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US Treasury can easily cover any tariff refunds, says Bessent

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Ethiopia begins $12.5bn construction project of 'Africa's biggest airport'

QNB Group advances its sustainability leadership

QNB Group strengthened its regional leadership position in 2025 by enhancing its ESG agenda, sustainable financing activities, ongoing commitment to international initiatives, and market-leading disclosures.

The progress has been achieved alongside the group's continued strong growth, further solidifying its position not only as the largest financial institution in the MEA region but also as a leading bank across the Middle East, Africa, and Southeast Asia.

The performance is underpinned by QNB's sustained investments in innovation, governance, digital transformation and social responsibility, which strengthen Qatar's position as a leading financial centre and support its National Vision 2030.

The group's robust financial performance is reflected in its brand value, which remains the highest in the MEA region. QNB maintained its strong credit rating from leading global rating agencies, including Standard & Poor's (A+) and Moody's (Aa2). Furthermore, QNB has also been awarded the top ESG ratings amongst regional peers, with leading ratings from MSCI (AA), S&P Global ESG (59/86th percentile), and CDP (B).

QNB is dedicated to integrating ESG principles and practices into its strategy, business, and operations. With a longstanding commitment to the UN Global Compact, UN Sustainable Development Goals, and other international initiatives and best practices, the group has established its sustainability strategy, framework, and governance to enhance delivery, accountability, and transparency, as it continues to make significant strides in its sustainability journey.

QNB has successfully balanced the enhancement of its banking leadership with the acceleration of its ESG initiatives. This includes engaging with clients to increase its direct sustainable financing portfolio to over $11bn and committing to actively supporting international and national climate goals. The bank is delivering profit with purpose and positive impact, whilst enabling the real economy transition.

In September 2025, QNB Group issued its inaugural euro-denominated green bond under its Medium-Term Note (MTN) programme – also its second benchmark green bond from Qatar. This five-year, €750mn issuance marks the largest euro-denominated green bond issued by a bank in the Gulf Co-operation Council (GCC) region.

The performance is underpinned by QNB's sustained investments in innovation, governance, digital transformation and social responsibility, which strengthen Qatar's position as a leading financial centre and support its National Vision 2030

The issuance highlights the bank's role as a leader in ESG financing and its commitment to developing green and sustainable finance in Qatar and its key markets, in line with the group's Sustainable Finance and Product Framework. The offering attracted significant interest from a broad range of international investors, with peak subscription orders exceeding the offering size by over 2.5 times.

QNB also continued its ground-breaking issuances in its international network. The group issued the world's first Climate Transition Bond aligned with the new International Capital Market Association (ICMA) Climate Transition Bond Guidelines. The $100mn transaction is the first-of-its-kind from any financial institution globally and represents the International Finance Corporation's (IFC) inaugural investment to accelerate real-economy decarbonisation in Turkiye.

In the same period, QNB Turkiye launched the Triple Impact Sustainable Bond, in collaboration with the European Bank for Reconstruction and Development (EBRD), with $100mn to finance green projects and businesses led by women and youth. This innovative bond combines climate action with social inclusion, delivering three positive impacts within a single structure.

QNB Group also completed its comprehensive group-wide climate change strategy, encapsulating climate ambitions, transition approaches, priority sectors, and implementation roadmap. This enables QNB to support national and international Paris Agreement-aligned goals across its markets. At a national level, the bank plays a key role as a strategic sponsor, partner, and contributor to the Qatar National Dialogue on Climate Change (QNDCC).

As part of its commitment to global efforts to combat climate change and promote transparency, QNB became the first bank in the Middle East to disclose its carbon emissions in accordance with the ISSB Sustainability Disclosure Standards (IFRS S1 and S2), including Scope 3 financed emissions. These disclosures represent over 90% of the group's portfolio, demonstrating QNB's leadership in sustainable finance and accountability.

QNB is the only bank in the region to obtain independent assurance on GRI-aligned reporting and key metrics, including greenhouse gas (GHG) emissions. To promote adoption of such international best practices, the bank shared its experience at a national IFRS capacity-building event hosted by Qatar's financial regulators and the Qatar Stock Exchange.

As part of its efforts to reduce carbon emissions, whilst enhancing customer experience and inclusion, the bank continues to advance its digital services strategy. This includes approval from the Saudi Central Bank (SAMA) to establish a new digital bank in Saudi Arabia under the name "ez bank".

The initiative, in partnership with the Ajlan & Brothers Holding Group, involves a capital of SAR2.5bn and aims to provide innovative digital banking services targeting a broad customer base, particularly youth and entrepreneurs. The approval lays the foundation for a new phase in reshaping the banking experience, delivering innovative, comprehensive, and secure digital services to individual and corporate clients.

Simultaneously, QNB obtained a special licence from the Central Bank of Egypt (CBE) to establish a new digital bank, also under the name "ez bank". This crucial step reflects the group's commitment to supporting the CBE's vision for financial inclusion and digital transformation, as well as the Egyptian government's strategy for economic development.

The digital bank will combine advanced technology with international best practices to deliver seamless financial services to a broad customer base. It will primarily leverage mobile platforms, AI-powered tools, and intelligent risk management to facilitate transactions, enhance accessibility, and support the digital economy in Egypt.

QNB Group has also cemented its position as one of the most advanced and progressive banks in Qatar and the region, being among the first financial institutions to fully embrace a digital transformation journey. It has taken ambitious steps to keep pace with technological innovations, most notably through the launch of QNBeyond, its dedicated digital innovation hub in the Turkish market.

QNB Group's steadfast commitment to sustainable practices has garnered significant global recognition. QNB Group CEO Abdullah Mubarak al-Khalifa was honoured as one of the region's sustainability leaders. The accolade specifically acknowledges his vision and efforts in steering the Group's sustainability strategy and championing ESG principles throughout its operations.

Women in technology seen to play defining role in cybersecurity

By Peter Alagos
Business Editor

Women in technology will play a defining role in reshaping cybersecurity in 2026, stated an industry expert, who sees gender inclusivity as key to tackling AI-driven cyber threats.

"It is foreseen that in 2026, women shall occupy a larger number of seats in the technology domain as they have proven their ability, far-sightedness, and willingness to carry responsibilities without a shadow of a doubt.

"And with the assumption that industry can close the gender gap, there is no mental gender gap between women and men," CIELTECH chairman and president Dr Salah A Rustum (***pictured***) stated.

He reiterated that the industry can close the gender gap, stressing that past disparities were due to unequal opportunities rather than capability. He assured that women are equally equipped to carry responsibilities in technology and cybersecurity.

Dr Rustum further said: "All that has taken place in the past years is simply described by not giving women the same opportunities that were opened to men. Therefore, women are equal to men in all aspects and are more persistent in any way or the other."

According to Dr Rustum, this perspective resonates with Qatar's broader innovation agenda, where women have increasingly taken leadership roles in STEM and digital transformation. His call aligns with Qatar's push for inclusivity in technology, echoing his earlier advice to small and medium sized enterprises (SMEs) and e-commerce firms to strengthen trust and resilience.

Dr Rustum previously warned that AI-driven threats are escalating, with hackers exploiting machine speed to launch ransomware, supply chain compromises, and phishing campaigns. Earlier, he cautioned that attackers increasingly "log in, instead of breaking in", targeting browsers, extensions, and session tokens.

Among Dr Rustum's predictions and recommendations in the months ahead, he stated that third-party risk and availability resilience should rank higher on the security agenda, while competitive pressure behind AI adoption will intensify. He urged companies to adopt a cost-benefit approach that makes security investment measurable and defensible.

Among his immediate recommendations are: starting early even if progress feels small, avoiding analysis paralysis, and recognising that threat actors move as fast as competitors — often faster. He emphasised that cybersecurity maturity is about reducing risk without blocking business operations.

Dr Rustum also advised organisations to protect e-mail with SMIME, avoid free SSL/TLS certificates, and adopt end-to-end authentication and encryption. He cautioned against confusing QR-code symbology with digital signature technology in authentication, which could expose systems to inevitable attacks.

He added that organisations that succeed in 2026 will be those that begin early, prioritise clearly, and stay adaptable: "2026 shall not be about fear of cyberattacks; it shall be about progress, about evolving from awareness without action to awareness that drives it."

QNB: Productivity, AI, and promise of a new US growth regime

Productivity growth is the single most important driver of long-term economic prosperity. It determines how fast an economy can grow without generating inflation, how quickly living standards improve, and how sustainably wages can rise, QNB stated in its weekly economic report.

Yet for much of the post-World War II period, productivity growth has been volatile in the US, with long periods of high growth followed by long periods of low growth. After averaging close to 3% per year in the post-war decades, labour productivity growth slowed markedly until the wave of internet innovation and e-commerce in the mid-1990s and early 2000s, stated QNB.

Following the Global Financial Crisis that started in 2007 until the pre-pandemic period, productivity remained weak. The post-pandemic recovery may have ignited the early phase of a new wave of innovations, led by artificial intelligence (AI). Several structural forces help explain why productivity growth became harder in countries that are high-income and are at the frontier of technological advancements, QNB stated.

As economies mature, the most transformative innovations tend to plateau after a period of high productivity, losing momentum rapidly in the absence of additional technological breakthroughs. In this context, many economists argue that "ideas are getting harder to find", meaning that increasingly larger research efforts are required to achieve the same growth impact as in the past, according to QNB.

At the same time, the pace of educational penetration has plateaued in advanced economies, limiting gains from human capital accumulation as most of the working population already present high education levels.

Together, these forces contribute to a phase of subdued productivity growth, constraining potential GDP and reinforcing the idea that advanced economies had entered a low-growth equilibrium, QNB stated.

However, this narrative is now being fundamentally challenged by the emergence of AI as a new potential technological revolution, following the breakthrough of generative AI since the launch of ChatGPT in 2020-22. After a few years of more massive investments in AI, it is now adequate to consider whether AI will be able to stop the low productivity phase.

"In our view, two main factors support the promise of AI as a significant engine for US productivity and growth. First, the unique nature of AI suggests a sustained period of accelerated productivity ahead of us. Unlike prior waves of digitalisation that primarily enhanced communication, data storage, and process automation, AI represents a distinct and potentially far more powerful class of technology.

"At its core, AI is not merely a tool for efficiency but a system capable of generating new knowledge, identifying patterns at a superhuman scale, and accelerating problem-solving across virtually every sector of the economy. This characteristic gives AI the potential to act as a true 'general-purpose technology', similar in scope to electricity, the internal combustion engine, or the internet," QNB stated.

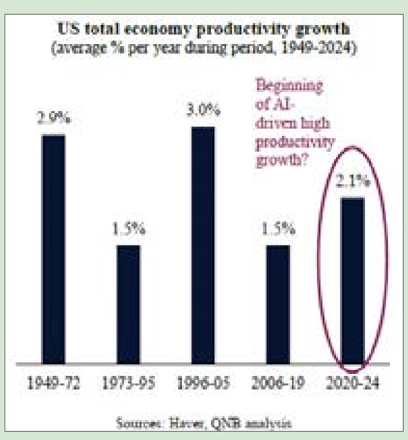
The bank stated that by augmenting cognitive labour, AI extends the effective frontier of human intelligence. It compresses research timelines, speeds up design and engineering, enhances medical diagnostics, improves logistics optimisation, and enables real-time strategic decision making. "Crucially, AI does not only reduce costs; it also expands the range of what is economically and technically feasible. Ad extremum, AI also introduces the possibility, previously inconceivable in conventional economics, of partially relaxing the classical constraints of scarcity itself.

"By radically augmenting cognitive labour and enhancing the productivity of capital, AI could make economic output become less tightly tethered to the physical expansion of workers and machines. In this sense, AI is not just a productivity-enhancing tool but a productivity-creating engine, with the potential to lift both the level and the growth rate of output over time," QNB stated.

Second, AI is already producing an extraordinary cycle of large-scale capital expenditures (CAPEX) in the US. US hyperscalers, led by firms such as Microsoft, Alphabet, Amazon and Meta, are deploying unprecedented levels of capital into AI-related infrastructure, including data centres, advanced semiconductors, high bandwidth networks, and specialised computing architectures, QNB stated.

"Importantly, these companies are among the most efficient capital allocators in corporate history, with long track records of disciplined investment and value creation. Their collective decision to commit hundreds of billions of dollars to AI is therefore a powerful market signal. It reflects not speculative enthusiasm, but a high conviction assessment that AI will fundamentally reshape production functions across the economy," QNB stated.

According to QNB, these investment dynamics also matter for macroeconomic transmission. Large-scale capital deepening raises the amount of productive capital per worker, directly lifting labour productivity. Moreover, AI-related infrastructure has strong network effects: once the core platforms are in place, adoption across firms and sectors can accelerate rapidly. This creates the conditions for multi-year diffusion cycles, rather than short-lived productivity spikes. In effect, the US economy seems to be currently building the physical backbone for a new growth regime over the coming years, QNB stated.

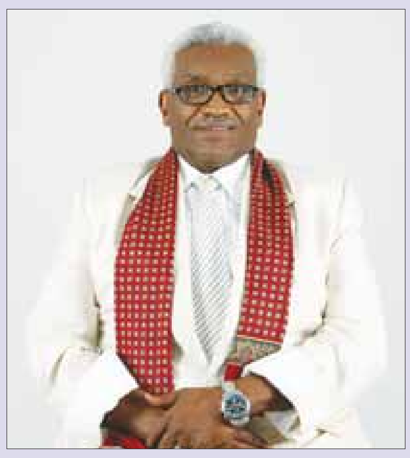


BUSINESS

LEGAL PERSPECTIVE

Bailment and duties of the bailee

By Dr AbdelGadir Warsama Ghalib



The bailee has two basic duties, to take reasonable care of the property that has been entrusted to him and to return the property at the termination of the bailment. The bailee is responsible for using reasonable care to protect the property during the time in his possession. If the bailee does not exercise reasonable care and the property is lost or damaged, he is liable for negligence.

Thus, the bailee would have to reimburse the bailor for the amount of loss or damage. If the property is lost or damaged without the fault or negligence of the bailee, the bailee is not liable to the bailor. Moreover, one of the essential elements for bailment is the duty of the bailee to return the property at the termination of the bailment. The bailee must return the goods in an undamaged condition to the bailor or to someone designated by the bailor. If the goods have been damaged or lost, there is a rebuttable presumption of negligence on the part of the bailee.

To overcome the presumption, the bailee has the burden of the exercise of the relevant level of due care. In most instances, the bailee must return the identical property that was bailed. The bailee is also liable to the bailor if he misdelivers the bailed property at termination of the bailment. The property must be returned to the bailor or to someone specified by the bailor. The bailee is responsible for using reasonable care to protect the property.

Whether the care exercised by the bailee in a particular case was reasonable depends in part on who is benefiting from the bailment. If it is a mutual benefit bailment, the bailee must use ordinary care, which is the same kind of care a reasonable person would use to protect his own property. If the bailee is a professional bailee he must use the degree of care a person in that profession would use. This is likely to be more care than the ordinary person.

In addition, there is usually a duty on a professional bailee to explain any loss damage to property, that is, to show it was not negligent. If it cannot do so, it will be liable to the bailor.

If the bailment is solely for the benefit of the bailor, the bailee may be held to a somewhat lower degree of care. If the bailee is doing you a favour, it is not reasonable to expect him to be as careful as when you are paying a bailee for keeping your goods. Usually, the bailee in this situation is liable only for gross negligence. On the other hand, if the bailment is for the sole benefit of the bailee, it is reasonable to expect that the bailee will use a higher degree of care.

Who benefits from a bailment is one consideration in determining what is reasonable care. Other factors include the nature and value of the property, how easily it can be damaged or stolen, whether the bailment was paid for or free, and the experience of the bailee. Using reasonable care includes using the property only as was agreed between the parties.

Bailees may try to limit or relieve themselves of liability for the bailed property. Common examples include the signs "not responsible for loss or damage to checked property," and disclaimers "goods left at owner's risk." Any attempt by the bailee to be relieved of liability for intentional wrongful acts is against public policy and will not be enforced.

The courts look to see whether the disclaimer or limitation of liability was communicated and may hold that the disclaimer was not communicated to the bailee and did not become part of the bailment contract.

Even if the bailee was aware of the disclaimer, it still may not be enforced on the ground that it is contrary to public policy. If the disclaimer was offered on a take-it-or-leave-it basis and was not the subject of arm's-length bargaining, it is not likely to be enforced.

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Ethiopia's Prime Minister Abiy Ahmed addresses the commencement of construction of the Bishoftu International Airport in Abusera, Ethiopia on Saturday.

Ethiopia begins $12.5bn construction of 'Africa's biggest airport'

Reuters
Bishoftu, Ethiopia

Ethiopian Airlines on Saturday officially started a $12.5bn construction project for what officials say will be Africa's biggest airport when completed in 2030 in the Ethiopian town of Bishoftu.

The state-owned airline got the contract to design the four-runway airport in the town located around 45km (28 miles) southeast of Addis Ababa.

"Bishoftu International Airport will be the largest aviation infrastructure project in Africa's history," Prime Minister Abiy Ahmed Ali said on X. The airport will have space to park 270 planes and capacity for 110mn passengers a year.

That is more than four times the capacity of Ethiopia's current main airport, which will reach its limits on existing traffic in the next two-to-three years, Abiy said.

The airline's Infrastructure Development & Planning Director Abraham Tesfaye told reporters it would fund 30% and lenders would finance the rest.

It has already allocated $610mn for earthworks, which are due to be completed in one year, he said at the site, with the main contractors scheduled to start work in August 2026.

The project was initially billed at $10bn.

Other creditors include the African Development Bank, which last August said it would lend $500mn and lead efforts to raise $8.7bn.

"Lenders from Middle East, Europe, China and USA have shown strong interest to finance the project," Abraham said.

Ethiopian Airlines is Africa's biggest carrier. It added six extra routes in 2024/25, while revenues are also expanding.

China consumer prices rise at fastest pace since 2023

AFP
Beijing

Chinese consumer prices rose last month at their fastest pace in nearly three years, official data showed on Friday, extending a period of growth following months of deflationary pressure in the world's second-largest economy.

The consumer price index (CPI), a key measure of inflation, rose 0.8% year-on-year in December, the National Bureau of Statistics (NBS) said.

The reading was in line with a Bloomberg forecast and the biggest jump since February 2023, when consumer prices were up 1% year-on-year.

Consumer demand rose last month as the new year approached, NBS statistician Dong Lijuan said in a statement.

"Policies aimed at expanding domestic demand and promoting consumption continued to show results," Dong said, adding that the CPI rise was mainly driven by higher food prices. Inflation was at zero for 2025 overall, NBS data showed. According to Bloomberg, it was the lowest full-year level since 2009.

While Beijing has been attempting to shift towards a growth model based more on domestic consumption and less on exports and manufacturing, success has been limited.

"Headline CPI inflation edged up to its highest level since China's reopening from zero-Covid," Zichun Huang of Capital Economics said in a note.

"But this was due to a weather-related pickup in food prices rather than success of the "anti-involution" campaign", she added, referring to a policy combatting price cutting and excessive competition damaging to the economy. "Without stronger demand-side measures, we think overcapacity and the resulting deflationary pressures will persist in the coming years."

The producer price index — which measures the cost of goods at the factory gate — dropped 1.9 % on-year in December, the NBS said. The Bloomberg survey had forecast a decline of 2%.

The PPI has been in deflation for more than three years, reflecting weak demand and a global oversupply of Chinese manufactured goods.

Huang, the economist, also warned that excess supply issues in China's manufacturing sector remain largely unresolved.

Chinese flags are seen on a street in Shanghai. The consumer price index, a key measure of inflation, rose 0.8% year-on-year in December, the National Bureau of Statistics said.

Confusion reigns over Venezuela's oil industry as US looms

AFP
Maracaibo, Venezuela

Between US demands for its crude, tankers threatened with seizure, storage tanks at overflow risk and bewildered local authorities, the outlook for Venezuela's oil industry has never been murkier.

In the country's key oil port at Maracaibo, on the northwestern border with Colombia, few tankers are waiting to either load or venture out into the Caribbean — where American ships including the USS Gerald Ford, the world's biggest aircraft carrier, are waiting.

"They have oil that is stuck in Venezuela; they can't move it because of our quarantine and because it's sanctioned," US Secretary of State Marco Rubio said on Wednesday.

"We are going to take between 30 and 50mn barrels of oil," he added. "We're going to sell it in the marketplace — at market rates, not at the discounts Venezuela was getting."

What that means for Venezuela's oil prospects is anyone's guess, not least in the volatile political landscape after President Nicolas Maduro's seizure by US forces on narco-trafficking allegations.

But Washington is definitely banking on long-term control, according to Energy Secretary Chris Wright.

"We're going to market the crude coming out of Venezuela, first this backed-up stored oil, and then indefinitely," Wright said on Wednesday.

State-owned Petroleos de Venezuela (PDVSA) acknowledged Wednesday that it had entered "negotiations" to sell oil to the US, on what it said would be the same terms as for other foreign customers.

A crude oil tanker sits anchored on Lake Maracaibo, Venezuela on Wednesday. Between US demands for its crude, tankers threatened with seizure, storage tanks at overflow risk and bewildered local authorities, the outlook for Venezuela's oil industry has never been murkier.

"The process... is based on strictly commercial transactions under terms that are legal, transparent and beneficial for both parties," it said.

But the statement came as US forces seized two more tankers, after previously seizing two others after Maduro's capture.

Most shipping firms are holding back, either waiting at Maracaibo or avoiding it, even as a few tankers try to get past the US cordon.

Since Trump imposed a full oil embargo in 2019, Venezuela has relied largely on a "shadow fleet" to sell mainly to China, Russia and Iran, a prospect highly uncertain after the US incursion.

One tanker anchored in the Maracaibo bay on Wednesday, the Nord Star, is owned by Corniola and operated by Krape Myrtle, both based in Hong Kong and targeted by US sanctions.

"The shadow fleet is still operating, it's risky but it's getting out," one industry source based in Maracaibo told AFP.

But with most tankers blocked, storage tanks at Maracaibo are nearly filled to the brim, threatening devastating overflows even as derricks keep pumping to the south and east of the port's massive inland lake.

One operator, requesting anonymity, said local authorities "are ordering partner firms to cut output while waiting for tankers that will take the oil".

The partner firms, known as "co-enterprises", were created under former strongman leader Hugo Chavez to join forces with energy groups from China, Russia, Belarus and other allies.

Venezuela produces around 1mn barrels per day, above the 350,000 barrels immediately after Trump imposed a full oil embargo in 2019, though that was eased in 2023 after Russia's invasion of Ukraine.

But it remains far below potential for a country with the world's largest known oil reserves, and exploration suggests further huge fields could yet be found.

Caracas used to pump 3.5mn barrels daily but creaking infrastructure and scant investment make a return to that level unlikely in the short term — unless Trump makes good on his pledge to get US energy groups back into the country soon.

Experts said it is likely that Trump will call and end to the US sanctions and embargo once his goals are met.

For David Smilde, a Latin America specialist at Tulane University in Louisiana, Venezuela has always wanted to sell oil to the US at market value, instead of "sanctioned oil at a big discount using ghost tankers".

In that sense, US companies coming into Venezuela would be "actually quite desirable", he said.

But if the the US "really takes this oil and then does what it wants and maybe uses it to pay itself for the cost of an ongoing military operation, and none of it goes back to Venezuela... that could cause a problem", he said.

Banks eye Venezuela investment; JPMorgan seen with advantage

Reuters
New York/Houston

The US involvement in Venezuela's oil sector offers a potential opportunity for international banks, with JPMorgan Chase in an advantageous spot due to its history in the country and past involvement with international trade financing.

A clutch of banks including JPMorgan and Citigroup have historically operated in the country, but reduced operations or pulled out in the last few decades. US banks now, however, may have the potential to compete for opportunities in trade financing or financing investment in oil infrastructure, one source familiar with the situation said.

Venezuela is under an interim government after the United States captured President Nicolas Maduro over the weekend and analysts stressed there would still be significant challenges to doing business.

Among the banks, JPMorgan could have an edge in the country, where it has had a presence for 60 years. While JPM curtailed its banking and stock trading operation in 2002, it kept a dormant office in Caracas for many years, according to a second source familiar with the matter, adding that it could be reactivated as needed.

"JPMorgan is among the very few US banks with an office in Venezuela, though activity is minimal due to current restrictions," said María Paola Figueroa, Head of Frontier Latin America Research at the Institute of International Finance. "The potential reopening of the oil sector and a broader economic recovery could create meaningful opportunities for foreign banks to re-enter the Venezuelan market, subject to the easing of US financial sanctions."

Venezuela has been under US sanctions since 2006, which were tightened in 2017, prohibiting US financial institutions from providing new money to the government or state oil company, PDVSA. In 2019, Washington imposed broad sanctions on its oil sector.

Now the United States is planning to selectively roll back sanctions on Venezuela as it begins marketing Venezuelan oil. The Department of Energy on Wednesday said that proceeds from oil would settle in US-controlled accounts at global banks.

For JPMorgan, there could be several avenues for involvement. One idea floated within the bank was the possibility of creating a trade bank to finance oil exports, a third source familiar with the matter said, without specifying if official discussions were taking place. The bank, which has a strong presence in oil-producing regions such as the Middle East and Africa, has historical precedence here, as it led the consortium of banks that operated Trade Bank of Iraq, set up in 2003 after the US-led invasion.

JPMorgan could also use funds from its Security and Resiliency Initiative, a $1.5tn 10-year plan it unveiled last year to finance areas such as critical minerals, where Venezuela has deep resources, the second source familiar with the matter said.

"JPMorgan is the best in class global bank," said Mike Mayo, banking analyst at Wells Fargo. "So if there are more opportunities globally or in Venezuela, the best in class global bank should get a fair share of this."

Currently, the bank trades Venezuelan sovereign bonds that are not under sanctions with offshore counterparties, the source said. Separately, an industry source said there could be opportunities for restructuring, financing deals and within energy that banks would be interested in.

A White House official said that President Trump's administration is carefully evaluating all options at its disposal, prioritising the best interests of the American people. Any announcement will come directly from the administration; anything else is purely speculation, the official said.

US banks have done business in Latin America for decades, but the share of revenue from the region is small. In 2024, JPMorgan Chase's share of the Latin America/Caribbean region accounted for 2.19% of its global revenue.

But while Venezuela has only 0.1% share of global GDP, it has broader importance. "Venezuela... is a country with huge geopolitical and economic significance," Deutsche Bank economists said in a note published Jan. 5, citing oil reserves.

Citigroup historically had a presence in Venezuela, but sold its operations to Banco Nacional de Crédito, exiting the country in 2021.

"The dark horse here is Citigroup," Mayo said, citing the bank's past experience in Latin America. Citi declined comment.

Spanish lender BBVA is the only major foreign bank with significant presence in Venezuela. Alejandro Moreno-Salamanca, professor at IESE Business School, said that if the political transition in Venezuela goes ahead, there would be opportunities in energy and infrastructure projects, "especially for BBVA."

A spokesperson for BBVA said "it is too early to say anything at this moment in time due to high uncertainty."

Bank of Nova Scotia CEO Scott Thomson said at a banking conference in Toronto on Tuesday he anticipated the US involvement in Venezuela would be good for the bank's growth, which relies on its international business that includes the Latin American region for a chunk of its income. The bank exited Venezuela in 2014.

Domestically, Venezuela's banking system is heavily regulated and operates under severe financial isolation and economic instability, said Paola Figueroa, relying on foreign banks outside US jurisdiction, alternative currencies and offshore intermediaries to move payments and settle trade. Even if sanctions were lifted, there may still be hesitancy from banks.

For example, even after the lifting of sanctions in Iran in 2016 global banks were reluctant to do business. This is far from an "if you build it, they will come" scenario, said Christopher Hodge, chief U.S. economist for investment bank Natixis.

Earnings start, inflation data pose tests for resilient US stocks

Banks kick off Q4 results, JPMorgan on Tuesday; CPI data for December could be key for Fed view; stocks off to solid 2026 start despite geopolitical tensions

Reuters
New York

US stocks have kicked off 2026 on a strong note, but could face turbulence in the coming days with the start of corporate earnings season, fresh inflation data and rising geopolitical uncertainty.

The S&P 500 is up 1% in January, on the heels of the benchmark index in 2025 closing out its third straight year of double-digit percentage gains. The market's recent strength has defied an increasingly volatile geopolitical landscape.

After a U.S. military operation that seized Venezuela's leader, officials in President Donald Trump's administration spoke of acquiring Greenland, including potential use of the military. Investors point to a strong outlook for corporate profits, easing monetary policy and coming fiscal stimulus as supports for a bull market that is in its fourth year.

"On balance for this year, the foundation for the market is solid," said Michael Arone, chief investment strategist at State Street Investment Management.

"As we're starting January, the market may be underappreciating some of the events on the horizon that could likely produce higher volatility," Arone said. "It just seems a little too quiet."

While geopolitical events have boosted the safe-haven appeal of gold, stocks have largely shrugged off the uncertainty, said Matthew Miskin, co-chief investment strategist at Manulife John Hancock Investments.

The Wall street sign hangs outside the New York Stock Exchange building. US stocks have kicked off 2026 on a strong note, but could face turbulence in the coming days with the start of corporate earnings season, fresh inflation data and rising geopolitical uncertainty.

The Cboe Volatility index has edged higher to start 2026 but was not far above its low point from 2025.

"The market's a bit numb to it," Miskin said. "But this is a time where everything is priced near perfection and it's a time where you can take out some insurance or think about some defensive options just in case another geopolitical event hits the headlines."

Major banks kick off fourth-quarter earnings season in the coming week, with strong profit growth this year a crucial source of optimism for stock investors.

Analysts expect that overall earnings from S&P 500 companies climbed 13% in 2025, and they estimate a further rise of over 15% in 2026, according to LSEG IBES.

JPMorgan Chase, the largest US lender, reports on Tuesday, with Citigroup, Bank of America and Goldman Sachs among those reporting later in the week. Financial sector earnings are expected to have climbed 6.7% in the fourth quarter from the year-earlier period.

Jack Janasiewicz, portfolio manager at Natixis Investment Managers, will be looking to bank results for insight into the health of the consumer, such as on credit card payment defaults, with consumer spending accounting for more than two-thirds of economic activity.

"The banks are going to be telling you something that is going to be pretty important because they're on the front lines," Janasiewicz said.

Investors have been struggling to get a full picture of the economy because the 43-day government shutdown late last year delayed or cancelled key reports, with data flow now returning to normal. That could raise the stakes for Tuesday's release of December's consumer price index, closely followed for inflation trends. It will be one of the last key releases before the Federal Reserve's next monetary policy meeting at the end of January.

The US central bank lowered interest rates in each of its last three meetings of 2025 in response to a weakening labour market, but investors are unsure when it might cut further. Fed easing is adding "a sense of calm to risk markets," said Nanette Abuhoff Jacobson, global investment strategist at Hartford Funds.

"All the inflation numbers are going to be critical to what Fed policy is going to look like," Abuhoff Jacobson said. "If the mosaic is suggesting that inflation is inching higher, then there are going to be questions about whether the Fed is going to ease in 2026 or how much they can ease."

S&P 500 notches record high close driven by chipmakers

Reuters
New York

The S&P 500 rallied to a record high close on Friday, lifted by Broadcom and other chipmakers, while a weaker-than-expected jobs report did little to alter expectations of interest rate cuts from the Federal Reserve this year.

Wall Street's three main indexes all gained sharply in 2026's first full week of trading, fuelled by increases in materials, industrials and other sectors that have lagged technology stocks in recent years.

A Labor Department report showed US employment growth slowed more than expected in December, but a decline in the unemployment rate to 4.4% suggested the labour market was not rapidly deteriorating.

Chip stocks rallied, with the PHLX semiconductor index jumping 2.7% to a record high. Lam Research rallied 8.7% to $218.36 after Mizuho raised its price target on the chip manufacturing tool maker to $220 from $200. Broadcom rose 3.8%, Alphabet added 1% and Tesla climbed 2.1%, all lifting the S&P 500 and Nasdaq.

Vistra jumped 10.5% after Meta Platforms agreed to buy power from the company's nuclear plants. "On the overall AI theme, investors are getting granular and picking the winners and losers in terms of sub-themes and individual names," said Zachary Hill, head of portfolio management at Horizon Investments in Charlotte, North Carolina.

"We view that as a more positive development. It means that we're getting closer to the monetisation phase, where people can actually see and touch the revenue enhancements that are going to come from this revolutionary technology." Intel rallied almost 11% after Trump said he had a "great meeting" with the chipmaker's chief executive officer, Lip-Bu Tan.

The S&P 500 climbed 0.65% to end the session at 6,966.28 points.

The Nasdaq gained 0.82% to 23,671.35 points, while the Dow Jones Industrial Average rose 0.48% to 49,504.07 points.

Nine of the 11 S&P 500 sector indexes rose, led by materials, up 1.8%, followed by a 1.24% gain in utilities.

For the week, the S&P 500 climbed 1.6%, the Nasdaq rose 1.9% and the Dow added 2.3%.

Valuations on Wall Street were relatively high ahead of fourth-quarter earnings season. The S&P 500 is trading at about 22 times expected earnings, down from 23 in November, but above its five-year average of 19, according to LSEG data.

Underscoring a recent shift toward stocks that have underperformed in recent years, the S&P 500 value index has climbed about 2% so far in 2026, beating a 1% gain in the S&P 500 growth index. The US Supreme Court said it would not issue a ruling on Friday on the legality of US President Donald Trump's sweeping tariffs.

This left investors, many of whom expected a decision, awaiting clarity. Traders anticipate heightened volatility across financial markets if the court strikes down the tariffs. Mortgage lenders rose a day after Trump said he is ordering his representatives to buy $200 billion in mortgage bonds to bring down housing costs.

LoanDepot surged 19.3%, Rocket Companies gained 9.6% and Opendoor Technologies rallied 13.1%. The Philadelphia Housing index gained 5.7% to its highest since October.

General Motors shares fell more than 2% after the automaker said on Thursday it would take a $6bn charge to unwind some electric-vehicle investments.

Advancing issues outnumbered falling ones within the S&P 500 by a 1.3-to-one ratio.

The S&P 500 posted 48 new highs and 6 new lows; the Nasdaq recorded 140 new highs and 62 new lows.

Global equity funds snap three-week inflow streak

Reuters
New York

Global equity funds recorded their first weekly outflow in three weeks in the week through January 7 as investors trimmed risk on geopolitical concerns, US rate uncertainty and stretched valuations, especially in US stocks.

LSEG Lipper data showed that global investors withdrew a net $6.07bn from equity funds, the first weekly net outflow since December 17, driven largely by massive sales in US equity funds.

Investors are wary as the Federal Reserve balances a softening labour market against still-elevated inflation, signalling after last month's rate cut that borrowing costs are unlikely to fall further in the near term.

Concerns over elevated valuations continued to weigh on some technology stocks, further dampening investor sentiment. Nvidia is down about 2.0% so far this week, while Broadcom has fallen roughly 4.4%.

Investors, meanwhile, pumped $11.98bn into European equity funds, the biggest amount for a week since May 2025. Asian funds also saw a net $4.52bn net purchase. Money market funds witnessed $161.27bn worth of weekly net purchase, the largest for a week since December 2024.

Bond funds attracted $17bn during the week after a marginal $865mn outflow, a week ago.

Short-term bond funds received $4.77bn, broadly recovering a net $4.89bn outflow in the prior week. Corporate and euro denominated bond funds also saw $1.5bn and $1.33bn worth of net purchases, respectively.

"While lower rates may mean income opportunities are becoming scarce, quality bonds should continue to play an important role as a source of yield and diversification, among other strategies to boost income," said Mark Haefele, chief investment officer at UBS Global Wealth Management.

Gold and precious metals commodity funds recorded a modest weekly outflow of $268mn, ending an eight-week streak of net inflows.

Data covering 28,606 emerging market funds showed that investors poured $3.16bn into equity funds, the most in six weeks, and added a further $1.1bn to bond funds.

Meta partners with US nuclear energy companies to power AI data centres

AFP
San Francisco

Tech giant Meta announced major agreements with three US nuclear clean energy companies that it says will add up to 6.6 gigawatts of clean power by 2035. The deals make Meta one of America's largest corporate buyers of nuclear energy as it seeks to fuel its artificial intelligence (AI) operations.

The Facebook parent company signed agreements with Vistra, TerraPower and Oklo to extend existing nuclear plant operations and develop advanced reactor technology, following a similar agreement with Constellation Energy last year.

"State-of-the-art data centres and AI infrastructure are essential to securing America's position as a global leader in AI," said Joel Kaplan, Meta's Chief Global Affairs Officer. "Nuclear energy will help power our AI future."

The agreements will provide financial support to extend operations at three existing nuclear plants while backing development of more experimental nuclear technologies.

The deals with Oklo, backed by OpenAI CEO Sam Altman, and TerraPower, backed by Microsoft co-founder Bill Gates, involve experimental Small Modular Reactors (SMRs) that aim to provide clean and easier-to-develop nuclear energy.

SMR designs promise enhanced safety features and more efficient operations than traditional plants, but have yet to be deployed at scale.

Meta said the projects would support its Prometheus supercluster data centre in New Albany, Ohio.

Crucially, Meta said it pays the "full costs" for energy used by its data centres so consumers don't bear the expenses, addressing concerns about tech companies' growing electricity demands and whether investment costs get passed on to residential users.

The nuclear push reflects the massive energy requirements of AI development, with tech giants racing to secure reliable sources for their expanding data centre operations - a trend that has seen big tech companies scale back their climate commitments.

Nuclear energy provides consistent baseload power unlike intermittent renewable sources such as wind and solar, making it attractive for facilities that require 24/7 electricity.

The announcements come as the nuclear industry seeks revival after decades of stagnation caused by nuclear accidents and high costs.

Amazon is also championing a nuclear revival through SMRs, and Google plans to restart a reactor in Iowa in 2029. Microsoft has signed a 20-year deal with Constellation Energy to take essentially all the output of the restarted Three Mile Island plant in Pennsylvania.

The Qatar Stock Exchange (QSE) gained 206.82 points or 1.9% to close at 10,969.33 for the. Market capitalisation increased 2.1% to QR657.7bn from QR644bn at the end of the previous trading week.

Of the 54 companies traded, 44 ended the week higher and 10 ended lower. Mannai (MCCS) was the best performing stock for the week, rising 7.8%. Meanwhile, Qatar Cinema (QCFS) was the worst performing stock for the week, falling 8.7%.

QNB Group (QNBK), Commercial Bank of Qatar (CBQK) and Qatar Islamic Bank (DHBK) were the main contributors to the weekly index gain. They added 61.34, 32.89 and 17.08 points to the index, respectively.

Traded value during the week surged 87.8% to QR2,011.9mn from QR1,071.3mn in the prior trading week. QNBK was the top value stock traded during the week with total traded value of QR277.1mn.

Traded volume also surged 95.8% to 743.3mn shares compared with 379.6mn shares in the prior trading week. The number of transactions rose 122.2% to 128,466 vs 57,824 in the prior week. Baladna (BLDN) was the top volume stock traded during the week with total traded volume of 90.6mn shares.

Foreign institutions turned bullish, ending the week with net buying of QR63.0mn vs net selling of QR2.1mn in the prior week. Qatari institutions remained bearish with net selling of QR96.6mn vs net selling of QR24.7mn in the week before. Foreign retail investors ended the week with net selling of QR32.2mn vs net selling of QR20.2mn in the prior week. Qatari retail investors recorded net selling of QR184.2mn vs net buying of QR47.0mn.

Global foreign institutions are net buyers of Qatari equities by $126.0mn YTD, while GCC institutions are long by $23.0mn.

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QNB FINANCIAL SERVICES

Weekly Market Report

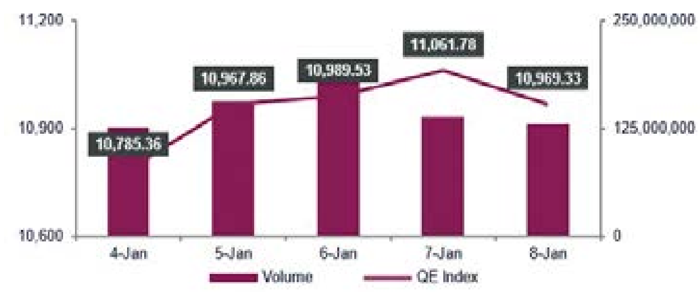
Market Indicators	Week ended. Jan 08, 2026	Week ended. Dec 31, 2025	Chg. %
Value Traded (QR mn)	2,011.9	1,071.3	87.8
Exch. Market Cap. (QR mn)	657,731.6	644,124.7	2.1
Volume (mn)	743.3	379.6	95.8
Number of Transactions	128,466	57,824	122.2
Companies Traded	54	54	0.0
Market Breadth	45:9	26:27	–

Source: Qatar Stock Exchange (QSE)

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	26,228.26	1.9	1.9	1.9
ALL Share Index	4,144.85	2.1	2.1	2.1
Banks and Financial Services	5,375.62	2.5	2.5	2.5
Industrials	4,208.95	1.7	1.7	1.7
Transportation	5,597.32	2.4	2.4	2.4
Real Estate	1,579.40	3.3	3.3	3.3
Insurance	2,575.01	3.0	3.0	3.0
Telecoms	2,240.26	0.5	0.5	0.5
Consumer Goods & Services	8,383.78	0.7	0.7	0.7
Al Rayan Islamic Index	5,194.30	1.5	1.5	1.5

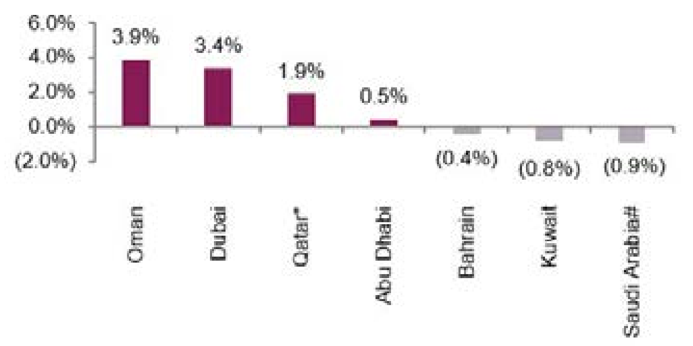
Source: Qatar Stock Exchange (QSE)

QSE Index and Volume



Source: Qatar Stock Exchange (QSE)

Weekly Index Performance



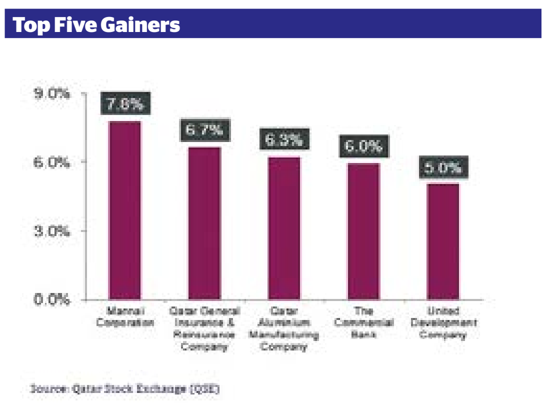
Source: Bloomberg

Regional Indices	Close	WTD%	MTD%	YTD%	Weekly Exchange Traded Value ($ mn)	Exchange Mkt. Cap. ($ mn)	TTM P/E**	P/B**	Dividend Yield
Qatar*	10,969.33	1.9	1.9	1.9	552.48	180,415.8	12.5	1.4	4.5
Dubai	6,252.99	3.4	3.4	3.4	847.41	279,679.4	10.2	1.8	4.6
Abu Dhabi	10,040.27	0.5	0.5	0.5	1,185.23	771,492.9	19.8	2.5	2.3
Saudi Arabia*	10,455.14	(0.9)	(0.3)	(0.3)	4,738.81	2,362,605.4	17.7	2.1	3.7
Kuwait	8,838.08	(0.8)	(0.8)	(0.8)	1,218.00	171,852.9	16.1	1.8	3.4
Oman	6,126.00	3.9	4.4	4.4	691.00	43,338.3	10.0	1.3	5.0
Bahrain	2,058.37	(0.4)	(0.4)	(0.4)	59.10	21,200.0	14.2	1.4	9.3

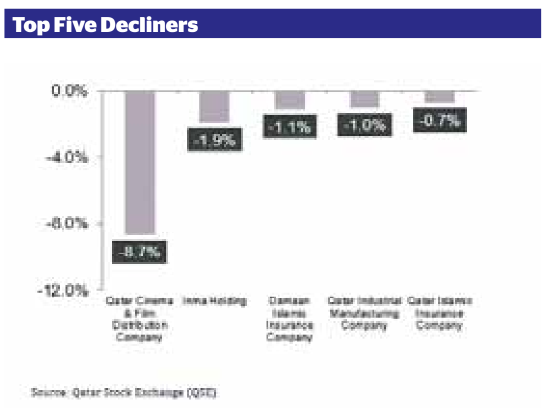
Source: Bloomberg

Qatar Stock Exchange

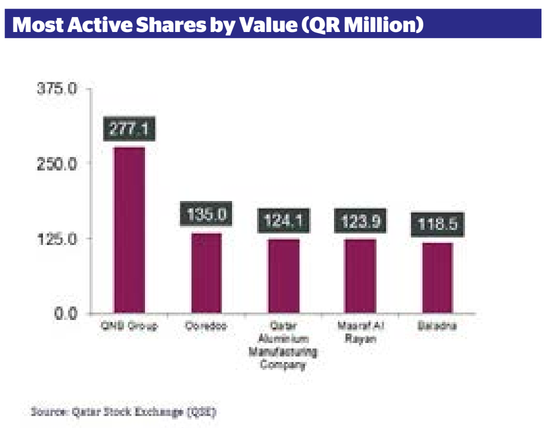
Top Five Gainers



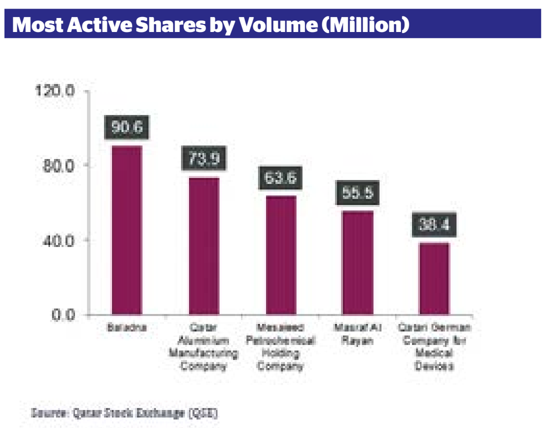
Top Five Decliners



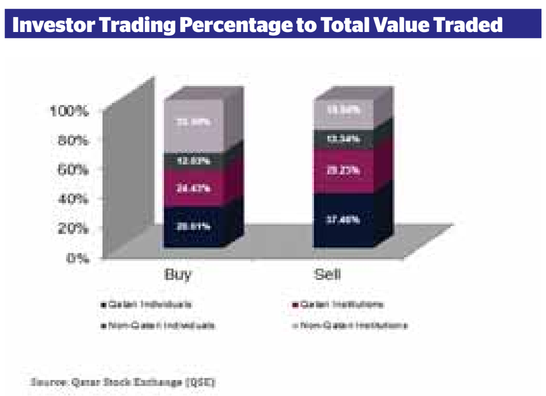
Most Active Shares by Value (QR Million)



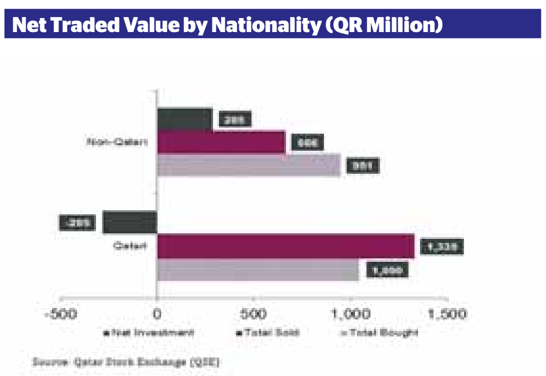
Most Active Shares by Volume (Million)



Investor Trading Percentage to Total Value Traded



Net Traded Value by Nationality (QR Million)



Company Name	Price January 08	% Change Weekly	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	19.35	3.70	3.70	178,725	11.3	1.8	3.7
Qatar Islamic Bank	24.20	1.04	1.04	57,183	12.4	2.0	3.9
Commercial Bank of Qatar	4.45	5.95	5.95	18,010	7.4	0.9	6.7
Doha Bank	2.97	3.48	3.48	9,208	10.1	0.8	3.4
Al Ahli Bank	3.73	(0.59)	(0.59)	9,508	10.8	1.3	6.7
Qatar International Islamic Bank	11.36	(0.61)	(0.61)	17,195	14.0	2.2	4.5
Al Rayan Bank	2.23	1.64	1.64	20,739	13.8	0.8	4.5
Lesha Bank	1.87	0.70	0.70	2,098	12.2	1.4	2.7
National Leasing	0.69	0.44	0.44	341	17.4	0.5	5.1
Dlala Holding	0.99	0.82	0.82	188	37.4	1.0	N/A
Qatar & Oman Investment	0.54	2.45	2.45	171	N/A	0.9	N/A
Islamic Holding Group	3.13	(1.91)	(1.91)	177	37.4	1.0	2.2
Dukhan Bank	3.53	1.06	1.06	18,492	14.1	1.4	4.5
Banking and Financial Services				**332,037**			
Zad Holding	14.20	2.23	2.23	4,081	19.7	2.5	4.9
Qatar German Co. for Medical Devices	1.50	2.25	2.25	173	N/M	N/M	N/A
Salam International Investment	0.75	3.31	3.31	857	9.2	0.5	5.3
Baladna	1.30	1.25	1.25	2,462	7.7	1.0	N/A
Medicare Group	6.60	(0.42)	(0.42)	1,858	21.6	1.8	3.0
Qatar Cinema & Film Distribution	2.19	(8.67)	(8.67)	138	14.8	1.0	3.2
Qatar Fuel	15.20	0.20	0.20	15,113	14.6	1.7	6.6
Widam Food	1.52	1.47	1.47	273	n	N/M	N/A
Mannai Corp.	4.84	7.80	7.80	2,206	10.4	2.2	5.2
Al Meera Consumer Goods	14.55	(0.14)	(0.14)	2,997	17.6	1.9	5.8
Mekdam Holding Group	2.40	2.22	2.22	383	9.3	1.5	N/A
Meeza QSTP	3.41	0.18	0.18	2,210	36.3	3.1	2.3
Al Faleh Education Holding	0.69	1.02	1.02	166	11.3	0.6	1.8
Al Mahhar Holding	2.24	2.28	2.28	464	10.1	1.3	5.4
Mosanada Facility Management Services	9.52	(4.79)	(4.79)	666	N/A	N/A	N/A
Consumer Goods and Services				**34,047**			
Qatar Industrial Manufacturing	2.33	(1.02)	(1.02)	1,107	8.6	0.6	5.6
Qatar National Cement	2.79	0.98	0.98	1,821	16.5	0.6	9.7
Industries Qatar	11.96	0.25	0.25	72,358	16.8	1.9	5.8
Qatari Investors Group	1.51	2.38	2.38	1,871	12.5	0.6	8.6
Qatar Electricity and Water	15.58	3.52	3.52	17,138	13.7	1.1	5.0
Aamal	0.86	2.02	2.02	5,418	11.9	0.7	7.0
Gulf International Services	2.66	4.19	4.19	4,947	6.9	1.1	6.4
Mesaieed Petrochemical Holding	1.12	2.56	2.56	14,083	21.0	0.9	5.0
Estithmar Holding	4.12	2.21	2.21	15,423	19.4	2.6	N/A
Qatar Aluminum Manufacturing	1.70	6.25	6.25	9,486	13.2	1.4	5.5
Industrials				**143,654**			
Qatar Insurance	2.11	3.19	3.19	6,875	11.2	1.0	4.8
QLM Life & Medical Insurance	2.58	3.00	3.00	901	15.8	1.3	3.9
Doha Insurance	2.66	3.59	3.59	1,329	6.6	0.9	6.6
Qatar General Insurance & Reinsurance	1.65	6.66	6.66	1,444	18.5	0.4	N/A
Al Khaleej Takaful Insurance	2.32	2.11	2.11	593	8.8	1.0	6.5
Qatar Islamic Insurance	8.78	(0.73)	(0.73)	1,317	7.2	2.2	5.7
Damaan Islamic Insurance Company	4.30	(1.10)	(1.10)	860	8.5	1.4	4.7
Insurance				**13,320**			
United Development	0.96	5.04	5.04	3,396	10.1	0.3	5.7
Barwa Real Estate	2.70	3.13	3.13	10,499	8.4	0.5	6.7
Ezdan Real Estate	1.07	0.66	0.66	28,249	57.1	0.8	N/A
Mazaya Qatar Real Estate Development	0.59	2.09	2.09	585	11.8	0.6	N/A
Real Estate				**42,728**			
Ooredoo	13.10	0.54	0.54	41,962	11.6	1.4	5.0
Vodafone Qatar	2.45	0.37	0.37	10,335	15.8	2.1	4.9
Telecoms				**52,297**			
Qatar Navigation (Milaha)	11.01	2.23	2.23	12,509	9.9	0.7	3.6
Gulf Warehousing	2.29	2.10	2.10	134	12.5	0.5	4.4
Qatar Gas Transport (Nakilat)	4.60	2.47	2.47	25,485	15.1	1.9	3.1
Transportation				**38,128**			
Qatar Exchange				**657,732**			

Source: Bloomberg

Source: Bloomberg

Technical analysis of the QSE index

Source: Bloomberg

The QSE index closed up by 1.9% from the week before at 10,969.3 points. We were optimistic on the previous correction and we detailed how such correction may have been used for accumulation on an expected bounce. The current move towards the 11,000 level is an important one, and there is a strong (technical) evidence that the expected move in the weeks to come are in the positive direction. Our support remains around the 10,200 level and the 11,000 level is our first (psychological) resistance level.

Definitions of key terms used in technical analysis

RSI (Relative Strength Index) indicator – RSI is a momentum oscillator that measures the speed and change of price movements. The RSI oscillates between 0 to 100. The index is deemed to be overbought once the RSI approaches the 70 level, indicating that a correction is likely. On the other hand, if the RSI approaches 30, it is an indication that the index may be getting oversold and therefore likely to bounce back.

MACD (Moving Average Convergence Divergence) indicator – The indicator consists of the MACD line and a signal line. The divergence or the convergence of the MACD line with the signal line indicates the strength in the momentum during the uptrend or downtrend, as the case may be. When the MACD crosses the signal line from below and trades above it, it gives a positive indication. The reverse is the situation for a bearish trend.

Candlestick chart – A candlestick chart is a price chart that displays the high, low, open, and close for a security. The 'body' of the chart is portion between the open and close price, while the high and low intraday movements form the 'shadow'. The candlestick may represent any time frame. We use a one-day candlestick chart (every candlestick represents one trading day) in our analysis.

WEEKLY ENERGY MARKET REVIEW

Oil gains as market weighs Iran, Russia supply risks

www.abhafoundation.org

Oil

Oil prices rose 2% on Friday on growing supply worries linked to intensifying protests in oil-producing Iran and an escalation of attacks in Russia's war in Ukraine.

Brent crude futures settled at $63.34, and US West Texas Intermediate crude (WTI) finished at $59.12. For the week, Brent rose 4.3%, while WTI gained 3.1%.

Worries over potential disruption of Iran's oil output grew as the civil unrest intensified.

A nationwide internet blackout was reported in Iran on Thursday as protests over economic hardships continued in the capital Tehran, the major cities of Mashhad and Isfahan as well as other areas around the country.

Meanwhile, the White House was set to meet with oil companies and trading houses on Friday afternoon to discuss Venezuelan export deals.

The market will focus on the coming days for the outcome in the coming days for how the Venezuelan oil in storage will be sold and delivered.

Oil pump jack in a Russia oilfield. Oil prices rose 2% on Friday on growing supply worries linked to intensifying protests in oil-producing Iran and an escalation of attacks in Russia's war in Ukraine. *Picture supplied by the Abdullah bin Hamad Al-Attiyah International Foundation for Energy and Sustainable Development.*

Gas

Asia spot liquefied natural gas prices edged lower last week, weighed by tepid demand in the region and ample supply conditions.

The average LNG price for February delivery into north-east Asia was $9.50 per million British thermal units (mmBtu), down from $9.60 per mmBtu the week before.

Asian demand continues to be weak despite a cold snap in December, with limited restocking demand on a spot basis following weak power sector demand, with coal still favoured for most generation.

In Europe, the Dutch TTF gas price settled at $9.50 per mmBtu, posting a weekly loss of 1.0%, as colder weather increased LNG uptake and Europe leaned on spot cargoes to meet demand amid lower gas storage. Looking ahead, while temperatures in large parts of Europe are still below the long-term average, the likelihood has increased that they will rise in the coming week.

■ *This article was supplied by the Abdullah bin Hamad Al-Attiyah International Foundation for Energy and Sustainable Development.*

US Treasury can easily cover any tariff refunds: Bessent

Reuters
Savage, Minnesota

The US Treasury has more than adequate funds to pay any tariff refunds ordered if the Supreme Court rules against President Donald Trump's emergency tariffs, but any repayments would be spread out over weeks or even a year, US Treasury Secretary Scott Bessent told Reuters on Friday.

Bessent said in an interview that he still doubted that the court would rule against Trump's tariffs, but he believed that any refunds would be a corporate boondoggle for companies that passed on added costs to their customers.

He added that any negative ruling may not be a simple yes-or-no result, but something more nuanced that could complicate the refund process.

"It won't be a problem if we have to do it, but I can tell you that if it happens - which I don't think it's going to - it's just a corporate boondoggle," Bessent said. "Costco, who's suing the US government, are they going to give the money back to their clients?"

Bessent said companies generally, however, were not passing tariffs on to consumers, saying there was "very, very little, if any, pass-through," and disputed that Trump's tariffs contributed to inflation. He said goods inflation had been below headline inflation.

Importers and trade lawyers had anticipated a Supreme Court ruling on Friday but the court instead issued a ruling on a different matter. It remains unclear when the court will rule on the tariff case, which challenges President Donald Trump's use of the International Emergency Economic Powers Act to impose broad tariffs on nearly every US trading partner.

Bessent said he believed that the longer the tariff decision is delayed, the more likely it is that the Supreme Court rules in Trump's favour.

US Treasury Secretary Scott Bessent.

With cash on hand of nearly $774 billion as of Thursday, the Treasury has more than enough funds to cover any refunds.

"We're not talking about the money all goes out in a day. Probably over weeks, months, may take over a year, right?" He said.

Meanwhile the US Treasury Department's plan to increase scrutiny of overseas transfers of money should not harm people who can prove the funds did not come from social service payments, Scott Bessent told Reuters.

Bessent on Friday announced the Treasury's Financial Crimes Enforcement Network (FinCEN) is investigating some money services businesses as part of a crackdown on federal social benefits abuses in Minnesota, while some banks will be audited by the Internal Revenue Service for alleged money laundering.

FinCEN also issued a geographic order increasing scrutiny on banks and money transmitters in Minnesota's Hennepin and Ramsey counties, which will require firms to report additional information on funds transferred outside of the US, including FinCEN reports on transactions above $3,000.

Asked if this would have a chilling effect on legitimate remittances made by migrants to families overseas, Bessent said, "No, it shouldn't. Anyone who can prove where the money has come from… is fine," in an interview after touring the Minneapolis-area engineering lab of RV and boat maker Winnebago Industries.

Bessent said payments from people who are in the United States legally were usually transferred through the regulated banking system. "You cannot send welfare money from the people of Minnesota to Somalia, right? Like, that just means you're getting too much, or you can't send stolen money."

Remittances account for large percentages of the gross domestic product of many poorer countries, including El Salvador and Somalia. Minnesota Governor Tim Walz, a Democrat and a vice presidential candidate in the 2024 election, this week announced he will not seek a third term and instead focus on allegations of state welfare fraud that have become a crisis after mounting attacks from Republican US President Donald Trump's administration.

The Trump administration has singled out Walz and Minnesota, including its large population of Somali Americans and Somali immigrants, over allegations of fraud dating to 2020 by some nonprofit groups that administer the state's childcare and other social services programs, backed by federal funding.

At least 56 people have pleaded guilty since federal prosecutors started to bring charges in 2022 under Trump's Democratic predecessor, Joe Biden.

Wall Street jostles to advise on Rio-Glencore, eyes $100mn prize

Reuters
London

Rio Tinto's ambition to acquire Glencore and create the world's largest mining company worth more than $200bn could see Wall Street advisers share more than $100mn in fees.

Hours after the two mining giants said on Thursday they are discussing merging through an all-share buyout of "some or all" of Glencore by Rio, the race is on to secure a slice of the spoils, said three people with knowledge of the matter.

A representative for Rio, which has until February 5 to make a formal offer for Glencore or walk away under British takeover rules, said it expects to disclose advisers when a deal firms up. Glencore declined to comment.

Companies typically retain several banking advisers to assist them on negotiations, plans for how to structure their businesses and liaising with investors and other stakeholders.

Fees for merger and acquisition advice vary depending on the complexity of the deal and whether advisers provide funding. But a deal of the size of Rio-Glencore could generate fees that could easily exceed $100mn for the banks involved, two people with knowledge of such transactions said and data on fees on top M&A deals compiled by LSEG showed.

The companies have yet to formally announce advisers, with some roles still being firmed up, sources at advisory firms jostling for positions told Reuters. There were no advisers listed on either company's announcement confirming the talks, which typically include the deal advisers.

JPMorgan, as so-called corporate broker to Rio, is in the lead to advise the world's biggest iron ore miner. UBS is also a broker to Rio, while Glencore does not have a formal broker.

In Britain publicly traded companies retain corporate brokers to steer them through liaising with investors and typically become the bank they turn to for advice on dealmaking.

Meanwhile, Citi retains ties to Glencore having advised it on previous deals including its failed acquisition of Teck in 2023, two people with knowledge of the matter said.

JPMorgan, Citi and UBS declined to comment.

Goldman Sachs, JPMorgan and Morgan Stanley led global M&A rankings last year by fees, which rose 19% from 2024, driven by strong deal activity in North America, Dealogic data shows.

The blockbuster mining deal talks come as bigger corporate M&A ticks up, raising the stakes for advisers that miss out.

There were 68 deals for $10bn or more in 2025, totalling $1.5tn and more than double the previous year, LSEG data shows. Looser US regulatory scrutiny is emboldening big companies and encouraging dealmaking.

Meanwhile, a drop in interest rates over the past year has made it easier to finance deals.

Conditions for big deals are unlikely to get much better, said a banker advising on cross-border transactions who is not involved in the Rio-Glencore talks, adding that potential bidders are thinking of striking now as they have become more comfortable with the debate around tariffs.

There is no certainty that Rio's discussions with Glencore will reach a successful outcome and advisory banks may be left with little or no fees if a deal fails to materialise, leaving them with payments of just a few hundred thousand dollars.

The two miners have discussed combining their operations before and in 2014, Rio rejected a Glencore merger offer, saying it was not in the interest of its shareholders.

Merger talks in late 2024 also ended without a deal.

Mexico central bank signals support for interest rate cut pause

Reuters
Mexico City

Mexico's central bank policymakers signalled greater caution on the pace of its interest rate cuts in 2026, citing trade uncertainty and new tariffs, minutes of the bank's December monetary policy meeting showed.

The minutes are likely to fuel expectations that Banxico could soon pause a rate easing cycle that began in 2024 and continued in December, when it cut its benchmark interest rate by 25 basis points to 7.00%, its lowest level since April 2022.

The December rate decision was 4-1, with Deputy Governor Jonathan Heath voting to hold. The board's majority argued that the quarter-point rate cut was justified by recent progress on inflation, a weak economy, and a strong peso, but flagged several factors meriting a more cautious outlook in future decisions.

Those include new taxes and tariff increases on imports that a majority of governors believe are likely to push up prices in 2026.

Mexico enacted tariff hikes of up to 50% on imports from China and several other Asian countries, with which it does not have a trade agreement, a measure aimed at boosting local industry. Lawmakers also approved a slate of new special taxes on certain products, such as soda, cigarettes and video games.

The minutes point to a wait-and-see approach, said Actinver Research, which expects a rebound in inflation in the first quarter due to the new taxes and tariffs, as well as to Mexico's 13% increase in the minimum wage for 2026.

The minutes show the governors mostly see the possible inflationary effects from the taxes and tariffs as temporary, but urged caution in case they lasted longer. "The shocks anticipated for 2026 could impact price dynamics over the planning horizon and delay inflation convergence," said one board member who voted for the rate cut, according to the minutes.

People walk past the building of Mexico's central bank in downtown Mexico City. Central bank policymakers signalled greater caution on the pace of its interest rate cuts in 2026, citing trade uncertainty and new tariffs, minutes of the bank's December monetary policy meeting showed.

Another member commented that special taxes on certain products did not generally distort market prices, based on empirical evidence. "He/she highlighted that, however, on this occasion, it will take time to ensure that no second-round effects materialise either."

That member, who also voted for December's rate cut, said "a wait-and-see approach will need to be adopted."

Analysts have largely anticipated the board to pause rate cuts at some point in the first half of the year, after interpreting changes in the December meeting's future guidance as signalling a shift.

The board's most hawkish governor Heath, who for months has been the sole dissenting vote in favour of steady rates, advocated keeping them where they are for an unspecified period in order to figure out how to bring down core inflation and prevent an uptick in headline inflation, the minutes showed.

The closely watched core index, which strips out volatile products, has been outside the central bank's target range since May, rising for much of 2025.

It ticked down - to 4.33% - in December but still remains above target, according to official data released on Thursday. Banxico targets inflation at 3%, with a tolerance range of plus or minus one percentage point.

Annual headline inflation in 2025 came in at 3.69%, according to data released on Thursday, below economists' forecasts.

Capital Economics' emerging markets economist Kimberley Sperrfechter said that the easing in price pressures in December left the door open to a rate cut next month.