

Market Insights & Strategy

Global Markets

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Glenn Wepener

Chief Strategist

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MIDDLE EAST & AFRICAN MONITOR

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- **Europe's Largest Oil Refinery Suspends Operations.**
- **US Secretary Of State Visits Saudi Arabia.**
- **Turkish Lira Hits New Record Lows.**
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- **UAE & Egypt To Develop World's Largest Wind Farm.**
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REGIONAL COMMENTARY

IEA Expects US\$1.7 Trio Investment In Clean Energy In 2023.

In its latest 'World Energy Investment' report, the IEA said that it expects more than US\$1.70 trio to go into clean energy projects this year, including renewable power, nuclear, grids, storage and low-emission fuels. The agency also predicts, that fresh investment in solar power generation will exceed the amount flowing into oil production this year for the first time ever. "Clean energy investments have been boosted by a variety of factors. These include improved economics at a time of high and volatile fossil fuel prices; enhanced policy support through instruments like the US Inflation Reduction Act and new initiatives in Europe, Japan, the People's Republic of China and elsewhere; a strong alignment of climate and energy security goals, especially in import-dependent economies; and a focus on industrial strategy as countries seek to strengthen their footholds in the emerging clean energy economy," the report [read](#).

Europe's Largest Oil Refinery Suspends Operations.

Shell has been forced to suspend operations at its Pernis refinery in Holland in order to repair a leak. This has resulted in a halt to the processing of 440,000 bpd since Tuesday and Shell has not yet confirmed how long this outage will last. Meanwhile the energy research house, Insights Global, has reported a jump in demand for road and air fuel products which in turn has resulted in gasoil and jet fuel stocks at the Amsterdam-Rotterdam-Antwerp oil trading hub falling to their lowest levels since April.

US Secretary Of State Visits Saudi Arabia.

The US Secretary of State Antony Blinken, met with Crown Prince Mohammed bin Salman and various other senior officials in Jeddah earlier today. The two men "affirmed their shared commitment to advance stability, security and prosperity across the Middle East and

beyond, including through a comprehensive political agreement to achieve peace, prosperity and security in Yemen,” a State Department spokesperson was quoted as saying by ‘The National’ newspaper. Blinken’s trip also appears to be an attempt by the Biden administration to reinvigorate its relations with one of America’s key Gulf allies, which has cooled somewhat during the past couple of years. Aside from his one-on-one meetings, Blinken will participate in the US-Saudi strategic dialogue and a GCC gathering during his two-day stay. Meanwhile in Washington, Jim Risch a senior Republican member of the US Senate Foreign Relations Committee, called for a strengthening of ties between the two countries. *“For 80 years, the Kingdom of Saudi Arabia has been an important partner in advancing shared security and economic interests. Greater engagement between the Biden Administration and the Kingdom is overdue,”* the Senator tweeted.

Turkish Lira Hits New Record Lows.

The Turkish Lira touched a fresh new low of 23.0950 against the US dollar this morning, an intraday drop of 6.80% at the time of writing. This latest decline in the value of the local currency comes, as several analysts suggest that the Erdogan administration (fresh from its recent electoral victory) may now be looking to pivot towards a more conventional monetary policy, including reduced intervention in the FX market. This potential policy shift has boosted sentiment on the local bourse, with the BORSA Istanbul 100 Index opening up 4% higher this morning.

Qatar Registers US\$5.40 Bio Surplus In Q1 2023.

According to Qatar’s Finance Ministry, the country recorded a QAR 19.70 bio budget surplus for the 1st quarter of this year, a 70% jump compared to the last quarter of 2022. Overall revenues for Q1 2023 totaled QAR 68.60 bio, of which QAR 63.40 bio was generated by the oil and gas sector. You can access more details on this subject [here](#).

UAE & Egypt To Develop World’s Largest Wind Farm.

A consortium of firms including the Abu Dhabi Future Energy Company, Masdar and Infinity Power, have reportedly signed an agreement with Egypt’s ‘New & Renewable Energy Authority’ to develop a 10GW wind power plant in the North African country at an estimated cost of US\$10 bio. Once this plant is operational, it will be able to produce 47,790 GW-hours of clean energy annually and will allow Egypt to save an estimated US\$5 bio per annum in natural gas costs, according to the ‘Gulf Today’ news site.

Hydrom Approves Three Major Hydrogen Projects In Oman.

Hydrom has signed separate agreements with the Amnah consortium, the Oman Green Energy Alliance and BP, to develop three green hydrogen projects in the Al Wusta Governorate of Oman. According to the ‘Oil & Gas’ website, the winning developers are tasked with delivering integrated projects that encompass the entire green hydrogen value chain including; renewable energy production, hydrogen production, hydrogen derivatives conversion, and offtake. You can access more information on these projects [here](#).

EXIM Bank Agrees To Fund Two Solar Projects In Angola.

The US based Export-Import Bank, has reportedly agreed to provide more than US\$900 mio in funding for the construction of two solar parks in Angola. Once completed these two parks are expected to generate up to 500MW of power, according to the ‘Renewables Now’ website.

UK To Amend Visa Requirements For GCC Nationals.

The UK government has announced, that it is planning to drastically amend its visit visa requirements for citizens of the six GCC countries as well as Jordan. These citizens will soon be able to apply online for a multi-entry Electronic Travel Authorization which lasts for 2 years and costs just £10.00. [According](#) to the ‘Gov.UK’ website, this new scheme is set to officially launch for Qatari nationals in October 2023, and for the rest of the GCC states and Jordan in February next year.

Continued...

FX/RATES & CRUDE MARKETS:

Indication Levels Only – Please Contact us on Reuters Dealing Codes FABA/FABU for any live pricing and/or information.

Currency	Spot	1M	2M	3M	6M	9M	12M	2Y
USD/AED	3.6729/31	-3/Par	-3/+2	-2/+3	-1/+4	3/8	7/12	45/75
USD/SAR	3.7502/05	22/25	35/40	46/51	69/74	78/88	88/98	210/260
USD/KWD	0.30775/785	-60/-50	-115/-95	-160/-130	-310/-260	-440/-390	-550/-500	-550/-300
USD/OMR	0.38498/503	-6/-1	-3/+7	Par/+15	20/50	60/90	105/155	250/400
USD/BHD	0.37697/702	16/21	33/43	50/60	90/120	130/160	165/195	325/525
USD/MAD	10.1600/1900	-400/-100	-650/-350	-950/-450	-1700/-1000	-2000/-500	-2200/-500	-3000/-800
USD/EGP NDF	30.8968	31.30/31.60	32.20/32.50	33.15/33.45	35.80/36.30	38.35/38.85	40.75/41.25	-
USD/JOD	0.7095/7100	30/130	75/225	150/300	200/600	300/800	400/900	700/1700
USD/NGN NDF	464.60	505.00/535.00	545.00/585.00	575.00/615.00	620.00/670.00	650.00/700.00	675.00/725.00	(NAFEX)
USD/GHS NDF	11.3000	11.50/12.00	11.80/12.30	12.00/13.00	12.20/13.20	12.50/13.50	12.80/13.80	-
USD/TND	3.0900/3.1200	100/400	200/500	300/750	700/1400	1000/2500	1800/3800	2500/5000
Crude Oil	Futures							
WTI	\$71.25							
Brent	\$75.80							

** (GCC FX indications above are offshore levels only)

AED AND SAR IRS SPREADS

Currency	1Y	2Y	3Y	4Y	5Y	6Y	7Y	10Y
AED SPREAD	+11/21	+24/34	+33/43	+42/52	+49/59	+56/66	+63/73	+75/85
SAR SPREAD	+66/76	+77/87	+80/90	+85/95	+89/99	+94/104	+98/108	+108/118

Note: We can quote options in the AED & SAR.

AND FINALLY...

Did you know that South Africa voluntarily dismantled its nuclear weapons arsenal in 1989?

Glenn Wepener
Chief Strategist

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FAB Global Markets

Email: Marketinsights&strategy@bankfab.com

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