

MIDDLE EAST & AFRICAN MONITOR

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REGIONAL COMMENTARY

Latest Platts Survey Predicts A US\$75 Average Oil Price in 2019.

The Brent crude price is forecast to average US\$75 a barrel next year according to a recent analyst survey by S&P Global Platts. This outlook was supported by the general view that OPEC will announce a significant output cut at its annual gathering next month and that the annual natural demand for oil will continue to expand by 1.3 – 1.4 mio bpd.

Saudi Arabia's Crown Prince Visits Regional Allies.

The Crown Prince of Saudi Arabia Mohammed bin Salman, accompanied by a number of senior Saudi officials and ministers, is currently undertaking a regional tour ahead of his expected attendance at the G20 summit in Argentina at the end of this month. The Prince arrived in the UAE last Thursday for a three-day visit and was welcomed by the Crown Prince of Abu Dhabi, Sheikh Mohamed bin Zayed, who tweeted later: "Delighted to welcome our state guest, brother Prince Mohammed bin Salman. We're proud of our deep-rooted ties. Close cooperation and a fruitful partnership lies in store for our countries. The UAE will always be a loving and supportive home for our brothers in Saudi Arabia." Mohammed bin Salman also met with the UAE Vice President and ruler of Dubai, Sheikh Mohammed bin Rashid Al Maktoum, as well as attending the Abu Dhabi F1 Grand Prix before travelling to Bahrain on Sunday, where he held discussions with King Hamad bin Issa Al Khalifa, Prime Minister Khalifa bin Salman Al Khalifa and Crown Prince Salman bin Hamad Al Khalifa. He will then reportedly head to Tunisia and Egypt later this week.

US Warns Global Tanker Firms Against Breaking Iran/Syria Sanctions.

The US Treasury Department has issued a fresh warning to international shipping companies against transporting any Iranian oil or petroleum products to Syria. It also unveiled new sanctions against nine Iranian individuals and entities, who the US government claims have been involved in conducting such activities. "These shipments create significant sanctions risk for entities and individuals in the shipping industry, including insurers, shipping companies, financial institutions, and vessel owners, managers, and operators," a statement by the US Treasury read and which you can access in full [here](#). Meanwhile the commander of Iran's Revolutionary Guards 'Airspace' division, Amir Ali

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Hajizadeh, claimed via a state media outlet last Wednesday that regional US bases and aircraft carriers are now within the range of his country's latest missile batteries. "They are within our reach and we can hit them if the Americans make a move," Hajizadeh apparently stated via the Tasnim news agency according to Reuters.

Civil Servants Go On Strike In Tunisia.

Hundreds of thousands of public sector workers in Tunisia went on strike last week demanding higher wages. The sector's UGTT union has now reportedly called for further nationwide strikes and protest action in January after the government said that although it would conduct a salary review, it did not have the funds to meet the union's demands and that civil servants should appreciate the country's difficult financial situation. Tunisia is also trying to reduce its budget deficit in line with an IMF program.

All Six GCC Members Will Attend Annual Summit.

According to an article in the UAE's National newspaper Kuwait's Deputy Foreign Minister, Khaled Al Jarallah, was quoted last week stating that, representatives from all six GCC member countries will attend the grouping's annual summit, which this year is due to be held in Riyadh on the 9th of December.

Egypt & China To Build Closer Military Ties.

China's Defence Minister, Wei Fenghe, said late last week that his country was keen to enhance "strategic communication" between the PLA and the Egyptian military as well as conducting more regular professional exchanges, joint exercises and training. His comments, which were published on the Xinhua website, came after he held an official meeting with the Egyptian Armed Forces Chief of Staff, Lieutenant-General Mohamed Farid, last Thursday.

Saudi Aramco To Invest US\$500 Bio Over A 10 Year Period.

As a part of Saudi Aramco's aim to become a global refiner and chemical firm it's CEO, Amin Nasser, stated recently that the company planned to invest up to US\$500 bio over the next ten years of which US\$100 bio would go into new chemical projects, US\$160 bio in natural gas developments and the balance into a doubling of its refining capacity and other diversified opportunities. This significant investment sum will come on top of its planned purchase of SABIC. Aramco's desire to become a global refiner and chemical manufacturer also aligns with the Kingdom's aim to diversify away from its current heavy reliance on oil related revenues. "You can absorb market volatility when you are balanced between upstream and downstream, this is where our strategy is going," Nasser was quoted as saying by Bloomberg, adding that Aramco was still committed to an IPO, "It is all about timing" he said.

UAE Approves Long-Term Visa Program.

The UAE cabinet officially approved a long-term residency visa program for investors, entrepreneurs, scientists and other talented individuals this past weekend. Details of the program can be accessed via this [link](#).

Nigeria's CB Says Close To Settling MTN Dispute.

The governor of Nigeria's Central Bank, Godwin Emefiele, announced last Thursday evening that the regulator was close to sealing an agreement which would end a US\$8.1 bio dispute with the South African based telecom giant MTN. "We have held meetings with the MTN group and we are at the verge. I am optimistic that we have reached the end of the road," Emefiele was quoted as saying by Reuters. MTN's share price rose by over 4% on Friday morning on the back of the governor's comments.

South Africa To Invest US\$1 Bio In South Sudan.

South Africa's Energy Minister, Jeff Radebe, announced last Friday that his government plans to invest up to US\$1 bio into South Sudan's oil sector including exploration and the construction of a new refinery. South Sudan is home to an estimated 3.5 bio barrels of oil, the 3rd largest in Africa.

Hyundai Wins LNG Ship Order From Kuwait.

South Korea's Hyundai Heavy Industries has reportedly received a US\$213 mio order for three LNG supertankers from the Kuwait Oil Tanker Company.

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	3.67295/305	1/3	3/6	5/10	12/17	18/28	33/43	100/130
USD/SAR	3.7519/21	-2/+1	-2+1	-2/+1	7/17	25/35	70/85	270/300
USD/QAR	3.6520/40	Par/+5	3/8	5/15	10/30	15/45	20/50	50/150
USD/KWD	0.30415/425	-14/-9	-28/-18	-40/-25	-60/-40	-90/-60	-130/-100	-180/-130
USD/OMR	0.38501/504	7/17	20/40	30/50	100/130	180/230	280/330	600/700
USD/BHD	0.37695/700	20/30	30/45	50/70	100/130	160/190	200/250	400/500
USD/MAD	9.4650/4850	600/900	800/120	1100/1700	1800/2800	2400/3400	3000/4500	3500/6500
USD/EGP NDF	17.91	18.03/18.08	18.19/18.24	18.38/18.43	18.88/18.93	19.38/19.43	19.89/19.94	-
USD/JOD	0.7095/7105	40/90	45/145	100/200	150/350	250/500	350/750	750/1750
USD/NGN NDF	363.50	364.50/365.50	366.50/368.00	368.50/370.00	375.50/378.50	383.50/387.50	392.00/395.00	(NAFEX)
USD/GHS NDF	4.8600	4.92/4.97	4.96/4.99	5.00/5.10	5.17/5.27	5.34/5.48	5.50/5.65	-
USD/TND	3.0250/0650	350/550	700/1000	1000/1500	1500/2500	2000/3500	3000/4500	5000/8000
Crude Oil	Futures							
WTI	51.10							
Brent	60.00							

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

AED AND SAR IRS SPREADS

Currency	1Y	2Y	3Y	4Y	5Y	6Y	7Y	10Y
AED SPREAD	+25/31	+28/34	+38/44	+49/55	+61/67	+73/79	+85/91	+114/122
SAR SPREAD	+23/29	+32/38	+42/48	+52/58	+62/68	+73/79	+84/90	+109/117

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

AND FINALLY...

Did you know that despite being one of the driest and hottest places on earth, the Sahara Desert is home to an estimated 500 species of plants and about 70 species of animals ?

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