

## MIDDLE EAST & AFRICAN MONITOR

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### REGIONAL COMMENTARY

#### **Angola's President Continues Government Shake-up.**

Angola's President Joao Lourenco reportedly dismissed 20 senior officials yesterday including the army's Chief of Staff, General Geraldo Sachipengo Nunda, and the head of the country's spy agency, Andre de Oliveira Sango, as he continues to solidify his power by removing officials linked to the previous administration, especially those accused of corrupt activities. According to the 'TimesLive' news website, Nunda was last month named by Angolan prosecutors as a potential suspect in the investigation of a scheme to negotiate a fraudulent international US\$50 bio credit line. Lourenco's latest crackdown follows on from the recent removal of some of the former President's children from various senior posts, including Isabel Dos Santos who was head of Sonangol and Jose Filomeno Dos Santos who ran the country's US\$5 bio sovereign wealth fund.

#### **Saudi Arabia Intercepts Two Missiles From Yemen.**

Saudi Arabia's Air Defence units successfully intercepted two ballistic missiles fired by Houthi rebels in Yemen towards an Aramco facility in the Kingdom's southern city of Jizan yesterday according to Arab News. In a statement released by the Saudi Press Agency, a senior military official claimed that this latest attack underlined Iran's ongoing supply of such weaponry to the Houthis. "By doing so, Iran is clearly and explicitly defying and violating UN Resolutions 2216 and 2231 in order to threaten Saudi Arabia's security as well as regional and international security," Colonel Turki al Maliki stated, adding that "The firing of ballistic missiles at populated cities and villages is contrary to international humanitarian law."

#### **Libya's Oil Output Cut After Pipeline Fire.**

Libya's overall oil output has been disrupted since last Sunday following an attack on the main pipeline which supplies crude to the country's largest export terminal. Officials at the National Oil Company have said that it will take just a few days for the damage to be repaired, but the strike on this specific pipeline is the second to occur in less than 6 months and underlines the ongoing fragile security situation in Libya, which is also home to Africa's largest oil reserves.

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### **Nigeria's Petroleum Industry Needs To Prepare For A Post-Oil Economy – PTDF.**

The Executive Secretary of Nigeria's Petroleum Technology Development Fund, Aliyu Gusau, has claimed that the current business model in use by the country's energy sector will not provide the required foundation for the move towards an economy beyond oil. "Unfortunately, I have gone through all the four bills of the petroleum industry waiting to become law; I have seen fiscal and regulatory provision about the mid-stream and the downstream; but I have not seen anything in all the four bills that incentivizes value generation. This is the challenge I must put forward, because this is the key in our journey to a post-oil economy in Nigeria. What is not certain is whether we are ready for that. For me, there are great opportunities in this journey. We must seize these opportunities to commence the journey of a post-oil economy. I still believe that oil is still central, the oil industry in Nigeria is the only sector that has the capacity to provide the foundation for that journey, but it cannot be done with the current business model that is focused essentially on the upstream," Gusau was quoted as saying by the Vanguard media outlet yesterday.

### **KSA Conducts Local Currency SUKUK Issuance – SAMA To Drain Excess Liquidity.**

Saudi Arabia's Finance Ministry sold SAR 5 bio via an Islamic bond issuance yesterday. The issue was split across three tenors, SAR 3.8 bio (5Y) SAR 750 mio (7Y) and SAR 450 mio (10Y). Meanwhile the Kingdom's Central Bank Governor, Ahmed Abdulkarim Al Kholifey, was quoted by Bloomberg yesterday stating that SAMA plans to drain excess liquidity within the local banking system. "Some amounts of deposits are maturing in the banking system, we'll let them mature and they will be back to the Central Bank instead of the banking system, and this will siphon off the liquidity to the system," Al Kholifey said, adding that "In order to protect the exchange rate arrangements that we have at this time, we have to keep under our eyes what is the difference between LIBOR and SAIBOR. Fundamentals are good, the banking sector is strong and liquid and still profitable, so we don't fear any capital outflow."

### **Iran's CB Bans Use Of Cryptocurrencies.**

Iran's Central Bank has reportedly instructed all local financial institutions, including exchange houses, to halt any buying, selling or promotion of cryptocurrencies, saying in a statement that; "The use of bitcoin and other cryptocurrencies in all the country's monetary and financial centers is banned. All cryptocurrencies have the capacity to be turned into a means for money-laundering and financing terrorism and in general can be turned into a means for transferring criminals' money." The CB's decision comes despite a claim made earlier this year by the Minister for Information and Communication, Mohammad Javad Azari, who was quoted by the BBC as saying in February that the government was planning to develop its own cryptocurrency.

### **UAE's Inflation Rate Eases – Sudan's Spikes.**

The annual inflation rate in the UAE dipped to 3.40% in March from 4.50% the previous month and 4.80% in January. Conversely Sudan's inflation hit 55.60% y/y last month compared to 54.34% in February, according to the latest official data.

### **Kuwait To Sharply Expand Its Fleet Of Tankers.**

The head of Kuwait Petroleum Corporation, Nizar al Adsani, was quoted by Platts yesterday stating that the company was looking to sharply expand its fleet of tankers from the current level of 28 to as much as 60 ships by 2040. The Kuwait Oil Tanker Company (a subsidiary of KPC) currently has 12 crude tankers, 10 product carriers, four LPG carriers and 2 bunker oil vessels. "To service KPC's international marketing trade requirements, we will expand our fleet, especially for product carriers," Adsani stated. This sharp increase in ships forms a part of Kuwait's strategy to increase its oil production and expand its downstream sector.

### **Shanghai Electric & ACWA Power Win Solar Contract In Dubai.**

China's Shanghai Electric Generation Group, in collaboration with Saudi Arabia's ACWA Power, have been awarded a US\$3.8 bio EPC contract covering the 4th phase of development within the Mohammed bin Rashid Al Maktoum Solar Park in Dubai. According to the Construction Week website phase 4 will feature the world's tallest solar tower, measuring 260m, and the world's largest thermal energy storage capacity.

### **ADNOC Receives Operating License In KSA.**

The UAE based ADNOC Distribution company has been awarded a license to own and operate service stations in Saudi Arabia. ADNOC currently has 67% of the retail fuel sector market in the UAE according to a recent report by Arabian Business.

## FX/RATES & CRUDE MARKETS:

Indication Levels Only – Please Contact us on Reuters Dealing Code NBAD for any pricing or information.

Currency	Spot	1M	2M	3M	6M	9M	12M	2Y
USD/AED	3.67295/305	-1/+2	2/5	3/8	8/18	15/30	30/45	90/140
USD/SAR**	3.7500/02	-3/+2	-3/+2	-3/+2	3/8	12/22	30/50	170/220
USD/QAR**	3.6500/6600	Par/20	10/30	20/50	50/100	80/130	130/170	150/350
USD/KWD	0.30050/70	-30/-20	-55/-30	-70/-40	-100/-70	-130/-80	-160/-90	-150/-50
USD/OMR	0.38499/502	5/15	10/30	25/50	90/140	200/300	300/400	800/1100
USD/BHD	0.37705/10	4/14	15/35	30/50	60/90	100/200	150/250	650/850
USD/MAD	9.2150/2350	80/180	200/500	300/700	650/1650	1000/3000	1500/3500	3000/6000
USD/EGP NDF	17.70	17.76/17.82	17.86/17.92	17.96/18.02	18.28/18.34	18.65/18.71	19.05/19.11	-
USD/JOD	0.7088/7098	30/70	50/150	80/180	100/300	200/500	275/675	400/800
USD/NGN NDF	360.00	361.00/366.00	363.00/368.00	364.00/369.00	370.00/375.00	376.00/381.00	382.00/392.00	(NAFEX)
USD/GHS NDF	4.4500	4.49/4.59	4.53/4.63	4.57/4.67	4.70/4.80	4.83/4.93	4.95/5.10	-
USD/TND	2.4400/4700	200/300	400/600	500/800	1000/1500	1500/2500	2000/3000	4000/6000
<b>Crude Oil</b>	<b>Futures</b>							
WTI	69.20							
Brent	75.00							

NOTE: \*\* (offshore levels) - Also please note we are now using the NAFEX fixing for NGN.

## AED AND SAR IRS SPREADS

Currency	1Y	2Y	3Y	4Y	5Y	6Y	7Y	10Y
AED SPREAD	+17/23	+22/28	+28/34	+34/40	+40/46	+48/54	+56/62	+76/84
SAR SPREAD	+13/19	+23/29	+33/39	+43/49	+53/59	+63/69	+73/79	+95/103

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

## AND FINALLY...

Did you know that Rwanda is currently ranked as the 9th safest country in the world by the World Economic Forum?

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