

MASHREQ GLOBAL DIGEST MENA

November 17 – November 23



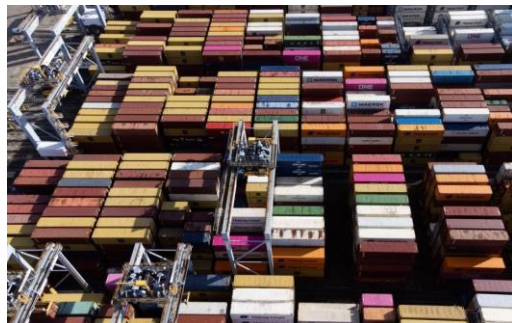
This issue of Market Digest provides a detailed overview of inflows, outflows, and deals shaping the MENA region, with insights at both country-level and corporate-level activities.

Country-Level Flows and Deals

UK Close to \$73B Gulf Trade Agreement

The UK is nearing a free trade agreement (FTA) with the Gulf Cooperation Council (GCC), a bloc of six Middle Eastern nations, including Saudi Arabia, UAE, Qatar, Kuwait, Oman, and Bahrain. This deal, worth \$73 billion annually, aims to boost UK-GCC trade by 16% and add \$2.1 billion to the UK economy in the long term. This agreement is part of efforts to enhance Gulf economic diversification and attract UK foreign investment. If signed, it will mark a significant milestone for the Labour government and strengthen UK-Gulf ties.

Reference: [Bloomberg](#)



US-UAE Climate-Friendly Farming Partnership Reaches \$29B

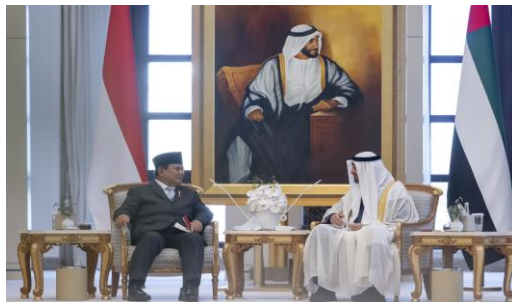
At the COP29 climate summit in Baku, the US and UAE announced that their Agriculture Innovation Mission for Climate initiative has reached \$29.2 billion in funding. Launched in 2021, the program aims to reduce the climate impact of agriculture and enhance farming resilience to global warming. The initiative, which has secured \$17 billion at COP28 and \$8 billion at COP27, supports over 130 projects with 800 partners, focusing on reducing methane emissions, aiding small farmers, and advancing agricultural research.

Reference: [Reuters](#)

UAE-Indonesia Trade Targeted at \$10B

UAE President Sheikh Mohamed bin Zayed Al Nahyan and Indonesian President Prabowo Subianto met in Abu Dhabi to reaffirm their commitment to expanding bilateral ties. They discussed the UAE-Indonesia Comprehensive Economic Partnership Agreement (CEPA), which was signed in 2022, and explored new opportunities for collaboration in sectors such as infrastructure, renewable energy, food security, and healthcare. The leaders highlighted the growing economic ties, with non-oil trade increasing by 12% in 2023, reaching \$4.6 billion, and set a goal to reach \$10 billion in trade.

Reference: [WAM](#)



Egypt Signs Deals to Enhance Energy and Industrial Cooperation

On November 21, 2024, Egyptian Prime Minister Dr. Mostafa Madbouly and UAE Minister Dr. Sultan Al Jaber attended the signing of several memoranda of understanding (MoUs) to strengthen Egypt-UAE cooperation. Key projects include the development of solar power plants, a 2 GW battery storage facility, and a UAE-Egypt industrial zone in East Port Said, aimed at promoting sustainable growth, energy efficiency, job creation, and industrial ties. Additionally, Egypt signed an MoU with UAE's "Global South Utilities" and China's "Weiheng" to establish a 1 GW energy storage battery factory with a \$12 million investment, further enhancing its renewable energy infrastructure.

Reference: [WAM](#), [SkyNews](#)

Saudi Arabia Signs 15 Agreements, Boosting GDP by \$3.3B

At the Local Content Forum in Riyadh, Saudi Arabia signed 15 agreements across multiple sectors, including manufacturing, technology, and transportation, with an estimated SR12.4 billion (\$3.3 billion) boost to GDP. Key deals include partnerships with Saudi National Automotive Manufacturing Co., NAFFCO, Alfanar, and others to localize manufacturing and production. The forum also introduced Sadara Chemical Co.'s "Wattenha" program to support local suppliers and Saudi Arabia Railways' SR15 billion Saudization initiative. The automotive sector aims for 500,000 vehicles produced annually by 2030. These initiatives are key to Saudi Arabia's Vision 2030, aiming to enhance domestic industries.

Reference: [Arab News](#)

China Issues Sovereign Bonds in Riyadh

Chinese banks, including Agricultural Bank of China, Bank of China, and ICBC, issued \$2 billion in sovereign bonds in Riyadh, receiving nearly 20 times the amount in subscriptions, highlighting confidence in China's economy and strengthening Saudi-Chinese financial ties.

Reference: [Global Times](#)

Kenya to Draw \$1.5B Loan from Abu Dhabi

Kenya plans to draw down on a \$1.5 billion loan from Abu Dhabi in installments to stay within borrowing limits set by its IMF program. The first tranche of approximately \$700 million is expected to be accessed in early 2025, with the remainder potentially disbursed later, depending on circumstances.

Reference: [Bloomberg](#)

Corporate-Level Flows and Deals

MENA Sees \$71B in M&A Deals As of Q3 2024

In the first nine months of 2024, the MENA region saw 522 M&A deals valued at \$71 billion, a 9% increase in deal volume and 7% rise in deal value compared to 2023. The UAE and Saudi Arabia were the top destinations, with 239 deals worth \$24.5 billion. Sovereign wealth funds, including ADIA, Mubadala, and PIF, led the M&A activity. Cross-border deals made up 52% of the volume and 73% of the value. The U.S. was the preferred target for MENA investors, with \$18.3 billion in deals. Insurance and oil & gas sectors were the most attractive. The MENA M&A market is expected to exceed 700 deals by year-end, near the five-year high of 750.

Reference: [Economy Middle East](#)

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Saudi Aramco Plans \$1B Investment in Mavenir

Saudi Aramco Digital is in advanced talks to acquire a significant minority stake in U.S.-based telecommunications software maker Mavenir, potentially valuing the company at \$3 billion. The deal, expected to finalize by year-end, would mark Aramco's first major investment in telecoms, aligning with Saudi Arabia's Vision 2030 goals of tech innovation and diversification. Aramco is also considering a \$200 million joint venture with Mavenir to develop technology in the region. This funding would boost Mavenir's 5G advancements and 6G readiness as the telecom sector evolves.

Reference: [Reuters](#)

Red Sea Wind Energy Secures \$51M Loan for Expansion

Red Sea Wind Energy secured a \$51 million loan from Japan Bank for International Cooperation (JBIC) to expand its 500 MW wind farm in Ras Ghareb by 150 MW. Co-financed by EBRD, Sumitomo Mitsui, Norinchukin, and Société Générale, the total funding amounts to \$106 million. The Egyptian government has guaranteed a 25-year power purchase agreement, supporting its goal of 42% renewable energy by 2030.

Reference: [Zawya](#)



Egyptian Billionaire to Join U.S. Consortium for Telegraph Acquisition

Former UK Chancellor Nadhim Zahawi and Egyptian-born billionaire Mohamed Mansour are in advanced discussions to join a US-led consortium bidding to buy The Telegraph. The acquisition, valued at £550 million, is nearing completion, with exclusivity talks set to end soon. There is also potential for an extension. The deal follows competition from other bidders and involves multiple financial backers, including US investment groups. If finalized, this acquisition will mark a significant step in the ongoing battle for the 169-year-old British newspaper.

Reference: [Financial Times](#)

Startups Secured \$12M in Qatar Funding

Startups in Qatar benefited from around \$12 million in funding through the Startup Qatar initiative, launched during Web Summit Qatar 2024. This initiative aims to foster innovation and entrepreneurship, aligning with the Qatar National Vision 2030. The inaugural Web Summit in the Middle East has positioned Qatar as a regional hub for technology, with 95% of participants expressing interest in returning next year and two-thirds considering relocating to Doha.

Reference: [Zawya](#)

Rothschild & Co and BlackRock Expand in UAE

Rothschild & Co has opened a wealth management office in Dubai to serve ultra-high-net-worth individuals and institutions in the region. Led by Sascha Benz, the office plans to expand its team over the next 18 months. Meanwhile, BlackRock has secured a commercial license to operate in Abu Dhabi and is seeking approval to establish a presence in the city's financial hub, ADGM, following its recent approval to set up a regional headquarters in Riyadh.

Reference: [Reuters](#), [Yahoo](#)

Citi Gets Approval for Riyadh HQ

Citigroup has gained approval to establish its regional headquarters in Riyadh. This decision supports the kingdom's push to diversify its economy and attract foreign investment through tax incentives. New regulations also require foreign firms to have regional offices in Saudi Arabia to avoid losing government contracts. Citi's CEO in Saudi Arabia, Fahad Aldeweesh, expressed confidence in the bank's growth in the country.

Reference: [Reuters](#)

Markets

Market Dashboard

- Wall Street ended the week higher, with all three major indexes showing gains. The S&P 500 rose by 1.68%, driven by strong business activity data, which reached a 31-month high. Investors were optimistic about lower interest rates and the potential for more business-friendly policies under President-elect Trump. Despite geopolitical concerns and the upcoming Federal Reserve decisions, the market remained steady.
- Bitcoin is nearing \$100,000, driven by optimism after Donald Trump's election win, with expectations for a crypto-friendly regulatory environment. The cryptocurrency has doubled this year, rising 40% since Trump's victory. Investors anticipate reduced regulatory scrutiny, boosting Bitcoin and related stocks. Vanek analysts predict Bitcoin could reach \$180,000 due to favorable regulatory changes, though they warn the market may be overheating and could face corrections.
- Gold prices surged above \$2,700 per ounce, fueled by safe-haven demand amid the Russia-Ukraine conflict. The metal is on track for its best weekly gain in nearly two years, up over 5.9%. Despite the U.S. dollar hitting a two-year high and bitcoin reaching a new peak, gold's appeal as a secure asset remains strong. Analysts predict further gains, with gold possibly reaching \$2,750 by mid-December.
- Oil prices rose about 1% to a two-week high, driven by heightened geopolitical tensions from the escalating Russia-Ukraine conflict. Brent crude settled at \$75.17 per barrel, while U.S. West Texas Intermediate reached \$71.24, with both benchmarks up roughly 6% for the week. J.P. Morgan projects Brent oil prices to average \$73 per barrel in 2025, potentially dropping below \$70 by year-end due to a forecasted surplus in global oil supply.
- The euro weakened to a two-year low against the dollar following disappointing Purchasing Managers' Index data from the eurozone and the UK, while U.S. business activity showed growth, pushing the dollar index up.

Indicators	15-Nov-24	22-Nov-24	% Change
S&P 500	5,870.62	5,969.34	1.68%
Bitcoin	91,066.01	98,997.66	8.71%
Gold	2,561.24	2,712.55	5.91%
Crude Oil	71.04	75.17	5.81%
EUR/USD	1.0530	1.0469	-0.58%

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