XI MEETING | Page 3

Trump says US 'back on track' with China

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GULF TIMES
BUSINESS

KEY GLOBAL PLATFORM: Page 16

Qatar announced as host of '2020 MSME Forum'

Qatari investments in Germany reach €25bn: Chamber official

Qatar's investments in Germany have reached €25bn, according to Qatar Chamber chairman Sheikh Khalifa bin Jassim al-Thani, who recently headed a delegation to Berlin.

Sheikh Khalifa attended the Arab-German Chamber of Commerce and Industry meetings and the 22nd Arab-German Economic Forum together with Qatar Chamber board members Adel al-Mannai, Khaled Khlefeekh al-Hajri, and Rashid bin Nasser al-Kaabi.

Also in attendance were Qatar Chamber director general Saleh bin Hamad al-Sharqi and assistant director general for Government Relations Ali Busherbak al-Mansouri, as well as Qatar's ambassador to Germany, Sheikh Saud bin Abdul Rahman al-Thani, who attended the opening ceremony.

The forum aims to enhance economic and trade relations between Arab countries and Germany, as well as developing co-operation ties among business owners from both sides, Qatar Chamber said in a statement.

Sheikh Khalifa stressed the importance of the forum in enhancing co-operation relations between the two sides, which would benefit the Arab and German economies. He said the volume of trade exchange between Arab countries and Germany is more than €56bn. There are efforts by both sides to increase this in the coming years, he said.

"Qatar and Germany are associated with an important level of political and economic co-operation, which reflected positively on the volume of trade between both countries, amounting to €1.9bn in 2018. More than 300 German companies are operating in Qatar," Sheikh Khalifa said.

He also affirmed Qatar Chamber's interest to strengthen trade co-operation with Germany through mutual visits and building partnerships between Qatari and German companies.

The Qatar Chamber official also urged both sides to explore the available investment opportunities in Qatar and Germany when implementing valued enterprises for both economies.

Qatar Chamber chairman Sheikh Khalifa bin Jassim al-Thani with Qatar's ambassador to Germany, Sheikh Saud bin Abdul Rahman al-Thani and Abdulaziz al-Mikhlafi, secretary general of the Arab-German Chamber of Commerce and Industry, in Berlin.

BUSINESS

Iran's Opec veteran weathers storms from Trump to Saudi

Bloomberg
Tehran/London

Iran's Bijan Namdar Zanganeh is Opec's longest serving oil minister.
During 14 years spent shuttling between Tehran and the group's Vienna headquarters, he's proved himself adept at both the closed-door talks, where policy gets decided, and the uniquely chaotic brand of public diplomacy ministers use to talk to the global oil market.
But he arrives for Monday's meeting, his 48th, under pressure on several fronts.
Iran's oil exports have plunged after President Donald Trump resurrected sanctions, crippling the economy and forcing Tehran into a dangerous cycle of brinkmanship with the US.
Meanwhile, the policy agenda of the Organization of Petroleum Exporting Countries is largely set by bitter rival Saudi Arabia. And Zanganeh is under attack at home from hardliners who see him as part of a reformist clique that botched rapprochement with the west.
None of that makes him irrelevant. In recent years, Zanganeh, 67, has proved able to make the best of a bad hand. His goal will be to show fellow ministers – not to mention a domestic audience anxious to see Iran assert itself internationally – that the country can't be ignored.
He believes Opec is being undermined as Saudi Arabia prioritises its bilateral relationship with Russia, a country that's not even an official member but the most important player in the broader Opec+ alliance created in 2016.
"Opec is in danger by the unilateralism of some members and the organisation faces the risk of collapse," he told Iranian news wire Shana in May.
In recent weeks, he's asserted himself over the seemingly trivial issue of when Opec should meet. After ministers agreed a June date, Russia insisted the meeting

Zanganeh: Looking to rehabilitate Iran's energy sector.

be delayed until after this week's G-20 summit in Japan. Iran complained, forcing weeks of back and forth before a new date was settled.
Zanganeh had a good working relationship with former Saudi oil minister Ali al-Naimi. He has often been willing to go on the attack. As far back as 2000, during the first of his two stints in the job, Zanganeh refused to sign the final communique after al-Naimi consulted the US Energy Secretary in the middle of the meeting.
Those moments have come more often since Trump reimposed sanctions in 2018. Last June, Zanganeh stormed out of a meeting because he believed Saudi Arabia was using sanctions to steal Iran's market share. Six months later he forced the meeting into a second day in a dispute over whether Iran should be exempt from cuts.
Zanganeh has been one of the Islamic Republic's longstanding servants. He studied civil engineering at the University of Tehran, earning a master's degree in 1977, a year before protest erupted against Shah Mohammad Reza Pahlavi's corrupt regime.
Two years after the 1979 revolution, Zanganeh was made deputy minister for cultural affairs at the Ministry of Islamic Guidance. He oversaw reconstruction projects for several years during the Iran-Iraq War and became energy minister in 1988, the year the war ended.
He was made oil minister in 1997 by reformist president, Ali Mohammad Khatami. He held the post until Mahmoud Ahmadinejad was elected in 2005. In his first stint, he tried to attract foreign investment to Iran's energy industry through so-called buy back deals where investors were repaid in crude. France's Total SA and Norway's Statoil ASA – now called Equinor ASA – committed to projects in the country.
After hardliner Ahmadinejad left office in 2013, Zanganeh was returned to his post by Hassan Rouhani. In the years he spent out of office, oil production plunged under sanctions imposed by the US and European Union to stymie Iran's nuclear research. Iran had fallen from being Opec's second-largest producer to sixth, severely weakening its power inside the group.
When those sanctions were lifted in 2015, exports started to recover and Zanganeh again sought to bring oil companies back. During Opec meetings, executives would queue outside his Vienna hotel suite to discuss potential projects.
Everything went into reverse after the election of Trump in 2016. Even before sanctions were formally reimposed, investors got cold feet and western oil companies including Total and Royal Dutch Shell Plc stopped buying Iranian crude.
At home, Zanganeh is under almost constant pressure from hardliners and right-wing lawmakers who've repeatedly tried to have him impeached and removed from office. But his record at Opec and efforts to rehabilitate Iran's energy sector mean he's developed a reputation among the wider public for being an efficient and dedicated technocrat.
Zanganeh is still taken seriously in Vienna, where fellow ministers respect his reverence for Opec's traditional consensus and his seriousness of purpose.

Deal to extend Opec+ cuts by 6 to 9 months

Russian President Vladimir Putin struck a deal with Saudi Crown Prince Mohammed bin Salman to extend the Opec+ agreement at current production levels for the rest of this year and potentially into early 2020, according to Bloomberg.
Speaking at the Group of 20 summit in Japan, the Russian president said the extension of output cuts – which expire at the end of June – could be for six or nine months. His comments make the outcome of next week's Opec+ gathering in Vienna all but a foregone conclusion, and further reinforce Putin's role as the ultimate policy maker within the group.
Saudi Arabia and Russia have joined forces to manage the global oil market in an effort to prop up prices. The current version of the deal by the so-called Opec+ coalition calls for production cuts of 1.2mn barrels a day.
"We have agreed: we will continue our agreements," Putin said in Osaka. "In any event we will support the continuation of agreements, both Russia and Saudi Arabia, in the volumes previously agreed." The announcement marks the first time a senior leader from the group has indicated the curbs could be needed into 2020. That reflects a sombre outlook for oil supply and demand next year due to a combination of slowing global economic growth and rising US shale output.
The Russia-Saudi deal followed an agreement made earlier in Osaka between the US and Chinese presidents to restart trade talks, and comments by Donald Trump that he wouldn't impose new duties on Beijing for now.

Epic collapse of Dubai-based Abraaj nets guilty plea in US

Bloomberg
New York

A former executive at Abraaj Group pleaded guilty to conspiracy charges and agreed to co-operate with a US probe of a scheme that helped lead to the world's biggest private-equity insolvency in 2018.

Mustafa Abdel-Wadood, a former managing partner at the Dubai-based firm, appeared in federal court in Manhattan on Friday to admit he lied to investors across the globe in an attempt to hide losses at Abraaj and raise more money. He's one of six former Abraaj executives facing racketeering and securities-fraud charges following an investigation by New York prosecutors.

The 49-year-old with Egyptian and Maltese citizenships was arrested in April in New York while on a college-shopping trip with his wife and son. Since then, he has been confined to his home in New York and subject to a $10mn bond. Abdel-Wadood is the only defendant to appear in court in the US.

"I knew at the time that I was participating in conduct that was wrong," Abdel-Wadood said in court, reading slowly from a prepared statement and at times choking back tears. "I ended up drifting from who I really am. For that, I am ashamed."

Mustafa Abdel-Wadood, a former managing partner at the Dubai-based firm, appeared in federal court in Manhattan on Friday to admit he lied to investors across the globe in an attempt to hide losses at Abraaj and raise more money. He's one of six former Abraaj executives facing racketeering and securities-fraud charges following an investigation by New York prosecutors.

At the hearing, US Magistrate Judge Gabriel Gorenstein said Abdel-Wadood had agreed to co-operate with prosecutors as part of a plea agreement. The judge asked Abdel-Wadood if he understood that he could be sentenced to 125 years in prison if all the terms for each charge were served consecutively.

"I do sir, yes sir," he replied.

Abraaj, which was founded in 2002 and managed almost $14bn, was the Middle East's biggest private equity fund and one of the world's most influential emerging-market investors with stakes in healthcare, clean energy, lending and real estate across Africa, Asia, Latin America and Turkey. It was forced into liquidation after investors including the Bill & Melinda Gates Foundation, commissioned an audit.

Abdel-Wadood, who worked at the firm from 2006 to 2018, was charged alongside Arif Naqvi, the founder and ex-chief executive officer. Four other former executives were also charged – chief financial officer Ashish Dave and managing directors Sivendran Vettivetpillai, Rafique Lakhani and Waqar Siddique. Naqvi gave up control of the firm last year after it was disclosed that revenue hadn't covered operating costs for years.

During Friday's hearing, Abdel-Wadood accused Naqvi of pushing the firm's executives to take steps that "disadvantaged our investors."

"Some of us pushed back," Abdel-Wadood said. "Too often we capitulated."

Naqvi was detained in London and released on conditional bail of £15mn ($19mn) in May while fighting extradition to the US, though it took him about a month to raise the funds. In a filing in that case, Naqvi called the bond amount "the largest security ever ordered in the UK."

Abdel-Wadood briefly described for the judge several elements of the alleged conspiracy, all of which related to hiding Abraaj's poor financial condition and convincing new investors to put up more cash. That included lying to US-based investors during meetings in Manhattan, Abdel-Wadood said, as they sought to raise $3bn for a new fund in 2016. The money they raised wasn't spent the way investors were told, he said.

"Put simply, money was comingled that should have been separated, and investors were not told the truth," Abdel-Wadood said.

The case is U.S. v. Naqvi, 19-cr-00233, U.S. District Court, Southern District of New York (Manhattan).

QATAR FUEL قطر للوقود
WOQOD وقود

The Tenders, Auctions, Asset Write-off Committee (TAAWC) Invites Tender Submission for the following Services:

SR. NO.	TENDER NUMBER	DESCRIPTION	TENDER FEE (QR.)	TENDER BOND (QR.)	TENDER CLOSING DATE
1.	QF/01/P/19/Used_Oil/2019	Removal and Transportation of used oil from various WOQOD Fuel Stations and all other WOQOD facilities by paying to WOQOD based on unit rate per drum (200 Litre)	500 /Non-refundable	5,000/-	17/07/2019
2.	QF/02/P/1120000799/15/19	Design and Production of Calendar and Diary sets for 2020	500/-Non-refundable	10,000/-	17/07/2019
3.	QF/01/C/10/1121014/65/19	Outsourcing Manpower for IT Department for a period of three [3] years	1000/-Non-refundable	60,000/-	28/07/2019
4.	QF/01/C/14/31219/61/19	Machinery Maintenance by Technician Service Engineers	500/-Non-refundable	50,000/-	28/07/2019
5.	QF/02/C/14/3120005/39/19	Maintenance of Marine Diesel Cummins Engines (Main Engine and Auxiliary Engine)	500/-Non-refundable	30,000/-	31/07/2019
6.	QF/02/C/10/112766/64/19	Asset Physical Verification, Tagging & Tracking Application	500/-Non-refundable	20,000/-	31/07/2019

- Tender document for the above invitation can be obtained as per following details:
- **Document Issue Date:**

From 30th June 2019 until Bid Closing Date.
No extension to Bid submission date due to late collection of Tender documents.

- **Tender Fee**: Interested Parties shall first deposit the appropriate Tender Fee as mentioned above (non-refundable) into Account Name – **Qatar Fuel (WOQOD), Account Number 222-88171-1-030-0 with Doha Bank.** Tenderer must mention their Company's full name and specific Tender Number on the bank deposit slip.
- **Tender Documents** shall be sent from QATAR FUEL [WOQOD] Procurement & Contracts Department e-mail, upon receipt of deposit slip in proof of the required payment along with company letter and copy of Commercial Registration (CR) of the Company to **eprocurement@woqod.com.qa**.
- Tenders shall be accompanied by a Tender Bond issued by one of the Qatari Banks or by a Bank operating in Qatar, in accordance with the terms of the tender documents and should be valid for **210 days** from the Tender Closing Date.
- Offer should be valid for **180 days** commencing from the Tender Closing Date.

Duly completed Tender should be delivered in sealed envelopes with the Tender Number and Bidders Company name clearly marked on the envelope, and should be deposited in **Tender Committee Office, P.O. Box: 7777, Ground Floor, WOQOD Tower, West Bay, Doha, Qatar, not later than 10:00 AM on the Tender Closing Date** mentioned above. [visit our website **www.woqod.com.qa** for more information]

Iran currency under more duress as sanctions bite

Bloomberg
Dubai

Iran's currency is under more duress now than when a European and US oil embargo was in place seven years ago.

Oxford Economics' FX Risk Tool, a composite measure of vulnerability to a currency crisis, shows the rial as the most exposed in the Middle East and North Africa.

Iran's score is above the level in 2012 and suggests a 23% chance of a currency crisis in the next two years, the consultancy said. Although its value is officially fixed, the rial is estimated to have lost more than 60% on the parallel market in the last year.

"Iran now has the region's highest risk of currency distress, signalling further devaluation, amid a deepening sanctions-induced recession and shrinking domestic policy space," Maya Senussi, senior economist at Oxford Economics, said in a report Tuesday.

The noose of American penalties is tightening as the Trump administration seeks to drive Iranian oil exports to zero to renegotiate the 2015 nuclear accord the US quit a year ago. On Monday, President Donald Trump further raised the stakes by imposing sanctions against Iran's supreme leader and other top officials.

A money changer poses for the camera with a US dollar (right) and the amount being given when converting it into Iranian rials (left), at a currency exchange shop in Tehran's business district (file). Although its value is officially fixed, the rial is estimated to have lost more than 60% on the parallel market in the last year.

Even before the latest round of tensions, the International Monetary Fund was warning that Iran's inflation could reach an average of 50% this year, the most since 1980, coupled with an economic contraction of 6%. Price growth in Iran is currently estimated at more than 50%, according to Oxford Economics, which expects a recession to be as severe as in 2012.

Iran's gross domestic product shrank almost 4% last year, the most since a decline of over 7% in 2012, according to the IMF.

"Collapsing oil exports, the main source of hard currency, coupled with sanctions on the metal industry – the main source of non-oil export revenues – is pushing the economy into deep recession this year," Senussi said.

IMF chief welcomes thawing of US-China ties, says risks remain

Bloomberg
Osaka, Japan

Tariffs already implemented between the US and China are holding back the global economy and unresolved issues carry uncertainty about the future, even though the resumption of trade talks between the two countries is welcome, International Monetary Fund's managing director Christine Lagarde said.

"The priority should be to reduce obstacles to trade – new and old, tariffs and otherwise – and to address the underlying sources of trade tensions and distortions," Lagarde said in a written statement at the conclusion of the Group of 20 Leaders' Summit in Osaka, Japan, yesterday.

US President Donald Trump said the US was "right back on track" with China after a high-stakes meeting with President Xi Jinping yesterday.

The two sides have agreed to restart trade negotiations that broke down last month, Xinhua News Agency reported, adding that the US agreed not to place new tariffs on Chinese goods.

Xi said meetings should be held on an equal footing, the report said, while also offering support to talks with North Korea and reiterating its claim over Taiwan, a US ally.

Trump said the US would release a statement at about 3:30pm local time.

Lagarde said in the statement that the IMF expects global economic growth to "strengthen somewhat" going forward and the risks to the outlook "remain serious."

She expressed her support for reform of the World Trade Organisation and for the G-20 to address common issues from corporate taxation and financial regulatory reform to corruption and climate change.

The IMF head also endorsed the Osaka Blue Ocean initiative aimed at reducing new plastic marine waste.

"While the global economy is currently at a precarious stage, with the right policies and working together, we can overcome the challenges that we face and set the world on a path of stronger, more sustainable, balanced, and inclusive growth," Lagarde said.

Lagarde: IMF expects global economic growth to "strengthen somewhat" going forward and the risks to the outlook remain serious.

Trump says US 'back on track' with China after meeting Xi

Bloomberg
Osaka, Japan

US President Donald Trump said the US was "right back on track" with China after a high-stakes meeting with Xi Jinping yesterday.

Trump called the meeting with Xi "excellent" and said it went better than expected.

"We want to do something that will even it up with respect to trade," Trump told Xi at the beginning of their meeting in Japan on the sidelines of the Group of 20 summit. "I think it's something that's actually very easy to do. I actually think that we were very close and then something happened where we slipped a little bit, and now we're getting a little bit closer. But it would be historic."

Xi opened the meeting with a reference to the ping-pong diplomacy in the 1970s that paved the way for formal diplomatic ties between the US and China.

"China and the United States both benefit from co-operation and lose from confrontation," Xi said in prepared remarks. A temporary freeze on further US tariffs, as well as Chinese retaliation, while talks get back under way was discussed by negotiators before the leaders met for lunch, according to people briefed on the talks who asked not to be identified.

After almost a year of trade war, the stakes couldn't be much higher. A return to the negotiating table would end a six-week stalemate that's unnerved companies and investors, and damp the threat of a further escalation. Failure to do so would likely upset financial markets already whipsawed by mounting risks to a slowing global expansion.

Trump earlier yesterday signalled the US had made progress in trade discussions with China ahead of the lunch meeting in Japan, which comes amid growing hopes the two powers will hit the pause button in their trade war and resume the search for a longer-term peace.

Speaking with reporters yesterday, Trump said that he would be discussing the US blacklisting of Huawei Technologies Co as well as a broader trade deal. He also said the two leaders and their negotiators had made progress during preparatory discussions on Friday evening.

"A lot was accomplished actually last night," Trump said prior to meeting Xi. "The relationship is very good with China. As to whether or not we can make a deal, time will tell, but the relationship itself is really great," Trump said, adding that he and Xi continued to have "a very good friendship." Trump's comments came after Xi spent much of the summit's first day Friday promising to open up the Chinese economy, and chiding – though not naming – the US for its attack on the global trading system.

US President Donald Trump speaks during a news conference following the Group of 20 summit in Osaka, Japan, yesterday. Trump called the meeting with Chinese President Xi Jinping "excellent" and said it went better than expected.

In remarks to African leaders on Friday, Xi took a not-so-subtle swipe at Trump's "America first" trade policy, warning against "bullying practices" and adding that "any attempt to put one's own interests first and undermine others' will not win any popularity."

Any cease-fire would at least temporarily reduce fears that the world's two largest economies are headed into a new cold war, though a broader conflict is viewed as increasingly inevitable in both Beijing and Washington.

Concern about the standoff has prompted investors to bet on central-bank easing, and pile into havens. Treasury yields have tumbled to their lowest level in years. The Japanese yen, a traditional beneficiary of flight to quality, has gained, while the US dollar has slipped across the board, including against China's yuan. Stocks have seesawed on each new twist in the trade tug-of-war.

In that fraught environment, even a return to negotiations won't guarantee a deal. Since the talks collapsed on May 10, Trump has raised tariffs on $200bn of Chinese goods to 25% from 10%. In recent days, he's indicated that the next step could be a 10% tariff on all remaining imports from China – some $300bn-worth, from smartphones to children's clothes.

Another big hurdle is last month's US blacklisting of Huawei on national security grounds, which threatens to cut off the Chinese giant's access to American technology. His administration has been lobbying allies around the world not to buy Huawei equipment, which the US says could be used for Chinese espionage.

Xi on Friday called out the US over Huawei and said the G-20 should uphold the "completeness and vitality of global supply chains." China insisted this week that Huawei must be removed from the blacklist under any deal.

Trump used to cite the reduction of America's goods-trade deficit with China – which reached a record $419bn last year – as his main aim. But his administration's focus has shifted to limiting Chinese access to US innovation. China's government has responded with increasingly harsh rhetoric that underscores its readiness for a long battle.

Other disagreements that caused talks to break down include how to enshrine the Chinese reforms demanded by the US, over intellectual property theft and industrial subsidies, and when and how to lift the tariffs that Trump has come to view as his most powerful economic tool.

G20 stops short of denouncing protectionism

Reuters
Osaka, Japan

Leaders of the Group of 20 major economies warned yesterday of growing risks to the global economy but stopped short of denouncing protectionism, calling instead for a free, fair trade environment after talks some members described as difficult.

In a communique at the end of a two-day meeting in Japan's western city of Osaka, the leaders said global growth remained low and risks were tilted to the downside, as trade and geopolitical tensions have grown.

"We strive to realise a free, fair, nondiscriminatory, transparent, predictable and stable trade and investment environment, and to keep our markets open," they said in a second successive summit statement that refrained from urging the need to resist protectionism.

Japanese Prime Minister Shinzo Abe put on a brave face, stressing the G20 leaders had much in common, such as a shared recognition of the need for the group to remain key drivers of global growth.

"The G20 agreed on fundamental principles backing a free trade system," Abe said, adding that the group had also pledged stronger action to improve the dispute settlement system of the World Trade Organisation (WTO).

In preparing the G20 statement, Japan, the chair of the meetings, has sought common ground between the United States, which opposes language denouncing protectionism, and other nations seeking a stronger warning against trade tension.

"There were no breakthrough decisions but... all participants have confirmed their aspiration to work further on improving the global trade system, including the aspiration to work on WTO reform," Russian President Vladimir Putin told a news conference yesterday.

"The fact that all have confirmed the need of this process and their readiness to work toward this process is already positive."

Widening fallout from the US-China trade war has jolted markets and tested the resolve of G20 members to present a united front in averting a global recession.

The United States and China agreed to restart trade talks, offering some hope that the world's two largest economies can resolve the bitter dispute.

The European Union and South American bloc Mercosur agreed a free trade treaty on Friday, committing to more open markets in defiance of the rising tide of protectionism.

"This deal promotes our values and supports a multilateral, rules-based system," European Commission President Jean-Claude Juncker told reporters on Saturday, taking a swipe at US President Donald Trump's aversion to multilateralism.

However, Christine Lagarde, managing director of the International Monetary Fund, warned the global economy had hit a "rough patch" due to the trade conflicts, and urged G20 policymakers to reduce tariffs and other trade obstacles.

"While the resumption of trade talks between the United States and China is welcome, tariffs already implemented are holding back the global economy, and unresolved issues carry a great deal of uncertainty about the future," she said in a statement.

Last year's G20 summit in Buenos Aires was the first to drop the language on the need to denounce protectionism, deferring to a request by Washington, which is sensitive to criticism of the tariffs it is slapping on some G20 members.

From left: Italy's Prime Minister Giuseppe Conte, Argentina's President Mauricio Macri, France's President Emmanuel Macron, Spanish President Pedro Sanchez, German Chancellor Angela Merkel, EU Council President Donald Tusk, Brazil's President Jair Bolsonaro and European Commission President Jean-Claude Juncker attend a press conference at the G20 Osaka Summit in Japan yesterday.

Attendees walk past the Huawei Technologies booth at the MWC Shanghai exhibition. US President Donald Trump said yesterday that US companies could sell equipment to Chinese telecom giant Huawei, indicating a potentially softer position on a key sticking point in the US-China trade war.

Trump hints at softer stance on Huawei

AFP
Osaka, Japan

US President Donald Trump said yesterday that US companies could sell equipment to Chinese telecom giant Huawei, indicating a potentially softer position on a key sticking point in the US-China trade war.

"US companies can sell their equipment to Huawei," Trump told reporters in Osaka hours after sealing a tariff truce with Chinese President Xi Jinping.

"We're talking about equipment where there's no great national security problem with it." It was not immediately clear whether Trump's comment marked a material change in the stance toward Huawei, which has essentially been barred on national security grounds from accessing crucial American technology or operating in the US market.

The US fears that systems built by Huawei – the world leader in telecom network equipment and number two smartphone supplier – could be used by China's government for espionage via built-in secret security "back doors".

Huawei vigorously denies that and says the US has never provided proof to substantiate it.

Last month the US government added Huawei to an "entity list" of companies barred from receiving US-made components without permission from Washington.

Trump's comment on its face does not mark a change from current practice.

But it could be read by financial markets as a positive signal that his administration may be open to negotiating on Huawei when bilateral trade talks resume.

However, any softening on Huawei could meet resistance from a bipartisan US congressional movement that is calling for a hardline on the firm.

A Huawei spokesperson told AFP the company had no initial comment.

Trump has imposed tariffs on $200bn of Chinese imports in an effort to force Beijing into intellectual property protection and other reforms of a trading system that Washington says gives China huge unfair advantages.

But Trump and Xi struck a ceasefire deal yesterday, with Washington vowing to hold off on further tariffs and the two sides agreeing to restart trade negotiations.

The *Wall Street Journal* reported earlier this week that Xi planned to ask Trump in Osaka to ease up on Huawei as a precondition for signing a possible trade deal.

BUSINESS

India's current account deficit narrows to $4.6bn in Q4 of 2018-19

IANS
Mumbai

Lower trade deficit narrowed India's current account deficit to $4.6bn in Q4 of 2018-19.

The Reserve Bank of India's data on India's Balance of Payments (BoP) showed that CAD narrowed from $13bn in Q4 of 2017-18 and $17.7bn in the preceding quarter.

"The contraction of the CAD on a year-on-year (y-o-y) basis was primarily on account of a lower trade deficit at $35.2bn as compared with $41.6bn a year ago," RBI said.

"Net services receipts increased by 5.8% on a y-o-y basis mainly on the back of a rise in net earnings from telecommunications, computer and information services."

However, remittances declined by 0.9% to $17.9bn from their level during a year ago period.

In the financial account, net foreign direct investment was stagnant at $6.4bn in Q4 of 2018-19.

"Foreign portfolio investment recorded net inflow of $9.4bn in Q4 of 2018-19 – as compared with $2.3bn in Q4 a year ago – on account of net purchases in both debt and equity market," the apex bank said.

According to the data, there was an accretion of $14.2bn in foreign exchange reserves (on BoP basis) during the period under review as compared with $13.2bn in Q4 of 2017-18.

As per the data, for the full-fiscal 2018-19, India's CAD increased to 2.1% of GDP in 2018-19 from 1.8% in 2017-18 on the back of wider trade deficit.

"India's trade deficit increased to $180.3bn in 2018-19 from $160bn in 2017-18...

Net invisible receipts were higher in 2018-19 mainly due to increase in net services earnings and private transfer receipts," RBI said.

"Net FDI inflows at $30.7bn in 2018-19 were marginally higher than $30.3bn in 2017-18.

Portfolio investment recorded a net outflow of $2.4bn in 2018-19 as against an inflow of $22.1bn a year ago."

In addition, the data showed that in 2018-19, there was a depletion of $3.3bn of the foreign exchange reserves (on a BoP basis).

India's external debt rises 2.6% to $543bn

IANS
Mumbai

India's external debt for the quarter-ended March 2019 rose 2.6% or $13.7bn to $543bn on account of an increase in short-term debt, commercial borrowings and non-resident Indian (NRI) deposits.

According to the Reserve Bank of India's external debt statistics released with a lag of one quarter, the country's debt was $529.3bn at the end of the previous corresponding quarter.

"At end-March 2019, India's external debt witnessed an increase of 2.6% over its level at end-March 2018, primarily on account of an increase in short-term debt, commercial borrowings and NRI deposits," RBI said.

"The increase in external debt was partially offset by valuation gain resulting from the appreciation of the US dollar against Indian rupee and other major currencies. The external debt to GDP ratio stood at 19.7% at end-March 2019, lower than its level of 20.1% at end-March 2018."

In terms of segment, US dollar denominated debt continued to be the largest component with a share of 50.5% at end-March 2019, followed by the Indian rupee (35.7%), Japanese yen (5%), SDR (4.9%) and euro (3%). In addition, the RBI data showed said that outstanding debt of the government declined, while that of non-government sector increased at the end-March 2019 period.

Vietnam says it wants free and fair trade with US

Reuters
Hanoi

US President Donald Trump (right), speaks to members of the media as Nguyen Xuan Phuc, Vietnam's Prime Minister, looks on during a meeting in the Oval Office of the White House in Washington (file). Vietnam ran a trade surplus of $17bn with the US in the first five months of this year, compared to last year's surplus of $12.9bn in the same period.

Vietnam said it was committed to free and fair trade with the United States on Friday, following threats by US President Donald Trump to impose tariffs on products from the Southeast Asian country amid its ongoing trade war with China.

Trump said on Wednesday his government was in discussions with Vietnam on trade, but said that Hanoi treated the United States "even worse" than China in terms of trade.

Responding to the comments, Vietnam's Foreign Ministry spokeswoman Le Thi Thu Hang said on Friday that Vietnam wanted a mutually beneficial trading relationship with the United States.

"Vietnam seeks to further economic, trade and investment ties with the United States which promote freedom and fairness, based on mutual benefits," Hang said in an e-mailed statement.

"Vietnam has made efforts to improve the bilateral trade balance, and promotes the imports of US goods that Vietnam needs," Hang said.

The statement also pointed to recent efforts by Vietnam to crack down on goods of foreign origin illegally relabelled "Made in Vietnam" by exporters seeking to dodge tariffs.

Vietnam's largest export market is the United States, with which it has a rapidly growing trade surplus.

The country's economic growth remained strong in the second quarter, backed by robust exports and foreign investment amid the ongoing trade war between Washington and Beijing.

Following a meeting between Vietnam's Prime Minister Nguyen Xuan Phuc and Trump on the sidelines of the two-day Group of 20 (G20) summit in Japan on Friday, Vietnam said it would import more liquefied natural gas (LNG) from the United States.

Vietnam's Ministry of Industry and Trade and the US Department of Energy will soon sign a memorandum of understanding on LNG imports, Vietnam's government said in a statement, also issued on Friday.

The statement did not elaborate as to how much LNG would be imported, but said it was a "long-term and strategic energy co-operation".

Exports to the US from Vietnam, which has been touted as one of the largest beneficiaries of the trade war, rose 29% in the first five months of this year, according to Vietnam's customs data. Vietnam ran a trade surplus of $17bn with the US in the first five months of this year, compared to last year's surplus of $12.9bn in the same period, according to the data.

Chinese envoy says Syngenta takeover was a bad deal: Report

Reuters
Zurich

Beijing's ambassador to Switzerland said ChemChina's $43bn takeover of seed and agrochemicals firm Syngenta was a mistake, adding he would have tried to stop the 2017 deal had he been in Bern at the time, a newspaper reported in an interview yesterday.

"If I had been the ambassador a year earlier, the takeover wouldn't have taken place," Gen Wenbin was quoted as telling the *Tages-Anzeiger* newspaper, without giving specific reasons for his opposition to the deal.

"It wasn't a good deal for the Chinese side. It was for Switzerland: It got $40bn.

If Switzerland wants Syngenta back, I would convince ChemChina to sell it.

But is there anybody at all in Switzerland who wants Syngenta back?"

Basel-based Syngenta was listed on the SIX Swiss Stock Exchange when it was bought by ChemChina, so shareholders received the money from the deal that closed in 2017.

After the takeover spurred debate over foreign countries expanding in Switzerland, Swiss politicians are debating a measure in parliament that could require government approval of sales of Swiss companies to foreign entities.

Other big Chinese investments in Swiss companies include HNA Group's purchase of airline caterer Gategroup and ground services and cargo handling firm Swissport.

Gen Wenbin said criticism in Switzerland's media over such transactions had driven potential Chinese investors to look elsewhere.

"They're going to Germany," the ambassador told the daily newspaper. Syngenta did not return a phone call and e-mail seeking comment yesterday.

No one could immediately be reached to comment at the Chinese embassy.

The former Swiss firm is targeting growth through acquisitions in the $17bn Chinese seed market, where access is restricted for foreign players, as well as new products and collaborations in technology.

The Syngeta logo is seen on a bag of Hyvido hybrid barley seed on a farm in Roecliffe, UK. Beijing's ambassador to Switzerland said ChemChina's $43bn takeover of the seed and agrochemicals firm was a mistake, adding he would have tried to stop the 2017 deal had he been in Bern at the time.

Warburg venture bets on warehouses as e-commerce booms in India

Bloomberg
Mumbai

Embassy Group, an Indian real-estate developer, that has partnered with Warburg Pincus, has spotted a winner in India's e-commerce slug-fest: logistics.

Embassy is looking to build warehouses and industrial parks near eight big Indian cities that can store goods for retail giants as billionaires including Asia's richest man, Mukesh Ambani and Amazon.com Inc's Jeff Bezos clash for dominance in the world's fastest-growing e-commerce market. Embassy's joint venture with Warburg, Embassy Industrial Parks, plans to spend $500mn over three years to develop such properties.

"E-commerce is going to be massive in India, we are seeing a huge digital shift happening throughout the country," Aditya Virwani, chief operating officer at Embassy Group, said in an interview. "We believe that absorption is only going to go up. It's still a very initial stage of the market."

The nation's second-richest developer is counting on billion-dollar investments by companies including Amazon and Walmart Inc., which owns homegrown shopping website Flipkart, as they seek a greater pie of the largely untapped market. With Ambani's Reliance Industries Ltd planning to roll out its online shopping platform within 12-18 months, the competition is expected to intensify. Retailers will need large warehousing spaces across key growth centres to ensure fast, last-mile delivery of goods. A slowdown in the residential market is prompting developers to tap the logistics sector. Private equity funds have pumped $1.1bn in warehousing assets in past two years, while developers including Hiranandani Group and Panchshil Realty have plans to foray in industrial parks.

The Bengaluru-based Embassy, which specialises in building IT parks and offices in its home market, now plans to grow its warehouse portfolio to 32mn square feet over the next three-four years from 10mn square feet (929,030 square metres). The expansion would include existing and new developments across top Indian cities including Pune, Gurugram, Chennai, Bengaluru, Hyderabad, Mumbai, Delhi and Kolkata.

It's monthly rental income from these assets is expected to grow ten fold from as much as Rs60mn and yields would jump to 15%-18% from 12%, Virwani said.

Tier-II cities

"E-commerce companies want to make inroads into tier-II and tier-III cities and want to be close to their delivery location," said Prashant Thakur, research head at Anarock Property Consultants. "Robust supply of warehousing is coming in to cater to these companies."

The realtor, which launched Asia's top performing real estate investment trust earlier this year with Blackstone Group LP, is now looking to build REIT-worthy logistics assets.

"We have already seen REIT playing out from our commercial portfolio, we believe that REIT for industrial parks will be on similar lines," Virwani said. "We definitely want a fairly big chunk of portfolio, I think anything over 30 million square feet would incentivise us to do REIT."

Embassy Industrial is also in talks with a big e-commerce company for joint land investment in Chennai to develop a logistics park, Virwani said without disclosing the name as the talks were still not finalised. The company hopes to close the deal in two-three months.

The Embassy Group holds close to 4,000 acres of land across India, of which 1,100 acres could be utilised for development of industrial parks in future. The group would however continue to purchase new land that is ready-to-use and may also tie-up with private equity partners for larger transactions and to access cheaper capital.

Singapore to issue 5 new digital banking licences to non-banks

Bloomberg
Singapore

Signage for the Monetary Authority of Singapore is displayed outside the central bank's headquarters in Singapore. The MAS will invite applications from non-banks in August for the five digital banking licences. "We will also ensure that digital banks will compete with incumbents on a level playing field," MAS chairman Tharman Shanmugaratnam said yesterday.

Singapore will issue as many as five new digital bank licences to non-bank firms as the island nation seeks to strengthen competition in financial services, according to one of its top regulators.

"We welcome firms with innovative value propositions to apply for the new digital bank licences, even if they have not yet established a track record in banking," Monetary Authority of Singapore chairman Tharman Shanmugaratnam said in a speech at the annual banking industry dinner on Friday. At the same time, the regulator "will not allow value-destructive competition to the detriment of long-term financial system stability," he said.

Banks worldwide face increasing competition from technology firms that are getting into financial services including payments and lending. The UK and Hong Kong are among major economies that have allowed licences for virtual banks, creating a new generation of rivals for traditional lenders.

Singapore Telecommunications Ltd, Grab and Razer Inc said they would consider this opportunity.

"Having ventured into mobile financial services, these are interesting developments," Singtel said in a statement. "We are open to exploring the feasibility of such an opportunity and will be reviewing the licensing conditions."

Gaming company Razer already processes digital payments and has an e-wallet service in Malaysia with a Singapore app coming soon.

"We will definitely consider applying for the digital bank licence and are keen to help spur innovation in Singapore's financial sector," Limeng Lee, chief strategy officer at Razer, said in a statement.

Grab, Singapore's ride-hailing giant, will study the digibank licensing requirements closely, said Reuben Lai, Grab Financial Group's senior managing director. The company will keep an open mind as to how best to pursue this, including whether to work with suitable partners, he said.

Digital banking isn't new in Singapore, where the regulator has allowed local lenders to pursue online-only business models since 2000. DBS Group Holdings Ltd and United Overseas Bank Ltd, both based in the city-state, also operate digital banks in other Asian countries including India and Thailand.

DBS chief executive officer Piyush Gupta has said he would only see a problem in Singapore if virtual banks were allowed to operate on more lenient terms than the incumbents, for example if their capital requirements were lower, according to an interview in May.

The MAS will invite applications from non-banks in August for the five digital banking licenses. "We will also ensure that digital banks will compete with incumbents on a level playing field," Tharman said.

The MAS set two categories for digital banks: up to two digital full-bank licenses for firms headquartered in Singapore and controlled by Singaporeans which allow licensees to provide a wide range of financial services and take deposits from retail customers, and an additional three licenses for digital wholesale banks which will be open to both local and foreign players. The second category is limited to corporate clients only, and not for the retail market, the MAS said.

To be eligible for full bank licences, foreign companies must form a joint venture with a Singapore company. Application for digital wholesale bank licences is open to all companies.

Richard Li's FWD is nearing $3bn deal in Thailand

Bloomberg
Hong Kong

FWD Group, an insurer backed by Hong Kong billionaire Richard Li, is nearing a deal to acquire the life insurance operations of Thailand's Siam Commercial Bank Pcl, according to people familiar with the matter.

Talks between FWD and Siam Commercial are advanced after three months of exclusive negotiations, and an announcement could come as early as Monday, the people said, asking not to be identified because the matter is private. Siam Commercial's life insurance unit could be valued at about $3bn, they said. At that price tag, it would be the biggest acquisition of an insurer in Southeast Asia, according to data compiled by Bloomberg.

In March, the companies confirmed a Bloomberg report that they had reached a preliminary pact on a potential life-insurance partnership and entered into exclusive talks. A deal would see FWD acquire Siam Commercial's life insurance unit and sign a long-term distribution agreement with the lender. There's no certainty the talks would result in a transaction as deliberations are ongoing, the people said.

As any potential transaction has not yet been finalised, the company declined to comment further at this stage, a representative for FWD said in response to Bloomberg queries. Thana Thienachariya, senior executive vice president for external communication at Siam Commercial, couldn't be reached for comment.

The lender will hold a press conference on July 1 announcing a business partnership that would be "the biggest in Southeast Asia," according to an invitation received on Friday.

FWD has been buying insurance assets across Asia. On Friday, it agreed to buy MetLife Inc's Hong Kong insurance unit in a deal that would help FWD boost its presence in the former British colony. In October, it acquired control of Commonwealth Bank of Australia's Indonesian life insurance arm, and a year earlier it purchased American International Group Inc's Japanese life unit, after having previously done other deals in Singapore and Vietnam.

"An IPO of FWD is probably an eventuality for the pan-Asia life insurer as it expands quickly via M&A," Bloomberg Intelligence analyst Steven Lam wrote in a note on June 26. FWD, which manages about $30 billion of assets and is backed by Swiss Re AG, had more than 3 million customers spread across eight Asian markets, according to its website. Li, the younger son of Hong Kong's richest man, formed the company after spending $2.1bn to buy ING Groep NV's insurance and pension units in Hong Kong, Macau and Thailand in 2013.

World Bank approves 3 projects for Karachi

Internews
Islamabad

The World Bank has approved three projects for Pakistan's port city of Karachi that will help improve urban management and investment environment; mobility, accessibility and safety along selected corridors; and access to safe water services.

These projects build on findings of the 'Karachi Transformative Strategy' which estimates infrastructure needs of between $9bn and $10bn in financing over a 10-year period to meet infrastructure and service delivery needs in urban transport, water supply and sanitation, and municipal solid waste.

World Bank country director for Pakistan Illango Patchamuthu while commenting on the approval of the projects said, "investments to improve institutions, services and infrastructures will further enhance the city's contribution to the country's economy and people's well-being".

The Bank approved $382mn for the 'Karachi mobility project' that will improve access to jobs, mobility, and safety through a 'Bus Rapid Transit' system along the 21-km 'Yellow Corridor'.

The corridor starts at Dawood Chowrangi in the east, runs through the Korangi industrial area, and ends in Numaish at the city centre.

It is one of five priority lines in the city's transport plan and will benefit commuters along Surjani town and Korangi industrial area, and will reduce travel time, road traffic fatalities, and reduce emissions.

A key focus area of the project is to provide safe and secure transport for women's mobility.

Women have a particular low economic participation rate in Karachi at 8%. This is due to the lack of affordable, safe and secure transport.

The project is planned to be completed in six years, starting from July this year.

The Competitive and Livable City of Karachi project will receive World Bank's $230mn funds to improve urban management, service delivery and the business environment.

It will help improve performance and service delivery by local councils through performance-based grants for urban property tax system, incentivise private sector participation in service delivery, enhance ease of doing business, and improve solid waste management.

According to the project document, Karachi faces substantial challenges on urban management, service delivery and business environment, which this project cannot alone fully resolve.

The project will begin to address these constraints by selectively tackling critical bottlenecks.

While the scale and complexity of challenges are significant, it aims to tackle some of these constraints in an incremental and systematic way through selected interventions.

Activities under the project will help put the city on a long-term path towards achieving adequate service provision and a competitive business environment.

The business environment in Karachi is significantly hampered by weak and fragmented regulatory governance.

The private sector is required to deal with multiple regulatory agencies at the provincial and municipal level to register a business, secure licences/permits to initiate operations, maintain licences and comply with regulations governing various inspections.

Almost all regulatory processes are manual and paper-based with minimal automation, leaving considerable room for discretion and creating significant uncertainty in the business environment.

Pakistan cement exports up 25% in 11 months

Internews
Islamabad

Cement exports from Pakistan witnessed an increase of 25.97% to $260.169mn during the first eleven months of the ongoing fiscal year against the exports of $206.526mn during July-May (2017-18), official data showed yesterday.

According to the latest data of Pakistan Bureau of Statistics (PBS), cement exports increased by 46.18% to 6,127,835 tonnes from 4,192,060 tonnes.

Exports witnessed decrease of 17.97% at $17.050mn during the month of May 2019 compared $20.785mn May 2018.

The country's merchandise trade deficit plunged by 13.62% during the first eleven months of the current fiscal year compared to the corresponding period of last year.

Further, trade deficit contracted by 13.62% to $29.207bn during July-May (2018-19) against the deficit of $33.812bn recorded during July-May (2017-18).

The exports during the period under review witnessed nominal decrease of 0.3% to $21.267bn during the ongoing fiscal year, falling from $21.330bn during last year.

On the other hand, imports declined by 8.47% to $50.474bn during the period under review from $55.142bn last year, the data revealed.

SBP intervenes with 'sizeable amount of dollars' to defend rupee

Internews
Karachi

The Pakistan rupee rebounded sharply, posting its biggest daily percentage gain against the dollar in years after the central bank sold foreign currency in "quite a sizeable amount" to pull the exchange rate back from an all-time low, traders said.

Domestic currency closed at 160.05/dollar, 2.43% stronger than Thursday's close of 164.05 in the interbank market.

In the open market, it gained Rs3.50 to close at 161 against the dollar from 164.50 in the previous session.

Traders said rupee strengthened on the back of an apparent intervention from the State Bank of Pakistan (SBP), following Prime Minister Imran Khan's meeting with SBP governor Dr Reza Baqir held on Wednesday.

"The SBP intervened in the foreign exchange market with a sizable amount through banks and authorised exchange dealers and carried out the necessary measures to control the exchange rate," a senior banker said.

He, however, declined to disclose the amount SBP had pumped into the interbank market.

The central bank's spokesman also declined to comment on SBP's possible intervention to defend the battered rupee. The rupee has lost more than 50% of its value since December 2017, stoking inflation and putting pressure on the central bank to curtail devaluation.

The country has ballooning current and fiscal account deficits and has seen repeated devaluations of the rupee.

Traders said pressure on the currency also eased as oil firms and other corporates, which settle import payments towards the end of each month, stepped down dollar purchases. Moreover, most exporters offloaded greenback towards the end of the fiscal year, which increased inflows.

"Rupee appreciated sharply by Rs4 against the greenback in the late trading hours," a dealer said.

Pakistani one thousand rupee banknotes and coins on display in Islamabad. The currency closed at 160.05 against US dollar on Friday, 2.43% stronger than Thursday's close of 164.05 in the interbank market.

Yaqoob Abubakar, an analyst at Tresmark said the recent rise in the currency was backed by some inflows and ease in payment, which helped it gain against the dollar.

"It seems that rupee has been adjusted on the back of some inflows to close 2018/19 fiscal year on some positive note," Abubakar said. "Market is anticipating that the first week of July will further clear the direction of the parity, whether it will devalue further or maintain on this level."

Dealers said the SBP seemed to have been waiting for the rupee to weaken to 164 against the dollar to intervene.

SBP chief Baqir had already said that a market-based exchange rate system has been adopted, considering demand and supply factors.

However, the central bank would intervene to curb excessive volatility in the market.

Forex Association of Pakistan president Malik Bostan said the rupee also recovered in kerb dealings, tracking the interbank market.

"We expect the currency market will settle after July 1, as more foreign inflows are due July onwards," Bostan said, adding that these expected foreign inflows would ease pressure on the foreign exchange reserves.

BUSINESS

The Qatar Stock Exchange (QSE) Index decreased by 244.19 points, or 2.28%, during the trading week to close at 10,444.48. Market capitalisation decreased by 2.3% to QR576.2bn versus QR590.0bn the previous trading week. Of the 46 listed companies, 16 companies ended the week higher, while 28 declined and two remained unchanged. Qatar German Co. for Medical Devices (QGMD) was the best performing stock for the week with a gain of 12.2% on a trading volume of 63.7mn shares. On the other hand, Al Khaleej Takaful Insurance (AKHI) was the worst performing stock for the week with a decline of 9.8% on 1.2mn shares traded.

Qatar Islamic Bank (QIBK), QNB Group (QNBK) and Commercial Bank of Qatar (CBQK) were the primary contributors to the weekly index decline. QIBK was the biggest contributor to the index's weekly decrease, deleting 69.5 points from the index. QNBK was the second biggest contributor to the mentioned loss, erasing 57.8 points from the index. Moreover, CBQK deleted 38.6 points from the index.

Trading value during the week decreased by 25.9% to QR1.25bn versus QR1.69bn in the prior week. The banks and financial services sector led the trading value during the week, accounting for 40.3% of the total trading value. The industrials sector was the second biggest contributor to the overall trading value, accounting for 23.7% of the total. QNBK was the top value traded stock during the week with total traded value of QR206.7mn.

Trading volume increased by 13.4% to reach 255.2mn shares versus 225.1mn shares in the prior week. The number of transactions fell by 17.3% to 33,961 transactions versus 41,041 transactions in the prior week. The banks and financial services sector led the trading volume, accounting for 42.7%, followed by the consumer goods and services sector which accounted for 30.8% of the overall trading volume. QGMD was the top volume traded stock during the week with 63.7mn shares.

Foreign institutions remained bullish with net buying of QR99.7mn versus net buying of QR266.6mn in the prior week. Qatari institutions remained bearish with net selling of QR123.3mn versus net selling of QR137.2mn in the week before. Foreign retail investors turned positive with net buying of QR7.4mn versus net selling of QR14.6mn in the prior week. Qatari retail investors turned bullish with net buying of QR16.2mn versus net selling of QR110.8mn the week before. Foreign institutions have bought (net basis) ~$1.92bn worth of Qatari equities in 2019.

QNB FINANCIAL SERVICES

Weekly Market Report

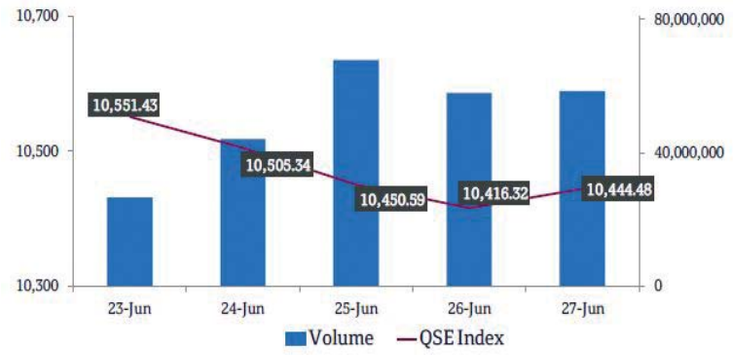
Market Indicators	Week ended June 27, 2019	Week ended June 20, 2019	Chg. %
Value Traded (QR mn)	1,254.6	1,693.7	(25.9)
Exch. Market Cap. (QR mn)	576,206.7	590,069.0	(2.3)
Volume (mn)	255.2	225.1	13.4
Number of Transactions	25,718	33,961	(24.3)
Companies Traded	46	46	0.0
Market Breadth	16:28	29:17	–

Source: Qatar Exchange (QE)

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	19,218.74	(2.3)	1.7	5.9
ALL Share Index	3,091.53	(2.1)	1.5	0.4
Banks and Financial Services	4,038.77	(3.0)	1.8	5.4
Industrials	3,252.92	(2.4)	1.1	1.2
Transportation	2,562.09	2.4	6.6	24.4
Real Estate	1,528.29	(0.3)	(3.2)	(30.1)
Insurance	3,094.99	(3.5)	1.7	2.9
Telecoms	905.66	(1.6)	1.1	(8.3)
Consumer Goods & Services	8,100.77	(1.4)	3.9	20.0
Al Rayan Islamic Index	4,061.69	(1.5)	1.7	4.6

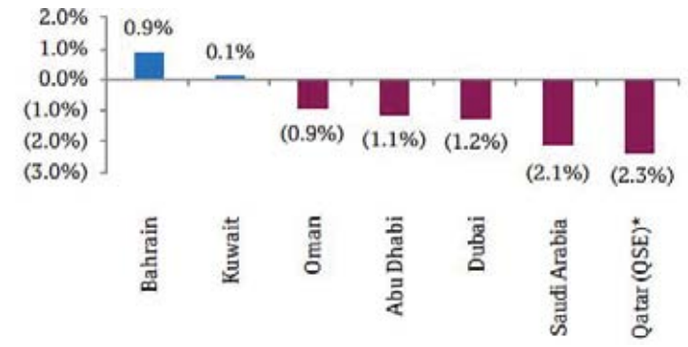
Source: Qatar Exchange (QE)

QSE Index and Volume



Source: Qatar Exchange (QE)

Weekly Index Performance



Source: Bloomberg

Regional Indices	Close	WTD%	MTD%	YTD%	Weekly Exchange Traded Value ($ mn)	Exchange Mkt. Cap. ($ mn)	TTM P/E**	P/B**	Dividend Yield
Qatar*	10,444.48	(2.3)	1.7	1.4	342.87	158,226.3	14.7	1.6	4.2
Dubai	2,626.06	(1.2)	0.2	3.8	207.43	95,447.7	11.7	1.0	4.7
Abu Dhabi	4,991.69	(1.1)	(0.2)	1.6	227.01	137,857.0	14.8	1.5	5.0
Saudi Arabia#	8,687.08	(2.1)	2.0	11.0	7,228.73	547,183.6	19.6	1.9	3.4
Kuwait	4,744.35	0.1	0.2	0.1	665.17	32,644.3	14.4	0.9	3.9
Oman	3,891.06	(0.9)	(1.1)	(10.0)	49.52	17,008.3	7.7	0.8	7.0
Bahrain	1,468.30	0.9	2.4	9.8	56.77	22,710.4	10.7	0.9	5.1

Source: Bloomberg, country exchanges and Zawya (** Trailing Twelve Months; * Value traded ($ mn) do not include special trades, if any; #Data as of June 26, 2019)

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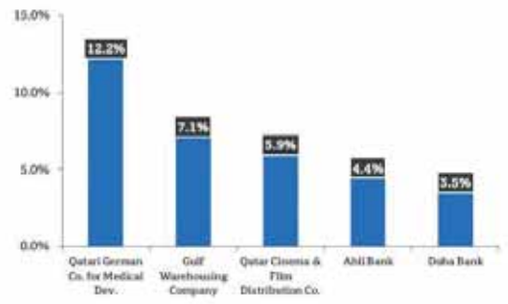
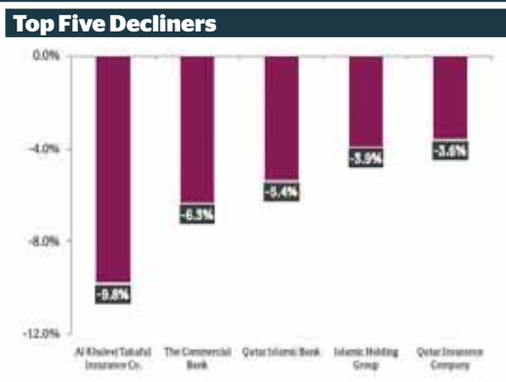
Qatar Stock Exchange

Top Five Gainers



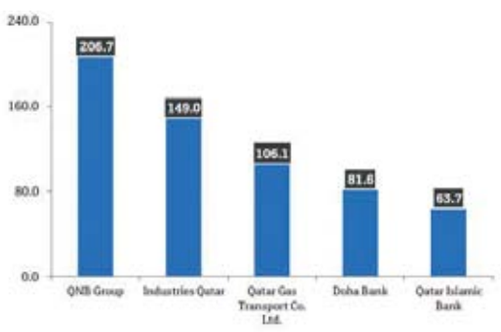
Source: Qatar Stock Exchange (QSE)

Top Five Decliners



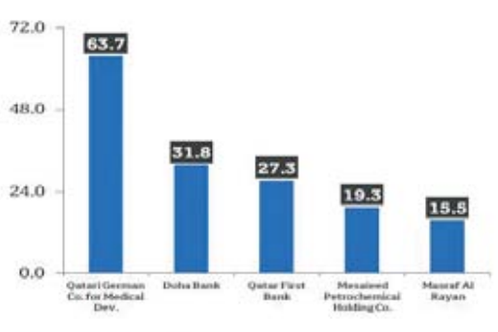
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Value (QR Million)



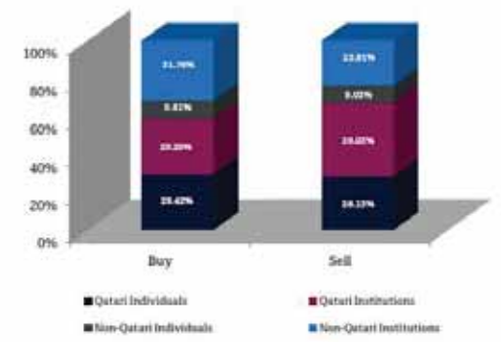
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Volume (Million)



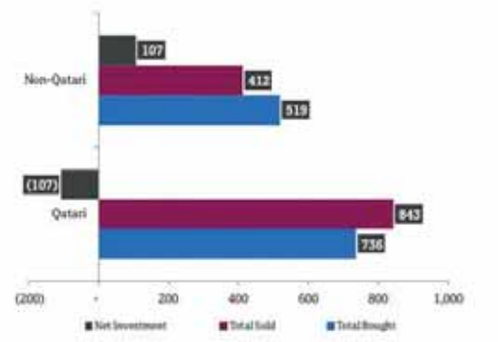
Source: Qatar Stock Exchange (QSE)

Investor Trading Percentage to Total Value Traded



Source: Qatar Stock Exchange (QSE)

Net Traded Value by Nationality (QR Million)



Source: Qatar Stock Exchange (QSE)

Company Name	Price June 27	% Change WTD	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	19.03	(3.50)	(2.41)	175,769	13.4	2.7	3.2
Qatar Islamic Bank	16.61	(5.36)	9.28	39,248	15.0	2.6	3.0
Commercial Bank of Qatar	4.59	(6.33)	16.53	18,577	12.8	1.2	3.3
Doha Bank	2.68	3.47	20.72	8,309	15.5	0.9	3.7
Al Ahli Bank	3.08	4.41	21.00	7,127	10.7	1.3	3.0
Qatar International Islamic Bank	7.50	(0.66)	13.43	11,353	13.5	2.1	5.3
Masraf Al Rayan	3.81	1.06	(8.59)	28,575	13.3	2.3	5.2
Al Khaliji Bank	1.20	0.00	3.99	4,320	7.7	0.8	6.3
Qatar First Bank	0.41	(0.97)	(0.25)	814	N/A	0.8	N/A
National Leasing	0.77	(3.01)	(12.06)	382	34.9	0.6	6.5
Dlala Holding	0.92	(0.32)	(7.70)	262	N/A	1.2	N/A
Qatar & Oman Investment	0.56	0.90	5.06	177	69.3	0.6	5.3
Islamic Holding Group	2.21	(3.91)	1.14	125	917.5	0.9	N/A
Banking and Financial Services				**295,039**			
Zad Holding	12.85	2.15	23.56	1,849	14.2	1.9	6.6
Qatar German Co. for Medical Devices	0.83	12.16	46.64	96	N/A	2.5	N/A
Salam International Investment	0.44	(2.90)	0.46	497	N/A	0.4	N/A
Medicare Group	6.74	(1.89)	6.81	1,897	22.5	2.0	26.7
Qatar Cinema & Film Distribution	2.10	5.90	10.41	132	14.9	0.9	7.1
Qatar Fuel	21.46	(1.96)	29.28	21,337	18.0	2.8	3.7
Qatar Meat and Livestock	6.05	(1.14)	(13.57)	1,089	10.1	3.5	7.4
Mannai Corp.	3.78	(1.82)	(31.21)	1,724	4.7	0.7	5.3
Al Meera Consumer Goods	14.47	0.42	(2.23)	2,894	15.8	2.3	5.9
Consumer Goods and Services				**31,515**			
Qatar Industrial Manufacturing	3.80	(0.52)	(11.01)	1,806	9.9	1.2	6.6
Qatar National Cement	6.50	0.00	9.24	4,248	13.1	1.4	7.7
Industries Qatar	11.50	(2.54)	(13.93)	69,575	15.7	2.1	5.2
Qatari Investors Group	2.41	(1.83)	(13.34)	2,996	17.4	1.1	3.1
Qatar Electricity and Water	16.66	(3.02)	(9.95)	18,326	12.6	1.9	4.7
Aamal	0.79	(2.10)	(10.52)	4,983	11.8	0.6	7.6
Gulf International Services	1.94	0.52	14.12	3,605	N/A	1.0	N/A
Mesaieed Petrochemical Holding	2.61	(3.33)	73.65	32,790	25.0	2.3	3.1
Invesment Holding Group	0.57	(0.53)	15.95	471	7.9	0.6	4.4
Qatar Aluminum Manufacturing	9.97	0.20	(25.32)	5,563	N/A	N/A	2.0
Industrials				**144,363**			
Qatar Insurance	35.06	(3.58)	(2.34)	11,451	18.9	1.5	4.3
Doha Insurance	12.18	0.66	(6.95)	609	12.2	0.6	6.6
Qatar General Insurance & Reinsurance	39.79	(2.95)	(11.34)	3,482	16.7	0.5	2.6
Al Khaleej Takaful Insurance	18.46	(9.78)	114.90	471	16.3	0.9	2.7
Qatar Islamic Insurance	57.52	(2.51)	7.09	863	13.3	2.6	6.1
Insurance				**16,876**			
United Development	13.85	0.36	(6.10)	4,904	10.7	0.5	7.2
Barwa Real Estate	34.20	(1.16)	(14.31)	13,308	6.9	0.7	7.3
Ezdan Real Estate	7.20	0.28	(44.53)	19,098	31.5	0.6	N/A
Mazaya Qatar Real Estate Development	7.56	(3.08)	(3.08)	875	76.4	0.6	6.6
Real Estate				**38,185**			
Ooredoo	65.41	(2.21)	(12.79)	20,952	14.0	1.0	3.8
Vodafone Qatar	7.08	(0.42)	(9.35)	5,985	42.0	1.4	3.5
Telecoms				**26,938**			
Qatar Navigation (Milaha)	64.90	1.44	(1.68)	7,433	13.8	0.5	4.6
Gulf Warehousing	52.21	7.10	35.72	3,060	12.7	1.9	3.6
Qatar Gas Transport (Nakilat)	23.10	1.81	28.83	12,798	14.0	2.0	4.3
Transportation				**23,290**			
Qatar Exchange				**576,207**			

Technical analysis of the QSE index

The QE index closed down by 2.28% from the week before, and closed at 10,444.48. The bullish-continuation pattern, which has been created over the course of few months, has not been confirmed yet. We keep our next expected resistance level at 10,800 points and the 9,700 as our weekly support level.

Definitions of key terms used in technical analysis

Candlestick chart – A candlestick chart is a price chart that displays the high, low, open, and close for a security. The 'body' of the chart is portion between the open and close price, while the high and low intraday movements form the 'shadow'. The candlestick may represent any time frame. We use a one-day candlestick chart (every candlestick represents one trading day) in our analysis.

Doji candlestick pattern – A Doji candlestick is formed when a security's open and close are practically equal. The pattern indicates indecisiveness, and based on preceding price actions and future confirmation, may indicate a bullish or bearish trend reversal.

Reset of US-China talks may lift risk appetite, say analysts

Bloomberg
Singapore

Markets may breathe a sigh of relief after President Donald Trump and President Xi Jinping decided to resume trade negotiations after a six-week stalemate, with the US agreeing to a temporary freeze on further tariffs on Chinese goods.

Trump told reporters he wouldn't put new duties on China for the "time being" after Xi's administration agreed to buy a "tremendous" amount of agricultural products. Trump also said that he'll allow Huawei Technologies Co to buy some products from US suppliers after the Commerce Department last month blacklisted the company for national security reasons.

Recent concerns about global trade have prompted investors to bet on central-bank easing and pile into haven assets.

Here is how markets will likely react when they open on Monday, according to strategists and investors:

Mansoor Mohi-uddin, senior macro strategist at NatWest Markets in Singapore: "Investor sentiment is set to be buoyed in the week ahead by a truce in the US-China trade war."

"Financial markets are unlikely to significantly reduce their expectations for Federal Reserve rate cuts despite global trade tensions easing. Thus risk assets – stocks, commodities and emerging markets – are set to rally while the safe-haven dollar, yen and Swiss franc underperform."

Stephen Innes, managing partner at Vanguard Markets in Bangkok: The "reset button" being hit on trade talks was the markets' base-case scenario, and this is supportive for risk, but the lack of a timeline for progress may cap "bullish topside ambitions."

"With no news reading algorithms to steamroll the markets, traders will have a 36-hour cooling off period to quantify their next move. And I would expect the markets to be very orderly on Monday open."

The extensive lists of demands from both sides may be "a bridge too far." "Underlying sentiment remains quite bearish in terms of the medium-term outlook for a US-China trade deal as well the global growth outlook." Raymond Yeung, chief China economist at ANZ in Hong Kong: "Today's outcome, similar to last December's, still does not convince us that the trade tensions have been resolved. China and the US have not made any progress on key issues, namely, intellectual property rights and technology transfer.

Trump's softer stance seems to be driven by US corporate interests, as billion dollar contracts for US farmers and Huawei suppliers are involved.

Today's outcome suggests that future negotiations could be characterised by US stepping back in exchange for China's purchases. But as China has said it is prepared for a 'Long March', the US needs to compromise further to reach a real deal before the next presidential election." Chris Weston, head of research at Pepperstone Financial in Melbourne: "I can't see this meeting doing risk assets any harm, but there is still a lot of work to do to convince central banks they don't need to act to keep the economic expansion in check."

"A few weak shorts may look to close out on Monday" given the tariff reprieve, prospects for negotiations to restart and that both sides "actually appear more united than expected."

Alfonso Esparza, senior market analyst at Oanda in Toronto: "Everybody played their part without any additional drama and until more details emerge we are back at square one." "Oil is positioned to rise after the positive trade news." "Gold will be pressured as trade optimism reduces the appeal of the yellow metal as a safe haven."

Jean-Charles Sambor, deputy of head of emerging-market fixed income at BNP Paribas Asset Management in London: "This is of course good. Investors have been generally negative on both the probability of a meeting and the probability of a positive outcome following this meeting."

"High-yield spreads should do well. China high yield remains very cheap especially, and emerging-market currencies should continue to rally on the news."

Banny Lam, head of research at CEB International Investment in Hong Kong: The outcome is "exactly" what the market had expected so the impact will be neutral.

"I would say the G-20 summit delayed the escalation in trade tension, rather than solved the problem."

The US and China will probably want to reach a deal soon amid pressures on their economies, but it will be "very difficult."

Treasury is responsible for exchange rate policy, says Fed chief

Bloomberg
Washington

President Donald Trump wants a weaker dollar to help boost exports, and is counting on the Federal Reserve to help make that happen. But the central bank's chairman, Jerome Powell, has made clear it's not his job.

It's a new twist in the broader pressure campaign the president has brought to bear on Powell to cut interest rates to energise the stock market and fuel growth.

Trump's focus on the dollar surfaced last week after the European Central Bank said it might ease policy, prompting the euro to drop against the dollar. Trump seized on the move to say on June 18 that the Fed's failure to lower rates was putting US exporters at a competitive disadvantage. He later mused on June 26 he'd rather have ECB President Mario Draghi running the Fed.

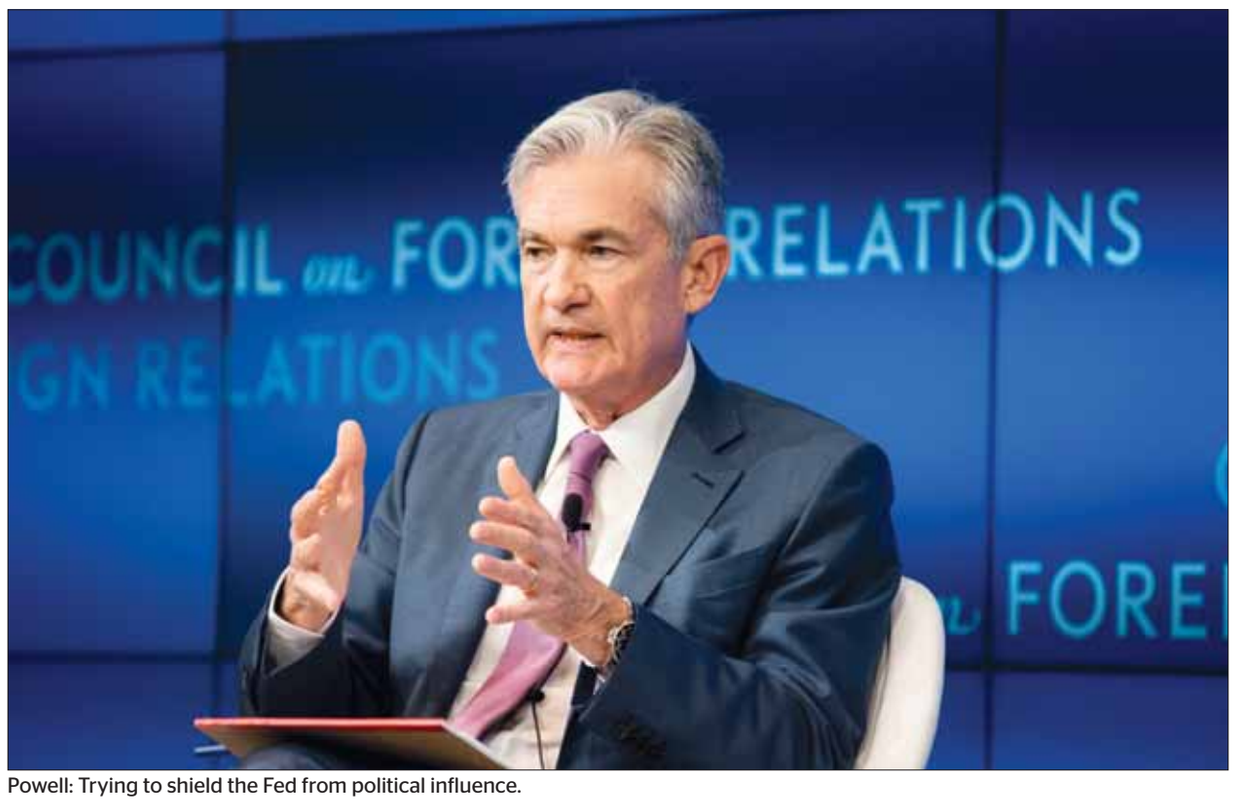
Powell, once again, is finding himself on the defensive, trying to shield the Fed from political influence. He deflected Trump's calls back at the administration.

"The Treasury Department – the administration – is responsible for exchange rate policy – full stop," Powell said on June 25 in response to a question from the audience after a speech in New York. "We don't comment on the level of the dollar. We certainly don't target the level of the dollar. We target domestic economic and financial conditions as other central banks do."

Trump has explored options for removing or demoting Powell over the Fed's interest rate decisions, which the president says have hampered growth. And the currency comments offer yet another point of tension between the world's most powerful leader and its most influential central banker.

Last week, Trump accused both Europe and China of weakening their currencies to gain a competitive advantage. Some Wall Street banks are questioning whether the US might intervene in currency markets.

"Make no mistake about it, what Draghi and other central banks are doing is the same as what China is doing – weakening their currencies," said Dan DiMicco, who was an adviser to Trump's campaign and presidential transition and now sits on an administration trade advisory committee.



Powell: Trying to shield the Fed from political influence.

The Trump administration has from the start deviated from a 20-year-old policy that a strong dollar was in the nation's best interest. Treasury Secretary Steven Mnuchin said in 2017 that an "excessively strong dollar" could have negative effects on the American economy, and Trump has made similar comments since taking office.

"The repeated, intense comments by the president lead me to believe that we're no longer pursuing a strong dollar policy," said Nathan Sheets, chief economist for PGIM Fixed Income and a former Treasury official from the Obama administration.

"This is a distinct, new chapter in US currency management and strategy.

The strong-dollar mantra was developed by then-Treasury Secretary Robert Rubin in 1995. Underpinning it is the view that a robust currency reflects a healthy economy and bolsters foreign demand for US debt by reducing the prospect of currency losses.

While a stronger dollar helps American consumers by lowering the cost of imports, it also compounds manufacturers' struggles by making exports less competitive.

Trump has an unlikely supporter in wanting a weaker dollar: Senator Elizabeth Warren, the Massachusetts Democrat who's running for president. She proposes"actively managing" the dollar to counter foreign investors and central banks' moves.

Trump and Warren's ideas "very much could trigger a currency war," said Fred Bergsten, an economist and author of *The Dollar's Dilemma*. But those who advocate that a weaker dollar is better for the US say that former President Ronald Reagan's administration was able to do it in the 1980s without destroying faith in the greenback.

In 1985, the US worked with five countries, including Germany and Japan, to weaken the dollar in what was called the Plaza Accord. But such a deal is unlikely under the Trump administration, a senior White House official said.

"Our standing internationally is so weak and incoherent that the US can't pull something like this off," said Steve Hanke, an economist at Johns Hopkins University.

Yet Trump believes that countries manipulate their exchange-rate through monetary policy, said the official, which is why the president is turning to the Fed for help.

Gold prices surge to the highest since 2013

Bloomberg
London

Gold is extending its rally to head for the biggest monthly climb since the UK voted to leave the European Union in June 2016.

Prices have surged to the highest since 2013 on expectations for looser monetary policy, rising geopolitical tensions and slower global growth amid a prolonged US-China trade war.

Gold's strong June comes ahead of the highly anticipated meeting between Presidents Donald Trump and Xi Jinping in Japan.

Bullion's gains gathered pace last week after the Federal Reserve opened the door to a US interest rate cut and other central banks also pivoted to a more dovish stance. The clear signalling of lower interest rates for longer and weakness in the dollar are important supportive factors for gold, said Michael McCarthy, chief market strategist at CMC Markets Asia Pacific.

"Bonds and shares at higher – and concerning – levels is another factor, as are fears around trade disputes," McCarthy said. "The 'lines in the sand' for gold are at $1,380 and $1,430.

A breach of either of these levels would give an indication of near term direction. If the meeting between Presidents Xi and Trump is unfruitful, we may see a test of $1,430 next week."

Nicky Shiels, metals analyst at Scotiabank, talks about the rally in gold prices and recent moves in copper.

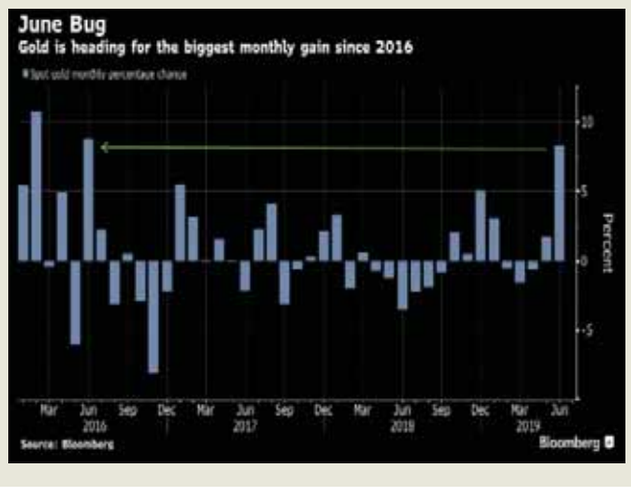
Spot gold rose 0.3% to $1,413.29 an ounce in London on Friday and is up 8.3% this month. Prices touched $1,439.21 on Tuesday.

Holdings in gold-backed exchange-traded funds are at the highest since 2013 and have mirrored gold's price move by also gaining this month by the most in three years, according to data compiled by Bloomberg. A gauge of the US dollar is down 1.7% this month, the first monthly decline for the greenback since January.

The period from the end of 2019 and into 2020 is seen as more favourable for higher average gold prices as rising US inflation drives real rates even lower, Harry Tchilinguirian, head of commodity markets strategy at BNP Paribas SA, said in a note. As the Fed is likely to have made at least two rate cuts by then, "we see a window of opportunity for gold to rally before inflation subsides in second half of 2020," he said.

Gold's rally has been further fuelled by an escalation in US-Iran tensions and concerns that trade disputes are harming global growth. Trump told reporters at the Group of 20 summit in Osaka that there was "absolutely no time pressure" in dealing with Iran as European nations pushed to salvage what remains of the 2015 nuclear accord and avert a slide towards war.

The recent surge in price has sparked concerns that the metal may be due for a correction, with the 14-day relative-strength index giving a value of 78. The majority of traders and analysts in Bloomberg's weekly survey had a bearish outlook.



Third Point's Loeb slams United Technologies-Raytheon deal

Bloomberg
New York

Activist investor Dan Loeb came out against United Technologies Corp's proposed tie-up with Raytheon Co, saying the "ill-conceived" deal makes neither financial nor strategic sense.

The chief executive officer of Third Point, whose hedge fund owns a stake in United Technologies worth about $836mn, plans to vote against the deal, Loeb said in a letter to the company's board. The agreement undervalues United Technologies' aerospace unit and CEO Greg Hayes is pushing ahead for the wrong reasons, he said.

"Since there is no strategic or financial rationale for this transaction, we can only conclude that the merger was motivated by empire building and Mr. Hayes' desire to extend his already long overdue tenure as head of a Fortune 100 company," Loeb said in the letter released on Friday, confirming a report in Bloomberg News.

Third Point invested in United Technologies in part because Hayes had promised that its plan to break up into three parts would lead to an orderly CEO transition over the next year or two and a potential upgrade in management, Loeb said.

"We were alarmed to learn that Hayes signed a new sweetheart employment agreement that would entrench him for another half a decade ultimately as both CEO and chairman of the board," Loeb said. "We believe this to be a case of disastrously bad corporate governance."

Raytheon fell 2.2% to $174.09 on Friday in New York, the biggest decline on an S&P index of aerospace and defence stocks. United Technologies rose less than 1%.

While United Technologies welcomes the opinions of shareholders, it disagrees with Third Point's "assertions and conclusions," the company said in a statement.

The board unanimously approved the deal following a thorough review and other investors recognize the merit of the transaction, United Technologies said.

Loeb: Deal lacks strategic and financial rationale.

"We remain focused on executing the transaction, and continue to expect that the transaction will close in the first half of 2020," it said.

A representative for Raytheon didn't respond to a request for comment.

Reaction to the Raytheon tie-up has been thoroughly mixed, with both companies' shares falling slightly since the deal was announced on June 9, trailing the broader market.

While analysts at Cowen and Vertical Research Partners have upgraded United Technologies recently, Agency Partners in a June 10 note called the merger "illogical" and said that "it is hard to avoid the conclusion that this deal is about size for size sake."

United Technologies and Raytheon are facing increasing pressure to explain the "economic rather than just strategic benefits" of the combination, Nicholas Heymann, an analyst with William Blair & Co, said on Friday in an interview.

"They're going to have to come up with a lot more granularity about the value of this transaction for shareholders." Investor opposition would appear to be the biggest threat to the deal. Analysts expect limited pushback from antitrust regulators given the small overlap between United Technologies and Raytheon. The Pentagon has begun reviewing the deal and will submit its views to the Justice Department or the Federal Trade Commission.

United Technologies plans to spin off the non-aerospace operations that make elevators and air conditioners before the deal closes.

Loeb remained unconvinced of the strategic rationale for transaction, which management has said is primarily focused on technology.

"We can appreciate why Raytheon is interested in UTC technology to further its competitive position in areas including hypersonics, directed energy weapons, and air traffic management," he said.

"However, Raytheon brings very little applicable technology to UTC's aerospace offerings." Raytheon's cyber and data analysis, for example, could be replicated through commercial relationships or supply agreements, he said. He pointed to similar arrangements between General Electric Co and Safran as well as Airbus and Palantir Technologies.

Loeb also questioned the timing of the deal and valuation ascribed to the remaining aerospace business. He said the deal undervalues aerospace division at roughly $80 a share. He believes it would be worth $115 apiece after stripping out $1.1bn in expected losses. The company should wait until after the breakup before pursuing a deal as well because the shares were trading at a "heavily discounted valuation," Loeb said.

The projected free cash flows and synergies didn't justify the need for the transaction, he said, adding that the combined company would also trade at a lower multiple than United Technologies would on its own.

"The merged entity will likely trade on a defence multiple when defence is out of favour and trade on an aerospace multiple when aerospace is out favour," he said.

He also called the timing of deal "irresponsible" and said it introduced unnecessary risk at a time when United Technologies is in the midst of integrating Rockwell Collins and splitting up the remaining parts of the company. He said he was worried that it may have already distracted from efforts to find a suitable partner for its Carrier unit.

Political risks create 'challenging environment' for investors: QNB

Weakening global demand and outstanding political risks are creating a challenging environment for investors, despite the US Federal Reserve's "dovish pivot", QNB has said in an economic commentary.

"The outlook for the global economy continues to weaken," QNB said.

In fact, Bloomberg consensus forecasts for global growth in 2019 has changed from 3.6% in Q4 2018 to 3.3% at the time of writing. Similarly, the IMF has revised down its projections for global growth in 2019 twice since October 2018, from 3.7% to 3.3%. Importantly, leading indicators of global demand continue to deteriorate and move away from their 2017-2018 peaks, QNB noted.

The IHS Markit global manufacturing Purchasing Managers' Index (PMI) has recently turned into contraction territory (below the 50 mark) for the first time in more than three years.

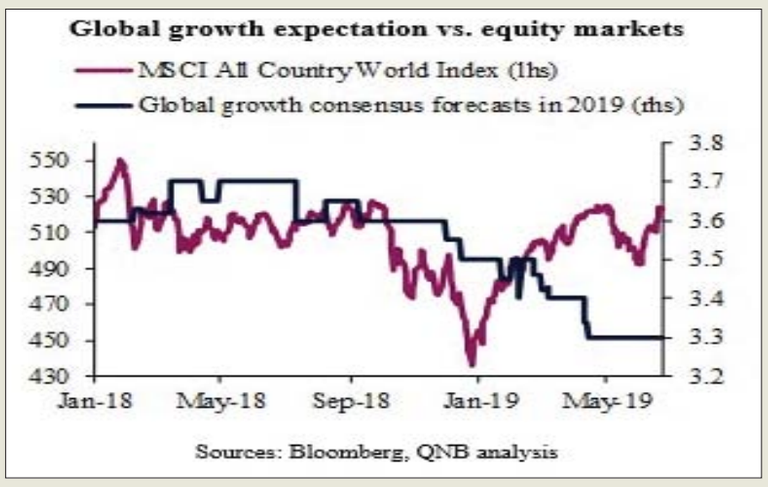
Nevertheless, market sentiment has been improving in 2019, QNB said.

Equity markets and volatility metrics, key benchmarks for investor sentiment, are both pointing to a more benign environment at the time of writing than in late 2018. In fact, the MSCI All Country World Index, a free-float weighted equity index of both developed and emerging markets, is up 15% so far this year, washing out last year's losses.

Moreover, the Chicago Board Options Exchange Volatility Index (VIX index), which is a traditional "fear gauge" for markets and moves in opposite direction to sentiment, has eased significantly with a 40% decline year-to-date.

The main driver for such divergence between macroeconomic conditions and market sentiment has been the so-called US Federal Reserve "dovish pivot," i.e., a marked change in US monetary policy stance from a steady tightening to a full pause with the possibility of rate cuts down the road. As bond markets start to expect aggressive US rate cuts over the coming quarters, investors move to take on more market risk.

However, market sentiment is notoriously prone to sudden changes,



especially in the context of slowing global growth. On top of that, a plethora of high and rising political risks could potentially produce sizeable shocks that would likely prompt a reversal in risk sentiment and further deterioration in macroeconomic conditions, QNB said. QNB analysis delves into three of the most relevant economic-related political risks and how they can produce a negative shock to the global economy.

First, the US-China trade war has recently changed for the worse with the US hiking tariffs on $200bn of imported Chinese goods from 10% to 25%. The Chinese retaliated with tariffs on $60bn of imported US goods. The conflict is quickly spilling over to broader economic disputes as both sides have been waging non-tariff bilateral protectionist measures.

US actions against Chinese giant Huawei and Chinese implicit threats to stop exporting strategic raw materials such as rare earth to the US. The situation may escalate further if the US imposes additional tariffs on all remaining imports from China (about $600bn).

Should that take place, market sentiment is likely to reverse, producing a risk off movement that would tighten global financial conditions. Moreover, such shock would disrupt global supply-chains, affect real incomes as well as impact corporate profits on both, US and China.

Second, risks of global trade conflicts between the US and other key US partners such as Mexico and the European Union (EU) are increasing. Trump has recently threatened to slash tariffs on Mexico in order to force the country to prevent immigration into the US from other Central American countries via Mexico. Moreover, the EU is seen as a potential target for US tariffs on car imports. Should trade tariffs on Mexico, the EU or any other US partner materialise in a significant way, sentiment would likely deteriorate sharply with a potential expansion of trade risks much beyond the US-China disputes, QNB said.

Third, Brexit-related uncertainties (associated with the framework for the formal UK exit of the EU) are a permanent drag on the UK economy and a headwind for the EU. Risks of a disorderly Brexit have increased as three different proposals of "Brexit deals" have been rejected by the British Parliament. After several delays, the new deadline for a formal Brexit is the end of October 2019.

A hard or disorderly Brexit would severely hit the UK economy and would generate political and economic shockwaves in the EU, QNB said.

Qatar announced as host of '2020 MSME Forum'

Qatar has been announced as the host country for the '2020 Micro, Small and Medium Enterprises (MSME) Forum', an event owned by the International Council for Small Business (ICSB).

The forum, considered a key platform for addressing how MSMEs can be empowered as the global workplace transforms, is expected to attract over 700 delegates to Qatar. The bid to host the forum was led by the Faculty of Business at Qatar University (QU), in collaboration with Qatar National Tourism Council (QNTC).

The announcement of Qatar as host country for 2020 was made in New York on the sidelines of the 'UN MSME Day' celebrations. A delegation from QU, QNTC, and Qatar Development Bank (QDB) attended the event. The organisations, particularly QDB, had helped demonstrate Qatar's commitment to providing a fertile ground for small businesses to thrive.

Speaking at the 'UN MSME Day' celebrations, QDB CEO Abdulaziz bin Nasser al-Khalifa said: "Growing a vibrant, prosperous, and competitive private sector in Qatar begins with the success of our young entrepreneurs and SMEs.

"At QDB, we strive to achieve the Qatar National Vision 2030 by seeding and nurturing the entrepreneurial spirit within the Qatari community. Supporting young entrepreneurs, startups, and established SMEs is at the heart of our endeavours to create a vibrant and sustainable economy that promotes social development."

QNTC assistant secretary general Hassan al-Ibrahim said, "In Qatar, we believe that entrepreneurs are integral to building any sector. In tourism, we incorporate MSMEs into tourism products and events. It is how we ensure that visitors enjoy an experience that is both innovative and authentic, embodying the spirit of Qatar."

He added: "As ICSB has witnessed over the past few months, that is not the only reason why Qatar is the right place for the 2020 MSME Forum. As our tourism and business events continue to develop, our leisure and business visitors are guaranteed a seamless and hospitable experience even before they travel, during their stay and until they complete their journey home."

QDB CEO Abdulaziz bin Nasser al-Khalifa with other dignitaries on the sidelines of the 'UN MSME Day' celebrations in New York.

Professor Adam Fadlalla, acting dean of the College of Business and Economics (CBE), said: "CBE pays special attention to developing the skills of the new generation of entrepreneurs from QU and the broader community.

CBE also plays a key role in the implementation of QU's innovation and entrepreneurship strategy 2018-2022, which focuses on promoting a culture of entrepreneurship, introducing new entrepreneurship courses, and supporting innovation through various commercialisation and incubation activities.

"Hosting the MSME Forum aligns well with our strategy and is going to strengthen our ongoing collaboration with ICSB and promote Qatar's research in entrepreneurship and innovation worldwide."

The bid to host the 2020 MSME Forum was supported by QNTC as part of the organisation's efforts to attract and deliver global business events in Qatar, thereby increasing visitor arrivals to the country and boosting related sectors such as aviation, hospitality, and event organisation.

ICSB was founded in 1955 and is the oldest and largest organisation in the world promoting entrepreneurship and SME development. The UN resolution establishing June 27 as MSME Day, thereby recognising the importance of MSMEs in international, regional and local markets, was an initiative driven by ICSB.

ICSB executive director Ayman al-Tarabishy said, "Qatar is experiencing an extremely vibrant entrepreneurial ecosystem. This is driven by a very exciting innovative and creative mindset led by the youth and with a very strong can-do attitude.

"Small and medium enterprises are leading the way with new products and services. With all this energy and global drive, ICSB is delighted to be heading to Qatar in 2020 for the World SME Forum."

Mannai Trading, fme announce strategic partnership for content migrations in Qatar and Mideast

Mannai Trading Company, the largest systems integrator and leading provider for enterprise content management (ECM) solutions in Qatar and fme, a leader for content migrations with its product, migration-centre, have announced a partnership agreement to drive complex migration projects in the country and Middle East.

Migration-centre is a content migration platform, which carries out highly automated, large volume migrations without system downtime.

It is a 100% out-of-the-box software, fully documented, easy to deploy and needs no additional programming or scripting effort.

With more than 150 migration paths for multiple platforms, migration-centre with its numerous source connectors is the right choice for successful content migration projects with reduced project durations.

The simple migration rule configuration reduces costs dramatically and the product supports application decommissioning to save maintenance costs.

Florian Piaszyk-Hensen, director (Products) at fme AG said, "Mannai is an excellent partner to drive our business vision in the region.

With their strong domain expertise, in combination with the functional richness of the migration-centre platform, we look forward to empowering businesses in their digital enterprise automation initiatives."

The Middle Eastern market is a thriving one and content migration projects are requested more often than ever.

Organisations need very specific support for migrating, upgrading or archiving their data accordingly and while fme can provide the leading content migration software, Mannai has the work force expertise to assist onsite.

Anwar Hassan, practice head (GIS & EIM) at Mannai InfoTech said, "Our services in combination with migration centre are an unbeatable package and it is this combination that can make the difference in the region's complex migration projects.

This strategic partnership will bring the best of technologies to our customers, while gaining a competitive edge in the marketplace."

GPCA meet in Muscat to focus on agri-nutrients industry growth

The 10th edition of Gulf Petrochemicals & Chemicals Association (GPCA) Fertilisers Convention in Muscat in September will focus on driving value through innovation to create strong growth for the agri-nutrients industry.

The key event will be held under the theme 'Transformation: A New Era for the Agri-nutrients Industry' from September 24 to 26 at Kempinski Hotel in Muscat, Oman for the second consecutive year.

The fertiliser convention returns to Oman following one of its most successful editions to date hosted in the Sultanate's capital in 2018, which attracted more than 300 delegates from the region and the world to network, exchange best practice and learn about the latest technology and market trends in the fertiliser industry.

"With the industry now engaging in consolidation, the fertilisers sector is gearing up for a transformative, higher value-added future. To ensure its sustainable growth, GCC fertiliser producers must innovate new products and business models.

"Diversifying their portfolios by developing enhanced quality products and capitalising on opportunities that arise in key emerging markets will be crucial," GPCA said.

The convention, it said will aim to discuss and debate subjects of great industry significance such as, disruptive technologies, digitalisation, integration, future opportunities in agri-nutrients and many more which are aimed at supporting collaboration along the value chain and fostering food security.

Workshops focused on human capital and technical sessions on environmental stewardship will provide further opportunities to learn about best practices from the region and globally at this important industry platform, GPCA said.

Deutsche Bank board to meet on July 7 to decide on job cuts

Reuters
Frankfurt

Deutsche Bank's supervisory board will meet on July 7 to discuss a major restructuring that may result in as many as 20,000 job cuts, four people with knowledge of the matter said.

CEO Christian Sewing flagged an extensive overhaul last month when he promised shareholders "tough cutbacks" to the investment bank to turn the lender around after it failed to agree a merger with rival Commerzbank.

In addition to the job cuts, Germany's flagship lender is considering trimming its management board, three of the people said.

The investment bank would be represented on the board by Sewing rather than having a seat at the table, as is currently the case.

Veteran Garth Ritchie has been heading the investment bank, but a plan under discussion is to promote bankers Stefan Hoops and Mark Fedorcik to lead the division as co-heads, two of the people said.

They would report to Sewing. One of the people described the plans as fluid, with many aspects still not decided.

Deutsche Bank declined to comment on the changes.

Ritchie, Hoops and Fedorcik declined through a spokesman to comment.

The bank said it was working on measures to accelerate its transformation so as to improve its sustainable profitability. "We will update all stakeholders if and when required," the bank said.

Ranked as one of the most important banks in the global financial system, Deutsche has been plagued by ratings downgrades, multi-billion dollar fines and management upheavals, with investment banking often the culprit even though it generates about half of Deutsche Bank's revenue.

After years of failing to keep pace with Wall Street's big hitters such as JP Morgan and Goldman Sachs, Deutsche Bank is being pushed to retreat from riskier investment banking and focus its effort on mainstream markets.

Executives and investors hope the overhaul will be radical enough to turn around the bank's fortunes after its shares fell to a record low this month.

The Wall Street Journal first reported on Friday that Deutsche was considering cutting between 15,000 and 20,000 jobs.

One of the people yesterday said that the reduction was expected to be closer to 20,000.

The bank, which had the equivalent of 91,463 employees at the end of the first quarter, has already announced plans to cut headcount to "well below" 90,000.

Among other overhaul measures under discussion is the creation of a so-called bad bank to hold tens of billions of euros of non-core assets, as well as shrinking or shutting equity and rates trading businesses outside Europe, sources have said.