

Bahrain, Japan to boost trade ties



Finance Minister Shaikh Salman with Vice-Minister for Foreign Affairs of Japan Honda Taro and other officials



TDI | Manama

Bahrain and Japan signed an agreement yesterday to encourage and protect investment as both the Kingdoms celebrate the 50th

anniversary of diplomatic relations.

The agreement aims to provide an appropriate investment environment to enhance activities by investors in Bahrain and Japan, encourage investment between the two countries, and

highlight Bahrain as an attractive investment destination for Japanese companies.

The deal came as Finance and National Economy Minister Shaikh Salman bin Khalifa Al Khalifa held talks with Parliamentary Vice-Minister for

Foreign Affairs of Japan Honda Taro, who is in the Kingdom on an official visit.

Shaikh Salman stressed the importance of the agreement consolidating economic and investment cooperation between Bahrain and

Japan.

The minister stressed Bahrain's keenness to boost cooperation with Japan in various fields, especially concerning the economy and investments.

The minister highlighted Bah-

rain's development and growth at all levels, thanks to the attention accorded by HM King Hamad bin Isa Al Khalifa and the keenness and follow-up of HRH Prince Salman bin Hamad Al Khalifa, the Crown Prince and Prime Minister.

Bahrain in talks with sugar refinery, consultancy and UK insurance firms

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EDB is also in talks for a sugar refinery, management consultancy and UK insurance firms to set up shop in the kingdom. It is also in talks for FDI deals with Israel, which are expected to be announced "soon", he said.

The plans come as Saudi Arabia and the UAE are also banking on technology to diversify their oil-dependent economies.

Saudi Aramco Development Co, a subsidiary of oil behemoth Aramco, has teamed up with Google Cloud to offer cloud services to customers in Saudi Arabia. The UAE is opening three Amazon Web Services (AWS) centres this year.

BIG PROJECTS



Bahrain aims to achieve fiscal balance by 2024, a target delayed by two years due to the pandemic.

The medium-term fiscal plan is tied to a 2018 \$10 billion aid

package from Kuwait, Saudi Arabia and the UAE.

"We're willing to compete for big projects," AlMudaifa said.

"We think our value proposition stands on its own two feet, and

we are also looking for synergistic opportunities between the countries."

"We have very strong momentum and traction, a very diversified pipeline," he said.

The recovery programme includes plans for the tourism, logistics, industrial, telecom and oil and gas sectors.

EDB alone aims to attract \$1 billion in FDI and create around 4,500 jobs this year after drawing \$893 million in 2021 and creating 4,861 jobs.

Saudi Arabia, the UAE and Kuwait comprise roughly half of Bahrain's aggregate FDI stock, AlMudaifa said, adding he expected Gulf FDI to Bahrain to increase further. Saudi Arabia's powerful Public Investment Fund has said it would invest \$5 billion in Bahrain.

"A lot of these big strategic development projects, in due time and incrementally and gradually, will be open for private sector investment," AlMudaifa said.

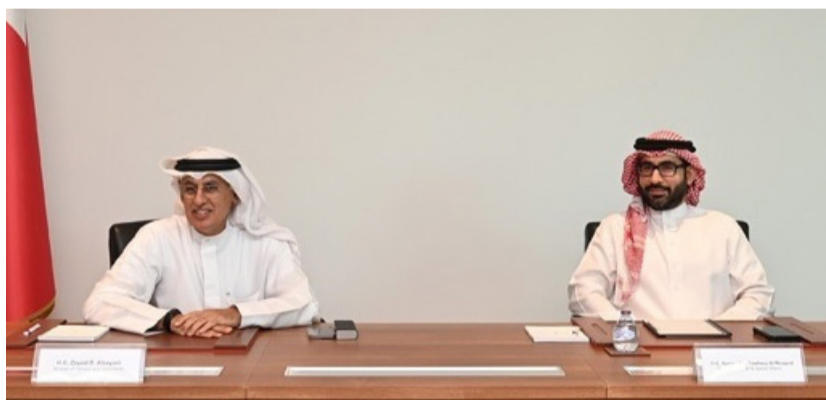
OPEC+ to stick to oil supply rise plan

Reuters | London

OPEC and allied producing countries including Russia will likely stick to a plan for accelerated oil output increases in August, sources said, hoping to ease surging oil prices and inflation pressure as US President Joe Biden plans to visit Saudi Arabia and the Middle East.

At its last meeting on June 2, the group known as OPEC+ agreed to boost output by 648,000 barrels per day (bpd) in July - or 0.7% of global demand - and by the same amount in August, up from the initial plan to add 432,000 bpd a month over three months until September.

OPEC+ holds its next meeting on June 30, when it will most likely focus on August output policies.



Minister of Industry and Commerce, Zayed bin Rashid Al Zayani, yesterday chaired the 14th meeting of the Small and Medium Enterprises (SMEs) Development Board, in the presence of Minister of Youth and Sport Affairs, Ayman bin Tawfiq Al Moayed, SMEs Development Board members, Ministry of Industry and Commerce Undersecretary Imen Ahmed Al Doseri and Assistant Undersecretary for Industrial Development Dr Khalid Fahad Al Alawi. The council hailed access of the Tender Board to its membership, in line with a resolution by the Economic Development Board of Directors. SMEs Director, Shaikha Abdullah Al Fadhel, gave a presentation that included a review of the performance indicators of the council's plan and an analysis of variables within the periodic follow-up work. The council also reviewed development achievements and initiatives being carried out within the framework of the council's strategic plan.

Oil prices dive \$2/barrel on fear Fed rate hikes will hurt demand

Reuters | New York

Oil prices fell by more than \$2 a barrel yesterday in volatile trading as investors weighed the risk that rising US interest rates could trigger a recession and cut demand for fuel. Brent crude futures fell \$2.26 cents, or 2%, to \$109.48 by 1:04 p.m. ET (1704 GMT). U.S. West Texas Intermediate (WTI) crude futures were down \$2.48, or 2.3%, at \$103.71.

US Federal Reserve chief Jerome Powell said the central bank's focus on curbing inflation was "unconditional" and the labour market was unsustainably strong, comments that stoked fears of more rate hikes.

Investors have been trying to assess whether inflation-fighting central banks could push the world economy into recession as they raise interest rates.

"Recession fears have their grip on markets, but the mood swing is rather one of ebbing optimism than swelling pessimism," said Julius Baer analyst Norbert Rucker.

Investors were also concerned that high gasoline prices

had hit a ceiling and demand destruction would soon set in, said Robert Yawger, director of energy futures at Mizuho in New York.

The most recent estimates by the American Petroleum Institute, according to market sources, showed U.S. crude and gasoline inventories rising last week, which also weighed on prices, Yawger said.

Official weekly estimates for US oil inventories were scheduled to be released on Thursday but technical problems will delay those figures until next week, the US Energy Information Administration said.

Russia continues to find alternative customers for its oil, with China and India among the biggest buyers now as Western countries have sanctioned Moscow's over the invasion of Ukraine.

China's crude oil imports from Russia in May were up 55% from a year earlier and at record highs. India is providing safety certification for dozens of ships managed by a subsidiary of Russian shipping group Sovcomflot.

BENEFIT solutions mulled for judicial transactions, services

TDI | Manama

Developing electronic payment for judicial transactions and services in the justice sector using BENEFIT was the focus of a top-level discussion held yesterday.

The talks were between Minister of Justice, Islamic Affairs and Endowments Nawaf bin Mohammed Al Muawda, BENEFIT Chief Executive Officer Abdulwahid Janahi and representatives.

The aim is to facilitate the procedures for paying for transactions for Ministry services, including due deposits, the im-



Minister holding talks

plementation of verdicts or fees related to lawsuits.

Al Muawda stressed the min-

istry's keenness to benefit from the applications of digital and innovative solutions to ensure

higher standards as part of the drive to develop the technical infrastructure.