



"It is during our darkest moments that we must focus to see the light."

Aristotle Onassis
Businessman
1905 - 1975

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The Middle East Observer

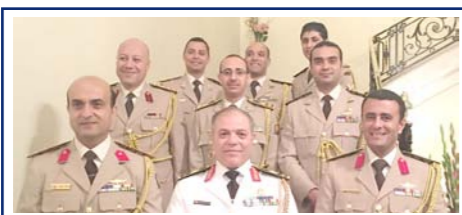
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"A loving heart is the truest wisdom."

Charles Dickens
Novelist
1812 - 1870



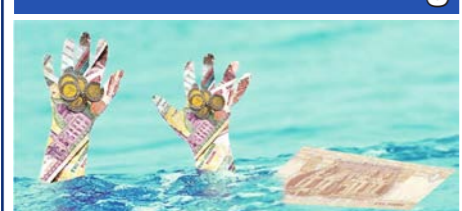
United Kingdom's celebration of 6th October 1973's victory



Head of Sugar Division: Sugar shortage crisis would be resolved by importing 400 tons of sugar



Prior actions to the IMF loan are almost completed



The devaluation of the pound: Hope is in production



Al Ezz Dekheila Steel Company (EZDK)

The Egyptian Ministry of Petroleum announces its plan to provide the markets with petroleum products

Saudi Aramco suspends supply of petroleum products to Egypt

The spokesman for the Ministry of Petroleum Hamdy Abdul-Aziz has stated that the minister of petroleum has received a phone call from Saudi Aramco stating that the company would only stop supplying petroleum products to Egypt during October. The spokesman for the Egyptian General Petroleum Corporation (EGPC) pointed out that in order to avoid the potential for petroleum product shortage, especially gasoline and diesel shortages, and its economic implications; the EGPC has taken a number of measures, including launching tenders to import the petroleum products (diesel, gasoline and fuel oil). This in order to, bridges the future market shortfall of



700 thousand tons that should have been supplied by Aramco.

The EGPC spokesman noted that petroleum products supplied by Aramco to Egypt have been awarded to suppliers in order to bridge the shortfall as quickly as possible.

The EGPC spokesman confirmed that Aramco would only stop supplying petroleum products to Egypt during October and the deal concluded between the company and the ministry has not been canceled.

Saudi Arabia agreed to provide Egypt with 700,000 tons of refined petroleum products a month under a \$23 billion deal over five years between Saudi Aramco and the Egyptian General Petroleum Corporation. Under this deal, Egypt will buy 400,000 tons of gas oil, 200,000 tons of gasoline and 100,000 tons of fuel oil per month, all on a credit line with a 2 percent interest rate to be repaid over 15 years. Egypt will launch a number of tenders to buy the fuel needed for the local consumption. The Egyptian General Petroleum Corporation (EGPC) plans to allocate more than \$500 million loan to be granted by the central Bank of Egypt in order to purchase needed petroleum products.

Sahar Nasr discussed 33 projects totalling \$2.26bn with the mission of the AFDB

Dr. Sahar Nasr, the Minister of International Cooperation, received a mission from the African Development Bank (AFDB) in the presence of Dr. Leila Mokaddem, AFDB resident representative for Egypt, at headquarters of the ministry. The mission would follow up the steps taken by the government to implement its economic program in order to take (AFDB) loan worth \$500m allocated to support the government's economic program. The Bank's on-going portfolio in Egypt consists of 33 projects totalling \$2.26 billion in many vital fields, notably electricity, energy, irrigation and agriculture drainage, transportation and small and medium enterprises, in addition to strategic collaboration between Egypt and AFDB amounting to \$ 3 billion over four years.

Peak oil takes a backseat to peak demand by 2030

The balancing of supply and demand, and not the price of a barrel of oil, is the key concern for oil-producing nations. "My eyes aren't on the price, my eyes are on supply and demand," said Saudi Arabia's Minister of Energy, Industry and Mines, Khalid Al Falih, in conversation with John Deferios, Anchor & Global Emerging Markets Editor, CNN, after making the opening keynote address at the 23rd World Energy Congress. The Minister affirmed the kingdom's commitment to hydrocarbons but said that the world needs to continue investing in all energy sources.

First Solar commissions 52.5MW solar plant in Jordan

First Solar, a US-based global provider of comprehensive photovoltaic (PV) solar systems, has commissioned the 52.5 megawatt (MW) AC Shams Ma'an project in Jordan, on schedule. The plant is owned by a consortium of investors consisting of Diamond Generating Europe Ltd., Nebras Power Q.S.C. and the Kwar Group. First Solar significantly contributed to the development of the project before divesting its stake and being appointed the Engineering, Procurement and Construction (EPC) contractor.

Greece gets positive review but euro zone withholds part of new loan payment

Euro zone finance ministers gave Greece a positive review of its reforms on Monday but divided up the latest tranche of aid to Athens, disbursing a 1.1 billion euro loan, but postponing its decision on a further 1.7 billion payout to later in October. As part of an 86 billion euro bailout program agreed last year with other euro zone members, the third such package since 2010, Greece needs to complete a wide range of reforms on pensions and labor markets, carry out privatizations and tackle other sensitive issues. But in a meeting in Luxembourg the euro zone finance ministers decided to split the payment in two parts and gave their political green light only to a 1.1 billion euros payment.

Oil soars to one-year high on Putin output cap comment

Oil rose to one-year high after Russian President Vladimir Putin said on Monday that his country was ready to join OPEC efforts to stem the decline in crude prices through an output cap, said a report. Speaking at the World Energy Congress in Istanbul, Putin said he hoped the producers' group would decide

at its next ministerial meeting in November to adopt quotas for member countries' output, reported The Financial Times. Last month, OPEC countries reached an agreement in Algiers to curb production to between 32.5m and 33m barrels a day. But details for a binding deal to reduce supply, which would be the

first since the financial crisis, still need to be finalized. Putin said the fall in prices by more than 50 per cent since mid-2014 had triggered the longest period of investment decline in 45 years. The drop in funding into future production could lead to "unpredictable jumps" in prices. Brent crude, the international

benchmark, increased as much as \$1.47 to \$53.50 a barrel after Putin's remarks. This is the highest level since October 9 last year. Saudi Arabia's Energy Minister Khalid Al Falih said earlier in the day that he was optimistic a deal would be struck, but any OPEC output curbs should not be too severe.



Putin with Saudi Arabia's Energy Minister Khalid Al Falih



General Fahmy Mujahid

Cairo International Airport the first gate in the journey to Egypt

The Major General Fahmy Mujahid, the Interior Minister Assistant for the Security of the Cairo Airport, gave directives to heads of Cairo Airport police, Major General Adel Abd El-Fattouh, the security agent of Cairo Airport, General Amr Mortada, Director of Passport Department, and Colonels Hasim Nofal, Motaz Yousef, Amr Abd El-Razek and Mahmoud Darwish to provide the passengers with all conveniences and necessary services in order to project a positive image of Egypt to all passengers and tourists. The Cairo Airport is definitely the perfect place to leave a good impression for being the first gate into Egypt.

By Ahmed Youssef

Sharjah International Book Fair revealed details of 35th Edition 2nd - 12th Nov.

The Sharjah Book Authority (SBA) holds a press conference on 11 October to announce details of the 35th edition of the Sharjah International Book Fair (SIBF). The press conference was attended by Ahmed bin Rakkad Al Ameri, Chairman of SBA, HE Abdul Aziz Taryam, CEO Advisor and General Manager of Etisalat Northern Emirates, Khalid Al Midfa, Director General of Sharjah Media Corporation and a number of representatives of SIBF sponsors.

This year, the press conference recalled the first memories of SIBF and the history of its inception. It will be held in a tent similar to the old Expo Centre in Sharjah, which witnessed the first editions of SIBF being held in the 1980s. The conference's speakers unveiled the activities and programs at SIBF including the Cultural Program, the kid's Program, the Cultural Café, and the Cookery Corner Program.



Ahmed bin Rakkad Al Ameri

They also announced key cultural, intellectual and media personalities from around the world who would be participating. Details of many of the publishing houses, officials and cultural entities were also revealed as well. Over three and a half decades, the SIBF has become one of the major events that support cultural tourism, locally, regionally, and internationally. The only event that readers and intellectuals await from year to year and most of them visit Sharjah Emirate and the UAE only to attend the exhibition over its 11-day duration in order to buy books, meet their favourite book writers and celebrities, and participate in many fun and useful activities.

The next edition of SIBF will be one of its most important editions over the last decade because it coincides with the 35th anniversary of its inception and with the celebrations of the UAE of 2016 as the Year of Reading. By Rania Imam

Oman's convention centre set for grand opening

Oman Convention & Exhibition Centre (OCEC), the sultanate's landmark business events hub located in Seeb area, is set to officially open its doors on Monday (October 10). The 6th edition of Oman's International trade event for infrastructure and industrial projects, will be the opening event at the brand new facility. One of the region's leading facilities for conferences and exhibitions, OCEC has been developed by Omran, a government-owned company mandated to drive the investment, growth and development of the tourism sector in Oman. Omran is the master developer of major tourism, heritage and urban

developments in the sultanate. Located about 4 km from the Muscat International Airport, the new convention centre is part of Madinat Al Irfan Urban Development. It boasts two-tiered auditoriums that can seat 3,200 and 450 people, while the five exhibition halls will feature 22,000 sq m of column-free exhibition space. Designed to meet the demands of global conference organisers, are 19 meeting rooms, conveniently located on the second floor and easily accessible from the Theatre and Grand Ballroom, which offer 25-360 seats and overlook luscious landscapes, said the statement from Omran.



The Ministry of Antiquities: Egyptian museums open free of charge to visitors on 22 Oct.

"Dr. Khalid Anani, the Minister of Antiquities, decided to open all archaeological museums all over Egypt to foreign, Egyptian and Arab visitors free of charge on 22 October as part of the Ministry of Antiquities' celebration of 150 years of Egyptian parliamentary life", said Mustafa Amin, the Secretary General of the Supreme Council of Antiquities. Amin said, "This decision coincided with the country's recent national events in order to join the Egyptian people in celebrating this historic event that is politically and archaeologically important." He added, "The parliament building is listed on the country's heritage list as an Islamic and Coptic monument as per ministerial decree No.1237 of 1986, pointing out that the main objective of this decision is to raise people's historical and archaeological awareness, whether young or old, and familiarize them with this important historical and archaeological event.

GCC bond market to continue gaining momentum

The GCC bond market, which saw record sales in the first half of 2016, is expected to continue experiencing an increase in the volume of issuances, according to analysis from Indosuez Wealth Management. Indosuez Wealth Management added that in the current environment of lower interest rates, the hunt for higher yields and longer bond duration is driving the demand for USD bonds higher. This situation is making bonds in 'High Growth Markets' a top performing asset class, with a growth of 11.5 per cent on a year-to-date basis. Christiane Nasr, director & senior investment advisor, Indosuez Wealth Management, said: "Despite the strong year-to-date performance, more spread compression in 'High Growth Markets' could be still achievable by the end of 2016 without ruling out a degree of volatility along the way. In this over-

all context, the GCC region will increasingly gain more momentum as an attractive and more secure bond market for international institutional investors. Technical aspects should remain supportive with the upcoming GCC bond supply expected to be well absorbed by a broad range of international investors, with notable large-scale sovereign debt issuance by Saudi Arabia and Kuwait, along with corporate/quasi-sovereign/GRE debt issuance by Oman Oil, Saudi Electricity, Investment Corporation of Dubai and Ooredoo. This is expected to be the case despite the GCC's corporate bond market tightening by only 4bps YTD, making it the lowest amongst its peers in High Growth Markets; with Latin America, Emerging Europe and the Asian bond markets tightening by 163bps, 100bps and 51bps respectively.

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Why? How? What would happen after the enactment of justice against sponsors of terrorism act (JASTA) now?

These are all questions that are going to be discussed and analyzed for the upcoming months, after JASTA has become a fait accompli that would definitely have implications on the global economy. Why has the USA stood by Iran, and punished the Kingdom of Saudi Arabia, which is one of the main countries to combat terrorism?! has become a fait accompli as the Congress, with both the Senate and the House of Representatives, has overwhelmingly insisted to reject President Barack Obama's Veto as predicted by the Middle East Observer newspaper in its issue No.(19) 11 May 2016 Y63...

The possibility of an economic warfare in courts

In an unprecedented move, the US Congress hands the US President Barack Obama the first veto override of his presidency. Obama has vetoed for JASTA, that would allow the families of Sept. 11 victims to sue the Saudi Arabia, which raises the question of would the United States fully undermine its relations with all Gulf countries

because of this bill?

JASTA is an amendment of an act of 1967 that protects other countries from being sued in the United States, which would give the right to the families of Sept. 11 victims to sue any Saudi government official whom they suspect of being involved in Sept. 11 attacks.

The new amendment provides that the United

States federal courts shall hear any civil lawsuits filed against any sovereign countries that knowingly or recklessly contribute material support or resources, directly or indirectly, to persons or organizations that pose a significant risk of committing acts of terrorism". Therefore, victims of terrorism would hold countries accountable.

The Saudi Arabia can deliberately disclose, in cooperation with its allies, some sensitive secrets that can be used against Washington, as has been the case with JASTA. Here is the bottom line that has raised concerns of the US Defense Secretary Ashton Carter that made him to state that allowing JASTA to become law could lead to American citizens being sued over foreign practices backed by Washington.

Obama, referring to his rejection of JASTA, said that the act could lead to US companies, soldiers and officials being sued and losing important allies during this political turmoil. The danger of JASTA is the fact that it would restructure the interna-

tional relations and diplomatic concepts; perhaps the most significant danger is that citizens of a country would sue another country over acts of citizens of the latter, which is unprecedented in the international law. For its part, the Saudi Foreign Ministry condemned in a statement on Thursday the passage of JASTA that holds suing the Saudi Arabia in order to claim compensations, describing it as "a major concern". The statement, which was carried on SPA, said, "The erosion of sovereign immunity will have a negative impact on all nations, including the United States". Observers predicted that Saudi Arabia would diminish its cooperation with the United States in

the fight against terrorism after the US Congress has passed the act that Riyadh considers a stab in the back, believing that Iran may have a hand in its passage. Dr. Sayed Hussein, director of Arab Center for Political & Strategic Studies, said, "Iranian lobby in the United States could cause a confrontation between the GCC countries led by Saudi Arabia and the American friend and ally with which they have strong strategic agreements and interests.

He stressed that this resolution has very serious implications as the GCC would at least withdraw all investments and money from the United States, noting that volume of Gulf countries' money deposits in the

United States represents 15% of the US economy and it is certainly an impressive figure. He also stressed that the Saudi Arabia would not take any unilateral on-the-ground action as evidenced by the fact that a number of GCC countries have spoken out to reject this bill prior to the vote on its passage. If the United States therefore goes in that direction, there will be an economic and political war, which will inevitably have negative effects on its economy.

The Saudi Arabia has major lobbying tools, including suspending official contacts and withdrawing billions of dollars from the US economy, which would raise difficulties for the US authorities as quoted by New

York Times earlier when it confirmed that the Saudi Arabia had threatened to withdraw nearly \$ 750 billion from the United States if the bill has been passed.

The money is in the form of treasury bonds and other assets in the United States. The American newspaper has quoted Saudi Foreign Minister Adel Al-Jubeir back then as saying that he has informed the American legislators that the Saudi Arabia would have to sell up those assets over fears of being in jeopardy of seizure as part of legal proceedings.

By Rania Imam
Eiman Rashed

US history of violation

Now that JASTA allows German, Japanese, Vietnamese, El Salvador, Iraqi, Libyan and Yemen citizens whom have been victims of the US actions to sue the United States and what can it do after the US Defense Secretary Ashton Carter has stated that allowing JASTA to become law could lead to the United States being sued over foreign practices backed by Washington or US military operations, which are as follows:

April 1916

The United States Marine Corps (USMC) suppressed an uprising in the Dominican Republic and occupied the entire country later on in early May and it has pursued its occupation for eight years.

May 1945

The US air force bombed the German city of Dresden despite the fact that the Russians had moved across the city and it was no longer a military target. The bombing has killed 150,000 civilians and ruined 60% of the city's buildings.

August 6, 1945

The US president ordered the dropping of an atomic bomb on Hiroshima and Nagasaki that have killed 78,150 persons and mutilated dozens of victims.

August 9, 1945

The US President Truman ordered to drop the second atomic bomb on the Japanese city of Nagasaki where 73,884 people were killed, 60,000 people were injured and all animal species, insect and plants were totally annihilated.

December 24, 1966

The US troops have killed 125 Vietnamese civilians despite the fact that he has declared cessation of December 1981. The Atlacatl Battalion linked to the CIA has killed 1000 people in an orgy of murder, rape, and burning in El Salvador.

January

6 February 28 1991

The US forces have destroyed more than 8,437 houses, 157 bridges and railroads, 130 primary and secondary power plants, 249 kindergartens for children, 139 social welfare homes, 100 hospitals and 1991. The US bombers have stroked Amiriyah shelter in Baghdad, killing dozens of children, women and the elderly.

September 28, 1997

The Iraq has declared that more than 1.2 million people have died due to shortage of medical supplies since the imposition of the embargo against Iraq.



JASTA law is nothing but a blackmail to the Gulf States

The GCC states has considered JASTA Law as nothing but an American blackmail, as violating the Charter of the United Nations, seriously challenging established principles and norms of international relations and posing a threat to the sovereignty enjoyed by the states. The GCC states asserted that this bill would have negative implications on the relations among states, including Washington. Moreover, it would cause tremendous global economic damage. Some politicians questioned the reasons behind the enactment of this legislation today after fifteen years of the September 11 attacks. Is this bill merely a judicial blackmail that aims at putting pressure on the states that the lawyers of the families of September 11 victims claim to be responsible for terrorist attacks in order to loot billions of dollars or is it merely a propaganda for the upcoming U.S presidential election on both presidential or parliamentary level?

H.H. Sheikh Abdullah bin Zayed Al Nahyan, United Arab Emirates Minister of Foreign Affairs and International Cooperation, has expressed

the UAE's serious concern about the US Congress adopting this law, considering this law as contradicting the principle of sovereignty enjoyed by states; such obvious violation would definitely have negative implications and danger outcomes. H.H. Sheikh Abdullah warned of the negative effects of the act on all countries, including the United States itself, as well as on the international relations, emphasizing that such law would negatively affect the international efforts and international cooperation to combat terrorism.

Many GCC political analysts believed that Washington has adopted "creative chaos" policy over the past years. That the September 11 attacks have served the US interests in pursuing this policy, as it has occupied Iraq and Afghanistan and has come up with a new policy to support radical movements. Moreover, JASTA Law serves as a tool to put pressure on the Gulf States and allows Iranian influence to strengthen on the other hand.

By Mohrram Fouad

Is JASTA a weapon against US?

However, Dr. Mohammed Hussein, Professor of International Relations at the University of Cairo, had a different opinion as he considered this bill as a very normal step and the US President is entitled to address the Congress every 6 months for rejecting to enforce the bill, arguing that the time is not currently appropriate.

He added in his statements that the bill would serve as a threatening tool that is on the shelf so that the Saudi Arabia or other Arab countries would not even dare to mess with the Russian bear, which has now a sword and shield in the Middle East region.

He explained that he believes that the bill has positive aspects that can serve as a weapon to be used by the Arab countries, such as Iraq, Syria and Libya, which have been damaged by the United States in order to sue the United States over the devastation of these countries that was mainly caused by the U.S military interventions.

He noted that the Saudi Arabia could not withdraw its money from the United States as some have been saying; simply because the money is in the form of bonds and assets and not cash flow and the United States would therefore reject to hand over money of the Saudi Arabia.

According to figures obtained by Bloomberg last March, the Saudi government held \$117 billion in US Treasury debt and may have additional holdings that are not included in the data on deposit with the New York Federal Reserve Bank, in entities, in third countries or through positions in derivatives.

Saudi Arabia investigates selling off \$10bn bonds

The U.S Economic News Agency Bloomberg stated that Saudi Arabia has embarked on a series of negotiations with international financial institutions, in order to sell its bonds in a number of countries in the world. This took place less than a week after Congress unblocked legislation allowing the families of 9/11 victims to sue Riyadh. The negotiations aim at luring more overseas investments into the Saudi local market to plug the shortfall in its budget.

The Agency said that JPMorgan Bank officials, the U.S largest banking and financial service provider, have attended a two-day meeting with a number of top Saudi financial officials to discuss their desire to lure

more overseas investment into its markets. They have also discussed implications of passage of JASTA Law on Saudi financial markets and its impact on investors' confidence in Riyadh.

The Agency pointed out that a number of top officials of the Saudi Economy Ministry and the Central Bank, and some officials of a number of Saudi companies such as STC, SABIC and Samba have also attended these meetings. Bloomberg has recently quoted a source as saying Riyadh is weighing a sale of at least \$10 billion in 5-, 10- and 30-year bonds. It should be noted that Saudi Arabia has warned earlier of implications of JASTA Law.



European countries: JASTA violates the international law


Paris has restated its rejection to JASTA, following the statement of Finance Minister Michel Saban; the Foreign Ministry has considered the said act as violating the international law. The Foreign Ministry Spokesman Romain Nadal said in the weekly press conference, "France and European countries consider JASTA as contravening international law.

Nadal also said that France, which is fighting militants along with its partners, including the United States, said this battle "should be waged through the respect of national and international laws."

The market was covered by an optimistic mood during the last week. The index of the thirty most actively traded shares EGX30 followed an upward trend for four consecutive sessions on the back of expectations that Egypt will get the IMF loan soon. The transaction on the Commercial International Bank shares which has the highest weight on the index was the main trigger of the increase. Banks are expected to be a major beneficiary of the deal as they need the foreign currency liquidity.

Bells from the Trading Floor

S&P 500 Index
1165.69



Barclays Bank



Britain's Barclays has completed the sale of its Egyptian business to Morocco's Attijariwafa Bank.

The sale will mean a cut of about LE 2 billion in Barclays' risk-weighted assets, boosting the bank's core capital ratio by about 0.1 percent said the British bank in a statement as part of its shift towards focusing on the United States and Britain.

While the bank did not announce

the value of the deal, sources had put it at \$400 million.

The London-based lender is seeking to sell its African operations as part of a plan by Chief Executive Jes Staley to simplify its structure and improve shareholder returns.

"The Egyptian economy and banking sector offer significant growth prospects in the medium and long term. Barclays

Bank Egypt, thanks to its positioning, highly talented management and motivated workforce, strong capitalization and clean balance sheet is the ideal platform to roll out Attijariwafa bank's universal banking model in Egypt." Attijariwafa Chairman and CEO Mohamed El Ketani said in a statement. "Attijariwafa Bank has activities in 20 countries. It has a market cap of \$ 7.4 billion."

Banque Du Caire



The state owned bank is being prepared to be floated. The government is looking for financial advisers for the IPO. There are four

Candidates: Pharos and Deutsche Bank, EFG Hermes and HSBC, CI Capital and Morgan Stanley

The size to be floated stake is

still unknown but it is widely believed the state will be looking to retain a minimum 51 per cent ownership stake.

RakBank offers \$10m loan to Lankan finance group

RakBank, one of the UAE's leading banks, said it has arranged a three-year \$10 million medium-term loan facility for DFCC Bank, a leading financial institution in Sri Lanka.

DFCC Bank will be using the funds for general expansion of its offshore banking unit (FCBU), said a statement from RakBank.

The loan deal was recently signed at Dubai International Financial Center (DIFC) in the

presence of Lakshman Silva, deputy chief executive officer, DFCC Bank, and Peter England, chief executive officer, RakBank.

On the deal, England said: "We are pleased to have partnered with DFCC Bank to support their general expansion plan of the offshore banking unit."

This medium term financing allows us to diversify our asset book into various geographies while introducing DFCC Bank

to the region."

Silva said this is the Lankan bank's first foray into a Middle Eastern market for medium/long term financing.

"We have strong aspirations to grow our offshore banking business and these funds will provide the right momentum to achieve the growth plans and support our expansion strategy," he noted.

— TradeArabia News Service

Orascom Telecom Media and Technology Holding (OTMT)



The company owned by IT tycoon Naguib Sawiris said it is in deadlock with the Egyptian Financial Supervisory Authority regarding "breaches" in its recent acquisitions.

The company's board is planning to convene to discuss how the company will continue its business given its current inability to expand and perform its core business normally, according to a statement by the company.

The conflict broke out when OTMT Acquisition asked EFSA for to declare it had no

objection to OTMT-Beltone's LE1 billion acquisition of CI Capital.

The bid for CI Capital was scrapped in June after EFSA declined to issue the certificate of non-objection for a whole six months.

"EFSA was not able to make a decision to reconcile and conclude the procedures necessary for the reconciliation until date, which had a negative effect on the company shareholders, as well as the complications resulting from hindering the acquisition of CI Capital."



\$126m

Sedco Capital, a leading Saudi licenced asset manager, said it has acquired seven quality properties across the kingdom on behalf of its second real estate income fund for SR473 million (\$126 million) over the past 19 months.



10%

Saudi-based Almarai, the largest dairy company in the GCC, made a net profit of SR654.6 million (\$174.3 million) in the three months to September 30, up 10 per cent from 595.1 million (\$157.4 million) in the year-earlier period.



\$68m

Dubai's RTA has completed construction works of Dubai Parks & Resorts bridges project in cooperation with Meraas Holding at a cost tag of Dh250 million (\$68 million), said RTA's Mattar Al Tayer, director-general and chairman.



5,000

Bahrain government will soon start work on the East Sitra Housing Project which will see the construction of 5,000 residential units across the kingdom, said a report.



\$176bn

Dubai's non-oil foreign trade added up to Dh647 billion (\$176 billion) during the first half (H1) of the year, with imports claiming the lion's share at Dh401 billion, while exports and re-exports accounted for Dh74 billion and Dh172 billion, respectively, according to figures released by Dubai Customs.



\$10m

RakBank, one of the UAE's leading banks, said it has arranged a three-year \$10 million medium-term loan facility for DFCC Bank, a leading financial institution in Sri Lanka.

Al Ezz Dekheila Steel Company (EZDK)



EZDK's stock has come under heavy selling pressure over the past weeks due to the fact no decision has been taken in regard with reducing gas price and conflicting statements made by both the government and Egyptian Natural Gas Holding Company (EGAS). Despite the expected growth rate of the stock, short-term investments are still advised not to buy the stock currently.

The Prime Bank predicted that EZDK would deliver weak results during the third quarter of the year 2016, which could lead to a huge wave of stock selling. Based on the current prices, Prime Bank advises short-and long-term investors to start buying the stock.

The bank stated that amount of natural gas supplied to reduced iron pro-

duction plants would increase by the fourth quarter of the year 2016. Due to low household power consumption, this would improve operational performance of the company. Egypt is expected to resolve the foreign exchange crisis through granting external loans and to resolve the natural gas shortage crisis by 2017.

The bank explained that the fact that natural gas price has not been reduced in conjunction with increase in EGP to USD expected exchange rate would negative impact on the value of the stock. Especially after E-gas has announced in early September its rejection of the government's decision made in March 2016 to reduce the price of natural gas supplied to steel and iron factories from \$ 7 to \$ 4.5.

Beltone Financial Holding (BFH) & Auerbach Grayson

Beltone Financial Holding (BFH) a leading Egypt-based investment bank announced it has acquired a 60% stake of Auerbach Grayson & Company, LLC. A New York-based company specializing in providing global security brokerage services and financial research on developed frontier and emerging markets in over 120 countries to major funds and investment institutions.

Naguib Sawiris, the owner of BFH and the CEO of Orascom Telecom Media and Technology (OTMT), said "The Auerbach Grayson acquisition is a natural extension for our businesses and is the first step in our strategy to create a major Middle East-based global investment bank"

Dr. Sameh El-Torgoman, the CEO of BFH, said, "We are delighted to sign the agreement and to work with Auerbach Grayson in order to expand BFH business and providing its products in the US market, in addition to boosting our expansion plans in frontier and emerging markets"

David Grayson, co-founder and CEO of Auerbach Grayson, said, "I first visited Egypt in 1994, shortly after the government rewrote the capital market laws and started a series of privatizations. I immediately recognized the opportunity offered by investment climate in Egypt and within a year, Egypt became one of Auerbach Grayson's largest and most im-



Naguib Sawiris

portant markets as the company took part in the country's most notable capital markets deals."

He explained that Auerbach Grayson's success in Egyptian market encouraged the firm to expand into every country in the world. The firm has established its global network through partnerships with brokerage firms and local and regional banks in emerging, developed, and promising markets in the world with research coverage of listed companies in these areas.

The firm has recently expanded into US block trading, global block trading and global program trading. Through its new partnership with BFH, the firm will expand into asset management and investment banking in many markets.

Qalaa Holdings S.A.E growth in revenues



Ahmed Heikal

Qalaa Holdings S.A.E, a Leader in Energy and Infrastructure investments in Africa and the Middle East, has released its consolidated and standalone financial results for the year ending 30 June 2016, reporting revenues of EGP 1.8 billion during the second quarter only and net loss of EGP 287.1 million during the same period.

The company has regrouped the financial results for the second quarter of the year 2015 in order to facilitate evaluation of the company's financial performance. The company has excluded the financial results of companies ASEC Minya, ASEC Ready Mix Co., Misr Cement Qena, El Rashidi El Mizan, Rashidi for Integrated Solutions (RIS), Bright Petroleum and Tanmeyah Micro Enterprise Services after the

sale of its stakes in those companies.

Qalaa Holdings' growth in revenues was driven by the increase in revenues of TAQA Arabia Co. at an annual rate of 18 % during the second quarter of the year 2016 and the increase in revenues of ASEC Holding by 13% during the same period.

During the first six months of the year 2016, Qalaa Holdings' revenues amounted to EGP 3.5 billion while its net loss amounted to EGP 529.8 million.

Operating profits of the company before interest, tax, depreciation and amortization was EGP 92.9 million, with an annual decline rate of 40% compared to EGP 155.6 million during the second quarter of the year 2015.

The company's administration expresses confidence that the operating profits will be significantly higher in the upcoming period, especially after overcoming the wave of disturbances that faced investments in the cement industry, particularly the Sudanese Al-Takamol Cement Plant. Hisham El-Khazindar, Qalaa Holdings Co-Founder and Managing Director, explained that project implementation rate amounted to 90% and it is expected to perform operating tests in the upcoming months. Complete mechanical works by the second half of the year 2017 and monitor indicators of stable growth in revenues and profits of TAQA Arabia Company.

