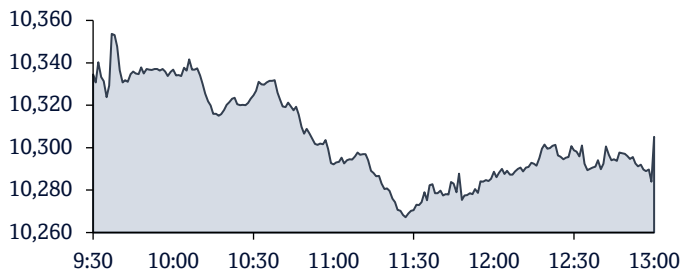


QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.3% to close at 10,305.1. Losses were led by the Real Estate and Industrials indices, falling 1.0% each. Top losers were Mosanada Facility Management Services and Qatar General Ins. & Reins. Co., falling 6.6% and 2.3%, respectively. Among the top gainers, Dlala Brokerage & Inv. Holding Co. gained 10.0%, while Doha Bank was up 5.6%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.6% to close at 10,928.8. Losses were led by the Utilities and Commercial & Professional Svc indices, falling 1.8% and 1.4%, respectively. Jarir Marketing Co. declined 4.0%, while Saudi Manpower Solutions Co. was down 3.6%.

Dubai: The market was closed on 07 June 2026.

Abu Dhabi: The market was closed on 07 June 2026.

Kuwait: The Kuwait All Share Index fell 0.4% to close at 8,724.5. The Energy index declined 2.2%, while the Telecommunications index fell 0.7%. Action Energy Company and National Industries Group declined 2.5% each.

Oman: The MSM 30 Index fell 1.9% to close at 7,515.1. Losses were led by the Services and Industrial indices, falling 1.9% and 1.0%, respectively. Al Hassan Engineering Company declined 12.5%, while Muscat Gases Company was down 9.6%.

Bahrain: The BHB Index gained marginally to close at 1,983.1. The Consumer Staples index gained 1.3%, while the Financials index was up marginally. BMMI B.S.C rose 1.9%, while National Bank of Bahrain B.S.C. was up 0.6%.

Market Indicators	07 June 26	04 June 26	%Chg.
Value Traded (QR mn)	309.4	335.0	(7.7)
Exch. Market Cap. (QR mn)	619,086.1	622,503.4	(0.5)
Volume (mn)	125.5	130.7	(4.0)
Number of Transactions	15,686	19,367	(19.0)
Companies Traded	54	52	3.8
Market Breadth	19:33	31:18	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	25,465.25	(0.3)	(0.3)	(1.0)	11.8
All Share Index	4,025.62	(0.4)	(0.4)	(0.8)	11.6
Banks	5,056.09	(0.2)	(0.2)	(3.6)	10.0
Industrials	4,270.97	(1.0)	(1.0)	3.2	15.5
Transportation	5,312.24	0.3	0.3	(2.8)	12.7
Real Estate	1,469.15	(1.0)	(1.0)	(3.9)	23.9
Insurance	2,702.67	(0.8)	(0.8)	8.1	10.7
Telecoms	2,498.05	(0.7)	(0.7)	12.1	11.8
Consumer Goods and Services	8,159.83	0.0	0.0	(2.0)	17.4
Al Rayan Islamic Index	5,230.58	(0.5)	(0.5)	2.2	14.3

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
The Commercial Bank	Qatar	4.199	2.3	919.4	(0.0)
Aldrees Petroleum and Transport	Saudi Arabia	116.2	1.0	372.3	(9.1)
Umm Al Qura for Development	Saudi Arabia	15.52	0.8	2,166.6	(9.7)
Co. for Cooperative Ins.	Saudi Arabia	149.0	0.7	132.0	27.4
Dallah Healthcare Co.	Saudi Arabia	105.3	0.7	79.5	(16.1)

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Asyad Shipping Co	Oman	0.26	(6.1)	4,591.4	45.8
Jarir Marketing Co.	Saudi Arabia	15.54	(4.0)	2,605.4	21.6
Saudi Arabian Mining Co.	Saudi Arabia	61.15	(3.1)	2,125.7	0.3
Kingdom Holding Co.	Saudi Arabia	14.16	(3.0)	2,974.9	77.0
Bank Dhofar	Oman	0.20	(2.4)	4,883.8	36.5

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

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Dlala Brokerage & Inv. Holding Co.	1.355	10.0	11,245.4	38.4
Doha Bank	2.786	5.6	18,400.8	(2.9)
Ahli Bank	4.049	2.4	515.6	8.0
The Commercial Bank	4.199	2.3	919.4	(0.0)
Inma Holding	2.890	1.9	470.7	(9.4)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Doha Bank	2.786	5.6	18,400.8	(2.9)
Mesaieed Petrochemical Holding	1.166	(0.6)	16,032.8	6.7
Dlala Brokerage & Inv. Holding Co.	1.355	10.0	11,245.4	38.4
Baladna	1.296	(0.5)	10,533.6	1.3
Dukhan Bank	3.367	(0.5)	8,297.1	(3.7)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Mosanada Facility Management Servs.	8.420	(6.6)	2.1	(11.4)
Qatar General Ins. & Reins. Co.	1.580	(2.3)	55.7	2.1
Qatari German Co for Med. Devices	1.388	(2.3)	1,752.3	(5.2)
Qatar Aluminum Manufacturing Co.	1.721	(1.8)	3,845.8	7.6
Barwa Real Estate Company	2.385	(1.7)	3,477.2	(8.8)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Doha Bank	2.786	5.6	52,037.2	(2.9)
Dukhan Bank	3.367	(0.5)	27,846.3	(3.7)
QNB Group	17.10	(1.2)	23,868.0	(8.4)
Mesaieed Petrochemical Holding	1.166	(0.6)	18,706.4	6.7
Industries Qatar	11.74	(1.4)	15,466.5	(1.6)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,305.12	(0.3)	(0.3)	(2.4)	(4.2)	84.9	167,153.2	11.8	1.3	4.9
Dubai^	5,767.77	0.9	0.2	0.2	(4.6)	164.1	254,892.9	9.1	1.7	5.5
Abu Dhabi^	9,614.11	0.3	0.9	(0.9)	(3.8)	215.9	733,043.6	19.0	2.3	2.6
Saudi Arabia	10,928.79	(0.6)	(0.6)	(1.3)	4.2	928.0	2,615,849.4	17.0	2.1	3.5
Kuwait	8,724.51	(0.4)	(0.4)	(1.0)	(2.1)	223.2	168,691.0	17.9	1.8	3.8
Oman	7,515.14	(1.9)	(1.9)	(3.1)	28.1	96.9	52,202.4	14.5	1.7	4.1
Bahrain	1,983.05	0.0	0.0	0.2	(4.0)	1.6	20,326.5	16.4	1.3	4.5

Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (** TTM; * Value traded (\$ mn) do not include special trades if any, ^ Data as of June 05, 2026)

Qatar Market Commentary

- The QE Index declined 0.3% to close at 10,305.1. The Real Estate and Industrials indices led the losses. The index fell on the back of selling pressure from non-Qatari shareholders despite buying support from Qatari shareholders.
- Mosanada Facility Management Services and Qatar General Ins. & Reins. Co. were the top losers, falling 6.6% and 2.3%, respectively. Among the top gainers, Dlala Brokerage & Inv. Holding Co. gained 10.0%, while Doha Bank was up 5.6%.
- Volume of shares traded on Sunday fell by 4.0% to 125.5mn from 130.7mn on Thursday. Further, as compared to the 30-day moving average of 162.7mn, volume for the day was 22.9% lower. Doha Bank and Mesaieed Petrochemical Holding were the most active stocks, contributing 14.7% and 12.8% to the total volume, respectively.

Overall Activity	Buy%*	Sell%*	Net (QR)
Qatari Individuals	48.58%	37.70%	33,659,105.21
Qatari Institutions	32.33%	31.75%	1,786,318.49
Qatari	80.91%	69.45%	35,445,423.70
GCC Individuals	0.53%	1.20%	(2,093,274.69)
GCC Institutions	0.55%	4.30%	(11,616,453.51)
GCC	1.07%	5.50%	(13,709,728.20)
Arab Individuals	8.10%	9.34%	(3,833,924.60)
Arab Institutions	0.00%	0.00%	0.00
Arab	8.10%	9.34%	(3,833,924.60)
Foreigners Individuals	3.03%	3.66%	(1,957,635.39)
Foreigners Institutions	6.90%	12.05%	(15,944,135.50)
Foreigners	9.92%	15.71%	(17,901,770.89)

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

Qatar

- Confirmation of credit rating of Qatar International Islamic Bank at A by Fitch** - Qatar International Islamic Bank has announced that Fitch has confirmed the credit rating at A. Fitch Ratings has maintained the Rating Watch Negative (RWN) on Qatar International Islamic Bank (QIIB) Long-Term Issuer Default Rating (IDR) of 'A' and Short-Term IDR of F1. QIIB's Viability Rating (VR) has also been affirmed at 'bb+' (QSE)
- Mosanada Facility Management Services QPSC: The EGM endorses items on its Agenda** - Mosanada Facility Management Services QPSC announces the results of the EGM. The meeting was held on 07/06/2026 and the following resolutions were approved 1. Approval of amending the Company's Articles of Association as the below: a. To add new business activities in line with the Company's intended future expansion strategy, which will be subject to obtaining the required approvals from the competent regulatory authorities; and b. To ensure compliance with the Corporate Governance Code for Listed Companies issued pursuant to QFMA Board Resolution No. (5) of 2025, which will be subject to obtaining the required approvals from the competent regulatory authorities. 2. Authorizing the Chairman of the Board, or any Board member or member of the executive management mandated by the Chairman, to individually: a. Represent the Company before any competent authority to attend to all formalities required for the amendments to the articles of association of the Company. This includes (but is not limited to) preparing, signing, negotiating, and amending all relevant documentation; b. To sign the amended articles of association, and perform any amendments that may be requested by the competent regulatory authorities; and c. To adopt any resolution or take any action as may be necessary or desirable to implement any and all of the above resolutions including, without limitation, to apply to the Ministry of Commerce & Industry, submit all required documents and applications to competent authorities or other third parties, to attend before the Ministry of Justice and complete any procedures or sign any documents (including the amended articles of association) or application for the purpose of obtaining the approval of the Commercial Affairs Department of the Ministry of Commerce and Industry, or any other department or ministry. (QSE)
- Al Mahhar Holding (Q.P.S.C.) announces QFMA approval for appointment of Independent Board Member to complete current term** - Al Mahhar Holding Company (Q.P.S.C.) announces that it has obtained the approval of Qatar Financial Markets Authority (QFMA) for the appointment of the reserve independent candidate from the previous elections, Mr. Sultan Amrallah Al Emadi, to complete the remaining term of the current Board of Directors. Al Mahhar Holding Company extends its sincere appreciation and gratitude to Mr. Mohamed Abdulrahman Fakhroo (the resigning member) for his valuable efforts and contributions during his tenure, wishing him continued success. Accordingly, the final composition of the Company's Board of Directors is as follows: 1. Mr. Fahad Hussain I Al Fardan – Chairman – representing Al Dibal Consultancy 2. Mr. Salah Mohd I Al Jaidah – Vice Chairman – representing Al Dibal Consultancy 3. Mr.

Clifford William Lasrado – Managing Director – representing Al Dibal Consultancy 4. Mr. Puzhukkal Sunil Kumar – Member (Employees' Representative) 5. Mr. Ahmad Abdulla A Al-Abdulla – Independent Member 6. Mr. Willaim Dennison – Independent Member 7. Mr. Sultan Amrallah Al Emadi – Independent Member. The Company reaffirms its ongoing commitment to implementing the highest standards of governance and transparency in accordance with the applicable laws and regulations issued by the relevant regulatory authorities. (QSE)

- QCB announces changes to 5, 10, 50-riyal banknotes** - The Qatar Central Bank (QCB) has announced changes to the fifth series of the 5, 10, and 50 riyal denominations, in line with the laws in force in the State of Qatar. According to a statement published by the QCB on platform X, the changes include the official state emblem, the Arabic numerals, and the issue date. QCB clarified that the prior edition of the 5, 10, and 50 riyal denominations (Fifth Series) issued before these changes will remain in circulation without any effect. These changes will be applied to other currency denominations at a later time. (Qatar Tribune)
- Qatar in global top 10 in everyday AI use** - Qatar has ranked among the world's top ten nations for the practical use of artificial intelligence in everyday life, according to newly released Microsoft data for the first quarter of 2026. The country's AI market reached around \$59mn in 2026, nearly doubling from about \$31mn in 2022, the Tasmu Digital Valley platform reported. Aligned with Qatar National Vision 2030, the country has pursued a systematic investment strategy across sectors including construction, energy and public administration. Its AI framework rests on six pillars: education, talent development, ethics, governance, scientific research and data management — and productivity gains have already been identified in International Monetary Fund analyses. The impact has become increasingly visible through the Qatar Smart Program (Tasmu), which has improved mobility solutions and expanded digital services for citizens and residents alike. Several institutions have led the integration of AI into daily life, including Qatar Foundation, Hamad Bin Khalifa University and the Ministry of Communications and Information Technology. At this year's Web Summit, Qatar Foundation signed a memorandum of understanding with Scale AI to establish a regional center for AI development and nurture Qatari talent. The ministry has also forged partnerships with global firms, including a co-operation agreement with PwC Middle East and OpenAI. Commenting on the developments, Non-Resident Fellow at the Middle East Council on Global Affairs Nayef al-Nabit told Qatar News Agency (QNA) that success should not be measured by usage rates alone, but by the readiness of institutions and society to engage with technological change responsibly. The greatest challenge, he said, was not the speed of adoption but the establishment of regulatory frameworks capable of ensuring AI is used responsibly and sustainably. He argued that investment in digital infrastructure should be viewed as a long-term bet on Qatar's competitiveness and economic resilience. Looking ahead, al-Nabit expected skills such as critical thinking, analytical reasoning and

continuous learning to grow in value, stressing that investment in human capital would remain the decisive factor in realizing AI's benefits. Countries advance not merely by acquiring technology, he concluded, but by cultivating societies equipped to engage with change. Qatar's digital transformation began in 2003 with the launch of its e-government portal, advancing through the Qatar Digital Government 2020 Strategy in 2014. Today it continues to promote digital entrepreneurship through bodies such as the Digital Incubation Center and Tasmu Accelerator. (Gulf Times)

- New rules give Qatari families room to grow** - Qatari families can now build higher, extend further and reshape their homes more freely under sweeping new rules approved by the Minister of Municipality. His Excellency Abdullah bin Hamad bin Abdullah al-Attiyah has issued a decision overhauling the 1989 regulations on architectural standards for buildings, introducing more than 20 changes to the rules governing residential villas and palaces. The aim, the minister's ministry said Sunday, is to give citizens more flexible options for designing and expanding their homes while protecting family privacy and the country's architectural character. The ministry described the move as one of the most extensive reviews of villa and palace requirements in years, following a full study of what families need and the difficulties they face when building. The goal, it said, is greater family stability and better use of residential plots. The headline changes affect how high homes can rise. Villas may now reach 16 meters, including the rooftop structure, while palaces can stand between 17 and 25 meters depending on plot size and design. For the first time, owners may add a single internal mezzanine floor inside villas and palaces. The rules also free up how homes can be laid out. A villa's ground floor can now be extended right up to the neighboring boundary, subject to controls, and a first floor may be built above the external majlis, the guest reception hall, or over annexes. Families may also create a self-contained internal suite for a relative, and a separate service staircase for domestic staff and maintenance. The external majlis itself can rise to between 7.5 and 10 meters, with the option of a mezzanine, and an external annex may gain a first floor of up to 7.5 meters. To make fuller use of plots, several setback rules have been eased: a villa's first floor may now project up to two meters into the front setback, with side and rear setbacks reduced under planning controls. Decorative architectural projections are also allowed. On privacy, villa boundary walls may now reach 3.40 meters and palace walls five meters. Homeowners may also fit mail and delivery boxes to their outer walls under set specifications. The ministry said the rules will apply uniformly across all municipalities and take effect once the decision is published in the Official Gazette. A workshop will be held for consultants and engineering firms to explain how the changes will be put into practice, in line with the goals of Qatar National Vision 2030. The Qatar Society of Engineers (QSE) welcomed the decision, numbered (108) of 2026, calling it a significant step towards improving the residential environment and offering families more flexible solutions in step with modern living. In a statement Sunday, the society said the higher villas, mezzanine floors, expanded annexes and reception areas, eased setbacks and regulated extensions would together help citizens make the best use of their land while balancing privacy, comfort and functionality. QSE said it supported all efforts to develop the construction and housing sector, and thanked the ministry for its work in keeping building regulations abreast of the country's urban growth. Its board chairperson, Eng Amna Mohammed al-Naama, said the changes reflected an advanced vision of urban planning attuned to the real needs of the Qatari family. The greater design flexibility, she said, would promote quality of life and family stability and spare residents complex or costly building solutions. Allowing mezzanine floors, ancillary structures and reception areas, along with an independent internal suite for a family member and the new rules on heights and setbacks, would let engineers and consulting offices produce more creative and efficient designs, al-Naama added. This, she said, would keep pace with the nation's urban development and raise both functional and investment value, in line with Qatar National Vision 2030. The ministry said the rules will apply uniformly across all municipalities and take effect once the decision is published in the Official Gazette. A workshop will be held for consultants and engineering firms to explain how the changes will be put into practice. (Gulf Times)

- Qatar eyes 35% factory shift to circular economy by 2030** - In a major step towards sustainable industrial development, Qatar plans to shift 35% of its factories toward circular economy practices by 2030, reinforcing its commitment to reducing waste, improving resource efficiency, and fostering a greener manufacturing sector. Qatar is committed to promote a sustainable and resource-efficient industrial sector, in line with the country's long-term development goals. In a post on its X platform, the Ministry of Commerce and Industry (MoCI) stated that the Ministry marks World Environment Day (June 5), reaffirming its commitment to supporting a more sustainable and resource-efficient industrial sector, contributing to competitiveness and sustainable development. In an infographic shared with the post it noted "We move forward towards achieving Qatar National Vision 2030 through the 'Qatar National Manufacturing Strategy 2024-2030'. "We place sustainability at the heart of our industrial sector and aim to shift 35% of Qatari factories towards circular economy practices by 2030, building an innovative industry that pre-serves our resources for future generations," it added. MOCI remains dedicated to supporting sustainability initiatives that enhance industrial competitiveness while contributing to sustainable development. This underscores the importance of integrating environmental responsibility into economic growth and industrial expansion. The Ministry highlighted the role of the Qatar National Manufacturing Strategy 2024-2030 in advancing the objectives of Qatar National Vision 2030. The strategy places sustainability at the core of industrial development and seeks to accelerate the transition toward greener manufacturing practices across the country. This will be achieved by building a high-value, diversified industrial sector that relies on advanced technology and innovation, stimulating and doubling the contribution of the private sector in driving growth in the coming phase, ensuring a transition towards a more diversified, competitive and sustainable economy. The Ministry reiterated that fostering a resource-efficient and environmentally responsible manufacturing sector will play an important role in achieving national development goals and ensuring a sustainable future for generations to come. Qatar aims to shift 35% of its factories toward circular economy practices by 2030. The initiative is designed to create an innovative industrial sector that uses resources more efficiently, reduces waste, and supports environmental preservation for future generations. The circular economy model promotes the continuous use of materials through recycling, reuse, and resource recovery. Under this approach, factories produce goods using sustainable processes, consumers use the products, and recyclable materials are returned to the production cycle instead of being discarded as waste. The Ministry noted that adopting circular economy principles will help strengthen the resilience and competitiveness of Qatar's industrial sector while reducing its environmental footprint. The transition is also expected to innovation, encourage improve resource efficiency. and support the country's broader sustainability objectives. (Peninsula Qatar)

International

- Global airlines slash 2026 profit forecast on fuel shock from Iran war** - The global airline industry nearly halved its 2026 profit forecast on Sunday, citing conflict in the Middle East that has driven up fuel costs, disrupted key air corridors and exposed the fragility of a sector operating on thin margins. The International Air Transport Association, which represents more than 370 airlines accounting for about 85% of global air traffic, said in its annual report that it now expects the industry to post a combined net profit of \$23bn in 2026, well below a previous projection of about \$41bn and down from \$45bn in 2025. The downgrade underscores airlines' exposure to geopolitical shocks and fuel volatility, even as passenger demand remains resilient, planes are flying fuller and revenues are set to rise to more than \$1.1tn. "There are two major factors: One is the significant increase in jet fuel prices, which has gone way higher than I think anybody would have expected, and then the disruption to the airlines in the Gulf region, so that combination has led us to reduce the forecast," IATA Director General Willie Walsh told Reuters at the group's annual meeting in Rio de Janeiro. Walsh said he expects some smaller airlines to go bankrupt or be taken over by bigger carriers this year and next as higher fuel costs bite. US low-cost carrier Spirit Airlines shut down last month, the first airline casualty of the Iran war. Airlines are also expected to cut unprofitable routes to protect margins, while fares - which

have surged since the start of the Iran war - are unlikely to fall soon, Walsh said. "In an environment where demand remains pretty robust, but capacity comes down, that will likely lead to a situation where fares will remain elevated," Walsh said. The Middle East conflict, triggered by US and Israeli airstrikes on Iran, has forced airlines to reroute flights around closed or restricted airspace, adding hours to some journeys, increasing fuel burn and straining already tight capacity. At the same time, oil prices have surged on fears of supply disruption, pushing jet fuel prices sharply higher and widening refinery margins, leaving airlines facing a steep jump in their largest cost. Gulf airlines such as Emirates, Qatar Airways and Etihad Airways face the greatest operational uncertainty after a near-complete shutdown of regional airspace at the start of the conflict. Walsh said most regions should remain profitable, though at lower levels, while Middle East airlines are likely to slip into the red due to the conflict and weaker demand. IATA expects airlines' fuel bill to surge to about \$350bn this year from roughly \$252bn in 2025, with fuel accounting for nearly a third of operating costs. That is eroding profitability per passenger, with airlines now expected to earn about \$4.50 per passenger, roughly half last year's level. On the upside, IATA expects industry revenues to rise 9.4% to around \$1.16tn this year, driven by steady travel demand, higher fares, and growing income from extras such as seat upgrades and onboard services. Aircraft shortages are also squeezing the sector. Delivery delays at Boeing and Airbus are forcing airlines to keep older, less fuel-efficient planes in service for longer, raising maintenance bills and blunting efforts to improve margins, Walsh said. (Gulf Times)

- Japan's economy cools on weak capex in Q1, revised data shows** - Japan's economy lost momentum in the January-March quarter from the previous three months on sluggish capital expenditure, revised gross domestic product data showed on Monday, pointing to challenges ahead due to the Middle East conflict. However, economists said the broader economy would likely remain resilient in coming months with the fallout from the Iran war not expected to seriously hurt private consumption or corporate investment. The Bank of Japan is still expected to maintain its plan to continue raising interest rates. "There will almost certainly be continued downward pressure. But from the BOJ's standpoint, the bigger concern is the risk of prices overshooting," said Kento Minami, senior economist at Daiwa Securities. "My view is that the January-March GDP data show Japan's economy was still resilient before tensions in the Middle East escalated. Given incoming data for the April-June quarter, as well as government actions and economic policy, the economy is likely to remain firm. That suggests the BOJ may have to tilt more toward rate hikes." **TEMPORARY DIP?** The GDP figures released by the Cabinet Office showed the economy expanded an annualized 1.8% in the first quarter, worse than the initially estimated 2.1% but better than economists' median forecast for 1.3% growth. Without annualization, GDP grew 0.5%, slightly above the median forecast for a 0.3% expansion and matching the preliminary figure. Businesses' capital expenditure shrank 0.7% in the first quarter, revised down from the initial estimate for a 0.3% rise and compared with an estimated 0.9% drop. The downward revision reflected corporate spending on plant and equipment data that was released after the preliminary GDP figures. A Cabinet Office official said sectors posting steep quarter-on-quarter declines included custom software, computers and office machinery. Daiwa's Minami said the uptrend in spending on labor-saving measures and AI has not changed, adding the contraction looks more like a temporary dip than a change in trend. Private consumption, which accounts for more than half of Japan's economy, increased 0.3%, also matching the initial data. External demand, or exports minus imports, added 0.3 percentage point to GDP, unchanged from the preliminary data. Domestic demand contributed 0.2 of a percentage point, also matching the initial figure. (Reuters)
- Trump says new Israel, Iran strikes won't affect peace deal** - U.S. President Donald Trump said on Sunday that new strikes by Israel and Iran would not affect his administration's peace talks with Tehran, saying Israeli Prime Minister Benjamin Netanyahu "doesn't call the shots." Trump has leaned on Israel to stop its attacks in Lebanon to allow room for a deal to end the wider war with Iran, including rebuking Netanyahu with obscenities in a phone call last week. However, Israel earlier on Sunday launched strikes in the Beirut area for the first time since the U.S. announced a truce plan for Lebanon last week. Iran fired a salvo of

missiles at Israeli targets in retaliation, putting U.S.-Iran peace talks at risk. But Trump insisted that an agreement to end the wider war remains well within reach. "It's not going to have any impact on the deal," Trump told the Financial Times. "I call the shots. I call all the shots. He doesn't call the shots." Five hours after Iran launched missiles at Israel, Netanyahu had yet to publicly comment on the attack. The latest hostilities drove oil prices up more than 2% in early trading on Monday, with benchmark Brent futures back above \$95 a barrel. Iran's Revolutionary Guards said they had targeted Ramat David air base, near Nazareth. The Israeli military said it identified missiles launched from Iran and that its defense systems had intercepted them. Trump, who was spending the weekend at his golf club in Bedminster, New Jersey, and Netanyahu spoke by phone for a little less than half an hour on Sunday, an Israeli official said, without giving further details. The White House and the Israeli prime minister's office did not immediately respond to requests for comment. Trump told Netanyahu during the call to refrain from further strikes because "we are close to doing something good in terms of a deal," according to a U.S. official quoted by Axios. The official said Trump had "bought a little bit of time," Axios reported. Shortly after midnight on Monday, the Israeli military issued a brief statement, citing Chief of Staff Eyal Zamir as saying his forces had not been directed to attack Iran so far, but would do so "with determination" once given the order. Since the start of U.S.-Iran talks aimed at halting the war, Israel has continued attacks in Lebanon in a conflict with Hezbollah that Israeli officials insist should be treated separately from any ceasefire with Iran. Tehran has long said any peace deal with the U.S. would depend on a ceasefire also holding in Lebanon, which Israel invaded in March in pursuit of Iran-backed Hezbollah fighters who fired rockets and drones across the border in solidarity with Tehran. Iran's chief peace negotiator, parliamentary speaker Mohammed Baqer Qalibaf, said U.S. bases and Israeli assets are legitimate targets because of hostile acts, including the "violation of agreements over Lebanon." Before Sunday, Iran had not attacked Israel since a ceasefire in the wider war started in April, although Hezbollah has done so. Trump has repeatedly insisted that Washington and Tehran were close to an agreement on ending the war. "We're very close to a deal, or I'm going to blow the hell out of them," Trump told NBC News' "Meet the Press" in a prerecorded interview that aired on Sunday to mark 100 days of the conflict. (Reuters)

Regional

- Opec+ agrees another symbolic quota hike for July** - Major Opec+ members agreed another modest symbolic increase to their oil output quotas for July, even as a blockage of exports from the Arabian Gulf prevents most of them from implementing it. Seven nations led by Saudi Arabia and Russia will raise their collective target by 188,000 barrels a day next month, continuing the process — if only on paper — of restarting production halted several years ago, the Organization of the Petroleum Exporting Countries said in a statement on Sunday after a video conference. With the Strait of Hormuz largely closed by the Iran war and Middle East producers forced to cut output, the Opec+ decision remains theoretical for the time being. It could become relevant again when the waterway reopens, with buyers clamoring for barrels to replenish the world's depleted oil inventories. "At this stage we are basically talking about hypothetical future scenarios with the bulk of the barrels stranded," said Helima Croft, head of commodity-markets strategy at RBC Capital Markets LLC. While Russian shipments aren't directly affected by the war, its crude production has also been challenged, falling to a 10-month low in May as Ukraine intensified strikes on its oil infrastructure. While a surge in US supply and diminished Chinese buying have prevented crude oil prices from spiraling out of control so far, fuels like gasoline, diesel and jet fuel have nevertheless surged during the conflict. That's squeezing consumers worldwide and heightening the risk of an economic downturn. Still, markets haven't rallied as much as feared while China dials back imports, major consumers tap emergency stockpiles and US President Donald Trump repeatedly signals an imminent peace deal. The group's next meeting will be on July 5. The video conference was one of four online meetings scheduled for Sunday. These included the first administrative gathering for core Opec ministers since last month's surprise exit of long-time member the United Arab Emirates. There were also talks between the wider Opec+ alliance, and a session for its advisory body, the Joint

Ministerial Monitoring Committee. The UAE announced its departure from the organization effective May 1, ending six decades of membership. Abu Dhabi had long been frustrated that Opec's quotas prevented it from deploying new investments in production capacity. For most of the past year, key Opec+ nations had been restoring output halted several years ago, when the alliance was trying to stave off a surplus and shore up prices. They've continued the process since the war started, even though the conflict prevents many of them from raising production. With the quota increase for July, the group will have nominally restored almost 90% of two layers of production halted in 2023. Last month, delegates said the group had a plan to complete that chunk with increases from July to September. Those supplies amounted to 3.85mn barrels a day at the time, though the volume has been reduced slightly as a result of the UAE's exit. A third layer, which equated to 2mn barrels a day when it was taken offline in 2022, is due to remain shut down until the end of year. Delegates said last week it could be fast-tracked, but even then most of the oil wouldn't materialize. Pledged supply increases over the past year have fallen significantly short of the advertised amounts as a combination of under-investment, aging oil fields and sanctions have eroded production capacity in many Opec+ members. (Gulf Times)

- Gulf tourism faces its hardest test since Covid** - Just six years after the Covid-19 pandemic brought much travel and tourism to a halt, a comparable crisis is hitting the hospitality sector in the Gulf. The conflict that erupted on February 28 between the US and Israel against Iran resulted in a closure of airspace lasting a few weeks, bomb damage to infrastructure, fears over security and a consequent plunge in visitor numbers. The response should be practical and immediate. Gulf governments can temporarily reduce tourism-related fees, licensing costs and event charges, while hotels shift marketing towards domestic and regional visitors. Airports can support airlines through temporary reductions in selected charges to protect connectivity, and governments can create real demand by directing training programs, conferences and official events to local hotels. A targeted refinancing fund, delivered through banks as interest-free soft loans, can also help viable hotels manage cash flow, provided the support is linked to job retention, cost control and clear operating plans. Tourism vouchers, faster event approvals, visa facilitation and temporary relief on utilities such as electricity, water and cooling would further reduce pressure on the sector. More than half of scheduled flights in the region were cancelled in the first two weeks of the conflict. Airport hub traffic was down between 55% and 85%. The cost to tourism was running at an estimated \$600mn per day by mid-March, at the peak of the conflict. Airspace has been reopened since early May, but the effects linger. Flights have been re-routed from Middle East hub airports, and many tourists have preferred to take a vacation in the western Mediterranean. Prior to the conflict, airports in the Middle East handled 10-15% of global transit traffic. Across the region, the estimated drop in arrivals is between 23mn and 38mn, with reduced visitor spending of \$34bn-\$56bn. A hidden benefit from the Covid-19 crisis, however, is that there is relatively recent experience in how to cope with a sudden, huge and unexpected drop in the number of tourists. There are measures that the sector can take, and there are smart policies that governments can adopt. For the sector it has to be recognized that it may be some time before visitor numbers return to the levels of 2025, when numbers just for Qatar reached 5mn, up from 2mn five years before. Hotels and tour operators will need to reduce the cost base. Marketing is best aimed at potential visitors in neighboring countries, those in similar proximity to Iran. While visitors from India or Europe may be deterred from coming to the region owing to security concerns, those from other Gulf nations face the same or a similar situation at home. A strategic pivot towards local marketing, dynamic pricing and offering extended stays should help hotels and tour operators. The near-closure of the Strait of Hormuz has resulted in elevated costs for aviation, and higher prices for flights, especially long-haul flights. The oil price is estimated to remain at 10-15% higher until the end of 2027, impacting aviation fuel costs and completely changing the cost base for airlines. Governments in the Gulf can play a major role. They recognize that tourism as a sector is of strategic importance in diversifying the economic base away from oil and gas, so there is a long-term economic case for supporting the sector. Direct subsidies are not the smartest option, as they represent payment for no service in return, and can inhibit necessary restructuring and cost control.

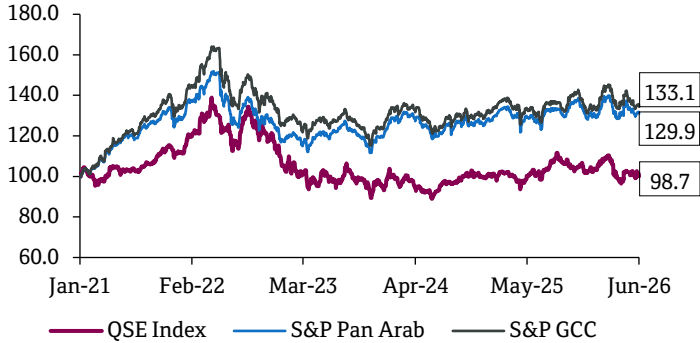
Better options are soft loans and putting government business the way of hotel operators. A government could provide business directly, for example by block booking conference facilities for internal staff training or similar events and booking rooms where government staff can enjoy a staycation. Gulf nations benefit from healthy fiscal balances, so affordability should not be a problem. Jointly, the government and hospitality businesses can cooperate to create cultural or sporting events with the aim of attracting visitors. While marketing to neighboring Gulf nations may be the priority in the near to medium-term, it is also necessary both for the industry and for governments to emphasize in marketing messages internationally that the region remains relatively safe and attractive as a destination. For Qatar, the stakes are high: Tourism has been effectively encouraged in line with Government policy to diversify away from oil and gas as export earners. Hosting the FIFA World Cup in 2022 gave a huge boost to the country's profile and was associated with modernization of infrastructure and investment in hotel facilities. Maintaining occupancy levels has been a challenge since the tournament ended, even before the start of the war. Some of the projects were debt-financed and, given the nature of preparing for such an important event with immovable deadlines, construction costs were high. So the conflict came at a time when parts of the hospitality sector were not in the healthiest state. To assert that the current crisis is temporary may be true, but it is likely to last longer than some businesses can survive. The Covid-19 pandemic and the disruption to supply chains caused by the Russia-Ukraine conflict have resulted in international businesses prioritizing resilience over leanness and efficiency. Much of this learning can be applied to the current situation. Tourism can recover in as little as two months from severe disruption, according to the World Travel and Tourism Council, but there is no certainty that the US-Iranian tension will be swiftly resolved, and hope is not a strategy. Switching to local marketing and extended stays, with government support, may be a necessary approach for some time to come. (Gulf Times)

- Gulf Air sees travel demand recovering in summer** - Bahrain's national carrier has predicted travel demand through its hub will recover in coming weeks after the Iran war disrupted passenger flows across the region and forced the airline to halt operations. For July, "we're seeing higher forward bookings week on week than the year before," Gulf Air Chief Executive Officer Martin Gauss said in an interview in Rio de Janeiro. For now, demand into the winter months is at normal levels, he said. Still, load factors are currently down 3% compared with last year. The airline had to stop flying out of the kingdom for 40 days, set up operations in Saudi Arabia and move planes out of Bahrain when the war started and the country was caught up in the line of fire. The airline "has not deliberately reduced prices, because we didn't have to" to attract customers, Gauss said. Fares have ticked up because of higher fuel prices, though the airline doesn't decide ticket pricing based on fuel, "the market decides on the ticket price," he said. Airlines across the Gulf have started to recover capacity after the airspace over some of the busiest travel hubs in the world reopened. Neighboring Emirates, the world's largest carrier, has yet to fully rebuild its service and is operating at about 75% of its prewar capacity. Gauss joined the carrier in November, only a few months before the war started, with a mandate to revive the loss-making airline and introduce a more premium product. He previously ran Air Baltic AS. (Gulf Times)
- UAE continues to attract capital, but greater focus on due diligence, valuations** - The UAE is continuing to attract capital, supported by its relative stability, favorable tax and business environments, and safe-haven positioning, Archers Valuation & Advisory has said. "What we are seeing is not a withdrawal of capital from the UAE market. If anything, the UAE continues to attract capital during periods of regional uncertainty. The approach to risk has become more disciplined," Managing Partner Rus Kolinko said in a statement. Investors and lenders, especially in real estate sector, are becoming more selective around asset quality, income durability, refinancing exposure and execution risk as regional geopolitical, macroeconomic and financing conditions continue to evolve. "This is contributing to stronger demand for independent valuation and technical due diligence advice, especially in refinancing, restructuring, institutional acquisitions and transactions involving complex ownership structures," Kolinko said. Technical due diligence is

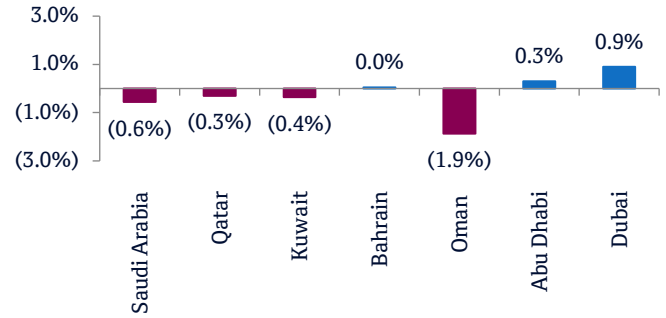
becoming more risk-focused, with investors paying closer attention to operational resilience, future capex, regulatory risks, ESG considerations and long-term asset performance, he stated. (Zawya)

- **Oman Air looks to order jets, transform to profit** - Oman Air is looking to order jets to replace aging planes and serve more routes for the Gulf state carrier, while transforming itself from a loss-making airline, CEO Con Korfiatis said on Sunday. Korfiatis did not disclose any deal timeline or number of planes, but said he was looking at narrowbody jets with lay-flat beds that appeal to premium passengers and can profitably carry fewer travelers than a widebody jet on long-haul routes, such as Kuala Lumpur and Istanbul. "Something we've done in the last couple of years that we weren't doing in the past is long-haul flights with narrowbody aircraft," he said. "We see an opportunity to serve the market with this product." The small Middle East carrier, with a fleet of 34 aircraft, was thrust into the limelight in March when Oman and Saudi Arabia offered alternative travel routes to tens of thousands of people in the Gulf trying to escape Iranian airstrikes following the U.S.-Israeli war on Iran. Oman Air needed to accommodate about four to five times the normal number of passengers during the crisis. The carrier expects to do at least the same amount of flying in 2026 as last year. "To have that many people come across the border for flights, it certainly operationally challenged us in ways we haven't seen," Korfiatis said. "We've never seen our airport so full." He said that, in some cases, customers needed to purchase their tickets before crossing the border. "At the border, some people didn't have transport, so we actually put some bussing services," he said. Passengers who stayed in Oman while waiting to depart the Gulf may return, benefiting the carrier's transformation plan from a loss-making airline. "Generally, when people come to Oman, they do come back," he said. (Reuters)

Rebased Performance



Daily Index Performance



Source: Bloomberg

Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	4,328.45	(3.3)	(4.7)	0.2
Silver/Ounce	67.83	(8.2)	(9.9)	(5.3)
Crude Oil (Brent)/Barrel (FM Future)	93.09	(2.0)	1.1	53.0
Crude Oil (WTI)/Barrel (FM Future)	90.54	(2.7)	3.6	57.7
Natural Gas (Henry Hub)/MMBtu	3.04	(1.3)	(9.0)	(23.8)
LPG Propane (Arab Gulf)/Ton	81.00	(1.2)	(2.4)	27.2
LPG Butane (Arab Gulf)/Ton	102.30	(2.4)	(4.0)	32.7
Euro	1.15	(0.8)	(1.2)	(1.9)
Yen	160.29	0.2	0.6	2.3
GBP	1.33	(0.6)	(0.8)	(1.0)
CHF	1.26	(0.8)	(1.9)	(0.4)
AUD	0.70	(1.2)	(1.9)	5.6
USD Index	100.07	0.7	1.1	1.8
RUB	0.0	0.0	0.0	0.0
BRL	0.19	(2.0)	(2.6)	6.3

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	4,755.77	(2.3)	(2.2)	7.3
DJ Industrial	50,866.78	(1.3)	(0.3)	5.8
S&P 500	7,383.74	(2.6)	(2.6)	7.9
NASDAQ 100	25,709.43	(4.2)	(4.7)	10.6
STOXX 600	622.66	(1.1)	(1.7)	3.3
DAX	24,759.05	(1.5)	(2.6)	(0.8)
FTSE 100	10,368.05	(0.5)	(1.2)	3.7
CAC 40	8,218.24	(1.1)	(0.8)	(0.9)
Nikkei	66,588.12	(1.5)	(0.3)	29.0
MSCI EM	1,717.34	(2.4)	(2.0)	22.3
SHANGHAI SE Composite	4,027.74	(0.9)	(1.3)	4.5
HANG SENG	24,961.95	(1.2)	(0.8)	(3.2)
BSE SENSEX	74,243.34	0.2	(1.2)	(17.9)
Bovespa	169,019.12	(2.1)	(4.4)	11.9
RTS	4,864.59	0.4	1.3	9.8

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

Disclaimer and Copyright Notice: This publication has been prepared by QNB Financial Services Co. W.L.L. ("QNBFS") a wholly-owned subsidiary of Qatar National Bank (Q.P.S.C.). QNBFS is regulated by the Qatar Financial Markets Authority and the Qatar Exchange. Qatar National Bank (Q.P.S.C.) is regulated by the Qatar Central Bank. This publication expresses the views and opinions of QNBFS at a given time only. It is not an offer, promotion or recommendation to buy or sell securities or other investments, nor is it intended to constitute legal, tax, accounting, or financial advice. QNBFS accepts no liability whatsoever for any direct or indirect losses arising from use of this report. Any investment decision should depend on the individual circumstances of the investor and be based on specifically engaged investment advice. We therefore strongly advise potential investors to seek independent professional advice before making any investment decision. Although the information in this report has been obtained from sources that QNBFS believes to be reliable, we have not independently verified such information and it may not be accurate or complete. QNBFS does not make any representations or warranties as to the accuracy and completeness of the information it may contain, and declines any liability in that respect. For reports dealing with Technical Analysis, expressed opinions and/or recommendations may be different or contrary to the opinions/recommendations of QNBFS Fundamental Research as a result of depending solely on the historical technical data (price and volume). QNBFS reserves the right to amend the views and opinions expressed in this publication at any time. It may also express viewpoints or make investment decisions that differ significantly from, or even contradict, the views and opinions included in this report. This report may not be reproduced in whole or in part without permission from QNBFS.

COPYRIGHT: No part of this document may be reproduced without the explicit written permission of QNBFS.