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**RETAINS STRENGTH | Page 8**  
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# GULF TIMES BUSINESS



**WALL STREET WEEK AHEAD: Page 3**

Nvidia, retailer reports to shed light on AI boom, consumer spending

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**COMMERCIAL BANK**

## Bloomberg and Qatar deepen QEF partnership amid global uncertainty

By Peter Alagos  
Business Editor

Global events platforms have become more valuable, not less, as geopolitical uncertainty intensifies, and few partnerships illustrate that dynamic better than the one underpinning the Qatar Economic Forum (QEF).

Karen Saltser, Bloomberg Media CEO, said: "This year has reinforced the importance of being flexible and thoughtful when operating global convenings in a fast-moving geopolitical environment. Our priority was making sure the forum continues to deliver the level of participation, access and conversation that people around the world now expect."

In an exclusive interview with *Gulf Times*, Saltser said the collaboration between Bloomberg and the Ministry of Commerce and Industry (MoCI) has grown considerably in recent years, driven by the Middle East's expanding role in the global economy.

"QEF's combination of both regional relevance and international reach has been especially important. Bloomberg brings a worldwide audience, editorial authority, and cross-platform amplification, while Qatar has continued positioning itself as a major hub for international business and diplomacy," she emphasised.

Together, she noted, that dynamic has allowed QEF to become "a meaningful forum for conversations that extend far beyond the region itself across business, policy, technology and investment."

Saltser said, "Looking ahead, I think the opportunity is to deepen that role. In periods of geopolitical uncertainty, there's actually great-



Bloomberg Media CEO Karen Saltser.

er demand for trusted convening and direct dialogue. Business leaders and policymakers want spaces where they can engage seriously on the forces reshaping markets, trade, technology and geopolitics."

According to Saltser, this is also reflected in Bloomberg's broader regional commitment. She pointed out that the company has invested in the Middle East for more than 15 years across journalism, television, live events, and partnerships, describing the Gulf as "one of the world's most dynamic and influential economic regions."

"That conviction has not changed," she pointed out.

The QEF has grown into what Saltser described as "one of the most important global business gatherings in the region," bringing together influential leaders at a moment when the world is seeking clarity, context and dialogue.

She further stated that in uncertain periods, the demand for

trusted information and high-quality convening becomes stronger, with leaders seeking credible journalism, meaningful conversations and direct engagement with those shaping markets and policy, areas where Bloomberg is differentiated "both editorially and through Bloomberg Live."

Asked how resilient events revenue amid the current global geopolitical and macroeconomic environment is, Saltser said: "We operate in a world where volatility is increasingly part of the operating environment, whether that's geopolitical uncertainty, economic shifts or changes in how audiences engage with media. So flexibility and diversification are already built into how we run the business."

"What gives us confidence is that demand for trusted, high-quality convening remains very strong. In many ways, it becomes even more valuable during uncertain periods because leaders are looking for credible information, meaningful dialogue and direct access to decision-makers. That's one reason Bloomberg Live continues to grow."

She emphasised that Bloomberg's events strategy is diversified across regions, industries and formats, from QEF and the New Economy Forum to Bloomberg Invest, Tech and Screentime, describing it as "a global portfolio for our audience and partners, rather than one focused on one specific market."

Bloomberg's long-term strategy in the region, Saltser said, remains unchanged: continue investing in the Middle East, build platforms that connect regional and global audiences, and bring together Bloomberg's journalism, data and convening power "in ways that help leaders make better decisions."



Qatar Chamber acting general manager Ali Bu Sherbak al-Mansouri and QFC CEO Mansour Rashid al-Khater signed the MoU in the presence of Qatar Chamber chairman Sheikh Khalifa bin Jassim al-Thani, first vice-chairman Mohammed bin Tawar al-Kuwari, and second vice-chairman Rashid bin Hamad al-Athba, as well as several of the chamber's board members.

## Qatar Chamber and QFC sign MoU to strengthen private sector

Qatar Chamber and Qatar Financial Centre (QFC) recently signed a Memorandum of Understanding (MoU) to strengthen co-operation in supporting the private sector's contribution to sustainable development in Qatar by attracting global investments, expertise, and technologies to the Qatari market.

Qatar Chamber acting general manager Ali Bu Sherbak al-Mansouri and QFC CEO Mansour Rashid al-Khater signed the MoU in the presence of Qatar Chamber chairman Sheikh Khalifa bin Jassim al-Thani, first vice-chairman Mohammed bin Tawar al-Kuwari, and second vice-chairman Rashid bin Hamad al-Athba, as well as several of the chamber's board members.

Al-Mansouri stated that the agreement reflects the close co-operation between Qatar

Chamber and QFC in supporting the business community and strengthening partnership between the public and private sectors. He expressed hope that this co-operation would achieve its objectives in serving the private sector and contributing to the enhancement of the national economy.

Al-Khater said, "This partnership with Qatar Chamber reflects our shared commitment to empowering the private sector and supporting the business community. Together, we aim to foster a more efficient and flexible environment for companies operating in Qatar, further strengthening the country's position as a leading regional hub for business and investment. This collaboration will also enhance the competitiveness of the national economy and support economic diversification

efforts, in line with Qatar National Vision 2030."

The agreement includes co-operation between the two parties in organising joint events and seminars, promoting initiatives and activities of mutual interest, and coordinating efforts to facilitate foreign direct investment and economic co-operation within the country.

Under the agreement, companies affiliated with the QFC will be able to benefit from the services provided by Qatar Chamber, particularly the issuance of certificates of origin and the certification of documents in accordance with the chamber's approved procedures.

On the sidelines of the ceremony, QFC delivered a presentation highlighting its role, services, and the incentives and benefits being offered to companies operating under its platform.

**A QFC presentation highlighting its role, services, and the incentives and benefits being offered to companies operating under its platform**

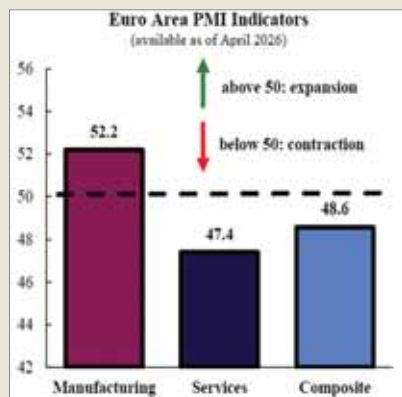


## Euro Area faces deteriorating growth outlook, says QNB

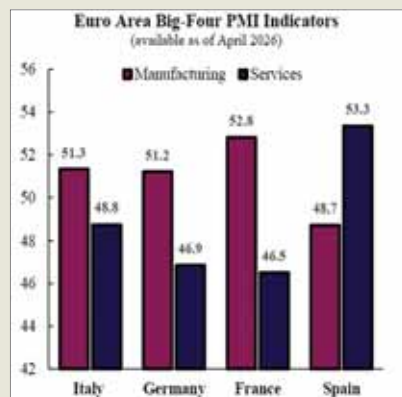
At the beginning of the year, key indicators signalled an improvement in economic growth for the Euro Area. This expected trajectory was suddenly disrupted following the US-Israeli military campaign against Iran, launched on February 28. Tehran retaliated by effectively closing the Strait of Hormuz, the waterway through which approximately 20% of the world's oil and liquefied natural gas (LNG) normally flows. Brent crude surged by more than 25% in the weeks that followed, reaching above \$120 per barrel at its peak.

The latest PMI surveys for the Euro Area's four largest economies, Germany, France, Italy, and Spain, provide useful information on the growth outlook, according to QNB's latest economic commentary.

Headline manufacturing readings appear surprisingly resilient, with the Euro Area manufacturing PMI climbing to 52.2 in April 2026, above the 50-point threshold that marks growth. However, this expansion does not appear to be driven by recovering underlying demand, but by a wave of defensive stockpiling as firms race to secure inputs ahead of anticipated supply shortages, QNB stated.



The services sector tells a different story. Accounting for approximately 70% of Euro Area GDP, it has dropped into its deepest contraction since the pandemic, with the April Services-PMI falling to 47.4. As the energy-cost squeeze impacts consumer-facing businesses and households redirect spending toward essentials, the PMIs are leading indicators that anticipate a deteriorating growth outlook across the bloc's four largest economies. QNB analyses



the key PMI indicators for the Euro Area, and the economic growth outlook: First, at the country level, the manufacturing picture is more nuanced than the headline figures suggest.

According to QNB, Germany's manufacturing PMI slipped to 51.2 in April, as new orders decelerated and customer reluctance grew amid heightened geopolitical uncertainty. France delivered the bloc's strongest reading at 52.8 in April,

driven by defence orders and a recovery in automotive production. Italy held firm at 51.3 in March, sustained largely by precautionary inventory building. Spain, however, stood apart as the only major economy in outright manufacturing contraction, with its PMI falling to 48.7 in March. Unlike Germany and France, QNB noted that Spain has limited exposure to defence-related manufacturing and did not benefit from the same stockpiling impulse that temporarily inflated output elsewhere in the bloc. Across all four economies, employment has weakened and business confidence slumped to its lowest since late 2022, QNB stated.

Second, while manufacturing has held up on the surface, the services sector tells a far more worrying story. Services activity across the Euro Area collapsed in April, with the bloc-wide services PMI falling to 47.4, its weakest reading since the Covid-19 pandemic, as households redirected spending toward essentials and consumer-facing businesses endured the energy cost squeeze. The decline was led by the bloc's two largest economies as uncertainty weighed heavily on spending:

Germany's services PMI fell to 46.9 in April, its steepest drop since late 2022, and France's deteriorated to 46.5, a 14-month low, QNB stated.

Italy's composite PMI had already entered contraction territory in March at 49.2, reflecting weakening domestic demand even as its manufacturing sector held firm. Spain, despite entering 2026 on a relatively stronger growth footing, saw its services sector come under pressure as tourism-dependent businesses and consumer confidence declined. Across all four economies, QNB stated that the US-Iran conflict is now eroding the services sector of the Euro Area.

"All in all, the combination of a distorted manufacturing sector and a contracting services sector points to a deteriorating growth outlook across the bloc's four largest economies. With the April Composite PMI falling to 48.6, the data are already signalling a modest quarterly GDP contraction. "The IMF is projecting real GDP growth of below 1% for Germany, France, and Italy in 2026, while the energy price shock shows little sign of abating as the Strait of Hormuz remains closed," QNB stated.



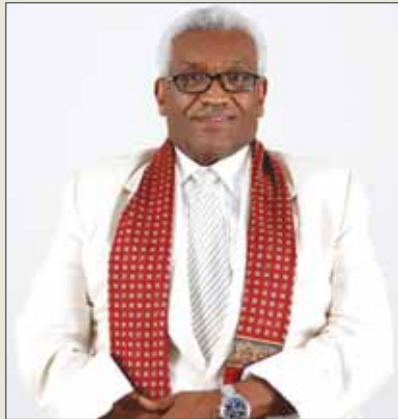
## LEGAL PERSPECTIVE

## Companies' borrowing and floating charges

By Dr AbdelGadir Warsama Ghalib

The main purposes for establishing companies include, inter alia, undertaking trading activities, join forces with others in the same field and to perform business away from direct personal responsibility. Another important feature for corporate business is enabling proprietors to borrow under the name of the company. Being a legal person of juristic nature, will enable companies to borrow and obtain loans for legitimate purposes.

At first, one would suppose that a sole trader being personally liable would find it easier than a company to raise money by borrowing. In practice, however, this is not so since a company is often able to grant a more effective charge to secure its indebtedness. This is due to the evolution of a highly beneficial type of security known as "floating charge". This



means, a charge which floats like a cloud over the whole assets from time falling within a generic description, but without preventing the mortgagor from disposing of these assets in the usual course of

business until something occurs to cause the charge to become fixed.

This charge is particularly suitable when a business has no fixed assets such as land, which can be included in a normal mortgage but carries a large and valuable stock in trade.

Since this stock needs to be turned over in the course of business a fixed charge is impracticable because the consent of the mortgagee would be needed every time anything was sold and a new charge would have to be entered into whenever anything was bought.

A floating charge obviates these difficulties it enables the stock to be turned over but attaches to whatever it is converted into to whatever new stock is acquired.

The use of this beneficial type of security is in practice restricted to companies.

By virtue of it, the lender can obtain an effective security on all the undertakings

and assets of the company both present and future, either alone or in conjunction with a fixed charge on its land. If, in addition, the lender requires some personal security he can insist on some members (directors of the company) to join as personal guarantors. By this, he can place himself in stronger position than if he merely had the personal security of individual traders.

It therefore happens not frequently, that a business is converted into a company solely in order to enable capital be raised by borrowing. Nowadays, corporate guarantees compared to personal guarantees, play effective greater role in securing finance and cash flow for any business. The law, is not silent, as it allows companies to take loans and financial assistance, whenever and as required.

■ Dr AbdelGadir Warsama Ghalib is a legal counsel. Email: awarsama@warsamalc.com

## VinFast seeks to shed most debt with Vietnam factory spinoffs

Bloomberg

Hai Phong, Vietnam

VinFast Auto Ltd said its planned sale of two Vietnamese factories will enable the electric vehicle maker to shed about 182tn dong (\$6.9bn) in debt and obligations while potentially speed its path towards profitability.

"After restructuring, VinFast will essentially be debt-free, with only a small amount remaining," the company said in an emailed statement responding to Bloomberg's questions.

Founder Pham Nhat Vuong — who is also Vietnam's richest man — said last month he expected VinFast to hit earnings before interest, taxes, depreciation and amortisation breakeven point in 2027. The company declined to provide a timeline for reaching profitability after the spinoff, but said it expects to generate a profit in its domestic market in 2027, according to the statement.

"This is a strategic pilot model for VinFast," the struggling EV maker said in the statement. "If the model proves effective, we will continue to scale and expand it. If challenges arise, we remain prepared to make the necessary adjustments."

Under the restructuring announced May 12, VinFast will separate its manufacturing operations into a standalone company, effectively outsourcing production at its plants in the northern port city of Haiphong and the north-central province of Ha Tinh. The move would also allow the facilities to manufacture vehicles for other automakers, though VinFast said its own orders will be prioritised. It will retain its overseas production operations at factories in India and Indonesia.

The manufacturing operations are housed under VinFast Trading and Production JSC, or VFTP, and VinFast plans to transfer its entire stake in the unit — valued at about 13.3tn dong — to a buyer group led by Future Investment Research and Development JSC, with Vuong also participating as a minority investor, according to a filing.

Following the transfer, Future Investment will hold 95.5% of VFTP, while Vuong will own less than 5%. The buyer group will also assume borrowings, bonds, finance leases, payables and other obligations tied to VinFast's manufacturing operations.

Future Investment, formerly known as Novatech R&D JSC, was spun out of VFTP last year to hold intellectual property assets before being sold to Vuong for about \$1.5bn. Vuong later divested his stake in the firm. The filing lists Nguyen Hoai Nam as its majority voting shareholder.

Meanwhile, the restructuring could also ease the debt burden of parent VinGroup JSC, which has total debt of about 358tn dong, according to data compiled by Bloomberg. The transaction would allow the EV maker to generate "significant value for VinGroup," instead of continuing to draw resources from the conglomerate, VinFast said in the statement.

VinFast reported a net loss of 97.25tn dong in 2025, widening 25.7% from a year earlier.

"Upon completion, the transaction could support VinFast's transition toward a less asset- and debt-intensive operating structure," Vietcap Securities JSC wrote in a note. "The transaction may also help improve VinGroup's balance-sheet risk perception."

## Global bond rout catches up with Wall Street's risk rally

Bloomberg

New York

Wall Street's hard-charging risk rally just ran into the bond market. The S&P 500 fell more than 1% on Friday, led by technology shares, as a global bond selloff drove Treasury 10-year yields above 4.5%, pushed Japan's 30-year borrowing costs to 4% for the first time and sent yields on UK long bonds to a 28-year high. Oil climbed above \$105 a barrel after a Trump-Xi summit in Beijing produced no breakthrough over the Strait of Hormuz standoff.

For months now, investors have brushed off these kinds of threats: Middle East flare-ups, inflation scares and supply-side disruptions. US equities have pushed to records. Corporate credit spreads have stayed tight. Retail enthusiasm for speculative trades — from AI-linked stocks to digital assets — has shown little sign of fading.

This week, the pressure intensified. Back-to-back inflation readings came in hot. Long-dated yields pushed sharply higher, with traders pricing the risk that the Federal Reserve may need to tighten policy rather than ease.

This year's rally now rests on an increasingly demanding premise: richly valued assets can keep climbing even as borrowing costs rise and energy prices stay elevated. The question now is whether Friday is another wobble, or the start of a broader repricing markets have repeatedly postponed.

"The fact we have broken this psychological 4.5% on the 10-year, it becomes dangerous, not just for the bond market but also the broader risk complex," Priya Misra, a portfolio manager at JPMorgan Asset Management, told Bloomberg Television. "As you see tightening in financial condi-



The front facade of the New York Stock Exchange. The S&P 500 fell more than 1% on Friday, led by technology shares, as a global bond selloff drove Treasury 10-year yields above 4.5%, pushed Japan's 30-year borrowing costs to 4% for the first time and sent yields on UK long bonds to a 28-year high.

tions, the market starts to move from, 'Is this just inflationary?' to 'Is this stagflationary?'"

Despite Friday's pullback, US stocks closed their seventh consecutive week of gains. The winning streak has masked weakness underneath. Eight of the 11 S&P 500 sectors have fallen this month, with most of the gains concentrated in information technology.

Even as key equity sectors flinched and yields surged, credit refused to crack: investment-grade and high-yield spreads stayed firm through Thursday, helped by strong corporate earnings and robust primary-market demand.

What changed this week was not just that yields rose. It was that they rose everywhere at once.

In the UK, 30-year gilt yields surged about 20 basis points above 5.8%, the highest since

1998, as markets braced for a leadership challenge to Prime Minister Keir Starmer. Britain's national debt has swelled. Japan's 30-year yield touched 4% for the first time, reflecting renewed concern over Tokyo's fiscal trajectory.

Yields also rose in Germany, Spain and Australia. The Group of Seven finance chiefs are set to discuss the selloff.

The drivers differ across markets. The threat does not.

"Inflation resurgence adds to the woes of an already battered bond market," said Emmanuel Cau, head of European equity strategy at Barclays. Britain's political crisis has inflated the gilt market risk premium, he said, and the stress "is spreading across the broader DM bond market."

Bullish calls on US stocks, Lori Calvasina at RBC Capital Markets wrote in a note, will be

challenged if Treasury 10-year yields hit 5% — a level that has historically compressed equity multiples. Bonds no longer hedge equities when inflation is the dominant risk, according to David Lebovitz of JPMorgan Asset Management. His firm prefers real assets such as real estate and infrastructure.

For the bulls, the answer is time frames. Each market, the argument goes, is pricing a different horizon — and all three can be right.

"Oil prices and the bond market move are pricing in short-term supply shortages and thus stickier inflation, three to six months," said Steve Chiavarone, deputy CIO of equities at Federated Hermes. "AI stocks are pricing in higher productivity and a disinflationary environment over a more medium-term time frame, one to three years."

Chiavarone called the current

run of earnings revisions the strongest he had seen in 20 years, and said equities are a better inflation hedge than bonds, cash or even precious metals.

Skeptics don't dispute that, but fear something has to give.

"Each of these primary asset classes is telling a consistent story, but they are not all telling the same story," said Gene Goldman, chief investment officer at Cetera Financial Group.

"Either equity valuations contract or the bond market has to rethink just how restrictive Fed policy needs to be."

Retail investors have been piling in. Trading volumes have risen 28% since mid-April, according to Goldman Sachs's trading desk, while the bank's basket of retail-favorite stocks has rallied about 30% since the start of April.

Bank of America's private clients, with \$4.5tn in assets, hold a record 65.7% in equities. Cash allocations, at 9.8%, are the lowest on record. The \$44bn JPMorgan Equity Premium Income ETF has lagged the S&P 500 by 8 percentage points this year, underscoring the cost of playing defense.

These kind of derivatives-based ETFs took in more than \$5bn in the past month alone, according to data compiled by Bloomberg. So-called covered-call and buffer ETFs — favored for their defensive tilts — have taken the bulk of the inflows.

All in, stocks, credit and the speculative complex all rest on the same conviction: that resilient growth and earnings can outrun mounting pressures. The bond market this week made that conviction more expensive.

"Tech is the only sector with strong secular demand, which ensures strong and predictable earnings," said Marija Veitmane, head of equity research at State Street Global Markets.

## Canada strikes deal to start building oil pipeline in 2027

Bloomberg

Toronto

Canada and Alberta reached a carbon pricing deal that opens the way for construction of a new oil pipeline starting as early as 2027, while scaling back an expensive project to capture greenhouse gas emissions.

Prime Minister Mark Carney and Alberta Premier Danielle Smith announced the agreement on Friday. The deal builds on the memorandum of understanding they signed in November that outlined conditions for federal support of a crude pipeline to the west coast to serve Asian markets.

Carney has staked his economic agenda on speeding up major infrastructure projects and lessening Canada's reliance on exports to the US. Exploiting western Canada's oil reserves, which are among the world's largest, is part of that strategy.

The agreement with Alberta is also a move to defuse political and business tensions that boiled up under former Prime Minister Justin Trudeau's government, which introduced new regulations that slowed energy development.

"We're building trust of investors that Alberta and Canada are reliable and attractive destinations where opportunities are plentiful, the rules are clear and one project means one review — the trust of

Asian countries who want our energy because they know that we are a safe, stable, reliable partner in a world that is anything but," Carney said.

The deal sets out scheduled annual increases for the headline carbon price, starting at C\$95 (\$69) per metric ton of CO2 equivalent this year and reaching C\$140 in 2040.

But it requires Alberta to target an "effective price" of C\$130 by 2040, with a minimum floor price also increasing annually.

The effective price is meant to reflect the market value of carbon credits and offsets, while setting a floor is intended to ensure the market price does not drop below that level over time. The point is to provide an economic incentive for industrial companies, including oil and gas producers, to invest in technologies that curb emissions.

Trudeau had envisioned a much bigger carbon tax, sooner, with a headline price of C\$170 per metric ton by 2030. Friday's deal is aimed at fixing a malfunctioning carbon market where credits and offsets were trading at just C\$40 per metric ton. Two trades at C\$42.50 a metric ton happened on Friday, Albert Ho, head of carbon intelligence for Carbon Assessors, said by e-mail.

Alberta is doing the early-stage planning work on a pipeline that would cut through British Columbia, Canada's west



Danielle Smith, Alberta's premier, during a news conference.

coast province, where the crude could be loaded onto oil tankers for shipment to energy-thirsty Asian countries. The agreement unveiled Friday says Alberta will submit its pipeline application to the federal Major Projects Office no later than July 1, while the federal government aims to designate it as a project of "national interest" by October — making it eligible for a faster review and approval process.

The pipeline proposal does not yet have private sector investors. Smith said on Bloomberg Television that she believes Asian firms are interested, and Enbridge Inc. Chief Executive Officer Greg Ebel said the company "definitely would consider"

getting involved. If the pipeline is designated as a project of national interest, the federal government said it will make "best efforts" to provide a conditions document by September 1, 2027 to allow for construction to begin.

Still, the deal did not receive universal approval from the energy industry.

"For Canada to have a regulatory and carbon framework competitive with the US, there is still much work to be done," said Adam Waterous, executive chairman of oil producer Strathcona Resources Ltd. "If there is certainty on higher costs imposed by governments, then there needs to be certainty of higher revenues to industry."

Canada will ensure the federal carbon pricing benchmark is consistent with the Alberta agreement, meaning other provinces would get similar pricing timelines, Carney said. There are regional differences in provincial carbon markets, so consultations will be needed, he added.

Crucially, the deal he signed with Smith downsizes the Pathways carbon capture project that is a condition of federal support for the new pipeline.

The coalition of oil companies behind the carbon capture scheme originally promised to reduce emissions by about 22mn metric tonnes per year by 2030. The new agreement only requires the capture of 6mn metric tonnes annually by 2035, and 16mn metric tonnes a year by 2045.

The lower carbon price still maintains "uncompetitive costs" on the industry, the group behind Pathways said in a statement. But Kendall Dilling, president of the Oil Sands Alliance, said it's committed to advancing the project as long as "the necessary regulatory and fiscal terms are in place."

Tim Hodgson, Canada's energy minister, said in an interview that formal negotiations have not begun on the Pathways project, but he believed they would reach a consensus after seeing the governments move ahead with a pipeline and carbon price. "Now that we've created certainty around what that price will be, capital allocators can allocate capital and with that unlock new production and new opportunities to sell that at a world price to world markets."

The deal also sets out stringency rates for high emitters, requiring large oil sands firms to reduce "carbon intensity" by 2% annually — either by trimming emissions, using carbon credits or paying the carbon price directly.

Firms building and operating the Pathways project would only be required to reduce emissions intensity by 1% starting in 2030. Environmental groups decry the announcement.

The Coastal First Nations, an alliance of several northern BC Indigenous groups, said: "Nothing has changed and a North Coast pipeline will never be built."

# Retail optimism turns six-week fund into record-busting AI trade

**Bloomberg**  
Ottawa

Brian Emes manages a retail store in Lethbridge, Alberta, a small city on the Canadian prairie about a two-hour drive from the US border. On the morning of May 11, before opening the shop, the 43-year-old launched his brokerage app and bought 55 shares of an exchange-traded fund that hadn't existed until early April.

The fund is the Roundhill Memory ETF or DRAM. It now accounts for roughly 7% of his portfolio — a concentrated wager, made on the strength of Reddit threads and YouTube videos, that artificial intelligence has turned memory chips into the trade he could not afford to miss.

Emes had never owned a memory stock. His investments largely sit, as they always have, in broad index products: Mostly the iShares Core Equity ETF Portfolio fund. DRAM is his first real thematic bet. "I'm thrilled I can directly invest in memory producers," said Emes.

He is among a slew of retail investors who have piled into the fund — up some 84% since its April 2 launch — pushing it to about \$10bn in assets and into the top 10 US ETFs by year-to-date inflows, out of more than 5,000 listed products. By some measures, no ETF in history has grown faster.

DRAM is what fearless risk-taking looks like in the spring of 2026. In a year when nothing has been allowed to fall for long — when prediction contracts and zero-day options have all found their willing bidders — a six-week-old ETF built around three Asian chipmakers has become a mainstream retail trade.

Specialist products that once sat at the edges of the ETF industry are being pulled into its center, even as the lopsided options buying around DRAM gives some traders pause about how much further the wager can run. On Friday, DRAM fell 5% as rising bond yields threaten to knock the AI trade off its upward course.

Built by boutique firm Roundhill, the vehicle provides concentrated access to a handful of memory companies, includ-

ing Samsung Electronics and SK Hynix, which trade primarily on the Korean exchange and have historically been difficult for North American investors to own directly. About half of DRAM's portfolio is in SK Hynix and Samsung — and it is exactly this condensed exposure that makes it appealing, Emes said.

"The ETF reduces risk of relying on one company like Micron," he said. At the same time, "it is direct exposure to the AI bottleneck."

High-bandwidth memory is essential for the GPUs running AI training and inference workloads in data centers, and the market is dominated by a handful of producers, said Aniket Ullal, senior vice president and head of ETF research and analytics at CFRA. While funds like the tech-heavy Invesco QQQ Trust Series 1 provide exposure to AI hyperscalers, gaining access to the South Korean companies that dominate the memory-chip industry is harder to come by. That makes DRAM "the most targeted vehicle for the memory trade," Ullal said.

DRAM took 27 trading sessions to cross

\$6.5bn in assets, which the previous top-spot-holding fund — BlackRock's blockbuster Bitcoin ETF — took 30 days to achieve, according to data compiled by Bloomberg. Over the past two weeks, it has steadily climbed up the ranks of most-traded ETFs, going from having the 34th-most volume at the start of the month to top 20 currently. It is already among the most-bought securities on retail-trader platforms like Interactive Brokers.

The memory fund is also commanding the attention of options traders. It's been one of the busiest ETF options markets over the past week, with more than \$1bn worth of options traded each day, according to Asym Research's Rocky Fishman. That figure has grown so quickly that it has surpassed long-standing active option underlyings in some of the most-active full-sector ETFs, including the State Street Energy Select Sector SPDR ETF (XLE) and the State Street Financial Select Sector SPDR ETF (XLF). Both launched back in 1998.

"Activity has been very lopsided toward call options, presumably with investors

buying calls to chase the rally," he said. Heavily skewed call buying is a classic late-cycle signal in single-name and thematic trades, often preceding sharp reversals when sentiment turns.

The bull case is that AI has structurally rewired memory demand, locking in capacity contracts the cyclical industry never enjoyed before.

The bear case is that the same story has been told at the top of every tech cycle since the 1990s, and that retail-driven flows tend to unwind faster than they accumulate.

"All thematic ETFs should be thought of as hot sauce," said Eric Balchunas, senior ETF analyst at Bloomberg Intelligence. But "even if you have a selloff, it's not like this trade will go away. AI isn't going away."

DRAM's success is already catching the attention of other ETF issuers. In recent days, T-Rex has filed for a 2x inverse DRAM fund. Leverage Shares has filed for a long 2x memory ETF. Defiance has submitted paperwork for an options-income vehicle based on DRAM.

# Nvidia, retailer reports to shed light on AI boom and consumer spending

**S&P 500, Nasdaq hover at records as sharp market rebound continues; Nvidia results out on Wednesday, as semiconductor shares soar; Walmart reports on Thursday; Target, Home Depot, TJX among other retailers due**

**Reuters**  
New York

Two themes critical to the US stock market -- the artificial intelligence boom and inflation-pressured consumer spending -- will come under the microscope this week with earnings reports from semiconductor giant Nvidia and a host of retailers led by Walmart.

Stock indexes continued their charge higher this week, with the benchmark S&P 500 and technology-heavy Nasdaq Composite pushing to record levels.

Two factors influencing market action in "almost parallel tracks" have been developments with AI and the spike in energy prices caused by the war in Iran, said Allen Bond, portfolio manager at Jensen Investment Management.

"There is not a lot of overlap in the two narratives, but one day to the next, the developments ... can really drive the market," Bond said.

Since its low for the year in late March, the S&P 500 has stormed back about 18% and is now up more than 9% in 2026.

After the sharp rally, several investors said the market was poised for a breather.

Some worried that relatively few stocks have led the recent gains, suggesting the rally may be less robust than it seems. For example, only about one-fifth of S&P 500 components have outperformed the index since the



Traders work on the floor of the New York Stock Exchange. Two themes critical to the US stock market — the artificial intelligence boom and inflation-pressured consumer spending -- will come under the microscope this week with earnings reports from semiconductor giant Nvidia and a host of retailers led by Walmart.

March 30 low as of Thursday morning, according to LSEG data.

"There are really a smaller set of names driving the overall index returns again," said Patrick Ryan, chief investment strategist at Madison Investments. "It's not necessarily a healthy market when you have that many stocks being left behind."

Nvidia reports results on Wednesday, as an exceptionally strong first-quarter for US corporate profit growth winds down.

Shares of Nvidia, the world's largest company by market capitalisation, and other semiconductor stocks have propelled indexes higher in recent weeks. Nvidia shares are up more than 40% since the March low, while the Philadelphia SE semiconductor index is up about 70%, amid voracious demand for chips as

tech companies spend massively to build data centers and other AI-related infrastructure.

Nvidia's AI products have driven its shares up over 1,900% since the latest bull market began in October 2022.

"What we need to see from Nvidia is evidence that justifies the increase in the stock price and justifies their position and their benefit from this increased spending in data centers," Bond said. "The results will be looked at ... as a signal into the health of the rest of the industry."

One topic is whether rivals are eroding Nvidia's market share, said Yung-Yu Ma, chief investment strategist at PNC Financial Services Group.

"It's probably going to be more a story of, is Nvidia able to defend its leadership position as well as

it has been able to the past few years?" Ma said.

The coming week also offers an update on the retail industry. Walmart, the world's largest retailer, posts quarterly results on Thursday. Other retailers reporting next week include Home Depot, Target and TJX Cos.

Investors have been wary that war-related inflation will start to weigh on consumer spending, which accounts for more than two-thirds of the US economy.

Data this week showed high monthly readings for both consumer and wholesale prices, with the Producer Price Index for April posting its largest rise since March 2022.

Earlier this month, the US national average gasoline price topped \$4.50 a gallon for the first time in nearly four years.

# Boeing confirms China commitment to purchase 200 aircraft

**AFP**  
New York

Aerospace giant Boeing on Friday confirmed that China had committed to purchasing 200 aircraft during a visit to Beijing by US President Donald Trump -- a deal that could ultimately balloon with orders for 750 additional planes.

"We had a very successful trip to China and accomplished our major goal of reopening the China market to orders for Boeing aircraft," the company, whose CEO Kelly Ortberg was part of the US delegation to China, said in a statement.

"This included an initial commitment for 200 aircraft and we expect further commitments will follow after this initial tranche," Boeing said, without specifying which models were on the negotiating table.

When asked by AFP to specify which planes were part of the deal, Boeing declined to comment.

The group thanked the Trump administration "for making this milestone happen," adding: "We now look forward to continually addressing China's aircraft demand."

In its latest 20-year outlook for global commercial aviation, published in June last year, Boeing estimated that 44,000 planes would be built worldwide by 2044, both to replace the existing roughly 21,000 aircraft in use and to respond to a growth in demand.

About half of that demand is expected to come from China, South Asia and Southeast Asia -- music to the ears of Boeing executives, who really only have one major competitor, Europe's Airbus.

China's last order from Boeing dates back to 2017, when Trump went to Beijing at the start of his first White House term. At that time, he ordered 300 single-aisle and wide-body planes -- a mega-deal valued at \$37bn.

On Thursday, Trump had said China planned to order "200 big ones," in an interview with Fox

News host Sean Hannity. "I think it was a commitment," the president said. "That's a lot of jobs."

Speaking to reporters aboard Air Force One as he flew home from China, Trump said the deal included "a promise of 750 planes, which will be by far the largest order ever, if they do a good job with the 200." US media have reported for several months that Beijing was poised to make a major order from Boeing that would include 500 single-aisle 737 Maxs and about 100 larger 787 Dreamliners and 777s.

The overall record in terms of number of planes for an aircraft order came from IndiGo, which purchased 500 Airbus A320s.

China was the last country in the world to reauthorize flights by Boeing 737 Maxs, after two fatal accidents on Lion Air in 2018 and Ethiopian Airlines in March 2019 that left a total of 346 people dead.

The 737 Max family, Boeing's top seller, was grounded worldwide for 20 months after the accidents. It returned to the skies in the United States in November 2020 and in Europe in January 2021 -- but only in 2023 in China.

In 2019, Beijing had suspended all deliveries of Boeing aircraft. Four years later, in December 2023, it gave the green light to a delivery of 787 Dreamliners, and for 737 Maxs one month later.

Chinese regulators again halted deliveries for a few weeks in mid-2024 over a lithium battery issue in several models.

Boeing, the biggest US exporter by dollar value, was caught up in the tariff war launched when Trump returned to the White House in January 2025.

Beijing retaliated by forbidding Chinese companies from ordering Boeing jets -- or receiving those already ordered. The world's top two economies reached a trade truce late last year, allowing Boeing to resume normal activity with Chinese customers.

As of late last month, Boeing had 6,814 planes on order, including 4,371 737 Maxs, for a total value of an estimated \$600bn.

# Europe lacks everything needed to make its stock market a winner

**Bloomberg**  
London

The equity story that powered European stocks has unraveled as investors seek shelter from a global energy shock and buy into the artificial intelligence frenzy. European stocks had been zooming higher prior to the Middle East war as investors diversified out of the US and piled into the region's much cheaper stocks. But that narrative has given way to new realities: Europe's economy is exposed to inflation and supply chain disruptions caused by the conflict, and it's home to almost none of the companies at the heart of the AI boom.

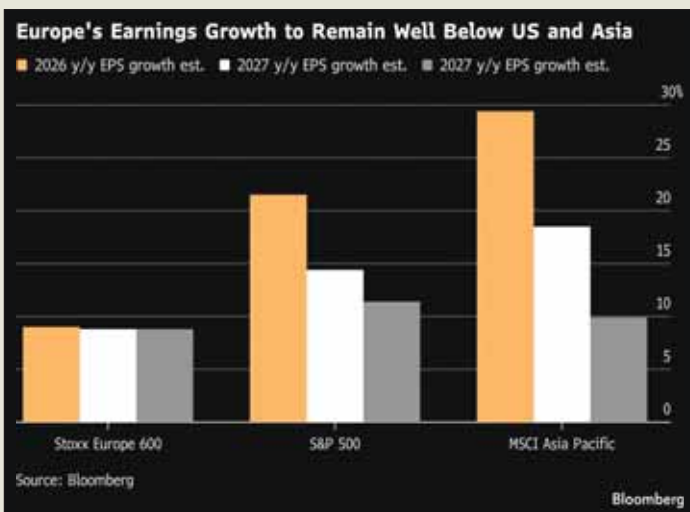
The Stoxx Europe 600 is now a laggard. The tailwinds that investors were betting on, such as increased spending on infrastructure and defence, and advantageous monetary policy, have faded. Skepticism has returned. Inflows to European equity-focused funds have been completely erased as of this week, according to Bank of America Corp strategists citing EPFR Global data.

Europe is "a region without a theme, with no memes and with too little growth," said Bobby Molavi, a partner and head of EMEA execution services at Goldman Sachs Group Inc.

The US has hyperscalers, while Asia is home to leading chipmakers and other firms essential to the AI build out. Europe, by comparison, has little to offer investors who want in on the technology trade.

The continent hosts heavyweight chip equipment maker ASML Holding NV, and a handful of other AI-related companies including Aixtron SE and STMicroelectronics NV. But their combined weight in the region's benchmark is not significant enough to offset the massive industrial, consumer and defensive complex that investors have shunned this year. Technology stocks account for roughly 8% of the Stoxx Europe 600, compared with 42% for the S&P 500. Semiconductors in particular make only 3.5% of the European benchmark versus about 18% for both the S&P 500 and the MSCI Asia Pacific.

At the index level, equity investment is about earnings growth. This year is



shaping up to be solid for the Stoxx Europe 600, with analysts expecting an expansion of 11%. Yet that is only half of what's forecast for the S&P 500 and roughly a third of growth seen for the MSCI Asia Pacific. What's more, earnings growth in Europe is likely to be downgraded later this year as the energy shock bites. "The continent is grappling with a systemic lack of AI exposure,

which leaves European indexes largely on the sidelines of the most significant investment cycle of the recent past," said Stephan Kemper, chief investment strategist at BNP Paribas Wealth Management. At the same time, the Middle East war has delivered a harsh reminder to investors: Europe's economy is highly vulnerable to energy shocks.

The European Union imports 57% of the energy it needs, and over 90% of the oil and gas it consumes. The US, by contrast, is a net exporter of oil and fuel, a status that helps shield its economy when global energy supplies tighten.

"As long as there is no clear normalization of shipping through the Strait of Hormuz, Europe should carry a higher risk premium given its greater exposure to imported energy and renewed inflation pressure," said Andrea Gabellone, head of global equities at KBC Securities.

Monetary policy is also in focus. Last year, stocks got a boost when the European Central Bank slashed interest rates more aggressively than the Federal Reserve. That dynamic may now reverse, with traders expecting the ECB to hike borrowing costs three times this year while the Fed keeps rates steady.

There's a risk that inflation and higher rates combine to hit economic growth, which had been expected to pick up from relatively low levels on increased spending from Germany's €500bn infrastructure fund, as well as

European Union outlays on defense and the bloc's recovery from Covid.

"The widening 'growth gap' between Europe and its global peers is increasingly seen as structural rather than cyclical," said Kemper.

The rallies in the US and Asia have been narrow, with the most impressive gains coming from a small number of AI-related stocks. By contrast, the European market is more diversified, with a broader sector exposure that could play in its favor if there's a reversal in the tech frenzy. European stocks are also cheap.

Yet those arguments don't appear to be swaying investors. For HSBC Holdings Plc chief multi-asset strategist Max Kettner, heavy concentration in tech stocks isn't a problem. The exposure indicators he tracks are still far away from sending a sell signal. Meanwhile, Europe is firmly on the sidelines. "I think it's an everywhere story, except Europe," he said. "The problem with Europe right now, at least tactically, is you're sitting in the middle like 'I really need Hormuz to reopen'."



# China's economy is entering another quarter of K-shaped growth, say economists

**Bloomberg**  
Beijing

Chinese consumption probably expanded far slower than the pace of industry in April, as trade remained the bright spot despite the global reverberations from the Iran war. Data due on Monday will show retail sales rose 1.9% last month from a year earlier, according to the median forecast of economists surveyed by Bloomberg. That would follow a 1.7% rise in March, extending one of the worst starts to any year outside the pandemic.

Industrial production likely expanded 6%, up from 5.7% in the prior month. Previously reported data showed exports surged 14.1% last month. Taken together, the monthly figures would show a similar pattern to China's economy in the first quarter, when it had a surprise acceleration in growth.

"We expect the K-shaped divergence to extend into April," Citigroup Inc economists led by Xiangrong Yu wrote in a note previewing the data. "Industrial production remains buoyant" but that's "contrasting with sluggish domestic demand," they said.

While the "K-shaped" discussion in the US centers on lower-income households getting left behind, in China the issue relates to domestic consumers as a whole. Similar discrepancies have emerged across Asia, in countries such as South Korea — especially as the spoils of a global boom in artificial intelligence bypass large parts of the workforce.

China's exports are expected to remain strong, supported by the global AI investment cycle and robust demand for renewable energy products amid disruptions to the oil and gas industries because of the war in Iran. Stabilizing trade ties with the US, likely reinforced by President Donald Trump's visit to Beijing, further bolster the out-



The Nanjing East Road shopping area in Shanghai. Chinese consumption probably expanded far slower than the pace of industry in April, as trade remained the bright spot despite the global reverberations from the Iran war.

look. In contrast, chronic weakness in the jobs market has been a major obstacle for Beijing's efforts to revive confidence among households in the face of a prolonged property crisis.

The Middle East conflict is also squeezing corporate profits as firms struggle to pass on higher costs to customers, adding to uncertainty around hiring.

Chinese policymakers have appeared to be taking a wait-and-see approach to the two-speed growth phenomenon, after years of consumer boosting measures delivered only marginal gains. The government pulled back on fiscal spending in March, while the central bank has steered clear of hinting at any further loosening in policy, amid ample market liquidity and weak demand for credit.

On Friday, Beijing renewed its commitment to manufacturing dominance and technology breakthroughs when Qiushi, the ruling Communist Party's official journal, published highlights of comments made by President

Xi Jinping in the decade through 2025. "Regardless of how far our economy develops, the real economy will always be the core strength of China's growth and the source of our strength in global economic competition," the article quoted Xi as saying, vowing to "tilt policy support in its favour."

Asserting that manufacturing is the "foundation" of the real economy, it cited Xi as calling on the nation to "consolidate the leading position of our competitive industries, and move quickly to address weaknesses in areas that are vital to ensuring security for development."

Reflecting sluggish sentiment, average daily spending by Chinese tourists within the country fell to 114.1 yuan (\$17) per trip during the Labor Day holiday earlier this month, according to Bloomberg calculations based on government data. That's the least among the four public breaks so far this year, and compares with 114.8 yuan a year earlier. The muted figures during the holiday could have

been partly led by some consumer activities being moved forward to April due to government guidance to spread out short breaks from school and work.

"Higher energy prices may have boosted gasoline sales value growth, and the nationwide promotion of spring breaks this year — in late April — may have front-loaded some dining-out demand to April from May," Goldman Sachs Group Inc. economists including Lisheng Wang said in a report.

"These factors should have more than offset still-subdued automobile and home appliance sales growth, which reflects weakening effectiveness of the ongoing consumer goods trade-in program."

The 6% increase in industrial output expected for April would mark the biggest gain since September.

Export figures for last month beat expectations, rebounding to double-digit growth and underpinning the nation's manufacturing sector.

# South Korea's bond yields seen gaining on chips boom

**Bloomberg**  
Seoul

South Korea's bonds are set to extend this year's rout as a semiconductor boom supercharges the nation's economic growth and adds to inflationary pressures, analysts say.

Citigroup Inc now expects four quarter-point interest-rate increases over the next year versus two previously. iM Securities sees the three-year yield rising to 4%, the highest since November 2023, while Shinyoung Securities projects it to approach 3.8%.

The bond selloff suggests investors no longer see current interest-rate levels as restrictive enough to cool an economy firing on multiple cylinders. The AI-driven investment boom in chips is also sparking inflationary concerns in Taiwan and Japan. The rise in Korea's three-year yield by more than 86 basis points from this year's low also mirrors a broader global move, as markets increasingly bake in persistent inflation and the prospect of higher-for-longer rates.

"Markets are increasingly building a narrative that Korea's growth next year could exceed the mid-2% range," said Myoungsil Kim, a fixed-income analyst at iM Securities, compared with the Bank of Korea's previous 1.8% forecast. She added that such a move would pose a key risk to the bond market.

The policy-sensitive three-year yield rose as high as 3.77% this week, the highest since November 2023. Traders are pricing in almost 120 basis points of tightening from the Bank of Korea over the next year in won interest-rate swaps, according to Bloomberg-compiled data.

That surge has brought the market to a critical juncture ahead of the BOK's May 28 policy decision. Yields have also climbed on a sharp shift in policy expectations following the appointment of Governor Shin Hyun Song.

Shin is viewed as hawkish after emphasizing upside inflation risks over growth concerns, signaling a

greater willingness to keep rates higher to contain price pressures. The BOK held its benchmark rate steady at 2.5% at its April meeting.

The spread between the three-year yield and the benchmark interest rate has widened to more than 120 basis points, the largest gap since the pandemic-era rate-rise cycle in 2022.

Some strategists, however, argue yields may be overstretched. Goldman Sachs Group Inc strategists including Irene Choi say market pricing of four or more hikes is excessive and expect yields to stabilize if geopolitical tensions ease.

Still, the rise in yields may reflect more than an overshoot in rate expectations. Analysts point to a semiconductor upcycle and expanding AI investment among factors reshaping Korea's growth outlook and reinforcing a higher-rate environment.

"An exponential increase in AI investment spending is driving an innovation shock to both nominal and real exports in Korea," Bumki Son, an economist at Barclays Plc, wrote in a note on Thursday. He compared the growth sparked by the semiconductor and AI boom "to discovering new oil reserves" in terms of boosting GDP.

Stronger semiconductor shipments are boosting corporate tax receipts, with Citigroup estimating about 20tn won (\$13.5bn) in additional revenue in the second half of 2026 and 120tn won in 2027. That supports higher government spending, adding further upside risks to growth and putting a floor under bond yields.

Citigroup this week raised its 2026 and 2027 GDP growth forecasts to 3.0% and 2.8% from 2.9% and 2.4%, respectively, while Barclays expects growth of about 2.6% this year, above the BOK's February forecast of 2.0%.

"It's still too early to call a peak," in bond yields, said Cho Yong-gu, a fixed-income analyst at Shinyoung Securities. "Second-order effects from higher oil prices, strong growth and the likelihood of additional fiscal spending from tax windfalls are all negative for the bond market."

# At Samsung, global AI boom spurred a looming strike

**Reuters**  
Seoul

A looming 18-day strike at South Korean chip giant Samsung that has triggered worries within the government, rattled foreign investors and threatened global supply chains rests on one crucial question: Who should share in the spoils of the AI boom?

More than 45,000 workers are threatening to stage the largest strike in the conglomerate's history from May 21, reducing production of memory chips that are crucial components in AI data centres, smartphones and laptops, as Samsung and its union struggle to find a compromise over bonus payouts.

Samsung Electronics, which has reaped huge profits from a global memory shortage, has offered to pay generous bonuses to staff. But it wants to give 27,000 memory chip employees at least six times more than its other workers in its logic chip design and manufacturing businesses. Its union argues that the firm's

other 23,000 workers - responsible for making AI chips for Tesla's and Nvidia's - who often work in the same buildings as their memory colleagues should not be left behind, despite suffering billions in losses in recent years as the foundry business floundered. Reuters reviewed hundreds of pages of transcripts covering Samsung internal wage negotiations and spoke with more than 10 workers, including union leaders, and sources familiar with the discussions.

They spoke of deep divisions, described employee departures and revealed how this could be traced to - and threaten - Samsung's unusual goal to become the world's only semiconductor company offering a "one-stop" shop that spans different types of chips and services, unlike more specialised competitors like Micron or TSMC.

The internal discussions showing friction between the company divisions and employee departures have not been previously reported. JPMorgan estimated the strike could impact Samsung's operating



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profit by 21tn won to 31tn won (\$14.08bn to \$20.79bn), while sales losses could stand at about 4.5tn won. Samsung's Device Solutions Division includes three main businesses - memory, system LSI, and foundry - and the AI boom has made these divisions wildly unequal in profitability. Samsung is

the world's top memory chipmaker by sales but also makes televisions and smartphones. The issues are "partly self-inflicted by the company," Namuh Rhee, a Yonsei University professor and chairman of a Korean corporate governance group, said on social media. He said Samsung's move to put

different businesses together created a complex business structure that results in a valuation discount while causing conflicts of interest and limiting business opportunities. "Samsung must enable foundries to become self-reliant."

Discontent among Samsung workers grew last year after rival SK Hynix abolished its bonus pay cap for 10 years. This resulted in bonuses more than three times higher than those offered to Samsung workers, which later lured some people to jump ship.

In March, Samsung proposed that memory chip workers receive bonuses that would top those of SK Hynix employees, or 60% of their annual salary, according to transcripts of its wage negotiations. The company's memory and logic chip businesses used to receive the same bonus plan. But employees in its other businesses who work primarily on logic chips, such as "base die" which are crucial components of AI chips, would receive bonuses of 50% to 100%, according to the

documents. Union officials argued that the big gap in bonuses would push logic chip employees to leave for the memory unit or for other companies, crippling it after Samsung Chairman Jay Y Lee said he wants to be the "clear No 1" in the logic chip market by 2030.

"If the memory division gets 500mn won while the foundry division only gets 80mn won, what motivation would those employees have to keep working?" said union leader Choi Seung-ho during negotiations, according to the transcripts.

Some workers said an exodus was already underway. A worker who identified himself by his surname, Lee, a foundry engineer in Pyeongtaek, said his team has shrunk sharply in the past couple of years as some of them moved to Samsung's memory division and SK Hynix. Two other employees who declined to be named said many of their colleagues are currently applying for jobs with SK Hynix and other companies. SK Hynix did not provide an immediate comment.

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The Qatar Stock Exchange (QSE) lost 220.98 points or 2.1% to close at 10,493.27 for the week. Market capitalisation decreased 2.3% to QR626.6bn from QR641.3bn at the end of the previous trading week. Of the 54 companies traded, 15 ended higher, one unchanged and 38 ended lower. Alkhaleej Takaful Insurance (AKHI) was the best performing stock for the week, rising 14.1%. Meanwhile, Estithmar Holding (IGRD) was the worst performing stock for the week, decreasing 5.7%.

QNB Group (QNBK), Qatar Islamic Bank (QIBK), and Industries Qatar (IQCD) were the main contributors to the weekly index decline, removing 73.87, 39.17 and 18.97 points from the index, respectively.

Traded value during the week dropped 5.9% to QR1,951.2mn vs QR2,073.2mn in the prior trading week. Estithmar Holding (IGRD) was the top value stock traded during the week with total traded

value of QR172.1mn.

Traded volume declined 15.9% to 715.3mn shares compared with 850.7mn shares in the prior trading week. The number of transactions decreased by 10.4% to 118,072 vs 131,779 in the prior week. Baladna (BLDN) was the top volume stock traded during the week with total traded volume of 104.1mn shares.

Foreign institutions remained bearish, ending the week with net selling of QR162.9mn vs net selling of QR42.7mn in the prior week. Qatari institutions remained bullish with net buying of QR57.6mn vs net buying of QR56.5mn in the week before. Foreign retail investors ended the week with net buying of QR17.2mn vs net selling of QR6.2mn in the prior week. Qatari retail investors recorded net buying of QR88.1mn vs net selling of QR77.7mn. Global foreign institutions are net buyers of Qatari equities by \$161.2mn YTD, while GCC institutions are long by \$42.5mn.



## Weekly Market Report

Market Indicators	Week ended, May 14, 2026	Week ended, May 7, 2026	Chg. %
Value Traded (QR mn)	1,951.2	2,073.2	(5.9)
Exch. Market Cap. (QR mn)	626,647.2	641,341.0	(2.3)
Volume (mn)	715.3	850.7	(15.9)
Number of Transactions	118,072	131,779	(10.4)
Companies Traded	54	54	0.0
Market Breadth	15:38	43:9	-

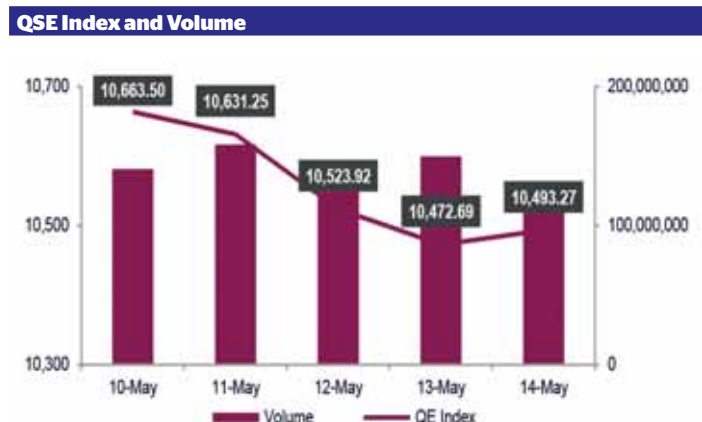
Source: Qatar Stock Exchange (QSE)

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	25,930.19	(2.1)	0.1	0.8
ALL Share Index	4,079.86	(2.2)	0.0	0.5
Banks and Financial Services	5,117.69	(3.1)	(0.4)	(2.4)
Industrials	4,388.36	(1.1)	2.3	6.1
Transportation	5,389.49	(1.3)	0.6	(1.4)
Real Estate	1,455.21	(1.5)	0.2	(4.8)
Insurance	2,837.54	0.9	(1.6)	13.5
Telecoms	2,443.86	(0.8)	(2.1)	9.6
Consumer Goods & Services	8,270.43	(1.6)	(0.5)	(0.7)
Al Rayan Islamic Index	5,288.27	(1.4)	0.4	3.4

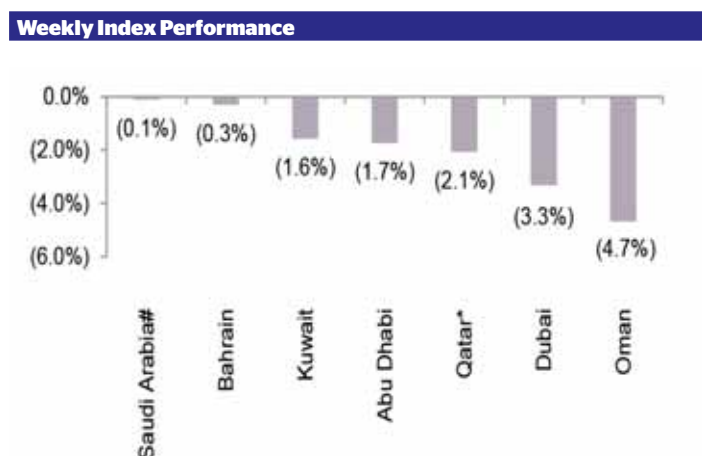
Source: Qatar Stock Exchange (QSE)

Regional Indices	Close	WTD%	MTD%	YTD%	Weekly Exchange Traded Value (\$ mn)	Exchange Mkt. Cap. (\$ mn)	TTM P/E**	P/B**	Dividend Yield
Qatar*	10,493.27	(2.1)	0.1	(2.5)	535.86	171,889.3	12.0	1.3	4.8
Dubai	5,735.38	(3.3)	(0.5)	(5.2)	782.75	256,893.2	8.6	1.7	5.5
Abu Dhabi	9,704.53	(1.7)	(0.8)	(2.9)	1,120.92	735,830.0	19.3	2.3	2.6
Saudi Arabia*	11,020.07	(0.1)	(1.5)	5.0	8,401.26	2,682,242.0	17.0	2.2	3.4
Kuwait	8,764.47	(1.6)	(1.1)	(1.6)	1,659.41	170,288.8	6.6	1.8	3.9
Oman	7,959.72	(4.7)	(4.9)	35.7	648.03	54,849.3	15.0	1.8	3.9
Bahrain	1,935.96	(0.3)	(1.8)	(6.3)	62.64	19,864.0	16.8	1.2	11.5

Source: Bloomberg



Source: Qatar Stock Exchange (QSE)



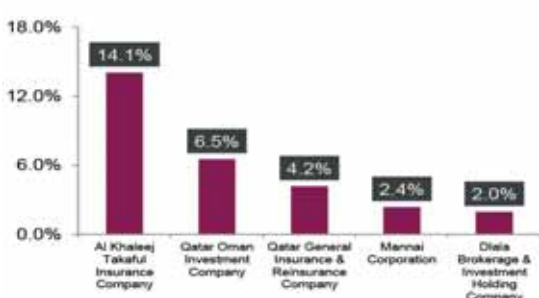
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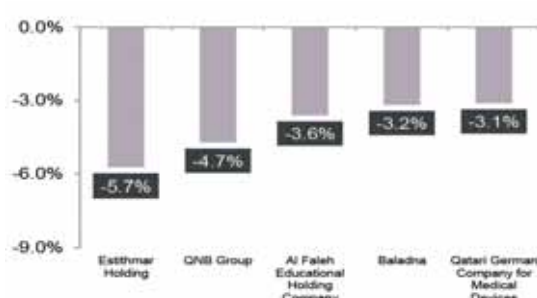
#### Qatar Stock Exchange

##### Top Five Gainers



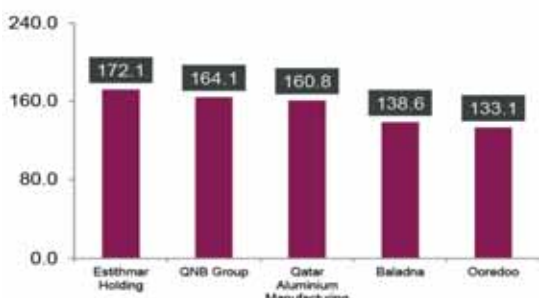
Source: Qatar Stock Exchange (QSE)

##### Top Five Decliners



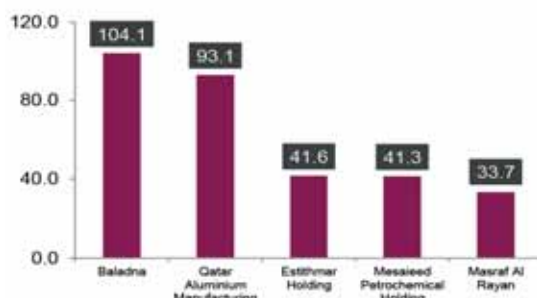
Source: Qatar Stock Exchange (QSE)

##### Most Active Shares by Value (QR Million)



Source: Qatar Stock Exchange (QSE)

##### Most Active Shares by Volume (Million)



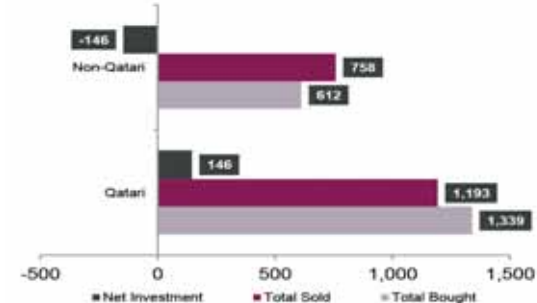
Source: Qatar Stock Exchange (QSE)

##### 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	Price May 14	% Change Weekly	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	17.34	(4.73)	(7.07)	160,160	10.0	1.5	4.2
Qatar Islamic Bank	22.00	(2.48)	(8.14)	51,985	11.3	1.8	4.1
Commercial Bank of Qatar	4.24	(2.55)	0.90	17,152	9.1	0.8	7.1
Doha Bank	2.63	(2.63)	(8.40)	8,151	8.9	0.7	5.7
Al Ahli Bank	3.87	1.15	3.15	9,865	11.0	1.4	6.5
Qatar International Islamic Bank	11.25	(0.79)	(1.57)	17,029	15.5	2.2	4.7
Al Rayan Bank	2.15	(1.92)	(2.01)	19,995	13.8	0.8	5.1
Lrsha Bank	2.00	(0.50)	7.26	2,234	10.7	1.6	3.0
National Leasing	0.67	(0.15)	(2.77)	331	15.2	0.5	6.0
Dalia Holding	1.20	1.96	22.37	228	95.1	1.2	N/A
Qatar & Oman Investment	0.83	6.54	(10.57)	150	N/A	0.8	N/A
Islamic Holding Group	2.80	(0.25)	(12.25)	159	66.8	0.9	1.6
Dukhan Bank	3.50	(1.88)	0.20	18,335	13.9	1.3	4.6
<b>Banking and Financial Services</b>				<b>305,773</b>			
Zad Holding	14.61	(1.48)	5.18	4,199	18.0	2.2	4.7
Qatar German Co. for Medical Devices	1.46	(3.12)	(0.27)	169	18.2	N/A	N/A
Salam International Investment	0.79	(1.26)	8.13	897	8.6	0.6	7.8
Baladna	1.31	(3.19)	2.19	2,485	9.5	0.9	N/A
Medicare Group	5.49	(1.45)	(17.22)	1,545	23.9	1.5	4.0
Qatar Cinema & Film Distribution	2.72	0.00	13.25	171	17.0	1.3	3.7
Qatar Fuel	14.10	(1.74)	(7.05)	14,019	14.4	1.6	6.4
Wislam Food	1.57	(1.01)	5.43	285	N/A	N/A	N/A
Mannal Corp.	5.42	2.38	20.76	2,471	8.8	2.3	5.5
Al Meera Consumer Goods	13.36	(2.05)	(8.30)	2,752	21.5	1.8	3.0
Merkam Holding Group	2.30	(0.69)	4.48	392	10.2	1.6	6.0
Meeza QSTP	3.37	1.75	(0.79)	2,188	33.0	3.1	2.5
Al Faleh Education Holding	0.59	(3.61)	(14.18)	141	11.4	0.5	2.1
Al Mahhar Holding	2.28	(0.78)	4.06	472	9.5	1.2	6.6
Monsada Facility Management Services	8.91	(1.14)	(6.24)	623	N/A	4.2	0.6
<b>Consumer Goods and Services</b>				<b>32,807</b>			
Qatar Industrial Manufacturing	2.24	(1.41)	(4.95)	1,063	8.1	0.5	3.8
Qatar National Cement	2.84	0.57	2.97	1,857	18.5	0.6	7.7
Industries Qatar	12.33	(1.36)	3.35	74,597	18.5	2.1	3.8
Qatari Investors Group	1.44	(1.71)	(2.04)	1,790	12.8	0.6	6.9
Qatar Electricity and Water	14.64	0.21	(2.72)	16,104	11.7	1.1	5.1
Aamal	0.77	(0.26)	(8.78)	4,845	11.3	0.6	6.5
Gulf International Services	2.17	1.41	(15.26)	4,023	7.6	0.9	4.6
Mesaieed Petrochemical Holding	1.17	(1.77)	6.68	14,649	42.4	0.9	3.6
Estithmar Holding	4.03	(5.74)	19.85	18,086	15.9	3.5	N/A
Qatar Aluminum Manufacturing	1.73	1.58	8.37	9,676	11.8	1.4	5.8
<b>Industrials</b>				<b>146,690</b>			
Qatar Insurance	2.24	(0.44)	9.85	7,319	13.0	1.2	4.9
QIM Life & Medical Insurance	2.30	0.88	(8.00)	805	12.6	1.2	4.3
Doha Insurance	2.90	0.14	13.09	1,451	7.1	1.0	6.4
Qatar General Insurance & Reinsurance	1.59	4.19	2.78	1,391	9.9	0.4	N/A
Al Khaleej Takaful Insurance	2.94	14.06	29.04	750	10.5	1.3	5.1
Qatar Islamic Insurance	8.71	0.36	(1.54)	1,307	8.1	2.3	5.7
Damaan Islamic Insurance Company	4.35	(0.23)	0.05	870	9.0	1.5	5.7
<b>Insurance</b>				<b>13,893</b>			
United Development	0.84	(2.20)	(7.36)	2,988	6.9	0.3	6.5
Barwa Real Estate	2.35	(1.09)	(10.17)	9,144	7.4	0.4	7.7
Ezdan Real Estate	0.89	(1.66)	(16.26)	23,501	136.0	0.7	N/A
Mazaya Qatar Real Estate Development	0.57	(1.74)	(1.22)	566	16.1	0.6	N/A
<b>Real Estate</b>				<b>36,200</b>			
Ooredoo	13.30	(1.41)	2.07	42,603	10.9	1.5	3.6
Vodafone Qatar	2.69	1.51	10.43	11,371	15.3	2.3	4.5
<b>Telecoms</b>				<b>53,973</b>			
Qatar Navigation (Milaaha)	10.25	(1.25)	(4.83)	11,646	9.8	0.6	4.4
Gulf Warehousing	2.17	(0.32)	(3.26)	127	10.9	0.5	4.6
Qatar Gas Transport (Nakilat)	4.35	(1.45)	(3.19)	24,078	14.2	1.7	3.3
<b>Transportation</b>				<b>35,851</b>			
<b>Qatar Exchange</b>				<b>626,647</b>			

Source: Bloomberg

## Technical analysis of the QSE index



Source: Bloomberg

The QE Index closed down for the week by 2.1% from the week before; it printed 10,493.3 at the close. Despite the recent drop, we remain to have a positive outlook on the upcoming weeks, given a strong breakout above the 11,000 level with a spike in traded volumes. We reiterate our previously reported view that clearing the above-mentioned level means chances for the continuation of the longer-term uptrend are more likely to shape, and we target the 11,300 level is next expected resistance. Our support level remains at the 10,000 points.

## 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 positioned 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 prices climb over 3% on fears of new US-Iran combat

www.abhafoundation.org

## Oil

Oil prices gained more than 3% on Friday after comments by US President Donald Trump and Iran's foreign minister further dented hopes of a deal to end ship attacks and seizures around the Strait of Hormuz. The tone between the US and Iran has once again become significantly more confrontational. Brent crude futures settled at \$109.26, while US West Texas Intermediate crude (WTI) finished at \$105.42. For the week, Brent rose 7.9%, while WTI increased by 10.5%.

The world has consumed its oil safety net at a historic rate. While strategic releases and demand reduction have prevented immediate chaos, the margin for error is shrinking rapidly, analysts said.

A prolonged closure of the Strait of Hormuz points to tighter physical markets, potential refined product shortages, and upward pressure on prices.

## Gas

Asia spot LNG prices rose last



President Donald Trump addresses members of the media. Oil prices gained more than 3% on Friday after comments by US President Donald Trump and Iran's foreign minister further dented hopes of a deal to end ship attacks and seizures around the Strait of Hormuz. Picture supplied by the Abdullah bin Hamad Al-Attiah International Foundation for Energy and Sustainable Development.

week amid concerns over the renewed US-Iran conflict after US President Trump said his patience with Tehran was running out. The average LNG price for June delivery into northeast Asia was \$17.80 per million British thermal units, up from \$16.90 per mmbtu

the previous week. Asia-Pacific pricing has pulled back from recent highs, indicating some demand destruction. However, as Qatari volumes remain shut in and no diplomatic resolution is in sight, analysts said there is likely to be further



upside risk in the short to medium term. In Europe, the Dutch TTF gas price settled at \$17.23 per mmbtu, posting a weekly gain of 13.7%.



Market participants remained focused on geopolitical developments. Persistent risk premia, alongside the potential for supply disruptions, continued to

underpin market sentiment.

■ This article was supplied by the Abdullah bin Hamad Al-Attiah International Foundation for Energy and Sustainable Development.

## Dollar notches best week since early March on Fed rate hike view

Bloomberg

New York

The dollar finished its best week in over two months after US data showed price pressures that could push the Federal Reserve to raise interest rates over the next year.

A gauge of the greenback is up 1.2% last week, its best performance since the period ended March 6. Two back-to-back inflation reports this week have spooked Treasury investors and spurred one Fed official to say the US has "got an inflation problem."

Money markets now favor a Fed hike this year, a sharp contrast with pricing a month ago that leaned toward easier policy.

"It's a combination of some re-escalation in the Middle East, which has prompted higher oil prices again, and hotter-than-expected US inflation data," said Andrew Hazlett, a foreign-exchange trader at Monex Inc. "This indicates to me that even as the conflict in Iran winds down, the dollar will retain some strength over its pre-war levels."

While the dollar has been sensitive to war headlines and crude futures prices, it has mostly been supported by its haven status and the US's status as a major oil exporter. The greenback weakened briefly after a ceasefire was first announced in early April but has since recovered as a peace deal remains elusive.

Thierry Wizman, a strategist at Macquarie Group, said he will remain a dollar bull as long as the war continues. The greenback, along with the US economy, are benefiting from higher oil prices, he said, adding that it will proceed to gain against the euro and the pound.

The war in Iran upended global energy markets and highlighted Europe's dependence on supply from the Middle East. That soured the outlook on the region's economies, while fanning price growth, which has weighed on the euro. Brent Donnelly,



US dollar banknotes at a currency exchange office. The dollar finished its best week in over two months after US data showed price pressures that could push the Federal Reserve to raise interest rates over the next year.

president of Spectra Markets, said earlier this week that it's time to enter a trade that shorts the euro against the greenback as Fed hikes are being priced in.

Meanwhile, currency strategists at JP-Morgan Chase & Co turned bearish on euro against the dollar for the first time in a year on Friday. Similarly, RBC Capital Markets' Daria Parkhomenko sees the dollar gaining in the near term against its lower-yielding counterparts in the Group of 10, in particular the euro and the Swiss franc.

"Growing US rates could cement the dollar's position as a high-yielding currency that should gain from robust market demand for FX carry trades," said Valentin Marinov, head of G-10 FX research and strategy at Credit Agricole. On top of this, he said the dollar could continue to benefit from foreign portfolio inflows into both Treasuries and US tech stocks.

The dollar has lagged the scale of the

underlying rate move and has further room to rally, said Kit Juckes, chief currency strategist at Societe Generale. US two-year yields have outpaced peers since the Iran conflict began, and Eurozone 2026 growth forecasts have been cut more sharply than those for the US, in relative terms, he wrote in a note.

Options pricing shows traders positioning for a stronger greenback. Sentiment on its long-term prospects is the most bullish in about five weeks, near a one-year high reached in late March.

The pound, meanwhile, has also been mired in domestic political unrest. It fell to the lowest in over a month on Friday after Manchester Mayor Andy Burnham secured a way of running for Parliament, opening an avenue to challenge embattled UK Prime Minister Keir Starmer and increasing investor worries about the potential for higher fiscal spending.

## M-cap of Muscat Stock Exchange falls to about OMR37.38bn

QNA

Muscat

The market capitalisation of the Muscat Stock Exchange (MSX) fell by OMR961.5mn last week, with total market value standing at OMR37.38bn at the close of trading on Thursday. Trading data issued by the MSX showed a decline in market activity, with the number of traded securities dropping from 971.9mn to 738.1mn shares.

The value of traded shares also fell by 31.3% to OMR249.4mn, compared with OMR363.6mn the previous week, while the number of executed transactions declined by 12.8% to 26,432 from more than 30,000 deals.

The exchange's main index slipped below the 8,000-point mark, closing on Thursday at 7,959 points, its lowest level in two months. The decline erased

gains recorded since March 25, when the index crossed the level for the first time in 18 years.

The benchmark index lost around 390 points during the week amid a combination of local and global factors, including geopolitical tensions in the region and fluctuating oil prices, which weighed on investor sentiment and contributed to declines across most Gulf markets.

A total of 65 securities declined during the week, while 13 advanced and 15 remained unchanged.

All sector indices closed lower, led by the financial sector index, which dropped more than 500 points to 12,764 points.

The industrial sector index fell by 278 points, while the services sector index lost 91 points. The Sharia index also declined by around 23 points to close at 639 points.

## Global equity funds draw eighth weekly inflow as AI rally lifts tech

Reuters

London

Global equity funds attracted inflows for an eighth straight week through May 13 as investors chased the AI-driven rally in technology stocks on optimism over strong chip-maker earnings and shrugged off inflation concerns.

They bought a net \$39.15bn of global equity funds in their largest weekly net purchase since \$48.55bn of additions in the week to April 22, LSEG Lipper data showed.

The MSCI World Index hit a record 1,117.52 on Thursday, as tech shares extended a rally after Advanced Micro Devices and Microchip Technology had forecasted strong data-center chips' demand in the last week.

LSEG data covering 900 MSCI World constituents showed that about 72% of companies beat analysts' average profit estimates for the first quarter.

US equity funds gained \$22.37bn

weekly inflows in a reversal from \$2.89bn net outflows the prior week.

Asian and European funds also saw weekly net additions of \$7.62bn and \$6.29bn, respectively.

The technology sector drew a record \$10.65bn. Metals and mining, and industrial sectors also had net purchases of \$1.03bn and \$886mn, respectively.

Global bond funds attracted \$25.76bn, the largest amount for a week since early October 2025.

Short-term bond funds, euro-denominated bond funds and corporate bond funds led the purchases with net inflows of \$2.93bn, \$2.83bn and \$2.47bn, respectively. Money market funds, meanwhile, witnessed a net \$9.2bn of withdrawals after net purchases of \$149.98bn in the prior week.

Gold and other precious metal funds saw a revival in demand following two weeks of net sales as investors poured \$1.77bn into these funds.

In emerging markets, equity funds remained out of favor for a third straight week with a net \$3.18bn outflow.

## Yield-hungry investors bet on credit as government debt sours

Bloomberg

New York

Credit investors enticed by high yields are buying up corporate bonds, shrugging off the lingering Middle East conflict and focusing instead on robust results from blue-chip businesses.

Risk premiums on US investment-grade bonds on Thursday fell to their lowest level since early February. High-grade bond funds in late April and early May saw the most inflows since September 2020. And one borrower this week, Gilead Sciences Inc, sold longer-dated debt at a yield below that of its existing debt, signaling an unusually high level of demand. That appetite is allowing corporate bonds to outperform US government debt, which has sold off this week amid growing inflation concerns. On Friday, the 10-year Treasury yield reached its highest level in about a year.

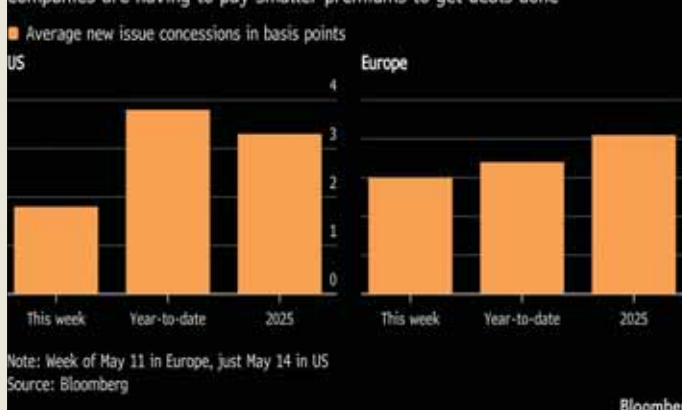
While the Iran war has stirred volatility across asset classes, corporate credit is looking like one of the safest bets as strong earnings results roll in and the AI revolution has investors optimistic about profitability. In contrast, higher oil prices are adding pressure on central banks in highly indebted countries to raise interest rates.

"You have the government balance sheet that's deteriorated over time, and you have corporate balance sheets that, in a lot of cases, have been improving and remain strong and stable," said Kelly Kowalski, head of investment strategy at MassMutual.

"For this narrative to shift, you would have to get to a point where the rise in yields causes fundamental economic damage," she added. But, for now, "I think this is when the yield buyers come in and people start to think about extending duration."

## New Issue Concessions Have Shrunk in the High-Grade Space

Companies are having to pay smaller premiums to get deals done



Still, a sustained period of high energy prices could pose a risk to corporate margins, according to Al Cattermole, portfolio manager at Mirabaud Asset Management. "I think spreads are pricing in no negative growth impact from the Iran war," which is "possibly an

oversight," he said. It's also not clear how long demand will persist. Credit spreads have been narrowing and credit default swap prices have broadly been falling in recent weeks, but both metrics showed signs of weakening on Friday.

Even as the Iran war disrupts oil flows and clouds economic forecasts, investors enticed by juicy returns are continuing to snap up newly-issued bonds and those in the secondary market. "This disconnect between apparently serene spread levels and elevated underlying volatility has, in our view, been sustained by higher all-in yields, which continue to underpin demand," Soren Willemann, credit strategist at Barclays Plc, wrote in a note to clients on Friday. Investors poured another \$4bn into short- and intermediate-term investment-grade bond funds in the week ended May 13, after roughly \$6.9bn the previous week — the largest weekly inflow since September 2020 — according to LSEG Lipper data. Yields are being pushed up by a recent selloff in government debt as traders price in rate hikes by the world's major central banks. The Federal Reserve is expected to

boost its policy rate by March 2027, and both the European Central Bank and the Bank of England are forecast to raise rates three times by then to tackle inflationary pressures as oil prices rise. Meanwhile, appetite for new issues has held up. On Thursday, each offering of new investment-grade corporate bonds in the US attracted orders of about four times the amount eventually sold, based on data compiled by Bloomberg. That's on par with demand levels recorded earlier in the year and in 2025. The US leveraged loans market had its busiest week since January, Bloomberg-compiled data show, with \$35bn of deals pricing and some offerings being upsized. European junk bond markets have also been on a tear, with €42.6bn raised year-to-date, the most since 2021, according to Bloomberg-compiled data. Meanwhile, a key gauge of European credit risk has dropped to pre-Iran war levels.