

# business

## Big OPEC+ oil output cuts depend on US, others joining

Reuters | London/Moscow

Saudi Arabia, Russia and allied oil producers will only agree to deep cuts to their crude output at talks this week if the United States and several others join in with curbs to help prop up prices that have been hammered by the coronavirus crisis.

OPEC+ is due to hold a video conference on Thursday at 1400 GMT, after US President Donald Trump said last week he had brokered a deal between Riyadh and Moscow on cuts amounting to an unprecedented 10 million to 15 million bpd, or about 10 per cent to 15pc of global supplies. Nothing has yet been formalised.

An OPEC source said on Tuesday the size of any OPEC+ curbs depended on volumes other producers such as the United States, Canada and Brazil were willing to cut.

The United States has yet to commit to any cut, while Trump has said US oil production had already fallen.

## Bahrain's money supply jumps 7pc: CBB

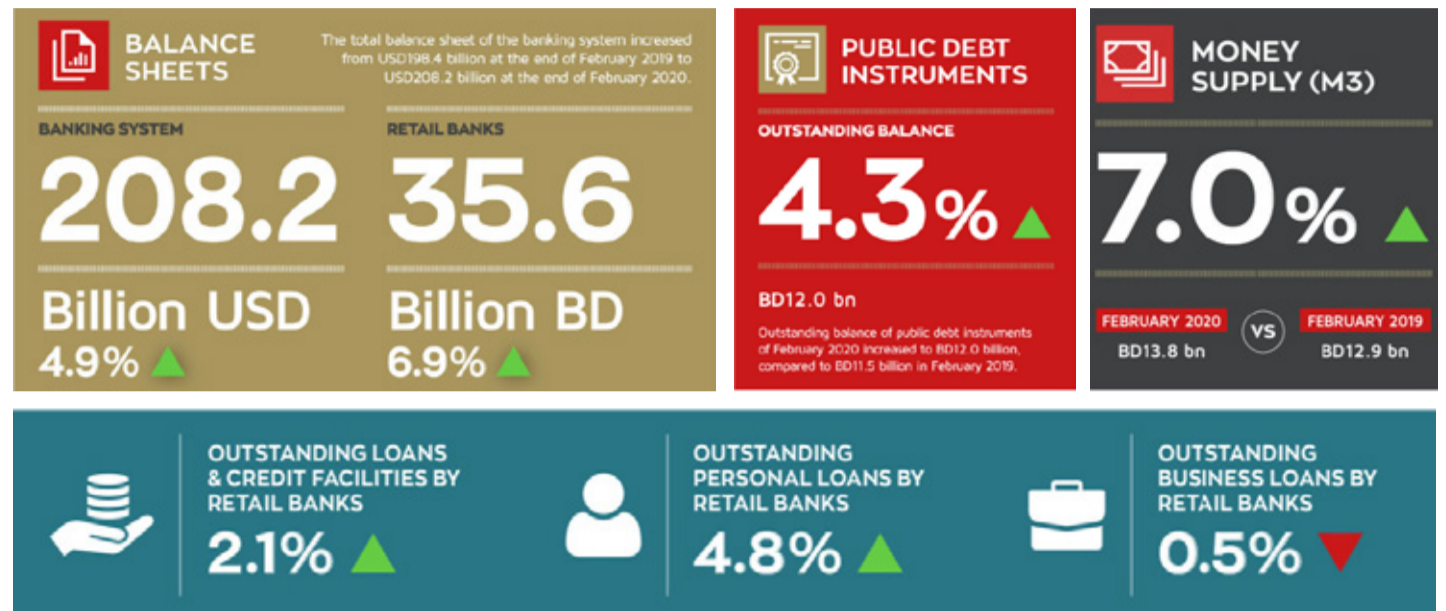
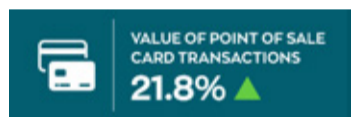
TDT | Manama

Bahrain's (M3) money supply recorded a significant 7 per cent increase as at end of February 2020, a Central of Bahrain (CBB) statement said which indicated an overall improvement in monetary and banking indicators compared to the same period-end of last year.

The money supply (M3), CBB said, increased significantly, reaching BD13.8 billion as at end of February 2020, compared to BD12.9 bn as at the same period-end last year.

Bahrain's total outstanding balance of public debt instruments which includes Development Bonds, Treasury Bills, Islamic Leasing securities and Al Salam Islamic securities increased at the end of February 2020 to BD12.0 bn, compared to BD11.5 bn in February 2019.

The CBB released data also



indicated an increase in the total balance sheet of the banking system from USD 198.4 bn at the end of February 2019 to USD 208.2 bn at the end of February 2020, a significant increase of BD9.8 bn, or 4.9pc, in the 12 months.

The balance sheet of retail banks increased by BD2.3bn, or 6.9pc, reaching a total of BD35.6 bn at the end of February 2020 compared to BD33.3 bn as at end of February 2019. The data also shows an increase in local non-bank deposits which amounted

M3 is a measure of the money supply that includes M2 as well as large time deposits, institutional money market funds, short-term repurchase agreements and larger liquid assets. The M3 measurement includes assets that are less liquid than other components of the money supply and are referred to as "near, near money." M2 is a measure of the money supply that includes cash, checking deposits, and easily convertible near money. M1 includes cash and checking deposits, while near money refers to savings deposits, money market securities, mutual funds, and other time deposits.

to BD 13.2 bn at the end of February 2020 compared to BD12.4 bn at the end of February 2019, an increase of 6.5pc.

The total value of outstanding

loans and credit facilities provided by retail banks amounted to BD9.8 bn at end of February 2020 compared to BD 9.6 bn at the end of February 2019, an

increase of 2.1pc. This amount includes loans and facilities provided to the personal sector amounting to BD4.4 bn at the end of February 2020 compared to BD4.2 bn at the end of the same period last year.

The data indicates that credit card and debit card transactions across Point of Sales (POS) terminals amounted to BD205.7 million in February 2020 compared to BD168.8 m in February 2019 marking a significant increase of BD36.9 m or 21.8pc.

## China knocks US from top spot in global patent race

Reuters | Geneva

China was the biggest source of applications for international patents in the world last year, pushing the United States out of the top spot it has held since the global system was set up more than 40 years ago, the UN patent agency said yesterday.

The World Intellectual Property Organisation said 58,990 applications were filed from China last year, beating out the United States which filed 57,840.

China's figure was a 200-fold increase in just 20 years, it said. The United States had filed the most applications in the world every year since the Patent Cooperation Treaty system was set up in 1978.

More than half of patent applications - 52.4 per cent - now come from Asia, with Japan ranking third, followed by Germany and South Korea.

Ownership of patents is widely seen as an important sign of a country's economic strength and industrial know-how.

## Six Mumtalakat directors join Alba board

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Six directors of Bahrain Mumtalakat Holding Co. have joined Aluminium Bahrain (Alba) board on Sunday, said an Alba statement.

The re-appointed directors are Shaikh Daij bin Salman bin Daij Al Khalifa, board chairman, Yousif Abdulla Taqi and Suha Saeed Karzoon. Newly appointed directors are Shaikh Isa bin Khalid Al Khalifa, Tim Murray and Rasha Mohamed Sabkar.

Chairman of Alba's Board of



Chairman of Alba's Board of Directors, Shaikh Daij Bin Salman Bin Daij Al Khalifa

Directors, Shaikh Daij Bin Salman Bin Daij Al Khalifa, welcomed the elected directors and said the company is looking forward to "work alongside the Executive Management Team to strengthen Alba corporate governance practices and implement the Company's strategy."

In addition to the Chairman, Shaikh Daij Bin Salman Bin Daij Al Khalifa, the Alba Board comprises of six directors appointed by Bahrain Mumtalakat Holding (Mumtalakat) - Shaikh Isa

bin Khalid Al Khalifa, Yousif Abdulla Taqi, Suha Saeed Karzoon, Tim Murray and Rasha Mohamed Sabkar.

The two Directors appointed by Sabic Industrial Investments are Ahmed Al-Duriaan and Eyad bin AbdulRahman Al Qaraawi.

Omar bin Abdulla Al Amoudi is the elected Director representing Sabic Industrial Investments Co. (SIIC) and Mutlaq Hamad Al Morished is the elected Director representing the 10 per cent public listed shares.

## Airline shutdown to cost Middle East 0.9 million jobs, says IATA Report

Not just airlines, also 25 million jobs at risk throughout economies

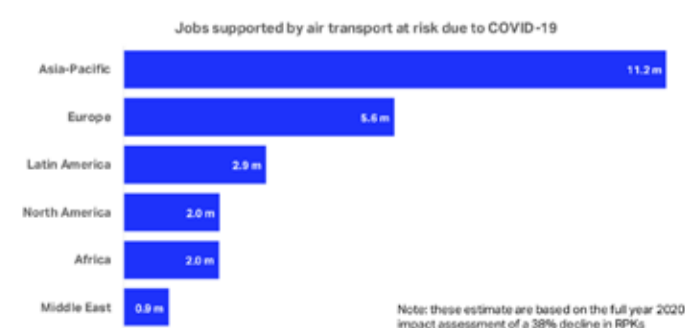
TDT | Geneva

The plummeting demand for air travel amid the COVID-19 crisis will cost the Middle East 0.9 million jobs, a new IATA research says, while the loss of jobs on a global scale will be 25 million.

The report which describes the impact of COVID-19 on the industry as 'devastating' says, "A lifeline to the airlines now is critical."

Specifically, the International Air Transport Association (IATA) calls for Direct financial support, loans, loan guarantees and support for the corporate bond market and tax relief.

"Alongside vital financial relief, the industry will also need careful planning and coordination to ensure that airlines are ready when the pandemic is



contained," said Alexandre de Juniac, IATA's Director General and CEO.

The analysis released yesterday says, "globally, the livelihoods of some 65.5 million people are dependent on the aviation industry, including sectors such as travel and tourism."

Among these are 2.7 m airlines jobs - 11.2 m jobs in Asia-Pacific, 5.6 m jobs in Europe, 2.9 m jobs

in Latin America, 2.0 m jobs in North America, 2.0 m jobs in Africa and 0.9 m jobs in the Middle East.

In the same scenario, airlines are expected to see full-year passenger revenues fall by \$252 billion (-44%) in 2020 compared to 2019. The second quarter is the most critical with demand falling 70 per cent at its worst point, and airlines burning through \$61

bn in cash.

### Re-booting the Industry

IATA said it is scoping a comprehensive approach to re-booting the industry when governments and public health authorities allow.

"We have never shuttered the industry on this scale before. Consequently, we have no experience in starting it up. It will

be complicated. At the practical level, we will need contingencies for licenses and certifications that have expired. We will have to adapt operations and processes to avoid reinfections via imported cases. And we must find a predictable and efficient approach to managing travel restrictions which need to be lifted before we can get back to work. These are just some of the

"We don't want to repeat the mistakes made after 9.11 when many new processes were imposed in an uncoordinated way. We ended up with a mess of measures that we are still sorting out today. The 25 million people whose jobs are at risk by this crisis will depend on an efficient re-start of the industry"

ALEXANDRE DE JUNIAC, IATA'S DIRECTOR GENERAL AND CEO

major tasks that are ahead of us. And to be successful, industry and government must be aligned and working together," said de Juniac.

