a UAE-EU Comprehensive Economic Partnership Agreement is of great importance to both the UAE and the EU and represents an extraordinary opportunity for us both to enhance trade and investment ties that will foster greater collaboration and create mutual benefits and prosperity. By working together, we will strengthen our supply chains, drive innovation, and create jobs that will benefit our communities and economies for many years to come." Maroš Šefčovič commented, "Europe continues to be a reliable trading partner, which respects the deals it makes. And it is natural to seek to grow our relations with long-standing and trusted partners like the United Arab Emirates. A bilateral FTA would unlock tremendous business opportunities for European and Emirati businesses alike. Our aim is therefore to reach an ambitious deal that is commercially meaningful on both sides – one that brings tangible, lasting benefits, along with predictability, so essential to any successful business. This would add strength to our regional cooperation with the Gulf Cooperation Council countries." During the investment roundtable, representatives from the UAE and the European private sectors, engaged in discussions to identify mutual investment opportunities that can drive innovation and sustainable economic development. FDI flows between the UAE and EU are strong and robust, with recent partnerships in data centers in Italy, solar plants in Spain, and neighborhood redevelopment in Budapest. A UAE-EU CEPA has the potential to unlock further opportunities, including a $50bn AI data center deal with France and a $40bn commitment in Italy's energy and defense sectors. The CEPA program is a key pillar of the UAE's foreign trade agenda, reflecting the nation's commitment to open, rules-based trade to drive economic growth and diversify its economy. By enhancing access to global markets and establishing stronger trade and investment flows with partners around the world, the CEPA program has contributed to a record non-oil trade of $816bn in 2024, marking a 14.6% increase over 2023. (Zawya)

- **EU commissioner: UAE and EU launch negotiations for trade deal** - The European Union and United Arab Emirates have officially launched negotiations for a trade deal, European Trade Commissioner Maros Sefcovic said on Wednesday. (Zawya)

- **Bahrain non-oil exports rise 22% to $896mn in April -** The total value of Bahrain's non-oil exports (national origin) increased by 22% to BD338mn ($896.59mn) during April 2025, compared to BD277mn for same month in 2024. The value of Bahrain's non-oil imports increased by 20% reaching BD575mn in April 2025 in comparison with BD481mn for same month in 2024. The top 10 countries for imports recorded 68% of the total value of imports, said Information & eGovernment Authority's (iGA) April 2025 Foreign Trade report. According to the report, China ranked first for imports to Bahrain, with a total of BD64mn (11%), followed by Australia with BD55mn (10%) and the UAE with BD49mn (9%). Non-agglomerated iron ores and concentrates recorded as the top product imported to Bahrain with a total value of BD67mn (12%), followed by other aluminum oxide with BD51mn (9%) and jewelry of gold being the third with BD36mn (6%). EXPORTS: The top 10 countries in exports (National Origin) accounted for 71% of the exports (National Origin) value. Saudi Arabia ranked first among countries for then non-oil exports (National Origin) with BD81mn (24%). The US was second with BD35mn (10%) and UAE was third with BD32mn (9%). Unwrought aluminum alloys recorded as the top products exported in April 2025 with BD105mn (31%), followed by agglomerated iron ores and concentrates alloyed with a value of BD54mn (16%) and aluminum wire not alloyed with BD18mn (5%). The total value of non-oil re-exports decreased by 9% to reach BD71mn during April 2025, compared to BD78mn for same month in 2024. The top 10 countries in re-exports accounted for 86% of the re-exported value. The UAE ranked first with BD30mn (42%) followed by Saudi Arabia with BD18mn (25%) and Luxemburg with BD5mn (7%). As per the report, turbo-jets was the top product re-exported from Bahrain with a value of BD7.2mn (10.1%), followed by four-wheel drive BD7mn (9.9%), and gold ingots came third with BD6mn (8%). As for the trade balance, which represents the difference between exports and imports, Bahrain recorded a deficit of BD166mn in April 2025 compared to a deficit of BD126mn in April 2024. (Zawya)

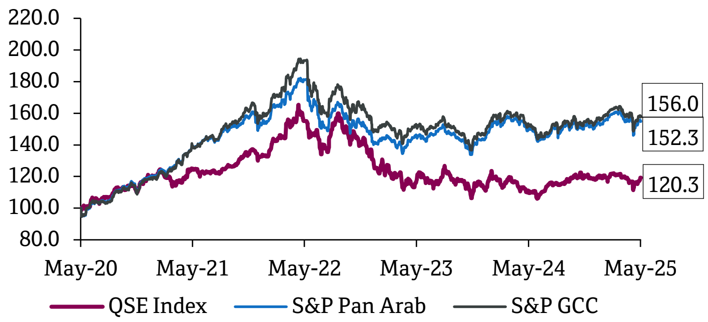
- **Kuwait tightens enforcement on family visa rules for expats -** Under the latest ministerial decision, the Kuwaiti Residence Affairs Investigations Department has recently summoned dozens of expatriates for violating family visa regulations. The violators were granted a one-month grace period to either regularize their status or return their families to their home countries. The move targets expatriates who initially met the KD 800 salary requirement and secured family visas (Article 22) for their spouses and children, but later fell short of income. While their initial applications were approved based on valid work permits and salaries exceeding KD 800, subsequent job changes or salary reductions placed them in breach of the updated visa conditions. The source emphasized that the KD 800 salary requirement was implemented based on studies ensuring that expatriates can provide a decent standard of living for their dependents. The Interior Ministry has clarified that all expatriates, regardless of nationality or educational qualification, can apply for family visas, provided they meet the salary condition. According to the source, the government's automated systems are key in detecting fraudulent transactions and cross-verifying data across departments such as the General Directorate of Residency Affairs and the General Traffic Department. The updated rules stem from Ministerial Resolution No. 56 of 2024, initially introduced in January by First Deputy Prime Minister and Acting Minister of Interior Sheikh Fahad Yousef Al-Sabah. The resolution initially required applicants to earn at least KD 800, hold a university degree, and work in a profession matching their qualifications. However, an amendment in July 2024 allowed expatriates without degrees to bring in their families, provided their salary met the KD 800 threshold. Under Article 29 of the amended regulation, family residency can only be granted to those earning no less than KD 800 per month from work related to their designated profession. Exceptions may be granted for children under five or those born inside Kuwait, subject to the discretion of the Director General of Residency Affairs. (Zawya)
- **Kuwait could issue debut debt tranche before Eid -** With plans to borrow up to $20bn during the current fiscal year, Kuwait could issue its first tranche of debt very soon—possibly even before the Eid al-Adha holidays— after the OPEC oil producer last week authorized its multi-billion sovereign wealth fund, and the central bank to borrow funds. The Ministry of Finance has approved the Kuwait Investment Authority (KIA) to borrow in major foreign currencies on global markets, while the Central Bank of Kuwait (CBK) has been authorized to raise debt in domestic markets. "All the signs are that the first issuance will come soon, maybe even before Eid al-Adha," Justin Alexander, Director, Khalij Economics, told Zawya. He noted that the issuance could proceed despite less-than-ideal market conditions, including rising US Treasury yields driven by tariffs, a Moody's downgrade, and fiscal concerns surrounding US President Donald Trump's "Big Beautiful Bill." "However, it's not clear that things will get better as the year progresses, so I expect there will be a sizable debut issuance, maybe around the $5bn range, but it could easily be double that--Saudi Arabia and Qatar have made $10bn-plus issuances in the past," Alexander added. The green light for the KIA and CBK follows Finance Ministry Undersecretary Faisal Al-Muzaini's announcement last week that Kuwait plans to borrow between 3 and 6bn dinars (approximately $10–20bn) from international and local markets during the 2025/2026 fiscal year. Public debt: In March, Kuwait issued a public debt decree, allowing the government to issue financial instruments with maturities of up to 50 years and setting a debt ceiling of KWD 30bn ($98bn) in major convertible foreign currencies. According to Fitch Ratings, this represents around 62% of the country's GDP. Kuwait, which holds around 7% of the world's hydrocarbon reserves, relies on oil revenues for up to 87% of its income. OPEC+ production cuts have reduced Kuwait's oil exports and, consequently, its revenue. A think tank has suggested that Kuwait may need an average oil price of $100 per barrel to finance its growing budget deficit in the coming years. Junaid Ansari, Director of Investment Strategy and Research at Kuwait-based Kamco Invest, believes the borrowing plan is not a direct response to falling oil prices but part of a broader long-term strategy. "The strategy is aimed at having a presence in the debt market, develop a sovereign yield curve and provide a basis for firms in the country to raise funds. We believe that all governments in the GCC are aiming to delink debt issuances with the changes in oil prices to have a much more stable, sustainable and long-term fiscal strategy. It would also be positive for the sovereign rating as it removes ambiguity with respect to government's funding plans," he said. Alexander noted that Kuwait could have continued using fiscal maneuvers to tap the Reserve Fund for Future Generations managed by the KIA by selling assets to it. "But it's much cleaner to use debt financing, especially since borrowing costs are likely lower than the KIA's internal rate of return," he said. Kuwait's last debt issuance was in 2017, just before the previous debt law expired. Efforts to pass a new law allowing a return to debt markets had been stalled for years due to political gridlock between parliament and the cabinet. Despite Kuwait's strong sovereign ratings (AA- by Fitch with stable outlook) and low public debt levels, challenges remain. These include a lack of predictability and transparency, and weak implementation of fiscal reforms. Investor interest is high: Still, Alexander said investor interest in Kuwait remains high. "Although there are plenty of concerns about Kuwait, its very low debt stock and huge pool of foreign assets mean that investors are likely to be very comfortable holding Kuwaiti debt. The spreads will be tight, closer to Abu Dhabi than Saudi Arabia (which has the same average rating as Kuwait but a far weaker net asset position), but demand should be solid as a diversification play for those investing in regional debt." (Zawya)
- **Oman maintains fiscal discipline in Q1 amidst lower oil revenue -** The Sultanate of Oman posted a fiscal deficit of RO 136mn in the first quarter of 2025, demonstrating continued government commitment to prudent financial management and strategic investments, even amidst a drop in hydrocarbon revenue and tightening global economic conditions. This is according to the Ministry of Finance's Fiscal Performance Bulletin for the January–March period. During the first quarter of 2025, total public revenue reached RO 2.635bn. This represented a year-on-year decline of seven% compared to the RO 2.826bn recorded in the same period of 2024. The decline was driven primarily by a reduction in oil and gas revenue. Net oil revenue stood at RO 1.468bn, falling by 13% from RO 1.688bn a year earlier. Net gas revenue also declined marginally by two% to RO 436mn, down from RO 444mn. In contrast, current revenue increased by five% to RO 725mn, compared to RO 691mn in the same period last year. Despite revenue pressures, public spending rose to RO 2.771bn, a four% increase compared to RO 2.664bn in the first quarter of 2024. The increase is attributed to a strong rise in development expenditure, which grew by 27% to RO 254mn. Meanwhile, current expenditure slightly decreased by one% to RO 1.967bn. The government also allocated RO 490mn towards contributions and other expenses, including RO 144mn for the social protection system and RO 27mn in fuel subsidies. Additionally, RO 100mn was allocated to the budget line designated for future debt obligations. Spending on social sectors and basic services totaled RO 1.668bn by the end of March 2025. This amount represented 40% of total public spending. Of this allocation, 52% was directed towards social welfare and security, twenty-five% towards education, sixteen% towards health services and

seven% towards housing. The Ministry of Finance also maintained strong support for the private sector by paying more than RO 304mn to suppliers and contractors through the government's financial system. These payments were made within an average of five working days after the submission of complete documentation, reflecting the government's reliability and efficiency in fulfilling its financial obligations. Public debt declined to RO 14.3bn at the end of the first quarter of 2025, compared to RO 15.1bn in the same period of 2024. The Ministry attributed this reduction to the proactive repayment of outstanding financial obligations. To address financing needs for 2025, the government has announced a borrowing plan of RO 2.454bn. This includes RO 1.836bn to cover maturing debt instalments and RO 620mn to finance the anticipated fiscal deficit. The government aims to meet these requirements through a mix of Government Development Bonds and Local Sovereign Sukuk, with a total issuance value of RO 750mn planned across the year. This strategy is designed to ensure funding at sustainable cost and risk levels. The financing plan also supports three key objectives: enhancing the domestic debt market, diversifying investor participation and mitigating risks associated with public debt. According to the International Monetary Fund's April 2025 World Economic Outlook, global economic growth is projected to slow to 2.8% in 2025. The global inflation rate is expected to ease to 4.2%. Oil prices are forecast to average $66 per barrel in 2025, down from $73 per barrel during Oman's first quarter. Despite external headwinds, the Omani economy continued to expand. The gross domestic product at constant prices grew by 1.7% in 2024, reaching RO 38.305bn, up from RO 37.674bn in 2023, according to the National Centre for Statistics and Information. Oman's first quarter fiscal performance reflects a government focused on stability, resilience and forward-looking reforms. With increased investments in development and social sectors, accelerated debt reduction and timely payments to the private sector, the government remains aligned with the goals of Oman Vision 2040. Despite global uncertainties, the Sultanate of Oman is maintaining a steady course towards sustainable growth and economic diversification. (Zawya)

- **Oman launches national company to regulate mineral exports and boost revenues -** In a significant move to optimize the economic potential of its mineral wealth, the Ministry of Energy and Minerals has announced the establishment of Oman Minerals Trading Company as the central authority to oversee the marketing and export of mineral resources from the Sultanate of Oman. The initiative is formalized through Ministerial Resolution No 18/2025, issued by Eng Salim bin Nasser al Aufi, Minister of Energy and Minerals. The resolution marks a key step in reforming the mineral management system and aligns with Oman Vision 2040's goal of sustainable, diversified economic growth. It aims to address existing structural challenges in the mineral sector — such as fragmented marketing, price instability and the dominance of intermediaries — by centralizing export control under a national entity. KEY PROVISIONS FOR TRANSPARENCY AND MARKET STABILITY Under the new regulation, gypsum and chrome ore exports will be strictly monitored. Export of raw chrome ore will require a minimum concentration of 36%, while processed ore can be exported at any concentration upon Ministry approval. Local market needs will be prioritized before exports are approved, a policy that supports domestic manufacturing and ensures stability in local supply chains. The regulation also seeks to standardize contracts, enhance negotiation leverage with international buyers and improve pricing transparency for Omani ores — factors that have historically impacted competitiveness despite strong production levels. In 2024 alone, Oman produced about 14mn tons of gypsum across 15 licensed sites and 300,000 tonnes of chrome ore from 29 licensees. However, revenue gains have been diluted by inconsistent marketing and a lack of pricing discipline. STRATEGIC ROLE OF OMAN MINERALS TRADING COMPANY As a subsidiary of Minerals Development Oman, the new trading firm will manage exports, unify contract terms, enforce quality specifications and negotiate international sales. This professionalized approach is expected to lift the average price of Omani minerals and boost national income. Dr Salah bin Hafiz al Dhahab, Director General of Investments at the Ministry, described the move as a "pivotal milestone," adding that it enables the government to streamline the export process, reduce price manipulation and better monitor sectoral returns. The decision is also designed to: a. Improve the efficiency of logistics and export operations. b. Increase transparency and curb rent-seeking behavior. c. Support SMEs involved in supply chains. d. Create more jobs and promote local content through in-country value (ICV) initiatives. The resolution falls under the Ministry's broader "Majd" initiative, which aims to evaluate and enhance local content across the energy and minerals sectors. Companies will be required to submit ICV plans and support domestic manufacturing activities that add value to raw mineral exports. (Zawya)
- **Oman: Nama announces $2.6bn transition to renewable energy, smart grid -** Oman's electricity sector is undergoing a major transformation with Nama Group announcing renewable energy projects and digital upgrades aimed at reducing emissions, improving efficiency and enhancing grid reliability. At its annual media briefing on Tuesday, senior officials announced that over RO1bn will be invested in expanding clean energy and digitalizing the network, including a nationwide rollout of smart meters and upgrades to power transmission systems. Said bin Khalaf al Abri, General Manager of Planning and Project Development at Nama Power and Water Procurement Company, said two solar projects – Ibri 3 (500MW) and Al Kamil (280MW) – have been tendered and are expected to be awarded this year. He added that the prequalification process for five wind projects has been completed. Proposals have already been invited for two, with all five scheduled to be awarded in 2025. "Our goal is to raise the share of contracted renewable capacity to 30% of total contracted electricity by 2030," he said. Sultan al Rawahi, General Manager of Load Dispatch Centre at Oman Electricity Transmission Company, said the country has built 116 power stations, including 17 high-voltage stations operating at 400kV. "The network now operates at 99.9% reliability, meeting global benchmarks," he said. Rawahi said more than 75% of conventional meters have been replaced with smart ones, with full conversion targeted by end-2025. "This shift has helped reduce electricity loss to less than 8% for the first time in our history," he said. Salem bin Saeed al Kamyani, CEO of Nama Electricity Distribution Company, informed that a mobile app now allows customers to monitor usage, receive top-ups and manage electric loads. "This is part of our ongoing push to make electricity management more efficient and accessible," he said. In the water sector, Ali bin Issa Shamas, CEO of Nama Dhofar Services, said over 22mn m3 of treated water is produced annually. He added that RO137mn worth of infrastructure tenders have been awarded, including plans to raise sewage coverage in Salalah from 76% to 95% before the end of 2025. (Zawya)
- **Oman, Iran deepen cooperation with 18 pacts -** Oman and Iran signed 18 cooperation documents during the official visit of Iranian President Dr Masoud Pezeshkian to Muscat on Tuesday, reflecting efforts to strengthen bilateral relations across multiple sectors. The agreements – five cooperation agreements, ten memoranda of understanding (MoUs) and three executive programs – were signed in the presence of His Majesty Sultan Haitham bin Tarik and the Iranian president at Al Alam Palace. The agreements covers legal and judicial collaboration, including civil and criminal matters and extradition of sentenced individuals. Other accords focused on joint cooperation, mutual investment protection, customs assistance and trade preferences. (Zawya)
- **Oman: Private sector must absorb premiums to accelerate energy transition -** The global energy transition will not succeed without private-sector willingness to absorb cost premiums, build scalable models and push investment despite current regulatory uncertainties, according to Salih Merghani, Executive Vice President for Energy at Olayan Saudi Holding Company. Speaking at the Oman Petroleum & Energy Show (OPES) held in Muscat recently, Merghani said that unlike previous shifts in industrial history, today's energy transition demands that companies move away from "dense, cheap and reliable" fossil fuels to energy sources that are intermittent, complex and often more expensive. "This is unlike anything we've attempted before. We're transitioning not because the alternatives are more efficient, but because of an environmental imperative. That makes the economics more challenging — and more urgent," he said. Merghani noted that although Saudi Arabia and the region offer competitively priced energy, the lack of a comprehensive regulatory framework for decarbonization is slowing momentum. As a result, private investors must take the lead in developing new mechanisms for green investment. "In our case, we asked ourselves: why

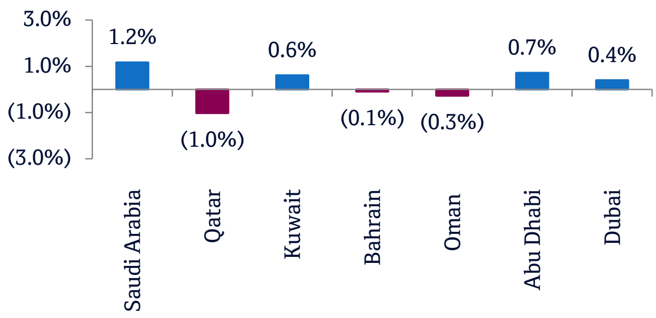
move now? The answer was scalability. The scale exists, the market is forming and our capital has to find a home where it contributes to the long-term shift," he said. He cited examples of private investment by Olayan into carbon capture and storage (CCS) technologies and industrial retrofits aimed at reducing emissions in sectors like steel, cement and heavy industry. "We looked at steel production, for example. Instead of building a new 'green steel' facility from scratch, we worked on retrofitting existing operations to lower their emissions profile significantly," he explained. However, he stressed that many low-carbon technologies will not scale without "offtake guarantees" and financial structures that share the risk across the value chain. "We realized that if we wanted to accelerate deployment, someone had to accept the premium — whether in the form of higher offtake prices, long-term contracts, or industrial policy support," he said. Merghani also highlighted the role of voluntary carbon markets (VCMs), noting that investments under Saudi Arabia's VCM initiative have focused on creating credible carbon credits and building awareness within the private sector. "We don't yet have taxes or binding emissions caps, but the idea is to integrate carbon into business decision-making through the market. The VCM gives us a way to do that," he said. On technology maturity, he pointed out that while solar energy has now reached global scale, other solutions — particularly CCS and sustainable aviation fuels (SAF) — still face barriers. "We've made strong progress in solar, but CCS and SAF require different economic models. For SAF, the aviation sector may be the last to transition and retrofits must become financially viable at today's cost structures," he said. Merghani called for greater collaboration between industrial players, regulators and financiers to unlock the full potential of emerging technologies. "Financing institutions must be part of the solution. We can't build a project pipeline if the banks and regulators aren't aligned with the pace of transition," he noted. He concluded by stressing that while the private sector is ready to lead, market signals and policy coordination must follow if the region is to move from pilot projects to full-scale decarbonization. "The technology is here, the investment appetite is real — but if we want this to happen fast, it has to be a shared effort. This transition won't happen under normal conditions. We need to rewire the whole ecosystem," he said. (Zawya)

## Rebased Performance




*Source: Bloomberg*

## Daily Index Performance




*Source: Bloomberg*

| Asset/Currency Performance | Close ($) | 1D% | WTD% | YTD% |
|---|---|---|---|---|
| Gold/Ounce | 3,287.48 | (0.4) | (2.1) | 25.3 |
| Silver/Ounce | 32.98 | (0.8) | (1.5) | 14.1 |
| Crude Oil (Brent)/Barrel (FM Future) | 64.90 | 1.3 | 0.2 | (13.0) |
| Crude Oil (WTI)/Barrel (FM Future) | 61.84 | 1.6 | 0.5 | (13.8) |
| Natural Gas (Henry Hub)/MMBtu | 3.09 | (3.7) | 5.8 | (9.1) |
| LPG Propane (Arab Gulf)/Ton | 76.30 | 1.1 | 0.7 | (6.4) |
| LPG Butane (Arab Gulf)/Ton | 82.30 | 0.4 | 0.4 | (31.1) |
| Euro | 1.13 | (0.3) | (0.6) | 9.1 |
| Yen | 144.84 | 0.4 | 1.6 | (7.9) |
| GBP | 1.35 | (0.3) | (0.5) | 7.6 |
| CHF | 1.21 | 0.0 | (0.7) | 9.7 |
| AUD | 0.64 | (0.3) | (1.0) | 3.8 |
| USD Index | 99.88 | 0.4 | 0.8 | (7.9) |
| RUB | 110.69 | 0.0 | 0.0 | 58.9 |
| BRL | 0.17 | (1.0) | 0.5 | (1.4) |

*Source: Bloomberg*

| Global Indices Performance | Close | 1D%* | WTD%* | YTD%* |
|---|---|---|---|---|
| MSCI World Index | 3,845.70 | (0.6) | 1.1 | 3.7 |
| DJ Industrial | 42,098.70 | (0.6) | 1.2 | (1.0) |
| S&P 500 | 5,888.55 | (0.6) | 1.5 | 0.1 |
| NASDAQ 100 | 19,100.94 | (0.5) | 1.9 | (1.1) |
| STOXX 600 | 548.93 | (0.9) | 0.1 | 18.0 |
| DAX | 24,038.19 | (1.1) | 1.2 | 31.2 |
| FTSE 100 | 8,726.01 | (0.8) | (0.3) | 14.9 |
| CAC 40 | 7,788.10 | (0.8) | 0.1 | 15.2 |
| Nikkei | 37,722.40 | (0.4) | (0.1) | 2.5 |
| MSCI EM | 1,163.84 | (0.0) | (0.6) | 8.2 |
| SHANGHAI SE Composite | 3,339.93 | (0.0) | (0.5) | 1.1 |
| HANG SENG | 23,258.31 | (0.5) | (1.5) | 14.9 |
| BSE SENSEX | 81,312.32 | (0.3) | (0.8) | 4.3 |
| Bovespa | 138,887.81 | (1.3) | 0.3 | 25.0 |
| RTS | 1,102.21 | 1.8 | 1.8 | 6.3 |

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

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