QNB COMMENTARY | Page 8

Has ECB reached the end of its tightening cycle amid higher energy costs?

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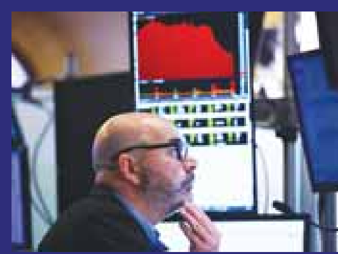
BUSINESS



GLOBAL IMPACT: Page 2

Six months of war: How Middle East conflict has shaped financial markets

Qatar FDI surges 559% to $3bn as GCC's global market share leaps six-fold

By Peter Alagos
Business Editor

Qatar recorded a 559% increase in foreign direct investment (FDI) inflows to $3bn in 2025, up from $0.5bn in 2024, placing the country among the top three destinations in the Gulf Cooperation Council (GCC) on a per-capita basis.

"If we look at individual member states, we see that if we're looking at total numbers, the UAE is leading, followed by Saudi Arabia, Oman, and then Qatar. These are aggregate values. If we were to adjust them on a per capita basis, Qatar would be in the top three," according to Dr Vincent Beyer, legal officer, Investment Policy and Agreements at the UN Trade and Development (UNCTAD).

Beyer presented the figures by during a recent press briefing in Doha highlighting key data from the World Investment Report 2026.

Globally, FDI flows grew 6% in 2025, moving from $1.5tn to $1.6tn. However, capital allocation has grown increasingly concentrated across specific geographies and industrial sectors, according to Beyer.

Within the GCC, Beyer noted that total capital inflow expanded substantially over the past decade. The region secured 6% of global FDI in 2025, up from 1% in 2015, representing a six-fold increase in market share.

Data shared by Beyer showed that total FDI inflows to the GCC reached $98.5bn in 2025. The UAE attracted $48.2bn, Saudi Arabia recorded $32.6bn, Oman secured $13.3bn, Qatar received $3bn, Bahrain registered $0.8bn, and Kuwait stood at $0.5bn. Sectoral data for greenfield investments in the GCC indicates a swift rebalancing toward digital infrastructure, Beyer reported.

Between 2021 and 2025, he said greenfield announcements in information and communication technologies (ICT) rose to $44bn, climbing close to the $45bn directed into energy and gas supply.

Extractive industries recorded $33bn, automotive projects garnered $24bn, and construction brought in $22bn over the same period, Beyer also said.

"If we're looking at Qatar specifically, the three sectors that drove the FDI numbers in Qatar are chemicals, energy, and then ICT investment," Beyer explained.

Beyer noted that government strategies globally have adjusted to attract specialised projects. Selective incentives now constitute 50% of targeted investment policy measures worldwide, while national screening mechanisms for foreign capital increased from 21 countries in 2016 to 52 in 2025, he said.

Capital commitment globally remains heavily focused on five strategic fields: advanced technologies, critical minerals, energy transition, semiconductors, and artificial intelligence infrastructure. These sectors accounted for 44% of global FDI flows in 2025, up from 16% in 2020, Beyer pointed out.

Beyer observed that top donor countries generate nearly three-quarters of investments in these strategic fields, while the top three receiving nations capture over half of all commitments.

Dr Vincent Beyer, legal officer, Investment Policy and Agreements at the UN Trade and Development. **PICTURE:** Shaji Kayamkulam

Qatar has infrastructure to vie as global logistics hub, says chamber executive

Qatar Chamber board member Mohamed bin Ahmed al-Obaidli has emphasised the vital partnership between Arab nations and Brazil, noting that while Brazil is a global leader in agricultural and food products, Qatar is a leader in energy and fertiliser production.

He made the statement during a session held on the sidelines of the 'Arab-Brazilian Economic Forum' in Sao Paulo, Brazil, which convened government officials, private sector representatives, and prominent business leaders from across Arab nations and Brazil to explore new avenues for economic, trade, and investment cooperation.

Also attending the forum were Ahmed Mohamed Ali Mohamed al-Shaibani, ambassador Extraordinary and Plenipotentiary of the State of Qatar to the Federative Republic of Brazil, and Almuhannad Ali al-Hammadi, consul general of Qatar in Sao Paulo. The session on 'Food Security, Agribusiness and Resilience of Fertiliser Supplies' addressed key challenges and opportunities across agricultural supply chains and global food security.

Al-Obaidli, who is also chairperson of the chamber's Food Security and Environment Committee and the Technology and Innovation Committee, highlighted this strategic synergy as a solid foundation for long-term investments and cooperation.

He affirmed that Qatar's state-of-the-art transportation, storage, and distribution network positions the nation as a reliable global logistics hub. He highlighted Qatar's success in strengthening food security, notably achieving significant strides in boosting local production, diversifying import sources, and building robust strategic reserves. He also underscored the expansion of foreign investments aimed at scaling national food security projects.

Qatar Chamber board member Mohamed bin Ahmed al-Obaidli addressing the session on 'Food Security, Agribusiness and Resilience of Fertiliser Supplies' held on the sidelines of 'Arab-Brazilian Economic Forum' in Sao Paulo, Brazil.

Banque Misr reviews US sanctions notice; UAE central bank launches urgent examination

Reuters
Cairo/Washington

Egypt's Banque Misr said on Saturday it was reviewing a US Treasury notice to cut off its UAE branches from dollar transactions over their dealings with Iran, while the UAE central bank said it had launched an urgent examination of the branches following the US action.

The US imposed Iran-related sanctions on an Egyptian bank comes as part of Treasury Secretary Scott Bessent's campaign to increase economic pressure to try to break a stalemate six months into Washington's war with Iran.

Banque Misr said its branch in the UAE continues to provide banking services to its customers in accordance with the applicable rules and procedures.

The UAE central bank said later on Saturday it had decided to conduct a "special and urgent examination" of Banque Misr's branches in the country, including "a forensic/in-depth lookback covering the period referred to in the statement issued by the US authorities".

"The Central Bank expects banks licensed in the UAE not to expose the UAE's financial system to reputational risks, to respect the laws and regulations of the countries whose financial institutions are used in conducting transactions, and not to misuse the advanced financial infrastructure of the UAE," it added in a statement.

The US imposed Iran-related sanctions on the Egyptian bank on Friday. Treasury said it moved to cut off Banque Misr's branches in the UAE from dollar transactions for its dealings with Iran. In a statement, it said its Financial Crimes Enforcement Network (FinCEN) proposed a rule that would revoke Banque Misr UAE's correspondent banking access to US financial institutions.

The action, teased by Bessent on Monday as a "major announcement" of a secondary sanction on an international bank, was first reported by the *Financial Times*.

"Treasury promised to sever every economic lifeline Tehran has left and finally end the threat of the Iranian regime," Bessent said in a statement. "We also warned that Iran's enablers cannot continue to enjoy access to the US dollar and the global financial system. Banque Misr UAE decided to find out the hard way, and today, we are taking the first step in holding it accountable for its continued, egregious support of the Iranian regime."

Egypt's central bank said on Friday that the US action only affected Banque Misr's UAE branches and did not extend to any other Egyptian banks. The Central Bank of Egypt said in a statement that it and Egypt's Ministry of Foreign Affairs were in contact with the US authorities about the measures.

Doha to host 'World Investment Forum 2026' in October

By Peter Alagos
Business Editor

The UN Trade and Development (UNCTAD) will hold its ninth World Investment Forum (WIF) in Doha on October 25-27, aimed at facilitating dialogue and fostering partnerships among governments, investors, and businesses on investment and development.

Held in partnership with the State of Qatar, the forum will focus on how investment can support sustainable development and build resilience at a time of heightened uncertainty and shape the future of development.

The WIF is the UN's flagship event for the global investment community. Under the theme 'Investing in the Future', WIF 2026 will bring together those who shape investment policy with those who allocate capital, with discussions spanning AI, critical minerals, energy, infrastructure, sustainable finance, tourism and culture, and emerging investment opportunities, including in the space economy.

The forum will feature 'Global Leaders Plenaries', 'Ministerial Roundtables' on investment and entrepreneurship, the 'Sustainable Stock Exchanges Dialogue', a high-level session on investment in the Gulf region, and a global investment promotion conference, showcasing investment opportunities from around the world.

The forum is expected to attract senior government officials, heads of international organisations, investment authorities, multinational corporations, investors, entrepreneurs and financial institutions.

Day one will prioritise supply chain security, economic recovery, and regional integration, featuring a session organised alongside the Gulf Cooperation Council (GCC) Secretariat, stated Nan Li Collins, chair, UN Sustainable Stock Exchange Division director at the UNCTAD Division on Investment and Enterprise, during a media briefing held in Doha recently. She said day two will examine technology, capital, and societal progress, including an AI transition track co-chaired by the International Telecommunication Union (ITU).

Collins also stated that the organisation actively engaged key Qatari stakeholders over recent days, including the Qatar Investment Authority (QIA), Qatar Development Bank (QDB), the Qatar Stock Exchange (QSE), Qatar Foundation, and Qatar Museums.

"Invest Qatar will play an important role in positioning Doha and Qatar as an investment destination and its role in the region globally. QIA, one of the leading sovereign wealth funds, will also be a partner for the forum, because they are making a very important strategic investment globally," Collins noted.

According to Collins, the 2026 agenda introduces dedicated discussions covering investments in the space economy and culture. Highlighting the cultural track, Collins pointed to Qatar's established footprint in the field.

"Investing culture is also new this year. So this is exactly where Qatar is playing a leading role globally. So we are featuring this important, unique agenda where Qatar is taking leadership globally also in this forum," she said.

UNCTAD expects delegation arrivals from over 100 countries, Collins noted, adding that more than 20 ministers and heads of international agencies have confirmed attendance, including UN Tourism leadership co-chairing the tourism investment track.

The media briefing also included updates on the UNCTAD's World Investment Report 2026, which shows that global foreign direct investment (FDI) recovered in 2025, but that the recovery remains uneven.

Global FDI rose 6% to $1.6tn in 2025, ending two years of decline. Investment in developed economies increased by 11%, while flows to developing economies rose by 2%, according to the report.

More than 80% of global FDI went to the 20 largest host economies. At the same time, a small number of strategic sectors accounted for 44% of the value of global greenfield investment projects in 2025, up from 16% in 2020, the report noted.

The figures underscore a central challenge for policymakers: while investment is recovering, it is increasingly concentrated in particular economies and sectors, the report pointed out.

Nan Li Collins, chair, UN Sustainable Stock Exchange Division Director at the UNCTAD Division on Investment and Enterprise. **PICTURE:** Shaji Kayamkulam

BUSINESS

LEGAL PERSPECTIVE

Copyrights protection for the rights of authors

By Dr AbdelGadir Warsama Ghalib

Copyrights, almost everywhere, are protected and recog-nized by certain legislations particularly "The Copy-rights Law". Also, most countries and jurisdictions are following the "Berne Convention" and "WIPO" (World In-tellectual Property Organisation) copyrights principles. The Berne Convention, we could say, is almost the base for modern national copyright laws.

Copyrights laws are to protect the rights of authors to promote arts and science and enable authors to benefit financially from their works. As per the law, an author is the creator of a copyrightable creation, therefore, any author's creation that meets the standards of copy-right laws is protectable.

We have noticed that many authors are facing trespassing and violations from others. Legally, if someone infring-es your copyright, you have legal grounds to pursue him and claim compensation for financial loss incurred.

If others are using your work without your knowledge or permission, you can stop them and receive compensation for earnings they have made from your work. The law is clear in this respect to preserve your mind intellectual creation.

On the other hand, if your work attracted others, you can carefully look into good reasonable "licensing op-tions" to benefit from the use of your creative intel-lectual work. Licensing is a legal authorisation to oth-ers to use some or all of your copyrighted works. This could take the form of assignment, as copyrights are as-signable, provided that any assignment shall be in a written contract.

We know that there are many acute disputes regarding such contracts and authors are urged to take care to protect the workproduct of their intelligent smart mind.

The copyright law affords copyright protection to wide range of works. The protection is given to qualifying works upon their creation and this includes originality of the work and its fixation. In other words, to qualify for the necessary protection, the work must be "origi-nal" and has been "fixed" through writing, video or any other means to save the work for others to see or hear.

In case of trespass or infringement, the copyright laws provide for civil and criminal proceedings before compe-tent courts. Additionally, the aggrieved party, is enti-tled to ask for an order to prove infringement, preven-tion of the infringement and an order to seize the in-fringing products.

Copyrights, are legally protected and recognized as per local legislations and the adoption of relevant interna-tional conventions with particular reference to the "WIPO" conventions and directives. By this legal protection coverage, all talented people are encouraged to produce new work for their benefit and to enrich other minds. The artistic work, nowadays, is very important for all minds to help in raising our cul-ture and the standard of our living.

■ *Dr AbdelGadir Warsama Ghalib is a corporate legal coun-sel.*
Email: **awarsama@warsamalc.com**

A traders works on the floor of the New York Stock Exchange. Global stocks have largely shrugged off the war, buoyed by the trillions of dollars pouring into the AI sector. MSCI's 47-country world stocks index hit a $105tn record high this month, gaining almost $7tn, or 9%, since the war erupted — though stocks in the Gulf region have underperformed.

Six months of war: How the Middle East conflict has shaped financial markets

Reuters
London

Friday marked six months since the US and Israeli bombing of Iran triggered a conflict that has disrupted global energy supplies and sent ripples through global financial markets.

The conflict has affected oil, equities, safe-haven assets and food prices.

COSTLY ENERGY

Oil prices soared as Gulf production was disrupted and shipments through the Strait of Hormuz curtailed. Brent crude briefly topped $120 in April and still averages about $90 in 2026, up from roughly $70 last year.

The biggest impact has been on refined fuels. Diesel prices have risen more sharply amid shortages of middle distillates, Russian refinery outages caused by Ukrainian attacks and lost Gulf export flows.

Jet fuel was initially hit hard given the Gulf's importance, though a surge in US refinery output and exports helped ease supply fears.

With the northern hemisphere winter approaching, further disruption to Hormuz shipments coupled with risks to Russia's energy infrastructure could push up heating-oil and inflationary pressures.

AI BOOM CUSHIONS STOCKS

Global stocks have largely shrugged off the war, buoyed by the trillions of dollars pouring into the AI sector.

MSCI's 47-country world stocks index hit a $105tn record high this month, gaining almost $7tn, or 9%, since the war erupted — though stocks in the Gulf region have underperformed.

Fidelity analyst Pranav Aggarwal said the broader rally suggested investors were taking a "relaxed view" and still expected the war to end this year.

"Equities are actually having a pretty good year," he said. "They're up 14% or so (for the year). If we are expecting 8% to 9% in a standard year, 14% up till August is pretty good."

SEARCHING FOR SAFETY

None of the assets investors usually pick in times of trouble, such as highly rated government bonds, gold and the dollar, have played the traditional safe-haven role consistently.

The dollar has risen 1.4% against a basket of major currencies since the war began, though much of that reflects the Japanese yen's weakness, analysts said.

US Treasuries — a traditional mainstay in portfolios — have lost 3.5% on a total return basis as higher inflation has dashed US rate cut bets, while more recent concerns about new Federal Reserve chief Kevin Warsh and Washington's surprise debt buyback plans have also weighed.

Gold fell nearly 25% between the start of the war and July — though it had more than trebled in price since 2022 when Western powers froze Russia's central bank reserves over the invasion of Ukraine. Gold has rebounded more than 15% this month, however, amid renewed concerns about dollar debasement.

FOOD AND FERTILISERS

The closure of the Strait of Hormuz has also disrupted fertiliser shipments, a key input for global food production.

Combined with a strong El Nino and fresh disruptions to grain shipments linked to the war in Ukraine, analysts say the shock increasingly threatens agricultural output.

Food prices rose in July to a more than three-year high, according to the UN Food and Agriculture Organization. However, experts warn that much of the impact is yet to be felt.

The FAO has warned the world could be heading towards another bout of food inflation. JPMorgan estimates that a strong El Nino alone could, at its peak, lift global food inflation by around 0.7%.

The impact is likely to be felt most acutely in Asia, Latin America and Africa, where households spend a larger share of income on food and policymakers remain wary of renewed price pressures.

GULF HIT

The direct hit to the Gulf has been stark. Saudi Arabia's exports shrank by 10% between the first and second quarters. JPMorgan estimates Dubai's property sales have plummeted 70%-80% and Oxford Economics warns Qatar's economy will shrink this year, given the damage to the Ras Laffan gas facility.

Qatar and UAE stocks have both dropped around 14%. The cost of insuring both countries' debt against a default has also risen, although more heavily indebted Bahrain has been hardest hit with its credit default swap prices up almost 40%.

Qantas says profits slump as fuel costs surge on Iran war

AFP
Sydney

Australian airline Qantas has said it expects fuel costs to stay high, after the Middle East war pushed up prices and led to a slump in annual net profits.

Despite the rising cost of flying, the air-line said "resilient" travel demand would boost revenue in the months ahead as people prioritise travel.

Jet fuel prices will remain elevated over the July-December period, it forecast, vowing to pursue mitigating actions such as hedging for crude oil price changes.

In the past financial year to June 30, net profit tumbled 19.7% year-on-year to Aus$1.29bn ($930mn), Qantas said, as fuel costs surged 14.4 %. Revenue rose 7.1 % to Aus$25.5bn.

Qantas said business and consumer confidence fell in the tail end of the financial year. "The conflict and economic headwinds created uncer-tainty, and some large corporates and Government responded by manag-ing their costs more tightly, reducing demand to travel," Qantas Group chief executive Vanessa Hudson said in a statement. "In response to the surge in fuel prices, we quickly adjusted fares and capacity, and redeployed aircraft to give customers more options to fly to Europe."

Hudson said the carrier managed to produce a "strong" result despite disrup-tion from the Middle East conflict and high fuel prices, allowing it to invest in renewing its fleet.

Qantas Group added 17 new aircraft dur-ing the past financial year, and expected up to 31 more to arrive in the year ahead, she said.

That investment would allow Qantas to start retiring its double-decker A380 fleet from 2028, she said.

Qantas Group Chief Executive Officer Vanessa Hudson speaks during the announcement of the group's full-year results at its headquarters in Sydney. Despite the rising cost of flying, the airline said "resilient" demand would boost revenue in the months ahead.

Deliveroo's Italian arm to pay workers 40% more after probe

Reuters
Milan

The Italian arm of food delivery platform Deliveroo said on Friday it would hike the pay for its riders by 40%, months after Milan prosecutors placed it under court administration for alleged labour exploita-tion.

The British-based firm, owned by US company DoorDash, was accused by the prosecutors of paying its approximately 20,000 workers below the poverty line, av-eraging between €3 and €4 (3.49-4.66) gross per delivery.

Deliveroo said in a statement it had out-lined a series of concrete measures which, "once verified, represent an important step towards the lifting of judicial control and the closure of the criminal investigation".

Milan prosecutors did not publicly respond to Deliveroo's pledge, and a source with direct knowledge of the matter said the company had not yet formally requested the lifting of the judicial administration.

Deliveroo said it would increase its minimum pay rates to €14 per hour from €10, and introduce a number of safety measures including a cap on working hours for its riders.

The document placing Deliveroo under judicial supervision in February said many riders worked seven days a week and up to 17 hours per day.

The local arm of Spanish delivery service Glovo, which in February was also placed under court administration by Milan pros-ecutors, announced similar improvements in May for its workers, including a 40% pay hike to at least €14 per hour.

The offer, however, has not satisfied prosecutors. They gave a negative opinion to Glovo's request — which has to be assessed by a judge — to have the court administration lifted, according to a document dated August 18 and seen by Reuters.

How UniCredit CEO outmanoeuvred Germany on Commerzbank

Reuters
Frankfurt/Berlin

For nearly two years, UniCredit CEO Andrea Orcel has pursued Commerzbank despite public opposition from Berlin. Now, as he prepares for what could be a pivotal encounter with Germany's finance minister, the balance of power in the takeover battle appears to have shifted in his favour.

After months of trying to secure face-to-face talks with German officials, Orcel learned this month that Finance Minister Lars Klingbeil was prepared to meet. Rather than wait for an invitation, Orcel emailed Klingbeil on Monday to press his case directly, accord-ing to a person with direct knowledge of the matter. Within 48 hours, he received an invitation.

The veteran dealmaker's persistence has collided with German efforts to keep control of a bank viewed as critical to the country's economic model. Commerzbank is one of the largest lenders to Germany's Mittelstand, the medium-sized companies that form the backbone of Europe's largest economy, and politicians have repeatedly opposed UniCredit's overtures.

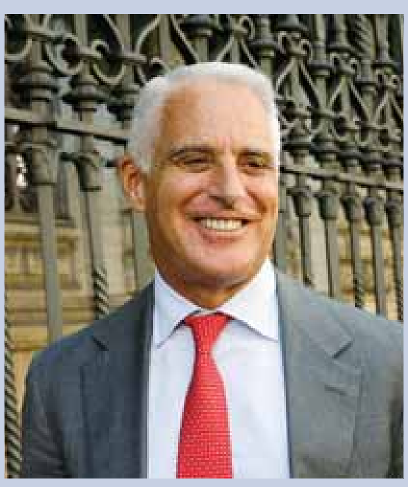
Yet successive governments struggled to mount a coherent response. The tussle un-folded as coalition partners were distracted by infighting, efforts to revive Germany's struggling economy and the growing chal-lenge posed by the far-right AfD, according to sources familiar with the discussions.

Politicians examined options for resisting UniCredit but, without obvious legal means to block a deal, disagreed over how far to go and faced practical constraints, they said. Some favoured a more forceful response, including bolstering the state's sway in Com-merzbank, the sources said, speaking on condition of anonymity. Others questioned whether potential extra spending could be justified given competing demands, such as for defence.

The planned meeting, scheduled for Septem-ber 14, comes as resistance to UniCredit's approach has softened. Commerzbank's campaign against a deal has faded after UniCredit amassed a stake approaching 50%, enough to determine shareholder reso-lutions. In July, Chairman Jens Weidmann proposed talks with UniCredit after months of resistance.

With Commerzbank, UniCredit and Berlin all now preparing to talk, the debate is increas-ingly focused on the terms of a deal rather than whether one can be prevented.

The takeover battle began after Berlin sold part of its stake in Commerzbank — the



UniCredit CEO Andrea Orcel.

legacy of a financial crisis-era bailout — in September 2024.

Government officials later said they had not expected the Italian bank to emerge as the buyer. UniCredit subsequently increased its holding, turning a surprise investment into a takeover campaign.

Hans-Peter Burghof, a banking expert at Ger-many's University of Hohenheim, described the potential takeover as an "accident" resulting from German "incompetence" and a "misunderstanding between different financial cultures".

"Italians defend their banking system, and we do not," he said.

Germany's finance ministry did not respond to a request for comment.

A combination of UniCredit and Commerz-bank would create a bank with more than €1.3tn ($1.5tn) in assets across two of the eu-rozone's largest economies. The deal would also align with the European Central Bank's long-standing push for greater cross-border consolidation in European banking. Reuters has reported that the ECB is leaning towards approving the transaction.

Policymakers say larger institutions are needed to compete more effectively and deepen financial integration across the eurozone.

That argument has found support among some investors. Since UniCredit emerged as a shareholder two years ago, Commerz-bank's shares have more than tripled, while UniCredit's stock has more than doubled, outperforming broader markets.

However, the prospect of foreign control has fuelled concerns among some German poli-ticians and labour representatives about the future direction of an institution long seen as part of the country's financial establishment. Commerzbank serves more than 25,000 business customers, employs more than 40,000 people and plays a key role in financ-ing Germany's foreign trade.

At times, Orcel's approach has generated friction.

In April, he said Commerzbank's "current trajectory will put at risk its survival in the medium term" and subsequently launched a short-lived advertising campaign critical of the German bank. Germany's BaFin regulator intervened and ordered UniCredit to stop. Orcel nevertheless continued pressing his case.

In June 2025, he wrote to Chancellor Frie-drich Merz seeking a meeting in person. "As I have repeatedly said, I would like to sit around a table and discuss this matter face-to-face," Orcel wrote, according to a copy of the letter seen by Reuters.

Merz did not agree to meet, but Orcel didn't give up. He took his case to investors, outlin-ing how he envisioned a deal.

Now talks about a combination are about to start, but could prove every bit as boisterous as the takeover tussle so far.

Even Frankfurt's skyline could become part of the debate. Commerzbank has agreed to move into a new tower, and the building's landlord said on Thursday its logo could still change.

BUSINESS

China central bank resumes overnight reverse repos ahead of month-end

A man walks past the headquarters of the People's Bank of China (PBoC), the central bank, in Beijing. The central bank resumed injecting funds through its overnight reverse repos into the banking system on Thursday, as cash demand picked up ahead of the month-end, reports Reuters. The People's Bank of China said it lent 503.5bn yuan ($74.90bn) via overnight reverse repos in open market operations, without disclosing the borrowing cost, according to an online statement. It also injected 103bn yuan via the seven-day tenor at 1.40%, the PBoC said, adding that Thursday's operations "fully met demand from primary dealers." The PBoC said earlier this week that it would conduct overnight reverse repo operations from August 27 to September 1 to inject up to 600bn yuan daily through the overnight liquidity tool into the banking system.

Wall St banks turn on each other as capital fight nears endgame

Reuters
Washington

Wall Street's most powerful banks fought side by side for years to relax capital rules, but with victory in sight, that alliance has fractured. As the Federal Reserve wraps up a sweeping overhaul of capital rules, JPMorgan, Bank of America, Goldman Sachs and Morgan Stanley are feuding over a tweak with billions of dollars at stake, according to public documents and four people familiar with the matter.

At issue is a capital surcharge the Fed imposes on global systemically important US banks, or GSIBs. In March, the central bank proposed changes it said would make the surcharge more risk-sensitive by, among other changes, revising how it treats short-term wholesale funding, such as repo and commercial paper, which regulators say is prone to drying up during market stress.

That came as a surprise to executives at JPMorgan and BofA, the two largest US lenders with ample deposit funding, because it would benefit commercial rivals Morgan Stanley and Goldman Sachs, which are more reliant on short-term wholesale funding, the people said.

To JPMorgan and BofA executives, that expected outcome seemed at odds with the key reason Republican President Donald Trump's regulators have argued for capital relief — to boost lending to the real economy.

Generally speaking, a bank's capital level helps determine how much lending and trading it can support, and how much cash it can return to shareholders.

While the proposal overall reduces the banks' capital requirements, JPMorgan estimated in a June letter to the Fed that it would miss out on $13bn in extra capital relief due to the funding tweak, while BofA would miss out on $9bn. Goldman and Morgan Stanley, meanwhile, would both realize an additional $1bn to $2bn in relief, JPMorgan said.

The US Federal Reserve building in Washington, DC. At issue is a capital surcharge the Fed imposes on global systemically important US banks, or GSIBs. In March, the central bank proposed changes it said would make the surcharge more risk-sensitive by, among other changes, revising how it treats short-term wholesale funding, such as repo and commercial paper, which regulators say is prone to drying up during market stress.

Washington advocacy group Better Markets has similarly concluded that Goldman and Morgan Stanley stand to benefit most. That divergence has sparked last-minute infighting among the Wall Street giants, potentially complicating the Fed's effort to finalize the reforms before next year when Democrats are expected to have control of the House of Representatives and intensify oversight of Trump's regulators.

"They're going to have to choose," said Christopher Appel, director of banking policy at Better Markets, referring to officials at the Fed where he worked from 2019 through March. Appel was one of many Fed officials who left the central bank this year as the administration overhauls federal agencies.

He said he believes the surcharge is a key remaining safeguard as regulators trim overall capital levels, and that the proposed revision will better gauge funding risks. "It's absolutely critical that the Fed get this right."

Spokespeople for the Fed, JPMorgan, Goldman and Morgan Stanley declined to comment. BofA supports changes "that drive Main Street lending, job creation, and affordability," a spokesperson said.

To be sure, the banks support the Fed's capital overhaul, but see a rare opportunity to maximize their gains, the people said.

JPMorgan and BofA executives have been lobbying Fed officials, sometimes in joint meetings, to spike the proposed change, according to the people. The banks' chief argument is that the new formula could crimp their lending and potentially hurt the economy, while boosting riskier trading activity, according to the people and public comments.

"As proposed, the Federal Reserve would incentivize trading activity over lending to small businesses and customers," JPMorgan's business banking chief Stevie Baron wrote in a blog last week.

Goldman and Morgan Stanley, meanwhile, are pushing the Fed to quickly finalize the change, according to the people and the banks' comment letters, in which they likewise argue it would improve the rule's risk sensitivity.

JPMorgan and Morgan Stanley executives have met with Fed officials to discuss the GSIB proposal at least four times each since March, public Fed memos show. The four sources, who asked for anonymity to discuss sensitive regulatory issues, said it was unclear who will win out.

Fed Vice Chair for Supervision Michelle Bowman has told banks to limit feedback, Reuters reported, and three of the people said they believe she will stick closely to the current draft, in part because she wants to wrap up the rule by year-end.

The Fed developed the GSIB surcharge following the 2007 to 2009 financial crisis. It initially comprised five systemic risk factors of 20% weights, including short-term wholesale funding. Together, GSIBs pushed for years to revise the rule, arguing it was too stringent and inadequately measured risk.

Korea media commission says Meta's youth protection changes should apply globally

Reuters
Seoul

Republic of Korea's media regulator has said that measures proposed by Meta to curb potentially addictive features for young users should ideally be applied worldwide, as Seoul considers tighter rules on how social media platforms serve minors.

The Korea Media and Communications Commission (KMCC) said in a statement to Reuters that social media companies needed to take greater responsibility for protecting children and teenagers and pointed to seven bills pending in the country's parliament aimed at strengthening youth protections online.

The commission "believes that in order to create an environment in which Korean youth can use social networking services safely, it is necessary to strengthen social media providers' responsibility to protect minors," the regulator said.

The comments followed landmark US settlements announced on Wednesday under which Meta agreed to pay up to $18bn and implement a series of changes to Facebook and Instagram after several US states accused the company of designing products that contributed to youth addiction and harmed mental health.

The measures include limits on usage time, restrictions on notifications, stronger age-verification tools, the option of non-algorithmic feeds and hiding "likes" and similar engagement metrics for younger users.

The KMCC said that, among Meta's proposed corrective measures, changes to features that may encourage excessive use, including algorithm-based content recommendations, display of engagement metrics such as likes, and push notifications designed to draw users back onto platforms, "would ideally be applied to youth users worldwide as well."

Korea has also been moving toward stricter oversight of social media use by minors amid growing concerns about excessive screen time and the role of recommendation algorithms in keeping young users engaged.

At a policy briefing to President Lee Jae Myung in July, KMCC Chairman Kim Jong-cheol said the regulator was reviewing phased restrictions on social media use by minors, including limits on algorithms and other features that could encourage excessive use among teenagers.

Kim said that seven related legislative proposals were already pending in the National Assembly. A KMCC spokesperson said on Thursday that the commission supports efforts to advance the bills through public discussion and consultation.

The proposals under discussion include restricting social media access for users under 14 and limiting algorithms and other platform features that could encourage excessive use among teenagers aged 14 to 19, Kim said.

The debate mirrors a broader global push to protect children online, though proposed restrictions on minors' social media use have drawn criticism over privacy concerns and questions about enforcement.

People pose for a photo in front of a sign of Meta at its headquarters in Menlo Park, California. Landmark US settlements were announced on Wednesday under which Meta agreed to pay up to $18bn and implement a series of changes to Facebook and Instagram after several US states accused the company of designing products that contributed to youth addiction and harmed mental health.

Record debt and election politics raise stakes for French budget

Reuters
Paris

France faces a particularly perilous annual budget battle in the coming months as political parties jockey for position ahead of next spring's presidential election while increasingly anxious investors look for evidence Paris can regain control of its public finances.

The stakes are high. France already has one of the highest deficits in the eurozone, the election frontrunners are hard-left and far-right candidates pushing expensive platforms, and governments have a long history of retreating from reforms in the face of street protests and political pressure.

Political sparks will fly in the coming weeks, even before campaigning heats up for the two-round election on April 18 and May 2, as Prime Minister Sebastien Lecornu's government tries to survive the 2027 budget season in a hung parliament.

Investors who spoke to Reuters said they are bracing for months of turbulence, with the budget fight and presidential race feeding off each other to unsettle markets already on edge.

The annual budget cycle has been a source of drama since 2024 legislative elections produced no majority, with two of Lecornu's predecessors ousted over failed negotiations.

Political risks come at a challenging time globally, with borrowing costs from the US to Japan recently hitting multi-decade highs on concern about ever-rising debt loads.

With the presidential race looming, there's no shortage of flashpoints to question France's ability to rein in its deficit just as the Treasury prepares to refinance huge Covid-era debts in the coming years.

Lecornu has urged lawmakers to pass a 2027 budget before the election, warning that they should not "add budgetary uncertainty to all the others" and that financial markets are also scrutinising the presidential campaign.

He has promised "big savings measures" when the budget bill comes before lawmakers in early October. Finance Minister Roland Lescure has floated freezing part of France's pension spending next year to save money, although other details remain scarce.

France's Prime Minister Sebastien Lecornu attends the "Laboratoire de la Republique" (Republic's Laboratory) summer camp in Sens, southeast of Paris, on August 29. He has promised "big savings measures" when the budget bill comes before lawmakers in early October.

Investors have spent the summer repricing French debt for volatility they expect ahead of the election while tension in the US Treasuries market has added to the pain for France since US bond moves typically spill over to other major bond markets. The premium investors demand to hold French 10-year bonds over triple-A rated Germany has widened for three straight months, hitting the highest since late 2024 at around 88 basis points.

"I wouldn't be surprised to see those spreads going to 100 bps, and even from 100 basis points, there's space for them to widen further," said Kevin Thozet of French asset manager Carmignac, which manages roughly €44bn ($51bn).

Shares in Societe Generale, Credit Agricole and BNP Paribas fell 3.3% to 4.3% on Thursday, among the weakest performers on the CAC 40 blue-chip index, as concerns about France's finances weighed on lenders whose balance sheets can be affected by the health of government bonds.

Investor doubts about French politicians' commitment to cutting the deficit have helped push French bond yields above Italy's despite Rome's heavier debt burden.

Credit rating agencies are also due to update their views in the coming weeks, starting on Friday with Fitch, which downgraded France's credit score a year ago to a record-low A+.

Even if the government manages to trim its deficit, it will still need to borrow more in the next five years to refinance hundreds of billions of euros in bonds issued at rock-bottom rates during the pandemic.

The government is already struggling to deliver a modest reduction this year — to 5.0% of GDP from 5.1% last year — and parliamentary tensions make a more ambitious 2027 target a tough sell.

"I'm very pessimistic about the ability of either the current president or the next one to deliver the structural reforms needed to reduce the fiscal deficit," said Christopher Dembik, senior investment adviser at Swiss private bank Pictet.

Depending on which candidates end up running next year, in four out five scenarios France would see a runoff between hard-left leader Jean-Luc Melenchon and far-right veteran Marine Le Pen, according to a Harris Toluna poll on Monday.

Both represent dramatic policy shifts, with Melenchon calling for debt held by the central bank to be cancelled and Le Pen advocating lowering the retirement age to 60 for some people.

The poll showed Le Pen winning comfortably against all rivals, though French presidential elections have a history of late surprises.

Dollar rallies after Fed chief lifts interest rate expectations

AFP
New York

Wall Street stocks dipped while the dollar rallied Friday after Federal Reserve chief Kevin Warsh flagged fighting high inflation as a priority in a speech received as more hawkish than expected.

"We must be confident that underlying inflation is moving to our objective, clearly and at sufficient speed. Otherwise, we have work to do," Warsh said in a highly anticipated speech.

Short-term US Treasury bonds, which reflect monetary policy expectations, saw yields spike in anticipation of a higher Fed rate after the speech in Jackson Hole, Wyoming.

Futures markets also raised the odds of a rate hike in September, while the dollar jumped against the euro and other major currencies.

At 3.7%, inflation in the world's biggest economy is nearly double the Fed's target of 2%, and investors worry that high energy prices from the Iran war could persist as winter approaches.

US dollar banknotes are seen in the illustration. At 3.7%, inflation in the world's biggest economy is nearly double the Fed's target of 2%, and investors worry that high energy prices from the Iran war could persist as winter approaches.

"On the price-stability side of our mandate, the numbers are more concerning," Warsh said, even as he said he was "impressed" with US economic performance, with employment "doing well".

Wall Street stocks remained in positive territory for a stretch after the speech, but later moved downward. The S&P 500 finished down 0.3%.

"Kevin Warsh's speech at the Jackson Hole symposium delivered a far clearer — and hawkish — message than his last press conference appearance" in July, said Stephen Brown, an economist at Capital Economics.

"Hikes are not guaranteed, but Warsh is now at least suggesting he is on board with them if economic growth remains strong" and inflation remains elevated, he said.

Earlier, European stocks closed higher, with Paris climbing 1% as luxury shares led gains.

Asian equity markets largely advanced on Friday, though tech firms struggled to extend Thursday's rally that came on the back of Nvidia's profit blowout and bumper forecast, which soothed worries over the AI boom.

Tokyo and Hong Kong rose, while Seoul and Shanghai retreated.

Oil prices finished slightly lower as traders weigh assessed the mixed signals over the prospects for a reopening of the Strait of Hormuz against US threats against Iran.

US officials have vowed an "economic asphyxiation" to make Iran open the Strait of Hormuz — through which about a fifth of world oil usually passes — after six months of war.

Mexico raises $1.8bn in first Samurai bond sale in two years

Reuters
Mexico City

Mexico raised ¥282.8bn ($1.77bn) from a four-part Samurai bond, fixed-income news service IFR reported on Friday, returning to Japan's bond market for the first time in two years with an issue that drew solid demand despite pressure on its credit ratings.

The sovereign sold 3.5-year, five-year, 10-year and 20-year notes, all structured as Sustainable Development Goals bonds. Proceeds will support general budgetary spending and social and development expenditures under the 2026 federal budget.

The offering was the second-largest yen bond sale of the year, behind Alphabet's ¥576.5bn deal in May. Bankers told IFR demand was concentrated in the shorter maturities, but the final size still surpassed expectations even as some investors remained wary of Mexico's lower-end investment-grade ratings.

Mexico paid a premium to its secondary US dollar curve, a banker involved told IFR: more than 30 basis points on the 3.5-year and five-year tranches, around 15 basis points on the 10-year, and nearly 20 basis points on the 20-year.

The ¥177.3bn 3.5-year tranche priced at Tonar mid-swaps plus 115 basis points; the ¥87.2bn five-year at plus 140 basis points; the ¥1.2bn 10-year at plus 170 basis points; and the ¥17.1bn 20-year at plus 210 basis points.

Mexico had initially explored seven-year and 15-year tranches but dropped them before pricing. Orders were slow early in the process before picking up sharply, bankers told IFR.

Moody's cut Mexico to Baa3 in May, S&P revised its BBB outlook to negative the same month, and Fitch rates the country BBB- with a stable outlook.

Daiwa, Mitsubishi UFJ Morgan Stanley, Mizuho, Nomura and SMBC Nikko were joint lead managers.

Is Fed communication broken, and can Warsh fix it?

By Jamie McGeever
Orlando, Florida

Whoever said talk is cheap wasn't speaking to a central banker. When it comes to monetary policy, what officials say can often be just as — if not more — important than what they do.

As Kevin Warsh looks to shake up the Federal Reserve's communication strategy, it's useful to consider how "Fedspeak" has evolved and what risks the new chair may be taking.

"Monetary policy is 98% talk and 2% action," Ben Bernanke was known to remark during his 2006-2014 tenure at the helm of the Fed. That's a far cry from the stance of his predecessor Alan Greenspan, who famously quipped in 1987: "Since I've become a central banker, I've learned to mumble with great incoherence. If I seem unduly clear to you, you must have misunderstood what I said."

Both understood the importance of central-bank messaging, but they approached it quite differently. Their communication styles reflected not only their personalities but also the economic and market conditions characterizing their respective terms leading the US central bank.

Bernanke, who steered the Fed through the 2008 global financial crisis (GFC), favored more communication, greater transparency, and clearer guidance. Greenspan, on the other hand, preferred more nuanced, ambiguous and at times cryptic signaling that came to be known as "Fedspeak."

Other chairs fell somewhere between those two poles. Take Paul Volcker. His no-nonsense bluntness kept most of the markets focused on his actions as he unleashed the most aggressive interest-rate-hiking cycle on record to slay inflation in the early 1980s. While all of these styles may have differed, what united these chairs was their pursuit of the Fed's dual mandate: maximum employment and stable prices, as now defined by a 2% annual inflation target.

If Bernanke's arithmetic is accurate, those goals will be achieved mostly through communication. So it has to be good — or, more importantly, effective. This brings us to Warsh, who has been in the hot seat for only three months. He has vowed to shake up the central bank's communications strategy, which he believes has swung too far toward the Bernanke end of the spectrum: too many speeches and public comments from Fed officials, too much "spoon-feeding" of information to markets, and too many policy meetings.

One of the five task forces he has set up to overhaul Fed operations is focused on fixing this. Its rather dull title — "Communications: Review how the Federal Reserve conveys policy deliberations and decisions amid uncertainty" — belies the huge market impact a radical shift in Fed communication could have.

Federal Reserve Chairman Kevin Warsh at the Jackson Hole Economic Symposium in Jackson Hole, Wyoming on Friday. Uncertainty around the Fed — its independence, credibility, and increasingly, communications — is seen rising to levels not seen in decades — and so are borrowing costs.

In his Friday keynote address at the Kansas City Fed's annual symposium in Jackson Hole, Wyoming, Warsh said that "a quieter Fed, more purposeful in its communications, is better able to meet its objectives."

Over the past 30 years, Fed communication has evolved in the direction of greater transparency — even under Greenspan. In 1999, "The Maestro" oversaw the Federal Open Market Committee's move to issue a statement after every policy decision.

But the major inflection point was the GFC. This crisis — the worst US financial collapse since the Great Depression — marked a huge shift in how the Fed operated. It slashed interest rates to zero and pumped trillions of dollars of liquidity into the financial system via massive bond-buying, or so-called quantitative easing.

Explaining all that to the public — and keeping investors calm — was no easy task. Consequently, Bernanke's Fed rolled out a host of new tools, and forward guidance truly came of age. He introduced the Summary of Economic Projections (SEP) in 2007, FOMC press conferences in 2011, and the much-maligned "dot plot" of officials' anonymized forecasts of key economic variables, including GDP growth, inflation, unemployment and interest rates, in 2012.

The Bernanke Fed also formalized the 2% inflation target in 2012. That had been an assumed target since the mid-1990s but had previously never been made official.

On top of all this, the Fed chair delivers semi-annual testimony to Congress, there are press conferences after every meeting, minutes of every FOMC policy meeting are published, and Fed governors and regional Fed presidents give speeches and regular interviews to print and TV media. There are up to 19 participants in FOMC meetings, so that's a lot of public appearances. Too many, Warsh says.

He might be right, but any transition will be difficult.

Most economists agree that frequent, clear communication and greater transparency are good things for central bankers. This should make policymakers more accountable, while also helping investors better understand the central bank's "reaction function" — how it intends to achieve its goals. Most importantly, it can help anchor inflation expectations.

This is critical for keeping inflation under control because it can prevent wage-price spirals, in which the expectation of higher prices leads workers to demand higher wages, ultimately leading to faster inflation and the need for even higher wages.

Clear communication can also help consumers, businesses and markets understand how the central bank might react to unforeseen developments, reducing uncertainty about the future path of interest rates.

But others, like Warsh, argue this is part of the problem. Too much communication can create confusing noise. Excessive transparency risks being interpreted as predictability, breeding complacency and, in extreme cases, moral hazard, where investors make reckless bets knowing that central banks will ultimately come to their rescue.

And what if the signaling, or "forward guidance," is simply wrong? Inflation has been above the Fed's 2% target for more than 5-1/2 years. The Fed has said many times that it intends to get back to target, but the last time it raised rates was more than three years ago. The fed funds rate has actually been cut by 175 basis points since then. When the gap between rhetoric and reality grows, how effective is all that talking?

In that light, you can see why Warsh wants a revamp.

But he needs to tread carefully.

US bond yields, especially long-dated and "real" inflation-adjusted yields, are historically high, and inflation is uncomfortably sticky. The term premium — the extra compensation investors demand for buying longer-term bonds instead of rolling over shorter-term debt — is flirting with its highest level in 12 years. This can be seen as a measure of perceived risk around inflation, the economy, financial stability or policy errors.

Warsh hasn't helped himself thus far. His second press conference after the July Fed meeting has been widely panned, as it left investors scratching their heads about what his word salad of business-speak actually meant. Most worryingly, he seemed to suggest that the Fed might not be clear about its inflation target.

The problem, though, is that scaling back signaling, messaging, and communications overall, however well-intentioned, risks creating a void. Rightly or wrongly, uncertainty and market volatility are likely to fill at least part of that space. Households, businesses, and investors may have grown too accustomed to policymakers' guidance, but isn't that better than flying blind?

"I think we're at a dangerous inflection point," says Willem Buiter, an economist and former Bank of England policymaker. "Accountability is a key thing. Reducing the predictions offered by monetary policymakers collectively and individually would enhance market uncertainty and would make for worse economic outcomes."

In the four decades preceding the Covid-19 pandemic, inflation and market-based interest rates were mostly trending down, as part of the so-called "Great Moderation." However, there were a few notable peaks amid that downward drift: when billionaire financier George Soros "broke" the Bank of England in 1992, following the September 11, 2001 terrorist attacks, and in the immediate aftermath of the GFC.

There is nothing today remotely resembling these crises, but uncertainty around the Fed — its independence, credibility, and increasingly, communications — is rising to levels not seen in decades — and so are borrowing costs.

If the Fed truly wants to bring inflation to heel, it will likely have to raise rates. But just as importantly, Warsh will need to be able to communicate his willingness to do so and the framework for it. If he can't do this effectively, risk premia are likely to remain elevated.

"Amid such unease, silence from the Fed is deafening," says Jason Thomas, head of global research and investment strategy at Carlyle.

Whether Warsh likes it or not, markets need a message. In today's environment, a failure to communicate is simply not an option.

■ *The opinions expressed here are those of the author, a columnist for Reuters.*

BUSINESS

The Qatar Stock Exchange (QSE) increased by 193.72 points or 2.0% to 9,876.29 vs. the previous week. Market capitalization increased by 1.8% to QR592.2bn from QR581.6bn at the end of the previous trading week.

Of the 54 companies traded, 37 ended higher, while 17 ended lower. Gulf International Services (GISS) was the best performing stock for the week, climbing 6.8%. Meanwhile, Qatar General Insurance & Reinsurance (QGRI) was the worst performing stock for the week, declining 6.6%.

QNB Group (QNBK), Ooredoo (ORDS), Qatar Islamic Bank (QIBK) and Nakilat (QGTS) were the main contributors to the weekly index gains, adding 35.78, 31.83, 27.20 and 25.27 points to the index, respectively.

Traded value during the week increased 8.6% to QR1,881.0mn vs. QR1,732.1mn in the prior trading week. ORDS was the top value stock traded during the week with total traded value of QR410.7mn.

Traded volume gained 16.5% to 712.6mn shares compared with 611.5mn shares in the prior trading week. The number of transactions declined 19.6% to 99,670 vs. 124,004 in the prior week. GISS was the top volume stock traded during the week with total traded volume of 86.1mn shares.

Foreign institutions remained bearish, ending the week with net selling of QR23.2mn vs. net selling of QR217.0mn in the prior week. Qatari institutions stayed bullish with net buying of QR64.8mn vs. net buying of QR136.9mn in the week before. Foreign retail investors ended the week with net selling of QR0.6mn vs. net buying of QR25.0mn in the prior week. Qatari retail investors ended the week with net selling of QR41.0mn vs. net buying of QR55.1mn.

Global foreign institutions now have a net bearish position on Qatari equities of $32.0mn YTD, while GCC institutions remained net sellers by $69.5mn.

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QNB FINANCIAL SERVICES

Weekly Market Report

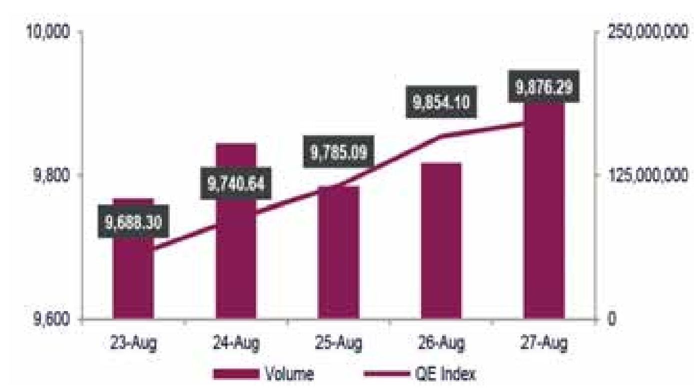
Market Indicators	Week ended. Aug 27, 2026	Week ended. Aug 20, 2026	Chg. %
Value Traded (QR mn)	1,880.7	1,732.1	8.6
Exch. Market Cap. (QR mn)	592,241.2	581,636.5	1.8
Volume (mn)	712.6	611.5	16.5
Number of Transactions	99,612	124,004	(19.7)
Companies Traded	54	54	0.0
Market Breadth	37:17	7:47	–

Source: Qatar Stock Exchange (QSE)

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	24,405.57	2.0	(0.4)	(5.2)
ALL Share Index	3,871.93	1.8	(0.3)	(4.6)
Banks and Financial Services	5,002.22	2.1	0.7	(4.6)
Industrials	3,737.64	1.0	(5.2)	(9.7)
Transportation	5,380.70	2.9	4.0	(1.6)
Real Estate	1,383.11	0.5	(1.5)	(9.6)
Insurance	2,666.08	(1.4)	0.4	6.6
Telecoms	2,385.17	3.8	3.4	7.0
Consumer Goods & Services	7,613.53	0.2	(4.1)	(8.6)
Al Rayan Islamic Index	4,939.32	1.9	(0.9)	(3.5)

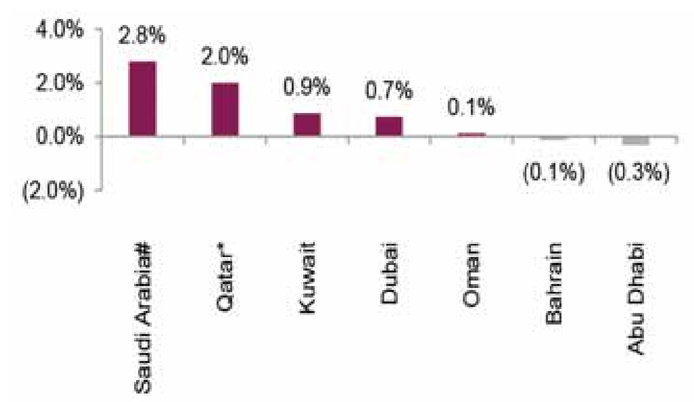
Source: Qatar Stock Exchange (QSE)

QSE Index and Volume



Source: Qatar Stock Exchange (QSE)

Weekly Index Performance



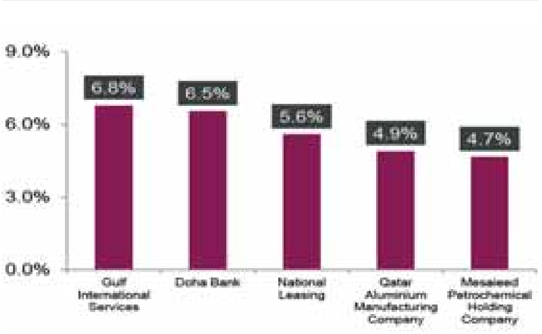
Source: Bloomberg

Regional Indices	Close	WTD%	MTD%	YTD%	Weekly Exchange Traded Value ($ mn)	Exchange Mkt. Cap. ($ mn)	TTM P/E**	P/B**	Dividend Yield
Qatar*	9,876.29	2.0	(0.4)	(8.2)	516.24	162,451.8	11.9	1.2	5.1
Dubai	5,882.63	0.7	1.5	(2.7)	666.28	266,583.4	9.0	1.6	5.4
Abu Dhabi	10,044.52	(0.3)	1.3	0.5	1,246.83	685,093.0	17.3	2.3	2.5
Saudi Arabia#	11,259.90	2.8	6.3	7.3	7,189.36	2,591,088.4	16.7	2.2	3.4
Kuwait	8,894.37	0.9	1.6	(0.1)	1,268.77	172,483.2	18.9	1.8	3.7
Oman	7,532.53	0.1	3.5	28.4	294.11	56,778.0	13.7	1.6	4.0
Bahrain	1,941.50	(0.1)	(0.8)	(6.1)	30.40	19,948.8	15.4	1.3	4.4

Source: Bloomberg

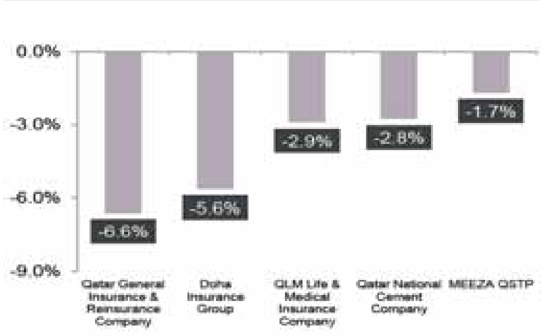
Qatar Stock Exchange

Top Five Gainers



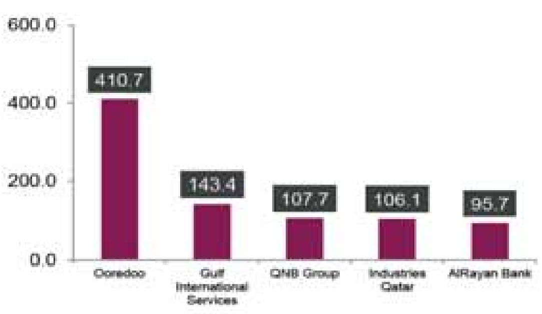
Source: Qatar Stock Exchange (QSE)

Top Five Decliners



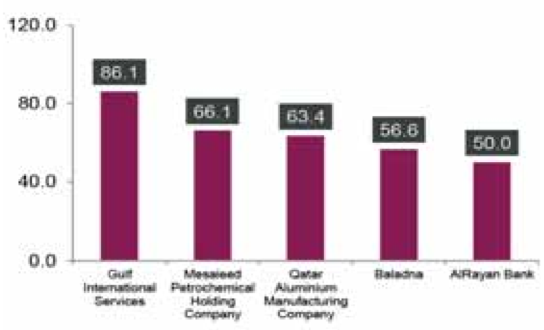
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Value (QR Million)



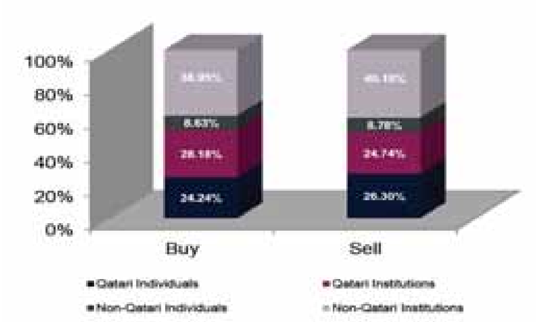
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Volume (Million)



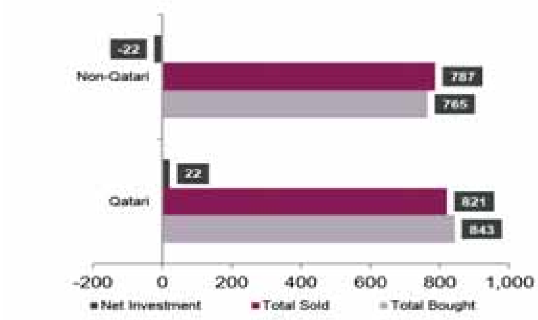
Source: Qatar Stock Exchange (QSE)

Investor Trading Percentage to Total Value Traded



Source: Qatar Stock Exchange (QSE)

Net Traded Value by Nationality (QR Million)



Source: Qatar Stock Exchange (QSE)

Company Name	Last Price	% Change Weekly	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	16.80	2.44	(9.97)	155,172	9.6	1.4	4.3
Qatar Islamic Bank	21.69	1.83	(9.44)	51,252	11.0	1.7	4.1
Commercial Bank of Qatar	4.24	(0.24)	0.95	17,160	9.7	0.8	7.1
Doha Bank	2.90	6.54	1.01	8,988	10.0	0.8	5.2
Al Ahli Bank	3.90	(0.28)	4.03	9,949	11.1	1.4	6.4
Qatar International Islamic Bank	10.89	2.25	(4.72)	16,484	13.0	2.0	4.9
Al Rayan Bank	1.95	1.89	(11.35)	18,089	13.4	0.7	5.7
Lesha Bank	2.85	(0.90)	53.23	3,192	13.2	2.1	2.1
National Leasing	0.74	5.59	7.28	365	16.7	0.6	5.4
Diala Holding	1.53	1.12	56.28	291	96.0	1.5	N/A
Qatar & Oman Investment	0.75	0.13	(19.83)	134	N/M	0.7	N/A
Islamic Holding Group	2.65	0.65	(16.99)	150	75.4	0.9	1.7
Dukhan Bank	3.30	2.42	(5.61)	17,273	12.8	1.3	4.8
Banking and Financial Services				**298,499**			
Zad Holding	12.28	1.74	(11.59)	3,529	18.0	2.3	5.5
Qatar German Co. for Medical Devices	1.35	1.20	(7.99)	156	68.8	N/M	N/A
Salam International Investment	0.76	1.61	4.41	867	8.3	0.5	7.9
Baladna	1.24	(1.11)	1.40	2,363	5.1	0.8	N/A
Medicare Group	5.44	0.69	(18.01)	1,530	17.8	1.5	4.0
Qatar Cinema & Film Distribution	2.47	0.20	2.71	155	30.9	1.1	4.1
Qatar Fuel	12.86	0.23	(15.23)	12,786	13.1	1.4	7.0
Widam Food	1.42	(0.07)	(4.69)	256	N/M	N/M	N/A
Mannai Corp.	5.29	1.95	17.95	2,413	8.1	2.1	5.7
Al Meera Consumer Goods	12.95	(0.99)	(11.12)	2,668	20.7	1.7	3.1
Mekdam Holding Group	2.02	(0.98)	(8.53)	343	9.9	1.3	6.9
Meeza QSTP	2.95	(1.70)	(13.21)	1,914	28.7	2.7	2.9
Al Faleh Education Holding	0.56	0.90	(18.13)	134	8.3	0.5	2.2
Al Mahhar Holding	2.21	3.04	0.68	456	9.5	1.3	6.8
Mosanada Facility Management Services	8.35	(0.96)	(12.12)	584	N/M	3.8	0.6
Consumer Goods and Services				**30,155**			
Qatar Industrial Manufacturing	2.09	4.30	(11.38)	991	9.2	0.5	6.2
Qatar National Cement	2.59	(2.78)	(6.16)	1,693	16.9	0.6	8.5
Industries Qatar	9.76	(0.61)	(18.19)	59,048	23.1	1.7	7.3
Qatari Investors Group	1.30	1.89	(11.77)	1,613	12.8	0.6	7.7
Nebras Energy	13.73	0.59	(8.77)	15,103	11.8	1.0	5.5
Aamal	0.71	0.28	(16.25)	4,448	10.8	0.5	7.1
Gulf International Services	1.75	6.77	(31.51)	3,252	9.6	0.7	5.7
Mesaieed Petrochemical Holding	1.08	4.66	(1.37)	13,543	N/M	0.9	3.9
Estithmar Holding	4.05	1.48	20.54	18,189	17.2	3.4	N/A
Qatar Aluminum Manufacturing	1.50	4.90	(6.25)	8,370	13.0	1.2	6.7
Industrials				**126,250**			
Qatar Insurance	1.89	(0.05)	(7.60)	6,157	10.8	0.9	5.8
QLM Life & Medical Insurance	2.10	(2.91)	(16.00)	735	13.7	1.1	4.8
Doha Insurance	2.86	(5.64)	11.46	1,430	6.7	1.0	6.5
Qatar General Insurance & Reinsurance	2.34	(6.60)	50.94	2,043	15.0	0.5	2.1
Al Khaleej Takaful Insurance	2.85	0.74	25.22	728	9.8	N/M	5.3
Qatar Islamic Insurance	8.00	3.92	(9.59)	1,200	8.3	2.0	6.3
Damaan Islamic Insurance Company	5.20	1.27	19.60	1,040	10.0	1.7	4.8
Insurance				**13,332**			
United Development	0.77	1.98	(15.44)	2,734	6.8	0.2	7.1
Barwa Real Estate	2.29	(0.48)	(12.50)	8,907	7.8	0.4	7.9
Ezdan Real Estate	0.83	0.85	(21.83)	21,936	183.0	0.6	N/A
Mazaya Qatar Real Estate Development	0.56	1.09	(2.97)	556	10.7	0.5	N/A
Real Estate				**34,133**			
Ooredoo	13.00	4.42	(0.23)	41,642	11.1	1.4	5.8
Vodafone Qatar	2.61	1.71	7.14	11,032	14.2	2.2	4.6
Telecoms				**52,674**			
Qatar Navigation (Milaha)	10.33	0.88	(4.09)	11,737	10.3	0.6	4.4
Gulf Warehousing	2.28	(0.87)	1.79	134	10.8	0.5	4.4
Qatar Gas Transport (Nakilat)	4.30	4.62	(4.21)	23,823	14.1	1.7	3.3
Transportation				**35,693**			
Qatar Exchange				**592,241**			

Source: Bloomberg

Technical analysis of the QSE index

Source: Bloomberg

The QSE index closed on the upside at 2.00 % for this week and printed 9,876.29 last. However, the index is still below the 10,000 psychological level, which may act as a tough level to surpass and sustain. Until the index trades below the 10,000- 10,050 zone, the profit-booking is likely to continue, which may re-test 9,700. However, above 10,050, the index can attempt a move towards 10,200.

Definitions of key terms used in technical analysis

RSI (Relative Strength Index) indicator – RSI is a momentum oscillator that measures the speed and change of price movements. The RSI oscillates between 0 to 100. The index is deemed to be overbought once the RSI approaches the 70 level, indicating that a correction is likely. On the other hand, if the RSI approaches 30, it is an indication that the index may be getting oversold and therefore likely to bounce back.

MACD (Moving Average Convergence Divergence) indicator – The indicator consists of the MACD line and a signal line. The divergence or the convergence of the MACD line with the signal line indicates the strength in the momentum during the uptrend or downtrend, as the case may be. When the MACD crosses the signal line from below and trades above it, it gives a positive indication. The reverse is the situation for a bearish trend.

Candlestick chart – A candlestick chart is a price chart that displays the high, low, open, and close for a security. The 'body' of the chart is portion between the open and close price, while the high and low intraday movements form the 'shadow'. The candlestick may represent any time frame. We use a one-day candlestick chart (every candlestick represents one trading day) in our analysis.

WEEKLY ENERGY MARKET REVIEW

Oil settles lower on Fed policy clues, Hormuz deal rumours

www.abhafoundation.org

Oil
Oil prices settled lower on Friday and were also down for the week as traders evaluated indications regarding the US Federal Reserve's inflation-fighting policy and rumours of a possible agreement on shipping through the Strait of Hormuz.
Brent crude futures settled at $89.31 a barrel, while US West Texas Intermediate (WTI) crude finished at $83.40 a barrel. For the week, Brent fell by more than 5% and WTI by more than 4%.
Following comments by new Federal Reserve Chairman Kevin Warsh pointing to a possible interest rate hike later this year to curb inflation, oil prices fell further.
Global product markets remain strong following further Ukrainian strikes on Russian refineries. However, there is considerable speculation that a deal to reopen the Strait of Hormuz could be reached over the weekend, analysts said.

Asian spot LNG prices rose for a third straight week to a five-month high supported by demand in both Asia and Europe. *Picture supplied by the Abdullah bin Hamad Al-Attiyah International Foundation for Energy and Sustain-able Development.*

Gas
Asian spot liquefied natural gas (LNG) prices rose for a third straight week to a five-month high, supported by demand in both Asia and Europe, while unresolved Strait of Hormuz transit disruptions stemming from the US-Iran conflict remained an upside risk.
The average LNG price for October delivery into north-east Asia was $23.20 per million British thermal units (mmBtu), up from $22.50 per mmBtu the week before.
Industry participants said buying interest from South Asian markets, including India and Bangladesh, supported the market despite higher prices.
In Europe, the Dutch TTF gas price settled at $22.48 per mmBtu, posting a weekly loss of 1.3%.
European gas and LNG prices climbed to multi-year highs as participants priced in the need to attract Atlantic Basin LNG cargoes ahead of winter.

■ *This article was supplied by the Abdullah bin Hamad Al-Attiyah International Foundation for Energy and Sustain-able Development.*

Has ECB reached the end of its tightening cycle?

At the beginning of the year, the European Central Bank (ECB) appeared set to keep interest rates unchanged throughout 2026. After a successful disinflation process, inflation had fallen close to the ECB's 2% target, while the deposit rate stood at 2%, a level broadly considered neutral.

The escalation of the US-Iran conflict abruptly changed this outlook, as severe supply disruptions and shipping constraints through the Strait of Hormuz triggered a sharp rise in oil and natural gas prices, pushing inflation above target again.

Policymakers became increasingly concerned that higher energy costs could spill over into the prices of other goods and services, making inflation more persistent through second-round effects.

The euro area is particularly sensitive to natural gas prices, as gas not only constitutes a major share of energy imports, but also acts as a key price-setting factor in electricity markets.

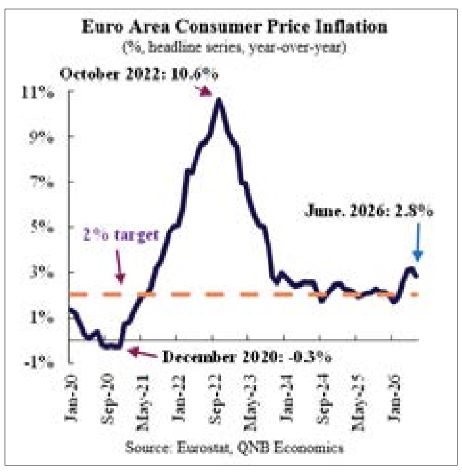
Against this backdrop, the ECB raised its deposit rate by 25 basis points in June, to prevent what was initially viewed as a temporary energy shock from becoming a broader inflation problem. These effects have for now been captured by monetary policy, unless a further and considerable spike in energy prices should prove more persistent.

QNB's latest economic commentary discusses three key factors supporting this assessment.

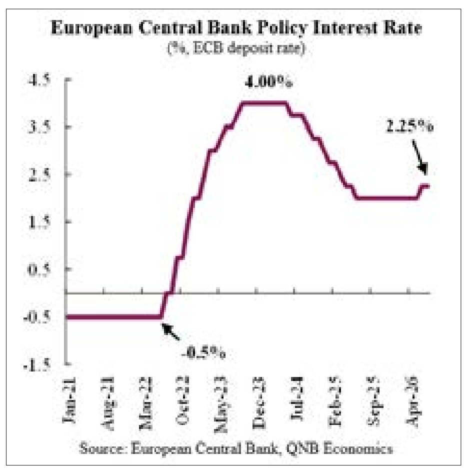
"First, the inflation risks that prompted the June rate hike have eased. Despite the ongoing conflict between the US and Iran, recent inflation data suggest that higher energy costs are not feeding broadly into the economy. Both headline and core inflation surprised to the downside in June, while wage growth continues to moderate, limiting the risk of second-round effects.

"Moreover, euro inflation swap rates – a market-based measure of investors' inflation expectations – have fallen below the ECB's 2% target over the next year. Taken together, these developments suggest that the inflation shock is likely to prove temporary, substantially weakening the case for further monetary tightening," QNB stated.

QNB continued, "Second, the weakening growth outlook for the euro area reinforces the case for no further increases in policy rates. Business activity has remained subdued, with the composite Purchasing Managers' Index (PMI), which combines the manufacturing and services sectors, staying below the 50-point threshold that separates expansion from contraction for the past three months.



Source: Eurostat, QNB Economics



Source: European Central Bank, QNB Economics

"This weakness has prompted analysts to revise down their growth outlook, with consensus forecasts for real GDP growth this year declining from 1.2% before the US-Iran conflict to 0.6%. Slower economic growth is also likely to reduce underlying inflationary pressures by dampening demand across the economy. Against this backdrop, additional monetary tightening would risk weighing unnecessarily on an already fragile economy."

Policymakers became increasingly concerned that higher energy costs could spill over into the prices of other goods and services, making inflation more persistent through second-round effects

QNB stated, "Third, recent ECB communication suggests that policymakers are becoming more comfortable with leaving interest rates unchanged. At the June meeting, the Governing Council emphasised that it would continue to follow a data-dependent and meeting-by-meeting approach, without pre-committing to a specific path for policy rates.

"This message was reinforced at the ECB's annual Forum on Central Banking, held in Sintra, Portugal, where central bankers, academics, and financial market participants gather each year to discuss the global economic outlook and monetary policy challenges."

QNB stated that European Central Bank President Christine Lagarde noted that there that risks to inflation and growth had become more broadly balanced. Other Governing Council members also indicated that a wait-and-see approach was appropriate, with some expressing openness to keeping policy rates unchanged if incoming data continue to confirm that inflation risks are receding.

Taken together, recent communication suggests that the Governing Council is increasingly focused on assessing incoming data rather than preparing for another near-term increase in policy rates, QNB stated.

"All in all, the ECB's June rate hike was an appropriate response to the temporary inflation risks. Nevertheless, continued progress in the disinflation process, a weaker growth outlook, and recent ECB communication all point to a reduced need for additional monetary tightening.

"Unless a new inflationary shock emerges or underlying price pressures prove unexpectedly persistent, the June increase is likely to mark the end of the ECB's tightening cycle, with policy rates expected to remain unchanged over the remainder of the year," QNB stated.

US taking partial control of Venezuela's vast oil reserves, says Trump

Reuters
Washington

President Donald Trump on Friday announced an unprecedented US push to take control of a fifth of Venezuela's vast oil reserves, saying that American companies can revive the Opec nation's battered energy industry while delivering a new source of crude to help bring down US fuel prices.
Trump provided few details about the agreement, saying only that the US had secured majority control of more than 65bn barrels of Venezuela's proven oil reserves through a partnership with private business.
The South American nation's leader welcomed the agreement, saying it would boost the economy and government revenue.
The new deal would represent a dramatic expansion of the US role in Venezuela's oil industry as the Trump administration seeks to revive the country's production and secure more crude for US refineries.
Venezuela holds the world's largest proven oil reserves but produces only about 1.25mn barrels per day, far below its potential after years of underinvestment, mismanagement and sanctions.
"At my direction, Secretary of State Marco Rubio, and Secretary of War Pete Hegseth, working closely with Highly Respected Interim President of Venezuela, Delcy Rodriguez, and, through a partnership with private business, have secured majority US control of more than 65bn BARRELS of proven Oil Reserves in Venezuela, at no cost to the American Taxpayer," Trump wrote on Truth Social.
The announcement followed weeks of US-Venezuelan negotiations over a deal that would give American companies long-term access to a group of Venezuelan oilfields and guarantee the resulting crude supply to the US.
Venezuelan officials are preparing to sign agreements next week granting new oil exploration and production rights to a number of companies, particularly US firms.
Sources have told Reuters that a lease model was under consideration, with fields potentially auctioned to US producers, but the arrangement could face legal and constitutional challenges in Venezuela, where the state retains control over core oil industry activities.
Trump did not disclose the structure of the agreement, the fields or companies involved or how the US would exercise majority control over the reserves. A list seen by Reuters shows the fields are in the Orinoco Belt and Lake Maracaibo regions.
Rubio described the agreement as a win for both countries, saying on X that it would secure stable, low-cost oil for the US and help lower gasoline prices.
Rodriguez, who became interim leader after the US seized President Nicolas Maduro in January, said late on Friday that the agreement would allow for a significant increase in production through the development of 17 strategic fields and result in tax revenue for the country totaling $209bn.
"These investments will contribute not only to the recovery and modernization of our industry, but also to our country's economic growth, the energy security of our hemisphere, and greater balance in international markets," she said in a statement.

'Oil deal to bring Venezuela $100bn in private investment'

Secretary of State Marco Rubio said Friday that a new oil deal giving the US a huge stake in Venezuelan petroleum reserves will bring nearly $100bn in private investment to the Latin American nation, reports AFP.
Rubio said on X that the deal would secure stable reserves and lower gas prices in the US, and added: "For the Venezuelan people, this deal will bring nearly $100bn in private investment, support thousands of high-paying jobs, and drive the reconstruction of Venezuela's economy."

War weighs on Iran's economy as US intensifies sanctions

Reuters
Dubai/Cairo

Iranian leaders are acknowledging the economic toll of war with the US, with the supreme leader urging the government to address the hardship and the president saying foreign trade has shrunk by a third due to the American sanctions and blockade.
Yet Tehran signalled no retreat on Saturday, vowing to withstand US pressure, pursue diplomacy and maintain what it said was control over the Strait of Hormuz, the strategic waterway giving Iran leverage through its ability to disrupt global energy markets.
The government said in a statement on state media that addressing economic pressures caused by sanctions and war was a central focus, including curbing inflation, managing markets, creating jobs, directing investment towards domestic production and gradually reducing dependence on the dollar.
Six months after the US and Israel launched the war, negotiations are at an impasse and President Donald Trump's administration has stepped up efforts to punish Iran financially with what it has billed as an "economic D-Day".
Washington has warned countries to cut business ties with Iran or face secondary sanctions, though the Treasury Department stopped short of imposing penalties against major Iranian trade partners such as China and India, which could have repercussions for the US and global economies.
The Treasury imposed sanctions on Egypt's Banque Misr for doing business with Tehran, proposing a rule that would cut off the bank's branches in the United Arab Emirates from dollar transactions.
Egypt's central bank said it and the foreign ministry were in contact with US officials concerning the matter, adding the measure was limited to Banque Misr UAE's US dollar transactions with correspondent banks only.
Banque Misr said later in a statement it was reviewing the US Treasury notice, adding that its branch in the UAE continued to provide banking services to its customers in line with applicable rules and procedures.
The US also issued sanctions targeting an entity based in Hong Kong and a person linked to Iran's Bank Melli, according to a notice on the Treasury website.
The sanctions drive compounds the toll of the war on Iran's economy, where annual inflation hit 66% last month.
Supreme Leader Ayatollah Mojtaba Khamenei — who has not been seen publicly since he was injured in the initial February 28 attack that killed his father and former supreme leader, Ayatollah Ali Khamenei — called on the government to tackle the economic hardship.
"There is the need to seriously address the chain of economic and livelihood challenges, such as inflation, unemployment, management of prices and the market for goods and services," according to a written statement attributed to Khamenei.
President Masoud Pezeshkian told state media that Iranian exports and imports had slumped nearly 35% because of US sanctions and a naval blockade of Iranian ports. But he said Iran was able to sell about 90mn barrels of oil during the short-lived memorandum of understanding that the US and Iran signed in June, when Washington permitted Iranian oil sales.
With the US focused on its economic pressure campaign, others have sought to revive diplomatic efforts to end the war.
Trump has repeatedly said the Strait of Hormuz is open, but the Revolutionary Guards' navy said in a statement that such claims "are an obvious lie", reiterating that the waterway remained closed to ships without Iranian permission.
Only seven commodity vessels transited the strait on Thursday, down from 17 a day earlier and below the 10-day average of 15, preliminary shipping data showed on Friday.

Iranians collect belongings from the rubble of a damaged residential building in Tehran on March 12. The government said in a statement on state media that addressing economic pressures caused by sanctions and war was a central focus, including curbing inflation, managing markets, creating jobs, directing investment towards domestic production and gradually reducing dependence on the dollar.