

# FOCUS

## Saudi unveils reforms, reshuffles Cabinet

Saudi Arabia yesterday reversed its austerity measures and restored benefits for civil servants and military personnel. The series of orders issued also shuffled cabinet, and replaced the head of the army which for two years has been fighting rebels in neighbouring Yemen. Below are the key points from Saturday's royal decrees



### 1) New US envoy

Prince Khaled bin Salman bin Abdulaziz appointed as the US ambassador, replacing Prince Abdullah bin Faisal bin Turki.

### 2) Army Chief

The head of the army Lieutenant General Eid al-Shalwi was removed. Fahad Bin Turki was promoted to replace him.

### 3) Salary bonus

Saudi military personnel in the Yemen operation will receive a salary bonus of two months. Ended the restrictions on compensation for state workers. Payments would start by the end of May. Analysts have estimated that restoring the financial perks would put around 50 billion to 80 billion riyals (\$13.3 billion to \$21.3 billion) annually in consumers' pockets.

### 4) Fired minister

Fired Minister of Civil Service Khaled al-Araj, who will be investigated by a committee of the Royal Court. The *Arab News* reported late last year that Araj was under investigation by the kingdom's anti-corruption commission for the alleged "irregular hiring" of his son.

### 5) New culture minister

Dismissed Minister of Information and Culture Adel al-Turaifi and replaced him with Awad al-Awad.

### 6) New information minister

Minister of Communication and Information Technology Mohammed al-Suwaiyel also lost his job, replaced by Abdullah al-Swaha.

### 7) New governors

The king changed some regional governors, along with numerous senior bureaucrats including the head of the General Authority of Sports as the kingdom tries to provide more athletic activities for its people.

### New tax on way

A tax on tobacco and sugary drinks will be introduced in coming weeks, raising up to 10 billion riyals annually. Officials also aim to hike domestic fuel and water prices in coming months, raising an additional 29 billion riyals. And a 5 percent value-added tax on most products is to be imposed at the start of 2018.



This file handout picture released by the official *Saudi Press Agency* (SPA) shows Saudi Arabian air force pilot, Prince Khaled bin Salman, as he sits in the cockpit of a fighter jet at an undisclosed location, after taking part in a mission to strike Islamic State (IS) group targets in Syria. Prince Khaled bin Salman, son of current King Salman, was named by Saudi Arabia as ambassador to its major ally the United States in Washington, with which ties are improving under President Donald Trump.

## Israel to bring in 6,000 Chinese labourers

### Jerusalem

Israel signed an agreement with China to bring in 6,000 Chinese construction workers as the country seeks to address a housing shortage contributing to high property prices. However, Israeli media reports said Israel had acceded to Chinese demands that the labourers not work in Jewish settlements in the occupied West Bank.



President Trump's agenda is to make sure that we have free and fair trade and I think, as you know, the United States is probably the most open trading market there is for both goods, services and investment."

Steven Mnuchin  
US Treasury  
Secretary



# Alba Q1 net income up by US\$57m

## Okays dividend of BD29.6m



Chairman, Daij Bin Salman Bin Daij Al Khalifa



Chief Executive, Tim Murray

### Manama

**A**uminium Bahrain (Alba) yesterday announced financial results for the first quarter of 2017 reporting a jump in its top-line and bottom-line performance, driven primarily by higher LME prices.

The company also approved a dividend of BD 29.6 million (US\$78.7m) to be paid from April 2nd 2017.

Alba's total sales for the first quarter of 2017 jumped by 22 per cent YoY to reach BD190.4m (US\$506m) versus BD156.4m (US\$416m) for the same period in 2016. The company posted a net income of BD25.6m (US\$68m) compared to BD4.2m (US\$11m) in Q1 2016, an increase of 506pc YoY.

LME cash-average for the first quarter of 2017 was US\$1,850/t up by 22 per cent YoY. LME inventories were

at 1.8m mt in March.

Sales volume during the period was up by 4.9pc YoY (242,932 mt) and production up by 5.6pc YoY (248,776 mt).

Global physical demand remains healthy with world consumption up by 6pc YoY. Asian demand rose by 7pc YoY led by Chinese consumption (+8pc YoY). MENA demand grew by 5pc YoY driven by major infrastructure spending in Saudi Arabia (+13pc YoY). In addition, demand in North America surged by 3pc YoY supported by firm growth in the auto production while Europe consumption rose modestly by 2pc YoY attributed to good demand in construction and automotive sectors.

World production rose by 9pc YoY supported by Chinese output (+17pc YoY), leading the world market to be in surplus with China

(+664Kt) and in deficit w/o China (-414Kt).

Commenting on Alba's financial performance in Q1 2017, Chairman, Daij Bin Salman Bin Daij Al Khalifa said: "Together with our solid financial basis, we will be able to transform Alba as Line 6 will shape our future for the generations to come."

Alba's Chief Executive Officer, Tim Murray added: "Alba continues to improve its underlining performance through leveraging the recent gains in LME prices. Despite the recent power outage incident, Alba still expects to deliver strong results in 2017."

Alba's Management will be holding a conference call on Tuesday to discuss Alba's financial performance for the first quarter of 2017 as well as outline the Company's priorities for the remainder of the year.