NEW INSIGHTS | Page 4

UDC vision anchors strategic dialogue ahead of Qatar Real Estate Forum

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BUSINESS

PRICE WAR: Page 2

BYD's $45bn stock wipeout raises doubts on China outlook

Commercial Bank signs agreement to enable UPI acceptance across its Qatar merchant network

Commercial Bank has signed a strategic agreement with NPCI International Payments Limited (NIPL), the international arm of National Payments Corporation of India (NPCI) to enable Unified Payments Interface (UPI) QR code acceptance across its merchant network in Qatar.

This milestone expands the global reach of UPI, strengthening its position as a trusted enabler of seamless cross-border digital payments.

UPI is a widely used digital payment method in India, processing over 20bn transactions monthly as of August.

Through this agreement, Commercial Bank will introduce UPI acceptance across its wide merchant base, offering customers reliable, real-time, and user-friendly payment options.

The partnership will focus on broadening payment choices for Indian travellers elevating their payment experience across retail, hospitality, and F&B sectors.

Commercial Bank Executive General Manager and Head of Retail Banking Shahnawaz Rashid said, "This collaboration with NPCI International reflects Commercial Bank's commitment to innovation and responsiveness to market needs.

"UPI is a proven success in India, and we are proud to support its expansion in Qatar, enhancing convenience and customer experience across our network."

Ritesh Shukla, MD and CEO, NPCI International, said, "We are happy to partner with Commercial Bank to expand UPI acceptance in Qatar. This collaboration will soon enable Indian travellers to experience the same convenience, simplicity and trust they experience when using UPI in India."

This agreement underlines Commercial Bank's leadership in digital transformation, expanding secure and convenient payment solutions for customers while contributing to the future of cashless transactions in Qatar and NIPL's commitment to expanding UPI's global presence, enabling secure and convenient cross-border payments, advancing the future of cashless transactions.

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Al-Kuwari meets Rothschild managing partner

HE Ali bin Ahmed al-Kuwari, Minister of Finance, held a meeting with Francois Perol, managing partner and co-chairman of Partners Committee, Rothschild & Co during his visit to France.

Qatar Chamber officials discuss investment opportunities during a meeting with a delegation from the Export Development Authority led by Saud al-Qablan, vice-president for Services Exports.

Qatar Chamber, Saudi Exports Authority review co-operation opportunities

Qatar Chamber hosted yesterday a trade delegation from Saudi Arabia, representing the Export Development Authority and headed by its vice-president for Services Exports, Saud al-Qablan.

Qatar Chamber board member Ali bin Abdullatif al-Misnad received the delegation, in the presence of several other board members, Qatari businessmen, and members of the Saudi delegation.

Al-Misnad emphasised the shared commitment to strengthening trade and investment co-operation between the two countries, as well as exploring partnerships and alliances between Qatari businessmen and their Saudi counterparts.

He highlighted the strong fraternal relations between Qatar and Saudi Arabia, which, "under the wise leadership of both countries," are witnessing remarkable development across various fields, particularly in the commercial and economic spheres. He noted that trade exchange between the two countries recorded significant growth over the past year, rising from QR2.97bn in 2023 to approximately QR4.88bn in 2024, a 65% increase.

Al-Misnad affirmed Qatar Chamber's keenness to support investors and businessmen by providing all facilities that contribute to developing fruitful partnerships, achieving mutual interests, and enhancing both countries' positions on the regional and global economic map.

He also called on investors and companies in both countries to explore available investment opportunities, with a focus on non-oil sectors that support sustainable development in line with the National Vision 2030 of both Qatar and Saudi Arabia.

Al-Qablan affirmed that Saudi-Qatari relations are longstanding and continue to expand and grow. He noted that the delegation comprises representatives of 26 Saudi companies operating across six sectors: construction, transportation, logistics, information and communications technology, health, education, and consulting services.

He said these companies are eager to invest in the Qatari market, achieve greater integration with the Qatari private sector, exchange expertise, and enhance trade between the two countries.

Qatar Chamber board member Dr Mohamed bin Jawhar al-Mohamed emphasised the importance of strengthening economic integration and cooperation among the Gulf Cooperation Council (GCC) countries, stressing that the private sector can play a pivotal role in this regard.

Board member Abdulrahman al-Ansari stated that numerous opportunities exist for co-operation and partnership between Qatari and Saudi companies across key sectors. He highlighted that the companies represented in the delegation possess extensive experience and operate in areas aligned with the needs of the Qatari market, paving the way for successful partnerships and strategic alliances.

Foreign institutions weigh on QSE; telecom, industrials see higher sell pressure

By Santhosh V Perumal
Business Reporter

Ahead of the US Federal Reserve meeting later this week, the Qatar Stock Exchange (QSE) yesterday fell about 32 points on the back of foreign institutions' selloff.

The telecom and industrials counters witnessed higher than average selling pressure as the 20-stock Qatar Index shed 0.29% to 11,099.97 points, although it touched an intraday high of 11,142 points.

The domestic institutions continued to be bearish but with lesser vigour in the main market, whose year-to-date gains truncated to 5%.

The Arab retail investors' weakened net buying had its influence on the main bourse, whose capitalisation eased QR0.55bn or 0.08% to QR663.86bn, mainly on microcap segments.

The Gulf institutions were seen increasingly net buyers in the main market, which saw as many as 8,091 exchange traded funds (sponsored by AlRayan Bank and Doha Bank) valued at QR0.08mn trade across 12 deals.

The foreign individuals turned bullish in the main bourse, whose trade turnover and volumes were on the increase.

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

The local retail investors were seen net buyers in the main bourse, which saw no trading of sovereign bonds.

The Total Return Index shed 0.29%, the All Share Index by 0.13% and the All Islamic Index by 0.48% in the main market.

The telecom sector index tanked 1.08%, industrials (0.93%), consumer goods and services (0.28%), real estate (0.11%) and transport (0.04%); while insurance gained 0.61% and banks and financial services 0.21%.

As many as 25 stocks gained, while 23 declined and five were unchanged.

Major losers in the main market included Industries Qatar, Vodafone Qatar, Ooredoo, Qatar General Insurance and Reinsurance, Woqod, Qamco and Barwa.

In the junior bourse, Techno Q saw its shares depreciate in value.

Nevertheless, Ezdan, Estithmar Holding, Widam Food, Qatar Insurance, Baladna, Mazaya Qatar and Gulf Warehousing were among the gainers in the main market.

The foreign institutions turned net sellers to the tune of QR7.79mn compared with net buyers of QR11.08mn on Sunday.

The Arab individual investors' net buying declined noticeably to QR5.29mn against QR9.7mn the previous day.

The Arab institutions' net buying eased marginally to QR0.05mn compared to QR0.06mn on September 14.

However, the Gulf institutions' net buying strengthened markedly to QR5.08mn compared to QR3.06mn on Sunday.

The foreign individuals turned net buyers to the tune of QR1.33mn against net sellers of QR0.48mn the previous day.

The local retail investors were net buyers to the extent of QR1.22mn compared with net sellers of QR4.79mn on September 14.

The domestic institutions' net profit booking weakened substantially to QR4.58mn against QR17.68mn on Sunday.

The Gulf individual investors' net selling shrank marginally to QR0.61mn compared to QR0.95mn the previous day.

The main market saw a 24% jump in trade volumes to 145.08mn shares, 44% in value to QR398.55mn and 28% in deals to 23,142.

In the venture market, a total of 0.67mn equities valued at QR1.72mn changed hands across 69 transactions.

BYD's $45bn stock wipeout raises doubts on China outlook

Bloomberg
Hong Kong

BYD Co faces pressure to restore investor confidence after a $45bn stock selloff, with growing concerns over its ability to fend off competition amid a destructive price war in China.

The Chinese electric-vehicle maker's Hong Kong-listed shares have tumbled more than 30% from the all-time high reached just four months ago, underperforming peers. Analyst sell ratings on BYD have surged to the highest level since 2022, Bloomberg-compiled data show.

Investors are losing patience with BYD's strategy of taking the lead on deep discounts, while the government is clamping down on the so-called involution wreaking havoc on the industry. At the same time, rivals including Geely Automobile Holdings Ltd and Zhejiang Leapmotor Technology Co are gaining ground.

"While I believe investors retain a positive long-term view, there is a real concern around BYD's aggressive 'market share gain by pricing pressure' strategy in the anti-involution context," said Kevin Net, head of Asian equities at Financiere de L Echiquier. "In the short term, this should still weigh on both topline and margins."

The company reported a 30% plunge in its June-quarter profit, its first decline in more than three years on the price war impact. China's top EV maker, BYD has been a major driver of the multiple rounds of discounts over the past few years as makers fight for market share.

Meanwhile, Beijing has become increasingly vocal in its efforts to rein in excessive competition it sees as creating deflationary pressure and damaging the international reputation of Chinese manufacturing.

BYD now expects to deliver 4.6mn vehicles this year, a steep drop from its earlier target of 5.5mn. To meet even this lowered goal, the company must deliver some 1.7mn units in the last four months — that's a tall order given its aging product lineup and the new regulatory environment.

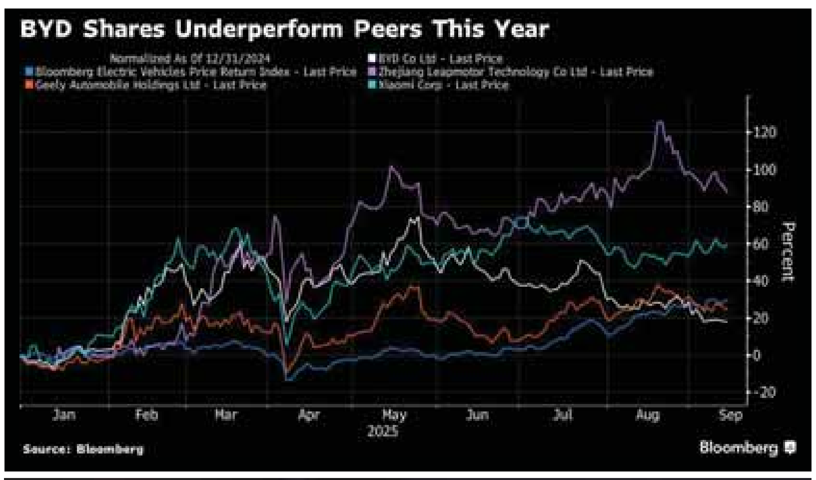
The unveiling of new models in the first quarter of 2026 will be a key stock catalyst for BYD, market watchers say. The company postponed some launches to next year so it can make the vehicles more competitive, and as rivals notched success with recent offerings.

"No OEM could keep their product cycle strong forever — even BYD cannot," said Xiao Feng, co-head of China industrial research at CLSA Hong Kong. BYD's offerings have become stale since its dominance over 2018-2024, and buyers have turned to "new faces" like Geely and Leapmotor.

Despite its domestic challenges, BYD has been making strong inroads abroad thanks to more product launches and increased localised production. Its overseas volume may reach 900,000 to 1mn units in 2025, exceeding management's 800,000 target at the beginning of the year, according to Goldman Sachs Group Inc analysts.

Valuation is another point of appeal for the stock, which is trading at 17 times forward estimated earnings, below its three-year average of 20 times. Meanwhile, options volume has climbed to a record of almost 600,000 total contracts outstanding, nearly triple the level in June.

All eyes will be on the company's upcoming domestic product launches, with features in focus as well as pricing strategy. Analysts expect fresh looks, inclusion of its God's Eye autonomous driving system in lower priced models and battery upgrades as well as extended ranges for its plug-in hybrids.



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Trump renews calls for ending quarterly reports for companies

Reuters
Washington/New York

US companies should be allowed to report earnings every six months instead of on a quarterly basis, President Donald Trump said yesterday, in what would be a major shift for corporate America if the Securities and Exchange Commission approved the change.

The idea, which revisits a similar call Trump made in 2018, is subject to the approval of the US Securities and Exchange Commission (SEC), the president said on his social media site Truth Social, adding that it would cut costs and discourage shortsightedness. "This will save money, and allow managers to focus on properly running their companies," he said.

Currently, the SEC requires corporations to report their financial statements every 90 days. Half-yearly reporting would mark a huge change in disclosure requirements and put the US in line with the UK and several countries in the European Union.

The SEC did not immediately respond to a request for comment. The agency in 2018 solicited public comment on possible changes but ultimately left the current regime in place.

In its regulatory agenda published earlier this month, the SEC revealed that it was considering unspecified changes to "rationalize" company disclosures, providing a possible avenue for the agency to make changes to quarterly reports.

Investors argue that one of the reasons US stocks trade at a premium to equities elsewhere is due to greater financial reporting requirements

Trump's call puts him squarely on one side of a persistent tension between the desires of companies, on one hand, to lessen the burdens of frequent market updates, and investor demands for information on the other.

Some investors have cautioned that waiting longer for financial information would mean less transparency and increased market volatility, making US stocks less attractive, although several on Monday said they supported the idea. Transparency advocates also say it could give companies greater opportunity to hide or delay the disclosure of bad news.

"From the perspective of better capital allocation by public companies, the focus on meeting quarterly earnings projections can lead to decisions based on short-term implications, when we would prefer management keep their eye on the long-term ball," Burns McKinney, managing director and portfolio manager at NFJ Investment Group, Dallas, said in an email.

Investors argue that one of the reasons US stocks trade at a premium to equities elsewhere is due to greater financial reporting requirements. The US benchmark S&P 500 index is trading at 24.3 times earnings estimates for the next 12 months, compared to 15.28 times for Europe's STOXX 600, according to data compiled by LSEG.

M Todd Henderson, a law professor at the University of Chicago and an expert on securities regulation, said he expected many companies would continue to feed investor appetite for quarterly disclosures even if the SEC ceased requiring this. "Overwhelmingly the practice would stay just as it is," he said.

Bloomberg QuickTake Q&A

OpenAI wants to create a PBC: What does that mean?

By Yazhou Sun and Seth Fiegerman

After months of back-and-forth with regulators and stakeholders, OpenAI said it's getting closer to converting into a more traditional, for-profit company – a key step in its bid to secure billions more in capital to build cutting-edge artificial intelligence products.

As part of the restructuring, the ChatGPT owner intends to form a "public benefit corporation" that's meant to be more appealing to investors. The overall business would continue to be overseen by OpenAI's nonprofit entity, which would receive an equity stake of more than $100bn in the new corporation.

OpenAI has faced pushback from former employees, academics and rivals including Elon Musk who raised concerns about the company prioritising profits over safe AI development. The PBC approach is an attempt to strike a complicated balance that would ease those fears.

So what is a PBC, and how would the status change affect OpenAI's operations?

What is a public benefit corporation?

The designation was created under Delaware law and allows profit-making entities to pursue parallel goals to do with bettering society. Directors and managers of PBCs must balance the interests of shareholders against the interests of those "materially affected by the corporation's conduct" and public benefits identified in the company's charter. Directors have no obligation to prioritise one set of interests over another.

Why set up a PBC?

Because a PBC structure gives companies the freedom to pursue social and financial goals in parallel. That could allow a company to more easily fund its heavy investments while still taking a stand against investors lobbying for the company to depart from its social mission and prioritise higher financial returns.

How does this compare to OpenAI's current structure?

OpenAI currently operates under a hybrid structure in which OpenAI Inc is a nonprofit and OpenAI LLC, of which software giant Microsoft Corp is a minority owner, serves as its for-profit subsidiary. This structure includes a "capped-profit" model, in which investors agree to limit their maximum financial returns while adhering to the nonprofit's charitable goals.

Under the revised plan, OpenAI would convert the for-profit into a PBC and remove the cap on financial returns, a move that's likely to appeal to current and future backers – even as the nonprofit entity remains in control. "As we were looking at various options, we definitely wanted something that works for investors, or at least works well enough for investors that they're happy to continue to fund us to the degree

OpenAI has faced pushback from former employees, academics and rivals including Elon Musk who raised concerns about the company prioritising profits over safe AI development. The PBC approach is an attempt to strike a complicated balance that would ease those fears

we think we will need," OpenAI Chief Executive Officer Sam Altman said on a call with reporters in May.

The governance structure remains a work in progress, however. Under the new plan, the nonprofit will have a separate board from the for-profit, but both will initially comprise the nonprofit's current directors. Over time, the nonprofit will be able to select board members for the for-profit. But it's still being determined whether the nonprofit will be able to fire OpenAI's for-profit directors or executives, Bloomberg News has reported, citing a person familiar with the matter. That's a crucial detail, given it was a prior incarnation of the nonprofit board that briefly ousted Altman as CEO in 2023.

What are the drawbacks of a PBC?

PBCs aren't required to use any independent standards to evaluate compliance with their social or environmental goals, so it can lead to accusations of "ethics washing." This is a sensitive topic for OpenAI, which is under conflicting pressures to balance its goal of building "safe and beneficial artificial intelligence for the benefit of humanity" while still making a return on its heavy investments in computing capacity.

PBCs are a fairly new type of legal entity, so it's unclear how courts will interpret and measure the mandates of increasing both profits and social goods when it comes to OpenAI. Only stockholders with at least 2% of the company's shares can sue the company if it doesn't uphold its commitment to be of public benefit.

Who else operates as a PBC?

The structure has been popular among emerging AI companies whose managers want to earn a profit, while responding to public concerns that the technology poses a threat to humanity. Anthropic, an AI company formed in 2021 as a PBC, has a public mission to "build reliable, interpretable, and steerable AI systems." Elon Musk's xAI is also a PBC.

Other prominent examples of PBCs outside of the tech industry are shoe brand Allbirds and eyewear company Warby Parker. But OpenAI's approach differs given the continued power of its nonprofit.

What steps are left before OpenAI completes its restructuring?

OpenAI and Microsoft have been holding talks for months about reshaping their relationship, in part to secure Microsoft's assent for the restructuring of the startup. In September, the companies announced they had signed a "non-binding memorandum of understanding, or MoU, for the next phase of our partnership." They also said they are "actively working to finalise contractual terms in a definitive agreement." Gaining Microsoft's buy-in is not the only hurdle to OpenAI's attempts to restructure. California Attorney General Rob Bonta and Delaware Attorney General Kathy Jennings are currently reviewing the company's proposed financial and governance changes. In September, their offices released a joint letter to OpenAI's board raising concerns about recent reports of how OpenAI's products interact with children, including one Californian who Bonta said died by suicide after interacting with a chatbot.

OpenAI is also facing opposition to its restructuring from Musk, an early backer who split with the company and accused the startup of defrauding investors about its commitment to its charitable mission in an active lawsuit. OpenAI has pushed back on Musk's claims and said the billionaire is trying to slow it down.

Qatar's new green hydrogen initiatives build on its global LNG leadership: Al-Attiyah Foundation

The Middle East is racing to the front of the global hydrogen economy, with GCC countries leveraging ultra-low-cost renewables, world-class infrastructure, and decisive policy backing, according to Al-Attiyah Foundation.

Qatar is advancing its landmark 1.2mn-tonnes-per-year Blue Ammonia Project in Mesaieed Industrial City, scheduled to begin operations in 2026, alongside new green hydrogen initiatives that build on its global LNG leadership. Saudi Arabia has achieved record-breaking solar tariffs close to one US cent per kilowatt hour and Oman is targeting more than 8mn tonnes of renewables-based hydrogen by mid-century.

In 2024, global hydrogen demand reached nearly 100mn tonnes, but less than 1% was supplied from low-carbon sources, and green hydrogen represented only a fraction of that. More than 60 countries have now published national hydrogen strategies, but most of them remain aspirational.

The majority are aiming to position themselves as exporters, while only a small number in Asia and Europe have declared intentions to be importers. This imbalance exposes the risk of a growing gap between supply ambitions and credible demand, raising doubts about whether many of these strategies can be realised in practice.

The Middle East is racing to the front of the global hydrogen economy, with GCC countries leveraging ultra-low-cost renewables, world-class infrastructure, and decisive policy backing, according to Al-Attiyah Foundation

The new Al-Attiyah Foundation research paper, 'Charting National Hydrogen Strategies for Future Trade', examines how the Gulf states' abundant solar and wind resources, competitive renewable energy prices, existing export infrastructure, and policy coherence are allowing the region to progress with projects that are already bankable and capable of scaling.

The United Arab Emirates continues to expand its clean energy capacity through Masdar and other entities, tying renewable generation to hydrogen and ammonia projects for both domestic and export use.

Qatar, through its Mesaieed development and wider portfolio of hydrogen-linked ventures, is cementing its position at the forefront of the sector.

Hydrogen offers pathways to decarbonise hard-to-abate industries such as steel, aluminium, cement and fertilisers, and the Gulf states are already embedding hydrogen into these sectors. Doing so reduces the risks of overreliance on export markets, ensures that domestic demand anchors early projects, and positions the region to capture premium margins from low-carbon products. For Europe and Asia, where demand will outstrip domestic supply, partnerships with Middle Eastern producers are likely to become essential to achieving climate goals.

The Al-Attiyah Foundation noted that the next five years will determine whether global hydrogen strategies succeed or stall.

Many nations face uncertainty due to policy fragmentation, limited carbon pricing, and hesitant offtakers unwilling to pay a green premium.

The GCC, by contrast, combines decisive leadership with structural advantages that give it a commanding position.

UDC vision anchors strategic dialogue ahead of Qatar Real Estate Forum

By Peter Alagos
Business Reporter

Gulf Times Exclusive

United Development Company (UDC) is positioning its development philosophy as a cornerstone for engaging in critical discussions at the third edition of the Qatar Real Estate Forum, which will be held on October 14-16 at the Doha Exhibition and Convention Centre (DECC).

UDC CEO Yasser Salah al-Jaidah said the company's role in the forum goes beyond showcasing its developments. "Our priority is to contribute strategic insights and proven practices that demonstrate how real estate can deliver lasting economic and social value," al-Jaidah told *Gulf Times* in an exclusive interview.

He noted that UDC, a Platinum Sponsor of this year's forum, will share lessons from the company's experience in sustainable development, smart infrastructure, and integrated community living, demonstrating how these principles are being embedded into new projects that support Qatar's growth.

"Equally important, through high-level discussions and bilateral engagements, we aim to help shape the dialogue into concrete outcomes, whether that is in the form of creating tangible investment opportunities, forging innovative partnerships, or offering practical insights that can help inform future policy directions. In this way, UDC directly supports the forum's ambition to move from vision to measurable impact," he emphasised.

Asked how does UDC's vision align with the strategic goals of the forum's third edition, al-Jaidah explained that the company's vision "is to be the regional leader in real estate development and management," which is guided by UDC's 'Value Promise and Strategic Choices' of putting customers and communities first, driving cost competitiveness, pursuing operational excellence, and advancing growth through innovation.

He continued: "This aligns closely with the third edition of the Qatar Real Estate Forum, which is focused on reinforcing investor confidence and showcasing the strength and efficiency of Qatar's real estate system. The forum's emphasis on transparency, streamlined policies, and the integration of digital platforms mirrors our own commitment to operational excellence and innovation. And its role as a hub for public–private dialogue reflects our belief in trust-based partnerships that create long-term value.

"Through developments like The Pearl Island and Gewan Island, we demonstrate how this vision translates into secure investments, vibrant communities, and resilient growth, outcomes that are directly in line with both the forum's objectives and the pillars of Qatar National Vision 2030."

Al-Jaidah also underscored how UDC supports the Third National Development Strategy 2024–2030 and the broader goals of Qatar National Vision 2030, saying the company's developments "are not merely real estate projects."

"They are transformative platforms that bring Qatar National Vision 2030's pillars to life with economic diversification, social development, environmental sustainability, and human capital advancement. Within the framework of the Third National Development Strategy, we see our role as crafting destinations that attract investment, embody innovation, and elevate quality of life," al-Jaidah explained.

He added: "At The Pearl Island, we have set a global benchmark with the Largest Pneumatic Waste Management Network, while on Gewan Island's Crystal Walk is one of the region's largest outdoor air-conditioned retail promenades, an innovation that enhances comfort, elevates community experiences, and adds distinctive value for investors and residents alike. These initiatives reflect our 'Customer and Community First' approach, while reinforcing Qatar's position as a hub for world-class living and investment opportunities."

UDC CEO Yasser Salah al-Jaidah.

Qatar banks raise $8bn in dollar debt; GCC lenders' issuance to exceed $60bn in 2025: Fitch

By Santhosh V Perumal
Business Reporter

Qatar lenders have so far this year raised $8bn and focused on senior unsecured debt issuance; even as the Gulf Co-operation Council (GCC) banks are set to exceed $60bn of US dollar debt issuance in 2025, according to Fitch, a global credit rating agency.

(Total) issuance (from the GCC banks) this year is already almost $55bn, well above the 2024 total of $36bn and 2025 maturities of $23bn, Fitch said in its latest report.

Most issuances have been from Saudi banks ($28.3bn), followed by the UAE banks ($11bn), Qatari banks ($8bn) and Kuwaiti banks ($7bn), it said, adding sukuk represents nearly half of new issuance, excluding CDs or commercial deposits.

The GCC banks have accounted for almost 30% of the US dollar issuance by emerging-market banks this year, and more than 60% when excluding Chinese banks, according to the rating agency.

The GCC banks are set to exceed $60bn of US dollar debt issuance in 2025, and $40bn excluding CDs, surpassing the record levels of 2024, it said, adding this is driven by heightened maturities, strong credit growth and favourable financing conditions.

"We expect continued strong issuance in 2026, supported by further US Fed rate cuts, $36bn of debt maturities, additional strong credit growth in Saudi Arabia and the UAE, and persistent tight domestic liquidity conditions in Saudi Arabia," it said.

Subordinated debt issuance by the GCC banks this year has already reached $14.5bn (2024: $7bn), accounting for almost 40% of issuance, excluding CDs (2024: 22%); driven by Saudi banks ($11.2bn) to support financing growth linked to Vision 2030 projects and in anticipation of tighter capital regulation, according to Fitch.

Saudi banks have tapped the US dollar Tier 2 debt market for the first time since 2020, and account for most of the $6bn of such debt already issued this year by the GCC banks (2024: $1.5bn).

This is mainly to diversify their non-common equity Tier 1 capital away from additional Tier 1 (AT1), which is still dominant given the modest spread differential between AT1 and Tier 2 debt in the GCC, Fitch said.

"The UAE and Qatari banks have focused on senior unsecured debt issuance due to refinancing needs and to diversify their funding bases, especially through ESG (environmental, social and governance) bonds and sukuk," the report said.

They have also been active in the Taiwanese Formosa market through floating-rate notes, with the UAE banks raising about $3.5bn and Qatari banks about $1bn, it said, expecting the UAE bank issuance to remain driven by refinancing and diversification as the sector has good liquidity and a solid net foreign asset position.

The GCC banks' issuance of short-term CDs from large financial hubs, including New York, London, Hong Kong and Singapore, has skyrocketed to $18bn so far in 2025 (2024: $3bn). Almost 70% of this is by Saudi banks, reflecting cheaper funding than is available domestically in Saudi Arabia.

Highlighting that liquidity will remain a key credit challenge for Saudi banks in 2026, and it expects the sector's reliance on external funding to continue increasing; Fitch said the net foreign liability position is likely to stay above 3% of sector assets, which could be credit negative for Saudi banks.

Qatar, US play key role in stabilising European energy crisis: IGU

By Pratap John
Business Editor

Qatar and the United States have played a key role in stabilising the European energy crisis due to the reduction of Russian piped gas supply, according to International Gas Union (IGU).

"The 2022-2024 European energy crisis following the reduction of Russian piped gas supply was stabilised using LNG imports from the US and Qatar," IGU said in its just released Global Gas Report 2025.

Similarly, East Asian countries like Japan and South Korea rely on spot LNG purchases to balance seasonal fluctuations, establishing natural gas and LNG as tools for preventing deeper economic or social fallout through resilient and diversified supply, the report noted.

Gas has proved itself a vital component of global energy security. LNG trade has historically offered cross-border flexibility to respond to shifting demand- supply dynamics during market uncertainties, it said.

Amid rising demand, there is indication of growing LNG supply reinforcing natural gas' role as a reliable fuel to meet expected shortfalls. Despite tightness in the near term, the global LNG market is expected to gradually ease over the next few years, and move into surplus as new supply comes online toward 2030.

Around 270 bcm of approved or under construction liquefaction capacity is currently in the pipeline to be commissioned by 2030, primarily driven by projects in the US and Qatar. This marks a new growth phase following a prolonged period of stagnation, reflecting the inherently cyclical nature of the liquefaction sector.

These cycles are driven by the capital-intensive nature of projects – typically costing around $0.75bn per bcm – and long development timelines, often spanning four to five years from FID to operation. To manage market risk, developers usually secure most of their capacity through long-term contracts.

"Due to these factors, the LNG market is expected to remain broadly balanced, with limited opportunity for new developments in the short term and ample supply by 2030," IGU said.

Uncertainty surrounding the timing of LNG supply persists despite the expected surge associated with the next wave of LNG projects.

In October 2024, TotalEnergies revised its forecast, now anticipating that the next wave of LNG supply will only come to market from 2027, two-years after the previously projected 2025 timeline.

The supply outlook remains uncertain due to potential delays as well as regulatory, technical and financial risks to projects. While there is a potential for increased project FIDs as a result of US import tariffs, policies such as the sanctions on Russian LNG are set to strike a blow to global LNG supply as upcoming projects' ability to acquire necessary equipment, secure vessels and find buyers is becoming increasingly limited.

IGU said, "Disruptions to key LNG transit routes, such as the Strait of Hormuz, increase shipping times and costs, undermining project economics and investor confidence. This may lead to slower FIDs for projects dependent on long-distance or chokepoint- exposed routes."

A Floating Storage and Regasification Unit (FSRU) is anchored at the LNG terminal in Wilhelmshaven, Germany. Amid rising demand, there is indication of growing LNG supply reinforcing natural gas' role as a reliable fuel to meet expected shortfalls.