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G7 finance ministers
vow co-operation to face
'heightened risks'



Wednesday, May 20, 2026
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GULF TIMES BUSINESS



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Japan economy
grows faster than
expected in
the first quarter



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البنك التجاري
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Minister of finance meets executives of Qadran member companies

HE the Minister of Finance Ali bin Ahmed al-Kuwari met in Paris with chief executives of major French companies that are members of the Qatar-France Economic Association (Qadran), during a roundtable organised by the Embassy of the State of Qatar to the French Republic, reports QNA. During the meeting, discussions focused on ways to strengthen the framework of joint co-operation and further consolidate bilateral relations between the State of Qatar and the French Republic, in addition to reviewing key investment opportunities and economic developments of mutual interest. The meeting also discussed the importance of enhancing economic partnerships between both sides in a manner



that supports investment growth and broadens prospects for co-operation between Qatari and French institutions. Qadran is an independent non-profit organisation established in 2015. Its membership includes

leading Qatari commercial institutions operating in France, alongside major French companies operating in the State of Qatar and influential economic figures. The organisation aims to host annual academic and social

events that promote dialogue and the exchange of perspectives between Qatari and French companies, providing a platform for multilateral economic discussions among senior officials and decision-makers.

Nebras Energy general assembly approves election results



HE the Minister of State for Energy Affairs Saad bin Sherida al-Kaabi.



Nebras Energy managing director and CEO Mohammed bin Nasser al-Hajri.

Nebras Energy's Ordinary General Assembly approved yesterday the results of the elections to fill two independent seats on the board of directors for the 2026-2028 term. HE the Minister of State for Energy Affairs Saad bin Sherida al-Kaabi, who is also president and CEO of QatarEnergy, and chairman of Nebras Energy, presided over the meeting, which was held via Zoom. During the meeting, the victory of two independent members was announced by secret ballot, and the list of reserves was approved according to the result of the vote.

QCB issues government Ijara Sukuk worth QR4bn

Qatar Central Bank (QCB) issued on Tuesday Government Ijara Sukuk on behalf of the Ministry of Finance with a value amounting to QR4bn, reports QNA. QCB said in a post on X (previously known as Twitter), that the maturity periods of the Sukuk varied as per the following details: QR2bn

(an addition to an existing issuance) with a maturity date of September 3, 2028, and a yield of 4.450%, and QR2bn (an addition to an existing issuance) with a maturity date of August 24, 2030, and a yield of 4.475%. The bank clarified that total bids for the Sukuk reached approximately QR11.4bn.



Qatar's Import Unit Value Index rises 1.28% in Q1

QNA
Doha

Qatar's Import Unit Value Index (IMUVI) reached 112.16 points in the first quarter of 2026, marking a 1.28% increase compared to the fourth quarter of 2025, and a year-on-year expansion of 3.03% against the corresponding quarter of 2025.

According to data released by the National Planning Council, the IMUVI tracks 10 primary commodity groups classified under the Standard International Trade Classification (SITC4).

A sequential analysis comparing the first quarter of 2026 with the fourth quarter of 2025 reveals upward movements across nine commodity groups.

This growth was led by commodities and transactions not classified elsewhere, which surged by 18.44%. Prices for mineral fuels, lubricants, and related materials rose by 2.84%, followed by food and live animals at 2.06%, and beverages and tobacco at 1.86%.

Additional gains were recorded in miscellaneous manufactured articles at 0.56%, machinery and transport equipment at 0.56%, chemicals and related products at 0.44%, manufactured goods classified chiefly by material at 0.25%, and crude materials (inedible, except fuels) at 0.20%.

Conversely, the animal and vegetable oils, fats, and waxes sector recorded a contraction of 0.35% during the same period. On an annual basis, comparing the first quarter of 2026 with the

same period in 2025, the index registered increases across nine groups. The growth was primarily driven by a 73.62% surge in commodities and transactions not classified elsewhere.

Animal and vegetable oils, fats, and waxes expanded by 8.64%, while mineral fuels, lubricants, and related materials appreciated by 6.87%. Increments were also observed in chemicals and related products at 3.06%, food and live animals at 2.15%, machinery and transport equipment at 1.43%, miscellaneous manufactured articles at 1.29%, manufactured goods classified chiefly by material at 1.21%, and beverages and tobacco at 0.85%.

In contrast, crude materials (inedible, except fuels) experienced a year-on-year decline of 4.89%.

QSE turns bullish; key index gains 46 points

By Santhosh V Perumal
Business Reporter

Brightened hopes of negotiations to end the Iran war had its positive influence on the Qatar Stock Exchange (QSE), which yesterday snapped two days of bearish spell to gain more than 46 points, adding in excess of QR3bn in capitalisation.

The industrials, real estate and telecom counters witnessed higher than average demand as the 20-stock Qatar Index rose 0.45% to 10,418.28 points, although it touched an intraday high of 10,433 points.

Positive momentum was visible in the regional bourses after the US President Donald Trump said he had paused a planned attack on Iran to allow negotiations on a deal to end the war, easing investor concerns over a wider Middle East conflict. The QSE truncated its year-to-date losses to 3.2%.

About 78% of the traded constituents extended gains to investors in the main bourse, whose capitalisation added QR3.26bn or 0.53% to QR622.8bn, mainly owing to midcap segments. The local retail investors were seen increasingly net buyers in the main market, whose trade turnover and volumes were on the decline.

The foreign institutions' weakened net profit booking had its influence on the main bourse, which saw as many as 9,339 exchange traded funds (spon-



The industrials, real estate and telecom counters witnessed higher than average demand as the 20-stock Qatar Index rose 0.45% to 10,418.28 points

sored by AlRayan Bank and Doha Bank) valued at QR0.05mn trade across 12 deals. The domestic funds continued to be net buyers but with lesser intensity in the main market, which saw as many as 10 sovereign bonds valued at QR0.1mn changes hands across one transaction.

The Islamic index was seen outperforming other indices of the main bourse, which saw a total of 5,000 sovereign sukuk valued at QR50.3mn trade across two deals.

The Total Return Index rose 0.45%, the All Share Index by 0.45% and the Al Rayan Islamic Index by 0.55% in the main bourse, which saw no trading of treasury bills. The industrials

sector index gained 0.67%, telecom (0.64%), realty (0.62%), consumer goods and services (0.45%), insurance (0.43%) and banks and financial services (0.4%); while transport was down 0.03%. As many as 42 gained, while only six decreased and six were unchanged in the main market.

Major movers in the main market included Al Khaleej Takaful, Baladna, Estithmar Holding, Walidam Food, Doha Insurance, Ahlibank Qatar, Salam International Investment, Qatar German Medical Devices, Al Faleh Educational Holding, Gulf International Services, Qamco, Ezdan, Vodafone Qatar and Gulf Warehousing. ■ **To Page 4**

Qatar's decision to regulate online commerce seen as a 'major shift'

By Santhosh V Perumal
Business Reporter

Hailing the Minister of Commerce and Industry's decision to regulate online commerce as a "major shift", Sharq Law Firm has said it introduces a "structured approach" to address a gap that has become increasingly apparent with the growth of the online business activity. The Minister of Commerce and Industry's Decision No 25 of 2026 establish the conditions and limitations governing the conduct of commercial activities through websites where such activities do not require a physical presence. This comes against the backdrop of the

market estimates, which indicate that social commerce in Qatar is projected to generate about \$1.2bn in revenue in 2026, reflecting both the scale of participation and the level of consumer engagement in digital transactions.

The ministerial decision "introduces a structured approach to the regulation of digital commerce, addressing a gap that has become increasingly apparent with the growth of online business activity. By extending licensing requirements and introducing defined compliance obligations, it brings digital transactions within the scope of formal regulation," Sharq Law Firm said in a note.

Stressing that further development would be required to ensure consistent

application; it said clarification through executive guidance, proportionate licensing models, and clearer thresholds for commercial activity would contribute to greater certainty.

"The framework's effectiveness will depend less on its scope than on its application. Its ability to adapt to evolving business models while maintaining clarity and enforceability will determine its role in shaping the future of digital commerce in Qatar," it said. Highlighting that over the past decade, Qatar's commercial landscape has undergone a quiet but decisive transformation; it said this shift is not confined to conventional ecommerce websites. It is most visible in the everyday use of social media platforms, particularly

Instagram, WhatsApp, and TikTok, as primary tools for marketing, selling, and delivering goods and services, according to the law firm. Finding that commercial regulation in Qatar has historically been built around the concept of a physical place of business, with licensing, registration, and oversight mechanisms tied to that premise; the note said digital-only activity does not fit neatly within that model. "As a result, a significant portion of online commercial activity has developed in a space that is only partially regulated, raising questions relating to consumer protection, market fairness, and enforceability," it said, adding the Minister of Commerce and Industry's decision must be understood against this backdrop.

"Rather than introducing an entirely new regulatory system, it addresses a specific gap: the absence of a clear framework governing commercial activity conducted exclusively through electronic websites... In doing so, it reflects a shift in regulatory focus, from where business is conducted to how it is conducted, while leaving open questions as to how this framework will operate in practice," it said. Pointing out that a "significant" portion of economic activity now occurs without any physical interface between the business and the consumer; Sharq Law Firm said by recognising and regulating activity conducted through electronic websites, the decision acknowledges this shift. ■ **To Page 4**



Warsh's arrival leaves long bonds without a safety net

By Mike Dolan
London

Investors may now be discovering what long-term government borrowing costs are really like when you remove the potential backstop of central bank intervention from the bond market. The main driver of surging US long-bond borrowing rates this year is clear enough: The Iran war, the related oil shock, racing inflation and the inevitable speculation about interest-rate rises.

Thirty-year Treasury yields have risen more than 50 basis points since the war began, topping 5.15% for the first time since before the Global Financial Crisis in 2007. But that milestone also reflects another factor that's aggravating the sudden repricing of the debt market. Bonds have not traded without either actual central bank buying or the implicit threat of it in a shock since 2007.

Now enter Kevin Warsh as the new Federal Reserve chair.

Warsh is a longstanding public opponent of Fed bond-buying - he ostensibly resigned from the Fed board in 2011 over the issue - and a staunch advocate of running down the central bank's \$6.7tn balance sheet of mostly Treasury securities.

"Working with the Treasury Secretary, we're going to have to find a way in which we can take the balance sheet and make it smaller," he said at his confirmation hearing last month. Investors have pored over the "ifs" and "buts" of how that might even work were Warsh to get his way. What seems clear to most Fed watchers is that it couldn't happen immediately, especially not in the current market environment.

The argument for running down the balance sheet centers on first shortening the maturity of its holdings to Treasury bills of 12 months or less and then being able to more easily run them off as those bills mature.

Whatever the route or timetable, there seems little chance that Warsh would support any further buying of long-term debt - 10-year tenors or longer - even in a fresh shock or crisis.

That leaves the very long end of the market without the effective safety net it's enjoyed for 18 years since the Fed first launched quantitative easing (QE) after the 2008 banking crash. QE came in subsequent waves and was repeated on a large scale during the Covid-19 pandemic in 2020. Its main purposes were to stabilize imploding credit markets and push borrowing costs lower even though Fed policy rates had reached an effective floor near zero.

The Fed's balance sheet has been reduced from its post-Covid peak of \$9tn, but more than a third of the remaining \$6.7tn still consists of Treasuries with maturities of 10 years or longer.

The direct impact of QE on Treasury yields has long been debated, with no agreed or precise estimate of its effect on either the economy or the debt market. Many investors assumed, at least,



Kevin Warsh.

that the historically low - and often negative - term premium in long-term Treasuries reflected the lower perceived risk when an active Fed balance sheet served as a parachute for creditors in a crisis. Barclays strategists, outlining what the Fed might do if the yield spike became a rout, reckon most options are off the agenda - especially outright purchases.

"This does not seem likely to us given Warsh's past criticism of Fed balance sheet policy," they wrote. The share of Treasury debt in 30-year and 20-year maturities - which go under the hammer this week - is small at just about 3%. Long-term debt, however, tends to be held in portfolios of securities with maturities of 10 years or more.

With the 10-year as the benchmark, the share of outstanding Treasuries in that bracket rises to some 25%, giving sharp moves in the long bond an outsized influence on overall pricing.

To gauge where 30-year yields might sit in the absence of that 18-year Fed backstop, Barclays compared the current spread between 30-year yields and the Fed policy rate against its historical range. The current spread of 150 basis points is still below the historic average of 180 bps - and even adjusting for extremes in the policy rate, it comes in at around 150 bps.

"This simple exercise tells you that bonds are not cheap," they added. In an economy where the absence of Fed easing collides with a deteriorating fiscal outlook and rising assumptions about the long-term neutral rate - driven in part by an AI productivity boom - the scope for further 30-year yield gains looks real. If the Fed is forced to hike rates, it could go higher still. Barclays put a number on it: "5.5% does not seem far-fetched." Other factors could yet calm markets.

The Treasury could reduce sales of super-long-term debt or even suspend the 20-year tenor. But that merely loads ever more debt into bills and possibly even the more influential 10-year benchmark. In the end, the mere uncertainty about how markets would react to the next shock - without the certainty of Fed intervention - may be enough to demand a higher risk premium anyway.

■ Mike Dolan is a columnist for Reuters. The opinions expressed here are those of the author.

Japan's economy grows faster than expected in the first quarter

AFP
Tokyo

Japanese economic growth surpassed expectations at the start of 2026, official data showed on Tuesday, but Prime Minister Sanae Takaichi is mulling an extra budget as concerns grow over inflation due to the Middle East war.

Gross domestic product (GDP) in the world's fourth-biggest economy expanded 0.5% in the first quarter, exceeding market forecasts of 0.4%.

Growth in private consumption and corporate investment contributed to the expansion, according to the cabinet office data.

It follows growth of 0.2% -- revised downwards from an earlier reading of 0.3% -- in the last quarter of 2025.

The data came as Takaichi plans to draft a supplementary budget in a bid to safeguard growth, as consumers face soaring prices of everything from energy to rice due to the Middle East conflict.

"Given the continuing uncertainty surrounding the situation in the Middle East, it is important to closely monitor the trend of prices and the impact on the economy," the government's top spokesman Minoru Kihara told reporters Tuesday, adding that Takaichi had instructed the minister of finance to consider arrangements to minimise risk.

Marcel Thieliant of Capital Economics warned the Middle East conflict was likely to impact data going forward.

"Japan's economy approached the Iran war with solid momentum but we think that GDP



A man walks past on the street near a construction site in Tokyo. Japanese economic growth surpassed expectations at the start of 2026, official data showed yesterday, but Prime Minister Sanae Takaichi is mulling an extra budget as concerns grow over inflation due to the Middle East war.

growth will grind to a halt this quarter and next," he wrote in a note.

Japan has been trying to stem rising oil prices with government subsidies, but the nation is likely to feel the full impact of soaring energy prices in months ahead, Thieliant said.

The country depends on the Middle East for around 95% of its oil imports. Already consumer confidence has begun to slump, Thieliant added.

The Bank of Japan (BoJ) said it expected consumer prices to rise 2.8% in the current fiscal year, compared with the 1.9%

previously forecast, due to the impact of the conflict. It lifted next year's outlook to 2.3% from 2.0%.

This could prompt it to raise interest rates as early as June.

It also slashed its fiscal 2026 growth forecast to 0.5% from 1.0%, and for next year trimmed its projection to 0.7% from 0.8%.

Taro Saito of the NLI Research Institute said that "disruptions in logistics will trigger production adjustments, while the deterioration of terms of trade due to soaring crude oil prices will put downward pressure on corporate profits and the real purchasing power of households".

Expectations of monetary tightening, along with concerns over Takaichi's fiscal policy, have helped drive a sharp rise in Japanese government bond yields in recent days.

Japan is also believed to have spent tens of billions of dollars in the market to boost the value of the yen, which has weakened in recent months due to the global uncertainty, as well as the gap between US and Japanese interest rates.

A weaker yen makes the cost of imports more expensive in Japan, which relies on foreign countries for much of its energy and food needs.

Investors flock to Japanese convertible bonds

Bloomberg
Tokyo

Japanese convertible bonds continue to attract solid investor demand as a surge in borrowing costs drives companies to increasingly embrace the equity-linked securities.

In the latest deal, chip materials supplier JX Advanced Metals Corp raised ¥250bn (\$1.6bn) from zero-coupon convertible bonds that priced at the top of the marketed range, which had already been raised during the marketing.

The company sold two tranches of equal-sized bonds, with one maturing in 2029 and the other in 2031.

The firm set a price of 113.25 for the 2029 bond and 114 for

the tranche maturing in 2031, according to a release. Japanese companies are turning towards convertible bonds, driven by a surge in the country's borrowing costs. Even before the JX Metals deal, firms have issued ¥750bn of the securities so far this year, the most for the period since 2004, Bloomberg-compiled data show. Among companies that raised funds from convertible bonds, chip tester maker Advantest Corp raised ¥100bn, while steelmaker Nippon Steel issued ¥600bn of convertibles earlier this year.

JX Metals launched the deal just before a plunge in Japanese government bonds pushed yields to a record high.

The selloff extended to global markets as higher oil prices added concerns for inflation,

with global bond yields hovering near multi-year highs. For the JX Metals convertibles, investor demand was more than eight times the securities offered, people familiar with the deal have said.

Shares of JX Metals dropped as much as 5.9% on Tuesday, falling for a sixth consecutive day for their worst stretch since their debut in March last year. The stock has plunged more than 30% since the company announced the convertibles deals, while the benchmark Topix Index has been little changed.

JX Metals marketed the bonds in a range of 111.5 to 113.25 for the first tranche and 112 to 114 for the second, according to terms seen by Bloomberg News.

The conversion premium was fixed at 20% above the closing price on Monday. The company

has call options to redeem the bonds ahead of their maturity when the share price is higher than 130% of the conversion price. The bonds are callable after June 3, 2028, for the first tranche, and after the same date in 2029 for the second one.

Buyers of the deal included existing shareholders and funds specialising in convertible bonds, people familiar have said. One third of the offering was allocated to global outright funds that buy convertible bonds without hedging, with a view to eventually convert them into shares, they said.

Daiwa Securities Group, Nomura Holdings, Morgan Stanley, Bank of America Corp, JPMorgan Chase & Co and Goldman Sachs Group were bookrunners on the deal.

Tech stocks lead losses on Asian markets

AFP
Hong Kong

Asian markets wavered on Tuesday, with tech stocks leading losses as investors tracked easing oil prices and cautious optimism over a potential US-Iran deal.

In Tokyo, the Nikkei 225 closed down 0.4% to 60,550.59 points; Hong Kong - Hang Seng Index ended up 0.5% to 25,797.85 points and Shanghai - Composite closed up 0.9% to 4,169.54 points yesterday.

South Korea's Kospi slid by more than 3.0%, as tech stocks lost ground tracking an overnight slump on Wall Street.

But it was the energy markets that drew attention after US President Donald Trump signalled "serious negotiations" with Tehran and called off planned strikes, boosting optimism that tensions could reduce.

The war the United States and Israel launched February 28 has led to an effective blockade of the Strait of Hormuz, through which around 20 percent of global oil exports passed in peacetime.

The leaders of Qatar, Saudi Arabia and the United Arab Emirates asked Trump "to hold off on our planned military attack of the Islamic Republic of Iran, which was scheduled for tomorrow, in that serious negotiations are now tak-



An external view of the Tokyo Stock Exchange building. The Nikkei 225 closed down 0.4% to 60,550.59 points yesterday.

ing place", the US president wrote on his Truth Social platform on Monday.

The prospect of diplomacy drove the dip in oil, but sentiment remained fragile across equity markets as elevated energy costs continue to fuel inflation risks and cloud the outlook for interest rates.

"The durability of this de-escalation -- and whether it translates into a sustained decline in oil prices -- remains the single most important driver for global bond yields and Asia EM currencies in today's session," said Michael Wan of financial group MUFG.

International benchmark Brent was

hovering around \$110 and West Texas Intermediate at \$108, cooler than the previous day but still up about 80% this year owing to the Middle East war, according to Bloomberg News.

Equity performance was mixed, and tech stocks in Asia retreated.

In South Korea, artificial intelligence heavyweight SK hynix slid more than 5.0% and Samsung Electronics by 1.24%.

Samsung Electronics -- which has also profited massively from the AI memory chip boom -- resumed union talks in a bid to avoid a strike over bonus payments.

EM currencies slip, stocks rise

Reuters
Singapore

Most emerging market (EM) currencies weakened against a higher dollar on Tuesday but stocks broadly rose as markets drew comfort from US President Donald Trump's comments on Iran, which raised expectations of an end to the conflict. Trump said on Monday he had paused a planned attack against Iran after Tehran sent a peace proposal to Washington, and that there was now a "very good chance" of reaching a deal limiting Iran's nuclear program. Oil prices slipped 2%, and risk appetite improved across markets. Most Asian equity bourses were higher, with stocks in Singapore hitting a record high.

"We're sort of in line with consensus in the conflict. Trump is looking for an exit and an end to the conflict. Our base case is that there will be some resolution at some point this year," said Mark Preskett, senior portfolio manager at Morningstar Wealth. "It's not really surprising that when there's a positive announcement like last night, there's a renewed risk appetite in stocks." Hungarian and Romanian equities rose 0.3% and 1.3% respectively, while Polish stocks slipped 0.1%. MSCI's index tracking global EM stocks fell 1.2% to a two-week low, dragged down by the heavyweight South Korean index, which lost 3.3% after an eye-popping rally as investors booked some profits.

"With Korea, the moves are so pronounced, you get these bouts of profit taking, and that's understandable especially when Korea does remain reliant on Middle East oil and gas," said Preskett.

"There's a risk factor there, but the underlying fundamentals are still pretty strong."

Indonesia's stocks also fell 3.4%, and the rupiah currency hit a fresh record low against the dollar, as investors weighed the fallout of the conflict on the energy-importing nation against Jakarta's spending plans and market transparency. Many countries have taken steps to cushion the blow from elevated oil prices. Indian retailers raised prices by less than a rupee per litre for the second time in a week. Protests broke out in Kenya on Monday against the price hikes. Thailand's cabinet approved new borrowing of 200bn baht (\$6.13bn) to support a consumer subsidy scheme, to alleviate the impact of the war on the cost of living. On the FX front, the dollar index that measures the greenback against a basket of major currencies gained 0.2%, pressuring EM pairs. The MSCI gauge lost 0.2%.

South Africa's rand slipped 0.3% and stocks lost 0.1% as gold prices inched lower. Gold is among the top exports of the country. Currencies in emerging Europe were subdued against the euro, barring the Hungarian forint that weakened 0.4%. Markets in Turkey were closed for a public holiday.

QICCA hosts student delegation from SDG Ambassadors Centre

The Qatar International Centre for Conciliation and Arbitration (QICCA) hosted a student delegation from various schools and educational levels as part of efforts to promote alternative dispute resolution.

The visits, organised by the centre, in co-operation with the Sustainable Development Goals (SDG) Ambassadors Centre, included a comprehensive introductory programme during which the centre's experts delivered awareness lectures on the nature of arbitration and its importance as a modern means of dispute resolution, in addition to reviewing its fundamentals and most prominent applications in Qatar.

It also organised a practical simulation of a real arbitra-

tion session, in which students participated in different roles, with the aim of familiarising them with the mechanisms of arbitration sessions and the roles of arbitrators, lawyers, and disputing parties.

Ibrahim Shahbek, secretary general of QICCA, stressed that the initiative comes within a broader national strategy aimed at spreading the culture of arbitration and alternative dispute resolution methods within Qatari society and among younger generations, thereby contributing to strengthening the rule of law and enhancing the country's business environment.

In turn, the participating students and accompanying supervisors expressed their appreciation for this interactive experience, praising the



Ibrahim Shahbek, secretary general of QICCA, looks on as one of the participating students receives a certificate of recognition.



Students during a practical simulation of an arbitration session.

importance of enhancing legal awareness among young people and linking theoretical

knowledge with practical application in the fields of arbitration and dispute resolution.

Qatar's decision to regulate online commerce seen as a 'major shift'

■ From Page 1

It brings within scope home-based businesses, freelancers, and small-scale operators who previously functioned outside the formal system."

However, the note said unlike traditional businesses, online sellers can operate across multiple platforms, change identities, or cease and resume activity with minimal visibility. "Identifying unlicensed operators therefore presents a practical challenge," it added.

Expecting enforcement to extend beyond direct regulatory action; it said payment providers may serve as a point of visibility, as commercial transactions conducted through formal channels create identifiable records.

Digital platforms may also play a role, whether through cooperation with regulatory authorities or through their own internal policies on commercial activity.

Asserting that institutional capacity remains central, it said effective implementation requires not only the processing of licences but also the ability to monitor compliance and respond to violations in a timely manner, necessitating the use of technological tools and coordination between relevant authorities.

"A gap remains between the framework as drafted and its practical enforceability. The extent to which that gap can be reduced will determine the effectiveness of the regulatory approach," it said.

QSE index gains 46 points

■ From Page 1

Nevertheless, Qatar Cinema and Film Distribution, Dlala, Nakilat, Qatar Insurance and Al Mahhar Holding were among the shakers in the main bourse. In the venture market, Techno Q saw its shares depreciate in value.

The local individual investors' net buying increased marginally to QR11.86mn against QR11.53mn on Monday.

The foreign institutions' net selling decreased substantially to QR25.99mn compared to QR48.15mn on May 18.

However, the Gulf funds' net profit booking expanded marginally to QR5.99mn against QR5.51mn the previous day.

The foreign individuals turned net sellers to the tune of QR2.28mn compared with net buyers of QR4.46mn on Mon-

day. The Gulf retail investors' net selling strengthened perceptibly to QR0.46mn against QR0.05mn on May 18.

The Arab institutions were net sellers to the extent of QR0.02mn compared with no major net exposure the previous day.

The domestic institutions' net buying weakened significantly to QR19.37mn against QR33.3mn on Monday.

The Arab retail investors' net buying shrank noticeably to QR3.41mn compared to QR4.46mn on May 18.

The main market saw 6% contraction in trade volumes to 155.5mn shares, 3% in value to QR396.98mn and 13% in deals to 23,349. In the venture market, a total of 0.22mn equities valued at QR0.5mn changed hands across 47 transactions.

G7 finance ministers vow co-operation to face 'heightened risks'

AFP
Paris

Leading global economies on Tuesday vowed multilateral co-operation to address mounting challenges to economic stability due to the Middle East war, after talks in Paris which underscored tensions between the US and its allies.

The meeting of the G7 finance ministers came as economies grapple with the fallout from the US-Israeli war on Iran, while European nations fret over the tariff blitz from the US administration under President Donald Trump and fears of a softening line on Russia.

"We have had frank, sometimes difficult, direct discussions to find long-term and short-term solutions to major global economic challenges in order to guarantee economic stability," said French Finance Minister Roland Lescure after the meeting attended by US Treasury Secretary Scott Bessent.

But the final communique of the G7 ministers and central bank governors reaffirmed "our commitment to multilateral cooperation in addressing risks to the global economy".

Against the backdrop of the Middle East war, the statement highlighted "multiple and complex global challenges requiring coordinated responses".

"Economic uncertainty has heightened risks to growth and to inflation, amid the ongoing conflict," it said.



G7 finance ministers and central bank governors pose for a photograph in Paris. The leading global economies yesterday vowed multilateral co-operation to address mounting challenges to economic stability due to the Middle East war.

The statement singled out "pressures on energy, food, and fertilisers supply chains, which particularly affect the most vulnerable countries".

It urged a "swift return to free and safe transit" through the Strait of Hormuz, a key Gulf waterway where shipping remains severely restricted after Iran imposed an effective blockade at the start of the war.

The Paris meeting, held under France's rotating G7 presidency, prepares the ground for a summit in the French Alpine lakeside resort of Evian in June, chaired by President Emmanuel Macron, which should be attended by Trump. In line with Macron's aim to broaden the relevance of the G7 club which groups Canada,

Germany, France, Italy, Japan, the UK and US, non-member nations Brazil, India, Kenya and South Korea were invited to the Paris meeting.

"I think we have made considerable progress in the work, so that our leaders can (in Evian), I hope at least, conclude it on such important, very concrete issues as critical minerals and the resolution of global imbalances," Lescure said.

As concern grows over how to combat the surge in crude oil prices due to the war in the Middle East, the US unsettled allies by announcing a temporary extension of the suspension of sanctions on Russian oil stored at sea.

The "willingness to keep pressure on Russia was unanimous,"

Lescure insisted. But before the second day of talks started, EU economy commissioner Valdis Dombrovskis denounced the latest US waiver of sanctions on Russian oil.

"From the EU point of view, we do not think that this is a time to ease pressure on Russia," Dombrovskis said.

"In fact, Russia is the one which is gaining from the war in Iran and the increase in fossil fuel prices," he said. "If anything, we would need to strengthen the pressure."

The announcement had been made by Washington after the first day of talks Monday, with Bessent saying on X the measure would "provide additional flexibility" and "help stabilise the physical crude market".

US 30-year yield hits highest since 2007

Bloomberg
Washington

Yields on the US Treasury's longest-dated bond rose to the highest level in almost two decades as investor concern over accelerating inflation fuels a selloff across global debt markets.

The 30-year yield rose seven basis points to 5.19% on Tuesday, reaching a level last seen on the eve of the 2007 global financial crisis, as pressure hits bond markets across Europe and Asia. Global yields have surged in recent weeks as a jump in energy prices caused by the Iran war adds to fears over inflation, pushing investors to bet central banks, including the Federal Reserve, will have to raise interest rates. Mounting government deficits are also prompting investors to demand greater compensation to own longer-maturity debt.

"With debt rising faster than growth, worsening inflation profiles, and no political will for fiscal reform, there is little reason to reach for the long end," Ajay Rajadhyaksha, Barclays Plc's global chairman of research, wrote in a note on Monday.

Persistently higher yields could lift borrowing costs for US home buyers and corporations and threaten to slow the world's largest economy, which to this point has proved resilient. The situation is sparking speculation of a policy response



The US Treasury building in Washington. Yields on the US Treasury's longest-dated bond rose to the highest level in almost two decades as investor concern over accelerating inflation fuels a selloff across global debt markets.

from officials, who are already shifting issuance toward shorter-dated maturities. Incoming Federal Reserve Chair Kevin Warsh is now facing both a jump in yields and a shift in market sentiment. Traders are now anticipating the Fed's next move will be a rate increase - potentially as soon as the end of this year. Prior to the war, they anticipated as many as three Fed cuts in 2026.

"The market has swung to a clear hiking bias," said Benjamin Schroeder, a senior rates strategist at ING Groep NV. That's because investors are "worried about energy price pressures morphing into

something more than just a short-lived inflationary episode." The 5% level for 30-year US yields had been considered a "line in the sand" by some investors that would spark dipping. The recent moves though are challenging that assumption, potentially signaling a new era for the \$31tn Treasury market, widely considered the premier safe asset and a barometer for borrowing costs around the world. "There is not a lot of buyers stepping in front of this move at the moment," said Ed Al-Hussainy, portfolio manager at Columbia Threadneedle Investments.

Eurozone bonds near multi-year highs; investors ponder inflation outlook

Reuters
London

Eurozone bonds weakened on Tuesday, with yields just shy of multi-year highs hit the previous day when investors braced for a sustained period of high energy prices that could spill over into broader inflation and cause central bank rate hikes.

Helping the mood on Tuesday was a social media post from US President Donald Trump saying he had paused a planned attack against Iran after Tehran sent a peace proposal to Washington, and that there was now a "very good chance" of reaching a deal limiting Iran's nuclear program. That sent Brent crude down 1.3% to \$110 a barrel, but the price is still around 80% higher than it was before the onset of the conflict nearly three months ago.

Germany's 10-year yield, the benchmark for the eurozone, was up 3 basis points at 3.191%, its highest since 2011. The yield has risen by half a percentage point since the war began in late February.

Global bond markets have been broadly moving in line with each other, as central banks around the world all keep a wary eye on energy costs and their impact on inflation.

On Tuesday, the 10-year Treasury yield rose another 4.4 bps to 4.67%,

around its highest in a year. Elsewhere in Europe, Italian 10-year yields rose 2.5 bps to 3.97%. However, analysts at UBS said in a note they thought "the market may be underestimating cross-country differences in economic impact and central bank reaction functions."

They say the fact that the euro area is facing a larger economic hit from the war should limit the amount of European Central Bank rate increases, and so, support eurozone bonds.

UBS analysts see the gap between US and German 10-year yields widening to 150 bps from its current 144 bps.

Markets currently see around an 80% chance of a 25 basis point ECB rate hike next month and see two further such moves as likely by year end. They are not fully pricing any Fed hikes this year, though last week's hot inflation data left traders pricing in a 60% chance of one 25 bp hike by the end of the year, and markets have long priced out earlier expectations of rate cuts.

UK government bonds outperformed on Tuesday. Yields on the benchmark 10-year gilt were flat at 5.12%. Data earlier showed Britain's employers reduced hiring and posted fewer job vacancies in April, prompting investors to cut their bets on Bank of England interest rate hikes. Shorter-dated yields in the eurozone were also roughly aligned with longer-dated ones on Tuesday.