

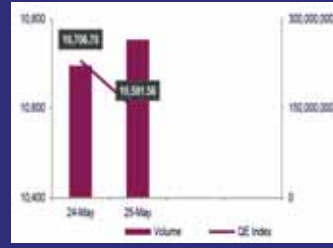


Wall Street investors set sights on jobs report with inflation and rate focus

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Sunday, May 31, 2026 Dhul-Hijjah 14, 1447 AH

GULF TIMES BUSINESS



M-CAP BOOST: Page 3

QSE advances 211.87 points to close at 10,591.56 in week shortened by holidays

Advertisement for Commercial Bank offering a 3.45% interest rate on home loans. Includes QR code and bank logo.

Cybercriminals exploit human behaviour in Middle East, says expert

By Peter Alagos Business Reporter

Cybercrime in the Middle East has shifted from a largely technical threat to a psychological one, with attackers now exploiting human behaviour rather than software weaknesses, a Doha-based industry expert has stated.

According to Gem Soft CEO Michael Jordan, the change helps explain why awareness campaigns alone are failing to protect users. "The fact that so many people are confident in their ability to identify scams yet still become victims demonstrates that awareness alone is insufficient," he pointed out.

He stressed that cybersecurity must become part of everyday behaviour rather than a periodic technical exercise. "In financial markets, risk management succeeds when it becomes embedded in the culture. The same principle applies to cybersecurity," Jordan noted.

Jordan emphasised that practices such as multi-factor authentication, password management, and regular security reviews should become routine habits rather than exceptional measures.

He warned that cybercriminals exploit fragmented digital environments, making trusted ecosystems one of the most effective countermeasures. "One of the most effective responses is to create trusted ecosystems where communications, collaboration, and information sharing can be governed and monitored more effectively," he emphasised.

Jordan urged continued investment in threat intelligence, AI-assisted detection, public-private information sharing, and rapid reporting mechanisms, as well as platforms that provide visibility and accountability.

"Equally important is reducing the attack surface by encouraging trusted platforms that provide visibility, accountability, and stronger control over digital interactions," he stressed.

Earlier, a recent survey by cybersecurity and antivirus provider Kaspersky highlighted the scale of online scam exposure in the Middle East, Turkey, and Africa (META) region. The study found that "36%" of respondents encountered an online scam in the past year, while "37%" suffered data compromise or financial loss.

Nearly half ("49%") of those affected reported



Gem Soft CEO Michael Jordan.

scams via social media platforms, followed by investment and financial fraud ("48%"), phishing emails ("43%"), and fake delivery or postal messages ("41%").

The survey also revealed inconsistent protective habits: while "57%" use strong and unique passwords, only "36%" check URLs before clicking, and "34%" avoid public Wi-Fi for sensitive activities. Alarmingly, "6%" admit to using no protective measures at all.

Just "35%" of respondents update passwords and review security settings regularly, while "41%" do so occasionally, "19%" rarely, and "5%" never take such actions, according to the survey.

Jordan added: "The objective is not to eliminate risk altogether; it is to build resilience. Cyber threats will continue to evolve, but so will the technologies, talent, and institutions designed to address them"

QNB expects Asean-6 economies to sustain growth momentum despite global headwinds

QNA Doha

QNB expects the economies of the Asean-6 group to continue expanding at rates well above the global average, supported by favourable demographics, resilient domestic consumption, deeper regional integration, and an accelerating investment cycle in technology and digital capabilities. In its weekly report, QNB identified a prolonged US-Israel-Iran conflict as the most significant downside risk to the region's outlook. Such a scenario, the bank said, could lead to persistently higher energy costs, weaker consumer confidence, and disruptions to supply chains that underpin Asean's manufacturing base. Nevertheless, Asean economies are expected to maintain relatively strong fundamentals in 2026 despite an increasingly challenging global environment. The report noted that Southeast Asia has been among the world's most dynamic economic regions over recent decades, consistently delivering some of the strongest growth rates globally. Within the region, the six largest members of the Association of Southeast Asian Nations (Asean) - Indonesia, Thailand, Singapore, Malaysia, Vietnam, and the Philippines - have ranked among the world's fastest-growing economies, with Singapore having already attained advanced-economy status. According to QNB, the Asean-6 entered 2026 on a solid footing after delivering stronger-than-expected growth in 2025 despite significant shifts in global trade policies. Growth performance across the

bloc was broad-based. Vietnam recorded an exceptional expansion of 8% in 2025, its second-highest annual growth rate since 2011, driven by robust manufacturing activity, a strong tourism recovery, export growth, and sustained foreign direct investment inflows. Indonesia's economy expanded by 5.1%, supported by resilient domestic demand, while Malaysia posted growth of 5.2%, underpinned by substantial digital-sector investments and strong export momentum. Singapore benefited from rising global investment in artificial intelligence-related infrastructure and increased spending on large-scale infrastructure projects. The Philippines maintained solid growth, while Thailand continued to face structural challenges, including elevated household debt levels. The report noted that inflation remained subdued across the Asean-6 in 2025, staying well below the region's long-term average and preserving significant policy space for both monetary and fiscal authorities. The region has also witnessed a gradual shift towards stronger intra-regional demand. Robust foreign direct investment inflows into advanced electronics, electric vehicles, and digital services have significantly reduced the region's vulnerability to external shocks, providing an important buffer against an increasingly difficult global backdrop. QNB identified an energy shock stemming from a US-Israel conflict with Iran and the effective closure of the Strait of Hormuz as the most immediate threat to the region's outlook. The waterway normally handles around 20% of global oil

and liquefied natural gas supplies and approximately 85% of Asia's total energy imports. Elevated energy prices would increase production costs and consumer prices across the region, adding upward pressure on inflation. The second major challenge stems from US trade policy. Although the region has structurally reduced its direct dependence on exports to the US, with US-bound value-added exports declining from roughly one-third to around 20% of total exports, Asean economies have benefited from the relocation of supply chains away from China. However, US investigations into excess industrial capacity among trading partners, including Indonesia, Malaysia, Thailand, and Vietnam, have introduced additional uncertainty, particularly for Vietnam and Malaysia, which are viewed as potential transshipment hubs for Chinese exports. A third headwind is slowing demand from China, a key market for a substantial share of Asean's industrial output. Taken together, these factors are expected to result in a broad-based moderation in growth, with Southeast Asian economies projected to expand by 4.2% in 2026, down from 5.0% in 2025. QNB concluded that despite the anticipated slowdown, growth prospects are likely to vary considerably across Asean economies due to differences in economic structures, domestic demand dynamics, energy import dependence, and exposure to external trade shocks. Among the group, Vietnam and Indonesia are expected to remain the most resilient performers.

UAE real GDP grows 6.2% in 2025 to \$517.34bn

The UAE's real GDP grew 6.2% in 2025 from a year earlier to 1.9tn AED (\$517.34bn), with non-oil GDP rising 6.8% to 1.5tn AED (\$408.43bn), the state news agency said on Saturday, citing the Federal Competitiveness and Statistics Centre, reports Reuters. Construction was the fastest-

growing sector at 11%, followed by finance and insurance at 10.4%, real estate at 7.9%, and transport and storage at 7.8%. The largest contributors to non-oil GDP were trade at 16.9%, finance and insurance at 13.2%, construction at 12.9%, and manufacturing at 12.8%. UAE Economy Minister Abdulla

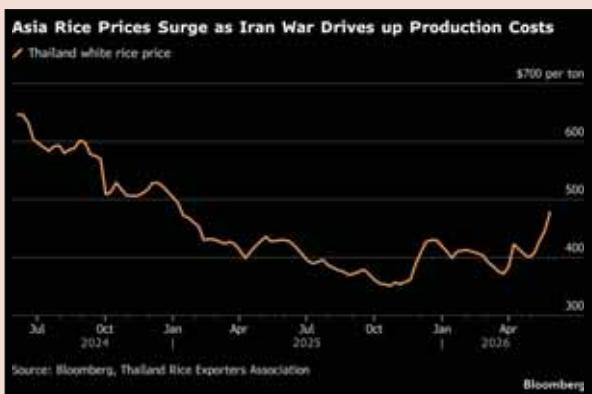
bin Touq al-Marri said the national economy continues to deliver exceptional performance, with results reflecting the success of the country's economic vision in building a more diversified, sustainable and competitive development model, driven by accelerating non-oil activity.

Asia rice prices surge 20% in May as war and weather threaten output

Bloomberg Bangkok

Asian rice prices posted their biggest monthly jump in nearly two decades in May, and could rally further as weather risks and war-driven surges in energy and fertilizer costs threaten production. Thailand white rice, an Asian benchmark, rallied 20% in May, the most in a month in data going back to 2008. Rice futures on the Chicago Board of Trade also jumped 15% this month.

Prices will continue to trend higher, said Bin Hui Ong, a commodities analyst at BMI, a unit of Fitch Solutions, which lifted its forecast for Chicago futures earlier this month. An expected El Nino event - which can bring hotter, drier weather to parts of Asia - presents further upside, she added. With fuel and fertilizer supplies still disrupted due to the near-



closure of the Strait of Hormuz, farmers across import-reliant Asia are bracing for the high input costs to start weighing on rice production - a key cornerstone of the region's economies. The crop is critical to the region's food security and countries including Thailand, Vietnam and India are also major suppliers abroad. As planting for the main crop

season gets underway in many parts, some farmers have been forced to skip or delay sowing the staple crop. Tran Van Be Bay, a 60-year-old farmer in the southern Vietnamese province of Vinh Long used to plant three crops a year. But as fertilizer prices surge, he plans to skip one round this time. "With costs rising and weather this hot, it's not a good time to sow a new

crop," he said. "Applying more fertilizer not only costs more but also harms the plants." Rice is known for being a fertilizer-intensive grain and the irrigation pumps used to flood fields often run on diesel. Prices of nitrogen fertilizers in Thailand, Cambodia, and the Philippines have surged about 40%-50% since the start of the war in February, according to the International Rice Research Institute. Though countries had enough reserves in the March-May period, shortages could emerge soon unless the fertilizer trade normalizes, said Alisher Mirzabaev, senior scientist for policy analysis and climate change at the institute. Any reductions in Asia's output is likely to impact global supply. The Philippines has already warned that a strong El Nino could slash paddy rice production by as much as 700,000 tons or 3.5% of the annual production target.

SpaceX said to cut IPO value goal to at least \$1.8tn

Bloomberg New York

SpaceX is currently targeting a valuation of at least \$1.8tn in its initial public offering, according to people familiar with the matter, as Elon Musk's rocket and artificial intelligence company nears its debut. Bloomberg News reported in April that SpaceX was aiming for a valuation above \$2tn. The target is settling lower after consultations with advisers and investors, the people said, asking not to be identified as the information isn't public. Details of an IPO such as size and valuation are typically adjusted ahead of pricing based on feedback from stakeholders, the people said. SpaceX is seeking to raise as much as \$75bn, people familiar with the matter have said, which would make it the biggest IPO of all time. Deliberations are ongoing and the company could decide to increase its target valuation depending on investor feedback during the marketing, the people said. A spokesperson for SpaceX didn't respond to a request for comment. In a post Friday on X, Musk replied "False" to an account citing Bloomberg News' report that SpaceX had lowered its valuation target.

SpaceX's pitch to investors in its IPO filing May 20 shows the company's evolution, from focusing on making reusable rockets and a profitable business providing satellite internet, to an AI services and infrastructure giant dreaming of orbital data centers and conquering a total addressable market of \$28.5tn. SpaceX is expected to start formal marketing of its IPO as soon as June 4 and to price as early as June 11, Bloomberg News has reported. The trading timeline could be delayed by a matter of days, the people said. SpaceX had \$18.7bn in revenue in 2025, up from \$14bn the previous year. During that period, the company swung from a profit of \$791mn in 2024 to a loss of \$4.94bn last year, according to the filing. The company announced in February it had acquired Musk's xAI, housing the Grok chatbot and social media platform X. The deal gave SpaceX a valuation of \$1tn at the time, and xAI a value of \$250bn, Bloomberg News reported. Goldman Sachs Group Inc, Morgan Stanley, Bank of America Corp, Citigroup Inc and JP-Morgan Chase & Co are leading the IPO along with 18 other banks. The company, known formally as Space Exploration Technologies Corp, expects to make its debut on Nasdaq and Nasdaq Texas under the symbol SPCX.

The Qatar Stock Exchange (QSE) rose 211.87 points or 2.0% to close at 10,591.56 for the holiday-shortened week. Market capitalisation increased 2.1% to QR634.1bn from QR620.7bn at the end of the previous trading week.

Of the 54 companies traded, 39 ended higher, one unchanged, and 14 ended lower. Qatar Cinema & Film Distribution (QCFS) was the best performing stock for the week, rising 7.9%. Meanwhile, Qatar & Oman Investment (QOIS) was the worst performing stock for the week, decreasing 1.4%.

Qatar Islamic Bank (QIBK), QNB Group (QNBK), and AlRayan Bank (MARK) were the main contributors to the weekly index increase, adding 86.04, 51.54 and 17.30 points to the index, respectively.

Traded value during the week declined 5.4% to QR1,691.0mn vs. QR1,786.7mn in the prior trading week. QNB was the top value stock traded during the

week with total traded value of QR261.3mn.

Traded volume declined 27.5% to 487.3mn shares compared with 672.5mn shares in the prior trading week. The number of transactions decreased by 52.3% to 51,975 vs. 109,034 in the prior week. MPHIC was the top volume stock traded during the week with total traded volume of 73.3mn shares.

Foreign institutions remained bearish, ending the week with net selling of QR53.5mn vs. net selling of QR132.3mn in the prior week. Qatari institutions remained bullish with net buying of QR109.1mn vs. net buying of QR62.5mn in the week before. Foreign retail investors ended the week with net selling of QR20.4mn vs. net buying of QR20.0mn in the prior week. Qatari retail investors recorded net selling of QR35.3mn vs. net buying of QR49.8mn.

Global foreign institutions are net buyers of Qatari equities by \$116.9mn YTD, while GCC institutions are long by \$35.7mn.



Weekly Market Report

Market Indicators	Week ended, May 25, 2026	Week ended, May 21, 2026	Chg. %
Value Traded (QR mn)	1,691.0	1,786.7	(5.4)
Exch. Market Cap. (QR mn)	633,937.3	620,748.0	2.1
Volume (mn)	487.3	672.5	(27.5)
Number of Transactions	51,975	109,034	(52.3)
Companies Traded	54	54	0.0
Market Breadth	39:14	14:40	-

Source: Qatar Stock Exchange (QSE)

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	26,173.08	2.0	1.0	1.7
ALL Share Index	4,122.16	2.1	1.1	1.6
Banks and Financial Services	5,203.17	3.0	1.3	(0.8)
Industrials	4,411.90	1.6	2.9	6.6
Transportation	5,395.96	1.0	0.7	(1.3)
Real Estate	1,499.06	2.9	3.2	(2.0)
Insurance	2,785.72	0.9	(3.3)	11.4
Telecoms	2,459.19	0.4	(1.5)	10.3
Consumer Goods & Services	8,231.06	(0.3)	(0.9)	(1.2)
Al Rayan Islamic Index	5,343.75	2.1	1.4	4.5

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*	10,591.56	2.0	1.0	(1.6)	464.13	173,889.0	12.2	1.4	4.7
Dubai	5,757.48	1.7	(0.1)	(4.8)	489.16	257,364.9	8.9	1.6	5.4
Abu Dhabi	9,701.92	0.7	(0.8)	(2.9)	771.95	733,771.3	19.1	2.3	2.6
Saudi Arabia*	11,027.54	0.3	(1.4)	5.1	1,412.37	2,679,346.0	17.1	2.2	3.4
Kuwait	8,815.12	1.2	(0.5)	(1.0)	862.52	171,236.4	17.7	1.8	3.8
Oman	7,775.42	1.9	(7.1)	32.5	268.12	54,105.2	14.8	1.7	4.0
Bahrain	1,979.05	2.6	0.4	(4.2)	12.86	20,113.3	16.5	1.3	4.5

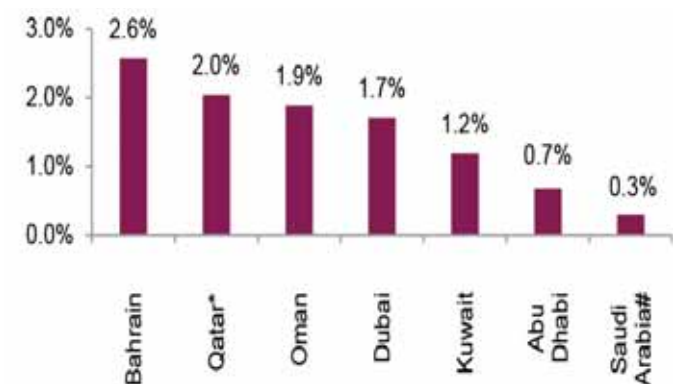
Source: Bloomberg

QSE Index and Volume



Source: Qatar Stock Exchange (QSE)

Weekly Index Performance



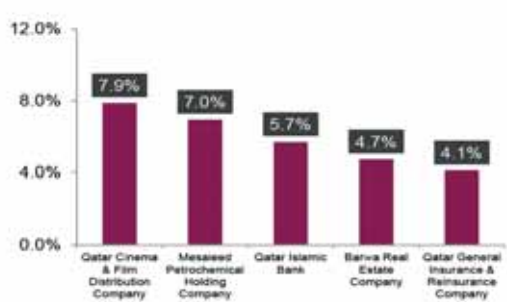
Source: Bloomberg

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Qatar Stock Exchange

Top Five Gainers



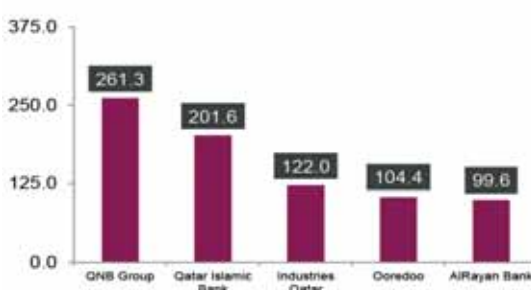
Source: Qatar Stock Exchange (QSE)

Top Five Decliners



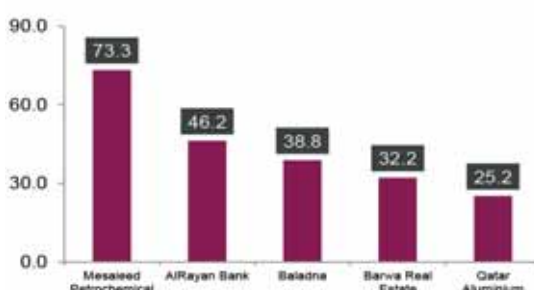
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Value (QR Million)



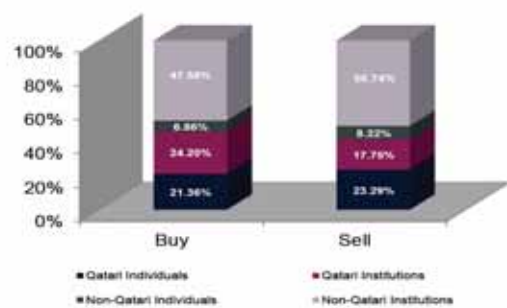
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Volume (Million)



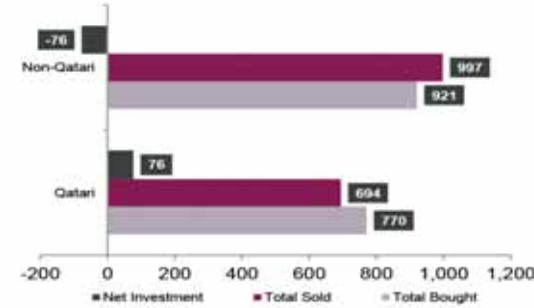
Source: Qatar Stock Exchange (QSE)

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	Last Price	% Change Weekly	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	17.80	3.49	(4.61)	164,408	10.2	1.6	4.1
Qatar Islamic Bank	22.78	5.71	(4.89)	53,828	11.7	1.8	4.0
Commercial Bank of Qatar	4.20	(0.07)	0.00	16,998	9.0	0.8	7.1
Doha Bank	2.62	0.73	(8.68)	8,126	8.9	0.7	5.7
Al Ahli Bank	3.89	(0.36)	3.79	9,927	11.1	1.4	6.4
Qatar International Islamic Bank	11.00	(0.54)	(3.76)	16,651	13.2	2.1	4.8
Al Rayan Bank	2.18	3.13	(8.87)	20,228	14.0	0.8	5.1
Lesha Bank	2.03	2.26	9.30	2,277	10.9	1.6	3.0
National Leasing	0.67	1.67	(2.47)	332	15.2	0.5	6.0
Diala Holding	1.12	(0.53)	14.81	214	89.3	1.2	N/A
Qatar & Oman Investment	0.83	(1.43)	(10.90)	149	N/A	0.8	N/A
Islamic Holding Group	2.74	2.01	(14.16)	155	65.3	0.9	1.5
Dukhan Bank	3.47	0.99	(0.86)	18,141	13.8	1.3	4.6
Banking and Financial Services				311,433			
Zaid Holding	14.49	0.14	4.32	4,185	17.8	2.2	4.7
Qatar German Co. for Medical Devices	1.43	0.35	(2.17)	165	16.0	N/A	N/A
Salam International Investment	0.79	1.28	8.68	902	8.7	0.6	7.5
Baladna	1.32	0.77	2.81	2,560	3.6	0.9	N/A
Medicare Group	5.52	(0.59)	(16.72)	1,554	24.1	1.3	4.0
Qatar Cinema & Film Distribution	2.70	7.88	12.38	169	16.8	1.3	3.7
Qatar Fuel	14.02	(0.92)	(7.58)	13,939	14.3	1.6	6.4
Widam Food	1.47	0.00	(1.88)	264	N/A	N/A	N/A
Mannal Corp.	5.33	(1.11)	16.84	2,432	8.7	2.2	5.6
Al Meera Consumer Goods	13.20	(0.08)	(9.40)	2,719	21.0	1.7	3.0
Mekdam Holding Group	2.31	1.05	4.75	395	10.2	1.6	6.0
Meera QSTP	3.40	0.06	0.03	2,207	33.2	3.2	2.5
Al Faleh Education Holding	0.59	0.34	(14.18)	141	11.4	0.5	2.1
Al Mahhar Holding	2.29	(0.04)	4.47	474	9.5	1.2	6.6
Mosanada Facility Management Services	8.92	3.12	(6.11)	624	N/A	4.3	0.6
Consumer Goods and Services				32,647			
Qatar Industrial Manufacturing	2.21	0.05	(6.29)	1,048	8.0	0.5	5.9
Qatar National Cement	2.82	1.07	2.25	1,844	18.4	0.6	7.8
Industries Qatar	12.30	0.82	3.10	74,415	18.5	2.1	5.8
Qatari Investors Group	1.41	(0.35)	(4.01)	1,754	12.6	0.6	7.1
Nebras Energy	14.58	0.97	(3.12)	16,058	11.7	1.1	3.1
Aamal	0.76	(0.39)	(9.73)	4,794	11.2	0.6	6.6
Gulf International Services	2.17	2.36	(15.07)	4,033	7.6	0.9	4.6
Mesaieed Petrochemical Holding	1.23	6.96	12.53	15,453	44.7	1.0	3.4
Estithmar Holding	4.29	2.81	27.59	19,254	16.8	3.7	N/A
Qatar Aluminium Manufacturing	1.71	1.78	7.00	9,553	11.7	1.4	5.8
Industrials				146,187			
Qatar Insurance	2.14	0.70	5.10	7,003	12.5	1.1	5.1
QIM Life & Medical Insurance	2.24	0.67	(10.36)	784	12.3	1.2	4.5
Doha Insurance	3.04	0.83	18.28	1,518	7.5	1.1	6.1
Qatar General Insurance & Reinsurance	1.61	4.13	4.33	1,412	10.1	0.4	N/A
Al Khaleej Takaful Insurance	3.12	0.94	37.21	797	11.1	1.3	4.8
Qatar Islamic Insurance	8.51	(0.92)	(3.80)	1,277	8.0	2.2	5.9
Damaan Islamic Insurance Company	4.44	3.26	2.12	888	9.1	1.5	5.6
Insurance				13,678			
United Development	0.86	0.94	(5.81)	3,045	7.0	0.3	6.4
Barwa Real Estate	2.47	4.75	(5.50)	9,619	7.7	0.4	7.3
Ezdan Real Estate	0.87	1.63	(17.67)	23,103	133.7	0.7	N/A
Mazaya Qatar Real Estate Development	0.57	0.53	(0.17)	572	16.2	0.6	N/A
Real Estate				36,340			
Ooredoo	13.40	0.15	2.84	42,923	11.0	1.5	5.6
Vodafone Qatar	2.70	1.47	10.63	11,392	15.3	2.3	4.5
Telecoms				54,315			
Qatar Navigation (Milaha)	10.30	1.78	(4.36)	11,702	9.8	0.7	4.4
Gulf Warehousing	2.17	(0.69)	(3.21)	127	10.9	0.5	4.6
Qatar Gas Transport (Nakilat)	4.34	0.46	(3.32)	24,045	14.2	1.7	3.3
Transportation				35,874			
Qatar Exchange				633,937			

Source: Bloomberg

Technical analysis of the QSE index



Source: Bloomberg

The QSE index closed up by 2.0% from the week before; it printed 10,591.6 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 as the 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 portion between the open and close price, while the high and low intraday movements form the 'shadow'. The candlestick may represent any time frame. We use a one-day candlestick chart (every candlestick represents one trading day) in our analysis.

WEEKLY ENERGY MARKET REVIEW

Oil prices fall on hopes for US-Iran ceasefire agreement

www.abhafoundation.org

Oil

Oil futures fell more than 2% on Friday, closing out their steepest weekly decline since early April as traders awaited word that the US, Israel and Iran had reached agreement on a ceasefire. Brent crude futures settled at \$92.05, and US West Texas Intermediate crude (WTI) finished at \$87.36. For the week, Brent fell 11.1%, while WTI fell by 9.6%.

The US and Iran reached a tentative agreement on Thursday to extend a ceasefire and lift restrictions on shipping through the Strait of Hormuz. Even with both sides suggesting an agreement was forthcoming, their characterisations of the deal were still somewhat different. Traffic through the maritime chokepoint remains a small fraction of levels before the conflict. Analysts said a reopening of the waterway would offer some immediate relief to the oil market, but a recovery is still uncertain.



Oil futures fell more than 2% on Friday, closing out their steepest weekly decline since early April as traders awaited word that the US, Israel and Iran had reached agreement on a ceasefire. Picture supplied by the Abdullah bin Hamad Al-Attiah International Foundation for Energy and Sustainable Development.

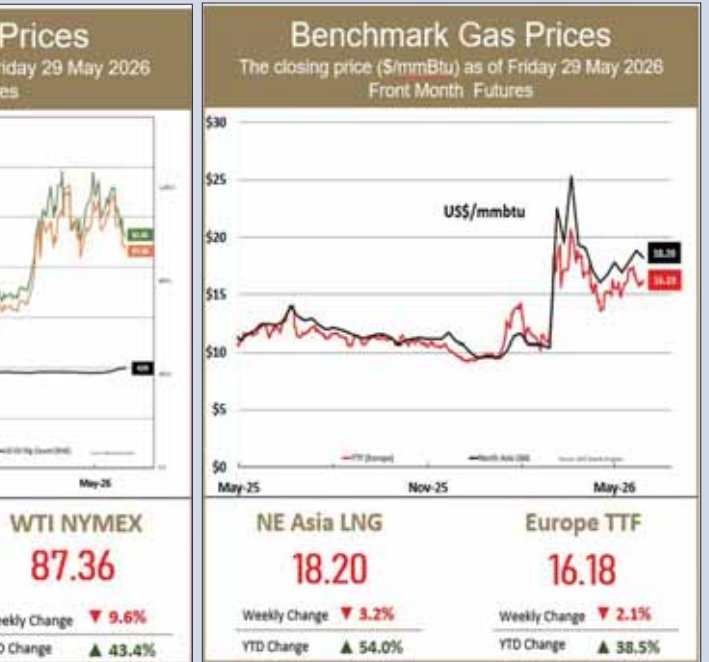
Gas

Asia spot liquefied natural gas (LNG) eased last week, though remained range-bound, as geopolitical uncertainty from the US-Israel conflict with Iran remains unresolved. The average LNG price for July delivery into northeast Asia

was \$18.20 per million British thermal units, down from \$18.80 per mBtu the week before. Analysts expect Asia's call on flexible Atlantic Basin cargoes to stay elevated ahead of Northeast Asia's peak cooling season, while disruptions to Middle Eastern LNG



exports continue to constrain normalisation of Asian baseload supply. In Europe, the Dutch TTF gas price settled at \$16.18 per mBtu, posting a weekly



decline of 2.1%. Intensive planned maintenance works in Norway and at French LNG import terminals are nearing completion, pointing to rising supply from next week.

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

Wall Street investors set sights on US jobs report

May non-farm payrolls report due on June 5; job growth of 96,000 expected as investors wary of hot number; Broadcom results pose test for AI trade, soaring semi shares

Reuters
New York

Investors will turn to an important labour market update this week as they weigh whether simmering inflation and the potential for interest rate hikes could derail the rally in US stocks.

Broadcom's results also pose a test in the coming week for the red-hot AI trade. This week, US equity indexes continued their charge higher, with the benchmark S&P 500 up more than 10% on the year.

Technology stocks have led a resurgent market on the back of strong profit outlooks driven by the AI boom, after tech and other influential megacap stocks were hit hard in March.

"That group really had a significant correction," said Chuck Carlson, chief executive officer at Horizon Investment Services. "What has really been a fuel for this market was investors going in looking at the values that had been restored in that group, seeing that earnings were still growing at pretty rapid rates, and going to buy them."

Markets have also been buoyed in recent weeks by hopes for an end to the Iran war, which has now stretched to three months. Asset prices remain susceptible to developments in the conflict heading into next week.

The monthly employment report, due on June 5, comes as investors are increasingly worried about persistently high inflation, and the potential that this will lead to rate hikes that would be unwelcome for stocks.

Data on Thursday showed that the Personal Consumption Expenditures Price Index (PCE) rose 3.8% in the 12 months through April, the largest rise



Traders work on the floor of the New York Stock Exchange. Investors will turn to an important labour market update this week as they weigh whether simmering inflation and the potential for interest rate hikes could derail the rally in US stocks.

since May 2023, driven by higher energy prices amid the Iran war. The Federal Reserve tracks the PCE inflation measure for its 2% target.

"If you were to get a hot employment report alongside still-rising inflation numbers, I think it continues to change the outlook for Fed policy," said Liz Ann Sonders, chief investment strategist at the Schwab Center for Financial Research.

"If it were to be a weaker-than-expected report, then maybe it calms fears that the Fed is going to have to shift to a tightening stance."

May's payrolls report is expected to show an unemployment rate of 4.3% and an increase of 96,000 jobs, according to a Reuters poll as of Thursday.

An increase of more than 150,000 jobs might be problematic for equities if it fuels fears about an "overheating" economy that also drives US Treasury yields higher, said Angelo Kourkafas, senior global investment strategist at Edward Jones.

"We have enough indications that economic activity remains solid," Kourkafas said, including the Atlanta Federal Reserve's GDPNow model tracking to 3.8% second-quarter growth, following a blowout first quarter for US corporate profits. He said that suggests markets should be "less concerned about that recessionary outcome ... but more so are we talking about a potentially overheating economy?"

Quarterly results on Wednesday from semiconductor firm Broadcom, the sixth-largest US company by market capitalisation, could cause ripples on Wall Street. Semiconductor shares skyrocketed in recent weeks over optimism about rising chipmaker profits amid the massive AI infrastructure buildout.

Since the March 30 market low for the year, the Philadelphia SE Semiconductor Index has jumped about 80%, while Broadcom shares climbed 45%. The S&P 500 is up 19% in that time.

Other US economic data next week include reports on manu-

facturing and services sector activity. Another key inflation report the following week will be among the last data before Kevin Warsh's first Fed meeting as chair on June 16-17.

Futures pricing is indicating a greater chance of a rate hike this year than a cut, despite President Donald Trump's fervent wishes for the Fed to ease monetary policy.

The potential for rate hikes along with rising inflation is factoring in to the recent rise in bond yields.

Although benchmark US Treasury yields have backed off somewhat, with the 10-year yield around 4.46%, rising yields are a risk for equities, Carlson said. Higher bond yields stand to translate into higher borrowing costs for consumers and businesses, while also creating more investment competition for stocks.

"If you saw a real spike in interest rates that was maintained ... that would be the thing that I think would be most disconcerting for investors," Carlson said.

LEGAL PERSPECTIVE

Governance and shareholders

By Dr AbdelGadir Warsama Ghalib

The shareholders are the owners of the company and they are the first party to gain and benefit from the success and profits earned. Members of the Board of Directors, are mainly from the shareholders and, by virtue of this, all shareholders are supposed to be conversant and likewise vigilant.

A valid question arises, what are the duties of the shareholders according to the law and governance principles? Generally, current policy matters, future plans and strategies are to be under their care, this comes as part of their prime duty to assist the Board of the company to achieve all objectives needed for the sustainability of the company.

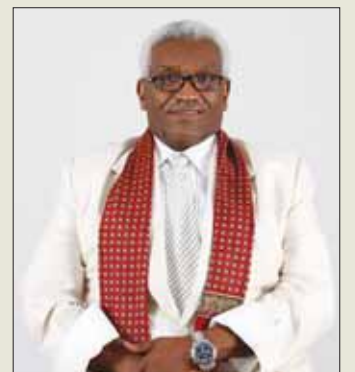
The law/governance principles give the Board of Directors the duty to call the shareholders, of public joint stock company, who shall attend the meetings and participate actively in the agenda. Herein, we mention that there are two kinds of meetings/assemblies. These meetings are different in character and in shape because there is a special task to be undertaken by each of them.

The first type of assemblies is the Ordinary General Assembly (OGA), while the second is the Extra Ordinary General Assembly (EOGA). In most cases, there is some confusion or, we could say, some misunderstanding regarding the two assemblies.

The law, provides for the two types and explains the difference between the OGA and the EOGA. We have to mention that for each of the assemblies there are certain requirements and statutory conditions such as: Who calls for the required assembly and why this right is given? Who chairs the assembly and who attends? What is the required quorum for each assembly? What are the issues or agenda to be discussed in each of them?

In addition to certain specific legal duties stipulated in the law, the shareholders normally discuss and outline the policies to be resolved by the Board of Directors and implemented by the management of the company. Such parameters, we could say, are normally orchestrated during the OGA. This means the general policy matters are taken care of by the OGA.

However, in all cases the agenda for each meeting should be given by the board to the shareholders prior to



the meeting. The authority to call for the OGA is vested, according to the law, with the Board of Directors.

In some instances, the law gives the authority to the shareholders and other competent authorities, however, the law makes it mandatory that the board shall call for at least one OGA each year.

In practice, we have noticed that Boards of Directors in certain companies appear to suffer from a kind of phobia and therefore they do not want to meet or face the shareholders. While some others may be either egoistic, indifferent or naïve.

Hence, they sever the link between the board and the management on one hand and the shareholders on the other hand. This approach is totally against the law and against the principles of corporate governance. It should not be forgotten that shareholders jointly own and hold the company and this is why they are -- holders.

The EOGA, shall convene to discuss certain issues as amendments in the Memorandum of Understanding or the Articles of Association, the new objects of the company as and when duly elected, increase in tenure of the company, issues regarding dissolution or liquidation or merger or acquisition, decisions related to sale, or any other similar transaction, of the project for which the company has been established.

These issues are reserved by the law to the EOGA. In other words, any decision related to the above issues will be deemed void, ab initio, and contrary to the law if they are not taken by this particular assembly.

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European Commission considers tougher action on trade with China

EU considers new trade tools, supply chain diversification rules; China says EU cites selective data in trade imbalance claims; EU tougher stance will need to bridge Franco-German divide

Reuters
Brussels

The EU's trade and investment relationship with China is "not sustainable", the European Commission said on Friday, vowing a stronger response as commissioners discussed how best to shield Europe's industries from surging Chinese imports.

Commissioners were pitching ideas ahead of an EU leaders' summit on June 18 to 19, and possible proposals could include forcing EU

firms to diversify supply chains or introducing new trade mechanisms to curb China's access to the EU market in chemicals, metals and clean energy technology.

"As economic and security interests become ever more intertwined, both dimensions will require a more robust and coherent response," the Commission said.

Any concrete proposals for the response are not expected to be announced until the third quarter of this year.

Western governments are trying to reverse some of the offshoring to China that peaked in the early 2000s, depleting industrial know-how and hubs in their countries, particularly in the US and EU members.

China's commerce ministry said on Saturday in response that Europe should abide by World Trade Organisation (WTO) rules, uphold free trade and fair competi-

tion, and firmly oppose protectionism and unilateralism.

"Should the EU insist on unilaterally introducing new trade instruments and imposing discriminatory restrictions, China will resolutely take countermeasures and adopt effective measures to safeguard its own interests," it said in an online statement.

The Group of Seven (G7) wealthy nations will also tackle trade imbalances and overcapacity at a mid-June summit as China increasingly flexes its dominance on rare earths and other metals that are critical for sectors including defence, tech, energy and automotive industries.

US President Donald Trump has pitched "America First" and, early this year, the EU proposed a new "Buy European" policy and RESourceEU to accelerate the development of critical mineral supply chains in the EU as well as partnerships with

mineral-rich countries from Central Asia to Australia and Brazil.

China's Foreign Ministry accused the EU on Thursday of using trade data selectively to justify claims of imbalances, and it has repeatedly threatened "strong countermeasures" should the EU adopt "Buy European" and revised tech sovereignty policies. China rejects the notion that its trade practices are unjust.

Europe's industry faces a tougher climate than US rivals, constrained by higher energy costs and stricter regulation.

Industry Commissioner Stéphane Sejourne said this week he wants the bloc's existing trade tools such as import duties and quotas to be used "more systematically" across sectors, rather than targeting specific companies or materials.

The EU has tried to curb some Chinese imports, with mixed results. The

bloc imposed tariffs on heavily subsidised Chinese electric vehicles, but not hybrid models. Hybrids accounted for nearly 40% of new car registrations so far this year and China's market share in Europe continues to rise.

While the Commission is keen to adopt a tougher stance, it will have to navigate differences between France and Germany to pass major legislation.

"Paris argues that Europe's open market is absorbing the combined effects of Chinese subsidies and US protectionism," Carsten Nickel, deputy research director at Teneo, wrote in a report.

"Germany's position is more conflicted," Nickel said, with concerns about mounting pressure on German manufacturing constrained by the deep dependency of big industrial groups on China's market.