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BUSINESS

HIGH-STAKES BID : Page 4

Spectre of Trump tariffs spurs global interest in US gas contracts

Ooredoo to build large international submarine cables connecting GCC countries and Iraq

Ooredoo Group has signed a "historic" agreement to build a new submarine cable connecting seven countries in the region – Qatar, Oman, the UAE, Bahrain, Saudi Arabia, Kuwait and Iraq – with Alcatel Submarine Networks (ASN), a leading French company in the manufacture and installation of submarine cables.

The Fibre in Gulf (FIG) project will provide all GCC countries with a low latency, shorter and secure route to a new corridor connecting Europe with up to 24 fibre pairs and a capacity of up to 720Tbps. This advanced infrastructure will deliver exceptional connectivity benefits to hyperscalers, business customers, governments, AI providers, data centres and telecom operators, by enhancing network reliability and security, as well as significantly enhancing connection speeds.

The region's digital industry is set to receive a significant boost from Ooredoo's investment, which will support the growth of cloud services, big data initiatives, and the acceleration of digital transformation across the region.

Aziz Aluthman Fakhroo, Group CEO, Ooredoo, said: "This historic project aligns with Ooredoo's ambitious strategy to lead in digital infrastructure by expanding network capacity and interconnectivity across the GCC and beyond.

"We will deliver cutting-edge technologies to the region while ensuring sustainable growth for our investors through long-term revenue from rising data demand and market leadership in digital infrastructure. This initiative positions Ooredoo as a key player in addressing the rapidly growing data demand between Asia and Europe."

Alain Biston, CEO, ASN, said: "We are honoured to partner with Ooredoo on the Fibre in Gulf (FIG) submarine cable project, a game-changing initiative that will mark a turning point in regional connectivity across the GCC. Leveraging ASN's cutting edge technologies and operational excellence, this state-of-the-art infrastructure will reliably deliver exceptional capacity and connectivity, empowering the region's digital transformation ambitions and establishing it as a pivotal hub for global data exchange."

Ooredoo has been cementing its position as the leading digital infrastructure provider in the region through its initiatives in artificial intelligence (AI), data centres, submarine cable systems, fintech, and Internet of Things (IoT) technologies.

The company became the first NVIDIA Cloud Partner in the region in 2024 and is set to deploy advanced GPU chips during the first quarter of this year.

Ooredoo Oman, an Ooredoo Group company, last year signed an agreement to land the 2Africa Cable System in Barka and Salalah in Oman.

Najib Khan, Group Chief Business Services Officer, Ooredoo, said: "We are excited to launch this strategic project, which features state-of-the-art technologies deployed for the first time in the region. This will provide substantial benefits to hyperscalers, business customers, governments and AI application providers.

"It reflects our commitment to becoming the leading digital infrastructure provider in the region, delivering innovative business services and driving regional growth."

Ooredoo Group has signed a "historic" agreement to build a new submarine cable connecting seven countries in the region - Qatar, Oman, the UAE, Bahrain, Saudi Arabia, Kuwait and Iraq - with Alcatel Submarine Networks (ASN), a leading French company in the manufacture and installation of submarine cables

QCB Governor attends Financial Stability Board Regional Consultative Group meeting in Sharm El-Sheikh

HE the Governor of the Qatar Central Bank Sheikh Bandar bin Mohammed bin Saoud al-Thani participated in the meeting of the Financial Stability Board Regional Consultative Group for the Middle East and North Africa (Mena), which was held on January 29-30 in Sharm El-Sheikh, Egypt. The meeting discussed a number of topics on the agenda and appropriate decisions were taken.

Qatar posts 8-fold jump in contracts in oil sector; total contracts awarded at $19bn in 2024, says Kamco Invest

By Santhosh V Perumal
Business Reporter

Qatar witnessed an almost eight-fold jump year-on-year in contracts in the oil sector, leading the total value of contracts awarded in the country reach about $19bn in 2024, according to Kamco Invest, a regional economic thinktank.

The total value of contracts awarded in Qatar witnessed a moderate increase of 4.5% year-on-year, reaching $18.9bn in 2024, Kamco Invest said, quoting data from MEED Projects.

"This growth in contract awards was primarily attributed to a significant rise in the value of projects within Qatar's oil sector, which recorded an almost eight-fold increase to reach $6.3bn in 2024, up from $809mn in 2023," Kamco Invest said.

The oil sector accounted for 33.5% of the total contracts awarded in the country during the year. Conversely, Qatar's gas sector, typically the largest in terms of project value, witnessed a 49.5% year-on-year decline, to $6bn in 2024.

Meanwhile, the power sector saw a "substantial" surge, with the total value of contracts awarded increasing 7.5 times to $3.4bn, up from $448mn in 2023. This represented the second largest absolute growth in project value within the country.

Qatar also witnessed several major project awards during the year, with two of the largest contracts making into the top 20 projects in the GCC or Gulf Co-operation Council region.

These included the $4bn QatarEnergy LNG – North Field Production Sustainability: Phase 2 project and the $2.1bn NOC – Al Shaheen Oil Field Development: Ruya Development: EPC-11.

The Ruya Development contract is a subcontract of the significant North Oil Company expansion project at the Al-Shaheen offshore oil field. In this context, Qatar's North Oil Company has awarded $6bn worth of EPC contracts for a project aimed at increasing oil production by approximately 100,000 barrels per day from the Al-Shaheen Oil Field.

The total value of contracts awarded in the GCC reached a new record in 2024 at $273.2bn, a 9.6% increase on an annualised basis. Growth in GCC contract awards was broad-based in 2024, with three of the six GCC countries experiencing at least double-digit year-on-year growth in the total value of contracts awarded, while four out of the six countries saw increases in the value of projects awarded.

Highlighting "strong" outlook for the GCC project market for 2025; it said following a record-breaking year for project market awards, the region is poised for another year of "significant" contract awards.

The outlook for 2025 remains "bright" for the GCC projects market with more than $120bn worth of projects already in the bid evaluation stage, that would mostly translate into awards, according to MEED Projects

Finding a lot of positive factors in the GCC to support the project market in 2025; Kamco said these include a thriving economic activity, government's resolve to execute projects before the deadlines, a supportive and strong banking sector, expected fall in interest rates, stability in regional geopolitical scenario, elevated oil prices and supportive government policies for private sector participation.

Overall, there are approximately $1.5tn worth of contracts in the pre-execution stage within the GCC, with Saudi Arabia holding the majority, it said, adding some of these contracts are expected to be awarded over the next 6-12 months, suggesting that 2025 could match or exceed the contract award figures of 2024, according to analysis by MEED Projects.

The largest proportion of these projects, approximately 35.3%, is in the design stage, while around 8% are in the bid evaluation stage.

In terms of country-specific project pipelines, Saudi Arabia has an estimated $770.5bn of projects in the pre-execution stage, followed by the UAE ($322.5bn), Oman ($165bn) and Kuwait ($121.1bn), respectively.

QCB bills auction receives bids worth QR6bn; allocated amount totals QR1.7bn

The Qatar Central Bank (QCB) bills auction received bids worth QR6bn, while the total allocated amount was QR1.7bn, according to the central bank.

The allocations were for six tenors – one new issuance and five tap issuances – ranging from seven days to 343 days, the QCB said yesterday.

QR500mn was allocated for a new issuance for seven days with a yield of 4.610%.

QR250mn was allocated for a tap issuance for 28 days with a yield of 4.584%.

QR250mn was allocated for a tap issuance for 91 days with a yield of 4.541%.

QR250mn was allocated for a new issuance for 182 days with a yield of 4.486%.

QR250mn was allocated for a tap issuance for 273 days with a yield of 4.472%.

QR200mn was allocated for a tap issuance for 343 days with a yield of 4.480%.

MPHC reports net profit of QR719mn in 2024

Mesaieed Petrochemical Holding Company (MPHC) has reported a net profit of QR719mn on revenues of QR2.8bn in 2024.

The board has recommended dividend distribution of QR377mn (equating to QR0.03 per share) for the second half, bringing the total annual dividend for 2024 of QR716mn, to a payout of QR0.057 per share, subject to necessary approval in the annual general assembly meeting.

"Despite the challenges presented by the current macroeconomic context and overall market volatility, MPHC's robust balance sheet underscores our enduring strength in both competitiveness and financial capabilities. Our strategic initiatives are designed to navigate these turbulent times. We remain steadfast in our commitment to delivering long-term value and stability to our stakeholders," said Ahmad Saif al-Sulaiti, MPHC chairman.

However, the net earnings fell 34% year-on-year due to lower selling prices and sales volumes, which led to a drop in the group's revenue, along with the contraction in profit margins.

The overall revenue was down 10% due to lower sales volumes in the petrochemicals segment, which was partially offset by higher sales volumes in the chlor-alkali segment.

MPHC maintained robust liquidity with substantial cash and bank balances. However, there was a decline due to the dividend payment for 2023 and the interim dividend for 2024 in addition to the payment of MPHC portion in the financing of the PVC project. This decrease was partially offset by positive cash flow generation during the review year.

The board has recommended dividend distribution of QR377mn (equating to QR0.03 per share) for the second half, bringing the total annual dividend for 2024 of QR716mn, to a payout of QR0.057 per share, subject to necessary approval in the annual general assembly meeting

The petrochemicals segment reported a 38% fall in net profit to QR547mn in 2024 on a 14% drop in revenue to QR2.1bn. The segment's revenue declined on lower selling prices and sales volumes.

The drop in sales volumes was primarily linked to lower production, due to reduced plant availability. Product prices also declined, mainly due to deteriorating macroeconomic fundamentals compared to last year.

The chlor-alkali segment reported a net profit of QR36mn, a 52% plunge on an annualised basis owing to higher cost of good associated with the increase in sales volumes, resulting from higher production output due to better plant availability in chlor-alkali facilities.

The boost in production and subsequent sales volumes increased the segment revenue by 5% to QR707mn. However, due to planned turnaround and higher direct costs the overall profitability declined compared with the previous year.

The sectors in which the group operates faced several challenges throughout the year. Demand remained weak due to stringent monetary policies and reduced consumer spending, the company said.

On the supply side, falling energy prices and improved logistics led to increased production, resulting in higher supply levels. This imbalance between demand and supply had impacted the group's average prices, it added.

"Despite these challenges, the group remained committed to operational excellence to navigate the turbulent environment successfully," MPHC said.

QSE edges down despite gainers outnumbering losers

By Santhosh V Perumal
Business Reporter

A day after the US Federal Reserve decided to maintain status quo in its benchmark rates, the Qatar Stock Exchange yesterday fell more than 13 points despite gainers outnumbering losers.

The local retail investors were increasingly net sellers as the 20-stock Qatar Index shed 0.13% to 10,666.71 points, although it touched an intraday high of 10,705 points.

The Gulf institutions were seen increasingly bearish on the main bourse, whose capitalisation was down QR0.1bn or 0.02% to QR623.71bn on the back of microcap segments.

The Gulf individuals were increasingly net profit takers in the main bourse, which saw as many as 0.04mn exchange traded funds (sponsored by Masraf Al Rayan and Doha Bank) valued at mere QR0.16mn changed hands across 10 deals.

The transport and banking counters witnessed higher than average selling pressure in in the main bourse, whose trade turnover and volumes were on the rise.

The Islamic index was seen gaining vis-à-vis declines in other indices of the main market, which saw no trading of treasury bills.

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

The Total Return Index fell 0.13% and the All Share Index by 0.13%; while the All Islamic Index grew 0.3% in the main market.

The transport sector tanked 1.99% and banks and financial services 0.28%; whereas telecom gained 1.11%, insurance (0.5%), industrials (0.36%), real estate (0.34%) and consumer goods and services (0.08%).

Major shakers in the main market included Milaha, Qatar German Medical Devices, Nakilat, Al Faleh Educational Holding, Doha Bank, QNB and Estithmar Holding.

In the junior bourse, Al Mahhar Holding saw its shares depreciate in value.

Nevertheless, about 52% of the traded constituents extended gains to investors in the main bourse with major movers being Qamco, Vodafone Qatar, Dlala, Mesaieed Petrochemical Holding, Dukhan Bank and Qatari Investors Group.

The Qatari individual investors' net selling increased noticeably to QR24.26mn compared to QR13.52mn on January 29.

The Gulf institutions' net profit booking strengthened marginally to QR9.21mn against QR8.76mn the previous day.

The Gulf retail investors' net selling expanded markedly to QR1.07mn compared to QR0.11mn on Wednesday.

The domestic institutions' net buying decreased significantly to QR0.78mn against QR6.73mn on January 29.

However, the foreign institutions' net buying soared perceptibly to QR38.15mn compared to QR26.51mn the previous day.

The Arab individual investors' net selling declined markedly to QR1.53mn against QR7.08mn on Wednesday.

The foreign individual investors' net profit booking eased marginally to QR2.86mn compared to QR3.76mn on January 29.

The Arab institutions had no major net exposure for the third straight session.

Trade volumes in the main market grew 27% to 216.73mn shares, value by 37% to QR439.91mn and deals by 25% to 15,902.

The venture market witnessed a 50% plunge in trade volumes to 0.04mn equities, 55% in value to QR0.09mn and 56% in transactions to 7.

Abu Dhabi wealth fund ADQ, Orion team up to invest $1.2bn in metals, mining

Reuters
Dubai

Abu Dhabi sovereign wealth fund ADQ has teamed up with Orion Resource Partners to form a joint venture that will invest in metals and mining, ADQ said on Thursday, as the wealth fund expands its critical minerals portfolio.

Under the 50-50 JV, which will be based in the UAE's capital, ADQ and global investment firm Orion will initially invest $1.2bn over four years in mining companies in emerging markets in Africa, Asia and Latin America, the fund said in a statement.

The partners will invest through different asset classes, including equity, senior debt and production-linked instruments, such as royalties.

Established in 2018, ADQ has a broad portfolio of domestic assets, including energy, healthcare, as well as transport and logistics such as Abu Dhabi state carrier Etihad Airways.

The fund had $225bn in assets under management at the end of June and has been investing in sectors that could help oil-rich Abu Dhabi speed up economic diversification plans aimed at cutting reliance on oil revenues.

"Downstream sectors such as manufacturing and clean energy are expected to directly benefit from the sourcing of critical raw materials" through the JV, ADQ said.

It will be part of the wealth fund's infrastructure and critical minerals cluster, which includes Australian infrastructure investor Plenary Group.

The new office will be headed by Philip Clegg, who has served as Orion's managing partner.

Saudi economy grows at fastest quarterly pace since 2022

Bloomberg
Riyadh

Saudi Arabia's economy grew in the fourth quarter at the quickest pace since 2022 as the non-oil sector expanded under the kingdom's multi-billion dollar plan to diversify from oil.

Gross domestic product rose 4.4% year-on-year, according to preliminary data from the country's General Authority for Statistics. It rose 2.8% in the previous quarter.

The non-oil economy — a priority for the government as it looks to open up to foreign investment and transform the country — expanded 4.6% in the three months through December. That compared to year-on-year growth of 4.3% in the prior quarter.

"The key story remains the buoyant non-oil activity," said Monica Malik, Chief Economist at Abu Dhabi Commercial Bank.

The Middle East's biggest economy is spending heavily on Crown Prince Mohammed bin Salman's Vision 2030 strategy. The kingdom has projected budget deficits through at least 2027 as it invests hundreds of billions of dollars on everything from electric vehicles to semiconductors and tourism resorts. That's as oil revenue has fallen from 2022, causing the budget to swing into deficit and leading the government to issue more bonds in international debt markets.

"A high level of Vision 2030-related investment and socio-economic reforms" are the main drivers of the non-oil growth, said Farouk Soussa, Goldman Sachs Group Inc's economist for the Middle East and North Africa. He sees annual growth at around 5% in the medium term.

The oil industry, still the main driver of the economy, grew 3.4% between October and December. It was flat in the third quarter.

The oil sector's strength in the fourth quarter "is surprising given the extension of Opec+ cuts until April," according to Soussa.

The Opec+ alliance, led by Saudi Arabia and Russia, has delayed the reversal of crude supply cuts begun in 2023 and designed to bolster prices. Those led Saudi Arabia's production to fall from around 10.5mn barrels a day to 9mn.

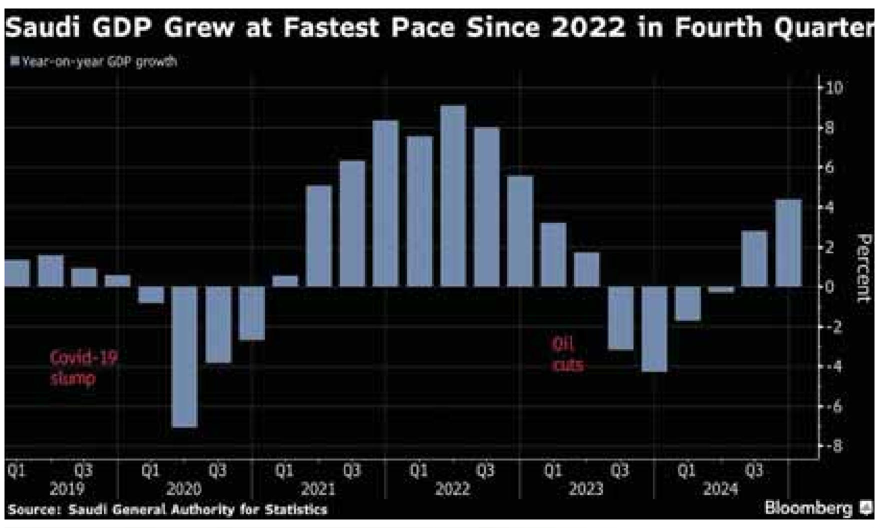
The alliance held back on pumping more in recent months out of concern that doing so would tip global oil markets into a surplus and depress prices. The group currently intends to gradually restore supplies from April, and will likely review its plans in early March.

Last week, new US President Donald Trump called on Riyadh and Opec+ to "cut the price of oil." Energy traders doubt the group will change its supply plans before April, Bloomberg reported.

Still, the uncertainty around Opec+'s plans complicate the outlook for the Saudi economy.

The International Monetary Fund downgraded its 2025 growth forecast for the kingdom earlier this month to 3.3% from 4.6%. It cited the extension of oil production cuts.

The government slashed its own forecasts in September and sees growth at 4.6% this year, and 3.5% in 2026. Growth of close to 4% over the next few years would still outpace most other growth in Group-of-20 nations.



A Saudi man walks past the logo of Vision 2030 in Jeddah (file). The non-oil economy — a priority for the government as it looks to open up to foreign investment and transform the country — expanded 4.6% in the three months through December. That compared to year-on-year growth of 4.3% in the prior quarter.

Turkiye monthly inflation seen to accelerate in January

Turkiye's monthly inflation rate is expected to rise sharply to 4.35% in January, driven by an annual hike in the minimum wage and various new year price adjustments, while the annual rate is seen slowing further, a Reuters poll showed on Wednesday.

The median estimate of 10 economists sees annual inflation declining to 41.25% in January, with forecasts ranging from 40.73% to 41.57%. The forecasts for monthly inflation range between 4% and 4.63%.

Annual inflation has been falling since last May, when it exceeded 75%, as tighter monetary and fiscal policies curbed overheating domestic demand. In December, it slowed to 44.38%, in line with the central bank's year-end projections, with education and housing prices contributing the most to the rise.

According to the poll's median estimate, annual inflation is expected to slow to 28% by year-end, remaining above the central bank's forecast of 21%.

The central bank launched an easing cycle in December and cut its policy rate to 45% last week, while pledging to maintain sufficiently tight policy to ensure continued disinflation.

While most taxes and fees have been updated in line with the standard inflation coefficient for 2025, the government limited a hike in fuel tax this month to 6% as part of its disinflation efforts.

Deutsche Bank said early 2025 would bring inflationary challenges, but strong base effects should support a continued decline in annual inflation.

"The anticipated subdued food inflation in January, limited tax hikes on fuel prices, and lira stability against a basket of USD and EUR are likely to keep inflationary pressures lower than our earlier estimates at the beginning of the year," Deutsche Bank said.

While several factors suggest continued disinflation, the bank also warned of potential inflation stickiness amid the gradual economic rebalancing and persistently high inflation expectations.

The Turkish Statistical Institute will release January inflation data at on February 3.

Bloomberg QuickTake Q&A

How conservatives are trying to roll back DEI in corporate America

By Saijel Kishan, Jeff Green and Clara Hudson

US companies with diversity, equity and inclusion programmes are under growing pressure from conservatives to roll them back. An important battleground is the company annual meeting.

Campaign groups often use shareholder proposals, otherwise known as proxy votes, to try to gain leverage over company boards. Religious groups, abortion-rights activists, environmentalists and corporate governance campaigners file hundreds of them each year in the US.

Right-wing groups emboldened by the election of President Donald Trump plan to use proxy votes to pressure more than a dozen big US companies, including Apple Inc, McDonald's Corp and Coca-Cola Co, to reconsider their DEI programmes this year. Walmart already rowed back some of its DEI policies without putting the change to a shareholder vote. Others are digging in, with Costco Wholesale Inc managing to fend off an anti-DEI resolution on January 23. JPMorgan Chase & Co and Goldman Sachs Group Inc have vowed not to back down in their DEI efforts.

What's a shareholder proposal and how does it work?

When a shareholder wants company management to take action on matters ranging from workforce diversity to executive pay or climate change, they file a proposal to be voted on at the company's annual shareholder meeting. (Proposals can also cover more mundane corporate governance issues, such as the minutiae of shareholder voting bylaws or rights to call special meetings.) A shareholder who has owned at least $2,000 of a company's stock for a minimum of three years can file a proposal and get it placed on the ballot to be voted on at the annual meeting.

The methods used to lean on company management in this way can vary. It might start with a conservative group acquiring enough shares so they can submit a proposal. Or a fund set up to draw in money from politically conservative investors could build a stake in the target company. The fund may hire a proxy advisory firm to lobby board members for its agenda and vote its shares on its behalf.

What happens then?

Most resolutions are voted down, if they come to a vote at all. Many fail to make it to a ballot as management has them overturned. For that to happen, company managers need to persuade regulators that the proposal intrudes on their day-to-day management of the business. Sometimes managers persuade an investor to drop a resolution in exchange for doing some of the things they've demanded.

If a proposal does appear on the ballot, its sponsor gets a few minutes to address the other shareholders at the annual meeting and try to win their backing. Company leaders almost always recommend that shareholders reject a resolution.

Even if a proposal wins shareholder approval, it is still non-binding. Shareholder meetings aren't democracies. Yet companies often respond in some way to shareholder asks. Research published by money manager BlackRock Inc in 2021 found that, among proposals that won the support of 30% to 50% of shareholders, about two thirds resulted in companies fully or partially meeting investors' requests. The majority of resolutions that got more than 50% support resulted in companies complying fully with the resolution.

What happens if a proposal fails?

A shareholder has the right to refile a resolution if it secured 5% approval or more in the first vote. In a second vote, they need to get 15% support, while a third vote has to exceed 25% backing to be voted on again within the next three years.

Are these shareholder proposals becoming more common?

In the 2024 company meeting season — which runs officially from June to the following June, with most gatherings taking place between April and June — a record 665 resolutions were submitted to the 3,000 largest US companies by market capitalisation, according to Bloomberg Intelligence.

The US Securities and Exchange Commission under the administration of President Joe Biden in 2021 opened the door for shareholders to bring more proposals focused on environmental and social issues. Some companies recently made attempts to restrict or eliminate the ability of shareholders to put proposals on the company ballot. These have been defeated so far.

Do shareholder proposals force real change?

Investor campaigns recently prompted some companies to alter their behaviour when it comes to the proper use of artificial intelligence. The labour union federation AFL-CIO said it withdrew AI-related shareholder proposals at Walt Disney Co and Comcast Corp after those companies reportedly agreed to disclose more information on their use of AI. Alphabet Inc and Meta Platforms Inc also will face AI-related proposals this year.

An earlier fight ended with companies putting their executive pay packages up for a vote at least every three years and allowing shareholders to decide if more frequent votes were required. This initiative also forced the publication of more information on severance pay for executives.

Shareholder proposals have led some companies to dispense with special voting shares that allowed owners to control the businesses without needing to own most of the stock. Others forced companies to separate the roles of chairman and chief executive.

What's the history of these shareholder proposals?

The first shareholder proposal based on social issues was filed to General Motors Co in the early 1970s, urging the automaker to cease its operations in South Africa, which was then under apartheid. The resolution failed, but it sparked a debate between investors and the company about its role in South Africa. GM pulled out of the country some 15 years later.

The number of proposals addressing gender pay gaps, racial disparities in the workforce and greenhouse gas emissions exploded in the wake of the MeToo, Black Lives Matter and climate movements. Conservative groups then started filing their own resolutions to push companies to scale back their DEI efforts. There was a 60% surge in anti-ESG proposals during the 2024 company meeting season, according to Bloomberg Intelligence data.

CORPORATE RESULTS

Shell raises shareholder dividend despite profit drop

Shell reported a 16% drop in profit for 2024 on Thursday amid weakness in oil and gas prices and in demand, but shares rose after it raised its dividend by 4%.

The oil major also announced a $3.5bn share buyback for the current quarter, making this the 13th consecutive quarter of at least $3bn of share repurchases.

Its shares gained 1% even as the group reported that its 2024 adjusted earnings, its definition of net profit, fell to $23.72bn from $28.25bn in 2023, dented by narrower liquefied natural gas (LNG) trading margins, lower oil and gas prices, and weaker refining margins.

That fell short of a $24.64bn consensus compiled by LSEG and $24.11bn forecast by analysts polled by Vara Research.

Shell, the first major energy company to report results, said fourth-quarter earnings nearly halved from the previous year to $3.66bn, also missing analysts' expectations.

"As expected, Shell reported 4Q results this morning which showed relatively soft earnings, but continued strong cash generation," RBC Capital Markets analyst Biraj Borkhataria said in a note, also highlighting the consistency with which the group has been returning cash to shareholders.

In his prepared remarks, CEO Wael Sawan said the share buybacks were "underpinned by the significant progress that we are making as an organisation." Sawan has been focused on cutting costs and pivoting the company back to its most profitable sectors — oil, gas, and biofuels — while shifting away from renewable power.

Shell's fourth-quarter earnings included $2.2bn in impairments, part of which was a $1bn write-off for a US offshore wind project.

CFO Sinead Gorman told reporters on Thursday that the project didn't align with company's capabilities or return goals, and Shell was looking to monetise it.

The world's leading oil and gas companies experienced a decline in profits through 2024, following record earnings in the previous two years, as energy prices stabilised and oil demand weakened.

Shell also expects 2025 capital expenditure to fall below last year's $21bn, with more details to be shared at its capital markets day in March.

Shell's refining operations reported an adjusted loss of $229mn in the chemicals and products unit, compared to a $29mn profit last year.

Refining margins weakened globally due to reduced economic activity and new refineries opening in Asia and Africa.

Deutsche Bank

Germany's largest lender Deutsche Bank reported a bigger-than-expected fall in profits for 2024 on Thursday due to legal costs from a troubled takeover, sending its shares sharply lower.

Net profit attributable to shareholders came in at €2.7bn ($2.8bn), down 36% from the previous year, the bank said in a statement.

Analysts from financial data firm FactSet had expected a figure of €3.7bn.

Litigation costs were a hefty €1.7bn — much higher than the previous year — a big chunk of which stemmed from the saga related to Postbank.

Deutsche Bank in August reached settlements with dozens of former Postbank shareholders who had taken legal action alleging that Deutsche's takeover had shortchanged them.

Deutsche Bank's shares were down around 4% on the Frankfurt Stock Exchange after the results were announced.

"Our performance in 2024 was impacted by significant non-operating costs, particularly longstanding litigation items, and actions we took to accelerate the execution of our strategy," said chief financial officer James von Moltke.

But CEO Christian Sewing said the "peak" of extra costs had passed, and Deutsche Bank would start 2025 with "a very clean balance sheet".

Revenues for 2024 came in at €30.1bn, up 4% from 2023, driven by a 15% rise in investment banking revenues.

The bank said it made progress in a €2.5bn cost-saving drive, which included cutting 3,500 roles by the end of 2024, a move that had previously been announced.

The bank confirmed its 2025 revenue goal of around €32bn.

It did however drop a crucial cost target — the bank is now targeting a cost-income ratio of below 65 % this year, compared to a previous goal of below 62.5%.

For 2024, the group will propose shareholder dividends of €0.68 per share, up from €0.45 the previous year.

Nokia

Finnish telecommunications equipment giant Nokia reported on Thursday an 89% rise in net profit for 2024, with sales surging in India and North America in the final three months of the year.

Nokia said its profit after tax reached €1.28bn ($1.33bn) last year.

Investors have been watching for signs of recovery from the telecoms equipment market, which has struggled the past year with operators' sluggish investments in saturated markets and slowing growth in India.

Annual sales fell 9% to €19.2bn, with India accounting for the biggest drop.

But sales grew 10 % in the fourth quarter to reach €5.98bn, above the €5.74bn forecast by analysts surveyed by Bloomberg.

They grew by 22% in India alone in the final quarter compared to the same three-month period in 2023.

"I am optimistic that the improving market trends we are now seeing will persist into 2025," chief executive Pekka Lundmark said in a statement.

The group logged sharp sales growth of 17% in network infrastructure in the fourth quarter, boosted by a "strong recovery" in demand from telecom operators in North America, he said.

Nokia's neighbouring rival, Swedish telecoms equipment group Ericsson, reported last week that it returned to profit in 2024, with sales edging higher in the final quarter of the year.

Meta

Social media giant Meta on Wednesday reported surging profits and revenue for 2024, announcing ambitious plans to expand its artificial intelligence infrastructure in the year ahead.

The bullish projection about the company's AI future sent shares in the company spiking by as much as 5% in after-hours trading, though this later steadied to 2%.

CEO Mark Zuckerberg said he believed that Meta's AI powers would make it a world leader on the technology, even if he warned that delivering on the hefty investments needed would "take time."

The parent company of Facebook, Instagram, and WhatsApp saw its net income soar 59% to $62.36bn for the full year, while fourth-quarter profits jumped 49% to $20.84bn.

Revenue reached $164.5bn, up 22% from 2023, boosted by stronger advertising performance as ad prices rose 10% and impressions increased 11% across its platforms.

The solid performance comes amid significant shifts in Meta's content policies intended to endear the company to US President Donald Trump.

The company recently announced the end of its US fact-checking programme aimed at combating misinformation, a move that followed criticism from conservative voices who viewed such efforts as censorship.

Zuckerberg said that 2025 was going to be a "big year for redefining our relationship with governments."

"We now have a US administration that is proud of our leading companies, prioritises American technology winning, and that will defend our values and interests abroad," Zuckerberg told analysts.

Meta has also scaled back diversity initiatives and relaxed content moderation rules on its platforms, particularly regarding certain forms of speech — changes that could potentially concern major advertisers who are wary of having their ads appear alongside divisive content.

On the analyst call, Meta's chief financial officer said the changes had not had an impact on ad revenue.

The company's user base continued to grow, reaching 3.35bn daily active users across its platforms in December 2024, a 5% increase year-over-year.

Looking ahead, Meta plans massive infrastructure investments, with expected capital expenditures of $60bn-$65bn for 2025, primarily supporting AI initiatives. Total expenses are projected to reach $114bn-$119bn.

"In AI, I expect this is going to be the year when a highly intelligent and personalised AI assistant reaches more than 1bn people, and I expect Meta AI to be that leading assistant," Zuckerberg said.

But he warned the investments would "be expensive for us to serve all of these people, because we are serving a lot of people."

Meta's Reality Labs unit, which encompasses its virtual reality endeavours, posted a lower-than-expected operating loss of $4.97bn while generating $1.1bn in sales during the fourth quarter.

Microsoft

Microsoft on Wednesday reported profits of $24.1bn in the recently ended quarter, but shares slid on worries over its vital cloud computing business.

Microsoft revenue grew to $69.6bn and the amount of money taken in by its "intelligence cloud" unit climbed to $25.5bn but the market had expected more.

Shares slipped slightly in after-market trades.

"Microsoft had a fine quarter, but 'fine' isn't what investors want from an AI juggernaut spending like it's building the Death Star," Emarketer principal analyst Jeremy Goldman said, referring to a planet-sized space station from the Star Wars films.

"The cloud is still a growth engine, but AI competition — especially from unexpected players like DeepSeek — is real."

Microsoft chief executive Satya Nadella spotlighted the tech titan's artificial intelligence investments, saying the company is "innovating across our tech stack" to unlock the ability for customers to make money from the technology.

Nadella said Microsoft's AI business is on pace to bring in more than $13bn annually, in a near tripling of the rate a year earlier.

The Redmond-based company has been at the forefront of the generative AI revolution, largely thanks to its partnership with OpenAI, the creator of ChatGPT.

The company has rolled out AI features at a furious pace, mainly under its Copilot brand, leaving investors hopeful for a return on investment from the expensive technology.

The company is on track to pump about $80bn into artificial intelligence this fiscal year, according to Microsoft president Brad Smith.

Smith contended AI is poised to transform all aspects of life, and it is imperative that the US be the global leader when it comes to the technology, he wrote in an online post.

China and the US are racing to spread their AI systems to other countries in an effort to become the de facto standard, according to Smith.

"The Chinese wisely recognise that if a country standardises on China's AI platform, it likely will continue to rely on that platform in the future," Smith said.

The emergence of the DeepSeek chatbot has sent Silicon Valley into a frenzy, with calls to go faster on advancing AI and beat communist-led China before it is too late.

Despite US government efforts to maintain AI supremacy through export controls on advanced chips, DeepSeek has found ways to achieve comparable results using authorised, less sophisticated Nvidia semiconductors.

"The Chinese AI startup's R1 model, trained at a fraction of the cost of OpenAI's systems, rattled markets and raised tough questions for Microsoft," analyst Goldman said. "Is its $80bn AI infrastructure spend truly necessary when cheaper AI is proving viable?"

Microsoft rivals Amazon, Google and OpenAI have also been spending billions of dollars on AI even though it remains unclear how and when they expect to profit from those investments.

Tesla

Tesla reported lower than expected profits on Wednesday, citing declining vehicle prices as a factor as it projected a return to volume growth in 2025. Elon Musk's electric car company reported fourth-quarter profits of $2.3bn, down 71% from the year-ago quarter, where profits were boosted by a one-time tax benefit. Revenues rose 2% to $25.7bn, also missing analyst estimates.

The results — the first since the return of Musk ally Donald Trump to the White House — capped a mixed year for Tesla in which Musk's big bet on US electoral politics was countered by profit pressures as Tesla's streak of annual car volume growth came to an end. Full-year auto sales fell 1% to just under 1.8mn vehicles.

Tesla has been confronted by intensifying EV competition in leading markets, including China and the US, where General Motors and Ford have introduced more models.

Another factor has been lower than expected volumes from the Cybertruck, Musk's futuristic auto giant that has won cheers from Tesla fans and jeers from critics.

But Tesla expects growth in 2025.

"With the advancements in vehicle autonomy and the introduction of new products, we expect the vehicle business to return to growth in 2025," Tesla said. "The rate of growth will depend on a variety of factors, including the rate of acceleration of our autonomy efforts, production ramp at our factories and the broader macroeconomic environment."

The company also confirmed plans to unveil new, more affordable vehicles in 2025 and described as on track the launch this year of a new robotaxi venture in parts of the US.

Tesla watchers have been keen to hear more details from Musk on new vehicles and the latest projections on production. In October, Musk said he expected auto sales to increase 20% to 30% in 2025.

There is also much curiosity about how Musk's alliance with Trump — part of the billionaire's increasingly assertive advocacy on behalf of far-right politicians worldwide — will affect Tesla.

But among the deluge of opening-day White House executive orders, Trump last week took direct aim at EVs, vowing to undo policies that disadvantage gasoline-powered cars and signalling a potential rollback of US tax credits for EVs.

Yet shares of Tesla have surged since the election. Market watchers believe Tesla could benefit from new policies from Washington to promote autonomous driving, which Musk has described as a potentially huge market for his company.

Qatar Chamber participates in 'Arab-Italian Business Forum'

Qatar Chamber participated in the '4th Arab-Italian Business Forum' and the board of directors meeting of the Joint Italian-Arab Chamber of Commerce held recently in Rome, Italy.

Qatar Chamber board member Mohamed bin Mahdi al-Ahbabi represented the chamber at the events. The forum, organised by the Joint Italian-Arab Chamber of Commerce, saw the participation of numerous senior officials and businessmen from Arab countries and Italy. It aimed to strengthen economic and investment ties between Italy and the Arab world. It served as an important platform for establishing strategic links with decision-makers, businessmen, institutions, and companies from both sides.

Al-Ahbabi emphasised Qatar Chamber's commitment to participating in this significant forum, highlighting its role in strengthening economic and trade relations between Italy and Arab countries.

He noted that the forum serves as a valuable platform to explore co-operation across various economic sectors, showcase the development witnessed by both nations and examine prospects for broader Arab-Italian collaboration.

Al-Ahbabi lauded the strong bilateral relations between Qatar and Italy, emphasising their remarkable growth in recent years, driven by mutual high-level visits and numerous agreements across multiple sectors.

He said trade exchange between the two countries has been steadily increasing, reaching QR20bn in 2023 and QR15.3bn by November 2024, positioning Italy as a key trade partner for Qatar.

Al-Ahbabi further said Italy is an attractive destination for Qatari investments, noting that a significant number of Italian companies are operating in the Qatari market, either under full Italian ownership or through partnerships with Qatari businesses in sectors, such as building materials, construction equipment, information technology, trade, and services.

He also emphasised the keen interest of Qatari businessmen in exploring investment opportunities in Italy and strengthening ties with their Italian counterparts to establish joint ventures and mutual investments in both countries.

Reaffirming Qatar Chamber's role, al-Ahbabi stressed its commitment to fostering closer collaboration between the business sectors of both nations, driving economic growth and deepening trade relations.

The forum featured a series of discussion panels covering a range of topics aimed at enhancing economic co-operation and strategic partnerships between Italy and Arab countries. Key areas of focus included agricultural technology, food security, innovation, sustainability, tourism, entertainment, financial services, Islamic finance, and more.

The board of directors meeting reviewed the outcomes of the '4th Arab-Italian Business Forum' and discussed mechanisms for implementing its recommendations to achieve the desired objectives and enhance economic benefits for both Arab and Italian economies.

Qatar Chamber board member Mohamed bin Mahdi al-Ahbabi represented the chamber during the events organised by the Joint Italian-Arab Chamber of Commerce.

QFMA launches website for IOSCO 2025 Annual Meeting

QNA
Doha

As part of its preparations to host the 50th Annual Meeting of the International Organisation of Securities Commissions (IOSCO) next May, the Qatar Financial Markets Authority (QFMA) has announced the launch of a comprehensive website for the meeting.

The website is aimed at facilitating the participation of regulatory bodies and global financial markets in this paramount international event to be held in Qatar for the first time.

The launch of the website ***https://iosco2025qatar.com*** is a first step towards the intensive preparations required for hosting this global event, which is expected to position Qatar in the centre of global attention in the field of financial markets regulation.

According to Mohammed al-Haddad, Head of the Networks and Technical Support Section at the Information Systems Department at the QFMA and the website co-ordinator, the launch of the website aims to provide all the information related to the 50th Annual Meeting of IOSCO, including the agenda, list of speakers, workshops and discussion sessions. The website also incorporates an electronic registration process for the attendees and participants, whether they are representatives of regulatory bodies, speakers or financial market experts.

The website also includes the most important information related to the State of Qatar, its tourist sites and main landmarks, in addition to information about hotel and flight reservations.

Al-Haddad stressed that the launch of the website comes as part of the efforts of the QFMA to organize a global event with professional standards with a view to reflecting Qatar's position as a major economic and business hub in the region.

Doha's hosting of the IOSCO meeting comes within the framework of Qatar Vision 2030, which focuses on bolstering the country's position as an international finance and business hub.

Spectre of Trump tariffs spurs interest in US gas contracts

Bloomberg
Washington

President Donald Trump's high-stakes bid to use natural gas exports as leverage to expand US influence in Europe and Asia appears to be gaining early traction.

Government officials and energy executives from countries such as India, Kuwait and Japan have been holding talks about procuring more US gas, according to people with knowledge of the matter.

The strategy, however, carries a significant risk. If Trump levies tariffs against China or other nations that balk against buying more LNG, he could drive them away from buying from US producers altogether.

The move to lock in American supply contracts began shortly after Trump's November 5 election victory, more than two months ahead of his actual swearing in, said the people, who requested anonymity discussing private matters.

He has threatened the European Union with tariffs multiple times if the bloc doesn't purchase more from the US. Buyers from South Korea to Vietnam are considering procuring more American gas to avoid crippling trade levies.

"His threat to link EU tariffs to LNG purchases marks a stark departure from market-based principles," said Claudio Steuer, a veteran energy consultant. The potential levies shift the US position on LNG from competitive pricing to "politically-driven trade that could undermine long-term market confidence," he said.

Trump's tactics are pushing away some other buyers, like those in China, the world's top importer, said other people aware of ongoing negotiations with US exporters.

Trump, preoccupied with steep US trade deficits, has been clear about his intention to use the nation's energy-superpower status to balance the equation. He's actually reviving a favourite tactic from his first term that relies on the nation's vast trove of gas along with the fleet of multibillion-dollar plants that liquefy the fuel for export.

Since the start of Trump's first term in 2017, US exports of liquefied natural gas have turned into a gusher, vaulting the nation to the LNG market's top rank. By 2030, roughly one of every three LNG shipments worldwide will originate in the US.

The American LNG boom comes at a time when the world's appetite for gas has never been more ferocious. Demand for the fuel used in several industries including power production, heating and fertiliser manufacturing, is at an all-time high, fed in no small part by aspirations to shift away from dirtier coal. Gas consumption could rise as much as 12% by the end of the decade, according to the Oxford Institute for Energy Studies.

But despite American dominance of global LNG flows, Trump's threats to use tariffs to cajole export deals may prove more complicated to execute than his recent arm-twisting of Colombian President Gustavo Petro, who caved to tariff threats within hours and agreed to accept repatriated migrants. US LNG is usually sold via long-term contracts from ports, where the fuel is picked up and essentially delivered to the highest bidders in Europe or Asia.

"The US administration lacks direct control over LNG volumes and cargo destinations — a crucial limitation given that buyers, not sellers, determine final delivery points," said Steuer.

Instead, importers desperate to appeal to Trump could sign long-term purchase agreements with developers of yet-to-be-built US LNG complexes, or invest directly in such projects. This would provide a shot in the arm for the host of proposed plants vying to secure buyer commitments and financial backers.

One of Trump's first acts of his second term was lifting a moratorium on new approvals for LNG terminals implemented in the final year of former President Joe Biden's term.

"What I'd like to see is rapid approvals," Trump said during the World Economic Forum in Davos, Switzerland, a few days after his inauguration. "We're going to get very rapid approvals in the US."

"Trump would be happy if Japan could show that they are buying more from the US," Mieko Nakabayashi, a professor at Waseda University in Tokyo and a former lawmaker, said on a Fuji TV program. "There is really no minus for Japan."

As the world's second largest LNG buyer, Japan sourced about 10% of its supplies from the US last year. Japan's Prime Minister Shigeru Ishiba may propose a deal to boost shale gas imports from the US in an upcoming meeting with Trump, the *Nikkei* reported.

Few other countries are able to unleash as much gas onto global markets as the US. Russia's aspirations to expand LNG exports have been upended by Biden-era sanctions while new competitors from Mozambique to Papua New Guinea have been slow to mature.

US LNG exports are slated to grow to roughly 200mn metric tonnes per year by 2030, up from about 93mn, according to a forecast from BloombergNEF. That estimate may prove conservative if the Trump administration successfully prompts Asian or European importers to sign long-term deals.

"We are ready to buy more natural gas," Uniper SE Chief Executive Officer Michael Lewis said during a panel at Davos. Germany began directly importing LNG in 2022 following the loss of Russian pipeline gas, with US supplies making up 92% of total seaborne deliveries last year.

US Secretary of State Marco Rubio has said LNG should be used as "leverage" in talks with China.

In bilateral talks over the weekend, Rubio encouraged Vietnam to address trade imbalances. The Asian country's government had already said it would look to buy more US gas to not only avoid tariffs but also meet rising energy requirements.

Still, turning LNG into a political cudgel threatens to erode long-term market confidence in US reliability, Steuer said.

A stronger reliance on the US could mean "a form of blackmail that we had in Russia is being repeated," warned German Economy Minister Robert Habeck. Europe should "meet the Trump administration with an outstretched hand, but not have our hand cut off."


An LNG tanker is guided by tug boats at the Cheniere Sabine Pass LNG export unit in Cameron Parish, Louisiana. President Donald Trump's high-stakes bid to use natural gas exports as leverage to expand US influence in Europe and Asia appears to be gaining early traction.

Cybersecurity event CYSEC QATAR 2025 to be held in Doha on February 4

The 13th global edition of CYSEC QATAR 2025, a cybersecurity event, will be held in Doha on February 4.

CYSEC QATAR will offer a blend of thought-provoking sessions, keynotes, technical presentations and business networking opportunities

Attendees will explore the latest cybersecurity innovations and technologies through exhibitions and live demos from TFG, CommVault, Amiviz, Intercede, Picus, Tenable, Google Cloud Security, Phishrod, Exabeam, Cyble, Atos, Eviden, Paratus, Secpod, Immersive Labs, Threatlocker, and Cofense among others.

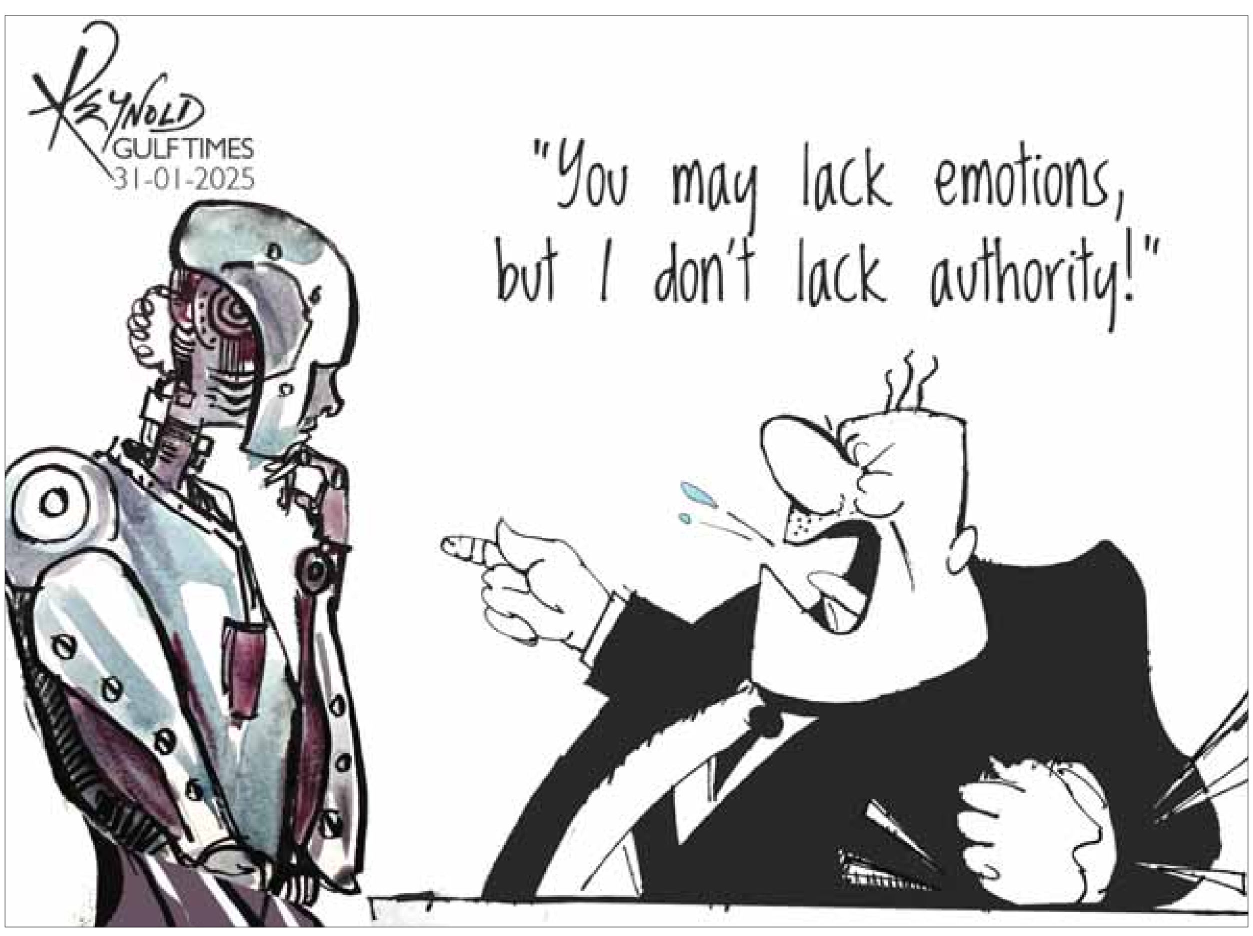
The summit will also have the 'CYSEC Capture the Flag Championship' hosted by Cisco and Mannai Networking & ELV.

A crucial part of the event is CYSEC AWARDS, celebrating excellence, innovation, and leadership in cybersecurity. This ceremony will honour the industry's most groundbreaking solutions, initiatives and thought leaders.

The highlight of the evening will be the Sheleads honorary awards, celebrating women driving technology and innovation in Qatar. Honourees include Barbara Zimmer, director of Digital Experiences & Products at Visit Qatar; Dr Noora Fetais, founding president of the Arab Association for Cybersecurity and founder of Qatar Women in Cyber Security; Archana Shetty, vice-president – IT Project Management at QNB; and Sarah Abdulrahman A H al-Mawlawi, director of Corporate Information Security at Ooredoo Qatar, to name a few.

The event will foster meaningful connections and collaborations among professionals, driving the future of cybersecurity in the region. It will serve as a vital platform for exchanging ideas, creating partnerships, and strengthening digital security strategies to safeguard Qatar's digital future.

Speakers include John Mankarios (vice-president Information Technology, QInvest), Amr Metwally (director, Clinical Simulation & Innovation, Itqan Clinical Simulation and Innovation Center), Magdy Mansour (GM IT, Doha Cables), Ugur Sanal Inal (Information Technology director, QTerminals), Bilal Rao (head of IT and OT Cybersecurity, RKH Qitarat), Farhan Chaudhry (VP Cyber Security, Governance, Risk and Compliance & Aircraft Cyber Security, Qatar Airways Group) and Rashid al-Obaidli (head of Information Security, Media Broadcast Company).



ECB cuts rate again as eurozone falters, with eye on Trump

AFP
Frankfurt

The European Central Bank made a fresh interest rate cut Thursday as inflation eases and the eurozone economy flatlines, with a nervous eye on US President Donald Trump's protectionist agenda.

The central bank cut its benchmark deposit rate by a further quarter point to 2.75% on Thursday, its fifth reduction since June last year and a move widely expected by observers.

The ECB's decision stands in contrast to the latest move by the US Federal Reserve.

The central bank in the US, whose economy has been outpacing the eurozone's, on Wednesday left its key lending rate unchanged and said it was in no "hurry" to make changes, despite pressure from Trump for more cuts.

The ECB had previously hiked borrowing costs aggressively to tame runaway energy and food costs, but is now bringing them back down as price rises slow and the eurozone economy falters.

A recent uptick in inflation — which rose to 2.4% in December, above the ECB's two-percent target — has caused some jitters.

But policymakers believe price pressures will ease during 2025, and their focus has shifted to relieving the strain on the beleaguered 20-nation eurozone. Data released before the ECB's meeting showed the eurozone economy registered zero growth in the final quarter of 2024, dragged down by contractions in heavyweights France and Germany, despite expectations for a slight expansion.

In a statement announcing its latest decision, the Frankfurt-based ECB said the process of bringing inflation down was "well on track", and the figure should return to the two-percent target "in the course of this year".

It conceded that the economy was "still facing headwinds" but added that "rising real incomes and the gradually fading effects of restrictive monetary policy should support a pick-up in demand over time".

The ECB reiterated that it would make its decisions based on incoming data, and it was not "pre-committing to a particular rate path".

ING analyst Carsten Brzeski said the ECB's rate call was "no surprise" and predicted more cuts at coming meetings. "Despite somewhat stickier headline inflation, the sluggishness of the eurozone economy as well as the ECB's strong conviction that inflation will return to target were strong arguments for today's rate cut," he said.

The eurozone has been hobbled by issues ranging from high energy costs to a manufacturing slowdown, and economic growth for the single currency area came in at just 0.7% last year, according to official data.