Market Insights & Strategy

Global Markets

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Morning news summary

Global News

- **Fed's Paulson backs further rate hikes, says shared understanding beats guidance:** Federal Reserve Bank of Philadelphia President Anna Paulson said the Fed will need to raise interest rates again because inflation is too high, while arguing that shared understanding matters more than explicit guidance on the rate outlook, Reuters reported. “When we understand each other, we don’t need to say as much when new data arrive,” she said, adding, “You can anticipate how we'll respond, and we can act in ways that are steady and, for the most part, predictable.” Paulson also said that slow and steady rate rises rather than dramatic action will give the economy time to adjust to the increase in short-term borrowing costs.
  Source: Reuters

- **Fed officials express their views about the AI boom’s impact on the US economy:** Chicago Fed President Austan Goolsbee said that the booming rollout of artificial intelligence technology could strain the US economy's capacity and further boost inflation that the Federal Reserve will have to counteract, Reuters reported. Goolsbee said he sees the multitrillion-dollar pipeline of data-center projects already adding to what he referred to as "borderline, disturbingly high inflation rates" that are well above the Fed's 2% target and potentially heading higher. Goolsbee said it was not yet clear what effect AI will have on productivity or the economy's underlying potential, noting that it took years, even decades, for other general-purpose technologies to change how businesses operated on a broad basis. Elsewhere, Federal Reserve Vice Chair Philip Jefferson said that the rapid AI buildout is putting upward pressure on US inflation through its impact on demand, with possible productivity gains that could help ease price pressures only coming "in the future."
  Source: Reuters

- **US signed off on sales of nearly 900,000 AI chips to China in six months, House committee says:** The US House Foreign Affairs Committee said that the Trump administration approved shipments of nearly 900,000 advanced AI chips made by Nvidia and AMD for Chinese companies from December 2025 through May 2026, Reuters reported. The approvals for 879,000 chip shipments by the Commerce Department included 75,000 for Alibaba, 150,000 for Tencent, 43,000 for Baidu and 4,000 for BYD, all on the Pentagon's list of alleged Chinese military-backed companies, the committee noted. Companies had sought permission to ship over 3.4 million chips to China during the period, the documents showed. Nvidia said in a statement that the approvals were "subject to strict conditions and limited volumes." It added that "despite receiving some licenses, we have since stopped shipping H200s to China." AMD said it "complies with applicable US export control laws and regulations and maintains rigorous processes to ensure compliance across our global operations."
  Source: Reuters

- **Xi, Trump, Putin agree to increase supply of global fuels:** Bloomberg reported that the leaders of the US, China, and Russia agreed to boost the supply of fuels in a joint statement, planning to increase the production and supply of refined petroleum products for the benefit of all nations. President Xi Jinping hosted what he called a "groundbreaking" discussion with Presidents Donald Trump and Vladimir Putin in Shenzhen, China, spanning issues from Ukraine and denuclearization to the management of major-power disputes. The trio agreed in a joint statement to reform the United Nations, curtail the International Criminal Court and avoid nuclear war. Xi warned at the start of the meeting that major-power rivalry breeds global instability and called for regular exchanges between China, Russia and the US.
  Source: Bloomberg

- **Risk of US strikes on Iran grows as sides escalate skirmishes:** According to Western officials, the chances of the US launching another round of mass strikes against Iran appear to have grown in recent days as the warring sides escalate their skirmishes, Bloomberg reported. US President Donald Trump is yet to make a decision on whether to order attacks, but is considering the move, one anonymous official said. The New York Times (NYT) reported that Trump was taking into account new intelligence about Iran rebuilding its missile and drone arsenals and advancing its chemical and biological weapons programs. He's also under pressure from Benjamin Netanyahu to act quickly. Israel's prime minister is pressing the US to agree to a joint campaign of airstrikes lasting four to seven days, the NYT reported. European and Gulf Arab governments, said one official, continue to lobby the US against a round of strikes like those during the first phase of the war between late February and early April.
  Source: Bloomberg, The New York Times

- **Trump unveils $17bn of Southeast Asia deals for US firms:** The White House said that US President Donald Trump announced more than $17bn in commercial deals and strategic investments for US companies in Southeast Asia, following a two-day working visit to the Philippines for the ASEAN Summit. The deals include Boeing and GE Aerospace finalising a $12bn sale of 20 Boeing 787 aircraft to Philippine Airlines. Washington and Manila will also pursue more than $2bn in US financing for Philippine defence purchases, with the United States providing $400m to support military operations in the South China Sea. Thailand plans to spend up to $123m on US-made High Mobility Artillery Rocket Systems (HIMARS), potentially the first such deal in mainland Southeast Asia, the statement said. In Indonesia, Latitude Energy and sovereign wealth fund Danantara are negotiating a $2bn coal project using US technology, it said. The Navajo Transitional Energy Company signed a three-year $100m deal to supply coal to a unit of Malaysia's national power utility, Tenaga Nasional Berhad. Brunei's Unified National Networks plans to award US firm Vertiv a data centre tender, with nearly $1bn of spending sourced from US vendors. A US consortium will help the Malaysian government develop its sovereign AI cloud, with Washington offering $50m to support the initiative, Malaysia's communications regulator said in a separate statement.
  Source: Reuters

- **US weekly jobless claims edge up, but labor market remains resilient:** Citing the US Labor Department, Reuters reported that initial claims for state unemployment benefits rose 1,000 to a seasonally adjusted 203,000 for the week ended November 14. Economists polled by Reuters had forecast 197,000 claims for the latest week. Claims had hovered at or below 200,000 since mid-September. The four-week moving average of claims, which irons out week-to-week volatility, increased 2,000 to 197,750. The claims report showed the number of people receiving unemployment benefits after an initial week of aid, a proxy for hiring, increased by 70,000 to a seasonally adjusted 1.763 million during the week ended November 7. The median duration of unemployment surged to 11.9 weeks in October, the longest since November 2021, from 11.5 weeks in September.
  Source: Reuters

- **Japan's core inflation accelerates in October, cementing rate hike expectations:** Citing government data, Reuters reported that Japan's core consumer price index (CPI), which strips away the effect of volatile fresh food, rose 2.2% in October from a year earlier, compared with a median market forecast for a 2.3% gain. It followed a 2.1% rise in September. An index that strips away the effects of both volatile

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fresh food and fuel, which is closely watched by the BOJ as a better gauge of demand-driven price pressures, rose 2.2% in October from a year earlier after increasing 2.4% in September. While food inflation slowed to 2.2% in October from a 2.9% jump in September, prices increased for a broad range of daily necessities, a sign firms kept passing on rising costs from the Middle East conflict and the weak yen. Goods prices were up 3.2% year-on-year in October, faster than a 2.8% gain in September and a 1.4% rise in services prices.
Source: Reuters

- **Stocks set for worst run since 2023; Oil prices gain as Houthi attacks on Riyadh raise supply concerns:** Bloomberg reported that global stocks were poised for their longest losing streak in more than three years as the artificial intelligence trade cratered after a bull run in 2026, sending investors to haven assets. As of 09:05 AM GST, South Korea's Kospi index slumped 5.3%, Japan's Nikkei 225 index dropped 4.8%, Hong Kong's Hang Seng index fell 1.7% and China's CSI 300 index declined 1.7%. S&P 500 futures tumbled 0.4% and Nasdaq 100 futures traded 0.8% lower during Asia trade. The yield on the US benchmark 10-year Treasury tightened 3bps to 5.015%. In commodity markets, spot gold retreated 2.6% to $3,531.65 an ounce, on track to lose nearly 9% in a week that's seen the metal slide to the lowest since September 2025. Spot silver slid 3.8% to $41.30 an ounce. In currencies, the DXY index slipped 0.1% to 103.803. The US dollar was down 0.3% against the Japanese yen to 159.14. The euro advanced 0.1% against the greenback to 1.098.
  Reuters reported that oil prices rose on Friday but were set for a third consecutive weekly decline as concerns over supply disruptions grew following Houthi attacks on Saudi Arabia's capital Riyadh and reports of tanker disruptions in the Strait of Hormuz. In Asia trade, Brent futures (January contract) jumped 0.8% to $92.72/bbl and WTI futures (January contract) traded 0.8% higher at $83.10/bbl. Both benchmarks settled little changed on Thursday but Brent is set for a 3.5% decline for the week while the December WTI contract is set for an almost 6% weekly drop as expectations of a supply surplus grew because crude shipments through the Strait of Hormuz have returned to roughly pre-war levels.
  Source: Bloomberg, Reuters

Middle East & Africa News

- **IEA says $40bn spent on pipelines will not end Gulf's Strait of Hormuz dependence:** The International Energy Agency (IEA) said that Gulf oil exports would remain vulnerable to disruption even if producers built an estimated $40bn in pipelines to bypass the Strait of Hormuz, The National reported. About 7 million barrels a day of new pipeline capacity is under construction or being considered across the region, which could add about $2 to every barrel of oil exported from the Middle East, the agency said in its annual World Energy Outlook. Even if all the projects are completed, producers outside the Gulf pump more and importers cut demand, about 2 million bpd would still pass through Hormuz by 2035, under the IEA's most extreme case for reducing reliance on the waterway. Among the new alternative routes, only the second Habshan-Fujairah pipeline in the UAE is under construction, the IEA said. Liquefied natural gas from Qatar and the UAE has no feasible way around the strait. Eliminating LNG shipments through Hormuz would strand both countries' export capacity, among the cheapest in the world, the IEA said. An end to the crisis could usher in "a buyers' market for oil and natural gas, with significant downward pressures on prices", the IEA said.
  Source: The National

- **Slowdown in UAE property market creates opportunity for developers to reduce leverage, says Moody's:** Ratings agency Moody's said that the slowdown in the UAE property market will create an opportunity for real estate developers to reduce leverage, Zawya reported. Developers that prioritise debt reduction and liquidity will be better positioned if real estate market conditions weaken further, the rating agency said in a report. Despite the Middle East conflict and disruption to trade routes, pricing, collections and construction activity have generally held up, with most developers continuing to collect customer instalments and advance construction broadly in line with original plans. Increased use of back-ended payment plans is another factor that could slow the reduction in leverage. Lower upfront buyer equity may

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also increase cancellation risk and reduce the reliability of receivables. Deposit requirements, collection performance and instalment timing will therefore be important indicators of whether projected deleveraging remains achievable, Moody's said.
Source: Zawya

- **Morrison opens new office in ADGM:** Global infrastructure investment manager Morrison, which oversees more than $35bn in assets under management, has established a new office in ADGM, its eighth globally, to reinforce its long-term commitment to the UAE and GCC region, state news agency WAM reported. Partner and Co-Head of Morrison's Value Add fund Vincent Gerritsen has relocated to Abu Dhabi to lead the firm's Middle East strategy, deepening relationships with governments, sovereign investors, businesses, and institutional stakeholders. The firm has received In-Principle Approval (IPA) from the Financial Services Regulatory Authority (FSRA) for a Category 4 license, subject to applicable conditions and final regulatory approval.
Source: WAM, Zawya

- **ADNOC Distribution expands Voyager lubricants into Ghana, Guyana, Myanmar:** ADNOC Distribution has expanded the international reach of its UAE-made ADNOC Voyager lubricants portfolio through new distributor partnerships in Ghana, Guyana, and Myanmar, strengthening its presence across Africa, South America, and Asia, Trade Arabia reported. Announced during the ADNOC Distribution Annual Lubricants Partners Conference in Jakarta, Indonesia, the expansion builds on its current presence in 54 markets toward an ambition of reaching 100 international markets by 2030. Manufactured in the UAE, ADNOC Voyager offers more than 530 products covering automotive, industrial, marine, and specialist applications, supported by over 220 original equipment manufacturer (OEM) approvals and internationally recognized certifications. Chief Operating Officer Klaas Mantel noted that the partner-led model reflects growing global demand for high-quality UAE-made lubricants and focuses on building partnerships that create mutual value and unlock new growth opportunities.
Source: Trade Arabia, Zawya

- **Emaar partners with Huspy to enhance mortgage advisory services for homebuyers:** State news agency, WAM reported that UAE-based mortgage and real estate technology company Huspy has announced a partnership with Emaar Properties to provide Emaar customers with access to mortgage advisory services and financing options from more than 20 banks across the UAE. Through Huspy's platform, customers can compare mortgage products, interest rates, and financing terms in a single process with no Huspy advisory fees, supported by a dedicated consultant from pre-approval through mortgage disbursal. Founded in Dubai in 2020, Huspy has supported over 30,000 homeowners and handles approximately 25% of residential mortgage transactions in the UAE.
Source: WAM, Zawya

- **UAE's AMEA Power signs $650m contract for 500MW Amunet 2 wind farm project in Egypt:** AGBI reported that Dubai-based AMEA Power has signed a $650m contract in Cairo with a consortium including PowerChina HuaDong for Amunet 2, the 500MW second phase of a wind farm project in Egypt's southeastern Red Sea governorate. Chairman Hussein Al-Nowais said the project will combine with the 500MW Amunet 1, launched in 2025, to generate 1,000MW of power upon completion, bringing AMEA Power's total investments in Egypt to more than $3bn as the country's largest independent renewable energy producer. The deal supports Egypt's push to reduce reliance on oil and gas, ease pressure on fuel imports, and meet growing electricity demand. Electricity minister Mahmoud Esmat stated that Egypt currently produces nearly 10,500MW from solar and wind plus 1,100MW from storage batteries, accounting for 18% of its energy mix, and aims to more than quadruple renewable energy production to nearly 46,000MW by 2030.
Source: AGBI

- **Dubai ranks first globally in UN Local Online Service Index 'LOSI' 2026:** Dubai has ranked first globally with a perfect score of 100% in the Local Online Service Index (LOSI) 2026, published by the United

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Nations Department of Economic and Social Affairs (UN DESA) as part of the 2026 United Nations E-Government Survey, Bloomberg reported. Measuring the development of digital government services at city level across criteria including institutional framework, content and services provision, participation and engagement, e-government infrastructure, and e-government literacy, the ranking marks Dubai's rise from 16th globally in 2018 and 2020 to fifth in 2022, joint fourth in 2024, and first in 2026. H.H. Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai, Deputy Prime Minister, Minister of Defence, and Chairman of The Executive Council of Dubai, said the achievement reflects the vision of His Highness Sheikh Mohammed bin Rashid Al Maktoum and more than two decades of digital transformation, adding that Dubai is accelerating its transition towards an AI-native government.
Source: Emirates News Agency, Bloomberg

- **New 400 MW data centre complex planned in the UAE:** Citing an official announcement, Zawya reported that H.H. Sheikh Dr Sultan bin Ahmed Al Qasimi, Deputy Ruler of Sharjah and Chairman of the Sharjah Communications Technology Authority (SCTA), has approved the masterplan for the Sharjah Communications Technology Free Zone in Kalba, which will accommodate a data centre complex with a planned capacity of 400MW. The project will span approximately 285,000 square metres (sqm) on Sharjah's eastern coast and aims to attract investment in data centres, AI and digital infrastructure. The infrastructure plan also allocates dedicated sites for two power stations to serve the data centre complex, alongside telecommunications networks, water infrastructure and other supporting utilities. The estimated investment value, development schedule and construction start date were not disclosed.
Source: Zawya

- **UAE and Saudi holdings of US Treasuries fall in September amid global decline:** Citing the US Treasury data, Arab News reported that Saudi Arabia's and the UAE's holdings of US Treasury securities fell by $13.3bn in September to $244bn. Saudi holdings dropped 3.8% from $141.2bn in August to $135.9bn, while UAE holdings fell 6.9% to $108.1bn in September. Despite the monthly drop, both countries' holdings remained higher than a year earlier, when Saudi holdings stood at $134.2bn and the UAE's at $103.3bn. Overall foreign holdings of US Treasuries decreased by $75.5bn to a one-year low of $9.24 trillion, marking the largest monthly decline in about six months. France and China led the drop, alongside declines in Japan and the UK, while Belgium and Canada recorded increases. The decline coincided with a 2.2% fall in the Bloomberg index of US Treasuries after the Federal Reserve raised interest rates to curb inflation, reflecting valuation changes in addition to net sales and purchases.
Source: Arab News

- **Saudi crude oil exports rise to 7-month high in September:** Saudi Arabian crude oil exports rose nearly 21% from August to 5.379 million barrels per day in September, reaching their highest level since February, Reuters reported citing data from the Joint Organizations Data Initiative. Oil production increased about 34% to 8.37 million bpd from 6.24 million bpd in August, while refinery crude throughput slipped 12,000 bpd to 2.285 million bpd and direct crude burning decreased by 143,297 bpd to 460,800 bpd. Market experts noted that exports rebounded further in September as the Kingdom utilized export terminals on both coasts, even as Middle East shipments have been severely disrupted since the US-Israeli war with Iran began at the end of February and led Iran to block exports through the Strait of Hormuz.
Source: Reuters

- **Oman to open seven industrial projects worth $4.2bn this month:** AGBI reported that Oman's national industrial localization plan will proceed this month with the opening of seven projects worth OMR 1.6bn ($4.2bn), supported by the sovereign-backed Oman Investment Authority as the country aims for non-oil sectors to contribute more than 90% of GDP by 2040 through scaling up domestic manufacturing. The largest project is an OMR 668m United Solar Polysilicon plant in the Sohar free zone, which will produce high-purity polysilicon for solar cell manufacturing, generate 1,500 jobs, and is expected to accelerate production to up to 100,000 tons by year-end after recording OMR 205m in local procurement through the end of 2025. Also in the Sohar free zone, the OMR 178m Orion Solar project will localize solar cell manufacturing and add more than 1,500 jobs, while a cluster of projects worth OMR 577m under OQ

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Group's Ladayn Polymer Park will generate 630 direct and indirect jobs. Government data showed Oman's GDP rose nearly 4% YoY to OMR 19.5bn in the first six months of 2026, with non-petroleum revenues reaching OMR 14bn, up 1% YoY and more than double petroleum income.
Source: AGBI

- **Oman signs $400m gas deal with Energy Oman, ExxonMobil, paving way for multibillion-dollar project:** Oman has signed a concession agreement with Energy Oman and ExxonMobil to assess and develop gas resources in Greater Makarem, with initial investment expected to exceed $400m and total investment projected to reach several billion dollars across the development and production phases, Arab News reported citing the Oman News Agency. The deal paves the way for an integrated gas production and liquefaction project linked to a proposed liquefied natural gas facility in the Special Economic Zone at Duqm, targeting an annual production capacity of 6 million to 9 million tons, or potentially higher depending on technical studies and appraisal well drilling during the evaluation period. Minister of Energy and Minerals Salim bin Nasser Al-Aufi stated that the partnership aims to strengthen energy security, expand natural gas reserves and production capacity, advance economic diversification and local content, and maximize the economic value of hydrocarbon resources.
Source: Arab News

- **Egypt's economy grows 4.9% in Q1 FY 2026/27:** Minister of Planning and Economic Development Ahmed Rostom said that Egypt's GDP grew 4.9% in Q1 FY 2026/2027, exceeding international institutions' forecasts and improving on the preceding quarter, Arab Finance reported. Manufacturing, agriculture, telecommunications and information technology, construction, and trade were the main drivers of economic expansion, collectively accounting for 68% of total GDP growth during the quarter. Non-petroleum manufacturing continued to expand, recording growth of 3.9% and contributing 0.96 percentage points to GDP growth. Petroleum refining also improved, growing 19.6% after contracting in the corresponding quarter of FY 2025/2026. Suez Canal activity recorded a sharper upturn, expanding 47.5% compared with Q1 FY 2025/2026. Rostom linked the increase to improving maritime traffic, with more vessels transiting the canal and higher cargo volumes. Restaurants and hotels grew 4%, supported by an increase in tourist arrivals and tourist nights despite regional tensions.
Source: Arab Finance, Zawya

- **Egypt's unemployment rate rises to 6% in Q3 2026:** Citing the Central Agency for Public Mobilization and Statistics (CAPMAS), Arab Finance reported that Egypt's unemployment rate increased to 6% of the total labor force in Q3 2026 from 5.8% in Q2 26. The 0.2% rise brought the number of unemployed people to 2.162 million, up by 87,000, or 4.2%, from 2.075 million in Q2. However, the number declined by approximately 67,000, or 3%, compared with Q3 2025. Meanwhile, Egypt's labor force expanded by 121,000 people, or 0.3%, to 35.757 million. The economic participation rate, which measures the share of people aged 15 and older participating in economic activity, reached 48.8%, up from 47.5% in the previous quarter. Across economic activities, agriculture, forestry, logging, and fishing accounted for the largest share of employment, with approximately 5.785 million workers, representing 17.2% of the employed population. Wholesale and retail trade and vehicle repair ranked second, employing about 5.591 million people, or 16.6% of the total. Manufacturing followed with 4.841 million workers, accounting for 14.4%.
Source: Arab Finance, Zawya

- **Egypt's trade deficit widens 60.6% in September 2026:** Egypt's trade deficit surged by 60.6% YoY to $5.3bn in September 2026, driven by a sharp increase in imports, Arab Finance reported citing CAPMAS data. Imports rose by 29.7% YoY to $10.6bn during the month, while exports increased by 7.4% to $5.3bn, bringing total foreign trade up by 21.3% YoY to $15.9bn. On a monthly basis, the trade deficit narrowed from $6.4bn in August 2026, when it had risen by 36.2% YoY from $4.7bn in August 2025. Total trade exchange stood at $15.8bn in August, up $3.2bn from a year earlier.
Source: Arab Finance

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- **Egypt's trade with African Union countries rises by $1.1bln to $8.2bn in 9M 2026**: Citing CAPMAS figures, Daily News Egypt reported that the trade between Egypt and African Union (AU) countries increased by $1.1bn, or 15.3%, to $8.2bn in the first nine months of 2026. Egyptian exports to AU countries rose by 8.5% to $6.1bn, while imports increased by 41.6% to $2.1bn. Five countries: Libya ($1.2bn), Sudan ($900m), Morocco ($700m), Algeria ($700m), and Tunisia ($400m), accounted for 64.2% of Egypt's total exports to African countries, led by electrical and mechanical machinery, plastics, and iron and steel. Meanwhile, the Democratic Republic of the Congo ($379m), Sudan ($328m), Libya ($263m), Mauritania ($215m), and Kenya ($187m) accounted for 66.3% of total imports, led by copper, mineral fuels, coffee, tea and spices, and pearls and precious stones. CAPMAS also reported that Egypt's trade rose 17.5% to $5.7bn with Community of Sahel-Saharan States (CEN-SAD) countries, 23.5% to $4.9bn with Common Market for Eastern and Southern Africa (COMESA) members, and 22.3% to $2.5bn with Nile Basin countries.
  Source: Daily News Egypt, Zawya

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