Market Insights & Strategy

Global Markets

6th November 2026



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Morning news summary

Global News

- **Bank of England raises rates for first time since 2023, says more may come:** Citing an official statement, Reuters reported that the Bank of England's (BoE's) Monetary Policy Committee (MPC) voted 8-1 to raise rates to 4% from 3.75%, raising rates for the first time in over three years, and warned that at least one more increase was likely if the US-Iran conflict continues. British inflation is likely to reach around 5% in the middle of next year, the BoE said, more than double the central bank's target. While there was little evidence so far of faster inflation outside sectors directly affected by higher energy costs, the BoE said the amount of inflation pressure coming down the road from months of high energy prices required a rate rise now. In its central forecast for growth and inflation, the BoE revised up its expectations for growth this year and next to 1.6% and 1.3%, notably stronger than the government's Office for Budget Responsibility predicted last week. The upgrade follows strong official data this year, and the BoE attributed some of the strength to spending on artificial intelligence and to a small, temporary boost from finance minister John Healey's annual budget last week. But the BoE now sees inflation peaking at an average 4.8% in the second quarter of next year. In a more adverse scenario where oil prices peak at around $130 a barrel compared to around $100 currently, inflation hits 6.2% in Q3 2027. Under the central scenario, inflation is not seen returning to 2% until Q3 2028, six months later than the BoE predicted in July, when forecasts were prepared during a lull in the US-Iran conflict which had lowered energy costs. After inflation and taxes, British households' income from work was set to fall both this year and next, the BoE said.
  Source: Reuters

- **Fed's Hammack, Barkin favor gradual rate-hike path to lower inflation:** According to Reuters, two Federal Reserve officials on Thursday made a case for modest and steady interest rate increases to tackle above-target inflation. "I expect that monetary policy will need to move to a restrictive stance to bring inflation back to 2% in a timely manner," Federal Reserve Bank of Cleveland President Beth Hammack said. She said she prefers "getting to that stance through more frequent smaller adjustments when possible, something which would be less disruptive to households, businesses, and financial markets." Gradual increases would also help prevent an "inflationary mindset" from taking hold among the general public, Hammack said. Speaking in Charlotte, Barkin said inflation is "too high" and holding in rather than easing. For central bankers, "the implications for policy are pretty straightforward," he said. When it comes to the pace of future rate hikes, "gradual makes sense."
  Source: Reuters

- **US weekly jobless claims at 57-year lows; worker productivity surges in Q3 2026:** Citing the US Labor Department, Reuters reported that initial claims for state unemployment benefits in the US fell 6,000 to a seasonally adjusted 189,000 for the week ended October 31.

Economists polled by Reuters had forecast 196,000 claims for the latest week. Claims matched the 189,000 level touched in mid-July, which was the lowest reading since 1969. The claims report showed the number of people receiving unemployment benefits after an initial week of aid, a proxy for hiring, increased 23,000 to a still-low seasonally adjusted 1.718 million during the week ended October 24. A separate report from the Labor Department's Bureau of Labor Statistics showed nonfarm productivity, which measures hourly output per worker, increased at a 3.6% annualized rate in Q3 2026 after advancing by an upwardly revised 2.1% pace in Q2. Economists had forecast productivity increasing at a 2.8% rate after a previously reported 1.4% growth pace in the second quarter. Unit labor costs, the price of labor per single unit of output, fell at a 0.7% rate last quarter. That was the first decline since the second quarter of 2025 and followed an upwardly revised 1.9% growth pace in the second quarter. Economists had forecast labor costs rising at a 0.6% pace after growing at a previously reported 1.2% rate. Labor costs grew at a 2.4% rate YoY.
Source: Reuters

- **China says US farm purchases hinge on tariff-cut deal:** The Chinese Commerce Ministry said that China is open to buying more US farm goods, but only if the two sides implement their reciprocal tariff-cut agreement, Reuters reported. Following a September summit between Presidents Xi Jinping and Donald Trump in Washington, the two sides proposed a $60bn package of reciprocal tariff cuts, including roughly $17bn worth of US farm goods that China imported in 2024, though the plan has yet to be finalised. China hopes the US will work with it to lower tariffs, reduce non-tariff barriers and expand market access, Commerce Ministry spokesperson Huang Ling said. China is on track to meet its soybean purchase target, but bought only $7.2bn of other US agricultural products, including meat and corn, between January and September, according to a Reuters analysis.
Source: Reuters

- **Japan's real wages rise for ninth month in September:** Citing government data, Reuters reported that Japan's real wages rose 2.2% in September from a year earlier, marking the ninth consecutive month of gains, supporting the case for the Bank of Japan to keep raising interest rates. Growth in real, or inflation-adjusted, pay picked up from August's revised 1.6% gain. Average nominal wages, or total cash earnings, rose 4.6% to 311,409 yen ($1,972.94), the fastest rise since January 1997 and up from August's revised 3.9% growth. Workers' base salaries, or regular pay, increased 3.7%, roughly in line with the 3.8% gain in August. A labour ministry official cited a steady rise in base salaries this year as a factor behind the improvement in real wages. Overtime pay growth in September stood at 3.6%, down from August's revised 4.9% rise. Special payments, consisting mostly of volatile one-time bonuses, jumped 32.6% in September after a revised 1.8% increase in August. The ministry said the jump reflected a statistical quirk rather than an increase in bonuses or other payments. The inflation rate used by the ministry to calculate the headline real wage indicator accelerated to 2.4% in September from 2.2% in August. It remained below the year-earlier level of 3.4%.
Source: Reuters

- **AI slump deepens post US midterm elections; Oil set for sharp weekly drop but Middle East supply concerns provide floor:** Bloomberg reported that the global stock selloff worsened in Asia on concern the US will tighten AI regulations after Democrats' decisive election win. As of 09:00 AM GST, Japan's Nikkei 225 index plunged 6.1%, South Korea's Kospi index slumped 5.1%, China's CSI 300 index dropped 1.5% and Hong Kong's Hang Seng index fell 1.1%. S&P 500 futures gained 0.1% and Nasdaq 100 futures traded 1% higher during Asia trade. The yield on the US benchmark 10-year Treasury was steady at 4.841%. In commodity markets, spot gold declined 1% to $4,045.76 an ounce and spot silver slid 0.5% to $51.53 an ounce. In currencies, the DXY index rose 0.2% to 101.764. The US dollar was up 0.1% against the Japanese yen to 157.87. The euro slipped 0.2% against the greenback to 1.1198.
Reuters reported that oil prices are set for a sharp weekly drop on expectations of a de-escalation of the Iran war after US President Donald Trump's party suffered election losses, but Middle East supply concerns from the conflict continue to provide a floor for the market. In Asia trade, Brent futures (January

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contract) jumped 1.7% to $99.92/bbl and WTI futures (January contract) traded 1.3% higher at $90.38/bbl. Still. both contracts are on track to drop by about 12% this week.
Source: Bloomberg, Reuters

Middle East & Africa News

- **ADNOC Drilling targets technology development and Gulf expansion:** ADNOC Drilling is seeking to expand beyond its traditional drilling business by growing its regional footprint and commercializing oilfield technologies developed through its operations, AGBI reported. The company has built a 30-rig Gulf platform through its acquisitions of an 80% stake in MB Petroleum Services (MBPS) and a 70% stake in SLB Land Drilling Company (SLDC), giving it operations across Oman, Kuwait, Saudi Arabia and Bahrain. The company said future acquisitions will focus on capabilities that enhance its position as a higher-value regional energy services platform rather than simply adding scale. Through its energy technology joint venture Enersol with Alpha Dhabi Holding, ADNOC Drilling aims to deploy and commercialize technologies that improve well performance, with some solutions reducing well delivery times by up to 19.6%, increasing drilling speeds by up to 30% and cutting well duration by up to 4.5 days. The company said a growing share of future business is expected to come from markets outside the UAE and from well solutions, integrated services and technology-driven offerings rather than traditional drilling alone.
  Source: AGBI

- **Masdar breaks ground on energy storage projects in Spain:** UAE renewable energy company Masdar has begun construction of three battery energy storage projects in Spain, investing just over €25m ($28m) to add more than 60MW of battery storage capacity and over 120MWh of storage to solar plants in Extremadura and Andalusia, AGBI reported. The projects, expected to be operational by the end of 2027, are the first storage developments under Masdar's 2024 partnership with Spanish utility Endesa. Masdar acquired a minority stake in Endesa's renewable energy platform in July 2024 to develop 2.5GW of renewable assets in Spain. The company said the projects will help integrate more renewable power into the grid and improve electricity system stability. The developments support Masdar's broader European expansion, following its $600m five-year blue bond issuance last month. Masdar currently has 4.1GW of operational capacity across the Iberian Peninsula and aims to increase its global energy capacity from 65GW to 100GW by 2030.
  Source: AGBI

- **Mubadala Energy aims to double production over next decade:** Mubadala Energy plans to double production over the next decade, with natural gas expected to represent about 70% of its portfolio as the company focuses on expanding across the gas value chain and converting recent discoveries into producing assets, state news agency WAM reported. The company is growing production in Malaysia through the Pegaga gas field, where capacity has been increased by 30% to 750m standard cubic feet per day, while advancing the Tangkulo development and the Layaran and Tangkulo discoveries in Indonesia, which contain more than 8 trillion cubic feet of gas resources. In the United States, its investment in Caturus LLC provides exposure to the Haynesville Basin and the Commonwealth LNG project, which reached FID in May 2026 and is planned to expand capacity from 9.5m tons to 16m tons per year. The company has also strengthened its position in Egypt through a 15% stake in the Nargis Offshore Area.
  Source: WAM, Zawya

- **Rising costs hurt as IHC profit falls by almost a third:** International Holding Co (IHC), the UAE's largest listed company, reported a 30% YoY decline in Q3 net profit to AED 3.3bn ($887m) despite revenue rising 31% to AED 35.6bn, as operating expenses and finance costs increased, AGBI reported. General, administrative, selling and distribution expenses rose by AED 645m to AED 3.7bn, while finance costs increased 32% to AED 1.6bn. Earnings were also affected by a high comparison base, as IHC recorded a AED 2.7bn gain from the sale of PAL Cooling in Q3 2025. Revenue growth was driven by hydrocarbon sales, which increased nearly nine-fold to AED 4.4bn, alongside gains in property development revenue, up 26% to AED 6.1bn, construction revenue, up 18% to AED 3.7bn, and minerals and metals sales, up

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47% to AED 2.2bn. For the first nine months of 2026, profit more than doubled to AED 21.1bn, supported by a three-fold increase in investment and other income to AED 24.2bn, including AED 19.3bn of asset revaluation gains.
Source: AGBI

- **Emirates Airline profit plunges as war drives up fuel costs:** As per AGBI, Emirates Airline reported an after-tax profit of $903m for the six months to September, down 66% YoY, as the Iran conflict reduced passenger demand, constrained capacity and increased fuel costs. Revenue fell 13% to $15.5bn, while passenger traffic declined 25% to 22m and the load factor dropped to 72% from 79.5% a year earlier. Higher demand for premium cabins and strong cargo performance helped cushion the impact, with Emirates SkyCargo revenue rising by half despite carrying marginally less freight, supported by disruptions to shipping routes through the Strait of Hormuz and Red Sea. Fuel costs before hedging gains rose 60% despite lower consumption, although gains of AED 7.1bn ($1.9bn) from fuel hedging limited the increase to 13%. The airline had restored 91% of its pre-war network by the end of September and said it remains cautiously optimistic for the second half despite elevated regional tensions and persistently high fuel prices.
Source: AGBI

- **Emaar Development awards nearly $5bn in construction, infrastructure contracts in 9M 2026:** Emaar Development awarded construction and infrastructure contracts worth AED 17.8bn ($4.85bn) during the first nine months of 2026 as it accelerated project delivery across its master-planned communities, Zawya reported. The developer awarded 23 main works contracts valued at AED 13.5bn and infrastructure contracts worth AED 4.3bn, with more than 85% of active projects running ahead of schedule. Revenue rose 26% YoY to AED 22.2bn, while EBITDA increased 28% to AED 11.4bn and net profit grew 24% to AED 10.8bn. Property sales reached AED 26.2bn and the company's revenue backlog stood at AED 119.8bn as of September 30. Emaar Development had more than 51,000 residential units under development and a land bank of approximately 285m sq ft for future projects, supported by a AED 200bn masterplan announced in H1 2026. The company handed over more than 4,800 residential units during the period and has delivered nearly 85,500 units since 2002.
Source: Zawya

- **ADIPEC 2026 closes with record $67bn in energy agreements:** Citing an official statement, TradeArabia reported that a record-breaking ADIPEC 2026 ended on a solid note with more than 50,000 deals worth an estimated $67bn being sealed over four days, up 26.4% over 2025. Held under the patronage of President His Highness Sheikh Mohamed bin Zayed Al Nahyan, and hosted by ADNOC, the world's largest energy event welcomed 240,000 attendees from 170 countries, reinforcing its position as a global meeting point for the energy industry at a critical time. Over 40 government ministers and policymakers attended ADIPEC 2026, including senior representatives from Germany, Canada, Egypt, Austria, Japan, Kazakhstan and Nigeria. The event also welcomed its strongest-ever participation from Asia, with 353 exhibiting companies, representing a 12% increase year on year, and six country pavilions from China, India, Japan, Malaysia, Singapore and South Korea. The AI Zone at ADIPEC 2026 grew 20% in size compared to last year, bringing together global technology leaders including Microsoft, NVIDIA, IBM, Dell, Huawei, Honeywell, Siemens, Unitree, Presight, AIQ and Etisalat. This year's edition also attracted a record global media presence, welcoming nearly 1,000 journalists and content creators from around the world, a 14% increase on 2025.
Source: TradeArabia, Zawya

- **'UAE Verify' platform issues over 42.9m digital trusted documents since launch:** Citing an official statement, the UAE's state news agency WAM reported that the UAE VERIFY, a digital platform operated by the Telecommunications and Digital Government Regulatory Authority (TDRA), has issued more than 42.926 million digital trusted documents since its launch in 2022. The total number of documents verified through the platform has exceeded 1.252 million, while the platform currently supports 88 types of digital documents issued by 32 federal and local government entities. The platform is considered one of the UAE's leading initiatives accelerating comprehensive digital transformation. It uses blockchain technology

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and operates as a shared, real-time and encrypted digital ledger for processing and recording various transactions, contracts and documents. This helps establish trust in digital data and documents, verify their authenticity through digital auditing, and facilitate the sharing of information and documents. The platform was launched as part of the UAE Digital Government Roadmap 2021–2025, which aims to achieve 100% digital government services by focusing on individuals, businesses and federal government employees.
Source: WAM, Zawya

- **UAE caps vehicle ownership for residents at five under new traffic rules:** The UAE will introduce new traffic regulations from January 1, 2027, including a limit of five registered vehicles per resident, a two-year registration option for eligible light vehicles, and a new licensing framework for electric scooters, e-bikes and other personal mobility devices, state news agency WAM reported. Residents will be able to register up to two vehicles without additional fees, with extra charges applying for additional vehicles up to the five-vehicle cap. The regulations set a minimum age of 15 for e-scooter and e-bike permits, which will be valid for three years, and establish technical safety requirements for such devices. New road safety measures include mandatory child seats for children aged four and under, a maximum driving limit of nine hours within a 24-hour period, and stricter rules for delivery drivers, including a ban on carrying passengers or using backpacks to transport orders.
Source: WAM, Zawya

- **Sharjah completes first phase of road connectivity project with Dubai:** Sharjah has opened the first phase of a major road connectivity project with Dubai, including the partial opening of the Al Taawun Interchange and several bridges and junctions to improve traffic flow between the two emirates and facilitate access to the Sharjah International Book Fair (SIBF), Trade Arabia reported. The wider project comprises five sections, including a 560-metre tunnel on Al Taawun Street, upgrades to the Al Khulafa Al Rashideen Interchange, new bridges linking industrial areas, and a 2.7km road link connecting key routes across the emirate. The infrastructure works are designed to ease congestion, improve connectivity and increase road capacity by thousands of vehicles per hour across major commuter corridors linking Dubai and Sharjah. The second phase will include the full opening of the upper-level junction at Al Taawun Roundabout, Al Taawun Tunnel, additional bridges and junctions, and the completion of links connecting Jamal Abdul Nasser Street, Al Khan Street, the Ring Road and Sheikh Mohammed bin Zayed Road.
Source: Trade Arabia, Zawya

- **Infrastructure lifts Saudi construction output in October despite slower overall growth:** Saudi infrastructure activity accelerated to its strongest level since January in October, with the Al Rajhi Capital Saudi Infrastructure Index rising to 64.3 from 55.8, driven by government spending on roads, power and water projects, Arab News reported. Overall construction growth slowed, with the Al Rajhi Capital Saudi Construction Index easing to 52.3 from 54.4, its weakest expansion since May, although it remained in growth territory. Residential activity expanded at its slowest pace since May, while non-residential construction contracted for the first time since January amid project delays and client caution. New orders grew at the slowest pace since May, but employment returned to growth and firms remained optimistic, supported by planned project launches and continued government investment. Cost inflation eased from September but remained the second-highest since the survey began, driven by higher prices for bitumen, steel and electrical materials.
Source: Arab News

- **Saudi Arabia records influx of 1,275 foreign companies in October:** Saudi Arabia attracted 1,275 new foreign establishments in October with declared capital of SAR 10.3bn ($2.7bn), Arab News reported citing the Federation of Saudi Chambers' first monthly report tracking foreign business entries into the Kingdom. Investors from 45 countries registered an average of 56 establishments per day, with manufacturing accounting for 35% of registrations, followed by construction and building at 22% and ICT at 10%. The federation said the concentration in manufacturing and construction reflects Vision 2030 priorities and ongoing expansion of factories, major projects and infrastructure. The report noted that while 639

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establishments declared capital of SAR 100,000 or less, 10 establishments reported combined capital exceeding SAR 758m, although declared capital does not necessarily reflect actual FDI inflows.
Source: Arab News

- **Saudi Arabia expands tourist visa eligibility to four new countries:** Saudi Arabia has expanded its tourist visa programme to include citizens of Mexico, North Macedonia, Bosnia and Herzegovina, and Serbia, Saudi Gazette reported. According to the Ministry of Foreign Affairs, nationals of the four countries can obtain tourist visas for purposes including tourism, attending events, performing Umrah, participating in exhibitions and conferences, and visiting relatives and friends. Eligible travelers can apply for eVisas, visas on arrival, or transit and stopover visas, subject to the applicable requirements and regulations. The ministry said all visits remain subject to the Kingdom's laws, regulations and instructions.
Source: Saudi Gazette, Zawya

- **Aramco cuts Asia oil price as market share battle heats up:** Saudi Aramco has cut the official selling price of its flagship Arab Light crude for Asian buyers by $2 for December, taking it to a $7 discount to the regional benchmark, the deepest discount in six years and larger than market expectations, Bloomberg reported. The price cut comes as Gulf producers compete for market share following the recovery of oil flows through the Strait of Hormuz to near pre-war levels. Saudi Arabia and other Gulf producers have increased exports in recent months, while Aramco has used tenders, spot sales and ship-to-ship transfers to boost sales into Asia. The company also reduced crude prices to North-West Europe and the Mediterranean by $1 per barrel across all grades, leaving prices for North America unchanged. Improved regional supply availability and increased Gulf exports have eased pressure on Asian refiners, contributing to weaker pricing for Middle Eastern crude.
Source: Bloomberg

- **Saudi utility giant Acwa's Q3 net profit jumps 71% to $169m:** Arab News reported that Acwa's Q3 net profit rose 71.1% YoY to SAR 635m, while revenue increased 32.7% to SAR 2.2bn and operating profit surged 88% to SAR 1.1bn. The increase in quarterly net profit was driven by higher contributions from equity-accounted investees, stronger gross profit and lower general and administrative expenses, partly offset by higher financial charges, project development and acquisition costs, and exchange-rate variances. For the first nine months of 2026, net profit edged up 0.6% to SAR 1.3bn, while revenue grew 16% to SAR 6.2bn. Total shareholders' equity rose 19.3% to SAR 33.7bn at the end of September.
Source: Arab News

- **US commits $125m to new economic cooperation agreement with Egypt:** Arab News reported that the US has committed $125m under a new Strategic Objective Agreement for Advancing Mutual Prosperity with Egypt, the first such bilateral agreement between the two countries, aimed at supporting economic modernization, private-sector growth and opportunities for US businesses. The agreement covers cooperation in sectors including water management, infrastructure, technology, agriculture, healthcare, artificial intelligence, education and workforce development. The deal comes as bilateral trade in goods and services reached an estimated $16.1bn in 2025, up 28.9% YoY. Goods trade totaled $12.3bn, with US exports to Egypt rising 47% to $9.4bn and imports increasing 12% to $2.8bn, resulting in a US goods trade surplus of $6.6bn. Bilateral services trade reached an estimated $3.8bn, with US services exports increasing 6.1% to $2.2bn and imports from Egypt rising 10.7% to $1.6bn. The agreement builds on the two countries' Trade and Investment Framework Agreement signed in 1999 and is intended to support economic growth, job creation and improved public services in Egypt.
Source: Arab News

- **Egypt international reserves hit record $57.5bn in October:** Citing data released by the Central Bank of Egypt (CBE), the UAE's state news agency WAM reported that Egypt's net international reserves (NIRs) rose to a record $57.5bn at the end of October 2026, up $151.6m from September. The country's foreign reserves stood at $57.5bn at the end of October, compared with $57.35bn a month earlier. The latest increase brings the cumulative growth in reserves to around $6.05bn since December 2025, when they

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stood at approximately $51.45bn. Remittances reached $33.9bn during the first eight months of 2026, while inflows exceeded $47.3bn in FY 2025/2026, providing a major source of foreign currency.
Source: WAM, Zawya

- **Egypt's trade deficit widens 29% YoY to $6.4bn in August 2026:** Citing data released by the Central Agency for Public Mobilization and Statistics (CAPMAS), Arab Finance reported that Egypt's trade deficit widened by 29% YoY to $6.4bn in August 2026. Egypt's imports rose by 21.4% YoY to $11.1bn in August driven by higher purchases of several commodities. Natural gas imports increased by 59.1%, while imports of petroleum products rose by 20.3%. On the export side, Egypt recorded a 12.4% annual increase to $4.7bn in August 2026. Export growth was supported by a 75.6% increase in petroleum product exports and a 21.2% rise in ready-made garment exports. However, several export categories registered declines during the month. Fresh fruit exports fell by 7.9%, while medicines and pharmaceutical preparations declined by 8%. Exports of dried legumes dropped by 21.9%, and furniture exports decreased by 16.1%.
Source: Arab Finance, Zawya

- **Turkey secures $393m from Asian bank to renew railway maintenance fleet:** The Asian Infrastructure Investment Bank (AIIB) has provided Turkey with €350m ($393m) in financing to modernize the maintenance fleet of Turkish State Railways (TCDD) and strengthen institutional capacity under its railway modernization programme. Transport and Infrastructure Minister Abdulkadir Uraloglu said the funding will support the renewal of maintenance equipment, improve operational efficiency, safety and sustainability, and lower the average age of the rail operator's machinery fleet. The project includes the procurement of 99 next-generation maintenance machines, including tamping machines, ballast regulators, rail milling and grinding machines, dynamic track stabilizers, catenary maintenance vehicles and positioning vehicles. Tender notices have been published, with procurement expected to take place in December and all equipment scheduled for delivery within 48 months of contract signing.
Source: Turkey Today

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