

## US urges IMF reforms, rejects funding increase

Washington, United States

The International Monetary Fund, like governments around the world, has to learn to do more with less and needs to be more effective, US Treasury Secretary Steven Mnuchin said yesterday.

Key among the needed reforms is a focus on conditions for financial aid, and evaluation of countries' ability to manage debt, Mnuchin said in his statement to the IMF's steering committee.

The calls for "debt transparency" have been increasing in volume in the run up to this week's spring meetings of the IMF and World Bank, amid concern that a surge in lending by China to developing nations could sow the seeds of financial strife.

"Debt owed to emerging creditors is at a critical juncture, with debt levels rising among both low income/emerging and advanced economies," Mnuchin said in the prepared statement.

"Increasingly, opaque or unsustainable lending practices weaken investor confidence, erode governance and accountability and create a drag on economic growth."

The IMF has cited high debt levels as a key risk to the glob-



Steven Mnuchin

al economy, which is slowing down.

Mnuchin said the fund must "continue to evolve to respond to the challenges ahead" and improve its effectiveness.

He stressed the need for strengthened surveillance of member countries, including tighter conditions for lending, "to assure its members that it is delivering effectively on its core mission."

He cited the case of Argentina -- which has an IMF aid program worth about \$56 billion -- and said the requirements "addressing weaknesses in monetary and fiscal policies helped to stabilize financial markets, putting the economy on track to return to growth."

Lending should "address parsimony and criticality of conditions," he said.

And Mnuchin said the IMF currently has enough resources to fulfill its mission, so does not need increased contributions from members.

## Dubai nears 5-month high

● Saudi Basic Industries drops after going ex-dividend

● Nine of 10 Saudi banks gain

● National Agriculture Marketing up on capital increase plan

Reuters

Dubai's stock market rose for the tenth straight session yesterday, lifted by its financial shares, while Abu Dhabi was pulled lower by its top lender First Abu Dhabi Bank.

The Dubai index gained 0.2 per cent, hovering around five-month high, with Emaar Properties adding 1.2pc and Mashreq Bank jumping 5.3pc.

This month, the latter's retail banking head said it would close 12 of its branches by June as it shifts some of its business online.

Emirates NBD said it would sell 127.5 million shares in Network International for a total of 554.5 million pounds (\$725.2 million) through a secondary listing of the shares on the London Stock Exchange.

The bank continues to hold a 25.5pc stake in the payments processor. The stock was flat.

Saudi Arabia's index in-



Traders on the floor of Saudi Stock exchange

### Closing Bell

SAUDI	▲ 0.3 pc	» 9,077 pts
ABU DHABI	▼ 0.4 pc	» 5,058 pts
DUBAI	▲ 0.2 pc	» 2,808 pts
QATAR	▲ 0.2 pc	» 10,236 pts
EGYPT	▲ 0.1 pc	» 15,107 pts
BAHRAIN	▲ 0.1 pc	» 1,443 pts
OMAN	▲ 0.3 pc	» 3,984 pts
KUWAIT	▲ 0.2 pc	» 6,117 pts

creased 0.3pc, with most of its banking shares gaining. Riyad Bank was up 2.2pc and Aljazira Bank increased 1.3pc.

National Agriculture Market-

ing Company jumped 6.8pc. Its board proposed a rights issue to raise 150 million riyals (\$40 million).

On Wednesday, the company was fined 20,000 riyals by the Capital Markets Authority for a regulatory rule violation.

But market heavyweight Saudi Basic Industries dropped 1.4pc as it traded ex-dividend.

The Abu Dhabi index fell 0.4pc, led by 1.1pc fall in First Abu Dhabi Bank (FAB) and 1.6pc slide in Abu Dhabi Islamic Bank.

Last week, the banks denied they were in merger talks after a news report said the emir-

ate was considering combining them. On Monday, Qatar filed lawsuits against three banks including First Abu Dhabi Bank, accusing the trio of overseas currency manipulation which caused billions of dollars of damage to Qatar's economy.

Qatar's blue-chip index edged up 0.2pc, lifted by a 1.9pc gain in its largest sharia-compliant lender Qatar Islamic Bank.

The Egyptian index moved 0.1pc higher, partly on back of its blue-chip stock Talaat Mostafa Group Holding. The realtor was up 1.2pc.

## May says wants Britain to leave EU soon



Theresa May

“I want us to be able to leave the European Union in a smooth and orderly way as soon as possible. I've asked for an extension to June 30 but what is important is that any extension enables us to leave at the point at which we ratify the withdrawal agreement”

PRIME MINISTER THERESA MAY

● Merkel says backs longer Brexit delay than London seeking

● Macron says long Brexit delay not a given

AFP | Brussels, Belgium

Prime Minister Theresa May insisted yesterday she wants Britain to leave the EU as soon as possible even as she prepared to agree a potentially long delay to Brexit at an emergency summit in Brussels.

Without a postponement, Britain is due to end its 46-year membership of the European Union at midnight on Friday with no deal, risking economic chaos.

May had wanted to be given until June 30 to try once again to

get her EU divorce deal through parliament, but her fellow leaders are expected to offer her a longer delay, of up to a year.

"I want us to be able to leave the European Union in a smooth and orderly way as soon as possible," the prime minister said as she arrived for talks in Brussels.

She added: "I've asked for an extension to June 30 but what is important is that any extension enables us to leave at the point at which we ratify the withdrawal agreement."

Under intense pressure from Brexit supporters at home, May said she still hoped to leave the EU on May 22, the last day before Britain must hold European Parliament elections.

But in Berlin earlier, Chancellor Angela Merkel said the EU leaders might back a delay "longer than the British prime minister has requested".

She said it should be "as short as possible" but said she believed British politicians should be given "a reasonable amount of time" to reach an agreement.

"It should be long enough to create a certain calm so we don't have to meet every two weeks to deal with the same subject," Merkel told the German parliament.

EU Council President Donald Tusk has also suggested there is "little reason to believe" the British parliament can ratify the deal by June 30.

MPs have rejected the plan three times, and May has already been forced to delay Brexit once, from March 29 to April 12. She reluctantly opened talks last week with the opposition Labour party, but those are moving



Britain has already reluctantly began preparations for the polls, setting the date for May 23, although officials insist they could still cancel it at the last minute.

slowly.

"One possibility would be a flexible extension, which would last only as long as necessary and no longer than one year," Tusk said.

According to a draft copy of the summit conclusions that EU leaders were to negotiate later in the day, they were to agree to an extension to allow May time to ratify the withdrawal agreement.

EU elections in doubt

"Such an extension should last only as long as necessary and, in any event, no longer than [XX.XX.XXXX]," the draft reads. The other 27 EU leaders will thrash out what date to fill in the blanks on Wednesday.

"If the withdrawal agreement is ratified by both parties before this date, the withdrawal will take place on the first day of the following month," the draft, seen by AFP says.

Czech Prime Minister Andrej Babis said he expected EU lead-

### Long Brexit delay not 'decided'

Brussels, Belgium

French President Emmanuel Macron warned yesterday as he arrived at Brexit crisis talks in Brussels that EU leaders have yet to agree on how long to delay Britain's departure.

"For me, nothing is decided, nothing, and in particular, since I hear rumours, not a long extension," he said, as leaders met to consider Prime Minister Theresa May's request for a postponement.

May has asked for Brexit to be delayed from Friday to June 30, to allow her more time to ratify Britain's orderly divorce, and other EU leaders arriving in Brussels suggested she could have even longer.

But Macron has been keen to project a tougher stance, insisting May must provide more

ers to delay Brexit for "much more time" than May asked, on condition that it holds European elections.

"That is why we can agree -- I speak for myself -- the prolongation," he said as he arrived in Brussels.

Britain has already reluctantly began preparations for the polls, setting the date for May 23, although officials insist they could still cancel it at the last minute.

The draft conclusions say that if Britain fails to take part, it will leave the bloc on June 1.

If an extension is agreed, Brussels will portray it as a concession to Britain, with some members -- particularly France -- not



Emmanuel Macron

guarantees that the delay would serve a purpose and that London's crisis will not disrupt EU business.

"For me, nothing is given," he said. "We need to understand why this demand is being made, what is the political plan behind it and what proposals are clear. For my part, I'll hold to that."

"I'm looking forward very much to hearing Theresa May," he said. "The time for decisions is now."

keen to see the disruptive Brexit drama drag on much longer.

EU members want to ensure that a semi-detached Britain does not seek leverage in Brexit talks by intervening in choosing the next head of the European Commission or the next multi-year EU budget.

May will make her case to her colleagues before leaving them to discuss the length of the Brexit delay -- and any conditions -- without her.

Britain was originally due to leave the EU on March 29. But Brussels agreed an extension after the British parliament rejected the withdrawal agreement negotiated with May.