COMMON INTERESTS | Page 2

'Amir's visit to Uzbekistan paves way for commercial and economic partnerships'

Tuesday, June 6, 2023
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GULF TIMES BUSINESS

FED OPTIMISM : Page 8

External factors push QSE index up 38 points; Islamic equities outperform

Tourism, financial services demand boosts confidence in Qatar's non-energy private sector in May

By Santhosh V Perumal
Business Reporter

Qatar saw strongest improvement in business conditions in non-energy private sector since July 2022 on accelerated growth in output, new orders, employment and purchasing, according to the Qatar Financial Centre (QFC).

The PMI rose for the sixth time in seven months to 55.6 in May, from 54.4 in April, indicating the strongest improvement in business conditions since July 2022. The latest figure moved further above the long-run trend of 52.3.

"Qatar's non-energy private sector remained on an upward growth trajectory in May, as inflows of new business accelerated in part due to tourism and demand for financial services," said Yousuf Mohamed al-Jaida, chief executive officer, QFC Authority.

The Qatar PMI indices are compiled from survey responses from a panel of around 450 private sector companies. The panel covers the manufacturing, construction, wholesale, retail, and services sectors, and reflects the structure of the non-energy economy according to official national accounts data.

The headline QFC PMI is a composite single-figure indicator of non-energy private sector performance. It is derived from indicators for new orders, output, employment, suppliers' delivery times and stocks of purchases.

The PMI figure was mainly boosted by the output and new orders components in May, while employment and stocks of purchases also had positive overall contributions.

New business increased at the fastest rate in ten months in May. Companies reported signing new contracts with both existing and new customers, alongside new product offerings and tourism demand. New business in financial services was also a strong point in the latest findings.

Total business activity rose further in May. Output has risen every month for almost three years straight, except for a brief correction in January following the conclusion of the FIFA World Cup Qatar 2022. The rate of expansion in May was the strongest of 2023 so far and well above the six-year survey trend.

Yousuf Mohamed al-Jaida, chief executive officer, QFC Authority.

The 12-month outlook for the non-energy private sector improved in May. The Future Output Index rose for the first time in three months to 59.2, with confidence strengthening in the services, wholesale and retail, and construction sectors.

Non-oil private sector employment rose to the greatest degree since July 2022, helping firms to further reduce their levels of outstanding business in May. Demand for inputs strengthened, but supply chains coped admirably as average lead times were cut again.

According to the QFC PMI, May data signalled a strong month for financial services companies in Qatar. Rates of expansion in new business and total activity both accelerated since April, and the 12-month outlook strengthened.

"Financial services continued to outperform the wider economy, with its key indices for activity and new business registering 61.4 and 61.8, respectively. Financial services firms also raised their charges, in contrast to little change across the non-energy sector as a whole," al-Jaida said.

The MoU was formalised in a meeting between Omar Hussain Alfardan, president and CEO of Alfardan Group; Sheikh Hamad bin Abdulaziz bin Nasser al-Thani, chairman of ERF; Hatem Alhamayda, CEO ERF, and other officials from both organisations, at Alfardan Towers recently.

Alfardan Group, Electronics Recycling Factory sign MoU to promote sustainable practices

Alfardan Group has signed a memorandum of understanding (MoU) with Electronics Recycling Factory (ERF) to promote environmental sustainability and the recycling of waste electrical and electronic equipment - widely known as W-EEE, or e-waste

The MoU was formalised in a meeting between Omar Hussain Alfardan, president and CEO of Alfardan Group; Sheikh Hamad bin Abdulaziz bin Nasser al-Thani, chairman of ERF; Hatem Alhamayda, CEO ERF, and other officials from both organisations, at Alfardan Towers recently.

This initiative comes as part of Alfardan Group's ESG strategy to reduce its carbon footprint. Under the MoU, the two entities will work closely to ensure the safe and proper disposal and recycling of e-waste in a way that achieves the goals of a sustainable environment and protect it from the risks it faces because of the wrong disposal of hazardous waste.

Omar Hussain Alfardan said, "At Alfardan, we are committed to embedding sustainable practices at the core of our operations and business strategy across the group and making necessary changes to develop sustainable waste management culture that will help reduce our environmental footprint.

"In this regard, we are pleased to collaborate with Electronics Recycling Factory to combine our efforts to shape a brighter, cleaner, and greener Qatar and contribute towards the sustainable development of our beloved country."

ERF is the first certified ethical recycler of e-waste in the GCC with the capacity to recycle all kinds of WEEE with no selectiveness.

Sheikh Hamad said, "We are pleased to sign this MoU with Alfardan Group to work collectively to strengthen Qatar's position as one of the most progressive countries to address the world's fastest environmental problems.

"e-waste recycling is one of the most important issues because of its ability to reduce environmental risks, pollution, the preservation of human life and the health of other living organisms. With a capacity to recycle 45,000 tonnes of e-waste annually, we produce multiple raw materials that are reused again in local industries."

In line with its commitment to being socially responsible, Alfardan Group is an active participant in the UN Global Compact (UNGC) and is working to integrate the 17 Sustainable Development Goals (SDGs) across its businesses, contributing to the group's ESG vision.

SAF to be 'biggest' contributor to net zero success: Walsh

By Pratap John
Business Editor/Istanbul

The airline industry's biggest focus is on sustainable aviation fuel (SAF), which will be the biggest contributor to net zero success, IATA director general Willie Walsh said here yesterday.

International Air Transport Association recently unveiled a series of roadmaps aimed at providing step-by-step detailing of critical actions and dependencies for aviation to achieve net zero carbon emissions by 2050.

These roadmaps address aircraft technology, energy infrastructure, operations, finance, and policy considerations leading to net zero.

Walsh noted, 'SAF production is less than 0.1% of what we need for net zero. But the trend is positive. In 2022, SAF production tripled to 300mn litres. And while critics of our industry dismiss that figure as irrelevant, it's important to remember that airlines used every single drop costing almost $350mn.

"With the right supportive policies, reaching 30bn litres by 2030 is challenging but achievable. That would be about 6% of the 450bn litres annual production capacity we need in 2050. We think it will be the tipping point because achieving it will establish the trajectory needed to scale up for 2050."

On why the airline industry was not moving faster on the issue, he said, "The willingness of airlines to use SAF is definitely not the issue. As I have said, every drop of SAF ever produced has been purchased and used. The problem is insufficient production capacity to meet demand.

"That's why we must increase the number of pathways for SAF production and diversify feedstocks — of course while maintaining their sustainability credentials. Doing so will open production opportunities best suited to particular geographical locations."

Governments, he said should be jumping over themselves to be first in line for the job creation, local economic stimulus, and biodiversity protection that SAF production brings — significant benefits for both developed and developing economies alike.

"Unfortunately, the politicians have not made good on their COP26 promise to stop financing fossil fuels. We have not seen a major shift of fossil fuel subsidies to green energy — certainly not for SAF."

The US approach to SAF is the most advanced with a system of tax credits to drive up production levels. This will be more effective than purchase mandates being considered as far and wide as Singapore, India and Europe. When there is not enough supply, a purchase mandate will drive prices up, stall innovation and limit competition long before supply increases.

And if there is an early policy decision that is needed, it is to establish global standards for a SAF book and claim system that can fairly allocate SAF credits with no double counting, he noted.

Just as location makes no difference on the impact of CO_2 emissions, it has no impact on where SAF is uplifted and used either. A global approach to book and claim for SAF credits will help facilitate economies of scale in SAF production.

And it will avoid the long-distance shipping (or even importation) of SAF, which would only degrade its climate credentials. Walsh added, "It is important that we get these basics of energy transition done — production incentives, more diversified production pathways and a book and claim system. Our commitment to net zero by 2050 is fixed and firm. We have the roadmaps for an energy transition. Now we need these tools to get the job done!" Page 4

Willie Walsh, director general of the International Air Transport Association, during the IATA annual general meeting in Istanbul yesterday. The airline industry's biggest focus is on sustainable aviation fuel, which will be the biggest contributor to net zero success, Walsh said.

Amir's visit to Uzbekistan paves way for commercial and economic partnerships, says Sheikh Khalifa

QNA
Doha

Qatar Chamber chairman Sheikh Khalifa bin Jassim al-Thani stressed the importance of the His Highness the Amir Sheikh Tamim bin Hamad al-Thani's Central Asia tour to Uzbekistan, Kyrgyzstan, Kazakhstan, and Tajikistan, within the framework of strengthening the state's orientation towards developing relations with these countries.

In a statement to Qatar News Agency (QNA), Sheikh Khalifa said the tour will certainly contribute to increasing the volume of trade and enhancing economic and investment co-operation in a way that serves common interests.

His Highness the Amir's tour reflects the keenness and success of the State of Qatar's policy in opening up to all countries and building positive relations in all fields, in line with the economic diversification strategy pursued by the state, which has strengthened its international economic position as a leading global centre for business and investment, Sheikh Khalifa said.

He indicated that the Qatari private sector has a major role in strengthening trade co-operation relations with Central Asian countries. In this aspect, he stressed that QC is keen and encourages Qatari businessmen and investors to enhance co-operation, explore investment prospects and opportunities, and establish investment alliances and business partnerships with their counterparts in those countries to benefit the economy on both sides.

QC hosts many meetings with trade delegations from Central Asian countries looking to enhance co-operation between Qatari companies and their countries and discuss the investment climate and opportunities available on both sides, Sheikh Khalifa explained.

He praised the strong relations between the State of Qatar and the Republic of Uzbekistan in various fields, such as the economic, trade, and investment fields.

His Highness the Amir's visit to Uzbekistan will strengthen these relations and open new horizons for co-operation between the two countries, especially in the trade and economy, reflecting positively on the trade and investment exchange, and relations of co-operation and partnership between the two countries' business sectors, Sheikh Khalifa said.

The opening of the Embassy of the State of Qatar in Tashkent in early May contributes to the further development of co-operation relations between the two countries in various fields, he pointed out.

The Qatari private sector is looking forward to strengthening co-operation with its Uzbek counterparts by establishing trade and economic partnerships and alliances, which will benefit the economies of the two countries, noting its role in developing bilateral relations and increasing the volume of trade and investment, Sheikh Khalifa said.

He highlighted that the trading volume between the two countries is still below the aspirations of the two friendly peoples; however, QC is keen to enhance the co-operation between Qatari companies and their Uzbek counterparts, calling on companies from both sides to benefit from the developed relations by establishing economic alliances and partnerships that benefit both economies.

Sheikh Khalifa bin Jassim al-Thani, Qatar Chamber chairman.

Promising opportunities seen for economic co-operation between Uzbekistan and Qatar

QNA
Tashkent

Deputy Adviser to the President of the Republic of Uzbekistan for Economic Affairs and Director of Center for Economic Research and Reform, Khakimov Obid Arzikulovich praised the great renaissance achieved by the State of Qatar over the past 20 years as a huge success, occupying a leading position in the region.

In a statement to QNA, Arzikulovich said that thanks to Qatar's political will, the country accomplished many achievements in recent years, making it a role model for success and excellence.

The Uzbek official described His Highness the Amir Sheikh Tamim bin Hamad al-Thani's visit to Uzbekistan as an important milestone in the Qatari-Uzbek bilateral relations, opening new doors for co-operation in various fields, especially in energy and agriculture.

With the State of Qatar's extensive experience in oil and gas and Uzbekistan's great capabilities in the agricultural sector, they create opportunities for future co-operation and to expand trade exchange in these fields, Arzikulovich said.

Cultural and religious ties also are an important factor in advancing economic co-operation between the two countries, as this contributes to bringing views closer that take into account both parties' common interests, he highlighted.

The Uzbek official expressed his hope that economic relations between Uzbekistan and Qatar would rise to the level of political relations, noting that His Highness the Amir's visit will be an opportunity for all stakeholders in the public and private sectors to strengthen trade and economic co-operation, and search for promising opportunities in investment and joint projects.

In this context, Arzikulovich called to launch an economic forum between the two countries as an opportunity for those interested in the business sector to discuss all possible opportunities to enhance economic co-operation.

He urged both countries' private sector to seize the opportunity and benefit from the distinguished relations between Uzbekistan and Qatar, take initiatives, and enter into serious negotiations to establish promising economic partnerships that benefit both parties.

Opening direct flights between the two countries in the coming period is very important as it will contribute to prompting investors from both countries to invest in new projects related to energy, water, and modern technology, sectors that are of great importance to his country, Arzikulovich stressed.

He indicated that his country's geographical location provides great access to the Asian market, an incentive for Qatari businessmen and investors to reach and access new markets in Asia.

The volume of trade exchange between Uzbekistan and the State of Qatar amounted to $4.82mn in 2022, of which $4.32mn are imports from Qatar to Uzbekistan that include petroleum products and fuels, Arzikulovich said.

Uzbekistan aims to attract foreign investment in the development of the oil and gas industry to expand the exploration and production of hydrocarbons, His Excellency explained.

Given the growth in the consumption of hydrocarbons, Uzbekistan is set to invest about $9.8bn in this industry from 2019 to 2030. This includes $3.5bn for exploration and $6.3bn for increasing natural gas production, which constitutes an opportunity for Qatari investors to join Uzbekistan's booming economy.

The Uzbek official also referred to the possibilities of attracting Qatari capital to invest in the electric power sector in Uzbekistan, a highly-prioritized area, to develop important generation capacities in areas such as thermal power plants, nuclear energy, and renewable energy sources, while attracting foreign direct investment.

Qatar Indian Management Association to host leadership summit

Qatar Indian Management Association (QIMA) is organising its 'Leadership Summit' on June 7 at Radisson Blu Doha to provide a platform for the exchange of ideas and insights on leadership.

The summit will be graced by South African ambassador Ghulam Hoosein Asmal, who will inaugurate the event. Shrinivas V Dempo, president of the All India Management Association and chairman of Dempo Group of Companies, will be the guest of honour.

Dempo's address will be on 'Changing Leadership in a Changing World'. Attendees can expect to gain valuable perspectives on adapting leadership approaches to meet the challenges of today's rapidly transforming business landscape.

The chief guest, Ibrahim al-Jaidah, Group CEO and chief architect of Arab Engineering Bureau and IJAE, will share his extensive knowledge and visionary insights on effective leadership. His address will shed light on navigating the complexities of a changing world.

Rekha Sethi, director general of the All India Management Association, will deliver a special address on 'Women in Leadership Roles: Beyond Barriers and Biases'. Her session will explore the importance of diversity and inclusivity in leadership, empowering women to break barriers and contribute to the growth and success of organisations.

P Suresh, a former commander of the Indian Navy and managing director of Steel and Industrial Forgings Ltd, will share insights on 'Navigating the Complexities: Leadership Trials in Manufacturing Industries'. Suresh's address will provide practical strategies and guidance to leaders in the manufacturing sector, enabling them to overcome challenges and achieve excellence.

An interactive session titled 'The Leaders of the Future' will encourage speakers and participants to partake in a discussion on the qualities, skills, and strategies necessary for successful leadership in the ever-changing business landscape.


Invest like a
Bull
Sit like a
Bear
SELL
BUY
Understanding the Bear vs. the Bull | فهم مصطلح الدب مقابل الثور
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BUSINESS

Unruly air passenger incidents increase, post-pandemic: IATA

By Pratap John
Business Editor/Istanbul

The International Air Transport Association (IATA) released a new analysis showing that reported unruly passenger incidents increased in 2022 compared to 2021.
IATA called for more states to take the necessary authority to prosecute passengers under Montreal Protocol 2014 (MP14).
Latest figures show that there was one unruly incident reported for every 568 flights in 2022, up from one per 835 flights in 2021. The most common categorisations of incidents in 2022 were non-compliance, verbal abuse and intoxication.
Physical abuse incidents remain very rare, but these had an alarming increase of 61% over 2021, occurring once every 17,200 flights.
"The increasing trend of unruly passenger incidents is worrying. Passengers and crew are entitled to a safe and hassle-free experience on board. For that, passengers must comply with crew instructions. While our professional crews are well trained to manage unruly passenger scenarios, it is unacceptable that rules in place for everyone's safety are disobeyed by a small but persistent minority of passengers. There is no excuse for not following the instructions of the crew," said Conrad Clifford, IATA's deputy director general.
Although non-compliance incidents initially fell after the mask mandates were removed on most flights, the frequency began to rise again throughout 2022 and ended the year some 37% up on 2021.
The most common examples of non-compliance were: smoking of cigarettes, e-cigarettes, vapes and puff devices in the cabin or lavatories; failure to fasten seatbelts when instructed; exceeding the carry-on baggage allowance or failing to store baggage when required; and consumption of own alcohol on board.
A two-pillar strategy focusing on regulation and guidance to prevent and de-escalate incidents is in place for the needed zero-tolerance approach to unruly behaviour, Clifford noted.
"In the face of rising unruly incident numbers, governments and the industry are taking more serious measures to prevent unruly passenger incidents. States are ratifying MP14 and reviewing enforcement measures, sending a clear message of deterrence by showing that they are ready to prosecute unruly behaviour. For the industry's part, there is greater collaboration.
"For example, as the vast majority of intoxication incidents occur from alcohol consumed prior to the flight, the support of airport bars and restaurants to ensure the responsible consumption of alcohol is particularly important.
"No one wants to stop people having a good time when they go on holiday, but we all have a responsibility to behave with respect for other passengers and the crew. For the sake of the majority, we make no apology for seeking to crack down on the bad behaviour of a tiny number of travellers who can make a flight very uncomfortable for everyone else," Clifford added.


Conrad Clifford, IATA's deputy director general. **PICTURE:** www.iata.org

Jet fuel price moderates; ATF estimated to average $98.5 in 2023, says Walsh

By Pratap John
Business Editor/Istanbul

Jet fuel is estimated to average $98.5 per barrel and crude price $80 this year, IATA director general Willie Walsh said yesterday.
IATA expects oil prices to moderate this year compared to 2022, when crude price averaged around $102.
"Some airlines hedge; some others don't, although hedge provides some predictability. But pressure from oil prices has eased so far this year," he said at a press conference here.
"Oil companies did very well on our tab as the crack spread for jet fuel was at historic highs for most of 2022 until April of this year. And there are grievous examples of some airports shifting their costs of their inefficiency to us," he said.
Walsh noted: "Jet fuel prices, although still high, have moderated over the first half of the year."
Jet fuel costs, or aviation turbine fuel (ATF) are expected to average $98.5 in 2023 for a total fuel bill of $215bn. That is cheaper than the $111.9 previously expected (December 2022) and the average cost of $135.6 experienced in 2022.
High crude oil prices were exaggerated for airlines as the crack spread (premium paid to refine crude oil into jet fuel) averaged more than 34% for 2022 — significantly above the long-run average. As a result, fuel was responsible for almost 30% of total expenses.
Walsh noted: "In recent months, the crack spread has narrowed, and the full year average crack spread is expected to fall to around 23%, which is more closely aligned with the historical average rate. Fuel costs will account for 28% of the average cost structure, which is still above the 24% of 2019."

IATA, UNEP sign MoU to address key environmental challenges in aviation including single-use plastics

By Pratap John
Business Editor/Istanbul

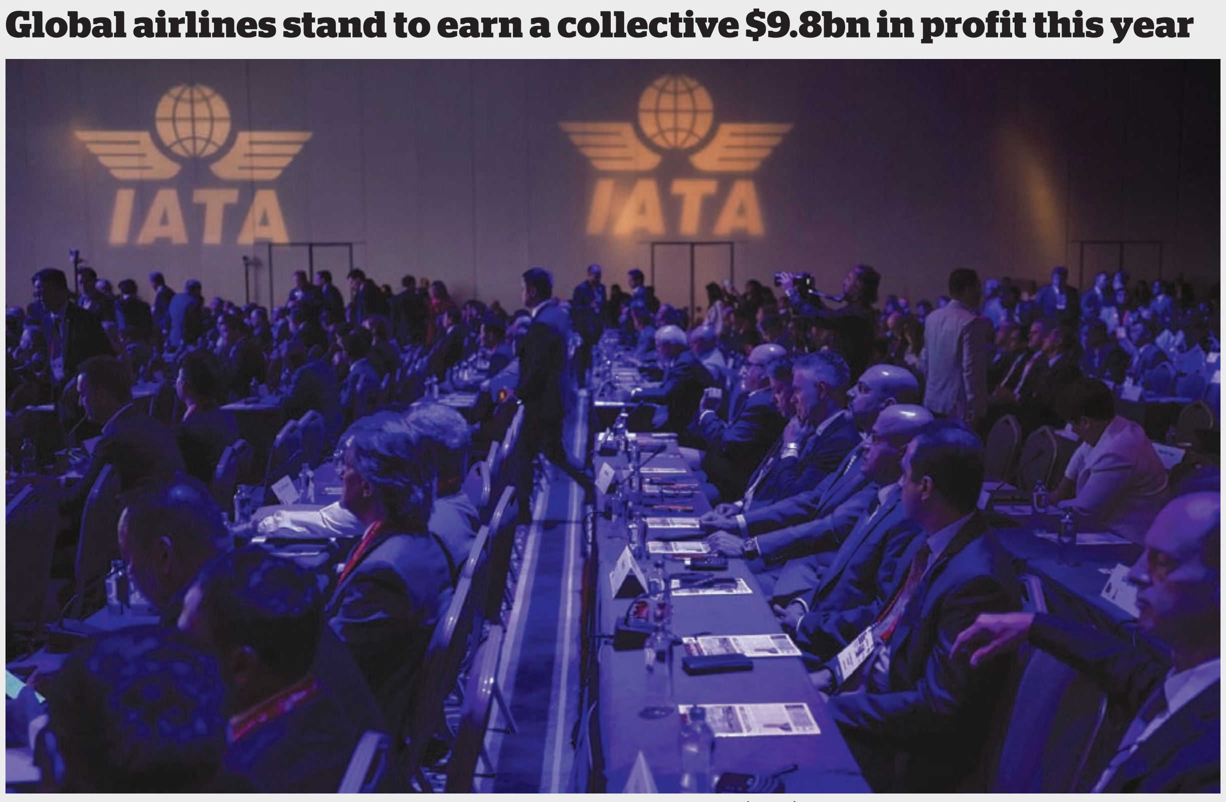

Marie Owens Thomsen, IATA's senior vice-president (Sustainability) and chief economist. **PICTURE:** www.iata.org

The International Air Transport Association (IATA) and the United Nations Environment Programme (UNEP) have signed a memorandum of understanding (MoU) aligned with the UN 2030 Agenda for Sustainable Development to address sustainability challenges in the aviation industry.
Reduction of problematic single use plastics products (SUPP) and improving the circularity in the use of plastics by the industry is the initial focus of the partnership as UNEP leads global efforts to develop an international legally binding instrument on plastic pollution, including in the marine environment, by the end of 2024.
Making aircraft cabins more sustainable is a priority for airlines and their passengers. The complex and asymmetrical regulatory environment, however, often poses an obstacle by preventing circular economy best practices. In the absence of a global approach, differing regulations at both ends of a journey severely limit the actions that airlines can take.
IATA advocates for a simplified and harmonised regulatory environment that would enable a reduction in plastic utilisation and greater reuse, and recycling of cabin waste, including plastics, where they are needed.
To this end, the partnership will step up IATA's engagement with UNEP to ensure that aviation's unique challenges and opportunities are represented in the upcoming international legally binding agreement to end plastic pollution.
Already, IATA and UNEP are working on joint guidance on Re-thinking Plastics in Aviation. This comprehensive resource will encompass an overview of regulations, guidance on SUPP replacement, and recommended best practices for both industry and regulators.
"World Environment Day reminds us that sustainability is our number one global challenge. Formalising IATA's longstanding collaboration with UNEP will help airlines move even faster on improving the sustainability of the aircraft cabin. It's critical that we achieve a harmonised global regulatory framework to enable airlines to implement more comprehensive and common circular economic solutions in all markets.
"For example, currently our hands are tied with outdated regulations focused on incineration rather than reuse and recycling. Modernising that will be a big step forward for sustainability," said Marie Owens Thomsen, IATA's senior vice-president (Sustainability) and chief economist.
"UNEP is looking forward to working with IATA, to helping the industry transition to net zero, reduce food waste and move away from SUPP. The aviation industry can also help by raising awareness among passengers and staff, and ensure that all stakeholders of the aviation value chain are engaged, and most importantly act in a joined-up way to end plastic pollution," said Sheila Aggarwal-Khan, director, UNEP's Industry and Economy Division.
More than 400mn tonnes of plastic is produced every year, half of which is designed to be used only once. Of that, only 9% is recycled, with the pollution it generates making it extremely urgent that global action is taken.
Under this partnership, IATA and UNEP also plan to work together on knowledge sharing, guidance and networking in other key sustainability challenges including sustainable aviation fuel (SAF), sustainable finance, climate adaptation, biodiversity conservation including preventing wildlife trafficking and sustainable tourism.

Dubai to host 80th IATA AGM, World Air Transport Summit in June 2024

The International Air Transport Association (IATA) announced that Emirates will host the 80th IATA Annual General Meeting (AGM) and World Air Transport Summit in Dubai on June 2-4, 2024.
"We look forward to gathering the aviation industry in Dubai for the 80th IATA AGM in 2024. Dubai is a dynamic city and a major aviation hub connecting the world. The UAE's positive approach to aviation has built a strong airline with a strong hub airport. Together, these make an enormously powerful and positive contribution to the society and economy of the UAE.
"Holding the AGM in Dubai will be a showcase of what can be achieved by aviation with supportive government policies and decisions," said Willie Walsh, IATA's director general.
"Emirates is delighted to host the 80th IATA AGM and World Air Transport Summit. We look forward to welcoming all our aviation industry colleagues to Dubai in 2024," said Sir Tim Clark, president of Emirates Airline.
The decision to host the 80th IATA AGM was made by the 79th AGM in Istanbul yesterday.
This will be the first time the UAE and Dubai will host the global gathering of aviation's top leaders.

Global airlines stand to earn a collective $9.8bn in profit this year



Attendees in the audience during the International Air Transport Association (IATA) annual general meeting in Istanbul, Turkiye, yesterday. Global airlines stand to earn a collective $9.8bn in profit this year, the airline industry's main lobby group said, doubling its previous estimate from December as a surge in flying in North America and Europe drives up ticket prices.

IATA names winners of 2023 Diversity & Inclusion Awards sponsored by Qatar Airways

The International Air Transport Association (IATA) announced the winners of the 2023 edition of the IATA Diversity & Inclusion Awards sponsored by Qatar Airways.
The award winners are:
inspirational role model: Poppy Khoza, director, Civil Aviation, South African Civil Aviation Authority (SACAA); high flyer: Camila Turrieta, chair, Diversity, Equity, Belonging, and Inclusion Committee, Air Line Pilots Association (ALPA), and first officer, JetBlue Airways; and diversity & inclusion team: Virgin Atlantic Airways
"In their fourth year, the IATA Diversity & Inclusion Awards play an important role in recognising the work done by those who go above and beyond in engraining diversity and inclusion in the aviation industry. Through breaking taboos to introducing innovations and changing the status quo, this year's winners exemplify the true nature of the industry: resilience, persistence and unhindered motivation to drive change," said Karen Walker, editor in chief, *Air Transport World* and chair of the judging panel.
The other members of the judging panel include the winners of the 2022 awards: Guliz Ozturk, CEO, Pegasus Airlines; Kanchana Gamage, founder and director of the Aviatrix Project; and Alina Aronberga, SVP Human Resources, airBaltic.
"I congratulate the winners of the 2023 awards. By their example, they are leading the way to a gender balanced aviation industry. They have pushed boundaries to demonstrate that diversity and inclusion is fundamental to business success. Congratulations to three truly inspirational winners. Women are still under-represented in aviation, but with the help and example of these and previous award winners, we are making progress," said Willie Walsh, IATA's director general.
Qatar Airways is the sponsor of the Diversity & Inclusion Awards for the fifth consecutive year.
Each winner receives a prize of $25,000, payable to the winner in each of the categories or to their nominated charities.
The 2023 IATA Diversity & Inclusion Awards were presented during the World Air Transport Summit (WATS) which followed the 79th IATA Annual General Meeting in Istanbul, Turkiye.

BUSINESS

Asia stocks rise on global rally

AFP
Hong Kong

Asian markets built on a global rally yesterday after a mixed US jobs report lifted hopes the Federal Reserve will skip an interest rate hike this month, while oil extended gains after Saudi Arabia slashed output.

In Tokyo, the Nikkei 225 closed up 2.2% to 32,217.43 points; Hong Kong Hang Seng Index ended up 0.8% to 19,108.50 points and Shanghai Composite closed up 0.1% to 3,232.44 points yesterday.

The figures combined with news that Washington had finally passed a debt ceiling deal to avert a catastrophic default, while a report that China is looking at fresh support for its property sector also boosted sentiment.

Wall Street surged Friday after data showed the US economy added 339,000 jobs last month, far more than expected, indicating the labour market remained strong despite more than a year of Fed rate increases.

However, the report also revealed wage gains moderated slightly, putting less pressure on inflation.

Analysts said the "Goldilocks" reading — neither too good nor too bad — suggested the economy was not facing an immediate risk of a recession and could still give the Fed room to hold policy steady.

Asian traders welcomed the news, with Hong Kong extending Friday's 4% surge, while Tokyo piled on more than 2% to a fresh three-decade high and Sydney added 1%.

Shanghai was helped by a Bloomberg News report that China was looking at measures to help its beleaguered property sector, which accounts for a huge portion of its economy.

Singapore, Mumbai, Seoul, Taipei, Manila and Jakarta also rose.

London, Paris and Frankfurt all climbed at the open.

The latest advances across equities have come as investors bet the Fed will not tighten monetary policy at its meeting next week, though expectations are it will do so in July.

The central bank has lifted rates 10 times since early last year.

"A combination of a US debt ceiling resolution alongside a mixed US jobs report, still favouring a June Fed pause, and news that China may be considering further support to its beleaguered property sector boosted risk sentiment," said National Australia Bank's Rodrigo Catril.

The renewed confidence also saw the so-called VIX "fear gauge" drop below 15 points to pre-Covid levels.

Mark Hackett, at Nationwide, said: "Investors have spent much of the past three years obsessed by the Fed, inflation, and payrolls, though volatility around those reports has settled, reflecting a less emotional market.

"This is bullish, as less reactivity is a sign of a healthy market." However, Michael Hewson at CMC Markets added: "With the latest US inflation numbers due out the day before next week's Fed meeting, US policymakers will have a challenging job to spin the idea of holding rates while at the same time keeping the option open for a July rate move." Meanwhile, there is a worry that with the borrowing limit standoff out of the way, the Treasury will launch a sale of around \$1tn of debt to restock its coffers, sucking up cash from banks and sapping liquidity.

An external view of the Tokyo Stock Exchange building. The Nikkei 225 closed up 2.2% to 32,217.43 points yesterday.

EM currencies decline

Reuters
Singapore

Emerging market currencies fell against the dollar yesterday as robust US jobs data spurred concerns that rates may stay higher for longer, while Turkiye's lira slid nearly 1% after the appointment of Mehmet Simsek as the country's finance minister.

MSCI's emerging market index for currencies edged 0.3% lower against a stronger dollar, led by Turkish lira that hit 21.1 to the dollar, not far above a record low of 21.8 made last week.

Simsek's appointment signalled that the Turkish government is moving away from unorthodox interest rate cuts in the face of high inflation that dipped to 39.59% in May, largely in line with expectations.

Erik Meyersson, chief emerging markets strategist at SEB said: "Simsek's appointment is enough positive, but it's a sign of how the institutional and the economic policy environment has deteriorated that the Lira is still depreciating so rapidly." "There's a valid concern now that Simsek's appointment is probably more of a substitute than a compliment to policy changes." Goldman Sachs revised its lira forecast in the wake of President Tayyip Erdogan's cabinet revamp, saying it now expected the currency to weaken to 28 to the dollar in 12 months compared with a previous prediction of 22. The dollar remained firm as US jobs growth accelerated in May, leading to traders betting that the US central bank may keep interest rates higher for longer.

China's yuan also eased yesterday, reflecting broad dollar strength in global markets.

The South African rand climbed 0.3% against the dollar. The country's private sector economic activity contracted for a third consecutive month in May as rolling power cuts and inflationary pressures continued to weigh on business.

In central and eastern Europe, the Czech crown inched up 0.2% against the euro after the country's nominal wage growth accelerated to an annual 8.6% in the first quarter. Emerging market stocks rose 0.2% yesterday.

Elsewhere in emerging markets, oil prices were up \$1 a barrel after top global exporter Saudi Arabia pledged to cut production by another 1mn barrels per day from July, counteracting the macroeconomic headwinds that have depressed markets.

Fed's rate strategy is getting tricky as plans to skip a hike emerge

Bloomberg
Washington

The Federal Reserve's June meeting is shaping up to be one of the trickiest in its 15-month campaign to tame inflation: Chair Jerome Powell seems intent on skipping an interest-rate increase, while explaining to the public that officials aren't done yet.

The strategy is sensible, confusing and risky all at once, Fed watchers say.

Since March 2022, the US central bank has raised its policy rate at 10 consecutive meetings, to a range of 5-5.25%, with the last two increases following bank runs that led to the collapse of four lenders.

Now, Powell and several of his colleagues want to take a break at their June 13-14 meeting to assess the outlook, even though their quarterly economic forecasts may show interest rates and inflation moving higher this year than they expected three months ago.

"The reason they want to pause is risk management: There are a lot of uncertainties, and they want to gather more data," said former Fed Governor Laurence Meyer. "But if you think you are going to do one or two more, and you don't hike in June, the question is: Why not?"

One possible answer is that the Federal Open Market Committee is trying to fight on two fronts. Policymakers want to bring inflation back down to their 2% goal, after more than two years above target. But they also don't want to push rates so high that they overshoot and crush the economy.

The Fed has raised rates more than five percentage points in little more than a year, one of the fastest rate-hiking campaigns in the Fed's nearly 110-year history.

"Skipping a rate hike at a coming meeting would allow the committee to see more data before making decisions about the extent of additional policy firming," Fed Governor Philip Jefferson said May 31.

US Federal Reserve building in Washington, DC. The Fed's June meeting is shaping up to be one of the trickiest in its 15-month campaign to tame inflation: Chair Jerome Powell seems intent on skipping an interest-rate increase, while explaining to the public that officials aren't done yet.

So far, the economy has proven more resilient to rapid rate increases than many officials expected. A Labor Department report Friday showed employers added 339,000 jobs last month, though the jobless rate also climbed.

Consumer spending has held up despite persistent price pressures, and the Atlanta Fed's GDPNow model estimate for the second quarter is running at nearly 2%.

Progress on inflation, meanwhile, has slowed in recent months, especially in the services sector. The Fed's preferred measure, minus food and energy, rose 4.7% for the 12 months ending April. Trimming away outlier prices, a measure produced by the Dallas Fed showed inflation running at 4.4% on a six-month basis — more than double the Fed's target.

"Their revealed actions over the last two months show that they have recently switched to having a slight bias toward downside growth concerns over inflation concerns," said Anna Wong, chief US economist at Bloomberg Economics.

"The inflation data does not warrant a pause right now."

With inflation still far from their goal, and unemployment near historic lows, policymakers could afford to raise rates at least two more times to lean against price pressures without undercutting growth, Wong added.

Some Fed officials, including Chicago Fed President Austan Goolsbee, have pointed to the lagged effects of rate increases, and the possibility of wide-scale credit tightening by banks, to suggest policymakers should be cautious and monitor incoming data carefully.

While the general thrust of the data has been resilient, there are other indicators that flash caution, such as the Conference Board's Leading Economic Index, which are signalling a recession some time in the next 12 months. When the data is confusing, central bankers tend to move gradually or not at all.

"You have leading indicators that suggest a recession is coming, and coincident indicators that suggest the economy is chugging along at a good pace," said Kathy Bostjancic, chief economist at Nationwide Life Insurance Co. If supply kinks unravel further in coming months as expected, taking a break makes sense, said Jeff Fuhrer, former research director at the Boston Fed.

"Historically, you can predict tomorrow's inflation from today's inflation," he said, except when supply disruptions are driving prices up. "This episode is a little bit different," he said. "I don't think inflation went up because we had outsized demand."

Pausing rate increases presents some risks.

For most of the year, officials have signalled to markets that they planned to bring rates to a restrictive level — their median estimate in March suggested rates would reach 5.1% by year-end — and hold them there for some time. Markets have anticipated the Fed would cut rates later in 2023.

Skipping a rate hike in June could make it more difficult for officials to restart, if needed. To avoid that outcome, Powell will need to make clear at his post-meeting press conference that it may take more work to lower inflation.

"The messaging is going to be tough," said Diane Swonk, chief economist at KPMG LLP in Chicago. "The biggest risk is that markets start front-running them on cuts" later this year.

Easier financial conditions could push growth up more, possibly lifting inflation expectations.

Fed officials are anxious to ensure that inflation expectations stay well anchored and some worry — as Powell warned a year ago — that the public could lose faith in the Fed's ability to bring inflation back to 2% the longer it stays above target.

A Cleveland Fed survey of company perceptions of the central bank's inflation target was at 3.1% in the second quarter. Before the pandemic it stood at 2.2%. Other measures of inflation expectations are tilting higher.

"Inflation expectations are volatile right now and vulnerable to unanchoring," said Bloomberg's Wong. "The clock is ticking."

Musk's Neuralink valued at about $5bn despite long road to market

Reuters
New York

Elon Musk's brain implant startup Neuralink, which was valued at close to $2bn in a private fundraising round two years ago, is now worth around $5bn based on privately executed stock trades described to Reuters by five sources with knowledge of the matter.

Some purchases by bullish investors boosted the valuation in recent months, ahead of Neuralink's May 25 announcement that US regulators had approved a human trial on its brain chip, the sources said.

Experts have said it could take several years for Neuralink to secure commercial use clearance. Kip Ludwig, former program director for neural engineering at the US National Institutes of Health (NIH), said he "optimistically" expected Neuralink to take at least 10 more years to commercialize its brain implant. The company also faces other challenges that include federal probes into its handling of animal research.

Following the trial's approval, however, Neuralink shares were marketed privately to investors in recent days at a $7bn valuation, equivalent to $55 per share, according to an e-mail seen by Reuters.

Reuters could not establish whether the seller found buyers for that price. The e-mail cited the US Food and Drug Administration's (FDA) approval of the clinical trial as grounds for the deal being "sweeter." Neuralink executives and Musk did not respond to requests for comment.

Musk has expressed grand ambitions for Neuralink, saying its chip would allow healthy and disabled people alike to pop into neighbourhood facilities for speedy surgical insertions of devices to treat obesity, autism, depression and schizophrenia. He even sees them being used for web-surfing and telepathy. A Neuralink executive recently gave more modest short-term objectives, such as helping paralysed patients communicate through computerised text without typing.

The stock transactions at a valuation of around $5bn have been carried out by shareholders such as employees and the company's early backers, rather than Neuralink selling new shares to investors. Such so-called secondary trades are an imperfect gauge of a company's value; their volume is thin and they lack the wider market consensus of a fundraising round or initial public offering (IPO).

Neuralink's valuation jump in secondary trades is in sharp contrast to other startups. About 85% of pre-IPO companies are currently valued in secondary trades at an average discount of 47% to their last funding round, according to data provider Caplight.

In Neuralink's last known fundraising in 2021, it raised $205mn at an approximately $2bn valuation, according to data provider Pitchbook.

Many of the recent stock sales have been to relatively small investors, who typically focus more on getting a slice of a company owned by Musk than scrutinising its valuation. The maximum amount sought for the Neuralink shares marketed for sale at a $7bn valuation was just $500,000, according to the email seen by Reuters.

Sim Desai, chief executive of Hiive, an online platform where the shares are traded, said demand for Neuralink stock has been "tremendous." He pegged the valuation that buyers are willing to pay at around $4.5bn.

Some biomedical experts are sceptical. Arun Sridhar, a scientist and entrepreneur who specialises in neuromodulation, called Neuralink's valuation "bonkers" based on how early the brain implant is in its clinical development.

"A study to assess safety and tolerability is in no shape or form valid to justify a $5bn valuation," said Sridhar, who helped launch Galvani Bioelectronics, a developer of implants backed by GSK Plc and Alphabet Inc's Verily Life Sciences. Galvani is not a competitor of Neuralink because its implants under development will be installed in an artery to the spleen to help treat rheumatoid arthritis, rather than the brain.

The FDA initially rejected Neuralink's request for a human trial last year, citing safety reasons, Reuters has reported. Even after securing approval, the company faces several challenges.

Neuralink has come under scrutiny from US lawmakers after Reuters reported in May that its animal-research board may have violated conflict-of-interest regulations. Neuralink employees who sat on that board, which oversees the welfare of the animals that were being tested, also stood to benefit from the implant's quick development. Neuralink stock that some of the employees hold has jumped around 150% in value in just two years, based on the secondary trades.

The law enforcement arm of the US Department of Agriculture has been investigating Neuralink for potential animal-welfare violations. Neuralink staff told Reuters last year that the company was rushing and botching surgeries on monkeys, pigs and sheep, resulting in far more animal deaths than necessary, as Musk pressured staff to receive FDA approval.

The Department of Transportation is separately probing whether Neuralink illegally transported dangerous pathogens on chips removed from monkey brains without proper containment measures. Neither Musk nor Neuralink have responded to multiple requests for comment on the probes or the Reuters reports.

UBS expects to seal Credit Suisse takeover as soon as June 12

Reuters
Zurich

UBS said yesterday it expected to complete its takeover of Credit Suisse "as early as June 12", creating a giant Swiss bank with a balance sheet of $1.6tn following a government-backed rescue earlier this year.

Completion is subject to the registration statement, which covers shares to be delivered, being declared effective by the US Securities and Exchange Commission, and other remaining closing conditions, it added.

"UBS expects to complete the acquisition of Credit Suisse as early as June 12, 2023. At that time, Credit Suisse Group AG will be merged into UBS Group AG," UBS said in a statement.

Switzerland's No 1 bank agreed on March 19 to pay 3bn Swiss francs ($3.37bn)and assume up to 5bn francs in losses for its smaller Swiss rival after a collapse in customer confidence brought it to the brink of collapse, prompting the Swiss authorities to act to stave off a broader banking crisis. Upon completion, Credit Suisse shares and American Depositary Shares (ADS) will be delisted from the SIX Swiss Exchange (SIX) and the New York Stock Exchange (NYSE), UBS added. SIX said in a separate statement Credit Suisse shares would be delisted on June 13 at the earliest.

Under the all-share takeover, Credit Suisse shareholders will receive one UBS share for every 22.48 shares they held. The biggest bank deal since the global financial crisis will create a group overseeing $5tn of assets, giving UBS overnight a leading position in key markets it would otherwise need years to grow in size and reach.

The mega-bank will employ 120,000 worldwide, although it has already announced it will be cutting jobs to take advantage of synergies and reduce costs.

UBS had been rushing to close the transaction in record time, hoping to provide greater certainty for Credit Suisse clients and employees, and to stave off departures.

The deal was backed by 200bn francs in liquidity support from the Swiss central bank as well as the government's commitment to swallow up to 9bn francs in losses on top of those borne by UBS.

"We have to be also clear... this is an acquisition not a merger," UBS CEO Sergio Ermotti told a financial conference on Friday, warning of "painful" cost and job cuts to come.

A question mark remains over what UBS will do with the Swiss retail bank of Credit Suisse, long seen as the group's "crown jewel." Bringing it into UBS's fold and combining the two banks' largely overlapping networks could produce significant savings. But there has been public pressure to preserve Credit Suisse's domestic business as a separate entity with its own brand, identity and, critically, workforce.

The bank was still analysing the situation, Ermotti said on Friday, although the "base scenario" remained a full integration with UBS and he would not be swayed by "nostalgia" when deciding how to proceed.

The executive, who was brought back to UBS to steer the takeover, rejected concerns the new bank would be too big for Switzerland, saying although scale was important for banks, smaller institutions could also cause problems.

Big US banks face 20% jump in capital requirements

Bloomberg
New York

Large US banks may face a 20% average increase in capital requirements from upcoming rule proposals as the collapse of several smaller lenders this year adds urgency to a push to bolster the industry's financial strength, according to the *Wall Street Journal*.

The revised requirements could be proposed as early as June, and the specific increases will depend on lenders' activities, according to the report, citing people the newspaper didn't identify. Institutions with large trading businesses would take the biggest hit while those heavily dependent on fee income could also face significant increases, the report said.

Banking regulators around the world are tightening capital rules for the industry as they seek to wrap up the final chapter of their response to the financial crisis of 2008. The collapse of several banks in the US earlier this year served as a reminder of the fallout from weak lenders, while the biggest firms argue that capital rules going too far would hinder economic growth.

The industry and its investors have been bracing for increases for months and have been eagerly awaiting details of the overhaul. JPMorgan Chase & Co chief financial officer Jeremy Barnum said late last month that the firm was expecting the proposals on implementing new Basel standards "any day now." He said that while the firm would push back on calls for more capital, it was preparing for its requirements to rise.

Citigroup Inc chief executive officer Jane Fraser said last week that her bank was holding off on anything beyond modest buybacks until it had more clarity on the Basel changes and the Federal Reserve's separate "holistic" review of capital requirements.

Michael Barr, the Fed's vice chair for supervision, has previously said that US officials are reviewing bank capital requirements and committed to putting in place strictures that align with Basel III. Barr, who took over as the Fed's top bank watchdog in July 2022 and an architect of the Dodd-Frank Act of 2010, has also signalled that he supports tougher restrictions for bigger, systemically important lenders than smaller institutions.

Buildings in lower Manhattan in New York. Large US banks may face a 20% average increase in capital requirements from upcoming rule proposals as the collapse of several smaller lenders this year adds urgency to a push to bolster the industry's financial strength, according to the *Wall Street Journal*.

The biggest banks have argued that their steadiness in the recent turmoil showed their strength and that they already have more than enough capital. The six biggest US firms have added more than $200bn to their capital reserves in the last decade, and JPMorgan said last month that its total loss-absorbing capacity now exceeds the loan losses that all US banks had during the financial crisis.

JPMorgan CEO Jamie Dimon has been among critics blasting more cumbersome capital requirements, calling the upcoming increase "bad for America" last year ahead of a pair of congressional hearings.

The top US banks are already subject to higher requirements than their European peers, according to the European Central Bank, which oversees lenders in the euro area. Despite that disadvantage, US securities firms were able to win market share from European competitors in previous years.

Yet the recent US bank failures were firms with smaller balance sheets than such global systemically important lenders.

Banks with at least $100bn in assets may have to adhere to new requirements, lower than the existing $250bn threshold, for which regulators have reserved their most stringent rules, according to the *Journal*. The Trump administration had loosened rules for many regional banks.

While Europe applies Basel standards to all banks, the US differentiates more on which rules it applies to large and small banks. Excluding mega banks, euro area lenders would face lower requirements if they were based in the US, according to the ECB.

Other jurisdictions are also working on their own implementation of the final Basel III standards.

The European Union is trying to water down its version after the industry warned that a strict approach would risk choking off the supply of credit to the bloc's economies.

"The last remaining piece of Basel III, known informally as the Basel III endgame, would alter capital levels for US banks as regulators recalibrate risk-weighting of assets and restrict internal models used to calculate both credit and operational risk," says Nathan Dean, BI senior government analyst.

In the US, the Fed is playing a leading role in crafting the measure, along with the Federal Deposit Insurance Corp and the Office of the Comptroller of the Currency, according to the *WSJ*. All three agencies are expected to seek comment on the proposed capital rules before voting to complete changes and eventually implementing them over the coming years, the report said.

JPMorgan said at its investor day that while the final pieces of Basel III capital rules — which some investors have referred to as Basel IV because they could be so extensive — may be proposed soon, they're unlikely to be implemented before early 2025.

Nebras Power builds and operates large power generation project in Uzbekistan

QNA
Doha

Over the past few years, Nebras Energy has witnessed significant expansion in its investments in various regions worldwide, particularly in Central Asia, including Turkiye and Uzbekistan. Uzbekistan is the latest destination for Nebras Energy company, with its initial investments focused on signing a long-term Power Purchase Agreement (PPA) in the country.
The objective is to build and operate the Syrdarya II Combined Cycle Gas Thermal (CCGT) power plant in the central region of the country.
The project, expected to enter production by the end of 2025 or early 2026, aims to expand Nebras Energy's global asset portfolio. In addition, it seeks to provide communities and cities across the country with access to a reliable and clean energy source.
The presence in Uzbekistan reaffirms the company's stature and the role it plays as one of the major energy companies in Central Asian countries.
Nebras Energy is proud to be awarded this opportunity to develop and manage a large-scale power project in Uzbekistan.
It also promises to deliver significant technical and project expertise to support and strengthen the country's power industry.
In its first investment in Uzbekistan, Nebras Power partnered with an international consortium of power companies, including French company EDF (Electricité de France) and Japanese-based Sojitz Corp and Kyuden Group.
The alliance submitted the winning tender to build and manage the 1,600MW power facility in the region of Syrdarya, which is located approximately 150km south of the capital city of Tashkent.
Syrdarya II is contracted to provide power to the National Power Grid of Uzbekistan as part of a 25-year off-take agreement.
It will be one of the nation's largest power-generating facilities upon completion and will be instrumental in helping the country meet its growing energy demands from both industry and residential sectors.
Enersok, a newly formed project company, will be tasked with carrying out the construction and management of Syrdarya II. As part of the sales purchase agreement, Nebras will control 33.3% of Enersok, while the remaining shares will be divided amongst EDF, Sojitz and Kyuden.
The building of Syrdarya II will follow international guidelines on sustainability and conservation.
Operations and maintenance will also adhere to stringent industry and environmental emission standards and protocols.
The project has not yet broken ground, but construction is expected to begin by the end of this year and completion is projected by the end of 2025 or early 2026.

External factors push QSE key index up 38 points; Islamic equities outperform

By Santhosh V Perumal
Business Reporter

Optimism on the US Federal Reserve's expected move to pause its rate hikes this month and rising oil prices led the Qatar Stock Exchange report 38 points increase in its key index.

The Gulf funds were increasingly net buyers as the 20-stock Qatar Index settled 0.36% higher at 10,434.78 points.

The domestic institutions' weakened net selling had its influence in the main market, which however recovered from an intraday low 10,379 points.

The local retail investors' lower net selling pressure also had its say in the main bourse, whose year-to-date losses narrowed further to 2.31%.

The Gulf individuals' net profit booking was seen weakening in the main bourse, whose capitalisation gained QR1.13bn or 0.18% to QR617.27bn, mainly on account of microcap segments.

The foreign institutions continued to be net buyers but with lesser intensity in the main bourse, which saw a total of 0.1mn exchange traded funds (sponsored by Masraf Al Rayan and Doha Bank) valued at QR0.24mn changed hands across seven deals.

The Arab retail investors turned net sellers in the main market, which saw no trading of sovereign bonds.

The Islamic index was seen gaining faster than the other indices in the main market, which saw no trading of treasury bills.

The Total Return Index rose 0.36%, All Share Index by 0.38% and Al Rayan Islamic Index (Price) by 0.41% in the main bourse, whose trade turnover and volumes were on the increase.

The insurance sector index shot up 3.01%, transport (0.63%), banks and financial services (0.42%), telecom (0.36%), real estate (0.36%) and consumer goods and services (0.13%); while industrials fell 0.14%.

Major gainers in the main market included Dlala, Widam Food, Qatari German Medical Devices, Al Khaleej Takaful, Qatar Insurance, Inma Holding, Mesaieed Petrochemical Holding and Barwa. In the venture market, Al Faleh Educational Holding saw its shares appreciate in value.

Nevertheless, Doha Insurance, Qatar Islamic Insurance, Alijarah Holding, Mannai Corporation, Salam International Investment, Gulf International Services, Ezdan and Gulf Warehousing were among the shakers in the main market.

The Gulf institutions' net buying increased noticeably to QR20.94mn compared to QR13.07mn on June 4.

The domestic institutions' net profit booking fell substantially to QR8.34mn against QR31.21mn the previous day.

The Qatari individuals' net selling weakened markedly to QR11.89mn compared to QR29.03mn on Sunday.

The foreign individual investors' net selling shrank perceptibly to QR0.08mn against QR2.42mn on June 4.

The Gulf retail investors' net profit booking eased marginally to QR0.09mn compared to QR0.11mn the previous day.

However, the Arab individuals were net sellers top the extent of QR4.8mn against net buyers of QR5.36mn on Sunday.

The Arab institutions turned net profit takers to the tune of QR0.01mn compared with no major net exposure on June 4.

The foreign funds' net buying decreased substantially to QR4.28mn against QR44.33mn the previous day. The main market saw an 11% jump in trade volumes to 206.53mn shares, 23% in value to QR576.39mn and 35% in deals to 22,282.

The Gulf funds were increasingly net buyers as the 20-stock Qatar Index settled 0.36% higher at 10,434.78 points yesterday

Meeza opens IPO subscription for 324,490,000 ordinary shares today

Following its Intention to Float (ITF) announcement, Meeza is opening the subscription period for its shares today (June 6) for Qatari individual and corporate investors. The period will be open until June 19, 2023, allowing interested investors to subscribe to the IPO and benefit from the company's strong and stable growth.

The total offering comprises 324,490,000 ordinary fully paid-up shares at an offering price of QR2.17 per share, which includes QR1 of nominal value, a premium of QR1.16 and offering and listing fees of QR0.01 per share.

The offering is open to Qatari citizens and legal entities incorporated in Qatar, in accordance with the Qatar Stock Exchange (QSE) Rulebook, the Qatar Financial Market Authority (QFMA) Offering Rules and the Articles. All other investors will have the chance to purchase the shares on the secondary market once Meeza is listed, which is expected sometime in July subject to the necessary regulatory approvals.

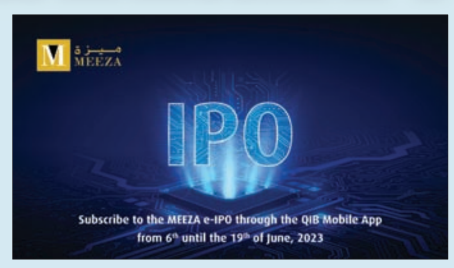
To subscribe, investors must submit a subscription application through any of the receiving banks, either online or manually in the respective branches, along with a valid QID for individual investors, or a Commercial Registration Number for corporate investors, together with payment in full for the amount intended to use to subscribe for the offer shares.

The lead receiving bank is QNB, including receiving banks Ahli Bank, Arab Bank Group, Commercial Bank, Doha Bank, Masraf Al Rayan, Qatar Islamic Bank, and Qatar International Islamic Bank.

Before investing in the shares, investors should review the offering prospectus approved by QFMA, which is available at www.meeza.net/ipo and the listing adviser and offering manager website at www.qinvest.com/media-center/press-release

QIB participates in Meeza IPO

Qatar Islamic Bank (QIB) has announced its participation in Meeza's Initial Public Offering (IPO), which will run from June 6 to 19.
To simplify the subscription process, QIB has upgraded its mobile app to give customers the opportunity to register and subscribe online to any IPO. The e-IPO functionality allows pre-registered customers to subscribe to an IPO for themselves, and their dependents below the age of 18, within just a few minutes.
Non-registered customers of the e-IPO service can easily register through QIB mobile app.
The e-IPO process is hassle-free, paperless, and does not require the customer to visit a QIB branch.
Customers can also subscribe by visiting selected QIB branches participating in the IPO, which are located across the country with dedicated centres to serve ladies, Private, and Tamayuz customers, as well as the dedicated branch for Corporate and SMEs.
Participating branches for the IPO are Salwa Road, Q-Mall (Al Gharafa), Al Khor, Al Sadd, Al Wakra, and Corporate Branch on Grand Hamad Street.
QIB Qatari customers who are interested to visit the branch to subscribe will need to fill out the IPO subscription form and present their valid QID with a copy. If applying on behalf of a minor, the applicant needs to provide an original birth certificate or the minor's passport, QID of the person making the application, and a document proving that the person making this application is the legal guardian of the minor, alongside an authentic and valid copy.
Branches participating in the IPO will be open for individual customers from Sunday to Thursday from 7.30am to 1pm, except Q-Mall (Al Gharafa), which will be open from Saturday to Thursday from 9am to 2.30pm and will re-open from 3.30pm till 9pm, Friday from 4pm to 9pm.
QIB Corporate customers who would like to subscribe should provide a subscription form signed by the authorised signatory, a valid commercial registration (original and clear copy) and the QID of the authorised signatory(s) (original and clear copy).
QIB Corporate Branch will be open from Sunday to Thursday from 7.30am to 1pm and will re-open from Sunday to Wednesday from 5.30pm to 7.30pm. It is closed on Friday and Saturday.
For more information, visit www.qib.com.qa/en-ipo



QFCRA takes disciplinary actions against two directors of Horizon Crescent Wealth

The Qatar Financial Centre Regulatory Authority (QFCRA) has taken disciplinary actions against two directors of Horizon Crescent Wealth (HCW) for contraventions relating to Anti-Money Laundering and Combating Terrorist Financing Rules 2010 (AML/CFTR).
In 2019, the QFCRA took disciplinary action against HCW, which is licensed as a Trust Administrator and as such is a designated non-financial business or profession (DNFBP), subject to AML/CFTR. The QFCRA fined HCW QR30mn for serious legal and regulatory breaches of the AML/CFTR, QFC Law No. 7 of 2005 and the Financial Services Regulations, QFCRA said in a statement.
Following the disciplinary action against the firm, the QFCRA commenced an investigation into the role played by its directors in the firm's contraventions.
As a result, the QFCRA took disciplinary action against two directors of HCW for their failures in operating HCW.
Patrick Baeriswyl, who held the senior executive function of HCW, was fined QR728,000 and Jean Marc Mantegani, who was also the Money Laundering Reporting Officer (MLRO) of HCW, was fined QR1.09mn. In addition, both Baeriswyl and Mantegani were prohibited from carrying out any functions for firms in the Qatar Financial Centre (QFC) indefinitely. The action taken by the QFCRA against them emphasises the standards required of a licensed firm and its senior management to ensure effective compliance with QFCRA rules, including those rules required to ensure that firms have effective systems and controls in place to combat illicit finance.
Both Baeriswyl and Mantegani appealed the QFCRA's decision to impose financial penalties and a prohibition.
The QFC Regulatory Tribunal upheld the financial penalties and the prohibition imposed by the QFCRA and dismissed their appeals.

Uzbek CCI chairman looks to boost trade ties

QNA
Tashkent

Chairman of the Chamber of Commerce and Industry (CCI) of the Republic of Uzbekistan Davron Vakhabov stressed that the visit of His Highness the Amir Sheikh Tamim bin Hamad al-Thani to Uzbekistan represents a considerable opportunity to establish trade partnerships between Qatar and Uzbekistan and a significant step to launch investment projects that benefit the two countries.

In his remarks, Vakhabov said that the close relations between the leaderships in the two countries, which is crowned by His Highness the Amir's visit to Uzbekistan, would constitute an impetus and substantial incentive to encourage the chambers of commerce and industry in Uzbekistan and Qatar to take actual measures to establish strong trade partnerships that reflect the capabilities of the two countries. He stressed that His Highness the Amir's visit to Uzbekistan would surely encourage businesspersons in both countries to involve in an actual and effective dialogue to establish commercial projects, as the chambers of commerce and industry in Uzbekistan and Qatar have had a relationship since 2010, but no tangible steps were taken to activate this relationship.

He added that during His Highness the Amir's visit to Uzbekistan, there would be significant talks to activate trade relations between businesspersons in both countries. The talks would also deal with all available fields for co-operation between the chambers of Uzbekistan and Qatar, especially in agriculture, energy, industry, and other vital fields of interest for both sides, like technology.

Vakhabov indicated that Uzbekistan is open for business and trade, and its businesspersons are interested in entering into partnerships with the Qatari side, especially in agriculture. In turn, Qatar is well-known for its construction field, especially in real estate and infrastructure. The Chairman of the CCI of the Republic of Uzbekistan pointed out that the visit of His Highness the Amir represents an opportunity for businesspersons from both countries to sit together and discuss all issues related to developing trade means between Uzbekistan and Qatar and introduce the Qatari businesspersons to the facilities provided by the government of Tashkent for investors and entrepreneurs.

In this regard, he reviewed the facilities offered by Uzbekistan for foreign investors to encourage trade and establish industrial projects, including tax exemptions, facilities in water and electricity, granting lands as well as facilities in import and export, and other governmental incentives to attract businesspersons and investments.

He pointed out that the chamber is working on using His Highness the Amir's visit to hold a consultation session between Qatari and Uzbek businesspersons, which will focus in its first stage on exploring mutual trade opportunities between the two countries and the common business fields.