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QEWC Q1 profit rises 16% to QR372mn

Qatar Electricity and Water Company (QEWC) posted a first-quarter net profit of QR372mn, up 16% on the same period last year.

QEWC recorded revenue of QR601mn in Q1, 2021 compared to QR599mn in the first quarter of last year, the company said after a meeting of its board of directors chaired by HE Saad bin Sherida al-Kaabi, Minister of State for Energy Affairs.

Cash flows from operations remained strong when compared to the same period in the previous year. QEWC recorded operational cash flows of QR297mn in Q1 compared to operational cash flows of QR238mn during the same period in the previous year.

During the Quarter, QEWC's market share in Qatar with regard to the supply of electricity was 68% and desalinated water 73%.

QEWC said it would continue to focus on the renewable energy domain this year through Siraj Energy, and aim expansion into international markets through its joint venture company Nebras Power.

The company was established to develop, own and operate plants to produce electricity and desalinated water to supply them to the state-owned Qatar General Electricity and Water Corporation (Kahramaa).

With an existing market share of capacity in Qatar, 59% and 73% in electricity and water, respectively, it remains the second largest utilities company in the field of power generation and water desalination in the Middle East and North Africa region.

QEWC owns and operates seven power and/or water stations in Qatar and has partnered with international companies to own and operate another five power and/or water companies.



With an existing market share of capacity in Qatar of 59% and 73% in electricity and water respectively, QEWC remains the second largest utilities company in the field of power generation and water desalination in the Middle East and North Africa region

Despite the impact of the Covid-19 pandemic globally, QEWC said its operations remained stable in Q1, 2021.

QEWC has secured long-term Power and Water Purchase Agreements (PWPAs) with Kahramaa in addition to long-term fuel supply agreements with Qatar Petroleum, limiting its exposure to the pandemic. As a result, QEWC was able to maintain a strong credit rating of 'A1' with stable outlook from Moody's during Q1, 2021.

The company's projects remain relatively unaffected and are making progress. During Q1, Umm Al Houli Power Company Expansion Project, which is 60% owned by QEWC, 30% by KI Energy, and 5% by each of QP and Qatar Foundation, completed the commissioning activities and achieved full commercial operation with a total 61.45MIGD of additional water capacity.

The Siraj-1 Solar Power Plant

Project, QEWC's latest project, reached its financial closure in July 2020 and will become the first of its kind to produce electricity using photovoltaic technology in Qatar.

Located in Al Kharsaah area, the plant will be able to produce 800MW at full capacity and is expected to account for one tenth of the current peak electricity demand in Qatar.

The project will be executed via a special purpose vehicle, 60% owned by Siraj Energy (a joint venture owned 49% by QEWC and 51% by QP) and 40% owned by a joint consortium of Marubeni Corp (Japan) and Total Solar International (France).

The project will be completed under the 'build, own, operate, transfer' model after which the plant will be transferred to Kahramaa following a concession period of 25 years.

In January 2020, Kahramaa entered into a long-term

agreement with the SPV to buy electricity from the plant during the 25-year concession period.

Kahramaa intends to develop a new power and water plant (Facility E) by 2024-2025. The facility is expected to have 2,600MW power capacity and 100MIGD water capacity and will be located in Ras Abu Fontas. QEWC will own 55% share in the project. Further details of the project are expected to be finalised in the second half (Q2) of 2021, QEWC said on Wednesday night.

QEWC, along with its JVs, has a total capacity of 10,590MW of electricity and 543MIGD of water.

In addition, its foreign investment arm, Nebras Power, which is 60%, owned by QEWC holds more than 2,000MW of electricity capacity through a mixture of natural gas, coal, and solar power outside Qatar, on equity-adjusted basis.

Ooredoo Qatar posts 'positive' growth during first quarter

Ooredoo Qatar has seen "positive" growth during the first quarter of this year, with reported revenue growing 0.6% year-on-year to QR1.8bn (Q1, 2020: QR1.8bn). EBITDA stood at QR962mn (Q1, 2020: QR966mn), while EBITDA margin remained stable at 54% (Q1, 2020: 55%). Total customer numbers stood at 3mn in the first quarter (Q1, 2020: 3.2mn). Ooredoo Qatar continued to work with a range of content providers to expand the home entertainment options. The Ooredoo ONE 'All-In-One' Home Service was a key factor in the growth of the Ooredoo tv customer base, which grew by 1% compared to Q1, 2020.



New products launched during the period include a new customisable app-managed postpaid plan and a revamped version of the Ooredoo Money app.

The company was recognised as 'Global Partner of the Year' and 'Digital Partner of the Year' by leading money transfer company MoneyGram. Successful community programmes included the Ooredoo Virtual Marathon, which drew a strong response in February 2021.

GIS posts revenue of QR705mn in Q1

Gulf International Services (GIS) - the holding entity of Gulf Drilling International, Gulf Helicopters, Al Koot and Amwaj - has reported revenues of QR705mn in the first quarter (Q1) of 2021.

During Q1-21, the oil and gas industry showed early signs of recovery, amid cautious global optimism arising from the vaccine rollout and ease of lockdown restrictions in major markets.

However, the pace of economic recovery depends on the pandemic's impact to filter through with subdued external demand for energy and the related services for the remainder of the year, before the wider spread of vaccine benefits spur greater global economic activity, GIS said.

Revenue growth from insurance segment was entirely offset by reduction in revenue from all the other segments, thus resulting in a 15% year-on-year drop in the overall revenues in Q1, 2021.

The top-line performance was impacted by the external challenges affecting the group since the pandemic. The drilling segment remained under pressure with ongoing suspension of rigs,

coupled with lower rig day-rates, which were implemented during mid of 2020.

Flying hours within the aviation segment witnessed a reduction compared to Q1, 2020, mainly due to actual recovery in oil and gas services being slower than expected, affecting the overall flight demand from clients.

In the catering segment, restrictions and lockdowns impacted revenues and financial performance. On the other hand, the insurance segment continued its positive trajectory, while building on premiums on the back of segment's market expansion strategies and successful contract renewals coupled with favorable pricing terms.

The group reported an EBITDA (earnings before interest taxes depreciation and amortisation) of QR112mn in Q1, 2021, while it posted a net loss of QR5.5mn in Q1, 2021 against net profit of QR8.7mn the year-ago quarter.

Finance cost for Q1, 2021 decreased by 41% year-on-year to QR30mn, due to the drop in interest rates. Similarly, general and administrative expenses de-

clined by 16% on account of continued optimisation drive.

The recovery in capital markets aided the performance of group's investment portfolio, and a recovery of QR55mn was noted on account of unrealised gains on revaluation of investment securities, when comparing current period's investment portfolio performance with Q1, 2020.

The group's total assets stood at QR10.4bn. On the liquidity front, the closing cash, including short-term investments, stood at QR753mn. The total debt at the group level stood at QR4.4bn at the end of March 31, 2021.

The drilling segment reported revenue of QR198mn and a net loss of QR72mn for the three-month period ended March 31, 2021.

The aviation segment reported total revenue of QR165mn and net profit of QR50mn in Q1, 2021. Revenue within the insurance segment increased by 11% to QR256mn and net profit more than doubled to QR15mn.

The catering segment reported revenue of QR86mn but net loss was QR0.5mn in January-March 2021.

Major projects expenditure totals QR15bn in Q1: Ministry of Finance

By Pratap John
Business Editor

Expenditure on major projects during the first quarter (Q1) of this year totalled about QR15bn, or 20.8% of the 2021 budget, the Ministry of Finance said yesterday.

In addition, newly awarded projects during the first quarter of 2021 amounted to about QR4.6bn, a report issued by the Ministry said.

Total public debt remained constant, maintaining the same level and split as of 2020 year-end at QR381.9bn. There was neither new public debt during the quarter, it said.

Total revenue for Q1, 2021 amounted to QR45.2bn driven by the recovery in oil prices. On the other hand, expenditure totalling QR45bn has been recorded. As a result, the budget balance recorded a minor surplus of QR0.2bn.

Qatar's economy, supported by the National Vaccination Programme and the increase in oil demand and prices, is expected to recover from the effects of the Covid-19 pandemic in 2021 with real GDP growth of 2.2%, Ministry of Finance said.

The economy contracted in 2020 as the recorded real GDP was -3.7%. The contraction was primarily driven by the Covid-19 pandemic outbreak and weak oil demand during 2020, the Ministry of Finance said.

The Ministry said the report was published to provide detailed fiscal data covering performance during the first quarter of 2021 including revenues, expenditures, debt dynamics and other key fiscal and economic developments.

The Ministry said it will be publishing similar budget reports periodically within 30 days of the end of each quarter.

Qatar automobile sector scores robust gains in March: PSA

By Santhosh V Perumal
Business Reporter

Qatar's automobile sector witnessed robust expansion this March on the back of strong sales in private vehicles; indicating demand generation in the economy, as well as in the used vehicles segment, according to figures released by the Planning and Statistics Authority (PSA).

The new vehicles registration stood at 5,342 units; representing 24.4% and 3.9% year-on-year and month-on-month expansion respectively in the review period.

Of the new vehicles registered in March 2021, the number of new private vehicles stood at 3,666 - recording a 22.2% and 7.8% growth on yearly and monthly basis respectively. These accounted for about 69% of the new vehicles compared to more than 66% the previous month.

The registration of new private transport vehicles stood at 1,052, which constituted about 29% of the total new vehicles against more than 20% in February 2021. Such registrations saw 21.1% and 0.8% increases year-on-year and month-on-month respectively in March 2021.

According to the Qatar Central Bank data, the consumption credit rose 13.49% year-on-year to QR155.43bn in March 2021. The consumption credit to nationals amounted to QR144.63bn, which grew 18.42%; while that to non-Qataris shrank 27.51% to QR10.75bn.

Auto loans to Qataris and non-Qataris were seen declining 31.35% and 26.67% year-on-year respectively to QR1.27bn and QR0.22bn this March.

Personal loans to Qataris and non-Qataris fell 16.09% and 25.96% year-on-year to QR48.77bn and QR8.07bn respectively in the review period.

The registration of new motorcycles stood at 339, registering a 24.2% increase on a yearly basis, even as it

shrank 8.1% month-on-month. Such registrations constituted more than 6% of the total new vehicles in March this year compared to more than 7% the previous month.

The registration of new heavy equipment more than doubled year-on-year to 232, which constituted more than 4% of the total new vehicles against about 5% the previous month. The registration however witnessed a 1.7% decline on a monthly basis.

The registration of new trailers stood at 41 units, which almost tripled on a yearly basis. It saw a 51.9% surge month-on-month in March 2021.

New registration of other non-specified vehicles stood at 12 units, which declined 73.9% and 81.3% on a yearly and monthly basis respectively in March this year.

The transfer of ownership was reported in 29,601 vehicles in the review period, which saw a 31.9% and 9.4% growth year-on-year and month-on-month respectively this March.

The renewal of registration was reported in 74,132 units, which nevertheless saw a 21.3% shrinkage year-on-year; whereas it grew 18.3% month-on-month in the review period.

The re-registration of vehicles stood at 132 units, which saw a 41.9% and 33.3% increases on yearly and monthly basis respectively in March 2021.

The cancelled vehicles stood at 2,054 units, which witnessed a 23% decline year-on-year but saw a 31.2% increase month-on-month.

The modified vehicles were 3,217 in March 2021, which saw an 8.9% jump on a yearly basis, but declined 3.4% month-on-month.

The number of lost/damaged vehicles grew more than 10-fold year-on-year to 12,492 units in March 2021. On a monthly basis, it grew more than 34% in the review period.

The number of vehicles meant for exports were 1,763; which grew 93.7% and 21.6% on yearly and monthly basis respectively in March 2021.



'Major Chinese investors in talks to take Aramco stake'

Reuters
Hong Kong

Major Chinese investors are in talks to buy a stake in Saudi Aramco, several sources told Reuters on Wednesday, as Saudi Arabia's state oil firm prepares to sell another slice of its business to international investors.

Saudi Arabia was in discussions to sell 1% of Aramco to a leading global energy company and could sell further shares including to international investors within the next year or two, Crown Prince Mohamed bin Salman said in televised remarks on Tuesday.

A stake of 1% would equate to around \$19bn based on Aramco's current market capitalisation.

Sovereign wealth fund China Investment Corp (CIC) was among those that could invest, two sources told Reuters.

Aramco was talking to CIC, as well as Chinese national oil companies, said one of the sources close to CIC.

CIC did not comment for the story. None of the other Chinese companies could be reached immediately for comment.

Aramco had been in touch with Chinese investors for a few years and CIC is the most likely investor, said the second source with a state-backed private equity fund.

"The kingdom does have close relations with China," said a third source, who is close to Aramco. "The major shareholder will decide what to do with their shares."

Saudi Arabia, the world's biggest oil exporter, retained its position as China's biggest crude oil supplier for a seventh consecutive month in March.

Another source said before the Covid-19 pandemic, Aramco had toured



A general view of Saudi Aramco's Ras Tanura oil refinery and oil terminal. Saudi Arabia is in discussions to sell 1% of Aramco to a leading global energy company and could sell further shares including to international investors within the next year or two, Crown Prince Mohamed bin Salman said in televised remarks on Tuesday.

around China looking for investors, talking to all the major state investors with overseas money, but few were interested.

CIC and China's Silk Road Fund were also among the firms they approached.

Aramco, the world's biggest oil company, listed on the Saudi bourse in late 2019, raising \$25.6bn in the IPO and later sold more shares under a "greenshoe option" to raise the total to \$29.4bn.

"There are talks now for the acquisition of a 1% stake by a leading global energy company in an important deal that would boost Aramco's sales in...

a major country," Prince Mohamed said, without elaborating.

"There are talks with other companies for different stakes, and part of Aramco's shares could be transferred to the (Saudi) Public Investment Fund and a part listed...on the Saudi bourse," he said in an interview aired by Saudi TV marking the fifth anniversary of Vision 2030.

The 2019 Aramco IPO was seen as a pillar of the economic diversification programme aimed at attracting foreign investment.

Prince Mohamed said in the inter-

view that Riyadh was strengthening its relationships with China, India and Russia, though the US remained a strategic partner despite some differences with the Biden administration, which has taken a tougher stance on Saudi Arabia.

"China has said Saudi Arabia is a strategic partner, India has said Saudi Arabia is a strategic partner and Russia has also said Saudi Arabia is a strategic partner," the prince said.

Friction between China and the US has flared in recent months on a range of issues.

Turkish central bank sees year-end inflation at 12%, pledges tight policy

Reuters
Ankara

Turkey's central bank raised its year-end inflation forecast yesterday to 12.2% from 9.4%, in part due to pressure from lira depreciation, and its new governor said tight policy would be maintained until price pressures decline.

Presenting a quarterly inflation report for the first time since he was appointed last month, governor Sahap Kavcioglu said the policy rate, now at 19%, would be set above inflation, which topped 16% last month and is expected to head a bit higher.

Kavcioglu sought in the presentation to convince economists that he would be as decisive as his predecessor, Naci Agbal, a respected policy hawk, in bringing down inflation to a 5% target over the next three years.

"We have given clear guidance... saying that the policy rate will be above inflation and we will continue that," the governor said in a mostly prepared presentation. "We will continue the tight policy stance."

Kavcioglu predicted that inflation will peak in April before easing.

"The policy rate will remain above realised and expected inflation until inflation converges to the target," he said.

Serkan Gonencler, an economist at Gedik Yatirim, said the central bank's year-end forecast was "optimistic."

"The central bank's revised in-

flation expectation remains below market forecasts. I think the revisions in the underlying inflation trend and the lira-denominated imports were insufficient," he said.

The inflation rate is expected to top 17% this month and drop to only 14% by year end, according to a Reuters poll this week.

Some analysts, including at Goldman Sachs, expect it to reach as high as 18%.

The lira firmed slightly as Kavcioglu spoke before setting back to trade slightly weaker on the day at 8.1980 versus the dollar at 1151 GMT.

It is one of the worst performers in emerging markets this year, down 10%.

The currency depreciation, as well as high energy and other commodity prices, pushed producer price inflation above 31% last month.

Turkey has had double-digit consumer price inflation for most of the last four years. "The central bank looks more keen on cutting rates compared to the Naci Agbal term, but I don't think they will cut rates while the inflation outlook doesn't allow it," Gonencler said.

"The central bank is aware of the impact an early cut would have, especially on the exchange rate," he added.

The bank also raised its 2022 inflation forecast more modestly to 7.5%, and said 2022 food price inflation was forecast at 9.8%, compared to 9.4% in the previous report presented three months ago.

Kavcioglu said that high inflation expectations continue to hurt price trends.

CORPORATE RESULTS

Shell swings back to profit on oil price recovery



Royal Dutch Shell swung back into profit in the first quarter as oil prices recovered strongly from a year earlier, the company said yesterday. The Anglo-Dutch group posted net profit of \$5.7bn (£4.7bn) in the first three months of the year. Shell said in a statement.

That compared with a loss after tax of \$244m in the first quarter of 2020 when the coronavirus pandemic began to slam the price of crude. The first-quarter performance this year benefited also from a \$1.4bn gain following the sale of assets, the statement added.

"Shell has made a strong start to 2021, generating over \$8bn of cash in the quarter," said chief executive Ben van Beurden. "Our model is ideally positioned to benefit from recovering demand."

Shell had dived into net loss of \$21.7bn last year as factories shut and planes were grounded. As a result, it decided to axe more than 10% of its global workforce, or up to 9,000 jobs.

Its losses and steep job cuts mirrored the situation elsewhere in the energy sector last year. After lockdowns began to spread towards the end of the first quarter in 2020, oil prices dropped off a cliff, even briefly turning negative.

Prices then rebounded sharply, however, with benchmark Brent North Sea oil contract currently trading around \$67 per barrel.

Shell rival BP also recovered in the first quarter, announcing this week net profit of \$4.7bn, which compared with a year-earlier loss of \$4.4bn.

Caterpillar

Caterpillar reported strong profits yesterday but highlighted potential supply chain problems as a risk and said there were still too many uncertainties to provide a full-year profit forecast.

The industrial giant scored better-than-expected results in the first quarter, highlighting strong construction industry demand, especially in China. Executives also said they were bullish on the resources segment due to greater need for metals for electric cars and other items seeing increased demand.

Caterpillar manufactures machinery for the construction, resource and energy industries.

Caterpillar reported first-quarter earnings of \$1.5bn, up 40.1% from the year-ago period. Revenues increased 11.8% to \$11.9bn.

Chief financial officer Andrew Bonfield said the company's decision not to provide a full-year forecast reflected the "fluid" state of supply chains, material cost pressures "and pandemic-related

concerns, areas where we have varying levels of control."

McDonald's

McDonald's reported higher first-quarter profits yesterday, led by strength in the United States and some overseas venues that offset weakness in other markets due to ongoing Covid-19 restrictions. US comparable sales surged by 13.6% during the period, with higher average transactions offsetting a drop in guest counts.

Growth in sales in delivery and digital platforms helped ensure that "our first quarter 2021 global comparable sales and revenues surpassed first quarter 2019 levels, even as resurgences and operating restrictions persist in many parts of the world," said Chief Executive Chris Kempczinski. McDonald's is "doubling down on digital, delivery and drive-thru to create a faster and easier customer experience," Kempczinski said.

Net income rose 39% from the year-ago period to \$1.5bn on a 9% increase in revenues to \$5.1bn. Outside of its home market, comparable sales rose at more modest levels in McDonald's international divisions despite weakness in France and Germany.

Strong markets included China and Japan. Britain, Australia and Canada also saw positive comparable sales.

Airbus

Airbus flew back into profit in the first three months of the current year as cost-cutting and restructuring measures began to pay off, but it warned that the crisis caused by the coronavirus pandemic was not yet over. The European aircraft manufacturer said in a statement that it booked bottom-line net profit of €362mn (\$440mn) during the January to March period, compared with a loss of €481mn a year earlier.

First-quarter consolidated revenues were stable at €10.5bn. Chief executive Guillaume Faury hailed the rollout of vaccines against Covid-19 and pointed to "encouraging signs" of rising air traffic in the United States and China.

But "the first quarter shows that the crisis is not yet over for our industry, and that the market remains uncertain," Faury said, not least given a lack of co-ordination on European travel restrictions and the ongoing surge in virus deaths and cases in India.

"We still face uncertainties which result in a lack of predictability," Faury warned in a conference call, meaning "we consider that the path to recovery

will not necessarily be linear." Airbus said it had delivered a total of 125 commercial aircraft in the three-month period, up from 122 a year earlier, including nine A220s, 105 A320 family, one A330 and 10 A350s.

Looking ahead, the company said it was sticking to its previous forecasts for stable aircraft deliveries of 566 for 2021 as a whole - the same number as in 2020 - and underlying operating profit of €2bn.

Lufthansa

Lufthansa lowered its capacity forecast for flights this year as hopes dwindle for an early summer travel rebound, but the German airline's cost-cutting drive narrowed quarterly losses.

The group, which includes Austrian Airlines, Swiss and Eurowings, also stepped up warnings to German unions that it is ready to use forced dismissals to cut more jobs.

The travel industry has suffered many false starts to a hoped-for recovery, beset by new restrictions, virus variant outbreaks and a sluggish European vaccine rollout.

Lufthansa said it expects to fly at about only 40% of its pre-pandemic capacity in 2021, trimming the 40%-50% guidance issued less than two months earlier.

The group predicted a gradual demand pick-up in April-June and a "significant market recovery" in the second half, citing moves by the European Union towards opening up transatlantic travel to vaccinated US visitors.

"We know that bookings shoot up wherever restrictions are loosened and travel becomes possible again," Chief Executive Carsten Spohr said.

The adjusted loss before interest and taxes (EBIT) narrowed by 30% to €1.14bn in the first quarter, helped by a 19% workforce reduction and 51% decline in operating expenses, while the net loss halved to €1.05bn.

Both earnings numbers beat expectations, based on the median analyst estimates in company polling.

Sabic

Saudi Basic Industries Corp (Sabic) yesterday reported first-quarter net profit of 4.86bn riyals (\$1.30bn), rebounding from a loss in the same period a year earlier on the back of higher average prices.

The petrochemicals group cited improved margins, driven by higher product and oil prices, and healthy demand, while supply for its key products remained tight.

Sabic said the level of margins seen in the first quarter was expected to continue during the second quarter of 2021.

The company had reported a net loss of 1.05bn riyals for quarter that ended on March 31, 2020 when earnings were hit by impairment charges on assets. The first quarter 2021 profit was above an average forecast of 3.68bn riyals, based on five analysts in Refinitiv Eikon.

First-quarter revenue surged 24% from a year earlier. Sabic said it is focused on generating maximum value from synergies with Saudi Aramco, which last year completed a deal to buy 70% of the petrochemicals company.

Apple

Apple Inc on Wednesday posted sales and profits ahead of Wall Street expectations fuelled by 5G

iPhone upgrades but warned a global chip shortage could dent iPads and Mac sales by several billion dollars.

Fiscal second-quarter sales to China nearly doubled and results topped analyst targets in every category, led by \$6.5bn more in iPhone sales than predicted and Mac sales about a third higher than estimates.

Apple also announced a \$90bn share buyback, a day after Alphabet Inc promised to repurchase \$50bn in stock.

Apple chief executive Tim Cook said on an investor call that Apple avoided a chip shortage in the fiscal second quarter by burning through supply buffers.

In the fiscal third quarter, the shortage could cost the company \$3bn to \$4bn in revenue, said chief financial officer Luca Maestri.

The shortfalls "affect primarily the iPad and the Mac," Cook said. "We'll have some challenges in there," Cook said, later adding that there could be trouble sourcing semiconductors made with older chipmaking technology.

For the fiscal second quarter ended March 27, Apple said sales and profits were \$89.6bn and \$1.40 per share, compared with estimates of \$77.4bn and 99 cents per share, according to Refinitiv data.

Apple raised its dividend 7% to 22 cents per share. Apple said iPhone sales were \$47.9bn compared with analyst estimates of \$41.4bn, according to data from FactSet.

Facebook

Facebook on Wednesday reported that its profit in the recently ended quarter nearly doubled to \$9.5bn on sharp gains in digital advertising, as the pandemic kept people glued to the Internet.

"We had a strong quarter as we helped people stay connected and businesses grow," Facebook chief Mark Zuckerberg said in an earnings release.

Revenue from online ads hit \$25.4bn, up some 46% from the same quarter a year earlier.

The number of people using the leading social network monthly climbed 10% to 2.85bn, according to the Silicon Valley giant.

The earnings trounced market expectations, causing shares to jump nearly five% in after-market trades.

The leading social network and its "family" of services including Instagram, WhatsApp, and Messenger ended March with 3.45bn monthly users overall in a 15% increase from a year earlier.

Facebook's stellar earnings came as regulators in the United States and abroad threaten to crack down on Internet giants they fear have become too powerful.

Facebook, Google, Amazon, and Apple are among tech titans that have thrived as the pandemic accelerated a shift to working, learning, shopping and socialising online.

Ad revenue in the quarter was driven by a 30% rise in price along with a 12% increase in the number of ads, according to Facebook.

Samsung Electronics

South Korean tech giant Samsung Electronics said yesterday that net profits rose nearly 50% in the first quarter, largely driven by robust sales of its smartphones and home appliances due to continued stay-at-home demand.

The firm is the flagship subsidiary of the giant Samsung group, by far the largest of the family-con-

trolled empires known as chaebols that dominate business in South Korea, the world's 12th-largest economy.

The conglomerate is crucial to the South's economic health - its overall turnover is equivalent to a fifth of the national gross domestic product.

Samsung Electronics said net profits rose 46.3% in January-March from a year earlier to 71tn won (\$6.4bn).

"Solid sales of smartphones and consumer electronics outweighed lower earnings from semiconductors and displays," the firm said in an earnings report.

The figures came a day after Samsung's controlling Lee family announced plans to pay more than \$10bn in inheritance taxes following the death last year of chairman Lee Kun-hee - one of the world's biggest-ever such settlements - and donate a vast trove of art including works by Picasso and Monet.

The coronavirus has wreaked havoc with the world economy, with lockdowns and travel bans imposed around the globe for many months.

Operating profit rose 45.4% to 9.4tn won, while sales were up 18.2% to 65.4tn won.

Total

French energy giant Total posted a sharp increase in quarterly profits yesterday, outstripping pre-pandemic levels as oil prices rebounded from the doldrums of the coronavirus crisis.

The company reported a net profit of \$3.3bn (£2.7bn) in the first three months of the year compared to just \$344m a year earlier.

The performance was even better than in the first quarter of 2019, when it booked profit of \$3.1bn. Total's rebound mirrors that of other oil majors, with Royal Dutch Shell and BP reporting strong results this week after a disastrous 2020.

"Total has already returned to the pre-crisis pace of high results," chief executive Patrick Pouyanne told the daily Sud Ouest newspaper. "All is well."

With investment in renewables, including acquiring a 20% stake in India's Adani Green Energy, "the group is accelerating its transformation into a broad energy company," Pouyanne said in the group's earnings statement.

After lockdowns began to spread towards the end of last year's first quarter, oil prices dropped off a cliff, even briefly turning negative.

Prices then rebounded sharply, with the benchmark Brent North Sea oil contract currently trading around \$67 per barrel.

Total plans investments of up to \$13bn this year, part of which will go to renewables and electricity. But the company is remaining cautious as it maintained an operating cost savings target of \$500mn this year.





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QATAR

Company Name	Lt Price	% Chg	Volume
Zad Holding Co	15.60	-0.13	47,895
Widam Food Co	4.78	-3.47	1,749,319
Vodafone Qatar	1.78	-1.77	2,421,705
United Development Co	1.59	-1.12	1,800,199
Salam International Investme	0.87	-1.81	17,822,823
Qatar & Oman Investment Co	0.91	-0.98	2,930,949
Qatar Navigation	7.50	0.93	233,419
Qatar National Cement Co	5.10	1.49	1,039,024
Qatar National Bank	17.90	-0.56	1,488,215
Qim Life & Medical Insurance	5.08	1.20	452,300
Qatar Islamic Insurance Grou	7.90	0.00	272,308
Qatar Industrial Manufactur	2.96	0.96	117,037
Qatar International Islamic	9.25	-1.27	379,860
Qatari Investors Group	2.07	-0.96	1,177,328
Qatar Islamic Bank	17.40	0.06	1,171,552
Qatar Gas Transport(Nakilat)	3.16	-0.25	1,360,618
Qatar General Insurance & Re	2.35	0.00	-
Qatar German Co For Medical	2.89	-0.76	1,404,847
Qatar Fuel Qsc	18.20	-0.38	238,640
Qatar First Bank	1.92	-0.36	746,410
Qatar Electricity & Water Co	17.20	0.35	156,445
Qatar Exchange Index Etf	10.73	-0.23	60,600
Qatar Cinema & Film Distrib	4.20	4.74	461
Al Rayan Qatar Etf	2.60	-0.15	65,291
Qatar Insurance Co	2.52	-0.51	1,133,505
Qatar Aluminum Manufacturing	1.56	1.76	99,918,261
Ooredoo Qpsc	7.11	0.00	3,375,285
Aljarah Holding Company Qps	1.21	-1.15	8,708,447
Mazaya Real Estate Developme	1.17	-2.42	33,496,049
Mesaieed Petrochemical Holdi	1.93	-1.08	6,291,046
Al Meera Consumer Goods Co	19.25	0.79	213,044
Medicare Group	9.51	-1.82	223,960
Mannal Corporation Qsc	3.96	-7.67	833,677
Masraf Al Rayan	4.47	0.00	2,471,780
Al Khalij Commercial Bank	2.17	0.46	6,274,120
Industries Qatar	13.48	-0.88	1,405,224
Inma Holding Company	5.15	0.39	430,590
Investment Holding Group	1.12	0.36	7,745,535
Gulf Warehousing Company	5.13	-0.08	294,966
Gulf International Services	1.57	-0.32	15,407,256
Al Faleh Education Holding	2.07	-4.65	2,744,219
Edzan Holding Group	1.75	-1.13	6,390,275
Doha Insurance Co	1.98	4.60	3,918,084
Doha Bank Qpsc	2.63	9.63	4,348,743
Dibia Holding	1.70	-1.16	871,719
Commercial Bank Pscg	5.40	0.75	2,730,392
Barwa Real Estate Co	3.24	0.22	2,158,036
Balsadna	1.63	0.00	7,666,215
Al Khaleef Takaful Group	3.84	-1.74	1,942,029
Ammal Co	0.95	-2.68	7,555,759
Al Ahli Bank	3.70	0.00	-

KUWAIT

Company Name	Lt Price	% Chg	Volume
A'ayan Real Estate Co Sak	101.00	-3.81	2,666,576
Aan Digital Services Co	11.70	4.46	29,840,901
Aayan Leasing & Investment	166.00	-1.78	17,276,689
Acico Industries Co Ksc	100.00	-1.96	2,387,395
Advanced Technology Co	495.00	0.00	-
Agility	948.00	-3.27	11,244,034
Ahli United Bank (Almuntahed)	316.00	-0.32	357,795
Ahli United Bank B.S.C	208.00	-0.48	18,869,133
Ajlal Real Estate Ertmt	224.00	1.82	206,525
Ajwan Gulf Real Estate Co	10.70	0.00	-
Al Ahli Bank Of Kuwait	205.00	2.99	967,955
Al Arabi Group Holding Co	198.00	0.00	-
Al Arabiya Real Estate Co	35.50	5.97	5,731,490
Al Bareeq Holding	92.00	2.68	144,460
Al Madina For Finance And In	16.20	0.00	-
Al Maidan Dental Clinic Co K	1,240.00	0.00	-
Al Mal Investment Company	5.90	0.00	-
Al Manar Financing & Leasing	62.40	0.81	81,995
Al Masaken Intl Real Estate	36.90	-0.27	4,706,142
Al Mudon Intl Real Estate Co	20.60	0.00	-
Al Safat Energy Holding Comp	38.70	2.65	809,257

KUWAIT

Company Name	Lt Price	% Chg	Volume
Al Salam Group Holding Co	25.90	6.15	11,544,575
Al Tamdeen Investment Co	245.00	0.82	36,633
Al-Ahleia Insurance Co Sakp	560.00	0.00	1
Al-Deera Holding Co	195.00	-3.94	6,000
Al-Eid Food Ksc	191.00	2.14	221,993
Al-Enma'a Real Estate Co	69.30	0.00	1,632,288
Al-Madar Finance & Inv Co	129.00	8.40	6,043,898
Al-Masaleh Real Estate Co	51.80	15.11	3,715,444
Al-Mazaya Holding Co	73.90	-3.78	5,559,542
Alargan International Real	108.00	0.00	-
Alimtiqz Investment Group	127.00	2.42	19,793,564
Alkout Industrial Projects C	642.00	0.00	-
Alral Media Group Co Ksc	25.50	-8.93	489,961
Amar Finance & Leasing Co	49.00	0.00	-
Amwal International Investme	17.80	0.00	167,000
Aqar Real Estate Investments	69.00	0.58	133,999
Arkan Al Kuwait Real Estate	105.00	0.00	1
Arzan Financial Group For Fi	112.00	0.00	6,985,657
Asiya Capital Investments Co	42.30	0.71	594,666
Automated Systems Co Ksc	107.00	0.00	116,356
Aviation Lease And Finance C	215.00	0.94	1,576,120
Bahrain Kuwait Insurance	191.00	0.00	-
Bayan Investment Co Ksc	60.90	-2.09	26,182,455
Boubyan Bank K.S.C	655.00	0.00	660,306
Boubyan Petrochemicals Co	925.00	1.43	424,664
Boursa Kuwait Securities Co	1,147.00	1.06	497,458
Burgan Co For Well Drilling	225.00	-0.88	4,539,333
Burgan Co For Well Drilling	143.00	-0.69	785,566
Coast Investment Development	52.90	-1.12	1,724,044
Combined Group Contracting	281.00	0.00	985,761
Commercial Bank Of Kuwait	500.00	0.00	-
Commercial Facilities Co	181.00	0.00	44,000
Commercial Real Estate Co	111.00	1.83	13,871,165
Credit Rating & Collection	28.50	-1.38	17,590
Danah Alsafat Foodstuff Co	11.80	0.00	-
Dar Al Thuraya Real Estate	58.30	2.28	145,402
Dulagan Real Estate Co	274.00	0.00	-
Educational Holding Group	693.00	8.62	291,009
Efect Real Estate Co	20.50	0.00	-
Egypt Kuwait Holding Co Sae	359.00	0.00	-
Ektitab Holding Co Ksc	17.10	5.56	3,932,696
Energy House Holding Co Ksc	33.00	-2.94	1,004,708
Equipment Holding Co K.S.C.C	33.10	0.00	1,250,823
First Dubai Real Estate Deve	65.50	0.15	2,905,402
First Investment Co Kccc	80.80	0.25	12,274,314
First Takaful Insurance Co	53.00	8.16	126,000
Fujairah Cement Industries	32.00	0.00	-
Future Kid Entertainment And	77.90	0.00	-
Gfh Financial Group Bsc	58.60	0.51	3,284,070
Gulf Cable & Electrical Ind	217.00	1.40	13,535,233
Gulf Cable & Electrical Ind	822.00	-0.24	428,726
Gulf Franchising Holding Co	58.40	-9.60	11,000
Gulf Insurance Group Ksc	662.00	1.38	15,388
Gulf Investment House Ksc	175.00	2.94	6,265,969
Gulf North Africa Holding Co	60.00	0.00	-
Gulf Petroleum Investment	24.10	13.68	77,036,477
Hayat Communications	70.50	-3.42	248,599
Heavy Engineering And Ship B	424.00	0.00	132,176
Hilal Cement Co	77.00	0.00	-
Humansoft Holding Co Ksc	3,290.00	0.03	250,666
Ifa Hotels & Resorts Co. K.S	45.50	0.00	2,636,538
Independent Petroleum Group	510.00	2.00	25,010
Injazat Real State Company	72.70	-4.97	73,855
Invest Co Bsc	94.20	-0.63	4,835,818
Integrated Holding Co Kccc	410.00	-1.20	990,619
Intl Financial Advisors	110.00	-0.90	3,143,331
Investors Holding Group Co.K	15.30	2.00	38,490,835
Jazeera Airways Co Ksc	613.00	0.00	322,700
Jiyad Holding Co Ksc	41.30	-3.95	145,200
Kfh Capital Reit	1,069.00	0.09	1,045
Kgl Logistics Company Kccc	31.80	0.00	-
Kipco Asset Management Co	99.00	1.12	2,306,859
Kuwait & Gulf Link Transport	53.10	6.20	2,257,296
Kuwait & Middle East Fin Inv	138.00	2.22	1,202,098
Kuwait Business Town Real Es	75.10	-2.47	1,995,319
Kuwait Cement Co Ksc	232.00	1.75	726,299
Kuwait Co For Process Plant	563.00	-0.18	47,278
Kuwait Finance & Investment	100.00	1.01	1,201,862
Kuwait Finance House	723.00	-0.82	7,448,038
Kuwait Financial Centre Sak	105.00	1.94	2,590,048
Kuwait Foundry Co Sak	275.00	0.00	21,042
Kuwait Hotels Sak	58.00	5.26	1,836,780
Kuwait Insurance Co	373.00	-0.53	83,000
Kuwait International Bank	217.00	0.46	4,399,442
Kuwait Investment Co	187.00	2.19	368,743
Kuwait National Cinema Co	740.00	0.14	822
Kuwait Portland Cement Co	893.00	0.56	12,272
Kuwait Projects Co Holdings	157.00	-1.26	614,875
Kuwait Real Estate Co	143.00	3.62	27,242,137

KUWAIT

Company Name	Lt Price	% Chg	Volume
Kuwait Real Estate Holding C	33.90	-3.14	627,900
Kuwait Reinsurance Co Ksc	370.00	-2.63	1,298
Kuwait Remal Real Estate Co	20.40	5.70	10,524,738
Kuwait Resorts Co Kccc	71.70	-0.69	2,064,426
Kuwait Telecommunications Co	890.00	0.56	22,979
Kuwaiti Syrian Holding Co	32.60	-13.07	82,000
Livestock Transport & Trading	185.00	-0.54	60,000
Mabaneer Co Kpsc	699.00	0.29	1,003,353
Manazel Holding	52.50	-1.50	3,105,090
Mashaer Holding Co Ksc	69.70	-1.13	96,439
Mena Real Estate Co	41.60	-0.48	6,410,083
Metal & Recycling Co	172.00	1.78	11,360
Mezzan Holding Co Kccc	595.00	1.54	937,261
Mobile Telecommunications Co	603.00	-0.33	2,312,900
Mubarrad Holding Co Ksc	89.90	-0.11	1,917,367
Munshat Real Estate Project	76.90	-0.13	196,091
National Bank Of Kuwait	823.00	-0.60	7,699,428
National Cleaning Company	62.50	12.01	8,645,340
National Consumer Holding Co	44.80	0.00	-
National Industries Co Ksc	153.00	-1.29	7,000
National Industries Grp Hold	217.00	0.00	2,527,254
National International Co	79.00	-2.95	170,019
National Investments Co	191.00	-0.52	208,819
National Mobile Telecommuni	639.00	-0.31	19,641
National Petroleum Services	980.00	-2.00	801
National Real Estate Co	182.00	0.00	65,888,400
National Shooting Company	37.50	-3.85	122,389
Noor Financial Investment Co	254.00	-0.39	1,222,795
Osoos Holding Co Kccc	96.00	-1.64	232,700
Osoos Investment Kccc	89.90	9.50	321,788
Oula Fuel Marketing Co	151.00	5.59	2,276,938
Palms Agro Production Co	69.50	0.00	-
Privatization Holding Compan	47.20	0.64	1,414,383
Qrain Petrochemical Industr	430.00	0.00	254,233
Ras Al Khaimah White Cement	67.10	0.00	-
Real Estate Asset Management	90.20	0.00	-
Real Estate Trade Centers Co	54.00	-9.55	1,582,627
Sabookh Trading Co Ksc	42.70	-0.70	320,675
Sahia Real Estate Co Kccc	512.00	-2.85	971,504
Sanam Real Estate Co Kccc	57.00	5.17	1,598,073
Securities House/The	54.50	1.49	7,855,636
Shamal Az-Zour Al-Oula For T	255.00	0.39	1,783,630
Sharjah Cement & Indus Devel	40.00	0.00	15,988
Shuaiba Industrial Co	186.00	0.00	-
Sokouk Holding Co Sak	23.30	0.00	-
Soor Fuel Marketing Co Kccc	152.00	10.95	2,650,312
Specialities Group Holding C	95.00	-0.94	1,829,998
Sultan Center Food Products	160.00	18.52	4,038,904
Tameer Real Estate Invest C	33.90	5.94	19,057,143
Tamdeen Real Estate Co Ksc	253.00	0.40	50,621
Tamkeen Holding Co	0.00	0.00	-
Tijara And Real Estate Inves	50.90	0.79	2,587,510
Umm Al Qaiwain General Inves	76.90	0.00	-
Unicap Investment And Financ	63.10	-1.41	5,122,865

OMAN

Company Name	Lt Price	% Chg	Volume
Voltamp Energy Saog	0.16	0.00	-
Vision Insurance Saoc	0.07	0.00	-
United Power/Energy Co -Pref	0.10	0.00	-
United Power Co Saog	1.02	0.00	1,783
United Finance Co	0.05	0.00	7,906,606
Ubar Hotels & Resorts	0.13	0.00	-
Takaful Oman	0.11	0.00	-
Taageer Finance	0.07	0.00	-
Sweets Of Oman	0.55	0.00	-
Sohar Power Co	0.05	0.00	-
Sohar International Bank	0.09	0.00	1,279,036
Sma Power Holding Saog	0.07	0.00	-
Shell Oman Marketing - Pref	1.05	0.00	-
Shell Oman Marketing	0.80	0.00	1,000
Sharqiyah Desalination Co Sa	0.12	0.83	30,080
Sembcorp Salalah Power & Wat	0.08	0.00	50,749
Salalah Port Services	0.60	0.00	-
Salalah Mills Co	0.53	-3.64	50,000
Salalah Beach Resort Saog	1.38	0.00	-
Sahara Hospitality	2.78	0.00	-
Renaissance Services Saog	0.39	0.51	570,020
Raysut Cement Co	0.27	0.37	17,050
Phoenix Power Co Saoc	0.05	0.00	1,286
Packaging Co Ltd	2.21	0.00	-
Ooredoo	0.39	1.55	12,674,937
Omiinvest	0.31	0.65	81,700
Oman United Insurance Co	0.38	0.00	50,000
Oman Telecommunications Co	0.78	2.11	37,617
Oman Reit Fund	0.09	0.00	350
Oman Refreshment Co	1.32	0.00	-

OMAN

Company Name	Lt Price	% Chg	Volume
Oman Qatar Insurance Co	0.09	-2.22	5,764
Oman Packaging	0.31	0.00	1,275
Oman Oil Marketing Company	0.72	0.00	-
Oman National Engineering An			

Foreign funds turn net buyers, but Qatar shares extend losses

By Santhosh V Perumal
Business Reporter

Foreign funds were increasingly net buyers on the Qatar Stock Exchange, which fell for the second straight session.

The buying interests in the transport and banking counters notwithstanding, the 20-stock Qatar Index declined more than 29 points, or 0.27%, to 10,911.4 points, recovering from an intraday low of 10,866 points.

Local retail investors were seen marginally bullish in the bourse, whose year-to-date gains were at 4.56%. About 57% of the traded constituents were in the red in the market, whose capitalisation saw more than QR2bn, or

0.33%, decline to QR630.88bn, mainly owing to midcap segments.

The Islamic index was seen declining faster than the other indices in the market, which saw industrial sectors alone constitute about 54% of the total trading volume.

The domestic funds were increasingly net sellers and foreign individuals turned bearish in the bourse, which saw a total of 125,891 exchange traded funds (Masraf Al Rayan-sponsored QATR and Doha Bank-sponsored QETF) valued at QR823,157 changed hands across 18 deals; while in the debt market, there was no trading of sovereign bonds and treasury bills.

The Total Return Index declined 0.27% to 21,599.78 points, the All Share Index by 0.14% to 3,449.18 points and the AI

Rayan Islamic Index (Price) by 0.36% to 2,530.25 points.

The realty sector index shrank 0.64%, telecom (0.57%), consumer goods and services (0.49%) and industrials (0.46%); whereas transport gained 0.22% and banks and financial services 0.07%.

Major decliners included QIIB, Aljjarah Holding, Dlala, Widam Food, Mannai Corporation, Qatar Investors Group, Industries Qatar, Aamal Company, Mesaieed Petrochemical Holding, Al Khaleej Takaful, Mazaya Qatar, Ezdan, United Development Company and Vodafone Qatar; even as Doha Bank, Qatar National Cement, Qamco, Doha Insurance and QLM were among the gainers.

The domestic funds' net selling

increased substantially to QR34.81mn against QR24.87mn on April 28.

The Arab individuals turned net sellers to the tune of QR3.71mn compared with net buyers of QR1.92mn on Wednesday.

Foreign individuals were net sellers to the extent of QR2.71mn against net buyers of QR2.79mn the previous day.

The Gulf institutions' net buying declined markedly to QR0.27mn compared to QR1.56mn on April 28.

Local retail investors' net buying eased perceptibly to QR1.96mn against QR5.69mn on Wednesday.

However, the foreign funds' net buying grew notably to QR41.7mn compared to QR18.3mn the previous day.

The Arab funds' net buying

strengthened marginally to QR0.27mn against QR0.09mn on April 28.

The Gulf individuals' net profit booking fell noticeably to QR2.97mn compared to QR15.51mn on Wednesday.

Total trade volume fell 3% to 262.82mn shares, value by 9% to QR530.58mn and transactions by 8% to 9,630.

The consumer goods and services sector's trade volume plummeted 49% to 30.2mn equities, value by 53% to QR55.18mn and deals by 32% to 1,406.

There was a 34% plunge in the transport sector's trade volume to 1.89mn stocks, 40% in value to QR7.57mn and 11% in transactions to 277.

The insurance sector's trade volume tanked 34% to 7.72mn shares, value by

39% to QR22.52mn and deals by 22% to 495.

The banks and financial services sector saw a 15% shrinkage in trade volume to 32.55mn equities, 20% in value to QR118.91mn and 6% in transactions to 2,434.

However, the real estate sector's trade volume soared 65% to 43.84mn stocks and value by 54% to QR60.07mn on doubled deals to 1,335.

The market witnessed a 52% surge in the telecom sector's trade volume to 5.8mn shares, as value more than doubled to QR28.07mn on a 45% growth in transactions to 557.

The industrials sector's trade volume was up 10% to 140.81mn equities and value by 11% to QR238.25mn, whereas deals shrank 18% to 3,126.

Massive fiscal stimulus fires up US economy; labour market recovering

Reuters
Washington

US economic growth accelerated in the first quarter, fuelled by massive government aid to households and businesses, charting the course for what is expected to be the strongest performance this year in nearly four decades.

The US economy is rebounding more quickly compared to its global rivals, thanks to two additional rounds of Covid-19 relief money from Washington as well as easing anxiety over the pandemic, which has boosted domestic demand and allowed services businesses like restaurants and bars to reopen.

The second-fastest gross domestic product growth since the third quarter of 2003, reported by the Commerce Department yesterday, left output just 0.9% below its level at the end of 2019.

Economists expect a full recovery from the pandemic recession, which started in February 2020, in late 2023.

The report is a boost for President Joe Biden as he celebrated 100 days in the White House.

"In early 2021, the economy was served a strong cocktail of improving health conditions and rapid vaccinations along with a fizzly dose of fiscal stimulus and a steady flow of monetary policy support," said Lydia Boussoir, lead US economist at Oxford Economics in New York. "Looking ahead, we foresee the economy's spring bloom turning into a summer boom."

GDP increased at a 6.4% annualised rate last quarter, the government said in its advance estimate for the first three months of the year.

That followed a 4.3% growth rate in the fourth quarter.

It was the biggest first-quarter increase in growth since 1984.



People wearing protective masks are seen in Times Square during the outbreak of the coronavirus disease in the Manhattan borough of New York City on March 25. US economic growth accelerated in the first quarter, fuelled by massive government aid to households and businesses, charting the course for what is expected to be the strongest performance this year in nearly four decades.

Economists polled by Reuters had forecast GDP growth would increase at a 6.1% pace in the January-March period.

Growth was powered by consumer spending, which increased at a 10.7% rate as households bought motor vehicles, furniture, recreational goods and electronics.

Consumer spending, which accounts for more than two-thirds of US economic activity, grew at a 2.3% pace in the fourth quarter.

Former President Donald Trump's government provided nearly \$3tn in relief money early in the pandemic, leading to record GDP growth in the third quarter of last year.

That was followed by nearly

\$900bn in additional stimulus in late December.

The Biden administration offered another \$1.9tn rescue package in March, which sent one-time \$1,400 checks to qualified households and extended a \$300 unemployment subsidy through early September.

The Federal Reserve on Wednesday acknowledged the burgeoning domestic activity, but the US central bank gave no sign it was ready to reduce its extraordinary support for the recovery.

The rapidly accelerating economy could dampen enthusiasm among some moderate Democrats for Biden's ambitious economic agenda.

Biden on Wednesday unveiled a

sweeping \$1.8tn package for families and education in his first joint speech to Congress.

Republicans oppose more stimulus, now worried about swelling debt.

The new package and an earlier infrastructure and jobs plan total around \$4tn, rivalling the annual federal budget.

In a separate report yesterday, the Labor Department said initial claims for state unemployment benefits fell 13,000 to a seasonally adjusted 553,000 during the week ended April 24.

Data for the prior week was revised to show 19,000 more applications received than previously reported.

Though claims have dropped from a record 6.149mn in early April 2020, they remain well above the range of 200,000 to 250,000 that is viewed as consistent with a healthy labour market.

There were 16.6mn people receiving unemployment benefits in the first week of April.

"We're still probably a couple years away from pre-pandemic employment levels, but based on the powerful economic momentum built up in the first quarter, we should return close to a fully-functioning economy in the second quarter," said Robert Frick, corporate economist at Navy Federal Credit Union in Vienna, Virginia.

China summons Internet firms to warn over unfair competition

AFF
Beijing

Financial regulators in China summoned 13 Internet companies yesterday to call for changes to their fintech operations, the central bank said in a notice, as Beijing ramps up scrutiny on monopolistic practices in the country's tech industry.

Regulators have been taking China's tech firms to task to curtail the reach of private companies into the public's daily finances, with 34 major companies already warned earlier this month to abide by anti-competition guidelines.

That group, which included Chinese search engine Baidu and gaming giant Tencent, was told to heed the case of Alibaba, after the e-commerce giant was hit with a record \$2.78bn fine by China's market watchdog for abusing its dominant market position.

Those summoned by financial regulators on Thursday again included Tencent and TikTok parent ByteDance, according to a notice on the Chinese central bank's website.

Others in the meeting included financial businesses affiliated with major brands such as e-commerce giant JD.com, food delivery platform Meituan, ride-hailing company Didi and travel platform CTrip.

The financial regulators present included the People's Bank of China, which is the country's central bank, as well as the country's banking and insurance regulator.

Although internet platform companies "played an important role in improving the efficiency of financial services", the notice said, regulators cautioned of problems that needed to be fixed.

For example, some businesses engage in "unfair competition", go beyond their scope of their licence or have poor corporate governance.

Influential businesses such as those summoned are to "take the lead" in correcting their practices, while companies are to conduct "self-examination" in line with the law, the notice said.

It added that "improper connections between payment tools and other financial products should be broken", and so should any "information monopoly".

Fintech firm Ant Group, an Alibaba affiliate whose planned record-shattering \$35bn Hong Kong-Shanghai IPO was shelved late last year, also said this month it would comply with an overhaul outlined by regulators.

Austria energy minister warns OMV its time in oil is running out

Bloomberg
Vienna

Austria's top energy official told OMV AG it must start figuring out how to do business without fossil fuels now or risk losing its business in three decades.

Transport and Energy Minister Leonore Gewessler delivered the unusually blunt message in an interview yesterday, just days after OMV announced the departure of boss Rainer Seele and three weeks after Austria demanded Seele clarify allegations that OMV had spied on environmental activists.

Central Europe's biggest oil and gas company is not alone in feeling the pressure as governments, customers and investors call on the industry to step up efforts to fight climate change.

The European Union's largest oil producers are all diversifying into cleaner energy as the bloc aims for zero net emissions by 2050, but face frequent ques-

tions over whether they're doing enough.

"The company is well aware that climate neutrality 2050 in Europe means you will not be able to earn money with fossil gas or oil," Gewessler said. OMV should use "recent developments" at the company to "make a new start, to begin this transformation of a decarbonisation pathway. That's the call of the day."

OMV didn't immediately respond to a request for comment.

The state-controlled producer is shifting its focus towards petrochemicals, though continues to invest in finding new gas and oil deposits worldwide. Capital spending on exploration and production will rise slightly this year to \$279mn, the company said earlier yesterday. It expects output to increase by about 4% in 2021 to 480,000 barrels of oil equivalent a day.

Gewessler publicly questioned OMV's Seele on Twitter earlier this month after it emerged that the company had used contrac-

tors to surveil Greta Thunberg's Fridays for Future Movement and Greenpeace. Four days later, Seele announced that he wouldn't prolong his term beyond June 2022.

While Austria's state-assets agency and Finance Ministry are formally responsible for supervising OMV, Gewessler's words carry weight as the official in charge of energy policy.

Yesterday, Seele said during a press conference that he was leaving to spend more time with his family and that he recognises the mounting difficulties that oil executives face in managing pollution costs.

"If you believe that carbon dioxide prices will go down, you're naive," Seele said. "It will continue to rise under all scenarios."

OMV's shares rallied yesterday after the company told analysts it could potentially save more costs than advertised by integrating its Borealis subsidiary into broader operations. Profit margins for key industrial chemicals widened in the last quarter.

