

## Oil slips below \$80

Reuters | London

Oil slipped below \$80 a barrel on Thursday as the fourth weekly increase in US crude inventories suggested ample supply, while Saudi-US tension and falling Iranian exports lent support.

US crude inventories rose 6.5 million barrels last week, the Energy Information Administration said on Wednesday, the fourth straight weekly increase and almost three times what analysts had forecast.

Brent crude, the global benchmark, was down 70 cents at \$79.35 a barrel at 1010 GMT. It has dropped over \$7 from a 2014 high of \$86.74 reached on Oct. 3. US crude was down 61 cents at \$69.14.

"Stocks are building," said Olivier Jakob, oil analyst at Petromatrix. "It's a continuous trend. Week after week, it does start to add up."

Oil had been rising this week on concern about a decline in Iranian exports due to US sanctions and tension between

the United States and Saudi Arabia after the death of Saudi journalist Jamal Khashoggi.

Signs that Iranian oil exports have been falling more steeply than some in the market expected amid looming US sanctions have also underpinned the market.

US sanctions on Iranian oil take effect on Nov. 4 and buyers are already stopping or scaling back their Iranian crude dealings, according to tanker data and industry sources.

Exports have declined al-

ready to about 1.5 million barrels per day (bpd), up to 1 million bpd below levels seen earlier this year. Some analysts say the drop in supplies may be starting to wane as a source of price support.

"Assuming that Iranian crude exports will stabilise around 900,000 bpd, one can make a strong case that the peak bullish impact of Iran is in fact already behind us," analysts at JBC Energy said in a report.

**\$79.35**  
a barrel was the price of Brent crude at 1010 GMT

## Saudi trades in tiny range

Falling Saudi stocks outnumber gainers by nearly 2:1

● But trading volume shrinks further

● Trump says does not want to walk away from Saudi Arabia

● Banks weigh on Egypt blue-chip index

Reuters | Dubai

Saudi Arabia's stock index traded very narrowly yesterday as US President Donald Trump said on Wednesday he did not want to walk away from Saudi Arabia and that the United States needed the kingdom's cooperation.

Also, state-linked Saudi funds bought blue chips in a support operation when the market plunged earlier this week, convincing some investors that there is little further downside for now at least.

The Saudi index closed 0.1 per cent lower. Falling stocks outnumbered gainers by 109 to 60, but a further drop in trading



Traders watching stock movements on the floor of Saudi Stock market (Courtesy of The National)

volume, by almost a third compared to Wednesday, showed investors were no longer keen to dump equities.

National Commercial Bank, which soared during the support operation as funds bought it, retreated 2.9pc on profit-taking. Top petrochemical producer Saudi Basic Industries dropped 0.8pc.

But Saudi Telecom added 1.8pc and Banque Saudi Fransi surged 3.0pc. Khaleej Training added 2.2pc after winning a project worth 23.1 million riyals (\$6.2 million) from the General

Authority of Zakat and Tax.

Egypt's blue-chip index slipped 1.2pc, pressured by banks. Commercial International Bank lost 2.1pc and investment bank EFG Hermes lost 4.1pc. Dice Sport and Casual Wear slid 8.3pc in very thin trade. The company said it would raise its stake in Alexandria Ready Made Clothes to 100pc via a 2 million Egyptian pound (\$111,420) deal.

Madinet Nasr, which had soared on SODIC's plan for a merger via share swap, fell back 3.8pc and SODIC shed 3.2pc.

### Closing Bell

SAUDI	▼ 0.1%	7,648
DUBAI	▲ 0.6%	2,758
ABU DHABI	▲ 0.6%	4,989
QATAR	▲ 0.4%	10,193
KUWAIT	▼ 0.2%	5,173
BAHRAIN	▲ 0.8%	1,323
OMAN	▼ 0.2%	4,444
EGYPT	▼ 1.2%	13,644

The Dubai index gained 0.6pc as DAMAC Properties added 3.6pc and National Central Cooling (Tabreed) was up 2.4pc.

The Qatar index, which earlier this week broke technical resistance on the August and September peaks, was up 0.4pc with Doha Bank rising 1.8pc. EFG Hermes raised its rating on the stock to 'neutral' from 'sell'.

Ahli Bank was up 5.1pc after reporting an increase in its third-quarter profit.

Bahrain's index advanced 0.8pc, helped by a 10pc jump in Gulf Hotel Group and a 3.4pc increase in National Bank of Bahrain after a rise in its profit for the first nine months of the

## Mega Millions jackpot hits \$900 million in US

New York, United States

Your chances of winning are slim to none, but it might be worth investing a few dollars in the Mega Millions contest in the United States before Friday's drawing.

The prize? \$900 million, after no one won on Tuesday night.

It would be the largest jackpot in global lottery history if claimed by a single winner.

In 2016, a \$1.6 billion Powerball prize was split three ways by ticket holders from California, Florida and Tennessee. Each took home \$528.8 million.

The previous largest single jackpot of \$758.7 million was won last year by Mavis Wanczyk, a 53-year-old mother of two from Massachusetts. Mega Millions is available

in 44 US states, the capital Washington and the US Virgin Islands.

The game, which was created in 2002, has seen changes over the years that have reduced the chances of winning, meaning bigger and bigger jackpots.

If someone picks the winning six numbers, they can either claim the jackpot in 30 payments over 30 years -- or take a reduced amount in a lump sum. On Friday, that would be a total of \$513 million -- before taxes, according to the Mega Millions website.

The likelihood of that happening? One in 302.5 million.

And don't forget: US lottery winnings are taxable at the federal level, unlike in many other countries. Some states also impose local taxes.

## Sri Lanka reverses \$300m housing deal

Reuters | Colombo

Sri Lanka has reversed a decision to award a \$300-million housing deal to China in favour of a joint venture with an Indian company, the government said, ahead of a visit by the prime minister to its South Asian neighbour.

Prime Minister Ranil Wickremesinghe will meet his counterpart Narendra Modi on Saturday in New Delhi, the Indian capital, for talks. The two countries have long-standing ties, partly because of cultural and ethnic links with Tamils, many of whom live in the island's north and east.

In April, state-run China Railway Beijing Engineering Group Co Ltd won a tender worth more than \$300 million to build 40,000 houses in Jaff-

na in Sri Lanka's north, with China's Exim bank to provide funding.

But the project was halted after residents demanded brick houses, saying they preferred their traditional type of dwelling instead of the concrete structures the Chinese firm had planned.

On Wednesday, government spokesman Rajitha Senaratne said the cabinet had approved a new proposal for 28,000 houses



The houses will be given to firms which are ready to build them at lower prices

RAJITHA SENARATNE



Sri Lankan Prime Minister Ranil Wickremesinghe (C) looks on at a news conference

worth 35.8 billion rupees (\$210 million) to be built by Indian firm ND Enterprises and two Sri Lankan firms in the north and east.

The planned homes are part of a total requirement of 65,000, he added.

"The rest of the houses will be given to firms which are ready to build them at lower prices," Senaratne told reporters in Colombo, the Sri Lankan capital, adding that China could also be considered in future for the remaining housing projects.

## World equities can't shake rate rise blues

AFP | London, United Kingdom

The world's main stock markets slipped yesterday as fears of rising US interest rates undermined any attempt at recovery following heavy recent losses, analysts said.

Global markets are "scrutinizing yesterday's release of the minutes from the US Fed's September monetary policy meeting that suggested rate hikes are likely to continue", analysts at Charles Schwab said.

What's more, rate fears are just one item on a smorgasbord of worries, including over global trade wars, high oil price, Brexit uncertainty and Italy's ongoing fiscal troubles, analysts said.

London, Frankfurt and Paris all closed the day lower, after "sipping on a Brexit/trade war/Italian budget/US interest rates

cocktail", as Spreadex analyst Connor Campbell put it.

Early on in the session, European markets made a modest attempt at recovery but fizzled out as soon as it became clear that US investors wouldn't play along. Approaching midday in New York, all three main US stock market indexes were down.

Earlier, Asian markets resumed falls as investors contemplated the outlook for more interest rate hikes by the Federal Reserve, while Washington added to China-US frictions.

Shanghai dived almost three percent to a four-year low as already-strained relations between China and the US took another hit after the White House said it plans to withdraw from an international treaty on postal rates, in a decision aimed at pressuring Beijing.



Britain's Prime Minister Theresa May arrives at the European Council in Brussels

### Brexit transition extension?

Meanwhile, UK Prime Minister Theresa May said Britain would consider extending the

transition period after Brexit for a few months if needed, to agree a new trade deal with the European Union.

EU negotiator Michel Barnier raised the idea as a way of break-

### Key figures around 1540 GMT -

London - FTSE 100:	▼0.4 percent at 7,026.99 points (close)
Frankfurt - DAX 30:	▼1.1 percent at 11,589.21 (close)
Paris - CAC 40:	▼0.6 percent at 5,116.79 (close)
EURO STOXX 50:	▼1.0 percent at 3,211.59
New York - Dow Jones:	▼0.9 percent at 25,469.50
Tokyo - Nikkei 225:	▼0.8 percent at 22,658.16 (close)
Hong Kong - Hang Seng:	■ at 25,454.55 (close)
Shanghai - Composite:	▼2.9 percent at 2,486.42 (close)
Euro/dollar:	▲ at \$1.1506 from \$1.1501 at 2100 GMT
Pound/dollar:	▼ at \$1.3079 from \$1.3115
Dollar/yen:	▼ at 112.18 from 112.65 yen

ing the deadlock on how to keep Britain's border with Ireland open after Brexit, the key issue holding up the divorce talks.

But May emphasised she did not expect the extension beyond the current date of December 2020 to be needed, amid anger among eurosceptics at home.

"Markets appear to be viewing the Brexit negotiations with the same exhaustion as everyone else, as both sides play for time," noted IG analyst Chris Beauchamp.

"The risk of wandering into a 'no deal' scenario is still on the rise," he warned.