SUPPORTING ECONOMY | Page 3

QEWC shareholders approve board's dividend proposal

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GULF TIMES BUSINESS

STRONGER BUY INTERESTS: Page 12

Financial package announcement lifts Qatar shares above 8,400 level

The Doha Bank board outlines its future expansion strategy before shareholders at the annual general assembly yesterday.

QCB lowers interest rates

QNA
Doha

The Qatar Central Bank (QCB) announced yesterday that it reduced its deposit rate (QCBDR) by 50 bps to 1.00%, lending rate (QCBLR) by 100bps to 2.50%, and the QCB repurchase rate (Repo) by 50 bps to 1.00%.
In a press release issued yesterday, the QCB said that the decision to reduce its deposit rate, lending rate and the repurchase rate is based on the evolving domestic and international macroeconomic developments.
The QCB's decision comes in line with the US Federal Reserve's decision announced on Sunday to cut interest rate by a quarter-point for the second time in less than two weeks, in another emergency step to help support the US economy in addressing the repercussions of the coronavirus outbreak. The US Federal Reserve said in a statement that it would cut its target interest rate to a range of 0 to 0.25%
The US Federal Reserve had already cut interest rates by half a percentage point after an emergency meeting on March 3. That had been the first rate cut outside of a regularly scheduled policy meeting since the financial crisis in 2008.
Most countries with currencies pegged to the US dollar hike and lower interest rates with the Fed. The Qatari riyal has been pegged to the US dollar since 1980.

Doha Bank planning to raise capital up to $1bn

By Santhosh V Perumal
Business Reporter

Doha Bank is planning to raise capital up to $1bn as part of further strengthening its capital base and to meet its expansion strategy, which includes process reengineering, digitisation and automation, in addition to developing the business intelligence.

The proposed capital enhancement, for which a definite timeframe has not been set, will be either directly undertaken by the bank or through a special purpose vehicle and it could be through Tier I or Tier 2.

A proposal regarding this yesterday got shareholders nod at the annual extraordinary general assembly meeting, which was presided over by Doha Bank chairman Sheikh Fahad bin Mohamed bin Jabor al-Thani.

The issuance, which would qualify as capital instruments, can be through public route or a private placement, in local and/or international markets. It can be in local or major foreign currencies.

The Tier II (debt) would not exceed $500mn or equivalent, Sheikh Fahd said, adding the maturity of the additional Tier I instruments would be perpetual and that of Tier II would be limited to 10 years.

"The bank has taken approval (from shareholders) for us to go for additional Tier I or Tier II of up to $1bn but it would depend upon the market conditions," Doha Bank group chief executive Dr R Seetharaman told reporters on the sidelines.

Stressing that bank needed to strengthen its capital adequacy further, he said at present it stood at 17.6%, which is a good one and that core equity also has moved to 11.5% against the minimum threshold of 9%.

The lender retained the 2019 profit in order to strengthen the shareholders' equity, which would have a "positive" impact on increasing the capital adequacy ratio and would also enhance the bank's capacity and its ability to grow its investments and credit portfolios in different business areas. Moreover, it would increase the income of the bank in the coming years, Sheikh Fahd said.

Doha Bank has laid out a five-year policy that focuses on achieving continuous growth in the main income items, improving asset quality, diversifying income sources, particularly non-interest income and effectively monitoring and managing costs in line with the banking industry to optimise the cost of funding as well.

The bank has done reasonably well with the operating income growing by 5.6% and total assets by 11.9% with loan book expanding 9.9%, Seetharaman said, adding investment portfolio has increased by 28%.

Highlighting the bank's efficiency, he said cost-to-income ratio has improved to 33.6% from 35.6% and overall there has been a balanced performance.

Doha Bank recasts its board for 2020-23

Doha Bank has recast its board for 2020-23 with members being elected unopposed.
The members were inducted into the board after the shareholders gave their approval at the extraordinary general assembly, which was presided over by Doha Bank chairman Sheikh Faisal bin Mohamed bin Jabor al-Thani.
The members are Ahmed Abdul Rahman Yousif Obaidan; Ahmed Abdulla Ahmed al-Khal; Sheikh Abdullah Mohamed Jabor al-Thani; Sheikh Abdul Rahman bin Mohamed bin Jabor al-Thani; Fahad Mohamed Jabor Holding, represented by Sheikh Fahad bin Mohamed bin Jabor al-Thani; and Jasim and Falah Trading and Contracting, represented by Sheikh Falah bin Jasim bin Jabor al-Thani.
The independent directors are Naser Mohamed Ali al-Mathkoor al-Khaldi; Abdullah Ali Abdul Rahman al-Abdulla; and Naser Khalid Naser Abdullah al-Misnad.

Doha Bank announces measures to help SMEs

Doha Bank has announced measures to help small and medium enterprises (SMEs) that may be impacted due to the spread of coronavirus (Covid-19).

Considering the present situation due to Covid-19, Doha bank observed that SMEs cash flows may be impacted and decided to extend support to borrowers under the SME segment by postponement upon request up to 90 days of their instalments under term loan and payments under LTR/ STPF facilities falling due up to June 30.

Doha Bank will not charge penal interest and fee for the same, a bank statement yesterday said.

It said Doha Bank considers that SMEs are the primary component of liberal economy and social stability.

"SMEs not only contribute to output, fulfil social objectives, attract considerable foreign reserves into a country but also have a clear importance in providing employment, they are the backbone of the private sector all over the world which drives the impact to a sustainable economy. So, it is very important to support SMEs time to time depending upon the market situation."

Doha Bank said it is a "pioneer in appreciating the importance of the very critical role" being played by SMEs in the development of Qatar's economy. Doha Bank was the first to launch 'Tatweer', a dedicated SME unit in 2008.

Doha Bank has been "very supportive" of SMEs and are "helping them" to be ready for the times ahead by way of providing financing with the help of innovative products and services for their commercial activities. To Page 3

QBA lauds Qatar's crisis management on Covid-19

The Qatari Businessmen Association (QBA) lauded the directives of His Highness the Amir Sheikh Tamim bin Hamad al-Thani to the Supreme Committee for Crisis Management in a media statement yesterday.

The QBA board, headed by its chairman HE Sheikh Faisal bin Qassim al-Thani, said the measures "reflect a sublime human sense, wise, and responsible behaviour by His Highness towards the people and everyone who lives in Qatar."

The QBA statement stated that it also "touches strikingly with the accuracy and sensitivity of the difficult stage that our country and the rest of the world is going through as a result of the spread of corona pandemic, and its serious repercussions on the business environment and the global economy in general, as it translates in word and action the wisdom of great leadership, its insightful vision, its rapid response, and its responsible handling of the crisis with a high national sense and high responsibility."

The QBA noted that Qatar adopted a wide range of precautionary measures to control the transmission and spread of the epidemic, and set an example for many countries in the world to follow, "which is consistent with the supreme national interest, and with the general policies of the state and its vision that prioritises the human being and his safety above all else."

The QBA board stressed that the important economic decisions announced by the Supreme Committee for Crisis Management would give Qatar's business environment and private sector "a huge support, and reduce the size of the economic impact wrought by the pandemic."

The board, likewise, praised His Highness the Amir's call to provide the private sector with financial and economic incentives worth QR75bn, which will support the financing needs of the private sector and help it continue its work efficiently and maximise its role in sustainable development projects, reducing the pressure and financial burden on small and medium-sized enterprises (SMEs).

The QBA also commended the instructions of the Qatar Central Bank to postpone loan instalments for six months, in addition to directives to reduce the burdens and operating expenses on companies in the hospitality, retail, tourism, commercial complexes, logistical areas, and sales outlets by granting exemptions from electricity and water fees for six months.

"This will be reflected on the social level of reassurance and solvency of the purchasing power of the citizen, the residents, and members of society. This is in addition to supporting the stock market and the general investor market by directing government funds to increase their investments on the Qatar Stock Exchange by QR10bn," the statement said.

The QBA board said the bundle of economic incentives will be reflected on the business environment in Qatar through economic growth rates and on all other economic indicators, including the current account and balance of payments and inflation rates, "as it will give strong signals of the robustness of the Qatari economy, the high financial solvency of the financial and banking systems, and important signals on the flexibility and speed of decision-making to face urgent challenges, and the wisdom in making bold and difficult decisions in critical times."

Sheikh Faisal said the world is currently experiencing a crisis due to the rapid spread of the corona virus. He said this puts the world in front of "a great challenge, and a real test of the human race."

"It provides an important human lesson on how to deal with crises, and ways to deal with them with minimal damage…the measures and procedures that the state of Qatar has followed in dealing with the crisis represented an advanced model, and a civilised situation that reflects years of preparation, work, education, and effort, utilising and maximising capabilities, and investing in people first," Sheikh Faisal emphasised.

Members of the QBA are constantly coordinating with the authorities regarding any economic developments, and are always ready to support the government's plans to address the current situation, the statement added.

The QBA board stressed that the important economic decisions announced by the Supreme Committee for Crisis Management would give Qatar's business environment and private sector "a huge support"

BUSINESS

'Turkey mulls tax relief to blunt coronavirus pain'

Turkey is considering tax relief for businesses as one possible step to help the economy through a slowdown in the face of spreading coronavirus, two sources said yesterday, as stocks tumbled and the lira hit levels not seen since 2018, reports Reuters.

Adjustments to tax regulations may be on the agenda as the government decides how to help companies and small businesses especially in the export and tourism sectors seen as vulnerable, said the sources, who are aware of the planning. Yesterday, as Turkey's confirmed coronavirus cases rose to 18, the finance minister promised to support financial markets facing a liquidity crunch.

The government has promised support for the tourism sector, and expectations have risen for broader fiscal and monetary support.

IMF chief says 20 countries seek aid, calls for co-ordinated spend

Reuters
Washington

International Monetary Fund managing director Kristalina Georgieva yesterday said 20 additional countries have asked about receiving aid from the global lender as the coronavirus pandemic halts economic activity, and she called for strong, co-ordinated fiscal stimulus to limit the damage.

In a blog post on the IMF website, Georgieva said the Fund was ready to mobilise its full $1tn lending capacity to help member countries deal with the crisis.

She did not identify the countries that have expressed interest in new financing programmes.

Iran last week said it was seeking an emergency loan from the IMF.

"As the virus spreads, the case for a co-ordinated and synchronised global fiscal stimulus is becoming stronger by the hour," Georgieva said.

The IMF chief issued her message shortly before she was due to participate in a 10am EDT (1400 GMT) call with leaders of the G7 wealthy democracies, several of which are battling severe coronavirus outbreaks.

US stock markets were down sharply in mid-morning trading with the S&P 500 index down about 10% and shedding $2tn in value.

Georgieva, in her blog, suggested that co-ordinated fiscal action on the scale of the 2008-2009 financial crisis may be necessary.

She said that in 2009 alone, Group of 20 countries deployed about 2% of their GDP in stimulus, or about $900bn in today's money," so there is a lot more work to do." She said that governments should continue to prioritise health spending and provide support to the most affected people and businesses with policies such as paid sick leave and targeted tax relief.

On the monetary policy front, she said central banks "should continue to support demand and boost confidence by easing financial conditions and ensuring the flow of credit to the real economy," citing emergency actions by the US Federal Reserve and other central banks on Sunday as an example. She applauded the opening of swap lines between major central banks, adding that such swap lines may need to be extended to emerging market countries in the future.

Islamic finance bodies to assess coronavirus damage on industry, pledge support

By Arno Maierbrugger
Gulf Times Correspondent
Bangkok

Gulf Times Exclusive

As the coronavirus keeps spreading globally and leaves a swath of economic disruption on its way, several Islamic finance umbrella organisations have started assessing the potential damage the virus has on Islamic finance and banking and the halal industry as a whole.

The Islamic Development Bank, a multilateral development finance institution focusing on supporting the Islamic finance industry in its 57 member states, in a statement said it was "deeply concerned about the loss of lives, the socio-economic disruptions and the strain on countries' health systems caused by this emerging pandemic."

The bank expressed solidarity with its member countries and emphasised it stood ready "to extend all possible support to address the threat caused by the Covid-19 virus" and would lend support to its members "in the short, medium and long-term."

Iran, hit hardest by the disease in the Middle East, was among the first to send a request to the Islamic Development Bank – among other international development organisations – for financial and non-financial assistance to control, combat and treat the coronavirus and tackle the economic impact of the pandemic on the country. Iran's ministry of economy on its website said it expects "urgent responses" to its requests.

In another statement last week, Kuala Lumpur-based Islamic Financial Services Board, a globally active body that sets standards and offers guidance for Islamic banking and finance with 180 members, including regulatory and supervisory agencies, industry associations and financial institutions, said it was "closely monitoring the current regional and global situation" and was implementing measures to ensure the health and safety of all member representatives and staff. The measures include the postponement of all physical workshops and meetings and the introduction of virtual formats instead, the activation of a dedicated information and support telephone hotline for all members, delegates and the public, as well as "initiatives to assess and review the financial stability implications of Covid-19 on the global Islamic financial services industry, particularly on our members' jurisdictions."

The member banks of the Association of Islamic Banking and Financial Institutions Malaysia, one of the largest national umbrella groups for Islamic banks in the industry, encouraged their customers, both individuals and businesses, to connect with their respective banks "to seek advice regarding their banking issues that have arisen as a result of the outbreak." As a first proactive measure, a number of Malaysian Islamic banks, including Maybank Islamic, RHB Islamic Bank and Hong Leong Islamic Bank, have begun to offer relief packages for their clients, namely temporary deferment of loan repayments, restructuring and rescheduling of financing lines and other options on a case-by-case basis to help overcome immediate financial constraints faced by customers owing to the virus outbreak.

"We do understand that this sudden turn of events arising from the virus outbreak have impacted some of our customers across various industries, and also individually," Maybank president and CEO Abdul Farid Alias said in a statement, adding that "as their financial partner, we would like to do our part and help relieve them from added distress during this difficult period.

In addition to assistance and help from banks, a number of Islamic insurance operators in Malaysia – alongside conventional insurers – have pledged to provide hospitalization coverage and treatment to their policy holders during the coronavirus outbreak even though diseases with legal quarantine are technically excluded from coverage. According to the Malaysian Takaful Association, its 15 members, among them large Islamic insurers such as AIA Takaful, Hong Leong Takaful, Sun Life Takaful, Prudential Takaful, Maybank's takaful division Etiqa and Zurich Takaful Malaysia, will waive this exclusion for certificate holders of life, health and family takaful.

QEWC shareholders approve board's dividend proposal

The first phase of the largest solar energy project in the region in terms of size and capacity – Siraj (Solar PV Power Plant with a total capacity of 800MW) will be completed in April, 2021 at Al-Kharsaah

The ordinary general assembly of Qatar Electricity and Water Company (QEWC) yesterday approved the recommendation of the board of directors to distribute cash dividends to shareholders for the fiscal year 2019, at 77.5% of the nominal value of the share.

HE the Minister of State for Energy Affairs and chairman of QEWC's Board of Directors, Saad bin Sherida al-Kaabi said the electricity and water sector contributed to supporting the Qatari economy through "continuous co-ordination and co-operation" between the Qatar Electricity and Water Company and the Qatar General Electricity and Water Corp (Kahramaa).

The minister noted that QEWC is keen to implement all necessary projects in accordance with the best specifications to keep pace with the country's needs. The focus is on raising the efficiency of the performance of its existing plants in line with local and international environmental standards.

He said QEWC completed several projects during 2019, the most important of which was the 'Umm Al Houl Energy' project, which is currently operating at full capacity.

The first phase of the largest solar energy project in the region in terms of size and capacity – Siraj (Solar PV Power Plant with a total capacity of 800MW) will be completed in April, 2021 at Al-Kharsaah.


HE al-Kaabi: QEWC is keen to implement all necessary projects in accordance with the best specifications to keep pace with the country's needs.

Al-Kaabi said Qatar General Electricity and Water Corp will purchase energy produced by Siraj. The project is an embodiment of Qatar's efforts to diversify energy sources and enhance the efficiency of renewable energy, which is an important element for a sustainable future for future generations, in line with Qatar National Vision 2030, launched and sponsored by His Highness the Amir, Sheikh Tamim bin Hamad al-Thani.

In order to diversify the sources of income through foreign investments, Qatar Electricity and Water Company through Nebras Energy Company seeks to increase its investments in global markets by obtaining distinct rates in a number of energy projects outside the country.

In all, 14 such investments have been made in seven countries around the world.

And in terms of developing the human resources, QEWC works to enhance efforts to develop the national cadre, and increase the number of Qataris in the company and its subsidiaries.

He noted that in 2019, the company achieved a lower percentage of profits than previous years, due to some old stations ceasing operations and investing in building alternative stations.

QEWC had posted a net profit of QR1.41bn in 2019, down 8% on 2018. The earnings per share stood at QR1.29.

QEWC general manager and managing director Fahad Hamad al-Mohannadi spoke about the company's projects and future plans.

He also spoke about QEWC's thrust on developing the Qatari workforce in the company and its subsidiaries.

It works in co-operation with accredited universities, institutes and training centres at home and abroad with the aim of developing and training Qatari employees.

Currently, the company's Qatarisation rate stood at 24%.

Al-Mohannadi highlighted QEWC's focus on safety in its operations and said it clocked very high rating in this respect.

Doha Bank announces measures to help SMEs

From Page 1

Apart from lending products, which take care of entire working capital finance, capex financing, Doha Bank SME also offers specialised services like cash management, payroll products, trade services, customised forex solutions, insurance solutions, etc.

Doha Bank is also playing an important role in supporting and promoting SMEs through QDB's indirect lending programme, called 'Al-Dhameen', which encourages commercial banks in Qatar to lend financial support to SMEs by way of guaranteeing 75%-85% of the principal outstanding to new as well as existing entities.

Doha Bank was one of the earliest signatories to this programme and said it has "made major progress in promoting" startups through this. "The world of opportunities, which are currently on offer for SMEs in the backdrop of the massive infrastructure development taking place in the form of ports, roads, rail, hotels, commercial and residential buildings for Qatar National Vision 2030.

"The development of new stadiums and massive refurbishment of the existing footballing infrastructure also presents an excellent opportunity for SMEs to grow further.

The growing population in Qatar will also provide fresh opportunities in the areas of organised retailing through hypermarkets and supermarkets, educational institutions and healthcare facilities. Doha Bank will continue to support SMEs in the above sectors as well as other business segment," the bank said.

A screen displays stock figures outside the Exchange Square complex, which houses the Hong Kong Stock Exchange. The Hang Seng index closed down 4.0% to 23,063.57 points yesterday.

Asia equities plunge as central bank moves fail to ease economy fears

AFP
Hong Kong

Asian markets tumbled yesterday as interest rate cuts and fresh stimulus measures by central banks failed to lift confidence, with analysts warning that the Federal Reserve may have reached the limits of its power to fend off recession as the coronavirus spreads.

The Fed move added to efforts by central banks around the world to combat the outbreak, which observers say will likely cause a global recession.

The scale of the crisis was laid bare by data showing Chinese industrial production for January and February shrank 13.5%, the first contraction in around 30 years.

Equity markets continue to be whipsawed by the disease, which has now infected almost 170,000 people and killed more than 6,000 with several countries going into lockdown as Europe becomes the new epicentre of the outbreak.

The Fed on Sunday slashed borrowing costs to almost zero — its second emergency cut in less than two weeks — and unveiled a massive asset-buying programme, similar to measures put into place during the global financial crisis.

The Bank of Japan on Monday unveiled a series of emergency monetary policy measures, saying it would ramp up its own bond-buying programme.

New Zealand's central bank also slashed rates to record lows in an attempt to cushion the economic blow, while the People's Bank of China has injected vast sums into financial markets to ease liquidity worries.

In joint action coordinated with the European Central Bank, Bank of England, Bank of Japan, Bank of Canada and the Swiss National Bank, the central banks moved to counteract global "dollar funding pressures", said Fed boss Jerome Powell. But traders were left unimpressed, with the virus showing no sign of letting up, while the head of the World Health Organisation chief Tedros Adhanom Ghebreyesus said it was impossible to tell when it would peak globally.

"While these moves may go some way to easing any potential blockages in the plumbing of the financial markets, they won't adequately compensate for the upcoming economic shocks that are about to come our way as a result of the events currently unfolding across Europe, as borders get closed and populations get locked down," said CMC Markets analyst Michael Hewson.

Sydney led losses, tumbling 9.7% in its worst drop on record, while Manila shed nearly 8% and Bangkok and Mumbai dropped more than 5%. Hong Kong, Singapore, Taipei and Jakarta all lost more than 4%. Wellington and Seoul were more than 3% off. Shanghai dropped tumbled 3.4% after the release of the industrial production data, which came a week after news that Chinese exports had collapsed.

Tokyo ended 2.5% lower, after a rally sparked by the Bank of Japan's support measures announcement fizzled.

In early trade, London, Frankfurt and Paris all lost more than 4%. The broad retreat follows a tumultuous week that saw some stock markets suffer their worst days in decades and in some cases their worst ever.

And experts said there was a concern that the Fed might be running on empty with regards to further action.

Sunday's move "raises the question of whether the Fed has anything left in the tank should the spread of the virus not be contained", said Kerry Craig at JP Morgan Asset Management.

"Our view is that the drag on the services sector from social distancing policies and shock from the fall of the oil price on the energy sector will be enough to tip the US into recession, but not necessarily a long one."

The unease has seen futures on Wall Street tumble around 5%. "The biggest concern has to be that the big G7 central banks have exhausted their policy tool kit," said AxiCorp's Stephen Innes.

"The markets now appear kind of defenceless to another selling onslaught, so the fiscal step is crucial in avoiding a dreaded global credit event."

On currency markets, the dollar dropped against the yen after the Fed rate cut, though the greenback was up against higher-yielding, riskier assets such as the Australian dollar and the Thai baht.

Oil dropped again, hit by a price war between major producers Saudi Arabia and Russia adding to demand concerns caused by the virus.

In Tokyo, the Nikkei 225 closed down 2.5% to 17,002.04 points; Hong Kong — Hang Seng ended down 4.0% to 23,063.57 points and Shanghai — Composite closed down 3.4% to 2,789.25 points yesterday.

Sensex extends slump as virus threatens economy

Bloomberg
Mumbai

India's benchmark stock index slumped to its lowest since September 2017 after entering a bear market last week amid concern that the novel coronavirus outbreak may threaten the nation's already fragile economy.

The S&P BSE Sensex fell 8% to 31,390.07 points in Mumbai, with all 30 members declining, following a wild session on Friday, when the gauge swung to end 4% higher from a 10% slide that triggered a market-wide circuit breaker. The Nifty Index declined 7.6% on Monday.

India's NSE Volatility Index, the stock market's fear gauge, climbed to its highest since 2008, signalling market turbulence will likely persist. Policy makers have pledged to use their record $481bn foreign-currency arsenal in a bid to stem the market rout, while the economy is expanding at its slowest pace in 11 years.

Indian stocks are "still far from a point where one can call a market bottom, particularly as uncertainties due to virus, financial-market dysfunction and energy prices remain," Credit Suisse equity strategists including Neelkanth Mishra wrote in a note. "We are still not at a level that suggests the aggressive selling is done."

The trajectory of the Covid-19 outbreak remains difficult to chart and incorporate in earnings, Citigroup analysts Surendra Goyal and Vijit Jain wrote in a note.

All 19 sector indexes compiled by BSE Ltd slid, led by a gauge of metal companies.

Housing Development Finance Corp Ltd contributed the most to the index decline, decreasing 11% while IndusInd Bank Ltd had the largest drop, falling 18%.

Meanwhile sovereign bonds in India gave up some gains after the central bank didn't join its peers in cutting interest rates and instead chose to inject cheap rupee liquidity. The Reserve Bank of India will do another Rs1tn of longer-term repos, governor Shaktikanta Das told reporters on Monday. Separately, the central bank will do another forex swap on March 23 to provide dollar liquidity to the market. The measures fell short of markets' expectations. The yield on the benchmark 10-year bond closed down 11 basis points at 6.21%, though it came off the day's low of 6.12%. The rupee weakened 0.5% in Mumbai, not far from its record lows of 74.5250 to a dollar seen last week.

"There is a slight disappointment in the bond market as the RBI didn't announce a rate cut," says Debendra Dash, a fixed-income trader in Mumbai at AU Small Finance Bank. "Short-end bonds may see some more gains, but you can't expect a big rally in bonds on the back of LTRO alone."

Asian central banks went into a firefighting mode on Monday after the Federal Reserve slashed its rates to address the rapidly mounting economic shock of the coronavirus pandemic.

New Zealand and the Bank of Korea reduced their benchmark rates in emergency moves, while the Bank of Japan doubled its target for net purchases of exchange-traded funds while holding its rate as it gathered on Monday instead of Thursday as scheduled.

Bond traders have been speculating about the imminent rate cuts in India after central banks across the world took measures to shield their economies from the impact of the coronavirus.

The Reserve Bank of India provided $2bn of dollar liquidity to markets on Monday via a forex swap as it uses unconventional tools to tackle the crisis.

Traders expected RBI to cut rates by at least 50-65 basis points this week, ICICI Securities Primary Dealership Ltd's head of fixed income Naveen Singh said before the announcement.

The Fed slashed its benchmark rate by a full percentage point to near zero and promised to boost its bond holdings by nearly $700bn as it braced for the fallout from the virus.

The RBI has so far desisted from lowering borrowing costs, citing high inflation though price pressures eased starting last month. It has instead relied on a Federal Reserve-style Operation Twist to reduce long-term yields and announced European Central Bank-like long term repos to enable better transmission of last year's five rates.

The Bombay Stock Exchange building in Mumbai. The Sensex closed down 8% to 31,390.07 points yesterday.

Philippine markets cut trading hours amid Manila lockdown

Bloomberg
Manila

Trading of Philippine stocks, peso and bonds will be shortened as the government implements a lockdown of the capital region to contain the coronavirus outbreak amid a spike in cases.

The stock exchange will end trading at 1 pm local time from March 16 to April 14, instead of the regular 3:30 pm closing, according to a memo on its website.

Foreign exchange and fixed income markets trading will also be shortened from 9 am to 2 pm starting March 17 "until further notice," the Bankers Association of the Philippines said.

Members of the quarantine team direct traffic at a checkpoint area in Cainta City, Metro Manila, the Philippines on March 15.

The Philippines' benchmark stock index fell 7.9% on Monday to its lowest level since October 2012. The peso closed 0.9% lower, extending its fall for the fourth straight session.

As work resumed on Monday, long queues of vehicles formed at border checkpoints, with workers from nearby areas trying to enter the capital, local media reports showed. People crowded and stood close to each other while waiting for trains and buses after government imposed passenger limits for social distancing.

President Rodrigo Duterte will meet with Cabinet officials and will announce more measures against the spread of the virus, his spokesman Salvador Panelo said at a briefing. Imposing a total lockdown and extending the ban to include areas near the capital will be considered, Panelo said.

At least six cities are imposing a curfew from 8 pm to 5 am and ordered malls to shut except for outlets of banks, drugstores, health clinics, supermarkets and hardware stores. Mass gatherings, concerts and even casinos are also banned.

The government is working to speed up the delivery of farm goods to the capital to ensure adequate food supply during the lockdown, the Agriculture Department said in a statement on Sunday.

Duterte ordered a month-long lockdown of Metro Manila, a region with more than 12mn people, restricting domestic travel in and out of the area and told government offices to function through a skeleton force.

The move to contain the virus will come at a cost to an economy that draws more than half of its output from the capital and adjacent provinces.

The number of confirmed infections has climbed to 140, with deaths rising to 12, according to the latest data from the health department.

The capital region accounts for about 40% of the nation's gross domestic product, a figure that rises to nearly two-thirds if you include the surrounding areas, according to Manila-based ING Group economist Nicholas Mapa who expects growth this quarter to weaken to less than 6%.

The central bank will allow lenders to extend due dates and restructure loans of borrowers affected by the coronavirus, deputy governor Chuchi Fonacier said on Sunday. These items won't be part of banks' bad loans data until March 2021.

India's first credit card IPO drops in debut on stock market rout

Bloomberg
Mumbai

SBI Cards & Payment Services Ltd declined in its stock market debut as investor uncertainty stemming from the coronavirus pandemic cast a shadow over the listing of India's first pure-play credit card issuer.

The company's shares opened at Rs658, versus an offer price of Rs755 apiece, and closed at Rs681.4, valuing the credit card issuer at $8.6bn.

The stock's launch couldn't have come at a worse time.

While concerns over the widespread disruption of businesses due to the outbreak have rattled stock markets globally, slowing economic growth and the seizure of Yes Bank Ltd have damped the appetite for risk at home as well. Trading in Indian equities was halted briefly on Friday after a 10% slump in the main indexes triggered a market-wide circuit breaker.

Still, the $1.4bn initial public offering was 22.5 times oversubscribed due to the company's perceived potential for growth in an under-penetrated Indian market, its dominant position in the industry and strong parentage in the form of country's largest bank worked in its favour.

"The overhang of the pandemic is weighing on investor sentiment even though SBI Cards remains a good bet on India's long term consumption story," said Chokkalingam G, head of investment advisory Equinomics Research & Advisory in Mumbai.

"Deflationary conditions in fact see credit card spends go up. The stock is still a buy as the current disruption doesn't alter the long-term potential of the company given the country's low penetration of credit cards." Priced at the upper end of its expected price band, the IPO raised Rs70.4bn ($952mn) for its backers, State Bank of India and Carlyle group. It drew 74 anchor investors including the Singapore government and Kuwait Investment Authority, raising Rs27.7bn.

SBI Cards is India's second largest credit card issuer after HDFC Bank Ltd, with a market share of 18% in terms of number of cards issued. The market has a total of about 74 players. Credit card spending in India grew about 32% annually from 2015 to 2019, and is expected to total Rs15tn in 2024, according to CRISIL Report.

"Structurally, the credit card sector is poised to grow in India but we don't know how the coronavirus impact will unfold," said Kajal Gandhi, analyst at ICICIDirect. "Pain can accentuate in the short term as there could be a possibility of bad loans spiking due to the impact of the pandemic."

Assorted credit and debit card machines sit at a payment counter at a Hindustan Petroleum gas station in New Delhi. SBI Cards & Payment Services declined in its stock market debut as investor uncertainty stemming from the coronavirus pandemic cast a shadow over the listing of India's first pure-play credit card issuer.

QATAR

Company Name	Lt Price	% Chg	Volume
Zad Holding Co	14.40	0.42	74,808
Widam Food Co	5.30	2.91	67,074
Vodafone Qatar	0.83	-0.83	4,345,487
United Development Co	0.94	5.05	13,788,044
Salam International Investme	0.27	-1.10	12,765,099
Qatar & Oman Investment Co	0.43	1.90	853,705
Qatar Navigation	5.25	1.96	239,039
Qatar National Cement Co	3.70	-5.18	2,222,950
Qatar National Bank	16.82	2.00	6,355,023
Qatar Islamic Insurance Grou	6.25	5.91	9,667
Qatar Industrial Manufactur	2.75	-0.07	112,578
Qatar International Islamic	7.23	1.93	2,419,643
Qatari Investors Group	1.17	-9.29	321,717
Qatar Islamic Bank	14.60	6.49	3,018,548
Qatar Gas Transport(Nakilat)	2.02	3.12	4,330,317
Qatar General Insurance & Re	2.25	1.72	9,500
Qatar German Co For Medical	0.45	0.68	3,986,197
Qatar Fuel Qsc	17.24	2.01	2,348,025
Qatar First Bank	0.91	-1.63	2,091,472
Qatar Electricity & Water Co	14.85	-4.26	1,920,742
Qatar Exchange Index Etf	8.60	0.00	-
Qatar Cinema & Film Distrib	2.30	0.00	-
Al Rayan Qatar Etf	2.02	9.98	14,944
Qatar Insurance Co	2.00	-7.96	3,962,206
Qatar Aluminum Manufacturing	0.52	-1.69	10,716,033
Ooredoo Qpsc	5.18	0.00	4,164,208
National Leasing	0.71	0.14	2,696,566
Mazaya Qatar Real Estate Dev	0.52	1.17	4,385,006
Mesaieed Petrochemical Holdi	1.51	-4.01	6,394,968
Al Meera Consumer Goods Co	15.81	1.35	797,741
Medicare Group	6.05	3.51	564,364
Mannai Corporation Qsc	3.03	2.33	2,264,759
Masraf Al Rayan	3.91	2.01	13,683,090
Al Khalij Commercial Bank	1.17	1.65	232,930
Industries Qatar	7.02	0.00	3,626,804
Islamic Holding Group	1.29	-3.58	404,084
Investment Holding Group	0.42	-1.41	4,969,608
Gulf Warehousing Company	4.30	1.18	138,153
Gulf International Services	1.07	0.00	3,469,237
Ezdan Holding Group	0.58	-6.28	50,025,936
Doha Insurance Co	1.14	1.70	150,275
Doha Bank Qpsc	2.20	2.85	3,677,078
Dlala Holding	0.47	-3.48	478,070
Commercial Bank Psqc	4.07	2.01	8,949,910
Barwa Real Estate Co	3.04	1.16	6,971,339
Al Khaleej Takaful Group	1.51	5.24	2,129,001
Al Ahli Bank	0.60	-3.21	5,618,489

KUWAIT

Company Name	Lt Price	% Chg	Volume
Sultan Center Food Products	49.90	0.00	-
Kuwait Foundry Co Sak	225.00	-3.02	10
Kuwait Financial Centre Sak	90.00	0.00	187,002
Ajial Real Estate Entmt	129.00	-3.73	720
Kuwait Finance & Investment	47.50	0.00	-
National Industries Co Ksc	160.00	0.00	-
Kuwait Real Estate Holding C	31.40	0.00	-
Securities House/The	30.10	-7.67	612,363
Boubyan Petrochemicals Co	435.00	-6.65	784,081
Al Ahli Bank Of Kuwait	183.00	-6.15	164,770
Ahli United Bank (Almutahed)	256.00	-4.83	492,817
National Bank Of Kuwait	735.00	-3.67	12,531,949
Commercial Bank Of Kuwait	500.00	0.00	58,943
Kuwait International Bank	214.00	-0.47	1,569,725
Gulf Bank	189.00	-3.57	9,875,383
Al-Massaleh Real Estate Co	36.90	0.00	-
Al Arabiya Real Estate Co	22.40	-0.44	259,010
Kuwait Remal Real Estate Co	18.00	-1.64	776
Alkout Industrial Projects C	850.00	0.00	-
A'ayan Real Estate Co Sak	62.50	-3.85	3,150
Investors Holding Group Co.K	9.20	-3.16	11,842,795
Al-Mazaya Holding Co	49.90	1.42	520,996

KUWAIT

Company Name	Lt Price	% Chg	Volume
Al-Madar Finance & Invt Co	90.60	0.00	-
Gulf Petroleum Investment	14.20	-2.07	2,387,157
Mabanee Co Sakc	498.00	-7.95	3,071,164
Inovest Co Bsc	57.00	-3.23	68
Al-Deera Holding Co	21.00	0.00	-
Mena Real Estate Co	23.30	0.43	270,151
Amar Finance & Leasing Co	51.80	0.00	-
United Projects For Aviation	475.00	0.00	-
National Consumer Holding Co	64.30	0.00	-
Amwal International Investme	40.00	0.00	-
Equipment Holding Co K.S.C.C	13.50	0.00	-
Arkan Al Kuwait Real Estate	78.00	-2.50	216,200
Gfh Financial Group Bsc	53.00	-5.53	477,798
Energy House Holding Co Kscp	16.60	-4.60	5,140
Kuwait Co For Process Plant	265.00	0.38	528,530
Al Maidan Dental Clinic Co K	1,220.00	0.00	-
National Shooting Company	8.70	0.00	-
Al-Ahleia Insurance Co Sakp	430.00	0.00	-
Wethaq Takaful Insurance Co	23.00	0.00	-
Salbookh Trading Co Kscp	40.00	0.00	-
Aqar Real Estate Investments	70.90	-2.88	1,000
Hayat Communications	48.40	-4.72	8,200
Soor Fuel Marketing Co Ksc	110.00	-0.90	205,126
Tamkeen Holding Co	5.20	0.00	-
Alargan International Real	96.40	0.00	-
Burgan Co For Well Drilling	75.90	0.00	-
Kuwait Resorts Co Kscc	47.50	-5.00	48,200
Oula Fuel Marketing Co	110.00	-0.90	195,150
Palms Agro Production Co	54.10	0.00	-
Mubarrad Holding Co Ksc	53.00	-1.12	545,214
Shuaiba Industrial Co	128.00	0.00	-
Aan Digital Services Co	9.60	0.00	2,319,950
First Takaful Insurance Co	39.00	-11.56	26,926
Kuwaiti Syrian Holding Co	27.00	1.50	27,080
National Cleaning Company	52.10	-9.39	210,381
United Real Estate Company	56.00	0.00	-
Agility	430.00	-11.34	6,197,760
Kuwait & Middle East Fin Inv	78.00	16.59	3,021
Fujairah Cement Industries	41.00	0.00	13,003
Livestock Transport & Tradng	171.00	0.00	-
International Resorts Co	0.00	0.00	-
National Industries Grp Hold	126.00	-5.26	8,327,336
Warba Insurance Co	58.20	-3.96	32,400
First Dubai Real Estate Deve	35.00	1.16	461,491
Al Arabi Group Holding Co	198.00	0.00	-
Kuwait Hotels Sak	100.00	0.00	-
Mobile Telecommunications Co	426.00	-3.18	8,438,300
Effect Real Estate Co	20.50	0.00	-
Tamdeen Real Estate Co Ksc	315.00	9.00	1
Al Mudon Intl Real Estate Co	15.90	0.00	-
Kuwait Cement Co Ksc	167.00	-2.91	22,600
Sharjah Cement & Indus Devel	42.20	0.00	-
Kuwait Portland Cement Co	723.00	-4.87	40,215
Educational Holding Group	275.00	-4.84	31,101
Bahrain Kuwait Insurance	200.00	0.00	-
Asiya Capital Investments Co	34.90	0.00	-
Kuwait Investment Co	114.00	-4.20	323,069
Burgan Bank	192.00	-3.52	2,917,658
Kuwait Projects Co Holdings	182.00	-0.55	45,387
Al Madina For Finance And In	11.40	-1.72	27,995,497
Kuwait Insurance Co	352.00	0.00	-
Al Masaken Intl Real Estate	39.80	0.00	-
Intl Financial Advisors	44.10	-4.96	60
First Investment Co Kscc	25.80	-4.09	3,532,286
Al Mal Investment Company	9.00	4.65	17,600
Bayan Investment Co Kscc	34.80	5.45	179,987
Egypt Kuwait Holding Co Sae	351.00	0.00	-
Coast Investment Development	28.50	-1.72	557,976
Privatization Holding Compan	43.80	-0.45	50,909
Injazzat Real State Company	74.00	0.00	-
Kuwait Cable Vision Sak	14.00	0.00	-
Sanam Real Estate Co Kscc	30.10	0.00	-
Ithmaar Holding Bsc	22.30	0.00	-
Aviation Lease And Finance C	150.00	-6.25	254,656
Arzan Financial Group For Fi	30.70	0.33	1,182,979
Ajwan Gulf Real Estate Co	10.50	0.00	-
Kuwait Business Town Real Es	32.00	0.95	933,001
Future Kid Entertainment And	88.20	0.00	-
Specialities Group Holding C	61.90	-3.28	276,930
Abyaar Real Eastate Developm	5.20	0.00	-
Dar Al Thuraya Real Estate C	60.00	1.52	2
Kgl Logistics Company Kscc	26.10	-3.33	797,575
Combined Group Contracting	162.00	-8.47	469,644
Jiyad Holding Co Ksc	34.80	0.00	-
Warba Capital Holding Co	55.00	3.77	1
Gulf Investment House Ksc	42.90	-5.71	154,280
Boubyan Bank K.S.C	420.00	-7.89	1,974,497
Ahli United Bank B.S.C	209.00	-7.52	20,081,376
Osos Holding Group Co	103.00	0.00	31,737

KUWAIT

Company Name	Lt Price	% Chg	Volume
Al-Eid Food Ksc	68.40	0.00	-
Qurain Petrochemical Industr	175.00	-9.33	1,093,397
Advanced Technology Co	700.00	0.00	-
Ekttitab Holding Co Sak	12.50	0.81	101
Real Estate Trade Centers Co	28.80	0.00	-
Acico Industries Co Kscc	94.00	-12.96	104,619
Kipco Asset Management Co	88.50	-1.67	15,910
National Petroleum Services	950.00	0.00	-
Alimtiaz Investment Group	87.10	-3.22	3,684,082
Ras Al Khaimah White Cement	65.00	0.00	-
Kuwait Reinsurance Co Ksc	185.00	0.00	-
Kuwait & Gulf Link Transport	48.30	-0.82	60,020
Humansoft Holding Co Ksc	2,709.00	-4.91	257,637
Automated Systems Co Kscc	60.70	0.00	-
Metal & Recycling Co	37.00	-12.94	29,400
Gulf Franchising Holding Co	61.00	0.00	-
Al-Enma'a Real Estate Co	56.00	1.82	89,150
National Mobile Telecommuni	689.00	1.47	30,005
Sanad Holding Co Kscc	0.00	0.00	-
Unicap Investment And Financ	40.00	-2.44	10,010
Al Salam Group Holding Co	21.00	-4.55	235,100
Al Aman Investment Company	57.00	0.00	-
Mashaer Holding Co Ksc	59.00	2.43	607,811
Manazel Holding	25.50	-5.56	212,600
Tijara And Real Estate Inves	42.00	-4.98	3
Jazeera Airways Co Ksc	427.00	4.40	671,254
Commercial Real Estate Co	92.00	-1.60	2,691,759
National International Co	69.00	3.14	19,119
Taameer Real Estate Invest C	19.90	-4.33	667,206
Gulf Cement Co	37.90	0.00	-
Heavy Engineering And Ship B	318.00	0.00	46,025
National Real Estate Co	67.80	-2.31	371,180
Al Safat Energy Holding Comp	15.90	-0.63	530,931
Kuwait National Cinema Co	800.00	0.00	-
Danah Alsafat Foodstuff Co	10.70	-0.93	163,283
Independent Petroleum Group	416.00	-4.81	2,000
Kuwait Real Estate Co Ksc	85.00	5.59	259,400
Salhia Real Estate Co Ksc	390.00	5.41	505,814
Gulf Cable & Electrical Ind	418.00	-1.65	378,632
Kuwait Finance House	550.00	-4.51	16,184,049
Gulf North Africa Holding Co	55.00	0.00	-
Hilal Cement Co	81.00	0.00	-
Osoul Investment Kscc	72.00	-4.00	201,800
Gulf Insurance Group Ksc	599.00	0.00	-
Umm Al Qaiwain General Inves	66.70	0.00	-
Aayan Leasing & Investment	37.40	-3.61	2,279,971
Alrai Media Group Co Ksc	36.90	0.00	-
National Investments Co	88.10	-4.65	541,859
Commercial Facilities Co	200.00	-4.76	100
Yiaco Medical Co. K.S.C.C	707.00	0.00	-
Dulaqan Real Estate Co	350.00	0.00	-
Real Estate Asset Management	90.00	0.00	-

OMAN

Company Name	Lt Price	% Chg	Volume
Voltamp Energy Saog	0.15	0.00	-
Vision Insurance Saoc	0.09	0.00	-
United Power/Energy Co- Pref	1.00	0.00	-
United Power Co Saog	1.94	0.00	100
United Finance Co	0.09	0.00	-
Ubar Hotels & Resorts	0.13	0.00	-
Takaful Oman	0.13	0.00	-
Taageer Finance	0.10	-4.85	100,000
Sweets Of Oman	0.55	0.00	-
Sohar Power Co	0.06	0.00	-
Sohar International Bank	0.09	-3.16	118,000
Smn Power Holding Saog	0.07	0.00	-
Shell Oman Marketing - Pref	1.05	0.00	-
Shell Oman Marketing	1.10	0.00	-
Sharqiyah Desalination Co Sa	0.20	0.00	-
Sembcorp Salalah Power & Wat	0.13	0.00	-
Salalah Port Services	0.60	0.00	-
Salalah Mills Co	0.50	0.00	-
Salalah Beach Resort Saog	1.38	0.00	-
Sahara Hospitality	3.12	0.00	-
Renaissance Services Saog	0.44	0.00	-
Raysut Cement Co	0.35	-1.12	144,000
Phoenix Power Co Saoc	0.05	-1.92	74,059
Packaging Co Ltd	2.21	0.00	-
Ooredoo	0.43	-1.82	102,299
Ominvest	0.31	0.00	1,600,338
Oman United Insurance Co	0.28	-5.41	22,000
Oman Telecommunications Co	0.62	-1.91	417,577
Oman Refreshment Co	1.21	0.00	-
Oman Qatar Insurance Co	0.09	0.00	-

OMAN

Company Name	Lt Price	% Chg	Volume
Oman Packaging	0.30	0.00	-
Oman Oil Marketing Company	0.80	0.00	-
Oman National Engineering An	0.10	-7.69	12,000
Oman Investment & Finance	0.09	-6.06	501,000
Oman Intl Marketing	0.52	0.00	-
Oman Flour Mills	0.58	0.00	-
Oman Fisheries Co	0.08	0.00	256,100
Oman Europe Foods Industries	1.00	0.00	-
Oman Education & Training In	0.22	0.00	-
Oman Chromite	3.64	0.00	-
Oman Chlorine	0.32	0.00	-
Oman Ceramic Company	0.42	0.00	-
Oman Cement Co	0.25	-1.19	37,000
Oman Cables Industry	0.57	0.00	1,000
Oman & Emirates Inv(Om)50%	0.06	0.00	-
Natl Aluminium Products	0.17	0.00	-
National Real Estate Develop	5.00	0.00	-
National Mineral Water	0.09	0.00	-
National Life & General Insu	0.32	0.00	-
National Gas Co	0.21	0.00	-
National Finance Co	0.14	0.00	-
National Detergent Co Saog	0.60	0.00	-
National Biscuit Industries	3.92	0.00	-
National Bank Of Oman Saog	0.18	-1.66	371,500
Muscat Thread Mills Co	0.08	0.00	-
Muscat Insurance Co Saog	0.49	0.00	-
Muscat Gases Company Saog	0.17	0.00	5,000
Muscat Finance	0.05	-5.66	174,725
Muscat City Desalination Co	0.11	0.00	400
Majan Glass Company	0.18	0.00	-
Majan College	0.18	0.00	-
Hsbc Bank Oman	0.11	0.00	50,000
Hotels Management Co Interna	1.25	0.00	-
Gulf Stone	0.12	0.00	-
Gulf Mushroom Company	0.31	0.00	-
Gulf Investments Services	0.05	-3.77	7,006
Gulf Invest. Serv. Pref-Shar	0.11	0.00	-
Gulf International Chemicals	0.09	0.00	-
Gulf Hotels (Oman) Co Ltd	5.32	0.00	-
Global Fin Investment	0.06	0.00	-
Galfar Engineering&Contract	0.05	-1.96	314,793
Galfar Engineering -Prefer	0.39	0.00	-
Financial Services Co.	0.18	0.00	-
Financial Corp/The	0.10	0.00	-
Dhofar Tourism	0.49	0.00	-
Dhofar Poultry	0.18	0.00	-
Dhofar Intl Development	0.27	0.00	-
Dhofar Insurance	0.15	0.00	-
Dhofar Generating Co Saoc	0.21	0.00	-
Dhofar Fisheries & Food Indu	1.28	0.00	-
Dhofar Cattlefeed	0.12	0.00	-
Dhofar Beverages Co	0.26	0.00	-
Construction Materials Ind	0.03	-5.56	32,500
Computer Stationery Inds	0.26	0.00	-
Bankmuscat Saog	0.40	-1.49	1,018,062
Bank Nizwa	0.09	-1.09	30,000
Bank Dhofar Saog	0.11	0.00	-
Arabia Falcon Insurance Co	0.10	0.00	-
Aloula Co	0.08	0.00	-
Al-Omaniya Financial Service	0.10	-6.86	63,558
Al-Hassan Engineering Co	0.02	0.00	-
Al-Fajar Al-Alamia Co	0.75	0.00	-
Al-Anwar Ceramic Tiles Co	0.14	0.70	27,000
Al Suwadi Power	0.05	-5.36	107,600
Al Sharqiya Invest Holding	0.07	-2.86	54,500
Al Maha Petroleum Products M	0.74	0.00	-
Al Maha Ceramics Co Saoc	0.19	0.00	-
Al Madina Takaful Co Saoc	0.07	-2.86	718,740
Al Madina Investment Co	0.02	0.00	1,000
Al Kamil Power Co	0.35	0.00	-
Al Jazerah Services -Pfd	0.55	0.00	-
Al Jazeera Steel Products Co	0.10	-1.04	152,855
Al Jazeera Services	0.15	-3.85	47,150
Al Izz Islamic Bank	0.05	-5.66	25,341
Al Buraimi Hotel	0.88	0.00	-
Al Batinah Power	0.05	-5.56	186,000
Al Batinah Hotels	1.13	0.00	-
Al Batinah Dev & Inv	0.07	0.00	-
Al Anwar Holdings Saog	0.06	-7.35	273,025
Al Ahlia Insurance Co Saoc	0.37	0.00	-
Ahli Bank	0.14	-6.67	25,000
Acwa Power Barka Saog	0.60	0.00	-
Abrasives Manufacturing Co S	0.05	0.00	-
A'saffa Foods Saog	0.60	0.00	-
OMan Oil Marketing Co-Pref	0.25	0.00	-
#N/A Invalid Security	0.00	0.00	-
#N/A Invalid Security	0.00	0.00	-

LATEST MARKET CLOSING FIGURES

Chaotic credit markets peg hopes on virus fight after Fed fails

Bloomberg
New York

Credit markets started another week in the grip of nerves about the still-unknown extent of economic damage from the coronavirus, even after aggressive moves to restore calm by the Federal Reserve.

The cost to insure dollar- and euro-denominated debt against default rose to new highs as investors doubt what monetary policy can do to stem the damage from the spreading virus.

Dollar bond sales in Asia ground to a halt while Europe's market for new notes was also silent on Monday.

The Fed cut its benchmark interest rate by a full percentage point to near zero on Sunday and promised to boost its bond holdings by at least $700bn. The last time it took such action was in 2008, when borrowers plunged into survival mode as the turmoil following Lehman Brothers Holdings Inc's collapse squeezed access to cash.

"Lower rates do not put consumers into airplane seats or into restaurants," and monetary policy isn't a panacea now, said Paul Lukaszewski, head of corporate debt for Asia and Australia at Aberdeen Standard Investments. "The markets are looking for signs of success in terms of virus containment and aggressive fiscal policy to counter the sharp pullback by consumers."

Authorities from Washington DC to London and Beijing are again facing grave signs that even bold policy moves may fail to impress.

Commercial paper markets, which help firms buy inventory or make payrolls, have seized up in the US and shown a record bash for cash in Japan. US investors are pricing in greater recession risk once again. The Fed's latest emergency cut added to what's been an "epic fail" in Washington to respond to the economic impact of the virus, according to Peter Tchir, head of macro strategy at Academy Securities.

Investment-grade and high-yield CDX indicated a negative risk tone along with plunging stock futures, all but guaranteeing a blank primary session and likely further pain in the secondary.

While the Fed is buying more Treasuries and mortgage-backed securities, it failed to support the commercial paper market, which is already seizing up, as well as the front-end of corporate bonds, Tchir said.

US investment-grade spreads will reach 280 bp (216 bp currently) and high-yield will jump to 1,100 bp (from a current 727 bp), according to Deutsche Bank strategists led by Jim Reid.

There are no new bond sales being offered in Europe's primary market on Monday, with the last sales coming on March 11. A weekly Bloomberg News survey of market participants shows almost all participants don't expect sales to reach EU10b this week. Volumes limped to just past EU4b last week.

Measures of credit risk are surging, with default-swaps on the region's riskiest companies ballooning more than 16% to the highest since 2012.

The US Federal Reserve building in Washington, DC. The Fed cut its benchmark interest rate by a full percentage point to near zero on Sunday and promised to boost its bond holdings by at least $700bn.

Euro high-grade company bonds yields have tripled in three weeks to surpass 1% for the first time in a year.

A Bloomberg poll of participants in Europe's primary bond market – running at record pace just weeks ago – found respondents almost unanimous in forecasting a dud week.

German tourism firm TUI AG said it has applied for state aid to support its business until normal operations resume. It will suspend most of its travel operations and is taking substantial cost measures to mitigate the impact of the coronavirus on its earnings.

The coronavirus pandemic will bankrupt most airlines worldwide by the end of May unless governments and the industry take.

The reaction on Monday to the Fed underscored just how much more action may be needed from authorities.

"The Fed is buying time to allow the government to act with fiscal policy, but the real problem is medical issues with the virus, and the real economy," said portfolio manager Raymond Lee at Kapstream Capital. "These issues need to be solved by government, not just the Fed. The Fed doesn't have the best tools. Governments need to act further."

The Markit iTraxx Asia ex-Japan index of credit-default swaps rose 15 basis points to about 145.5 basis points, according to traders. That would be its highest level since June 2016, according to data compiled by Bloomberg.

Spreads on Asia dollar bonds were indicated about 5-20 basis points wider on Monday morning, according to traders, to reach their highest since 2012.

In Asia, yields on dollar investment-grade notes have reached 2.76%, the most in over a month. Concerns are mounting that defaults will spread, as many companies stumble under debt loads that were already becoming unmanageable even before the crisis.

BUSINESS

DJIA

Company Name	Lt Price	% Chg	Volume
Apple Inc	256.66	-7.67	11,852,793
American Express Co	91.02	-8.61	1,151,919
Boeing Co/The	140.96	-17.18	2,756,564
Caterpillar Inc	102.83	3.20	816,603
Cisco Systems Inc	36.82	-2.18	5,756,821
Chevron Corp	75.61	-9.36	1,662,285
Walt Disney Co/The	95.71	-6.64	3,294,776
Dow Inc	24.07	-6.31	1,010,801
Goldman Sachs Group Inc	161.00	-9.13	614,164
Home Depot Inc	179.27	-12.84	925,568
Intl Business Machines Corp	105.38	-2.38	1,249,650
Intel Corp	50.96	-6.38	7,117,448
Johnson & Johnson	132.29	-1.49	1,478,979
Jpmorgan Chase & Co	90.59	-12.82	3,342,952
Coca-Cola Co/The	47.07	-2.89	2,825,183
Mcdonald's Corp	158.28	-10.64	928,775
3M Co	134.28	-5.22	1,009,274
Merck & Co. Inc.	74.58	-2.83	1,889,985
Microsoft Corp	145.76	-8.23	11,443,961
Nike Inc -Cl B	70.94	-6.14	1,857,860
Pfizer Inc	32.04	-2.05	3,593,805
Procter & Gamble Co/The	111.82	-1.97	1,760,316
Travelers Cos Inc/The	91.46	-14.88	434,870
Unitedhealth Group Inc	239.52	-11.95	888,790
United Technologies Corp	96.69	-8.26	905,835
Visa Inc-Class A Shares	161.93	-7.91	2,046,984
Verizon Communications Inc	52.38	-3.30	2,986,380
Walgreens Boots Alliance Inc	46.74	1.19	1,264,882
Walmart Inc	109.64	-3.91	1,662,749
Exxon Mobil Corp	36.75	-3.59	5,963,262

FTSE 100

Company Name	Lt Price	% Chg	Volume
Anglo American Plc	1,286.40	-3.68	4,999,932
Associated British Foods Plc	1,718.00	-6.35	1,575,902
Admiral Group Plc	2,029.00	0.90	906,994
Ashtead Group Plc	1,786.50	-2.46	1,775,133
Antofagasta Plc	618.80	-4.45	2,162,491
Auto Trader Group Plc	409.60	-8.49	4,931,191
Aviva Plc	251.30	-7.47	17,637,072
Astrazeneca Plc	6,255.00	-0.97	2,391,904
Bae Systems Plc	487.70	-6.71	8,279,537
Barclays Plc	89.30	-12.78	90,766,297
British American Tobacco Plc	2,590.50	-3.29	4,686,083
Barratt Developments Plc	452.20	-14.13	7,034,991
Bhp Group Plc	1,035.60	-1.75	11,139,021
Berkeley Group Holdings/The	3,472.00	-4.06	969,780
British Land Co Plc	372.40	-4.49	5,394,852
Bunzl Plc	1,529.00	-9.12	1,135,262
Bp Plc	260.65	-5.66	59,908,732
Burberry Group Plc	1,237.00	-10.78	2,013,408
Bt Group Plc	111.20	-0.98	27,795,982
Coca-Cola Hbc Ag-Di	1,581.50	-14.58	1,012,581
Carnival Plc	1,140.00	-1.81	3,938,786
Centrica Plc	42.01	-3.02	30,080,191
Compass Group Plc	1,136.50	-4.46	6,047,957
Croda International Plc	4,066.00	-1.93	486,319
Crh Plc	1,906.00	-8.50	2,591,635
Dcc Plc	3,829.00	-9.67	456,600
Diageo Plc	2,370.50	-2.93	5,357,723
Direct Line Insurance Group	263.10	-4.92	8,015,372
Evraz Plc	244.30	6.77	4,551,896
Experian Plc	2,028.00	-5.45	1,987,669
Easyjet Plc	650.00	-17.39	5,105,474
Ferguson Plc	5,142.00	-6.41	560,667
Fresnillo Plc	511.40	-5.96	2,052,195
Glencore Plc	130.40	-3.89	41,287,187
Glaxosmithkline Plc	1,406.20	0.24	13,007,930
Gvc Holdings Plc	374.00	-20.81	5,742,029
Hikma Pharmaceuticals Plc	1,756.00	1.62	920,277
Hargreaves Lansdown Plc	1,354.50	2.57	1,768,303
Halma Plc	1,832.50	-0.79	1,014,469
Hsbc Holdings Plc	461.25	-0.99	55,449,909
Hiscox Ltd	1,053.00	-2.77	1,180,193
Intl Consolidated Airline-Di	260.10	-25.75	17,012,862
Intercontinental Hotels Grou	2,985.50	-10.91	1,268,245
3I Group Plc	685.80	-6.13	2,722,291
Imperial Brands Plc	1,371.00	-0.55	5,016,229
Informa Plc	460.00	-9.23	3,613,966
Intertek Group Plc	4,708.00	3.79	547,254
Itv Plc	74.40	-11.93	20,820,481
Johnson Matthey Plc	2,078.00	1.02	646,774
Kingfisher Plc	137.55	0.77	12,697,636
Land Securities Group Plc	648.20	-6.57	3,060,949
Legal & General Group Plc	174.65	-9.51	28,358,938
Lloyds Banking Group Plc	35.52	-6.25	345,809,939
London Stock Exchange Group	6,184.00	-8.98	830,525
Micro Focus International	417.65	-1.47	2,408,212
Marks & Spencer Group Plc	94.14	-3.39	16,319,281
Mondi Plc	1,280.00	-5.50	2,641,045
Melrose Industries Plc	131.25	-6.25	15,652,312
Wm Morrison Supermarkets	161.00	-5.85	11,337,802
National Grid Plc	853.50	-0.80	11,144,304
Nmc Health Plc	938.40	0.00	-
Next Plc	4,262.00	-4.89	579,934
Ocado Group Plc	1,236.00	4.48	3,400,467
#N/A Invalid Security	0.00	0.00	-
Prudential Plc	737.80	-14.88	11,109,792
Persimmon Plc	1,821.00	-10.82	2,201,782
Pearson Plc	504.80	-4.39	3,215,977
Reckitt Benckiser Group Plc	5,346.00	-0.52	2,245,210
Royal Bank Of Scotland Group	127.40	-2.52	20,841,458
Royal Dutch Shell Plc-A Shs	1,051.80	-6.97	16,556,986
Royal Dutch Shell Plc-B Shs	1,005.20	-7.25	33,670,003
Relx Plc	1,505.00	-1.21	6,993,348
Rio Tinto Plc	3,289.00	0.46	4,862,124
Rightmove Plc	512.40	-4.65	2,966,311
Rolls-Royce Holdings Plc	438.60	-8.63	6,159,799
Rsa Insurance Group Plc	397.60	-8.07	3,398,983
Rentokil Initial Plc	400.20	-7.75	4,142,654
Sainsbury (J) Plc	177.35	-0.98	13,063,661
Schroders Plc	2,105.00	-5.48	585,542
Sage Group Plc/The	606.60	4.23	3,046,122
Segro Plc	700.00	-6.42	3,142,395
Smurfit Kappa Group Plc	2,092.00	-6.27	991,797
Standard Life Aberdeen Plc	198.90	-5.47	10,859,477
Ds Smith Plc	273.40	-0.91	5,107,571
Smiths Group Plc	959.40	-7.48	3,350,935
Scottish Mortgage Inv Tr Plc	513.50	-4.38	7,155,801
Smith & Nephew Plc	1,205.50	-7.87	2,755,353
Spirax-Sarco Engineering Plc	8,405.00	2.19	237,161
Sse Plc	1,220.50	-5.97	4,897,076
Standard Chartered Plc	442.00	1.17	8,649,305
St James's Place Plc	757.40	-3.52	3,905,457
Severn Trent Plc	2,246.00	-1.19	1,031,305
Tesco Plc	212.90	-3.27	42,773,881
Tui Ag-Di	311.90	-13.36	7,232,103
Taylor Wimpey Plc	128.25	-13.67	34,564,039
Unilever Plc	3,721.50	-3.45	3,938,505
United Utilities Group Plc	834.40	-4.44	2,504,217
Vodafone Group Plc	97.04	-7.63	103,296,784
John Wood Group Plc	208.50	-9.43	2,782,663
Wpp Plc	501.40	-10.08	10,608,387
Whitbread Plc	2,579.00	0.00	1,153,125

TOKYO

Company Name	Lt Price	% Chg	Volume
Japan Airlines Co Ltd	1,992.50	3.40	7,897,000
Recruit Holdings Co Ltd	2,793.00	-4.90	7,464,900
Softbank Corp	1,425.00	-0.07	14,087,100
Kyocera Corp	5,463.00	-4.01	2,635,700
Nissan Motor Co Ltd	369.30	-3.50	28,998,100
T&D Holdings Inc	780.00	-1.89	5,748,500
Toyota Motor Corp	5,941.00	-2.35	9,306,600
Kddi Corp	2,859.50	3.49	14,656,200
Nitto Denko Corp	4,300.00	-2.38	1,302,900
Hitachi Ltd	2,903.50	0.50	6,403,900
Takeda Pharmaceutical Co Ltd	3,033.00	-2.32	10,984,800
Jfe Holdings Inc	734.00	-0.81	6,277,600
Sumitomo Corp	1,187.50	-2.26	11,354,100
Canon Inc	2,093.50	-1.78	11,092,200
Eisai Co Ltd	6,706.00	-2.33	1,339,100
Nintendo Co Ltd	32,950.00	-0.81	2,157,800
Shin-Etsu Chemical Co Ltd	9,139.00	-3.46	2,830,500
Mitsubishi Corp	2,234.50	-0.53	7,574,700
Smc Corp	37,620.00	-2.13	569,700

WORLD INDICES

Indices	Lt Price	Change
Dow Jones Indus. Avg	21,365.25	-1,820.37
S&P 500 Index	2,524.80	-186.22
Nasdaq Composite Index	7,310.76	-564.12
S&P/Tsx Composite Index	12,724.31	-992.02
Mexico Bolsa Index	38,085.05	+1,448.35
Brazil Bovespa Stock Idx	74,082.00	-8,595.90
Ftse 100 Index	5,137.45	-228.66
Cac 40 Index	3,895.77	-222.59
Dax Index	8,811.60	-420.48
Ibex 35 Tr	6,069.40	-560.20
Nikkei 225	17,002.04	-429.01
Japan Topix	1,236.34	-25.36
Hang Seng Index	23,063.57	-969.34
All Ordinaries Indx	5,058.20	-532.48
Nzx All Index	1,573.14	-59.46
Bse Sensex 30 Index	31,390.07	-2,713.41
Nse S&P Cnx Nifty Index	9,197.40	-757.80
Straits Times Index	2,495.77	-138.23
Karachi All Share Index	23,867.22	-1,424.74
Jakarta Composite Index	4,690.66	-216.91

TOKYO

Company Name	Lt Price	% Chg	Volume
Nidec Corp	10,550.00	-4.09	1,529,200
Isuzu Motors Ltd	717.90	-3.38	7,627,300
Unicharm Corp	3,104.00	-1.65	2,286,500
Nomura Holdings Inc	395.70	1.98	29,684,600
Daiichi Sankyo Co Ltd	5,528.00	-2.95	2,171,300
Subaru Corp	2,025.50	-2.34	4,889,500
Sumitomo Realty & Developmen	2,529.50	-1.61	3,157,800
Ntt Docomo Inc	2,870.50	-0.10	11,227,300
Sumitomo Metal Mining Co Ltd	2,058.00	-3.76	2,463,100
Orix Corp	1,353.50	-1.85	11,568,300
Asahi Group Holdings Ltd	3,126.00	-3.84	4,168,500
Keyence Corp	29,935.00	-4.27	1,338,200
Mizuho Financial Group Inc	112.70	0.18	307,864,000
Sumitomo Mitsui Trust Holdin	2,764.50	2.50	2,030,200
Japan Tobacco Inc	1,914.00	-2.22	11,597,800
Sumitomo Electric Industries	996.70	-3.19	3,881,200
Daiwa Securities Group Inc	384.90	-0.41	12,672,500
Softbank Group Corp	3,670.00	-2.50	48,466,100
Panasonic Corp	732.90	-4.78	20,696,800
Fujitsu Ltd	8,825.00	-2.74	1,781,000
Central Japan Railway Co	15,505.00	2.14	964,000
Nitori Holdings Co Ltd	13,140.00	-0.83	451,800
Ajinomoto Co Inc	1,673.00	-0.95	2,931,800
Daikin Industries Ltd	11,675.00	-1.56	1,794,300
Mitsui Fudosan Co Ltd	1,726.50	-1.60	10,595,700
Ono Pharmaceutical Co Ltd	1,898.50	-3.38	1,738,600
Toray Industries Inc	435.70	-2.66	13,890,900
Bridgestone Corp	2,980.50	-4.38	4,793,400
Sony Corp	5,633.00	-3.06	17,304,600
Astellas Pharma Inc	1,470.50	-6.87	11,440,700
Hoya Corp	8,515.00	1.77	1,913,700
Nippon Steel Corp	889.50	-1.14	8,705,300
Suzuki Motor Corp	3,068.00	-4.57	2,609,800
Nippon Telegraph & Telephone	2,271.50	-3.63	9,950,500
Jxtg Holdings Inc	330.60	1.19	28,790,100
Murata Manufacturing Co Ltd	4,817.00	-3.45	5,529,200
Kansai Electric Power Co Inc	975.00	2.66	7,370,000
Denso Corp	3,205.00	-5.60	3,452,300
Sompo Holdings Inc	2,949.50	-3.52	1,907,600
Daiwa House Industry Co Ltd	2,391.00	-3.61	2,900,500
Dai-Ichi Life Holdings Inc	1,070.00	-0.93	8,915,500
Mazda Motor Corp	570.00	-0.87	7,198,600
Komatsu Ltd	1,672.00	-2.19	13,014,500
West Japan Railway Co	6,209.00	1.72	1,297,400
Kao Corp	7,222.00	-2.41	3,220,400
Mitsui & Co Ltd	1,433.00	-1.65	8,241,300
Daito Trust Construct Co Ltd	9,452.00	-1.56	455,800
Otsuka Holdings Co Ltd	3,338.00	-2.51	2,061,600
Oriental Land Co Ltd	12,275.00	0.95	2,497,900
Sekisui House Ltd	1,660.00	-4.02	4,032,000
Secom Co Ltd	7,377.00	-3.91	1,226,800
Tokio Marine Holdings Inc	4,371.00	-3.60	3,928,000
Aeon Co Ltd	1,884.50	0.08	4,621,100
Asahi Kasei Corp	657.10	-4.25	9,562,700
Kirin Holdings Co Ltd	1,848.50	-5.08	6,256,700
Marubeni Corp	536.10	-0.15	8,487,100
Mitsubishi Ufj Financial Gro	394.50	-0.65	163,260,400
Mitsubishi Chemical Holdings	606.80	-2.94	15,983,400
Fanuc Corp	14,040.00	-1.99	2,064,000
Fast Retailing Co Ltd	46,000.00	-0.50	1,874,300
Ms&Ad Insurance Group Holdin	2,713.50	-2.41	2,824,100
Kubota Corp	1,188.00	-1.33	4,723,400
Seven & I Holdings Co Ltd	3,238.00	-5.38	5,219,400
Inpex Corp	585.90	-1.69	14,622,100
Resona Holdings Inc	310.30	0.68	21,727,000
Fujifilm Holdings Corp	4,332.00	0.77	3,246,200
Yamato Holdings Co Ltd	1,346.00	-3.37	2,989,600
Chubu Electric Power Co Inc	1,268.50	-0.20	3,345,600
Mitsubishi Estate Co Ltd	1,450.50	-1.73	9,930,900
Mitsubishi Heavy Industries	2,588.00	-2.27	2,270,100
Sysmex Corp	6,195.00	-4.22	805,900
Shiseido Co Ltd	5,498.00	-5.08	3,826,800
Shionogi & Co Ltd	4,640.00	-2.73	1,563,500
Terumo Corp	2,951.00	-3.94	3,537,600
Tokyo Gas Co Ltd	2,130.50	-2.47	3,150,200
Tokyo Electron Ltd	18,190.00	-3.45	2,286,600
East Japan Railway Co	7,496.00	2.26	2,210,500
Itochu Corp	1,971.50	-2.11	7,621,100
Ana Holdings Inc	2,550.50	4.44	3,187,700
Mitsubishi Electric Corp	1,139.50	-3.06	9,047,700
Sumitomo Mitsui Financial Gr	2,651.50	0.28	21,289,300

SENSEX

Company Name	Lt Price	% Chg	Volume
Adani Ports And Special Econ	261.40	-10.71	7,727,956
Asian Paints Ltd	1,683.40	-6.36	2,867,373
Axis Bank Ltd	508.60	-10.58	21,543,626
Bajaj Finance Ltd	3,672.25	-7.09	3,140,526
Bharti Airtel Ltd	464.80	-5.50	14,661,576
Bharti Infratel Ltd	209.40	-7.85	6,990,095
Bajaj Auto Ltd	2,339.55	-0.74	963,321
Bajaj Finserv Ltd	7,495.60	-3.18	562,246
Bharat Petroleum Corp Ltd	364.65	-3.03	16,657,490
Cipla Ltd	396.40	-6.85	5,394,615
Coal India Ltd	143.90	-6.62	23,548,327
Dr. Reddy's Laboratories	2,826.95	-2.02	943,080
Eicher Motors Ltd	16,493.70	-6.67	192,498
Gail India Ltd	78.15	-7.57	15,393,097
Grasim Industries Ltd	576.90	-4.64	2,976,559
Hcl Technologies Ltd	450.70	-8.56	5,281,596
Housing Development Finance	1,841.75	-10.89	10,672,843
Hdfc Bank Limited	999.50	-6.57	15,993,174
Hero Motocorp Ltd	1,783.50	-5.33	883,109
Hindalco Industries Ltd	115.65	-9.26	20,577,695
Hindustan Petroleum Corp	204.80	3.64	14,422,721
Hindustan Unilever Ltd	1,941.90	-4.49	2,948,704
Icici Bank Ltd	402.90	-9.91	34,834,779
Indiabulls Housing Finance L	153.60	-6.11	23,092,893
Indusind Bank Ltd	664.15	-17.37	16,614,043
Infosys Ltd	583.15	-9.22	19,140,854
Indian Oil Corp Ltd	89.70	-2.76	29,823,600
Itc Ltd	147.25	-9.24	33,255,085
Jsw Steel Ltd	186.00	-13.45	15,167,108
Kotak Mahindra Bank Ltd	1,383.70	-5.87	6,580,531
Larsen & Toubro Ltd	968.70	-7.87	6,672,579
Mahindra & Mahindra Ltd	391.80	-8.64	3,156,668
Maruti Suzuki India Ltd	5,480.25	-6.14	933,424
Ntpc Ltd	90.80	-7.39	34,649,741
Oil & Natural Gas Corp Ltd	60.15	-8.73	49,834,392
Power Grid Corp Of India Ltd	157.95	-5.93	22,313,960
Reliance Industries Ltd	1,015.70	-8.11	17,594,729
State Bank Of India	223.35	-7.71	75,584,607
Sun Pharmaceutical Indus	368.55	-4.07	14,480,706
Tata Steel Ltd	289.60	-11.36	23,606,452
Tata Consultancy Svcs Ltd	1,696.40	-6.08	7,844,420
Tech Mahindra Ltd	603.40	-8.01	6,499,358
Titan Co Ltd	1,011.35	-6.73	3,443,945
Tata Motors Ltd	82.95	-7.58	73,707,690
Upl Ltd	376.80	-8.29	5,282,609
Ultratech Cement Ltd	3,518.05	-7.15	975,878
Vedanta Ltd	74.85	-10.95	33,777,113
Wipro Ltd	179.75	-8.94	5,600,578
Yes Bank Ltd	37.10	45.21	166,521,851
Zee Entertainment Enterprise	166.35	-9.00	9,694,803

The German share price index DAX graph is seen at the Frankfurt Stock Exchange. The DAX 30 dived 5.1% to 8,742.25 points yesterday.

European stock markets plunge as intervention fails to heal virus panic

AFP
London

Stock markets and oil prices went into freefall yesterday as interest rate cuts and fresh stimulus measures by central banks failed to lift confidence.

The US Federal Reserve on Sunday slashed borrowing costs to almost zero – its second emergency cut in less than two weeks.

The US central bank also unveiled a massive asset-buying programme, similar to measures put into place during the global financial crisis more than a decade ago, and on Monday its NY branch unveiled another $500bn in cash injections to boost liquidity.

The Bank of Japan joined in yesterday, saying it would ramp up its bond-buying programme.

In joint action coordinated with the European Central Bank, Bank of England, Bank of Japan, Bank of Canada and the Swiss National Bank, the Fed moved to counteract global "dollar funding pressures" according to its boss Jerome Powell.

But traders were unimpressed, and with the virus showing no sign of letting up, the head of the World Health Organisation chief Tedros Adhanom Ghebreyesus said it was impossible to tell when it would peak globally.

Sydney's stock market led losses in Asia-Pacific, tumbling 9.7% in its worst daily drop on record.

Shanghai shed 3.4% after the release the scale of the crisis was laid bare by data showing Chinese industrial production for January and February shrank 13.5%, the first contraction in around 30 years.

Tokyo ended 2.5% lower, after a rally sparked by the Bank of Japan's support measures announcement fizzled.

Europe's main markets were down around 10% as Wall Street opened to losses of similar magnitude that triggered automatic breaks in trading intended to halt panics.

London's FTSE 100 was down 4% to 5,151.08 points, Frankfurt's DAX 30 dived 5.1% to 8,742.25, Paris's CAC 40 declined 5.8% to 3,881.46 and Milan's FTSE MIB plunged 6.1% to 14,980.34 points at the close yesterday.

"The aggressive rate cut and stimulus package form the Fed last night acted as a warning signal to the markets," said CMC Market's UK analyst David Madden.

"A large rate cut gives off the impression they – the Fed, are nervous, and traders have picked up on that."

Oanda analyst Craig Erlam told AFP: "Fear and panic are in control and we're navigating blind as no one truly knows how long this is going to last, let alone what the full consequences are going to be," he said.

Both European and US stocks recovered some ground as crisis videoconference talks among G7 heads of government including US President Donald Trump got underway.

European Union finance ministers also spoke separately.

Equity markets have been whipsawed by the disease, which has now infected almost 170,000 people and killed more than 6,000 with several countries going into lockdown as Europe becomes the new epicentre of the outbreak.

Some analysts are concerned that the US Federal Reserve may have reached the limits of its power to fend off recession as the coronavirus spreads.

Sunday's move "raises the question of whether the Fed has anything left in the tank should the spread of the virus not be contained", said Kerry Craig at JP Morgan Asset Management.

"Our view is that the drag on the services sector from social distancing policies and shock from the fall of the oil price on the energy sector will be enough to tip the US into recession, but not necessarily a long one."

Oil prices continued their nosedive as a price war between major producers Saudi Arabia and Russia added to sliding crude demand caused by the virus.

Brent North Sea oil plunged more than ten % to a four-year low, as WTI fell below $30 per barrel.

Airlines were among the biggest losers after slashing capacity, with British Airways-parent IAG crashing 27% and Lufthansa off by 12%.

The car sector also slid as manufacturers Fiat Chrysler, Peugeot-Citroen and Renault said they were halting some if not all production.

Stephen Innes, global chief markets strategist at AxiCorp, said the pressure was on G7 leaders to find a way to end the carnage.

"The G7 needs to come up with a convincing roadmap and remove markets from peril's path, by at minimum curtailing short-selling, if not a complete shutdown until the virus data is better understood," he told AFP.

Innes said leaders should consider closing markets when they hit the triggers for automatic trading pauses.

"Volume is low and volatility high, and the ultimate losers are hard-working folks' retirement plans and those whose planned retirement move to the beach got pushed back another five or 10 years," he said.

HONG KONG

Company Name	Lt Price	% Chg	Volume
Ck Hutchison Holdings Ltd	53.05	-4.33	16,043,730
Hang Lung Properties Ltd	16.02	-2.91	12,932,220
Ck Infrastructure Holdings L	47.95	-2.04	3,740,524
Hengan Intl Group Co Ltd	56.70	-2.74	4,916,012
China Shenhua Energy Co-H	13.40	-1.18	37,441,790
Cspc Pharmaceutical Group Lt	15.62	-4.99	39,699,500
Hang Seng Bank Ltd	132.40	-5.02	6,272,906
China Resources Land Ltd	32.60	-3.83	19,472,946
Ck Asset Holdings Ltd	41.15	-2.26	15,109,936
Sino Biopharmaceutical	10.42	-5.96	84,495,005
Henderson Land Development	33.55	-0.30	16,401,792
Aia Group Ltd	66.05	-4.41	58,596,450
Ind & Comm Bk Of China-H	5.10	-2.86	530,296,315
Want Want China Holdings Ltd	5.41	-3.91	22,263,198
Sun Hung Kai Properties	100.80	-1.18	9,885,129
New World Development	8.60	-1.94	26,578,025
Geely Automobile Holdings Lt	11.94	-7.15	66,118,656
Swire Pacific Ltd - Cl A	56.75	-8.32	3,980,152
Sands China Ltd	29.55	-4.52	21,976,712
Wharf Real Estate Investment	33.25	-1.92	8,206,077
Clp Holdings Ltd	77.60	-0.13	5,538,787
Country Garden Holdings Co	8.99	-5.27	54,609,324
Aac Technologies Holdings In	40.45	-11.58	25,244,733
Shenzhou International Group	78.05	-7.14	13,831,400
Ping An Insurance Group Co-H	77.50	-3.61	67,231,778
China Mengniu Dairy Co	25.00	-6.37	19,432,588
Sunny Optical Tech	103.30	-12.83	20,796,922
Boc Hong Kong Holdings Ltd	22.60	-3.42	18,673,787
China Life Insurance Co-H	14.90	-5.46	77,943,242
Citic Ltd	8.04	-2.43	30,969,536
Galaxy Entertainment Group L	44.05	-8.32	32,621,632
Wh Group Ltd	6.72	-5.75	51,202,621

HONG KONG

Company Name	Lt Price	% Chg	Volume
Hong Kong & China Gas	14.40	-2.04	34,741,889
Bank Of Communications Co-H	4.60	-3.77	35,154,432
China Petroleum & Chemical-H	3.72	0.81	348,053,591
Hong Kong Exchanges & Clear	228.60	-4.03	8,727,347
Bank Of China Ltd-H	2.89	-3.34	593,108,106
Hsbc Holdings Plc	43.80	-4.16	91,411,722
Power Assets Holdings Ltd	51.10	-2.29	6,844,230
Mtr Corp	38.95	-4.06	9,460,780
China Overseas Land & Invest	24.55	-2.77	27,655,797
Tencent Holdings Ltd	341.80	-6.36	49,707,672
China Unicom Hong Kong Ltd	4.80	-4.00	52,081,288
Link Reit	71.15	-2.93	13,114,414
Sino Land Co	8.72	-3.00	13,525,586
China Resources Power Holdin	8.10	-1.94	12,265,001
Petrochina Co Ltd-H	2.46	-4.65	271,484,598
Cnooc Ltd	7.52	-5.17	191,115,035
China Construction Bank-H	6.19	-2.37	838,110,880
China Mobile Ltd	52.00	-1.70	49,367,342

GCC INDICES

Indices	Lt Price	Change
Doha Securities Market	8,431.48	+120.61
Kuwait Stocks Exchange	4,059.67	-51.70
Oman Stock Market	3,681.62	-66.73

China's factory output plunges at sharpest pace in 3 decades

Reuters
Beijing

China's factory production plunged at the sharpest pace in three decades in the first two months of the year as the fast-spreading coronavirus and strict containment severely disrupted the world's second-largest economy.

Urban investment and retail sales also fell sharply and for the first time on record, fanning views China's economy probably stalled or even shrank in the first quarter and that authorities would need to do more to resuscitate activity.

"Judging by the data, the shock to China's economic activity from the coronavirus epidemic is greater than the global financial crisis," said Zhang Yi, chief economist at Zhonghai Shengrong Capital Management.

"These data suggest a small contraction in the first-quarter economy is a high probability event. Government policies would need to be focused on preventing large-scale bankruptcies and unemployment."

Industrial output fell by a much larger-than-expected 13.5% in January-February from the same period a year earlier, data from the National Bureau of Statistics (NBS) showed yesterday.

That was the weakest reading since January 1990 when Reuters records started, and a sharp reversal of the 6.9% growth in December.

The median forecast of analysts polled by Reuters was for a rise of 1.5%, though estimates varied widely.

The dire numbers also showed shocking weakness in the property sector and have prompted some analysts to further cut their forecasts on first-quarter economic performance, which were already pointing to a dramatic slowdown.

They may also mean Beijing needs to rethink its economic growth target for 2020.

China has yet to publicly issue its target, which would ordinarily be announced at the start of the annual parliament meeting.

That meeting was originally scheduled for March 5 but was postponed due to the outbreak.

Sources have said policymakers are debating whether to lower the planned annual growth target of around 6%, which was tentatively agreed late last year.

The Global Times yesterday quoted Wei Jianguo, vice head of the China Centre for International Economic Exchanges, a think tank, as saying that China's 6% growth goal for 2020 remained intact.

However, many private-sector economists see that as already well beyond China's reach.

"Don't even think about it," said Hao Hong, head of research at BOCOM International.

"Even though China goes all in with stimulating policies in the property sector and infrastructure, that's still mission impossible." The NBS in a statement yesterday said the impact from the coronavirus epidemic is controllable and short-term and that authorities would strengthen pro-growth policies.

People wearing face masks amid concerns over the spread of the coronavirus walk in a shopping mall in Shanghai yesterday. Retail sales in China shrank 20.5% as consumers shunned crowded places like shopping malls, restaurants and movie theatres.

Mainland China has seen an overall drop in new coronavirus infections, but major cities such as Beijing and Shanghai continued to wrestle with cases involving infected travellers arriving from abroad, which could undermine China's virus fighting efforts.

However, analysts warn it could take months before the economy returns to normal. "While domestic conditions should improve slowly in the coming months, the mounting global disruption from the coronavirus will hold back the pace of recovery," said Julian Evans-Pritchard, Senior China Economist at Capital Economics.

Prior to a significant deterioration in the virus, analysts had predicted a rapid V-shaped recovery for China's economy, similar to that seen after the SARS epidemic in 2003-2004. But the outbreak escalated just as many businesses were closing for the long Lunar New Year holidays in late January, and widespread restrictions on transportation and personal travel, as well as mass quarantine, delayed their reopening for weeks.

Factories may not be back to full output until April, some analysts estimate, and consumer confidence may take even longer to recover.

The declines in industrial production, urban investment and retail sales indicators contrasted with gains in December and expectations in a Reuters poll for very modest growth.

Investment slumped 24.5% in January-February year-on-year while private sector investment dived 26.4%.

Retail sales shrank 20.5% as consumers shunned crowded places like shopping malls, restaurants and movie theatres.

China's jobless rate rose to 6.2% in February, up from 5.2% in December and hitting the highest since official records were published. Pain was also seen in China's real estate market with property investment falling at its fastest pace on record while home prices stalled for the first time in nearly five years.

Analysts expect March figures to be even worse.

Despite those numbers, NBS spokesman Mao Shengyong said short-term policies to support the property market were not among the government's broad suite of stimulus options.

Authorities have been ramping up economic support since the outbreak escalated, with most aimed at helping cash-starved companies stay afloat until conditions improve.

Other major global economies have more recently unleashed a wave of stimulus to prop up growth and ensure financial stability.

China's central bank said on Friday it would cut the amount of cash banks must hold as reserves (RRR), releasing another 550bn yuan ($78.82bn) to push down borrowing costs.

Mao from the NBS told reporters there was room for to raise budget deficit ratio this year, following recent fiscal stimulus including tax waivers, subsidies and cuts in social insurance fees.

China's central bank cut the amount of cash that banks must hold as reserves on Friday for the second time this year.

The central bank has cut several key interest rates since late January, and some analysts are expecting another reduction in its benchmark lending rate this week.

"I'm worried about the small firms.

The pressure of rent remains a problem and tax waivers don't mean much, as there's no revenues," said Hua Changchun, chief economist at Guotai Junan Securities.

"If Q1 GDP growth turns negative, there would be huge pressure to achieve the full year target, unless we can have a 8%-10% of GDP growth in the second quarter."

India asks court to allow 20-yr rescue plan for telcom companies

Bloomberg
New Delhi

India's government has sought the top court's approval for a rescue plan for telecommunications companies, including debt-ridden Vodafone Idea Ltd and Bharti Airtel Ltd, which will allow them to pay past dues worth about Rs1.4tn ($19bn) over 20 years, according to people aware of the filing.

The government has cited the possibility of a cascading impact on the economy if telecom companies are forced to pay dues by a Supreme Court set date of March 17, according to the filing seen by Bloomberg. A telecom bankruptcy will also adversely affect the banking sector, it said.

"The considerate view that government has expressed in their submission to Supreme Court is a welcome progression," said Alok Shende, principal analyst at consulting firm Ascentius Insights.

Shende said a duopoly or a monopoly in the telecom sector will hurt consumer choice and government coffers.

The government's move is a relief for mobile operators like Vodafone Idea, which is teetering on the brink of bankruptcy following a $4bn demand for back fees.

The company yesterday paid an additional Rs33.54bn towards its adjusted gross revenue liability, bringing the total paid to Rs68.54bn and covering the principal amount due, it said.

India's Solicitor General Tushar Mehta filed the application with a two-judge panel yesterday.

The court said it will consider the government's request when all three judges, who passed the previous orders in the case are available. The Supreme Court is hearing only urgent cases and functioning with a limited number of judges to protect against the coronavirus outbreak.

Balance Dues Bharti Airtel group companies have so far paid Rs180bn against the government's total demand of Rs439.8bn, according to the filing.

The company self-assessed dues at Rs130bn.

Wind and sun aplenty but investors wary of Australia's renewables

Bloomberg
Sydney

Australia's sunny skies and windswept coasts, which have drawn billions of dollars to the nation's renewables sector, are starting to become a hard sell.

Overseas renewables developers and investors are shying away in the face of a creaking power grid and unclear policy, exacerbated by Prime Minister Scott Morrison defending fossil fuels and refusing to tighten emission targets even amid deadly wildfires and drought.

London-based construction group John Laing Group Plc this month said it would exit the market, highlighting a trend that last year saw new investment in the sector fall for the first time in half a decade.

"Australia is a market with significant challenges and currently international investors are very wary of investment," said John Martin, chief executive officer of renewables investor New Energy Solar Ltd. "They see a range of unresolvable issues from a lack of consensus on policy and an overly complex market design to individual project woes like grid access, congestion, marginal loss factors and curtailment." Investment in the sector fell by almost 60% last year from a record.

The industry met the government's long-term renewable target a year ahead of time, with no new incentive to replace it. Morrison's administration is also a strong supporter of the coal industry, including backing studies into new coal-fired generation, and its refusal to consider a carbon pricing mechanism is widely seen as a further impediment to the clean energy transition.

Solar is listed on the Australian stock exchange, but its two renewable investment portfolios comprise 49 solar plants in the United States and just 2 in its home country.

The weighting reflects the relative merits of the two markets, Martin said.

Ebb John Laing plans to sell its renewable power assets across all geographies, but singled out transmission losses as the main cause of its decision to exit Australia.

CEO Olivier Brousse described it as "new projects coming online faster than the ability of the grid operator to increase the capacity of the transmission lines." The group reported a £52mn loss on its Australian renewable assets in 2019.

Windlab Ltd, another renewable developer, said that it saw better opportunities in Africa than Australia, after its business was hit by grid costs, curtailment and a dispute with the contractor which has delayed its flagship wind, solar and battery hybrid project in Queensland.

"Across the Australian market investment in renewable energy has collapsed in 2019," Windlab CEO Roger Price said on a March 6 analyst call.

In contrast, the company is expanding its presence in Africa.

It is developing projects in Kenya and South Africa, where "the need for more generating capacity could not be clearer."

Not everyone is downbeat on Australian wind and solar.

The strong underlying economics for renewables will ensure that investment continues to flow, said Kim Nguyen, who heads the Australian unit of UK investment company Foresight Group.

There were no signs as yet of an exodus of investors in John Laing's wake, she said.

Foresight operates the Bannerton solar farm in Victoria.

"There's still a lot of interest for assets in the market," she said.

However, "when you have increased volatility around revenues, when you have increased regulatory uncertainty, then what happens is that the cost of capital required by equity investors increases."

Central banks pull out all stops as coronavirus paralyses economies

Reuters
Sydney

The US Federal Reserve and its global counterparts moved aggressively with sweeping emergency rate cuts and offers of cheap dollars to help combat the coronavirus pandemic that has jolted markets and paralysed large parts of the world economy.

The co-ordinated response from the Fed to the European Central Bank (ECB) and the Bank of Japan (BoJ) came amid a meltdown in financial markets as investor anxiety deepened over the difficulty of tackling a pathogen that has left thousands dead and put many countries on virtual lockdowns.

The Fed moved first on Sunday, cutting its key rate to near zero in a move reminiscent of the steps taken just over a decade ago in the wake of the financial crisis. The US decision triggered emergency policy easings by central banks in New Zealand, Japan and South Korea, with Australia also joining with a liquidity injection in a co-ordinated move aimed at stabilising confidence as the pandemic threatened a global recession.

"The virus is having a profound effect on people across the United States and around the world," Fed chair Jerome Powell said in a news conference after cutting short-term rates to a target range of 0% to 0.25%, and announcing at least $700bn in Treasuries and mortgage-backed securities purchases in coming weeks.

The Reserve Bank of New Zealand (RBNZ) slashed rates to a record low as markets in Asia opened for trading this week, while Australia's central bank pumped extra liquidity into a strained financial system and said it would announce more policy steps on Thursday.

Bank of Japan governor Haruhiko Kuroda attends a news conference in Tokyo. The BoJ eased policy in an emergency meeting, ramping up purchases of exchange-traded funds and other risky assets to combat the widening economic fallout from the coronavirus epidemic.

Later, the Bank of Japan too eased policy in an emergency meeting, ramping up purchases of exchange-traded funds (ETFs) and other risky assets to combat the widening economic fallout from the coronavirus epidemic.

Neighbouring South Korea stepped in as well with a 50 basis point rate cut in a rare inter-meeting review yesterday. "I don't think we have reached a limit on how deep we can cut interest rates," BoJ governor Haruhiko Kuroda said. "If necessary, we can deepen negative rates further," he added. "We can continue to pump ample liquidity into the market."

The measures did little to calm market nerves though, as Asian shares and US stock futures plummeted, underscoring the fears the health crisis might prove much more damaging to the global economy than initially anticipated.

France and Spain joined Italy in imposing lockdowns on tens of millions of people, while the United States saw school closings, runs on grocery stores, shuttered restaurants and retailers, and ends to sports events.

"Market reactions to each surprise monetary policy easing have been sell first and ask questions later," said Selena Ling, head of treasury research and strategy at OCBC Bank in Singapore.

"The more unprecedented measures by the Fed and other central banks, the more investors worry if (they) know something we don't… fear remains the crux of the problem here as market players remain unconvinced that monetary policy easing and liquidity injections will solve an essentially healthcare crisis." Five other central banks cut pricing on their swap lines to make it easier to provide dollars to their financial institutions, ramping up efforts to loosen gummed up funding markets and calm credit markets.

They also agreed to offer three-month credit in US dollars on a regular basis and at a rate cheaper than usual.

The move was designed to bring down the price banks and companies pay to access US dollars, which has surged in recent weeks as a coronavirus pandemic spooked investors.

However, analysts say flooding banks with cash at near-zero rates won't help fix dislocations in credit markets caused by fear of lending to businesses with mounting losses, which in turn fuels distrust among banks. Moreover, analysts at major banks and ratings agencies are predicting a marked downturn in the world economy, and some say a recession is unavoidable. "We believe that financial markets stress could ultimately be the proverbial 'straw that breaks the camel's back', and hence, we continue to monitor these very closely," Fitch Solutions said in a note yesterday, adding its forecasts were subject to "downside risks."

Pakistan's SEZs to boost exports to $1.5bn per annum

Internews
Islamabad

Special Economic Zones (SEZs) in Pakistan would help the country in enhancing export by $1bn to $1.5bn per annum in the short-run by ensuring effective and comprehensive planning.
In a statement, Faisalabad Industrial Estate Development and Management Company (FIEDMC) chief, Mian Kashif said FIEDMC a successful entity of combination of public private sectors partnership and first ever state-of-the-art will ultimately turn into an economic engine of country progress through China Pakistan Economic Corridor initiatives.
Appreciating economic vision of Prime Minister Imran Khan, he said the prime minister has directed all the concerned departments to remove hurdles in the way of development of SEZs and establish them on priority basis.
Fortunately, he said almost hundred per cent plots in M-3 Industrial Estate have already been sold out while hundreds of units have become operational and were playing their role in providing exportable surplus in addition to accommodating thousands of workers.
Mian Kashif said the industrial city would house more than 400, textile, steel, pharmaceutical, engineering, chemical, food processing, plastic and agriculture appliances units in addition to providing jobs to 250,000 workers.
He claimed that the city was also expected to attract Rs400bn local and foreign direct investment which would help =Pakistan to stabilise its economy.
He further said that Faisalabad was strategically located in the heart of Pakistan and was flanked by two motorways passing from its eastern and western sides.
He said that this city has a unique privilege to contribute 60% towards textile exports and 45% towards total exports of the country.
He further said that it was not only restricted to textile which was its iconic identification but hundreds of SMEs hailing from chemicals, steel, food processing and others were also playing their role in the overall economy of Pakistan.
FIEDMC chairman further said investors from China, Turkey, Korea and Britain have pumped $1.10bn and their confidence in Pakistan have been restored as they are also bringing more investors from their respective country to invest in SEZs.
He said these investors expressed their eagerness to explore the possibility of investment in diverse sectors of Pakistan especially in ceramics, chemicals, steel, food processing and automobiles.
He said Imran Khan clearly directed them to focus on developing such industry in SEZs which is based on export and import substitution to restrict the import bill.
He said the good thing is that a number of Chinese industries have started pumping investment in SEZs and apparently the reason behind this is that the production cost in China has increased and another factor which is making Pakistan one of the beneficiaries of on-going US China trade war.
Mian Kashif also emphasised that consistent policies were imperative to attract foreign investment into the country, which could lead the economy towards sustainable growth.
He said industries operating in the FIEDMC will have an immediate access to high-quality infrastructure, un-interrupted power supply, public facilities and support services along with simpler ease of doing business.

After the Fed rate cut, dollar may not subside

Reuters
Singapore

When the US Federal Reserve cut interest rates to near zero on Sunday, the dollar fell, since the move blew away the yield on owning dollars and with it much of their attraction.
Yet few are willing to bet on a prolonged decline.
Pandemic fears are roiling markets, driving a scramble for both safety and funding in the world's reserve currency. Analysts are already discounting the dollar's yesterday slide as modest and maybe temporary, given the scale of the Fed's emergency move. They are also drawing a distinction between the unwinding of the dollar's yield and what happens next.
"We had this very, very bold move by the Federal Reserve," said Paul Mackel, head of emerging markets FX research at HSBC in Hong Kong. "(But) if you look at the reaction of markets, it's very mixed if not underwhelming. And in the currency market specifically, the dollar funding still remains quite tight."
He said the dollar was drawing support for all kinds of reasons, from investors seeking safety from wild trading in other asset classes to businesses who want to be cash-rich in uncertain times.
"Whenever you have a big enough financial shock, the scramble for liquidity and the reserve currency in the world, which is the dollar, typically intensifies," Mackel said.
So in spite of the Fed's 100-basis-point cut and aggressive liquidity measures, the cost of borrowing dollars internationally – reflected in cross currency swaps – has kept rising.
Japanese banks were yesterday paying 10 times the average price to swap yen for one-month dollars. The dollar has historically gained in spot markets whenever there is an offshore funding squeeze, since it is almost always against a backdrop of global uncertainty and market volatility that tends to hurt the balance sheets of non-dollar economies.
This time, the dollar's yields are also higher than those in the eurozone or Japan. In the spot market, the euro rose 1% against the dollar yesterday and the yen nearly 2% as US yields dived after the Fed announcement. But both stayed below recent peaks and the dollar surged against commodity and emerging-market currencies, adding to already massive gains as pandemic headlines flowed across screens.
The dollar has gained 10% against the New Zealand dollar and 12% against the Australian dollar this year.
And although positioning data has the value of long dollar positions tumbling with the unwinding of the euro/dollar carry trade, the market remains long dollars.
In fact, Nomura, Japan's biggest brokerage and investment bank, said yesterday it expects the dollar to extend already big gains against the Korean won and Thai baht, and added to a bet the Singapore dollar will fall against the dollar.
Westpac analyst said as long as investors' worries about the virus remained, demand for dollars should stay strong. "It's hard to see much upside for the Aussie, kiwi or Canadian dollar, given what's happened with commodities and energy prices in general and sensitivity to risk appetite," he said.

Australia planning $11.4bn second stimulus package

Reuters
Sydney

Australia is considering a second round of economic stimulus, three sources familiar with the deliberations told Reuters, as Canberra accelerated efforts to contain the spread of the coronavirus that has now killed five people in the country.
Australia has recorded nearly 300 cases of coronavirus and authorities fear a rapid rise in the flu-like respiratory disease.
The spread of the virus has roiled global markets despite pledges of stimulus packages, including Australia's plan to inject A$17.6bn ($11.4bn) into its economy.
Prime Minister Scott Morrison met yesterday with senior Cabinet officials to discuss a potential "scaling-up" of its stimulus package, three sources told Reuters.
But the prospect of further government support did little to support the share market, with the benchmark S&P/ASX index plunging 9.7% in a late sell-off, its the biggest one-day fall since 1987.
The index is down 30% since February 20.
Australia's corporate regulator had earlier asked some participants in the equity market to limit the number of trades they execute each day by up to 25% after a huge spike in volumes last week.
The country's central bank also pumped more money into financial markets and said it was ready to buy local government bonds to support the smooth functioning of the market while planning further policy measures later this week.
After a 77-year-old woman and a 90-year-old woman died in New South Wales, Victoria state and the Australian Capital Territory (ACT) – home to the capital city of Canberra – declared a state of emergency that will give health officials sweeping powers.
The proclamations allow the Victoria state and ACT's chief health officers to issue fresh quarantine orders to cover entire suburbs, businesses or professions if deemed necessary.
"These powers have never been used before," Victorian Premier Daniel Andrews told reporters in Melbourne, the state capital of Victoria. "This I hope provides a clear sense about the unprecedented nature of this public health emergency, this really significant challenge."
The Victoria state of emergency will run for four weeks, while the ACT declaration will be in force for at least a week.
Western Australia state declared a state of emergency on Sunday.
Nationally, Australia is tightening its borders, with Morrison on Sunday ordering everyone arriving from overseas to self-isolate for 14 days. Australia has also banned non-essential social gatherings of more than 500 people, though this not apply for public transport, work or schools.
Scores of events have been cancelled, including Anzac Day war memorial services in New South Wales state, which yesterday recorded 37 new coronavirus cases, its biggest one-day rise yet.
Many offices are asking employees to work from home and several leading universities yesterday shuttered for at least a week.
Australia's parliament, which is scheduled to sit next week has also restricted access to visitors, while Morrison said lawmakers will be asked to limit the number of staff members that come to Canberra next week.
Home Affairs Minister Peter Dutton last week became the country's highest ranking elected official to say he tested positive to the virus, while a senator from Dutton's state of Queensland, Susan McDonald, said yesterday she had tested positive.
Both said they were in isolation.
Hundreds of Australians have meanwhile begun stockpiling goods, from staples to sanitisers, clearing supermarket shelves.
The country's biggest grocer, Woolworths Group, said it would open exclusively for an hour in the morning from today until at least Friday for elderly Australians and people with disabilities.

Scott Morrison, Australia's prime minister, speaks during a news conference at Parliament House in Canberra. Morrison met yesterday with senior Cabinet officials to discuss a potential "scaling-up" of its stimulus package, three sources said.

Citi eyes 10% asset growth as virus-worn Asia goes online

A Citibank branch is seen in Singapore. Citigroup's wealth management business in Asia remains a bright spot for the lender. The retail banking business in the region generated $4.4bn in revenue last year, an increase of 4%, while profit jumped 11% to $1.04bn. For Singapore alone, the bank plans to double its wealth-management clients by 2025, while increasing its market share by 5 percentage points to 10% during the same period, the company said.

Bloomberg
Singapore

Citigroup Inc is forecasting a 10% boost in new clients and assets at its retail wealth unit in Asia, betting that a digital push will help it grow this year even as the coronavirus upends businesses across the region.
The bank plans to expand its customer base across 12 markets, underpinned by online growth, said Fabio Fontainha, Citi's head of retail banking for Asia Pacific. Fontainha's unit serves clients with investable assets of $100,000 to $10mn. The New York-based bank is brushing aside disruptions triggered by the Covid-19 virus, confident that investments in online trading, electronic authorisation of documents and digital systems will help it lure new clients from China to India.
The bank is racing against dozens of other players for a slice of a wealth and asset-management sector that's expected to nearly double in Asia to $29.6tn in the nine years through 2025, according to a report last year from PricewaterhouseCoopers LLP.
"We think wealth is a leading business here in Asia," Singapore-based Fontainha said. "All our digital capabilities are coming into play at this point." The retail wealth business – Citigold and Citigold Private Client – has several hundred thousand customers, said Fontainha, without being more specific. He declined to disclose how much the two units manage, though the overall Asia wealth business – which includes the private banking unit for investors with $10mn or more – runs $265bn.
Fontainha projects asset growth even as the parent bank cautions the coronavirus outbreak will take its toll. The lender expects net interest revenue to decline in the first quarter, and it will probably have to set aside additional reserves, chief financial officer Mark Mason said last week at an investor conference. The outbreak may prompt Citigroup to hold its annual shareholder meeting online next month, the bank said.
Citigroup's wealth management business in Asia remains a bright spot for the lender. The retail banking business in the region generated $4.4bn in revenue last year, an increase of 4%, while profit jumped 11% to $1.04bn. For Singapore alone, the bank plans to double its wealth-management clients by 2025, while increasing its market share by 5 percentage points to 10% during the same period, the company said.
The bank gets about a third of new clients online and that trend is expected to grow, said Fontainha.
Since the virus outbreak, relationship managers have been reaching out to customers via video conferencing and mobile chats.
"It's quite valuable to create alternative ways for clients to reach their relationship managers and conduct banking online especially in times like this," said Fontainha. "That trend will continue to pick up from this point."
Citigroup deploys an open-platform strategy for its asset-management business. It sells third-party mutual funds, which saw a 66% growth in online sales in Asia over the last two years compared with the end of 2017, Fontainha said.
Foreign exchange trading volume from retail customers also jumped 40% in the same period after the bank introduced a global wallet for automatic currency conversion and an online foreign exchange service, he said. Citigroup has incorporated its retail banking service on Tencent Holdings Ltd's instant messaging tool WeChat, meaning clients can check their accounts within the mobile app.
"Clients' comfort level in trading online is quite high and constantly increasing," Fontainha said.

FOCUS

The impact of coronavirus epidemic on global economy

By Dr Yury Sentyurin

While the global economy was initially expected to grow by 3.3% in 2020, after having experienced a 2.9% growth in 2019, the outbreak of the coronavirus (Covid-19) in China has imposed a significant shock on the global economy.

The outbreak of the virus emerged as a "Black Swan" in the Chinese economy and disrupted activities in the country. With the extension of Lunar New Year holidays, most of businesses and companies announced closure by mid-February 2020 and most of economic activities in the service, industrial and transportation sectors have been interrupted since January 24, 2020.

On the other hand, the transmission of Covid-19 to South Korea, Japan, Singapore and the rest of countries in Asia caused a sharp decline of Asian major financial stock markets. The increasing number of confirmed cases of Covid-19 in Italy, France, Spain, Germany and the UK has affected major financial markets in Europe. Simultaneously, the Covid-19 also reached countries in Mena region and North America.

While how and when the outbreak of the virus would be contained is yet to be assessed, one of the key questions is how and to what extent the global economy would be impacted by the epidemic.

In this regard, some analysts have used the consequences of Sars-2003 to gauge its economic impacts and tried to understand the phenomenon of the latter. The first case of Sars was reported in November 2002 and its outbreak peaked after 3-4 month. The Sars virus spread was contained after 6-7 months. During that period, almost 8,000 people in 26 countries were infected, and 800 people died as the result of severe infection.

Although there are some similarities between these two cases, the differences on the size of infection, the degree of global integration, the increasing share of Chinese economy in the global trade as well as the fast pace of transmission of Covid-19, has led us to examine the effects of this virus separately.

China accounts for 17% of the world economy and almost 11% of the global trade and around 9% of global tourism activities. On the other hand, more than 157 countries have reported cases of Covid-19, out of which China, Italy, South Korea, Iran, France, Spain, Germany and the US were on top of the list. Therefore, the World Health Organisation (WHO) has declared it a global pandemic and the economic fallouts of the virus spread have been growing since the virus started spreading across the world. Shut down of factories, quarantine measures, travel restrictions as well as interruption in the service sector activities have affected the global economy.

Sharp declines in financial markets were the fastest reaction to the economic effects of the virus, as major stock market indexes have fallen by an average of 10% in a very short period. However, it is worth mentioning that financial markets react quickly to any policy announcement and gain momentum immediately, so there could not be a proper gauge to realise the impact of the virus on the real economy.

Nevertheless, we have observed several pessimistic views of international economic institutions, which predict a deceleration of the world economy as follows:

- On 22nd February 2020, the IMF announced that China's economic growth in 2020 would be revised down by 0.4% from 6%. Also, the global economic growth is estimated to be downgraded by 0.1% from the 3.3% expected prior to the coronavirus issue. However, in her latest speech on 5th March 2020, IMF managing director Kristalina Georgieva highlighted that in any scenario the global growth in 2020 would fall to less than 2.9% experienced last year. However, she mentioned that the degree of economic fallout depends on the epidemic and the timeline of containment.
- According to a survey by FocusEconomics, the main effects of Covid-19 outbreak on the global economy is expected to be subtraction of growth by 0.2% in 2020, compared with the forecast prior to the outbreak. China's GDP growth in 2020 also projected to be downgraded by 0.5-0.8%.
- Oxford Economics has revised down its forecast of the global economic growth in 2020 from 2.5% to 2.3%, down from the 2.6% foreseen in 2019. China's economy is expected to grow by 5.4% in 2020, down by 0.6 percentage points as compared with the January 2020 forecast.
- The International Air Transport Association estimated $30bn loss of revenue for airline and tourist companies caused by the Covid-19 outbreak and foresees a slowdown of the industry from 4.8% growth to a 8.2% contraction in this sector.
- National Bureau of Statistics (NBS) of China released China's Purchasing Managers Index (PMI), which slumped to a record level of 35.7 in February 2020 from 50 in January 2020.

On the other hand, international economic organisations and central banks announced some accommodative packages to support the global economy:

- UN announced that it would release $15mn to help vulnerable countries to contain the spread of the coronavirus;
- The IMF made about $50bn available through its rapid-disbursing emergency financing facilities for low income and emerging markets;
- G7 pledged to support the global economy under acute threat from the coronavirus;
- The US Federal Reserve cut its benchmark interest rate by a half-point - the biggest reduction since the financial crisis 2008-9.

Considering all the above developments and putting our reference point of economic growth on the basis of the latest World Economic Outlook (WEO, January 2020), we have built up three scenarios on the economic impacts of coronavirus outbreak as follows:

Short-lived: Coronavirus to be contained in 2nd Quarter of 2020 (3-5 months crisis);
Mid-lived: Coronavirus to be contained 3rd Quarter of 2020 (6-8 months crisis);
Long-lived: Coronavirus not to be contained by the end of 2020 (more than 8 months).

(To be contained means the virus spread to be controlled, public health to be recovered, and the economic activity to come back to normalcy).

In our baseline scenario, we believe that the coronavirus will be contained by Q3-2020. As such, the world economy will suffer a drastic deceleration to stabilise around 2.7%, well below the forecasts in early January 2020, (based on the figures of the IMF, the OECD and the World Bank prior to the occurrence of the coronavirus).

The short-lived scenario, which in our sense is very optimistic, supposes that the duration of the disruption will be mastered in Q2-2020, through notably strong fiscal and monetary stimulus and a lifting of the imposed quarantine measures under favourable opinions of the medical experts and researchers.

In the long-term scenario the economic impact of the virus could be virulent due to a prolonged disruption in the supply chains and a weak demand. The global trade will be contracted and global investment will remain subdued. In addition, global economy would be depressed and it will drive down commodities' prices with all the consequences they may engender.

Under all the above-mentioned scenarios, aftershock responses need to be considered as they could curb the stabilisation of the economic growth around the foreseen levels of our today's estimations, and thus we can expect a global economic growth much lower than the figures indicated.

Based on our analysis, no economy in the world will be immune from Covid-19 and its impact will be heavily felt worldwide if no efficient global measures are found and agreed upon.

The author is secretary general of the Gas Exporting Countries Forum (GECF).

Airlines slash flights across globe as demand evaporates

Bloomberg
Dallas

Airlines worldwide will shrink operations to only a trickle of flights, severing global links and putting hundreds of thousands of jobs at risk as they fight to preserve cash and survive the coronavirus pandemic.

British Airways owner IAG SA will slash capacity for April and May by at least 75% amid the collapse in demand and government restrictions aimed at slowing the disease. Partner American Airlines Group Inc will cut international long-haul flights by the same degree in the biggest reductions by a US carrier.

Ryanair Holdings Plc and Air France-KLM announced even deeper cuts at 80% and 90% respectively, and the Irish firm said its entire fleet may be grounded. Paris's two biggest airports plan to shutter terminals as travel hubs stand almost empty, while TUI AG, the largest vacation firm, will suspend the bulk of its hotel and cruise-ship operations.

Job cuts mounted as Norwegian Air Shuttle, already mired in debt and losses, cut 7,300 posts, and Virgin Atlantic Airways offered staff 12 months of leave.

The actions reflect mounting fears that Covid-19 threatens the survival of even healthy travel companies as people stay home and the disease wipes out economic growth. White House officials are looking at letting cash-strapped carriers keep some taxes and passenger fees, while European governments are exploring measures that could go as far as partial nationalisation.

"Co-ordinated government and industry action is needed now if catastrophe is to be avoided," the Sydney-based CAPA Centre for Aviation said on Monday. Otherwise, "emerging from the crisis will be like entering a brutal battlefield, littered with casualties."

Many airlines have probably substantially breached debt covenants already, and the pandemic will bankrupt most carriers worldwide by the end of May without co-ordinated action, the report said.

A passenger aircraft, operated by British Airways, taxis on the tarmac at London Heathrow Airport. British Airways owner IAG will slash capacity for April and May by at least 75% amid the collapse in demand and government restrictions aimed at slowing the coronavirus pandemic.

Fallout from the outbreak is sparing few airlines anywhere. Delta Air Lines Inc and United Airlines Holdings Inc, the biggest US network operators alongside American, further reduced schedules. And in Australia, Qantas Airways Ltd said it plans a fourth round of capacity cuts after the government forced anyone arriving from overseas to isolate themselves.

IAG, which owns airlines in Spain and Ireland as well as BA, will freeze hiring and veteran Chief Executive Officer Willie Walsh, who was due to stand down this month, will delay his retirement. Like many airlines the company said it's no longer possible to provide estimates for full-year earnings. At Air France-KLM, CEO Ben Smith addressed staff in a video following an extraordinary board meeting and talks with the French and Dutch governments, which hold stakes in the carrier, on support that could include postponing taxes, fees and charges.

"We don't know when this will end," said Smith, who is taking a 25% pay cut. The company has begun talks with unions on shorter working and has pulled wide-body jets including Airbus SE A380s. The superjumbo is also suffering a cull elsewhere, with Dubai-based Emirates grounding 29. Global airport operator Aeroports de Paris said that in addition to closing some Paris terminals and suspending airline fees for parking jets, it has shut shut down hubs in Amman, Jordan, Ohrid and Riga, Latvia.

Cuts at Finnair Oyj will be among the steepest, with the carrier eliminating about 90% of normal capacity from April "until the situation improves." It had already taken a battering from the earlier collapse in Asian travel after following a strategy focused on serving China, Japan and South Korea.

Companies have sought to provide reassurance about their liquidity, with EasyJet Plc saying it has a £1.6bn ($2bn) cash balance, an undrawn $500mn revolving credit and aircraft worth more than £4bn. Europe's second-biggest discounter said it expects to ground most planes while operating what it called "rescue flights" for short periods.

Ryanair said it has €4bn ($4.5bn) in cash and will also defer capital spending and share buybacks to bolster reserves.

TUI fell as much as 39% in London, the most ever, after saying it was winding down travel. The group's airlines are now focused on bringing people home, and the last two or three cruise ships will stay in port once they dock. Destinations where some outbound flights continue include Egypt, Cape Verde and Mexico.

Virgin Atlantic Airways Ltd chief Shai Weiss has written to UK Prime Minister Boris Johnson saying British carriers and airports may need credit of £7.5bn. The airline will have terminated four-fifths of daily services by the end of next week and could ground all-but 15% of its planes in April.

Job cuts are racking up, most of them temporary for now. The ax has come down hardest in Scandinavia, with Norwegian Air laying off 90% of staff, the same proportion as at tri-national rival SAS AB, where up to 10,000 people will be sent home as it cancels most flights.

Elsewhere, recruitment freezes have become the norm. Virgin's staff will also be required to take eight weeks of unpaid leave over the next six months, and it's touting voluntary severance packages and year-long sabbaticals.

American announced additional cuts hours after President Donald Trump extended a ban on some flights into the US to include those from the UK and Ireland, while US capacity will fall 20% in April and 30% in May from a year earlier. The carrier is also cutting flights to numerous cities in South America, Australia, New Zealand and Asia.

United will reduce its capacity about 50% in April and May, deepening previous cuts, the company said late on Sunday. Executive salaries will be halved and talks will begin with unions to lower wages, with CEO Oscar Munoz warning that the process will "be painful for all of us."

UBS taps WeChat to reach clients in age of virus

Bloomberg
Hong Kong

UBS Group AG will start allowing its bankers and traders to use WeChat Work to advise clients on trading and deal making, tapping a new channel as the virus outbreak has shut down travel across most of the world.

The Zurich-based lender sped up the approval process last week through compliance and its top management committee and intends to roll it out for employees by the end of this month after piloting among a small group of bankers earlier, according to a bank spokesman.

The lender would be the first among global banks to broadly reach into WeChat, which has 1bn-plus users and is ubiquitous across China, to engage with clients on both deals in the works and on queries related to trades. It will also use it as a channel to distribute research via links.

"With the impact of Covid-19 and increased requirements for agile working, we are perfectly set up to roll out this application to communicate with clients, distribute research, and host meetings," said Rob Stewart, a Hong Kong-based spokesman.

The use of WeChat, rather than corporate e-mails and phones, opens up both regulatory and security issues. Regulators around the world have grappled with how to make sure finance-industry employees meet record-keeping obligations as technology makes it easier to communicate and conduct business on private platforms. China's social networks are closely monitored by authorities. WeChat is considered one of the most effective communication tools in financial circles on the mainland, though global banks have largely prohibited employees from using it.

Rising coronavirus threat spurs European companies' call to arms

Bloomberg
London

With Europe now at the centre of the coronavirus pandemic, governments across the region are appealing to manufacturers to help secure life-saving equipment and other key products they will need to fight the contagion.

The UK government invoked the language of a wartime mobilisation in an urgent bid to find more ventilators and said it's talking with an array of companies including Dyson Ltd, Rolls-Royce Holdings Plc and JCB. Shares of Draegerwerk AG, a German company that makes the devices, soared after it disclosed a big order from the government.

UK Prime Minister Boris Johnson has promised to buy as many ventilators as companies can produce, officials said, while the government is also in talks with private hospitals to buy up bed space to increase capacity.

"As a British company, we will do whatever we can to help during the unprecedented times our country is facing," JCB said in an e-mail yesterday.

The rapid spread of the coronavirus is threatening to put significant pressure on health systems and exposing shortages of key equipment across the continent as countries such as the UK brace for a potential surge in infections and deaths. The UK has about 5,000 ventilators and needs many more to meet the challenge, Health Secretary Matt Hancock has said.

"Our generation has never been tested like this," Hancock wrote in the Telegraph. "Our grandparents were, during the Second World War, when our cities were bombed during the Blitz. Despite the pounding every night, the rationing, the loss of life, they pulled together in one gigantic national effort. Today our generation is facing its own test."

Draegerwerk, based in Lubeck, Germany, said on Friday it had received an order for 10,000 ventilators — along with personal protection equipment for hospital staff — from the German government. Delivery will stretch across the entire year and requires a "substantial" increase in production capacity. The shares rose as much as 40% in Frankfurt, even as other stocks fell. The company supplies hospitals with, among other things, ventilators, anaesthesia workstations and patient monitoring tools. It had revenue of €2.8bn in 2019, of which only about 3% came from the sorts of ventilators that are in demand during the coronavirus crisis, the company previously said.

On March 5, before the outbreak exploded in scale in Europe and North America, Chief Executive Officer Stefan Draeger said on a call with analysts that demand for light breathing equipment was already exceeding the company's production capacity and that there wasn't much room to scale up production capacity. One bottleneck is in testing equipment and that can't be increased on short notice, he said. Another hurdle is the limited supply chain, he said. Draeger and probably other manufacturers would struggle to maintain the current pace of production for a prolonged period, he said. "Our production capacity is limited by the respective machinery, and new machinery has like a lead time of a year," he said. "And all machines are running at full capacity and the production is sold out until August."

JCB, a construction equipment maker, said it was approached by the prime minister to help with the production of ventilators and has research and engineering teams actively considering the request, though it acknowledged it's not yet clear whether it can assist. Rolls-Royce said it's also looking at how it could help.

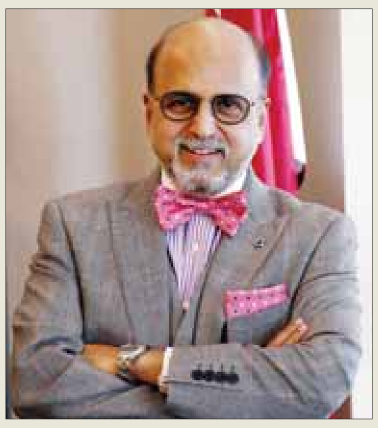
"We understand that the government is exploring ways in which businesses can help deal with the outbreak of Covid-19," the aircraft-engine maker said in a statement. "As they shape their plans, we are keen to do whatever we can to help the government and the country at this time."

A Dyson representative said the vacuum-cleaner maker is "working with other companies to see if we can provide a rapid solution."

BANKING ON KNOWLEDGE

Is the global economy heading towards a recession?

By Dr R Seetharaman



The novel coronavirus and its impact on global economic growth, including emerging economies and the fall in oil prices sent the global capital markets crashing last week.

The emerging economies also were part of this mayhem and they also witnessed weakening of their currencies. The first quarter bond issuances in emerging economies had also fallen on account of the above factors. On the whole, the emerging economies' financial markets are going into a tailspin and volatility is expected to continue in the near term.

In response to the volatile financial markets, the People's Bank of China last week injected $79bn into the economy through a reduction in reserve ratios for banks. India's RBI announced a $2bn injection into the foreign exchange market last Thursday to support the rupee, and followed on Friday with a plan to add liquidity through short-term repurchase operations. There was some relief to the markets.

On Sunday, the US Federal Reserve announced it would drop interest rates to zero and buy at least $700bn in government and mortgage-related bonds as part of a wide-ranging emergency action to protect the economy from the impact of the coronavirus outbreak. The benchmark US interest rate is now in a range of 0 to 0.25%, down from a range of 1 to 1.25%. In addition to rate cuts, the Fed announced it is restarting the crisis-era program of bond purchases known as "quantitative easing," in which the central bank buys hundreds of billions of dollars in bonds to further push down rates and keep markets flowing freely. The Fed is also giving more-generous loans to banks around the country so they can turn around and offer loans to small businesses and families in need of a lifeline.

The Bank of Japan (BoJ) said it would buy more assets including exchange-traded funds and corporate bonds, and offer a new zero-interest rate loan program to ensure companies had the financing they needed, to help prop up sentiment and maintain stability in markets. Under active buying of ETFs, the central bank will be able to buy at an annual pace of up to ¥12tn, double the annual target of about ¥6tn, suggesting more aggressive purchasing in the near-term.

The Bank of Canada, the Bank of England, the Bank of Japan, the European Central Bank, the Federal Reserve, and the Swiss National Bank announced during the weekend a coordinated action to enhance the provision of liquidity via the standing US dollar liquidity swap line arrangements. These central banks have agreed to lower the pricing on the standing US dollar liquidity swap arrangements by 25 basis points, so that the new rate will be the US dollar overnight index swap (OIS) rate plus 25 basis points.

To increase the swap lines' effectiveness in providing term liquidity, foreign central banks with regular US dollar liquidity operations have also agreed to begin offering US dollars weekly in each jurisdiction with an 84-day maturity, in addition to the 1-week maturity operations currently offered.

Brazil's central bank meeting is happening this week and it may come up with policy actions.

The weakening of Russian rouble could pose inflation risks for Russia. Earlier the Russian central Bank had cuts key policy rate to 6% from 6.25% in February 2020. We need to see what action is coming from them.

The global growth has been brought down by the IMF to 3.3% in Jan 2020 from 3.4% in October 2019. At the recent G20, finance ministers and central bank governors agreed to use all available policy tools, including fiscal and monetary measures as appropriate to respond to the economic impact of Covid-19. The G20 also agreed to support the IMF and World Bank commitments to extend financing to developing countries that need it and invite countries to strengthen funding facilities. They are committed to addressing the disruptions to international trade and market uncertainty due to the pandemic.

The global economy could possibly be heading towards a recession if the coronavirus problem persists, and to prevent the same, various central banks have taken actions recently to improve liquidity in the near term and to revive growth in the long term. The above actions prevent both liquidity and funding crisis. In the light of above developments due to novel coronavirus, it is quite possible that the global growth could be revised downwards by the IMF in its April 2020 forecast.

■ *The author is Group CEO of Doha Bank.*

Govt's financial package announcement lifts QSE above 8,400 levels

By Santhosh V Perumal
Business Reporter

The government's proposed financial package yesterday substantially lifted sentiments on the Qatar Stock Exchange (QSE), whose key index rose above 8,400 levels.

Stronger buying interests — particularly in the banking, transport and consumer goods — led the 20-stock Qatar Index soar 1.45% or 121 points to 8,431.28 points, having touched a high of 8,791 points intraday.

This comes in the wake of announced QR75bn financial package for the private sector and another QR10bn fund infusion into the QSE in view of the challenges posed by the pandemic Covid-19.

"Certainly, it helps boost sentiments, which otherwise was lagging due to multitude of reasons, including Covid-19 and oil shock," an analyst with a leading investment firm said.

There was increased net buying from domestic institutions in the market, whose year-to-date losses were trimmed to 19.13%.

Market capitalisation saw more than QR4bn or 0.92% expansion to QR470.93bn mainly owing to small and microcap segments.

Islamic stocks were seen gaining slower than the main barometer on the bourse, where the local retail investors turned bullish.

Trade turnover and volumes were on the increase in the bourse, where real estate, banking and industrials sectors together accounted for about 79% of the total trading volume.

The Total Return Index rose 1.7% to 15,945.84 points, Al Rayan Islamic Index (Price) by 0.83% to 1,828.18 points and All Share Index by 1.66% to 2,585.89 points.

The insurance index gained 2.78%, transport (2.48%), consumer goods (1.87%) and realty (1.63%); while insurance declined 4.35%, industrials (0.84%) and telecom (0.19%).

About 58% of the traded constituents extended gains with major movers being Qatar Islamic Bank, QNB, Commercial Bank, Doha Bank, Masraf Al Rayan, QIIB, Woqod, Widam Food, Mannai Corporation, Medicare Group, Al Khaleej Takaful, Qatar Islamic Insurance, United Development Company, Barwa, Nakilat, Milaha and Gulf Warehousing; even as Dlala, Qatar First Bank, Qatar National Cement, Qatari Investors Group, Qatar Electricity and Water, Mesaieed Petrochemical Holding, Qatar Insurance and Ezdan were among the losers.

Domestic institutions' net buying increased substantially to QR107.54mn compared to QR86.37mn on March 15.

Qatari investors turned net buyers to the tune of QR30.97mn against net sellers of QR24.19mn the previous day.

The Gulf institutions' net profit booking eased substantially to QR12.75mn compared to QR34.15mn on Sunday.

Non-Qatari individual investors' net selling shrank noticeably to QR0.66mn against QR11.72mn on March 15.

However, non-Qatari institutions' net selling grew considerably to QR124.04mn compared to QR15.32mn the previous day.

The Gulf individuals' net selling rose marginally to QR1.04mn against QR0.96mn on Sunday.

Total trade volumes rose 27% to 202.95mn shares, value by 77% to QR550.09mn and transactions by 77% to 11,966.

The insurance sector's trade volume almost tripled to 6.26mn equities and value also almost tripled to QR11.91mn on more than doubled deals to 481.

The consumer goods sector's trade volume more than doubled to 24.06mn stocks and value also more than doubled to QR71.24mn on 79% jump in transactions to 1,467.

The banks and financial services sector saw 59% surge in trade volume to 44.86 shares, 98% in value to QR273.97mn and 92% in deals to 3,981.

The industrials sector's trade volume shot up 55% to 39.37mn equities and value more than doubled to QR89.44mn on more than doubled transactions to 2,377.

The market witnessed 24% rise in the telecom sector's trade volume to 8.51mn stocks but on 3% fall in value to QR25.56mn and 6% in deals to 1,108.

However, the real estate sector's trade volume fell 9% to 75.17mn shares, whereas value grew 16% to QR67.36mn and transactions by 74% to 2,103.

There was a 4% dip in the transport sector's trade volume to 4.71mn equities and 2% in value to QR10.59mn but on more than doubled deals to 449.

In the debt market, there was no trading of sovereign bonds and treasury bills.

Stronger buying interests — particularly in the banking, transport and consumer goods — led the 20-stock Qatar Index soar 1.45% or 121 points to 8,431.28 points yesterday, having touched a high of 8,791 points intraday.

Qatar Chamber board member Mohamed bin Ahmed al-Obaidli says the Food Security and Environment Committee is ready to receive all inquiries and proposals from investors and suppliers of food products.

Qatar Chamber panel reviews ways to ensure flow of food products

Qatar Chamber's Food Security and Environment Committee held a meeting yesterday to discuss ways to facilitate the flow of food products.

The meeting, which was presided over by Qatar Chamber board member Mohamed bin Ahmed al-Obaidli, was held in the presence of many representatives of governmental agencies.

The attendees of the meeting praised the role played by government in dealing with the current crisis and measures adopted to curb the outbreak of the coronavirus (Covid-19).

Al-Obaidli lauded the State's efforts and precautionary measures to address the health issue, as well as the economic and financial incentives announced to enhance the national economy, noting that these actions demonstrate "the solidarity and fruitful co-operation of all bodies against crisis."

"The agricultural sector played a key role in the ongoing circumstances by providing commodities and services in the local market," al-Obaidli noted.

He also stressed that the private sector "is fully-prepared to strongly contribute to the economic diversification and help in facing the current crisis."

He noted that it has gained "significant expertise" in facing crisis during the economic blockade.

Al-Obaidli also stressed that the committee is constantly meeting with producers and suppliers of foodstuffs.

"The committee is ready to receive all inquiries and proposals from investors and suppliers of food products to find prompt solutions," he stressed.

Al-Obaidli noted that the committee will address all issues related to the smooth and continuous flow of local or imported food products in the market. He said the private sector was highly-efficient during the crisis, even as he affirmed that all commodities and products are available "without any shortage."

The meeting also discussed the importance of issuing a law that supports the agricultural sector and production through infrastructure and warehousing.

Airline alliances call for action to alleviate Covid-19 challenges

On behalf of their member airlines, the three global airline alliances — oneworld, SkyTeam and Star Alliance — have jointly called on governments and stakeholders "to take action to alleviate the unprecedented challenges faced by the global airline industry" amid the Covid-19 pandemic.

The three global alliances, which represent almost 60 airlines around the world that contribute more than half of global airline capacity, are "strongly supporting" a request by the International Air Transport Association (IATA) for regulators to suspend slot usage rules for the "northern summer 2020 season" as the airline industry suffers from extraordinary reductions in passenger demand.

Qatar Airways is part of oneworld, an alliance that brings together 13 other prominent airlines.

The alliances welcome the moves in recent days by some regulators who have suspended slot regulations temporarily and urge others to follow suit promptly. They also request that regulators consider extending the suspensions for the entire operating season.

The impact of Covid-19 on the airline industry is significant, with IATA estimating up to $113bn in revenue losses for global passenger airlines. The impact is expected to have a ripple effect through the value chain that supports the airline industry.

The forecasted revenue loss scenario does not include travel restrictions recently imposed by the US and other governments. US restrictions on passengers from the Schengen Area will place pressure on the US-Schengen market, valued at over $20bn in 2019.

To alleviate the immense pressures faced by airlines in the current operating environment, and in support of IATA's recent statement, the three alliances urge governments worldwide to prepare for the broad economic effects from actions taken by states to contain the spread of Covid-19, and to evaluate all possible means to assist the airline industry during this unprecedented period.

The alliances also call on other stakeholders to provide support. For example, airport operators are urged to evaluate landing charges and fees to mitigate the financial pressure faced by airlines due to a severe decline in passenger demand.

oneworld CEO Rob Gurney said, "During such times of difficulty and uncertainty, it is important that the airline industry works even closer with stakeholders to mitigate adverse impacts from the virus and collaborate in areas within our control. Governments must implement the measures they consider necessary to contain the spread of Covid-19, and must be prepared for the widescale economic implications that will result from those measures."

SkyTeam CEO and managing director Kristin Colvile said, "The human and financial impact that the Covid-19 outbreak is having on the aviation industry is unprecedented. SkyTeam, with its alliance partners, and on behalf of member airlines, is urging all involved institutions and industry stakeholders to face these extraordinary times with exceptional measures. This includes action such as slot relief, airport and overflight fees reduction."

Star Alliance CEO Jeffrey Goh said, "The unprecedented circumstances triggered by the coronavirus outbreak pose an existential threat not only to the airline industry but more generally to global trade and commerce, and social connectivity. As airlines stretch their limits to manage the crisis, it is equally critical for governments and stakeholders to avoid further burdens and step up with measures, as some have, which will ensure the future of the travel industry."

Member airlines of the three global alliances have implemented urgent measures to address the impact of Covid-19, such as very significant capacity reductions, cost-saving initiatives, enhanced cleaning procedures and customer support outreach.

While they are responding proactively to mitigate further impact in face of rapidly-changing policy scenarios, it is imperative they are supported by governments and stakeholders who can play a vital role in alleviating the unprecedented pressures faced by global airlines amid these extremely challenging times.