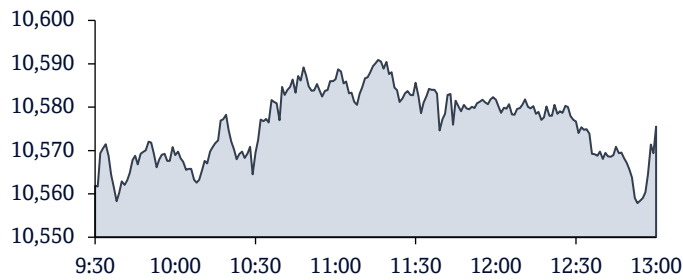


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.2% to close at 10,575.5. Gains were led by the Insurance and Telecoms indices, gaining 1.6% and 0.5%, respectively. Top gainers were Gulf Warehousing Company and Lesha Bank, rising 5.5% and 3.9%, respectively. Among the top losers, Dlala Brokerage & Inv. Holding Co. fell 1.1%, while The Commercial Bank was down 0.8%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.3% to close at 11,114.9. Losses were led by the Media and Entertainment and Insurance indices, falling 1.7% and 0.9%, respectively. Aljazira Takaful Taawuni Co declined 4.9%, while Saudi Cement Co was down 4.3%.

Dubai: The DFM Index gained 1.0% to close at 6,116.0. Gains were led by the Real Estate and Consumer Staples indices, gaining 2.2% and 2.0% respectively. Al Firdous Holdings rose 14.8%, while Agility the Public Warehousing Company was up 11.9%.

Abu Dhabi: The ADX General Index gained 0.3% to close at 9,996.2. The Real Estate index rose 4.4%, while the Telecommunication index gained 0.9%. Abu Dhabi Commercial Bank rose 4.8%, while Aldar Properties was up 4.7%.

Kuwait: The Kuwait All Share Index fell 0.2% to close at 8,814.2. The Consumer Services index declined 1.2%, while the Utilities index fell 0.7%. Soor Fuel Marketing Co declined 7.4%, while OSOUL Investment Co was down 6.3%.

Oman: The MSM 30 Index fell 0.7% to close at 7,582.2. Losses were led by the Services and Financial indices, falling 0.6% and 0.3%, respectively. Oman Chromite declined 3.3%, while Takaful Oman was down 3%.

Bahrain: The BHB Index gained 0.8% to close at 2,015.9. The Materials index rose 3.1%, while the Real Estate gained 0.9%. Aluminum Bahrain rose 3.1%, while Bahrain Car Parks Company was up 1.8%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Gulf Warehousing Company	2.416	5.5	3,801.8	7.9
Lesha Bank	2.411	3.9	7,711.2	29.6
Qatar Insurance Company	2.169	2.6	2,119.7	6.3
Gulf International Services	2.248	1.6	12,021.3	(12.0)
Damaan Islamic Insurance Company	4.350	1.1	1.0	0.0

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Baladna	1.333	0.4	33,235.8	4.2
Mesaieed Petrochemical Holding	1.203	0.0	12,055.4	10.1
Gulf International Services	2.248	1.6	12,021.3	(12.0)
AlRayan Bank	2.104	0.0	9,477.1	(4.1)
Lesha Bank	2.411	3.9	7,711.2	29.6

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,575.50	0.2	3.0	0.2	(1.7)	124.2	175,093.0	12.1	1.4	4.8
Dubai	6,115.97	1.0	6.7	6.2	1.1	399.9	271,596.9	9.6	1.8	5.2
Abu Dhabi	9,996.20	0.3	4.7	3.0	0.0	470.0	766,643.5	19.7	2.3	2.5
Saudi Arabia	11,114.90	(0.3)	0.7	0.3	6.0	1,128.4	2,608,423.3	17.3	2.2	3.4
Kuwait	8,814.22	(0.2)	1.0	(0.0)	(1.0)	512.6	171,448.3	18.1	1.8	3.8
Oman	7,582.24	(0.7)	(0.7)	(2.3)	29.2	73.6	52,796.5	14.6	1.6	4.1
Bahrain	2,015.93	0.8	1.7	1.9	(2.4)	4.3	20,510.5	16.7	1.4	4.4

Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (** TTM; * Value traded (\$ mn) do not include special trades if any)

Market Indicators	17 June 26	16 June 26	%Chg.
Value Traded (QR mn)	452.8	445.1	1.7
Exch. Market Cap. (QR mn)	639,025.5	637,228.5	0.3
Volume (mn)	153.8	171.2	(10.2)
Number of Transactions	27,871	23,423	19.0
Companies Traded	54	53	1.9
Market Breadth	35:15	29:21	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	26,133.40	0.2	3.0	1.6	12.1
All Share Index	4,146.96	0.3	3.5	2.2	11.9
Banks	5,257.74	0.2	4.7	0.2	10.4
Industrials	4,307.69	0.3	0.6	4.1	15.7
Transportation	5,507.77	0.3	5.7	0.7	13.1
Real Estate	1,511.26	0.0	3.3	(1.2)	24.5
Insurance	2,793.43	1.6	2.9	11.7	10.6
Telecoms	2,547.95	0.5	1.2	14.3	12.1
Consumer Goods and Services	8,285.59	0.2	2.1	(0.5)	17.7
Al Rayan Islamic Index	5,308.91	0.2	1.8	3.8	14.5

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Abu Dhabi Commercial Bank	Abu Dhabi	15.58	4.8	14,465.9	9.0
Aldar Properties	Abu Dhabi	8.490	4.7	46,475.2	(2.4)
Emaar Properties	Dubai	12.72	3.4	50,354.4	(9.5)
Elm Co	Saudi Arabia	737.0	3.4	191.8	(1.5)
Air Arabia PJSC	Dubai	5.560	3.2	17,073.5	19.3

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Fertiglobe PLC	Abu Dhabi	2.710	(4.9)	18,046.3	8.8
Rabigh Refining & Petro.	Saudi Arabia	12.70	(4.2)	6,158.1	85.7
Kingdom Holding Co.	Saudi Arabia	13.10	(2.6)	1,578.1	63.8
Bupa Arabia for Coop. Ins.	Saudi Arabia	191.6	(2.5)	145.1	37.9
Bank Dhofar	Oman	0.200	(2.0)	152.1	32.4

Source: Bloomberg (# in Local Currency) (## GCC Top gainers/ losers derived from the S&P GCC Composite Large Mid Cap Index)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Dlala Brokerage & Inv. Holding Co.	1.340	(1.1)	842.0	36.9
The Commercial Bank	4.248	(0.8)	1,838.6	1.1
Mekdam Holding Group	2.276	(0.8)	71.2	3.2
Qatar Industrial Manufacturing Co	2.120	(0.7)	247.6	(9.9)
Vodafone Qatar	2.779	(0.6)	1,588.9	14.1

QSE Top Value Trades	Close*	1D%	Vol. '000	YTD%
Industries Qatar	11.69	0.4	53,789.5	(2.0)
QNB Group	18.30	0.3	50,609.2	(1.9)
Baladna	1.333	0.4	44,415.0	4.2
Qatar Islamic Bank	22.06	0.0	36,280.5	(7.9)
Gulf International Services	2.248	1.6	26,970.3	(12.0)

Qatar Market Commentary

- The QE Index rose 0.2% to close at 10,575.5. The Insurance and Telecoms indices led the gains. The index rose on the back of buying support from Foreign shareholders despite selling pressure from Qatari, GCC and Arab shareholders.
- Gulf Warehousing Company and Lasha Bank were the top gainers, rising 5.5% and 3.9%, respectively. Among the top losers, Dlala Brokerage & Inv. Holding Co. fell 1.1%, while The Commercial Bank was down 0.8%.
- Volume of shares traded on Wednesday fell by 10.2% to 153.8mn from 171.2mn on Tuesday. However, as compared to the 30-day moving average of 151.9mn, volume for the day was 1.2% higher. Baladna and Mesaieed Petrochemical Holding were the most active stocks, contributing 21.6% and 7.8% to the total volume, respectively.

Overall Activity	Buy%*	Sell%*	Net (QR)
Qatari Individuals	30.69%	33.62%	(13,253,711.70)
Qatari Institutions	27.22%	27.64%	(1,922,884.75)
Qatari	57.91%	61.26%	(15,176,596.45)
GCC Individuals	0.34%	0.34%	(10,583.39)
GCC Institutions	2.11%	7.47%	(24,267,204.18)
GCC	2.45%	7.81%	(24,277,787.57)
Arab Individuals	7.44%	7.79%	(1,577,089.46)
Arab Institutions	0.00%	0.00%	0.00
Arab	7.44%	7.79%	(1,577,089.46)
Foreigners Individuals	1.48%	1.75%	(1,184,811.00)
Foreigners Institutions	30.71%	21.39%	42,216,284.48
Foreigners	32.20%	23.14%	41,031,473.48

Source: Qatar Stock Exchange (*as a% of traded value)

Global Economic Data and Earnings Calendar

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
06/17	US	Mortgage Bankers Association	MBA Mortgage Applications	12-Jun	-3.80%	--	--
06/17	US	U.S. Census Bureau	Retail Sales Advance MoM	May	0.90%	0.60%	0.40%
06/17	US	U.S. Census Bureau	Retail Sales Ex Auto MoM	May	0.80%	0.60%	--
06/17	US	U.S. Census Bureau	Retail Sales Ex Auto and Gas	May	0.50%	0.30%	--
06/17	US	U.S. Census Bureau	Retail Sales Control Group	May	0.70%	0.40%	--
06/17	US	U.S. Census Bureau	Business Inventories	Apr	0.50%	0.50%	1.00%
06/17	US	National Assoc. of Realtors	Pending Home Sales MoM	May	3.80%	0.90%	0.30%
06/17	US	National Assoc. of Realtors	Pending Home Sales NSA YoY	May	2.10%	2.00%	2.20%
06/17	UK	UK Office for National Statistics	CPI MoM	May	0.20%	0.40%	--
06/17	UK	UK Office for National Statistics	CPI YoY	May	2.80%	3.00%	--
06/17	UK	UK Office for National Statistics	CPI Core YoY	May	2.60%	2.70%	--
06/17	UK	UK Office for National Statistics	Retail Price Index	May	415.3	416.4	--
06/17	UK	UK Office for National Statistics	RPI MoM	May	0.20%	0.50%	--
06/17	UK	UK Office for National Statistics	RPI YoY	May	3.10%	3.30%	--
06/17	UK	UK Office for National Statistics	RPI Ex Mort Int.Payments (YoY)	May	3.00%	--	--
06/17	EU	Eurostat	CPI YoY	May F	3.20%	3.20%	--
06/17	EU	Eurostat	CPI MoM	May F	0.10%	0.10%	--
06/17	EU	Eurostat	CPI Core YoY	May F	2.60%	2.50%	--
06/17	Japan	Ministry of Finance Japan	Trade Balance	May	-¥378.6b	-¥547.6b	--
06/17	Japan	Ministry of Finance Japan	Imports YoY	May	12.50%	12.80%	--
06/17	Japan	Ministry of Finance Japan	Exports YoY	May	17.00%	16.50%	--
06/17	Japan	Ministry of Finance Japan	Trade Balance Adjusted	May	-¥90.4b	-¥207.0b	¥198.6b
06/17	Japan	Economic and Social Research I	Core Machine Orders YoY	Apr	15.60%	8.70%	--
06/17	Japan	Economic and Social Research I	Core Machine Orders MoM	Apr	8.70%	0.50%	--

Earnings Calendar

Tickers	Company Name	Date of reporting 2Q2026 results	No. of days remaining	Status
QNBK	QNB Group	08-July-26	20	Due
ABQK	Ahli Bank	16-July-26	28	Due

Qatar

- QCB keeps key interest rates unchanged** - The Qatar Central Bank (QCB) on Wednesday announced its decision to maintain current interest rates for deposits, loans, and repurchase agreements following a review of the country's monetary policy conditions. In a statement posted on its official X platform, the QCB said the deposit rate (QCBDR) will remain unchanged at 3.85%, while the lending rate (QCBLR) will stay at 4.35%. The repurchase rate (QCB Repo Rate) was also maintained at 4.10%. (Qatar Tribune)
- QNB Group to disclose its Semi-Annual financial results on 08/07/2026** - QNB Group discloses its financial statement for the period ending 30th June 2026 on 08/07/2026. (QSE)
- QNB Group share buyback suspension update** - QNB Group has announced that, in accordance with the instructions of the Qatar Financial Markets Authority, it will suspend its share buyback activities during the period starting from [18/06/2026] to [08/07/2026], due to the upcoming disclosure of its (First Half) financial results for the year [2026]. The share buyback program will resume on [09/07/2026]. (QSE)
- Confirmation of credit rating of Qatar Islamic Bankat A1 by Moody's** - Qatar Islamic Bank has announced that Moody's has confirmed the credit rating at A1 with a Stable Outlook. (QSE)
- FTSE Global Equity Index Series June 2026 Quarterly review changes effective today; Marginal aggregate net outflows expected** - FTSE Russell Global Equity Index Series Quarterly review, published on May 22nd, qnbfs.com

2026, become effective today at the close of June 18th, 2026, for the Qatari market. The details of the review for Qatari stocks are as follows: **Additions: Mosanada Facilities Management Services QPSC to Microcap Segment.** Deletions: None. Reclassifications: None. The review results will be effective at the close of June 18th, 2026, for the Qatari market. **Overall, we expect marginal net outflows of less than \$5mn due to weight changes of various stocks.** Today's FTSE trading, coincide with the global expiration of MSCI futures which could elevate market volatility. (QSE, QNBFS)

- **Mannai Corporation: Board of directors meeting results** - Mannai Corporation announces the results of its Board of Directors meeting held on 17/06/2026 and approved progress of the operations of the Company. (QSE)
- **GWC Group strengthens Doha's role as a strategic cargo gateway with integrated air-land corridor** - Gulf Warehousing Company Q.P.S.C. (GWC), one of the region's leading logistics providers, has for the first time extended its end-to-end supply chain to include a fully operational air-to-land logistics corridor powered by the TIR system. The corridor enables cross-border movement under a single customs document, positioning Doha as a regional air-to-land redistribution hub and supporting the continuity of supply chains across the GCC. Cargo arriving at Hamad International Airport is transferred into sealed vehicles and transported across borders to key destinations in Qatar, Saudi Arabia, the UAE, Oman and Bahrain, enabling faster and more predictable delivery. The model allows shipments to be rapidly redistributed from a single-entry point, without the cost of full air-to-air routing. (QSE)
- **Qatari German Co. for Medical Devices will hold its EGM on 09/07/2026** - Qatari German Co. for Medical Devices announces that the General Assembly Meeting EGM will be held on 09/07/2026, company head quarter and electronically and 04:00 PM. In case of not completing the legal quorum, the second meeting will be held on 12/07/2026, company head quarter and electronically and 04:00 PM. The Agenda of EGM are as follows: 1. To consider the Board of Directors' recommendation to continue the Company's operations despite the accumulated losses exceeding 50% of the Company's share capital, in accordance with the provisions of the Company's Articles of Association and the applicable laws and regulations. (QSE)
- **QFMA receives five acquisition and merger requests worth QR1.322bn in 2025** - The Qatar Financial Markets Authority (QFMA)'s received five acquisition and merger requests worth QR1.322bn during the past year, according to its 2025 Annual Report issued on Wednesday. The report indicated that 2025 marked a significant increase in securities listing requests and that 55 government debt instruments were listed, including 36 sukuk, 18 treasury bills, and one bond. Noting a 72% Qatarisation rate in the QFMA, the report underscored ongoing regulatory and legislative developments aimed at enhancing market efficiency and competitiveness. It also said that the QFMA's Disciplinary Committee ruled on 11 violations in 2025 totaling QR11.7mn. The 2025 Annual Report presented a comprehensive overview of the QFMA's key achievements and activities over the past year, underscoring its ongoing commitment to enhancing the transparency and efficiency of the Qatari capital market. It highlighted the QFMA's efforts to foster an attractive and sustainable investment environment, aligned with the goals of the Qatar National Vision 2030, and reflecting its pivotal role in advancing economic development. The report also outlined the QFMA's active contributions to a wide range of local and international events, meetings and conferences related to the capital markets, thereby reinforcing its regional and international presence. The report shed light on the QFMA's efforts to promote the principles of transparency and stability in the financial market, advance its development, protect investors' rights and build greater confidence in the investment environment. Throughout 2025, the QFMA continued to perform its duties with high efficiency, contributing to maintaining a robust and well-regulated financial market characterized by resilience and adaptability to global changes, by adopting the best practices and international standards in supervision and oversight. The report reaffirmed the QFMA's ongoing commitment to developing the legislative and investment environment, and supporting the digital transformation of the market infrastructure, within the frameworks of its

2023-2027 strategic plan, which aims to strengthen the State of Qatar's position as a leading regional hub for attracting foreign investments and fostering capital growth. The QFMA works to ensure the development of the capital market sector in the country and assumes its responsibility for driving market performance, consolidating its stability, protecting market participants, and achieving the ambitions and aspirations of investors in this sector. The QFMA also sustained efforts to enhance the competitiveness of business practices in the capital market, generating positive impact for all persons and entities subject to the QFMA's jurisdiction. The Qatari capital market is one of the key pillars supporting the achievement of the Economic, Human, Social and Environmental developments under QNV 2030. It also plays a vital role in ensuring the growth and stability of the national economy, while contributing to the realization of the Third National Development Strategy and the Third Financial Sector Strategy. Accordingly, the QFMA is committed to delivering advanced, innovative and highly competitive financial services to market participants and investors. Such efforts aim to strengthen the market's competitiveness and sustain the flow of both local and foreign investments, thereby contributing to the diversification of national sources of income and enhancing the State's revenues. In this context, the QFMA is committed to sustained efforts to elevate the Qatari capital market to a benchmark for advanced financial services. These efforts contribute to maintaining the stability and integrity of market transactions by fostering higher levels of skill and knowledge, while also enhancing awareness and education among various investor segments. (Gulf Times)

- **QFZ explores logistics and e-commerce collaboration opportunities with JD.com in China** - The Qatar Free Zones Authority (QFZ) explored opportunities for cooperation in logistics services and e-commerce with China's JD.com, as part of its ongoing roadshow in the People's Republic of China, QFZ Chief Executive Officer, Sheikh Mohammed bin Hamad bin Faisal al-Thani met with Chief Executive Officer of JD.com, Sandy Ran Xu, to discuss opportunities for collaboration across the logistics, e-commerce, and supply chain sectors. In a statement on Wednesday, QFZ said that the discussions delved into areas of mutual interest, including advanced logistics infrastructure, warehousing solutions, trade facilitation, and digital supply chain capabilities. Sheikh Mohammed also toured JD.com's state-of-the-art logistics facilities, where he was briefed on the company's integrated supply chain operations, automation capabilities, and technology-driven approach to logistics management. The visit highlighted the potential for deeper cooperation in support of innovation, operational efficiency, and the continued development of regional and international trade networks. The engagement builds on QFZ's ongoing efforts to strengthen relationships with leading Chinese companies and identify new opportunities for investment and commercial collaboration. Through its roadshow program, QFZ is engaging with key industry leaders across strategic sectors to showcase Qatar's business environment, world-class infrastructure, and value proposition as a hub for regional expansion. As trade and investment ties between Qatar and China continue to grow, QFZ remains focused on attracting companies that can contribute to the diversification and competitiveness of Qatar's economy in line with Qatar National Vision 2030 and the Third National Development Strategy 2024-2030. The discussions with JD.com underscore the shared interest in advancing logistics excellence and unlocking new opportunities for cross-border growth and innovation. (Gulf Times)
- **Energy security requires international cooperation amid expected shifts: Mshelbila** - The global energy market may never return to its previous state following the disruption caused by the closure of the Strait of Hormuz, according to the head of the Gas Exporting Countries Forum (GECF), who says the crisis has fundamentally reshaped priorities in global energy security. In an interview with Qatar News Agency (QNA), GECF Secretary-General Dr Philip Mshelbila said the crisis had exposed vulnerabilities extending far beyond physical energy supplies, affecting shipping routes, financing, insurance costs, commodity markets and investor confidence. The new reality places reliability of supply, resilience, diversification of energy sources and transport routes, and infrastructure security ahead of price considerations as the primary determinants of energy security, he said. The Strait of Hormuz, one of the

world's most strategically important maritime corridors, normally carries around 20% of global liquefied natural gas (LNG) supplies. Mshelbila said disruptions since March had significantly affected Gulf exporters and triggered widespread volatility across international energy markets. He noted that tensions in the Middle East had pushed LNG prices to their highest levels in years, particularly in Asia, which receives roughly 84% of LNG exports from Qatar and the United Arab Emirates. Buyers were forced to compete for alternative cargoes on spot markets, while some countries turned to coal and oil to compensate for reduced gas supplies. He warned that recurring geopolitical shocks were becoming a persistent feature of the global energy landscape and could accelerate structural changes in energy demand. These changes may include greater energy efficiency, faster adoption of alternative fuels and increased electrification, especially in price-sensitive importing nations. Despite these trends, he said natural gas would continue to play a central role in the global energy mix due to its ability to support renewable energy integration, reduce emissions and facilitate a balanced energy transition. He called for technology-neutral energy policies that recognize natural gas as an essential component of energy security and industrial development, particularly for developing economies seeking reliable and affordable energy supplies. The GECF chief also stressed that diversification of supply sources and transport routes had become a strategic necessity rather than a policy choice. Expanding interconnections between pipeline networks and investing in storage capacity would help strengthen resilience against future supply disruptions, he said. Countries with substantial gas storage reserves had demonstrated greater ability to absorb supply shocks and avoid severe price fluctuations, he added. Mshelbila proposed the creation of a global framework for gas security and emergency response, alongside stronger protection of critical energy infrastructure and improved sharing of market data on supply, demand and investment. He also urged greater cooperation between producing and consuming nations and called for increased investment across the entire gas value chain, including exploration, production, pipelines, LNG facilities, storage sites and cross-border infrastructure. Protecting critical energy assets - including pipelines, LNG terminals, electricity systems and maritime shipping routes - would be essential to reducing vulnerabilities and maintaining confidence in global markets, he said. Mshelbila warned against the politicization of energy, arguing that international partnerships should be based on open and non-discriminatory cooperation. (Gulf Times)

- MoCI launches phase two of commercial activity update** - The Ministry of Commerce and Industry (MOCI) has launched Phase Two of the update to registered commercial activities. This phase covers companies whose existing activity corresponds to multiple activities under the Unified Classification of Economic Activities adopted by the Gulf Cooperation Council countries. In a statement issued yesterday, MoCI said the update is intended to align commercial activities with GCC standards and provide a more precise classification of business activities in line with regulatory requirements and economic developments. The initiative also aims to improve data quality, enhance transparency, streamline procedures, unify activity classifications, and reduce duplication and overlap among registered activities. MOCI said the update targets business owners and existing companies, as well as relevant government entities. It explained that during the second phase, commercial activities will be updated for companies whose current registered activity corresponds to multiple classifications under the unified economic activity framework. The move is part of the ministry's broader effort to update registered commercial activities in accordance with the GCC Unified Classification of Economic Activities Guide. It follows the launch of the first phase on June 1, 2026, which focused on companies whose existing registered activity corresponded directly to a single activity under the unified classification system. (Peninsula Qatar)

International

- IEA sees significant 2027 oil surplus after Hormuz recovery** - The oil market will move into a significant supply surplus in 2027 after recovering from the closure of the Strait of Hormuz, the International Energy Agency said in its monthly oil market report on Wednesday. The US has announced an interim agreement to end the Iran war, which includes Iran

reopening the strait and the US lifting its naval blockade of Iran, potentially bringing an end to the largest oil supply disruption in history. The war is estimated to have blocked more than 14mn barrels per day (bpd) of Middle East oil output according to the IEA. The oil market will then fall into a significant supply surplus next year, the IEA said in its first look at 2027, as supply is set to surge by 8mn bpd while demand rises by 2mn bpd. A large supply surplus in 2027 could "provide a welcome respite to the market and an opportunity to replenish depleted inventories, or to build new strategic reserves, as countries review their energy strategies and policies in response to the crisis," the IEA said. Flows through the strait were already rising by early June because of a pick-up in ship-to-ship transfers in the Gulf of Oman, the IEA said, helping to boost total Middle East flows to around 12mn bpd from a May low of 9.6mn bpd. "If the deal holds, exports and production from the Gulf should see a gradual recovery — not least because Iranian oil exports can fully resume once the US blockade is lifted," the agency, which advises industrialized countries, said. However, political and operational constraints, including prolonged demining and unresolved transit arrangements, leave downside risks to the Middle East recovery outlook, the IEA said. Overall, the IEA forecasts oil supply to fall by 3.9mn bpd in 2026, as production losses in the Middle East outpace rising output from the Americas. Russian crude oil and refined fuel exports were stable at around 7.4mn bpd in May despite continued Ukrainian drone attacks on refineries, the IEA said, though the attacks forced Russia to prioritize fuel supply to the domestic market and to maximize crude oil exports. Global oil demand will fall by 1.1mn bpd this year according to the IEA, after a 5mn bpd April-June drop. Demand destruction has spread beyond the areas that were initially most impacted by the Iran war, the IEA said, with deliveries of all major fuels and especially gasoil "showing signs of strain across almost all regions". Demand will then recover swiftly and grow next year, as falling oil prices and an improving economic outlook drive the rebound, the IEA said. In its own monthly report, rival forecaster Opec lowered its forecast for oil demand growth in 2026 to 970,000 barrels per day. The IEA forecasts imply that supply will come in around 920,000 bpd below total demand in 2026, according to Reuters' calculations, narrowing from a 1.78mn bpd deficit in the previous month's report. The IEA's 2027 forecasts imply that supply will outweigh demand by 5.05mn bpd next year, as demand growth is overshadowed by supply ramping up as Middle East barrels return. That is larger than the 2026 surplus that IEA had previously forecast, which in its November 2025 report it pinned at 4.09mn bpd. However, oil inventories could plunge further to historic lows before the market balance is able to shift to a surplus towards the end of this year, the IEA said. Inventories have fallen at a rate of 3.8mnbpd since the start of the war on February 28, with stock draws in May alone at around 4.6mn bpd, according to preliminary IEA data. (Gulf Times)

- Warsh kicks off Fed chief era with sweeping review as rates remain unchanged** - Federal Reserve Chairman Kevin Warsh opened a new era of U.S. monetary policy on Wednesday, with officials agreeing to leave interest rates unchanged despite inflation stuck well above their target but also launching an ambitious review that could reshape how the central bank makes decisions and communicates with the public. Warsh, who took over as Fed chief last month, made an immediate imprint in organizing a unanimous consensus around a stripped-down policy statement that jettisoned any forward guidance on what actions the central bank might take in the near term, although new quarterly projections, eschewed by Warsh himself, showed nine of 19 policymakers now anticipate a rate hike by the end of 2026. Indeed, the shortened document issued by the policy-setting Federal Open Market Committee heralded a return to a format similar to that used by former Fed Chairman Alan Greenspan and clearly reflected Warsh's disdain for expansive communication about what's to come, and desire to let financial markets act with less input from the central bank. Forward guidance, Warsh said at his debut press conference, is not "well suited" to the current economic moment. "I can't give you any forward guidance about what we're going to do next," he said. "The good news is we'll be meeting in six weeks," a refrain that may become his calling card when asked about the future. The statement's description of the economy also showed Warsh's influence, touching on issues he has emphasized in the run-up to his nomination by President Donald Trump. "Productivity growth and capital investment are strong," the statement said, and while acknowledging inflation was

"elevated relative to the Committee's 2% goal," it attributed that in part to "supply shocks that have driven price increases in certain sectors, including energy." In the midst of a hawkish policy turn, the language highlighted forces that Warsh has argued could allow rates to fall over time, if productivity lets companies provide goods and services more efficiently, and the easing of energy costs helps lower inflation. The statement marks a turning point not just in leadership at the central bank but in a monetary policy outlook that since the fall of 2024 had been geared to lower borrowing costs from the elevated rates used to help tame inflation that hit 40-year highs during the COVID-19 pandemic. Fed observers took immediate note of the shift. "The changes to the policy statement were profound," Thomas Simons, chief U.S. economist at Jefferies, wrote in a note. "The word count dropped substantially and the modest amount of forward guidance present showed two-way risks to the next move for policy. Policy statements became much wordier after the GFC (Global Financial Crisis), so this is a return to a more Greenspan-era style of post-meeting communications." **BIG CHANGES SET IN MOTION** Compared to the more business-as-usual transitions between recent Fed chiefs, "this time is different," said Rick Rieder, chief investment officer of global fixed income at BlackRock and one of those short-listed by Trump as a possible replacement for former Fed Chair Jerome Powell before Warsh was nominated. Investors, Rieder said, will have to learn to make do with less Fed "signaling," a healthy change, he argued, if it comes alongside improved data collection and analytics, areas that are among the focus of five task forces announced by Warsh. But, as Warsh himself said, change can be risky, and his first press conference and policy announcement was met with a selloff on stock markets and a sharp jump in short-term bond yields. The decision to leave rates unchanged - and the outlook for a possible rate hike from nearly half of the Fed policymakers - means there is very little prospect for Warsh to be able to deliver the rate cuts that Trump has said he expects. Investors now think the Fed might raise rates as soon as September. "Monetary policy is tightening and fiscal policy is poised to tighten at the turn of the year," pushing short-term interest rates higher in comparison to long-term rates, the bond markets' way of signaling doubts about future growth, Neil Dutta, head of economics at Renaissance Macro Research, wrote in a note. "Flattening is often the road toward inversion, which is the market's way of signaling that the policy stance is becoming restrictive enough to threaten the expansion ... It is fair to conclude that President Trump got duped," Dutta said. Trump, critical of Powell for not sharply cutting rates, withheld judgment on the new Fed leader and said he would be "guided by what (Warsh) wants." There may eventually be easier monetary policy under Warsh, but it will come nowhere near as fast or be as loose as Trump demanded from the Powell-led Fed. New projections show inflation slowing sharply next year, allowing rates to end 2027 where they are now, and easing modestly further in 2028. "The Committee will deliver price stability," the policy statement said, a commitment that Warsh reaffirmed at his press conference meant meeting the current 2% target. But he cautioned against reading too much into rate projections that may themselves have a limited future. Warsh on Wednesday announced a sweeping review of how the central bank conducts its business in key policy areas, including its balance sheet, communications, data sources, productivity and jobs, and the inflation framework. All are areas that Warsh has been critical of since leaving the Fed more than a decade ago and signal an interest in returning the central bank to being a leaner - and possibly more opaque - institution. "What typically does happen is people take the path the central bank already travels and say 'where do you move from there?'" said Vince Reinhart, a former top Fed staffer who is now chief economist for BNY Investments. "He is saying 'let's walk back the path and consider some of the earlier junctions,' which is a strategy if you think you are lost in the woods. You walk back and reconsider some of the turns you made." Projections among Fed officials showed the policy interest rate, which has been set in the 3.50%-3.75% range since last December, would rise slightly by the end of this year. The outlook for inflation for the end of 2026 was marked up to 3.6% from 2.7%, before it was seen falling to 2.3% next year - consistent with the statement language attributing high prices to supply disruptions that would typically be expected to pass. Economic growth was marked down slightly, with the unemployment rate expected to end the year at 4.3%, compared to 4.4% in the Fed's March projections. (Reuters)

- Strong US retail sales showcase economy's resilience despite Iran war -** U.S. retail sales increased more than expected in May, with households boosting purchases of motor vehicles even as they paid more for gasoline, but a slowdown is likely as the cushion from larger tax refunds against higher prices diminishes. The fourth straight month of strong retail sales reported by the Commerce Department on Wednesday added to a recent pickup in job growth in highlighting the economy's resilience despite the oil price shock from the U.S.-led war with Iran, which is stoking inflation. The Federal Reserve on Wednesday kept its benchmark overnight interest rate in the 3.50%-3.75% range, but updated quarterly projections show policymakers expect to raise borrowing costs this year amid growing concerns about inflation. The Fed described economic activity as "expanding at a solid pace despite elevated uncertainty" from the conflict in the Middle East. "Risks to the outlook for consumer spending are to the downside. Much of the strength is coming from the stock market, a correction tied to tech stocks would lead high-income households to pull back on their spending," said Gus Faucher, chief economist at PNC Financial. "A resumption of hostilities in the Middle East could drive energy prices higher again and the Fed is more likely to hike than cut rates this year." Retail sales jumped 0.9% last month after a downwardly revised 0.4% gain in April, the Commerce Department's Census Bureau said. Economists polled by Reuters forecast retail sales, which are mostly goods and are not adjusted for inflation, would rise 0.5% after a previously reported 0.5% increase in April. When adjusted for inflation, retail sales increased 0.4%, economists estimated. Sales advanced 6.9% on a year-over-year basis in May. The rise is in stark contrast with consumer sentiment, which has tanked amid anxiety over inflation. Some economists said the strong sales performance suggested that consumers believed higher prices at the pump would be temporary. Gasoline prices surged to four-year highs as a result of the war in the Middle East. They have since retreated, with the national retail average slipping below \$4 a gallon this week for the first time since April. The U.S. and Iran on Sunday said they had agreed on terms to end the war and reopen the Strait of Hormuz. President Donald Trump said on Wednesday the interim accord with Iran was not final, and he could resume a bombing campaign if he did not like it or if Tehran did not "behave." Gasoline prices helped to boost service station receipts 3.4% in May, accounting for part of the increase in retail sales last month. Service station sales rose 2.4% in April and soared 26.5% on a year-over-year basis in May. Tax refunds have combined with a stock market rally to underpin spending, which also has come at the expense of savings. Economists said spending continued to be driven by higher-income consumers while the pain at the pump was disproportionately falling on lower-income households. Stocks on Wall Street fell on the Fed's projections of a rate hike. The dollar gained versus a basket of currencies. U.S. Treasury yields rose. (Reuters)
- Japan moves toward first-ever consumption tax cut, adds to fiscal strain -** Japan is moving toward temporarily cutting its consumption tax on food to 1% in what would be the first effective reduction of its kind, further straining its already worsening finances without any clear signal on how it would be funded. The proposal, presented by a senior executive of the ruling Liberal Democratic Party (LDP) to a government panel on Wednesday, would slash the current 8% food levy for two years from April next year and serve as a bridge until an income-linked benefit system is introduced. It would also be paired with targeted cash benefits for low- and middle-income households worth about 600bn yen (\$3.75bn) annually, broadly equivalent to the final 1% of the food tax. "Overall, we intend to effectively reduce the consumption tax on food and beverages to zero," Itsunori Onodera, an LDP lawmaker who chairs the working group of the government panel on the social security system, told reporters. The move is a notable shift in tax policy. Since the consumption tax was introduced at 3% in 1989, it has been raised in stages to the current 10%, with a reduced 8% rate for food introduced in 2019, becoming a key pillar of social welfare funding. Japan has never previously lowered the rate, making even a temporary cut a consequential step for policy and the public purse. Prime Minister Sanae Takaichi faces pressure to deliver on an election campaign pledge made in February for a zero-rate tax on food to cushion households from rising living costs. Takaichi has said the government aims to avoid relying on additional deficit-financing bonds, but has yet to present detailed alternative funding sources to offset the expected revenue shortfall. Daiwa Institute

of Research estimates that cutting the food sales tax to 1% would reduce revenue by about 4.4tn yen for Japan's roughly 125tn yen (\$780bn) annual budget, while boosting GDP by only around 0.3tn yen. Fiscal concerns have already been weighing on the yen, which has struggled to gain ground despite the Bank of Japan's interest rate hike this week, as investors worry that looser fiscal policy could offset the impact of monetary tightening. (Reuters)

Regional

- GCC economies set for rebound in 2027 as growth to top 8%: Report** - The GCC economies will rebound next year after contracting in 2026 as the regional conflict weighed on energy exports, tourism and investor sentiment, the Institute of Chartered Accountants in England and Wales (ICAEW) and Oxford Economics said in a new report. The GDP of the six-nation bloc is predicted to grow by 8.1% in 2027 as energy trade routes normalize, travel demand returns and business confidence rebuilds, according to the Economic Insight: Middle East Q2 2026 report. The US and Iran are set to sign a formal peace pact on June 19, in line with the report's baseline scenario. The economic contraction this year mirrors the scale of disruption to energy production and trade flows. GCC oil sector output is forecast to decline by 14.5% in 2026, the steepest decline in several decades, but a strong 23.5% rebound is projected for 2027 as output recovers from a severely depressed base. Saudi Arabia and Oman are expected to be the least negatively affected GCC economies this year, with both forecast to continue expanding. Meanwhile, Saudi Arabia and the UAE have been able to reroute some exports through alternative pipelines, helping cushion the impact relative to other GCC producers. Average Brent crude oil prices are forecast at \$90 per barrel for 2026, from \$90.2 projected three months ago, the report said. GCC non-energy sectors are expected to contract by 1.1% in 2026, before recovering in 2027 and beyond. Inbound tourist arrivals to the GCC are projected to fall by around 30% in 2026, leading to "tens of millions fewer visitors and tens of billions of dollars in lost spending across the region". Recovery in this sector is expected to take longer than energy, given the sensitivity of travel demand to accessibility and confidence, the report said. However, medium-term confidence in regional tourism growth remains intact. The report expects no lasting damage to the GCC region's strong credit profiles, with Gulf sovereigns and government-affiliated entities expected to return to international debt markets as the regional conflict resolves. Despite the supply disruption due to the Iran war, inflationary pressures remain relatively contained across the region. GCC CPI inflation is predicted to average 2.6% in 2026, with food prices the main source of upward pressure. Price pressures are expected to be largely transitory, with average inflation easing to 2.1% in 2027 as temporary supply-side factors dissipate, the report said. (Zawya)
- GCC investment-grade spreads back at pre-war levels: Fitch** - GCC fixed-income yields are benefitting from a decline in geopolitical risk premiums following the US-Iran deal, according to Fitch Ratings. This is reflected in yield spreads between GCC investment-grade debt and US Treasury bonds having returned to pre-war levels. Spreads on speculative-grade GCC sukuk remain higher, reflecting a wider risk premium. In absolute terms, GCC fixed-income yields fell from their March peaks but remain high, reflecting US Treasury rate volatilities to which GCC markets are closely correlated due to US dollar currency pegs. GCC sukuk continue to have lower yields than GCC bonds, on average, due to broader demand from Islamic banks. The spread between GCC yields and US Treasuries indicates that geopolitical risk premiums have eased. The yield to maturity (YTM) spread between the S&P GCC Sukuk Index and the S&P US Treasury Bond Index narrowed to 67bp as of 15 June, broadly back to its pre-conflict level (70bp on 27 February), and down from about 100bp on March 23. GCC sukuk spread normalization was less pronounced than for GCC bonds, where the spread versus US Treasuries narrowed to 89bp as of 15 June, from about 100bp on 27 February and 126bp on 23 March. By contrast, spreads on high-yield GCC sukuk remain heightened. The YTM spread on the S&P GCC High Yield Sukuk Index versus US Treasuries was 251bp on 15 June, down from 390bp on 23 March but still above its pre-conflict level of 209bp. According to Fitch, the future yield trajectory of GCC fixed income remains uncertain. The reported US-Iran deal, if signed and implemented, would reduce the more acute geopolitical, credit

and market risks linked to the conflict. However, the agreement may still be delayed, not implemented, or followed by renewed instability. Fitch no longer expects any Federal Reserve rate cuts in 2026. The YTM on the S&P GCC Sukuk Index fell to 4.94% on 15 June, down by 18bp from its peak on 23 March but still 51bp above its pre-conflict level. The S&P GCC Bond Index yielded more at 5.16%, 22bp below its March peak but still 43bp above its pre-conflict level. Both indices comprise investment-grade instruments. Yields remained significantly higher on the S&P GCC High Yield Sukuk Index, at 6.78% as of 15 June. This declined substantially by 124bp from 23 March, although it was still 96bp above its pre-conflict level. Fitch pointed out that the volatility in US Treasury rates reflects broader inflation concerns. The S&P US Treasury Bond Index yielded 4.27% on June 15, about 15bp lower than at end-March but still 54bp higher than at end-February. The S&P GCC Bond & Sukuk Index remains highly correlated with the US Treasury Bond Index, with correlation above 0.89 (out of 1). Over 84% of Fitch-rated GCC sukuk were investment grade at end-Q1 2026. GCC sukuk and bond yields had very high correlation (0.98 out of 1) over the past year, indicating that investors generally perceive the credit risk of sukuk similarly to that of bonds, said the top ratings agency in its report. Most Fitch-rated sukuk are senior unsecured obligations of the issuer and rank pari passu with other senior unsecured obligations, including bonds. However, sukuk generally have more complex structures than bonds, it added. (Zawya)

- Arab report warns AI will transform labor markets, widen skills gap** - A newly released analytical study by the Arab Center for Research and Policy Studies warns that artificial intelligence is accelerating a profound structural transformation in global labor markets, with particularly significant implications for the Arab region, where demographic pressures and skills gaps could amplify the economic impact of automation. The paper, authored by Dr. Ghazi Ibrahim Al Assaf, Associate Professor of Economics at the Jouaan Bin Jassim Academy for Defense Studies in Qatar, provides a detailed examination of how AI technologies are reshaping production systems, employment structures, and workforce requirements at unprecedented speed. It argues that the coming decade will not simply involve technological upgrading, but a full-scale reconfiguration of how economies generate value and distribute labor. According to the study, artificial intelligence and automation technologies could affect approximately 22% of current global jobs between 2025 and 2030. During the same period, AI is projected to create more than 170mn new jobs worldwide, while displacing around 92mn existing roles. Despite the disruption, the overall economic contribution of AI is expected to be substantial, adding between \$2.6tn and \$4.4tn annually to the global economy. However, the report stresses that aggregate gains conceal deep structural inequalities. Regions with weaker digital infrastructure and limited workforce readiness are expected to experience more severe disruption, particularly through job displacement concentrated in administrative, clerical, and routine-based occupations. In the Arab region, the situation is further complicated by already elevated unemployment levels. Youth unemployment stands at 28.6%, compared to a global average of 13%, placing significant pressure on governments to absorb new labor market entrants while simultaneously managing technological disruption. The study highlights a widening digital divide across Arab economies. The United Arab Emirates ranks 18th globally in digital competitiveness and readiness, reflecting advanced investment in digital infrastructure and innovation ecosystems. In contrast, countries such as Iraq rank 107th, indicating limited preparedness for large-scale automation and AI integration. This divergence risks deepening intra-regional inequality and creating uneven economic transitions across the Arab world. Sectoral analysis within the report shows that financial services, administrative work, and office-based roles are among the most exposed to automation. These sectors rely heavily on structured data processing and repetitive decision-making, making them highly susceptible to AI-driven efficiency systems. By contrast, healthcare and education are considered relatively more resilient due to their reliance on human interaction, contextual judgment, and interpersonal skills. Nevertheless, the report notes that even these sectors will undergo significant transformation through AI-assisted diagnostics, learning platforms, and administrative automation. A central concern raised in the study is the growing skills gap. Only 1.7% of the regional workforce is currently classified as possessing advanced digital

capabilities, while 70% of business leaders globally identify digital skills shortages as a direct threat to operational continuity. International projections cited in the report indicate that 59% of the global workforce will require reskilling by 2030, with more than 120mn workers at risk of displacement if adequate adaptation measures are not implemented. The study calls for urgent policy intervention across three levels: national governments, institutions, and individuals. It emphasizes that passive adaptation will be insufficient in managing the scale of disruption expected from AI adoption. At the policy level, it recommends comprehensive education reform, early identification of vulnerable occupations, and national reskilling programs designed to redirect workers toward emerging sectors. It also calls for a redesign of university curricula to align academic output with future labor market demand, particularly in fields linked to data science, digital systems, and AI governance. Institutionally, the report urges organizations to restructure internal systems and adopt integrated digital frameworks. It argues that many institutions still rely on outdated administrative models that are incompatible with AI-driven workflows. Effective transformation, it notes, requires the integration of AI into core enterprise systems rather than isolated tools, alongside workforce redesign and performance redefinition. On a broader technological level, the report stresses the importance of embedding AI within comprehensive enterprise resource planning systems and organizational intelligence platforms. Without such integration, AI adoption risks remaining superficial and limited in productivity impact. Experts in Qatar have echoed the report's findings, warning that labor markets are approaching a critical inflection point. Dr. Khaled Walid Mahmoud, Cybersecurity and Artificial Intelligence Expert and First Head of Media Department at the Doha Institute for Graduate Studies, stated that the speed of AI adoption is outpacing institutional readiness across multiple sectors. He said: "Artificial intelligence is no longer an emerging technology; it is becoming embedded in the operational core of economies. The challenge lies in institutional adaptation. Without structural redesign of organizations and sustained investment in human capital, labor markets will experience disruption rather than transition." Dr. Mahmoud further noted that the most pressing risk is not technological replacement alone, but the absence of coordinated national strategies to manage workforce transitions, warning that fragmented responses could intensify unemployment pressures. Eng. Ali Al-Zubi, Cybersecurity and Artificial Intelligence Expert, highlighted the dual nature of AI-driven transformation, describing it as a major economic opportunity alongside significant systemic risk. He stated: "AI is accelerating productivity across nearly every sector, but it is also redefining the nature of work itself. The countries that succeed will be those that treat this shift as a national priority, investing early in digital education, cybersecurity resilience, and regulatory frameworks that support responsible adoption." Al-Zubi also emphasized the increasing importance of cybersecurity as AI systems become more deeply integrated into critical infrastructure, financial systems, and government services. He warned that technological dependence without adequate security frameworks could expose economies to new forms of digital vulnerability. The report also outlines significant economic opportunities for the Middle East. AI is projected to contribute approximately \$320bn to regional economies by 2030. Saudi Arabia is expected to gain around \$135bn, while the United Arab Emirates could generate approximately \$96bn from AI-driven growth. Across the Gulf Cooperation Council, AI adoption may add between \$21bn and \$35bn annually to non-oil GDP. Despite these projections, the study cautions that economic gains will not automatically translate into inclusive development. Without targeted investment in skills development and labor market reform, AI could widen existing inequalities and concentrate opportunities among highly skilled digital workers, leaving large segments of the workforce behind. The paper concludes that artificial intelligence should be understood as a structural economic force rather than a standalone technological tool. It calls for coordinated action between governments, private sector institutions, and educational bodies to ensure a managed transition toward AI-integrated economies. Ultimately, the report warns that the defining challenge of the coming decade will not be technological innovation itself, but the ability of societies to adapt their institutions, education systems, and labor markets at a pace that matches technological change. (Qatar Tribune)

- Saudis seek EU approval for \$55bn EA deal, decision by July 22** - A group of investors including Saudi Arabia's Public Investment Fund has sought EU antitrust approval for its \$55bn acquisition of videogame developer Electronic Arts (EA.O), according to a European Commission filing on Wednesday. The Commission, which acts as the EU competition enforcer, set a July 22 deadline for its decision. It can either clear the deal with or without remedies or open a full-scale investigation if it has serious concerns. The group, which includes Jared Kushner's Affinity Partners and private equity firm Silver Lake, announced the deal for the maker of "Battlefield" and "Madden NFL" in September last year. The PIF, Saudi Arabia's \$1tn wealth fund, is betting on the enduring value of blockbuster game franchises as the industry recovers and the kingdom strives to become a global hub for games and sports. The deal, which is expected to secure EU antitrust approval, will also need approval under EU rules aimed at preventing unfair foreign subsidies granted to companies to acquire rivals. The group has yet to seek EU clearance under the bloc's subsidy rules. (Reuters)
- Aramco, seeking tens of billions of dollars, lines up more asset sales, sources say** - Saudi Aramco (2222.SE), is considering the sale of a stake in its sulphur business, three sources with knowledge of the matter told Reuters, extending a strategy of tapping its infrastructure assets to raise tens of billions of dollars. Aramco, the crown jewel of the world's largest crude exporter, has been seeking outside capital to fund the kingdom's ambitious diversification agenda amid mounting fiscal pressure. The oil giant has been actively seeking to sell assets, improve efficiency and cut costs, Reuters reported exclusively last year. The total value of assets from its vast infrastructure empire that it may tap for fundraising could reach around \$50 bn, according to one of the sources and Reuters calculations. Aramco invited banks to pitch last month for the sulphur deal, known internally as Project Yellowstone, the sources said, and could raise up to \$7bn, one of them added. Aramco, the world's biggest energy firm, declined to comment. Sulphur is a byproduct extracted when raw gas is stripped of hydrogen sulphide to make it suitable for export. Aramco sells sulphur through its trading arm, describing itself on its website as one of the largest exporters from the Gulf and Red Sea region. The assets for potential sale center around sulphur storage and export terminals, the three people said. One added that Aramco is still reviewing which assets would be included and a deal would not be launched before next year. **OTHER ASSETS FOR SALE** Aramco is over 97% owned by the government, its sovereign wealth fund and related entities, and is the biggest single revenue source for the kingdom through dividends and royalties. The company is aiming to become a major global natural gas player, with the \$100bn Jafurah mega project the centerpiece of its ambitions. Last year it signed an \$11bn lease and leaseback agreement involving the Jafurah gas processing facilities with a consortium led by BlackRock's Global Infrastructure Partners. Aramco is also weighing a deal involving its oil export terminals, two of the sources said, with one estimating the value of the assets involved to be worth up to \$25bn. The company is waiting for regional tensions to ease before launching the process, likely in the second half of the year, the person added. Aramco's real estate portfolio is under consideration too, including its headquarters campus, one of the three people and a fourth source said, indicating a valuation of around \$10 bn. It could raise around \$500mn from water infrastructure assets linked to its crude operations, code name Project Hydro, two of the people said. Water and wastewater infrastructure company Miahona (2084.SE), and UAE-based Metito Utilities are among interested parties, one of the people and another of the sources said. Metito declined to comment on the Aramco assets but said it regularly evaluates opportunities across its markets. Miahona did not immediately respond to a request for comment. The four sources spoke on condition of anonymity because the talks are private. Reuters previously reported that Aramco was working to sell gas-fired power plants worth at least \$4bn. (Reuters)
- Ministry of Finance unveils UAE's first Sovereign Retail T- Sukuk investment opportunities** - In a first-of-its-kind initiative in the United Arab Emirates, the Ministry of Finance today announced the launch of the inaugural Sovereign Retail T-Sukuk Program, a Shariah-compliant investment instrument offered through an IPO-style subscription framework similar to that adopted by the Dubai Financial Market (DFM)

and Nasdaq Dubai. The program aims to broaden participation in government investment instruments and enable individuals and families to access investment opportunities backed by the UAE Government. The program is designed to promote financial inclusion, foster a culture of long-term saving and investing, and is aligned with the UAE's "Year of Family 2026" initiative, which seeks to build a more financially aware and future-ready society. It also reinforces the UAE's position as a leading global financial center offering innovative and diversified investment products. Mohamed bin Hadi Al Hussaini, Minister of State for Financial Affairs, said that the launch of the Sovereign Retail T-Sukuk Program represents a strategic step and reflects UAE's commitment to advance its financial ecosystem and expand community engagement in government investment instruments, thereby strengthening financial inclusion and contributing to a more diversified, resilient, and sustainable economy. He added that the program reflects the Ministry of Finance's approach, in collaboration with the Central Bank of the UAE, to creating innovative financial solutions that align with the aspirations of society while fostering a culture of saving, financial planning, and long-term investment. The initiative is designed to empower individuals and families to play an active role in supporting the nation's economic development journey. He further noted that the program aligns with the UAE's broader objectives of enhancing public awareness of the importance of long-term financial planning and creating an enabling environment that supports individuals in building more sustainable financial capabilities, while reinforcing the concept of participation in the nation's development agenda. He also emphasized that the Ministry of Finance remains committed to advancing local capital markets and strengthening the UAE's leadership as a global financial hub that offers innovative and diversified investment solutions, while supporting the development of a more inclusive, competitive, and future-ready financial ecosystem. Tailored specifically for individuals across the UAE, the program introduces a secure government-backed investment instrument with a minimum subscription amount of AED 1,000. It offers investors potential risk-free returns on the T-Sukuk within a transparent and well-regulated investment framework, while allowing sukuk to be traded on Nasdaq Dubai following their listing, thereby enhancing accessibility and liquidity flexibility in government investment products. The full details of the first issuance, including profit rate, tenor, and subscription period will be announced within the coming week. The program is being launched in close collaboration with a number of partners, including Dubai Financial Market (DFM), Nasdaq Dubai, and the participating banks. Emirates NBD Bank has been appointed as the Lead Receiving Bank, whilst Emirates Islamic Bank, Abu Dhabi Islamic Bank (ADIB), Ajman Bank, and Mashreq Bank will serve as Receiving Banks, allowing investors to seamlessly subscribe through partner digital platforms and dedicated subscription channels. Nasdaq Dubai will also act as the central securities depository and provide the settlement platform. The sukuk are expected to be listed on Nasdaq Dubai and become available for trading following the completion of the offering process. This will support greater participation by individual investors in local capital markets, enable them to trade sukuk within a regulated marketplace, and provide enhanced flexibility in managing their investments after the subscription and allocation stages. The program represents a significant addition to the UAE's government investment product ecosystem by introducing a structured channel through which individual investors can diversify their investment portfolios through a trusted sovereign-backed instrument within a transparent and advanced financial environment. It also reinforces the role of financial markets in providing innovative and diversified investment solutions tailored to the needs of individual investors. The launch of the program builds on the Ministry of Finance's ongoing efforts to develop local capital markets and government financing instruments, while expanding access to innovative investment opportunities for a broader segment of society. It seeks to strengthen public participation in the UAE's financial ecosystem, promote long-term saving and investment, and further integrate government investment instruments with local capital markets. (Zawya)

- **UAE's post-OPEC expansion push to lift oil output above 5mn bpd next year, IEA says** - The United Arab Emirates' oil output could exceed 5mn bpd next year as it moves to expand production after its exit from OPEC, making it a major driver of non-OPEC+ supply growth, the International

Energy Agency said on Wednesday, The UAE said its decision to leave OPEC, announced earlier this year, was aimed at prioritizing production capacity expansion and maximizing the value of its resources, freeing output from the constraints of the group's quotas. Its total oil output is forecast to reach 5.2mn barrels per day in 2027, the IEA said, up 730,000 bpd year-on-year. The UAE's crude capacity has expanded from 3.1mn bpd in 2016 to nearly 4.4mn bpd by 2026, alongside roughly 1.1mn bpd of condensate and natural gas liquids capacity, underscoring Abu Dhabi's long-term expansion push, the IEA said. ADNOC HAS COMMITTED \$55bn TO GROWTH PROJECTS Last month the Abu Dhabi National Oil Company (ADNOC) said it will award 200 bn dirhams (\$55bn) in projects for 2026-2028 to accelerate growth and deliver its strategy. It plans \$150bn in capital investments between 2026-2030. (Reuters)

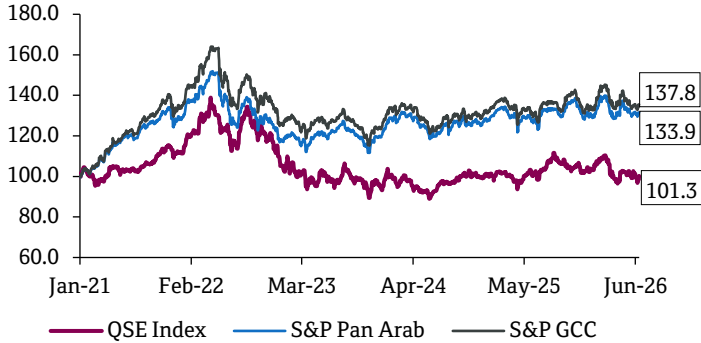
- **UAE VAT and excise tax collection jumps 15% in 2025 to \$12.53bn** - The UAE Ministry of Finance (MoF) announced that the total revenues collected from Value Added Tax (VAT) and Excise Tax and distributed to the federal and local governments exceeded AED46bn in 2025, up from approximately AED41bn in 2024, reflecting a year-on-year increase of 15%. Mohamed bin Hadi Al Hussaini, Minister of State for Financial Affairs, said the growth in tax revenues underscores the strength of the UAE's fiscal approach and its ability to sustain stable government resources that bolster fiscal balance while supporting the nation's economic and development priorities in the years ahead, said a WAM news agency report. Al Hussaini added that the recorded financial data further highlights the maturity of the UAE's fiscal and tax framework, as well as the transparency and discipline underpinning the management of public resources. These factors continue to strengthen confidence in government performance and support long-term planning based on clear and sustainable foundations. Al Hussaini noted that the Ministry of Finance, in close collaboration with relevant federal and local entities, continues to advance more integrated mechanisms for managing public revenues, enhancing the quality of performance and strengthening the readiness of fiscal policies to respond to economic growth requirements and future developments. He further explained that tax revenues represent a key contributor to public finances within an institutional framework founded on coordination, discipline and clearly defined roles. He noted that the continued strengthening of this framework supports the UAE's development agenda and further reinforces the competitiveness of the national economy. (Zawya)
- **Emirates Airline offers war travel insurance as Gulf carriers reboot** - Emirates Airline is offering travel insurance that includes medical coverage for war-related incidents and extended-stay support during disruptions, another example of how Gulf carriers are trying to reboot their businesses now that a US-Iran peace deal is on the table. The package is in effect regardless of government travel advice, according to a company statement released on Wednesday. The company is partnering with Travel Guard, acquired by Zurich Insurance Group AG in 2024, to offer coverage that's comprehensive as well as reassuring, Emirates President Tim Clark said. "With strong demand for travel in summer, we are proud to offer our customers added confidence in planning their journeys to and through Dubai," Clark said in the statement. The product includes medical coverage for conflict-related incidents, with airline-managed hotel accommodations and support for extended stays, according to the statement. Emirates also will rebook connecting services for affected passengers at no extra cost, even if those services aren't available through the carrier. The maximum reimbursement for medical expenses is \$25,000, and the free trip extension is for as many as 30 days. The coverage can be purchased in countries including the UK, Germany and Singapore. The US isn't listed in the statement. Emirates, Qatar Airways and Etihad Airways cut back operations after hostilities started in February because some countries closed their airspace and some infrastructure was damaged by possible drone debris. (Gulf Times)
- **Bahrain's CBB keeps overnight interest rate unchanged at 4.25%** - The Central Bank of Bahrain (CBB) has announced its decision to maintain the overnight deposit interest rate unchanged at 4.25%. This decision comes as part of the review conducted by the CBB to maintain monetary and financial stability in the kingdom in light of global financial market developments. The UAE's central bank too has decided to maintain the Base Rate applicable to the Overnight Deposit Facility (ODF) at 3.65%.

The Base Rate, which is anchored to the US Federal Reserve's IORB, signals the general stance of monetary policy and provides an effective floor for overnight money market interest rates in the UAE. This decision from Central Bank of the UAE (CBUAE) comes following the US Federal Reserve's announcement today to keep the Interest Rate on Reserve Balances (IORB) unchanged. The CBUAE has also decided to maintain the interest rate applicable to borrowing short-term liquidity from the CBUAE at 50 basis points above the Base Rate for all standing credit facilities. (Zawya)

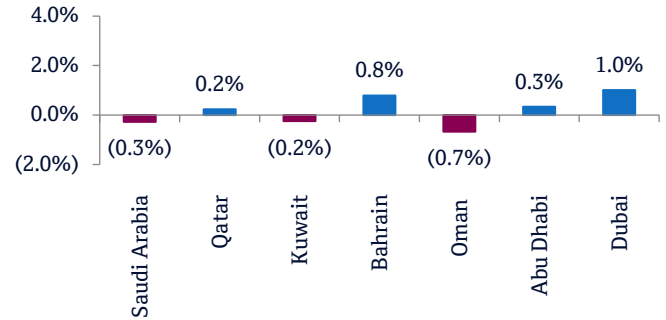
- **IMF commends resilience of Oman's economy and reform momentum -**

The International Monetary Fund (IMF) has commended the resilience of Oman's economy and the continued momentum of its structural reforms, following the conclusion of its Article IV consultation mission to the Sultanate of Oman for 2026. A team from the IMF, led by Abdullah AlHassan, visited Muscat from June 7 to 15 to discuss economic and financial developments, the outlook and Oman's policy priorities with government authorities. At the conclusion of the visit, the IMF said Oman's economy continues to demonstrate resilience despite regional headwinds from the war in the Middle East. The Fund noted that the adverse impact on the Sultanate has so far been limited to inflationary pressures and select non-hydrocarbon sectors. The IMF said Oman's oil and natural gas infrastructure has remained largely unaffected, enabling the country to increase oil production and exports amid regional supply disruptions. According to the IMF, Oman's real GDP growth accelerated to 2.4% in 2025, up from 1.6% in 2024, supported by both hydrocarbon and non-hydrocarbon activities. Growth is projected to rise further to around 3.7% in 2026, driven by increased oil production, before easing to 3% in 2027. Non-hydrocarbon growth is expected to ease to 2.5% in 2026, reflecting the impact of the regional conflict on tourism and construction. However, it is projected to recover to 3.2% in 2027 on the back of a broad-based recovery. The IMF said inflation remained contained at an average of 1% in 2025, before rising to 2.8% year-on-year during January-May 2026. The increase was driven mainly by higher food and transportation prices. The Fund also said Oman's fiscal and external positions are set to strengthen, supported by higher oil revenues and continued fiscal discipline. After narrowing to 0.6% of GDP in 2025 due to lower oil prices and increased capital spending, the fiscal surplus is projected to widen to 4.5% of GDP in 2026 and 4.2% in 2027. Central government debt continued its downward trajectory, reaching 34.7% of GDP at the end of 2025. The current account balance, which posted a deficit of 1.9% of GDP in 2025, is expected to shift to a sizeable surplus in 2026 and 2027, at around 3% of GDP. This is expected to be supported by stronger hydrocarbon revenues and robust growth in non-hydrocarbon exports. The IMF also highlighted the strength of Oman's banking sector, describing it as resilient and supported by comfortable capital and liquidity ratios, strong asset quality and profitability. However, the Fund cautioned that risks to the near-term outlook remain tilted to the downside due to elevated uncertainty from the war in the region. It said a prolonged escalation could lead to a deeper regional and global slowdown, weighing on tourism, non-hydrocarbon exports and foreign direct investment inflows, while also affecting Oman's growth prospects and fiscal and external positions. (Zawya)

Rebased Performance



Daily Index Performance



Source: Bloomberg

Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	4,256.93	(1.7)	0.9	(1.4)
Silver/Ounce	67.93	(3.0)	(0.1)	(5.2)
Crude Oil (Brent)/Barrel (FM Future)	79.55	0.7	(8.9)	30.7
Crude Oil (WTI)/Barrel (FM Future)	76.79	1.0	(9.5)	33.7
Natural Gas (Henry Hub)/MMBtu	3.25	4.8	6.2	(18.5)
LPG Propane (Arab Gulf)/Ton	73.90	0.4	(4.8)	16.0
LPG Butane (Arab Gulf)/Ton	89.50	0.7	(6.7)	16.1
Euro	1.15	(0.9)	(0.6)	(2.1)
Yen	160.65	0.1	0.3	2.5
GBP	1.33	(1.0)	(0.8)	(1.4)
CHF	1.25	(0.8)	(0.3)	(0.9)
AUD	0.70	(0.8)	(0.5)	5.1
USD Index	100.09	0.6	0.3	1.8
RUB	0.0	0.0	0.0	0.0
BRL	0.20	(0.5)	(1.1)	7.5

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	4,805.51	(0.8)	0.4	8.5
DJ Industrial	51,492.55	(1.0)	0.6	7.1
S&P 500	7,420.10	(1.2)	(0.2)	8.4
NASDAQ 100	26,021.66	(1.3)	0.5	12.0
STOXX 600	639.31	0.3	1.1	6.6
DAX	24,934.67	(0.1)	1.4	0.4
FTSE 100	10,508.61	(0.1)	0.2	5.4
CAC 40	8,430.79	(0.4)	1.1	2.2
Nikkei	69,902.25	0.8	5.9	35.5
MSCI EM	1,782.66	0.4	3.9	26.9
SHANGHAI SE Composite	4,108.08	0.4	2.0	7.0
HANG SENG	24,312.16	(0.8)	(1.6)	(5.8)
BSE SENSEX	77,155.62	0.6	2.9	(13.7)
Bovespa	168,453.93	(0.3)	(1.6)	13.2
RTS	4,788.22	0.0	0.0	8.1

Source: Bloomberg (*\$ adjusted returns if any)

Contacts

QNB Financial Services Co. W.L.L.
Contact Center: (+974) 4476 6666
Doha, Qatar

Saugata Sarkar, CFA, CAIA
Head of Research
saugata.sarkar@qnbfs.com.qa

Shahan Keushgerian
Senior Research Analyst
shahan.keushgerian@qnbfs.com.qa

Phibion Makuwerere, CFA
Senior Research Analyst
phibion.makuwerere@qnbfs.com.qa

Dana Saif Al Sowaidi
Research Analyst
dana.alsowaidi@qnbfs.com.qa

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