CLOSE RELATIONS | Page 3
Qatar, Turkmenistan chambers look to boost co-operation ties

Wednesday, September 13, 2023
Safar 28, 1445 AH
GULF TIMES
BUSINESS

BENEFICIAL PARTNERSHIP : Page 4
Qatar Chamber and ILO discuss plans to hold high level conference

Delegates at the workshop hosted by the Ministry of Environment and Climate Change.

HE the former Deputy Prime Minister and Minister of Energy Abdullah bin Hamad al-Attiyah, also founder and chairman of Al-Attiyah Foundation, speaking at the 'Workshop on Article 6 of the Paris Agreement and Climate Finance Mechanisms' in Doha yesterday. **PICTURE:** Shaji Kayamkulam

Al-Attiyah calls for collective efforts to mitigate and combat global warming

- **Al-Attiyah Foundation strategic partner of two-day workshop hosted by Ministry of Environment and Climate Change**

By Pratap John
Business Editor

Ministries and organisations in the country must work together to mitigate and combat global warming as Qatar, which is a signatory of the Paris Agreement, is committed to combating climate change, noted HE the former Deputy Prime Minister and Minister of Energy Abdullah bin Hamad al-Attiyah.

He was speaking at the 'Workshop on Article 6 of the Paris Agreement and Climate Finance Mechanisms' in Doha yesterday.

The Al-Attiyah Foundation is a strategic partner of the two-day event hosted by the Ministry of Environment and Climate Change.

Al-Attiyah, founder and chairman of Al-Attiyah Foundation, noted that when some 196 countries had adopted the Paris Agreement in December 2015, it was hailed as the last hope to preserve the health of the planet.

The agreement, he said, recognises the need for the widest possible co-operation by all countries and participation of all sectors of society, including the different tiers of government.

Under the Paris Agreement, each country has to set forth a climate action plan, which describes the country's targets, and how to achieve them.

Article 6 of the Paris Agreement includes provisions that allow countries to co-operate in order to achieve their Nationally Determined Contributions (NDCs).

It establishes market and non-market approaches and provides opportunities for countries to cooperate with one another to reduce emissions.

Many countries are finding that the use of markets and other economic variables, as incentives for the reduction of greenhouse gas emissions (GHG), is becoming popular in climate policy.

There is growing consensus on the key role of carbon markets in the decarbonisation of the industrial sectors.

More industry leaders are affirming that well-functioning carbon markets would create an incentive for companies to decarbonise, and a budget to finance climate action through carbon credits.

The World Bank, in its latest annual "State and trends of carbon pricing" report, noted that revenues from carbon taxes and emissions trading systems (ETS) have reached a record high of about $95bn, al-Attiyah noted.

This is despite the challenging context of governments facing high inflation, fiscal pressures, and energy crises.

According to the World Bank, as of May this year, some 39 national jurisdictions and 33 sub-national jurisdictions are implementing carbon pricing initiatives. The countries implementing these initiatives represent more than 70% of global GDP and cover about 23% of global GHG emissions.

"If a country wishes to maintain ambitious targets in its NDC, it cannot afford to ignore carbon markets. Carbon markets are proving to be an effective policy tool, with the potential to decarbonise various economic activities, unleash technological innovation, and generate revenues that can be put to productive use," al-Attiyah said.

He said, "This event comes at a time when we are seeing increased collaboration between countries, as well as public-private-partnership initiatives, on climate change. I commend the teams for arranging this timely event on a topic that provides opportunities for greater co-operation between nations.

"I congratulate the Ministry of Environment and Climate Change for bringing together stakeholders from the public and private sectors, to explore how the State of Qatar could operate an effective carbon markets system.

"Looking at the agenda, I am glad to see that we have brought together some of the world's most esteemed experts to share their views and insights on this important topic.

"As nations and major stakeholders will gather again this year at the UN Climate Change Conference (COP28), for the third time in the Mena region, this workshop will provide important inputs for Qatar's active and meaningful participation at COP28 in the UAE," al-Attiyah concluded.

The Ministry of Environment and Climate Change, and Al-Attiyah Foundation yesterday signed an agreement reaffirming their commitment to energy transition and global warming prevention. **PICTURE:** Shaji Kayamkulam

Ministry of Environment and Climate Change, Al-Attiyah Foundation sign agreement

The Ministry of Environment and Climate Change (MoECC) and Al-Attiyah Foundation yesterday signed an agreement reaffirming their commitment to energy transition and global warming prevention.

The agreement seeks to promote scientific and technical collaboration in environmental protection and climate change in Qatar and facilitate the joint hosting of events such as seminars and the exchange of impactful research between both parties.

It was signed by HE the Minister of Environment and Climate Change, Sheikh Dr Faleh bin Nasser bin Ahmed bin Ali al-Thani and HE the former Deputy Prime Minister and Minister of Energy, Abdullah bin Hamad al-Attiyah, also chairman of the Al-Attiyah Foundation.

Al-Attiyah expressed his pride at the growing relationship between both institutions and outlined the importance of agreements with organisations that have similar objectives and responsibilities.

"With this co-operation agreement, the Al-Attiyah Foundation becomes a strategic partner of the Ministry of Environment and Climate Change for the State of Qatar," al-Attiyah noted.

Fitch affirms QIIB's 'A-' rating; outlook 'positive'

QIIB has announced that global credit rating agency Fitch recently affirmed its rating at "A-"with a positive outlook.

In April of this year, Fitch had upgraded the bank's outlook from "stable to positive".

Fitch's new report emphasises that its affirmation of QIIB's rating has been based on several key factors, including the bank's financial stability, solid position, sufficient core capital, asset quality, reasonable profitability, and stable funding.

The report highlights that QIIB's profitability metrics are stronger than its direct competitors, based on high profit margins and effective cost management.

Also, the bank's funding primarily relies on customer deposits, a substantial portion of which comes from individuals or the retail sector, resulting in a lower concentration in deposit base compared to domestic competitors.

Furthermore, QIIB's dependence on external funding is also lower than its counterparts. Not to mention, the bank possesses a significant stock of liquid assets that support its financial position.

On Fitch's rating affirmation, QIIB chief executive officer Dr Abdulbasit Ahmed al-Shaibei commented, "We are pleased with Fitch's affirmation of QIIB's outstanding financial position within the Qatari banking sector undoubtedly, our robust financial position is derived from Qatar's strong economic foundation, which provides the necessary support and conducive opportunities for the prosperity of various business sectors, particularly the banking sector. Furthermore, we are indebted for our strong position to our commitment to the wise policies, regulations, and directives issued by Qatar Central Bank."

He noted, "Fitch's global credit rating of 'A-' with a positive outlook is a validation and recognition of the bank's sound strategy and direction. It is also evidence of our success in addressing various challenges and maintaining a comfortable growth rate that ensures continuous progress and the best possible response to our clients' expectations."

Dr Abdulbasit Ahmed al-Shaibei, QIIB chief executive officer.

Al-Shaibei expressed confidence that QIIB will continue to strengthen its financial position, leveraging opportunities in the local market as the primary and essential choice. Moreover, the bank will explore external opportunities with superior returns and lower risks.

Global credit rating agency Moody's had confirmed QIIB's rating at 'A2' with a stable outlook in June of 2022. Capital Intelligence also upgraded the bank's long-term rating to 'A+' with a stable outlook in February of this year.

Qatar Chamber director of Administrative and Finance Affairs Hussian Yusef al-Abdulghani and Turkmenistan Chamber of Commerce and Industry director Kepbanov Serdar during a meeting held in Doha.

Qatar and Turkmenistan chambers looking to boost co-operation relations

The chambers of commerce of Qatar and Turkmenistan recently held a meeting in Doha to review ways of enhancing co-operation relations.

The meeting was held between Qatar Chamber director of Administrative and Finance Affairs Hussian Yusef al-Abdulghani and Turkmenistan Chamber of Commerce and Industry director Kepbanov Serdar.

Both officials discussed ways to enhance commercial and industrial cooperation, encourage businessmen from both countries to form alliances and partnerships and promote investment climates and opportunities in both nations.

At the meeting, al-Abdulghani praised the close relations between Qatar and Turkmenistan and stressed their mutual desire to develop economic ties further. He emphasised the role of both chambers in enhancing cooperation by organising events that unite businessmen from both sides to explore co-operation prospects, form partnerships, and promote investment climates and opportunities in both countries.

Serdar assured that Turkmenistan businessmen are interested in learning about the investment opportunities available in the Qatari market and establishing partnerships with their Qatari counterparts. He also said mutual visits would contribute to increasing trade between both countries.

Noting that his country offers various incentives for foreign investors, Serdar invited Qatari investors to explore opportunities in Turkmenistan, particularly in the energy, food, and textiles sectors.

Opec sticks to oil demand growth view citing resilient economy

Reuters
London

Opec yesterday stuck to its forecasts for robust growth in global oil demand in 2023 and 2024 citing signs that major economies are faring better than expected despite headwinds such as high interest rates and elevated inflation.

World oil demand will rise by 2.25mn barrels per day (bpd) in 2024, compared with growth of 2.44mn bpd in 2023, the Organisation of the Petroleum Exporting Countries (Opec) said in a monthly report. Both forecasts were unchanged from last month.

Oil prices jumped by about 1% on Tuesday, boosted by a tighter supply outlook and Opec optimism over the resilience of major economies in the face of rising interest rates.

November Brent crude futures gained $1.16, or 1.3%, to $91.80 a barrel by 1335 GMT while US West Texas Intermediate crude futures for October firmed by $1.35, or 1.6%, to $88.64.

Brent breached $90 a barrel last week for the first time in 10 months after Saudi Arabia and Russia announced they would extend a combined 1.3mn barrels per day of voluntary supply cuts until the end of the year.

There is little doubt that the oil industry sees increasing likelihood of oil price inflation, said PVM Oil analyst John Evans, citing supply and demand fundamentals.

A lifting of pandemic lockdowns in China has helped oil demand rise in 2023. Opec has maintained a relatively upbeat view on 2024, seeing stronger demand growth than other forecasters such as the International Energy Agency.

"The ongoing global economic growth is forecast to drive oil demand, especially given the recovery in tourism, air travel and steady driving mobility," Opec said in the report. "Pre-Covid-19 levels of total global oil demand will be surpassed in 2023."

Oil demand collapsed in 2020, prompting some predictions of an early peak in world oil use. Opec has been consistently saying it would recover and said in the report demand would average 102.1mn bpd in 2023, above the pre-pandemic rate during 2019.

Opec and its allies, known as Opec+, began limiting supplies in 2022 to bolster the market. Global benchmark Brent crude breached $90 a barrel last week for the first time in 2023 after Saudi Arabia and Russia extended voluntary cuts until the end of the year.

Brent crude prices rose as high as $91.82 a barrel after the report was released, hitting a fresh 2023 high.

The IEA, which currently has a much lower view than Opec of 2024 demand growth, issues its latest outlook on Wednesday.

Opec held its forecast for world economic growth this year at 2.7% and kept next year's figure at 2.6% citing a resilient first half and a steady global growth trend that had continued into the third quarter.

"Emerging Asia, particularly India, Brazil and Russia, could further surprise to the upside," Opec said. "Moreover, if the US continues to keep its current momentum, growth could turn out to be higher than expected."

Local retail investors' net sell pressure drags QSE; M-cap loses QR1.22bn

By Santhosh V Perumal
Business Reporter

The Qatar Stock Exchange (QSE) yesterday lost more than 17 points, dragged mainly by the telecom, insurance, transport and real estate sectors.

The local retail investors were increasingly net sellers as the 20-stock Qatar Index shed 0.17% to 10,386.28 points.

The Arab institutions were seen net profit takers in the main market, whose year-to-date losses stood at 2.76%.

About 64% of the traded constituents were in the red in the main bourse, whose capitalisation eroded QR1.22bn or 0.2% to QR609.72bn with midcap segments losing the most.

The Gulf funds' weakened net buying had its influence on the main market, which had hit an intraday high of 10,415 points.

However, the domestic institutions turned bullish in the main bourse, which saw a total of 0.02mn exchange traded funds (sponsored by Masraf Al Rayan and Doha Bank) valued at QR0.07mn changed hands across five deals.

The foreign individuals were increasingly net buyers in the main market, which saw no trading of sovereign bonds.

The Islamic index was seen declining faster than the other indices in the main market, which saw no trading of treasury bills.

The Total Return Index fell 0.17%, the All Share Index by 0.18% and the Al Rayan Islamic Index (Price) by 0.49% in the main bourse, whose trade turnover grew amidst lower volumes.

The telecom sector index tanked 1.04%, insurance (0.74%), transport (0.42%), real estate (0.38%) and banks and financial services (0.24%); while consumer goods and services gained 0.25% and industrials (0.19%). Major shakers in the main market included Salam International Investment, Widam Food, Mazaya Qatar, Masraf Al Rayan, Qamco, Alijarah Holding, Mannai Corporation, Baladna, Meeza, Mesaieed Petrochemical Holding, Qatar Insurance, United Development Company and Ooredoo.

In the venture market, both Al Faleh Educational Holding and Mahhar Holding saw their shares depreciate in value.

Nevertheless, Al Khaleej Takaful, Gulf International Services, Commercial Bank, Zad Holding, Al Meera, Industries Qatar, Barwa and Gulf Warehousing were among the gainers in the main bourse.

The local individuals' net selling expanded perceptibly to QR23.22mn compared to QR20.81mn on September 11.

The Arab institutions turned net sellers to the tune of QR0.16mn against no major net exposure the previous day.

The foreign institutions' net buying weakened significantly to QR2.93mn compared to QR23.27mn on Monday.

The Gulf institutions' net buying also decreased markedly to QR4.75mn against QR12.45mn on September 11.

However, the domestic institutions were net buyers to the extent of QR7.86mn compared with net sellers of QR6.93mn the previous day.

The foreign individual investors' net buying grew noticeably to QR6.08mn against QR2.45mn on Monday.

The local retail investors were increasingly net sellers as the 20-stock Qatar Index shed 0.17% to 10,386.28 points

The Arab retail investors turned net buyers to the tune of QR3.42mn compared with net sellers of QR7.15mn on September 11.

The Gulf retail investors' net profit booking eased perceptibly to QR1.66mn against QR3.27mn the previous day.

Trade volumes in the main market fell 15% to 249.32mn shares, while value shot up 7% to QR697.77mn and deals by 3% to 21,604.

The venture market saw a 24% expansion in trade volumes to 0.41mn equities, 2% in value to QR0.66mn and 4% in transactions to 48.

Financial wealth in Qatar expected to reach $388bn by 2027, says BCG

By Santhosh V Perumal
Business Reporter

Financial wealth in Qatar is expected to grow by 5.1% annually to reach $388bn by 2027 with ultra-high net worth (UHNW) individuals tipped to be the major contributors to the country's wealth growth, according to Boston Consulting Group (BCG).

"Representing 4.1% of the region's financial wealth in 2022, Qatar's trajectory signifies strong economic growth and resilience in the face of global challenges," said Markus Massi, managing director and senior partner at BCG.

The country's thriving entrepreneurial spirit, coupled with calculated risk-taking, has contributed to this remarkable growth, demonstrating its leadership in the region, he said. Highlighting that UHNW individuals are the major contributors to Qatar's wealth growth; BCG said in 2022, approximately 38% of Qatar's wealth came from UHNW individuals, worth more than $100mn.


Markus Massi, managing director and senior partner at BCG.


Nimrod Pais, managing director and partner at BCG.

This contribution is expected to increase to 40% by 2027.

Additionally, individuals with wealth between $1mn and $20mn held 16% of Qatar's wealth in 2022, with this figure remaining the same in 2027. Meanwhile, individuals' worth under $250,000 held 28% of the wealth in 2022, expected to decrease to 27% by 2027.

"The success of Qatar in attracting and retaining high net worth individuals has been instrumental in driving its economic growth. These individuals not only drive innovation and investment in the region but also contribute to the continued prosperity of Qatar," said Nimrod Pais, managing director and partner, BCG. Equities and investment funds are the largest asset class in Qatar, making up 48% of total personal wealth in 2022, it said, adding life insurance and pensions are expected to have the fastest growth rate of 7.1% compound annual growth rate between 2022 and 2027.

Highlighting the growth of real assets and liabilities in Qatar; it said real assets in Qatar decreased by 0.8% per year from 2017 to 2022, reaching $266bn, and are projected to increase by 5.1% per year to $341bn by 2027.

In comparison, liabilities in Qatar grew by 1.3% per year during the same period and are expected to grow by 2.6% per year to $38bn by 2027. "This balanced growth reflects a nation that takes calculated risks, contributing to overall economic growth," it said.

Qatar's industrial production surges 4.2% year-on-year in June: PSA

By Santhosh V Perumal
Business Reporter

Qatar's industrial production expanded 4.2% year-on-year in June 2023 on faster extraction of hydrocarbons and higher growth in certain non-oil sectors such as food products and chemicals, according to official data.

The country's industrial production index (IPI), shot up 4.2% on a monthly basis in the review period, according to the figures released by the Planning and Statistics Authority (PSA).

The PSA introduced IPI, a short-term quantitative index that measures the changes in the volume of production of a selected basket of industrial products over a given period, with respect to a base period 2013.

The mining and quarrying index, which has a relative weight of 82.46%, soared 5.3% on a yearly basis owing to a 5.3% increase in the extraction of crude petroleum and natural gas and 2.8% in other mining and quarrying sectors.

On a monthly basis, the sector index was seen gaining 5% on account of a 5% surge in the extraction of crude petroleum and natural gas, even as other mining and quarrying sectors fell 1.1% in the review period.

The manufacturing index, with a relative weight of 15.85%, shrank 1.1% year-on-year this June as there was a 11.3% contraction in the production of rubber and plastics products, 9.1% in printing and reproduction of recorded media, 6.3% in refined petroleum products, 5.6% in cement and other non-metallic mineral products, and 2.7% in basic metals.

Nevertheless, there was a 4.1% jump in the production of food products, 1.8% in chemical and chemical related products, and 0.4% in beverages in the review period. On a monthly basis, the manufacturing index was down 0.4% owing to 5.8% decline in the production of basic metals, 4.3% in printing and reproduction of recorded media, 1% in food products, and 0.9% in chemicals and chemical related products.

However, there was a 6.5% expansion in the production of refined petroleum products, 4.7% in beverages, 2.7% in rubber and plastics products, and 0.1% in cement and other non-metallic mineral products in the review period.

Electricity, which has a 1.16% weight in the IPI basket, saw its index decline 0.8% year-on-year but shot up 8.4% month-on-month in June 2023.

In the case of water, which has a 0.53% weight, the index was seen expanding 2.1% on both annual and monthly basis respectively in the review period.

Qatar Chamber, ILO discuss plans to hold high-level conference

Officials of Qatar Chamber held a meeting yesterday with a delegation from the International Labour Organisation (ILO).

Naser al-Meer, the representative of employers at Qatar Chamber, led the meeting with Deborah France Massin, director of ILO's Bureau for Employers' Activities.

Also present at the meeting were members of the chamber's working team, including Al-Anoud al-Mohannadi, director of the Member Affairs Department; Maryam al-Sorour, assistant director of the Administrative & Finance Department; Hamad al-Marri, assistant director of the Legal Affairs Department; and Mohamed Saad al-Mohannadi, director of the general manager's office.

The meeting was also attended by Jose Manuel Checa, senior specialist on employers' activities at the ILO's regional office in Beirut; and Max Tuñón, head of the ILO office in Doha.

Naser al-Meer, the representative of employers at Qatar Chamber, led the meeting with Deborah France Massin, director of ILO's Bureau for Employers' Activities, at the Chamber's Doha headquarters yesterday.

During the meeting, both sides discussed ways to enhance co-operation for the benefit of the Qatari private sector. The chamber also proposed the organisation of a high-level conference with the attendance of dignitaries from both sides and government agencies.

Addressing the meeting, al-Meer praised the close co-operation between both parties and their commitment to creating a mutually beneficial partnership for the advantage of the Qatari private sector.

He stressed that the proposed conference presents an opportunity for the private sector to understand the roles of the ILO at all levels, recognise the accomplishments of both organisations, and explore future cooperation possibilities.

Al-Meer emphasised that the conference is expected to yield valuable results, recommendations, and several memoranda of understanding in areas, such as training, research, technology, and support for small and medium-sized enterprises (SMEs).

Furthermore, al-Meer stressed that the Qatari private sector has successfully adapted to the labour and business laws enacted in recent years. In her remarks, Massin expressed enthusiasm for the proposed conference and emphasised the importance of co-operation and partnership with Qatar Chamber in areas, such as research, technical training, vocational safety, and the sharing of expertise from other countries.

For his part, Checa welcomed the chamber's proposal, noting that the conference would provide an opportunity to showcase the ILO's efforts and achievements. He noted that the scope of the ILO's work extends beyond labour issues, encompassing areas, such as training, research, technology, SMEs, and more.

Checa highlighted the conference's importance in addressing topics, such as SMEs, labour market skills, supporting employers' policies that are aligned with that of the State, as well as promoting women's participation and the inclusion of persons with disabilities in employment.

Both sides agreed to establish a joint working team to schedule and discuss the agenda and timing for the proposed conference.

Qatar's private sector credit growth to ease significantly but higher interest rates to support profitability: S&P

By Santhosh V Perumal
Business Reporter

Qatar's private sector credit is expected to continue to grow at a "significantly" reduced pace through 2023, even as higher interest rates is slated to support profitability of the country's banking sector, according to Standard and Poor's (S&P), a global credit rating agency.

Finding that credit to the private sector expanded by less than 1% at the end of May 2023, well below the growth rates of recent years; S&P said the completion of the country's major infrastructure projects in time for the 2022 FIFA World Cup means that credit to contractors is no longer required.

Trade and consumption lending are still likely to see the strongest growth, buoyed by the wealthy population and the still relatively high oil prices Qatar's liquefied natural gas prices are linked to, it said.

"Qatari banks' overall credit supply, as opposed to private sector credit, could decrease in 2023, as the Qatari government gradually reduces its debt burden," the credit rating agency said.

Expecting higher interest rates will continue to support profitability; it said some banks' balance sheets shrunk in the first half of 2023, but most lenders reported gains in net profitability, which supports its expectation that ROE (return on equity) will expand in 2023.

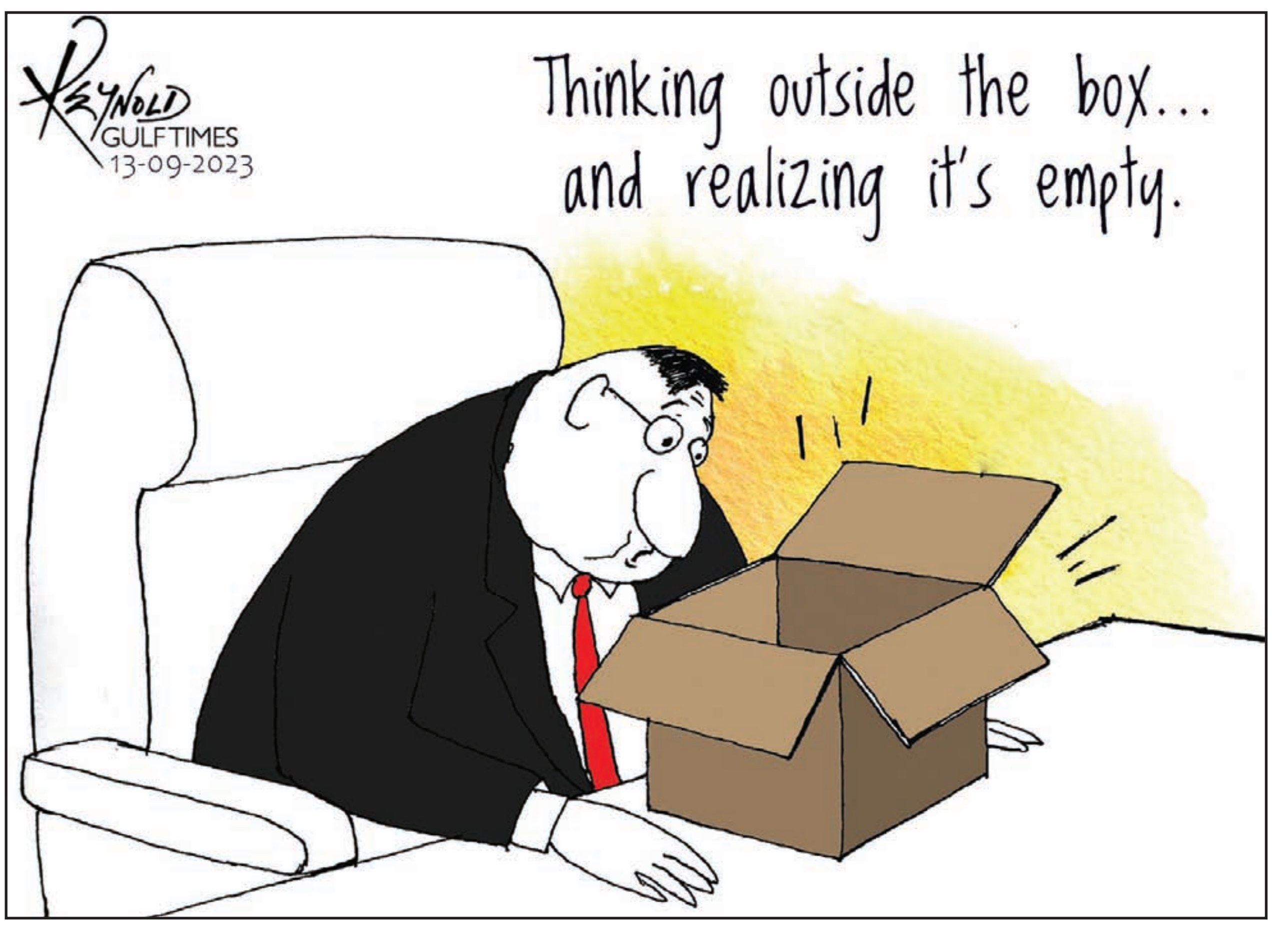
S&P said banks' underlying performance should bolster capitalisation, but potentially higher domestic funding costs and adjustments relating to the performance of subsidiaries in Turkiye could limit profit growth.

Finding that external indebtedness has started to reduce but remains a key risk; the rating agency said both lower demand and the introduction of new prudential regulations to disincentivise non-resident-driven balance sheet growth has led to a reduction of nearly 10% ($18bn) in total external funding between the end of 2021 and May 2023.

The reduction of almost 10% includes a decline in non-resident deposits of 37% and an increase in interbank lines of 25%, according to the report.

"We expect overall external liabilities will continue to decrease gradually for the rest of the year, as domestic funding sources replace shorter-term interbank borrowing. That said, replacing non-resident deposits with domestic sources will likely increase overall funding costs," it said.

Expecting a "slight" deterioration in asset quality, but robust public sector exposure remains "significant"; S&P said it anticipates that higher-for-longer interest rates and subdued real estate prices could put pressure on Qatari borrowers and retail sub-sectors. Additionally, macroeconomic strains in Turkiye and Egypt will likely contribute to loan losses in 2023, it added.



Apple unveils iPhone 15 with 48-megapixel camera

Reuters
California

Apple yesterday unveiled a new iPhone 15 with a brighter display and a 48-megapixel camera as well as 100% recycled cobalt in its battery, amid a global smartphone slump and problems with sales in China.

Apple said the iPhone 15's satellite connectivity can now be used to summon roadside assistance. It is rolling out the feature out with the American Automotive Association (AAA) in the US.

Apple said that USB-C charging cables are coming to both its iPhone 15 and the charging case of its AirPods Pro devices, allowing the use of the same charging cables already used for iPads and Macs.

It will feature the same A16 Bionic chip inside that previously formed the brains of the iPhone 14 Pro.

An Apple executive said the company used machine learning to detect a person in the frame, allowing users to turn a picture into a portrait immediately or later in the Photos app. The event at Apple's Cupertino, California, headquarters comes amid lingering economic uncertainty, especially in China, Apple's third-largest market where it faces challenges from expanded restrictions on using its iPhones in government offices and the first new flagship phone in several years from Huawei Technologies.

Apple also showed off a new Series 9 Watch with a feature called "double tap" where users tap thumb and finger together twice, without touching the watch, in order to perform tasks like answering a phone call.

It uses machine learning to detect tiny changes in blood flow when the user taps their fingers together, freeing up the other hand for other tasks like walking a dog or holding a cup of coffee, said Apple Chief Operating Officer Jeff Williams.

The Apple Watch Ultra 2 has new features for cycling and diving and what Apple said is the brightest screen it has ever made.

Apple will no longer use leather in any of its products, said Lisa Jackson, the company's environmental chief.

The company is replacing some of those products with a textile called "FineWoven" that it says feel like suede.

CEO Tim Cook also said Apple is "on track" to ship its Vision Pro mixed-reality headset early next year.