Bahrain exports ride out March shock

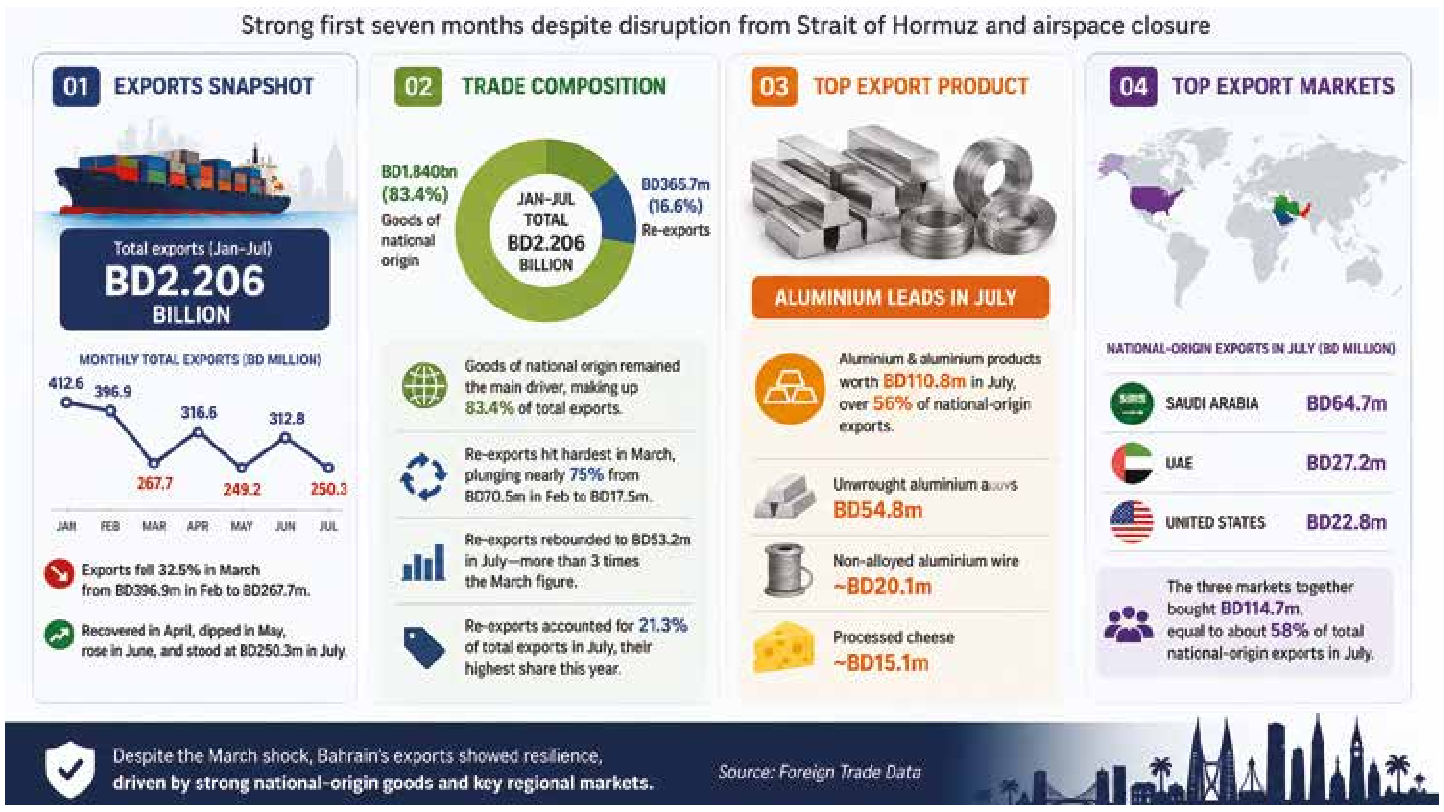
Exports reached BD2.206 billion in the first seven months

Mohammed Darwish
TDT | Manama

Bahrain's exports reached BD2.206 billion in the first seven months of the year, despite a sharp March downturn after the closure of the Strait of Hormuz and airspace disrupted trade.

The impact was most severe on re-exports, which plunged nearly 75 per cent in March, from BD70.5 million in February to just BD17.5m. Total exports fell 32.5 per cent over the same period, from BD396.9m to BD267.7m.

Foreign trade figures show that goods of national origin remained the backbone of exports, accounting for BD1.840bn, or 83.4 per cent, between January and July. Re-exports contributed BD365.7m, or 16.6 per cent.



Strong January

January recorded the strongest monthly export performance at BD412.6m, followed by BD396.9m in February. Exports then dropped to BD267.7m in March, recovered to BD316.6m in April, fell to BD249.2m in May, rose to BD312.8m in June and stood at BD250.3m in July.

National-origin exports followed a similar pattern, reaching BD335.8m in January and BD326.4m in February before falling to BD250.3m in March. They rose to BD265m in April, slipped to BD206.8m in May, then increased 25.2 per cent to BD259m in June before falling to about BD197m in July.

Re-exports recover

Re-exports rebounded sharply after the March collapse, reaching BD51.6m in April, BD42.4m in May and BD53.8m in June. July remained close to that level at BD53.2m — more than three times the March figure.

Re-exports accounted for 21.3 per cent of total exports in July, their highest monthly share so far this year.

Aluminium remains dominant

Aluminium continued to drive Bahrain's national-origin exports in July. Aluminium and aluminium products were worth BD110.8m, accounting for more than 56 per cent of the month's national-origin exports.

Unwrought aluminium alloys led at BD54.8m, followed by non-alloyed aluminium wire at about BD20.1m. Processed cheese ranked third at roughly BD15.1m.

Saudi Arabia leads markets

Saudi Arabia was Bahrain's largest destination for national-origin goods in July, importing about BD64.7m, followed by the UAE at BD27.2m and the United States at BD22.8m.

Together, the three markets accounted for BD114.7m, or about 58 per cent of Bahrain's national-origin exports that month.

Bitcoin jumps, stocks bounce as traders weigh US Treasury action

AFP | London, United Kingdom

Bitcoin bounced and global stocks clawed back some of their recent losses on Friday as investors assessed the US Treasury's efforts to push down long-term borrowing costs.

Bond yields were steady and oil prices stabilised near recent highs as the United States and Iran remained deadlocked over a deal to reopen the Strait of Hormuz.

That was enough to allow equities to bounce, after having largely fallen over the past week.

Bitcoin climbed almost 6% to about $77,000 and is up more than 20% this week -- to its highest levels since May -- as the US Treasury's surprise move to buy back more of its own bonds increased liquidity and added to investor's risk appetite. Gold rose as well

The rally in the world's biggest cryptocurrency by market value was also spurred by US President Donald Trump urging lawmakers to pass crypto legislation aimed at encouraging its use, which has stalled in the Senate. "The turmoil in the debt markets continues despite efforts to calm feverish borrowing costs," said Susannah Streeter, chief investment strategist at Wealth Club. "Investors remain concerned about inflationary risks and the growing mountain of government borrowing, while at the same time, debt being issued by tech giants building out the AI revolution is offering stiff competition," she added.

The three main US stocks indexes were all higher in early trading after having mostly fallen this week.

In Europe, London, Paris and Frankfurt all closed higher. For Paris, it was the first gain after nine successive declines.

US bond buy-back

Even with Friday's bounce, European stock indices "look set to post their worst weekly performance in nearly two months", said David Morrison, an analyst at Trade Nation.

The US Treasury bought its own bonds this week in an effort to push down borrowing costs after the 30-year yield surged to levels last seen in 2007, just before the global financial crisis.

European government bond yields are also at their highest levels in more than a decade.

Yields have risen on fears of inflation and as the United States reported this week that its federal debt stockpile had climbed to over $40 trillion.

The Treasury's buy-back briefly brought some relief from higher yields, but they soon resumed rising.

Traders will be closely watching next week's annual meeting of central bankers, economists and finance chiefs in Jackson Hole, hoping for some clarification on monetary policy.

Earlier in Asia, stocks rose with tech-rich Seoul helped higher by a rally in chipmakers.

Samsung jumped 3.9% after saying it spent a massive $80 billion to buy back its own shares, following weeks of turbulent trading. Hong Kong also rose, while Tokyo fell and Shanghai was flat.

Key figures at around 1540 GMT

New York - DOW:	▲ 0.8% at 53,171.77 points
New York - S&P 500:	▲ 0.5% at 7,677.95
Nasdaq Composite:	▲ 0.4% at 26,174.05
London - FTSE 100:	▲ 0.6% at 10,816.56
Paris - CAC 40:	▲ 0.4% at 8,484.43
Frankfurt - DAX:	▲ 0.6% at 26,136.56
Tokyo - Nikkei 225:	▼ 0.3% at 66,016.36 (close)
Hang Seng Index:	▲ 1.2% at 26,009.46 (close)
Shanghai - Composite:	■ at 3,905.20 (close)
Dollar/yen:	▼ at 158.99 yen from 159.11 yen on Thursday
Euro/dollar:	▼ at $1.1676 from $1.1680
Pound/dollar:	▼ at $1.3628 from $1.3630
Euro/pound:	▼ at 85.66 pence from 85.68 pence
West Texas Intermediate:	▼ 0.1% at $86.75 per barrel
Brent North Sea Crude:	▲ 0.3% at $94.03 per barrel

US, Canada work to wrap up trade deal ahead of looming deadline

Washington, United States

The United States and Canada were back at the negotiating table yesterday, with the clock ticking down to a midnight deadline when punishing new US tariffs kick in.

In the latest salvo amid months of trade hostility, US President Donald Trump threatened to impose new 50-percent duties on a range of Canadian products by Wednesday. But he has issued a last-minute delay, citing major progress in trade talks.

Canadian negotiators have been camped out in Washington this week trying to finalize a deal that reportedly aims to address a range of flash points.

Both sides have said a pact is nearly done, but talks were continuing Friday morning, with top Canadian negotiator Dominic LeBlanc meeting US Trade Representative Jamieson Greer.LeBlanc and his team entered Greer's office shortly past midday, declining to answer reporters' questions.After meeting Greer on Thursday, LeBlanc told reporters "we're very close," promising to persist until a deal is done.

Canada wants relief from tariffs on autos, steel and aluminum, which have battered economy, forced job losses, and strained what was once an iron-clad trade relationship.

Trump announces temporary tariff relief on ground beef imports

Washington, United States

President Donald Trump announced yesterday the United States would allow tariff-free imports of up to 300,000 tons of ground beef over the next 90 days, in a bid to lower prices for American consumers with elections looming.

"As we work to rebuild this herd and help our ranchers, for the next 90 days, the United States will allow up to 300,000 metric tons of product for ground beef to be imported with no out of quota tariff," Trump wrote on his Truth Social platform. The US president did not say which countries would be exporting the beef, but added that there was a committment to sell the beef at 25 percent below market prices.

"This deal will reduce prices for Americans while giving space for our Great," the US president wrote.

US consumers have been facing persistent pressure from high food prices, compounded by the energy crisis linked to the war in Iran, which has pushed up fuel and transportation costs.

Panama Canal to reduce shipping over El Nino-fueled drought

AFP | Panama City, Panama

The Panama Canal will cut the number of ships passing through it starting next month because of drought caused by the El Nino phenomenon, the operator of the strategic waterway linking the Atlantic and Pacific said Thursday.

From September 3, the number of vessels allowed through each day will fall from 36 to 34 due to low water levels in two artificial lakes that feed the canal, the Panama Canal Authority said.

It will drop to 32 from September 15 on, the agency said.

Central America is in the throes of a severe drought driven by El Nino, a weather pattern that warms surface temperatures in the central and eastern equatorial Pacific Ocean, triggering worldwide changes in winds, atmospheric pressure and rainfall.

In the area of the canal rainfall from May to August is down by 34 percent from its historical average, the authority said, adding that El Nino could cut it even more.

The Panama Canal handles five percent of global maritime trade and around 40 percent of US container traffic.

The canal operator said that "lower than forecast rainfall in the canal's watershed" called for measures to bolster the "long-term sustainability" of the waterway.