Key US macro metrics for 3-3-3 plan
(10-year reference versus 2025 performance)

Key metrics	10-yr avg.	2025e
GDP growth	2.4%	2.0%
Fiscal deficit (% of GDP)	7.3%	6.2%
Crude oil output growth (k b/d)	**10-yr change**	**2025e**
Crude oil output growth (k b/d)	5,024	407
Petroleum liquids output growth (k boe/d)	9,300	470

Sources: Haver, EIA, QNB analysis

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Is the US on track to deliver on 3-3-3 economic agenda?

Sunday, January 18, 2026
Rajab 29, 1447 AH

GULF TIMES
BUSINESS

TWO-YEAR DISRUPTION: Page 2

Global shipping companies devising strategies for return to the Suez Canal

QNB redesigns its cards to reflect innovation and sustainability

QNB Group has announced the launch of its newly redesigned cards, introducing a modern design that enhances innovation and sustainability, reflecting a forward-looking and progressive brand vision.

Rooted in QNB's 'Thinking Beyond' brand vision, the redesigned cards adopt a single, modern design language across debit, credit and prepaid cards. Inspired by the converging arrows of the QNB logo, the design places both the bank and its customers at the centre of a shared journey of opportunity, reinforcing a forward-looking, confident brand expression.

The initiative is part of QNB's global 'More than a Card' campaign, developed in collaboration with Paris Saint-Germain (PSG), emphasising the QNB Card's ability to deliver value beyond everyday transactions.

The cards incorporate sustainable materials and feature a tactile notch to support accessibility for visually impaired customers. These elements demonstrate QNB's thoughtful approach to responsible design and commitment to sustainability and inclusion.

Developed under the QNB Global Cards Design Standards, the new designs aim to unify the group's card portfolio across markets, clearly differentiate card segments, and strengthen QNB's most distinctive brand assets. A vertical card orientation enhances usability, while unique designs across each segment enable intuitive identification.

The initiative is part of QNB's global 'More than a Card' campaign, developed in collaboration with Paris Saint-Germain, emphasising the QNB Card's ability to deliver value beyond everyday transactions

Minister of Finance meets Canadian counterpart

HE the Minister of Finance Ali bin Ahmed al-Kuwari met with Minister of Finance and National Revenue of Canada, Francois-Philippe Champagne at the Ministry of Finance headquarters in Doha, reports QNA. The meeting addressed bilateral relations between the two countries and explored avenues for enhanced co-operation. Discussions also covered key economic, investment, and trade developments of mutual interest.

Qatar Chamber concludes sales and negotiation training

Qatar Chamber recently organised a three-day training programme titled 'Mastering the Arts of Selling, Negotiating, & Deal Closing', held for the first time in Qatar.

The training is part of the chamber's efforts to develop professional competencies and enhance commercial capabilities in both the public and private sectors.

The programme aimed to equip participants with advanced skills in professional selling, negotiating, and deal closing, using modern practical methods focused on achieving results and building sustainable business relationships.

The course was delivered by Dr Abdul Rahman Abu Khaled and targeted professionals working in sales management, marketing, business development and business relations, as well as entrepreneurs.

For her part, Fatima Issa al-Kuwari, head of the Training and Development Department at Qatar Chamber, stated that the programme reflects the chamber's commitment to developing professional skills and enhancing workforce efficiency in commercial and economic sectors, in line with labour market requirements.

She noted that it focuses on practical application and building real capabilities in sales, negotiation and deal management, stressing that investment in human capital is a key pillar for achieving sustainability and growth in the business environment.

Al-Kuwari added that Qatar Chamber continues to offer high-quality training in partnership with experts, aimed at providing participants with practical tools to enhance performance, achieve tangible results and build long-term business relationships.

The course was delivered by Dr Abdul Rahman Abu Khaled and targeted professionals working in sales management, marketing, business development and business relations, as well as entrepreneurs.

Qatar pavilion at WEF meeting to showcase country's dynamic business ecosystem

QNA
Doha

Invest Qatar, the Investment Promotion Agency of Qatar, will host Qatar's dedicated pavilion for the second consecutive year in Davos, Switzerland, during the World Economic Forum (WEF) Annual Meeting 2026.

The pavilion, running on January 19-23, will serve as a vibrant platform, connecting national stakeholders with global industry leaders, Invest Qatar said in a statement yesterday.

It will showcase Qatar's dynamic business ecosystem, innovation-driven economy and diverse opportunities, while enabling visitors to experience the country's rich culture and forward-looking vision through interactive features and warm Qatari hospitality.

The Invest Qatar Pavilion will feature key governmental entities, including the Ministry of Commerce and Industry, Ministry of Finance, Ministry of Communications and Information Technology, the National Planning Council (NPC), and the Qatar Stock Exchange (QSE).

Leading national stakeholders from the investment and finance sector will also participate, including the Qatar Investment Authority (QIA), Qatar Financial Markets Authority (QFMA), Qatar Financial Centre (QFC), Qatar Free Zones Authority (QFZ), Qatar Science & Technology Park (QSTP), and Qatar Research, Development and Innovation (QRDI) Council, alongside major national banks such as QNB, Commercial Bank Qatar, Qatar Islamic Bank, and Doha Bank.

The pavilion will further highlight Qatar's sports, education, and cultural initiatives, represented by Qatar Foundation, Doha Forum, Qatar Sports Investments (QSI), and Qatar Debate.

The pavilion's curated programming aligns with this year's WEF theme, "A Spirit of Dialogue", exploring topics from technological innovation and AI to sustainable economic growth.

Open sessions and panel discussions will be hosted by national stakeholders, in partnership with international media outlets including Bloomberg, *Financial Times* Live, Euronews, *The Economist*, *TIME* Africa, Rolling Stone MENA, Robb Report Africa and iHeart Media.

A lineup of senior officials and industry leaders from Qatar's public and private sectors will take part in these sessions and discussions, reflecting the high level of integration among Qatar's national entities.

This participation underscores Qatar's central role in contributing effectively to discussions on priority economic and technological issues on the international stage.

Commenting on this participation, Invest Qatar CEO Sheikh Ali bin Alwaleed al-Thani said: "The Invest Qatar Pavilion's return to Davos reflects our ongoing commitment to connecting global investors with Qatar's thriving business ecosystem. This platform allows us to share our vision for a diversified, innovation-driven economy, foster meaningful dialogue, and strengthen strategic partnerships that will shape the future of business in Qatar and beyond."

Qatar moves towards stronger cyber readiness, says expert

By Peter Alagos
Business Editor

A Doha-based cybersecurity expert has highlighted opportunities for Qatar to align with global standards and strengthen digital trust.

Asked about the potential of Qatar's regulatory frameworks, such as the National Cybersecurity Strategy, aligning with the global shifts outlined for 2026, CIELTECH chairman and president Dr Salah A Rustum emphasised that this is a moment of opportunity.

Dr Rustum advised "to follow closely with the relevant authorities in both Europe and the US as a first step, and look into the legislation and work locally on its implementation in the shortest time possible."

Earlier, Dr Rustum explained to *Gulf Times* that one of the most critical changes will come on "March 15, 2026", when the validity of Secure Sockets Layer or Transport Layer Security (SSL/TLS) certificates will be reduced "from 365 days to 200 days", eventually reaching just "47 days".

He cautioned that this will impose significant technical burdens on all organisations, regardless of size.

He pointed out that the shortening validity of SSL/TLS certificates, introduced by Google and Apple, will require swift adaptation, noting that small and medium sized enterprises (SMEs) may feel the pressure most. He also advised SMEs t seek assistance from technical companies in Qatar to ensure smooth compliance.

"The impact shall mostly affect the SMEs directly in view of their reluctance to adapt accordingly and in the least time possible. They shall be a target to hackers in one way or another, considering the hackers' use of AI, which, in my opinion, shall be swift enough to cause direct damage.

"I do not feel the regulators have much to say here, since this is a decision taken by Google and Apple a few years ago affecting all Internet users around the world, and there is no deviation from it. I suggest that all businesses that need assistance should contact the technical companies serving here in Qatar and seek their assistance," Dr Rustum explained.

Asked about strengthening financial institutions in the country, Dr Rustum pointed to opportunities for banks to enhance their resilience by adopting stronger Public Key Infrastructure (PKI) practices, stating that "most definitely, those applying PKI at a large scale are at a more secure status, but they still are required to give these issues serious consideration."

According to Dr Rustum, Qatar's diplomatic tradition could extend into digital trust governance. He recommends securing e-mail outside government channels to prevent intranet breaches, while also building sovereign cyber capabilities.

CIELTECH chairman and president Dr Salah A Rustum.

BUSINESS

LEGAL PERSPECTIVE

Issues related to artificial intelligence

By Dr AbdelGadir Warsama Ghalib

Artificial Intelligence (AI), we are facing nowadays, is the ultimate end result of the IT revolution started last century. The IT revolution, in its new shape, started by youngsters creating new tech companies like Google, Facebook, LinkedIn, X and new others are in the pipeline. All of them, opened new routes enabling technology to expand endlessly.

From this expansion comes the birth of the 4th industrial revolution based on artificial intelligence. The emergence of AI plays great role in new inventions engineered to enable machines to undertake tasks in replacement of humans. This could be a problem, as the intelligence of humans will be replaced by machines and could end-up in bundles of idle people. Therefore, need arises for certain regulations to cater for new human resources strategies.

Many entities including ILO, raised concerns regarding the "machine" or the new job masters and their strong competitive privilege.

Robots are used to help in medical operations, counter staff, TVs presenters, inspectors or fixers of tiny items in industries. Some are utilised in dangerous duties including detection of mines or hidden metals or poisonous liquids in the high air or the bottom of oceans. What alerts, is the role of robots in medical surgeries or dealing directly with the body of humans. Irrespective of such role, any mistake is irreparable and could happen.

Another example is drones used to achieve many normal and sensitive duties in replacement for humans. Drones, are to deliver risky and non-risky items, photography, videos and others. Also, they are used in military purposes.

There are many risks, as drones may detour and go to a different place or while going to the designated area, they may trespass others property without consent or even knowledge. The role of drones, is of interest due to fast services and other reasons, however, there is genuine need to preserve the interests and safety of all.

Now e-cars are crossing streets to serve others in replacement for bus or taxi drivers or other commuters. The new e-cars are self-driven and their artificial mind is working under certain technologically prepared program for driving. E-cars could give a cheap, fast, confidential service, however, there are risks to passenger, items, pedestrians and others.

The 4th industrial revolution, will rely on machines and give them the necessary artificial intelligence to be able to do work. Earlier we used to control machines. Now, it appears that time has come for machines to control humans or work by themselves.

Here comes the risk, as machines are deaf, ductless and lack senses and due to this they could be dangerous. E-development is the new spirit that we need, however, to achieve better, secure, save and sustainable results, there is strong need to legislations.

The new legislations are not to handicap the AI or other e-development nor to curb or distract new inventions. Rather, it should open the way and prepare the legal infrastructure for e-development to grow, blossom and breed all products for the benefit of humans. The law could possibly walk along, hand in hand, with new IT technologies and such marriage will certainly give legitimate off-spring for all e-future technologies including AI.

■ *Dr AbdelGadir Warsama Ghalib is a corporate legal counsel. Email: awarsama@warsamalc.com*

A patrol boat is seen as ships passing through the Suez Canal arrive in Ismailia, Egypt (file). Maersk said on Thursday it would resume sailings via the Red Sea and Suez Canal for one of its services this month, after two vessels tested the route in December and earlier in January.

Shipping companies devising plans for return to Suez Canal

Reuters
London

Major shipping companies are devising strategies for a return to the Suez Canal after more than two years of disruptions due to security risks in the Red Sea.

They have been rerouting vessels via longer, costlier routes around Africa since November 2023, following attacks on commercial ships by Yemen's Houthi forces, reportedly in solidarity with Palestinians during warfare in Gaza. A ceasefire agreement reached in October 2025 has led some companies to explore resumption plans, although security remains a key concern. Below are the latest updates:

MAERSK: The Danish shipping company said on Thursday it would resume sailings via the Red Sea and Suez Canal for one of its services this month, after two vessels tested the route in December and earlier in January.

Maersk said its weekly service connecting the Middle East and India with the US east coast will be first in the group's staggered return to the Suez route, starting on January 26 with a sailing departing Oman's port of Salalah.

CMA CGM: The world's third-largest container shipping line, which has made limited Suez transits when security allows, will use the passage for its India-US INDAMEX service from January, according to a schedule published on its website. Two of its vessels sailed through the Suez Canal in December, the authority that runs the waterway said at the time.

CMA CGM did not immediately respond to a request for comment on Thursday.

HAPAG-LLOYD: German shipping company Hapag-Lloyd will not adjust its operations in the Red Sea for now, a spokesperson said on Thursday shortly after Maersk said it would resume sailings there.

The group's CEO said in December that the return of the shipping industry to the Suez Canal would be gradual and there would be a transition period of 60-90 days to adjust logistics and avoid sudden port congestion.

WALLENIUS WILHELMSEN: The Norwegian car shipping group is still assessing the situation and will not resume sailing until certain conditions are met, a company spokesperson said in December.

The Suez Canal is the fastest route linking Europe and Asia and, until the Houthi attacks, had accounted for about 10% of global seaborne trade, according to Clarksons Research.

The ceasefire in the Gaza conflict, in place since October last year, has renewed hope of normalising Red Sea traffic. The ceasefire has ended major combat in Gaza over the past three months, but both sides have accused the other of regular violations.

India's Reliance Industries misses profit estimate

AFP
Mumbai

Reliance Industries, one of India's biggest companies, on Friday reported weaker quarterly profits than expected, as a muted performance in its retail business overshadowed strong growth in its telecoms division.

The oil-to-telecoms giant, led by Asia's richest man Mukesh Ambani, is India's most valuable company by market capitalisation.

The conglomerate said net profit came in at 186.45bn rupees ($2.05bn) for the October-December quarter, up just 0.57% from the same period last year.

Analysts had on average expected a bottom line of 198.96bn rupees, according to estimates compiled by Bloomberg.

Revenue from operations for Reliance meanwhile rose 10.5% year-on-year to 2.69tn rupees.

But this was accompanied by a 11.5% jump in expenses that it said included the cost of complying with India's new labour laws.

Despite its aggressive push into retail, telecoms and green energy, Reliance continues to rely on its traditional oil business for profits.

While its core oil-to-chemicals (O2C) division struggled for parts of 2024 and 2025 — as global uncertainty roiled the industry — it has started to bounce back.

In a statement, Ambani noted that the "robust growth" in the O2C business was led by "significantly higher fuel margins" and "operational flexibility".

Reliance's consumer-facing businesses have long been fast-growing bright spots. But for the December quarter, the conglomerate's retail unit was hurt by weaker margins.

The telecoms unit, which is gearing up for a public listing later this year, saw its average revenue per user grow 5.1% year-on-year.

The company attributed the bump to higher demand for 5G services.

Reliance Industries shares have slipped over 7% so far this year.

A guard walks past the Reliance Industries logo near the entrance of Dhirubhai Ambani Knowledge City in Navi Mumbai. The oil-to-telecoms giant, led by Asia's richest man Mukesh Ambani, is India's most valuable company by market capitalisation.

Ghana to scrap mining stability pacts and double royalties

Reuters
Accra

A mine worker walks near a conveyor belt as commercial gold production begins at the Newmont Ghana Gold Limited, Ahafo North Mine, in Afrisipakrom community in the Ahafo Region, Ghana. Newmont, AngloGold Ashanti and Gold Fields currently operate under stability agreements.

Ghana will scrap long-term mining investment stability agreements and double royalties under sweeping reforms, the regulator in Africa's top gold producer told Reuters, as it seeks to capture more benefits from surging bullion prices.

The changes are part of a broad overhaul aimed at balancing investor confidence with the government's push to reap greater rewards from mining, Isaac Tandoh, acting CEO of the Minerals Commission, said in an interview in Accra.

African governments are tightening mining rules to cash in on high prices, often raising royalties and local-content demands — shifts that have periodically triggered clashes with global miners over costs and contract certainty.

In Ghana, the world's sixth-biggest gold producing country, stability and development agreements typically lock in tax and royalty terms for five to 15 years in exchange for investments of about $300mn to $500mn for mine builds and expansions.

Companies must also extend mine life by at least three years and lift output by more than 10%, among other conditions, to qualify for renewal.

Newmont, AngloGold Ashanti and Gold Fields currently operate under stability agreements. They did not immediately respond to requests for comment.

Tandoh said the changes, to be written into law, mean Newmont's stability agreement — which expired in December — will not be renewed. Similar arrangements held by AngloGold Ashanti and Gold Fields will be phased out when they lapse in 2027.

A draft bill expected to go to Parliament by March proposes royalties starting at 9% and rising to 12% if gold hits $4,500 per ounce or higher, roughly double the current 3%-5% range.

Spot gold is currently trading around $4,590 per ounce.

The reforms also include tougher local-content rules for in-country procurement and support for Ghanaian firms.

"Renewal of (investment stability agreements) is not going to happen," Tandoh said during the interview last week. "Renewal is conditional, not automatic."

Development agreements will be scrapped entirely as they have been abused, he said. "We've seen companies use revenue from Ghana to buy mines elsewhere while refusing to pay even basic obligations like contributions to district assemblies. That cannot continue."

Ghana pioneered stability agreements in the early 2000s, helping unlock billions of dollars of foreign investment that helped it overtake South Africa as Africa's top gold producer.

Newmont's Ahafo pact, for example, set a 32.5% corporate tax rate and a sliding royalty of 3%-5% (rising to 3.6%-5.6% in forest reserve areas), with duty and VAT relief on qualifying inputs. The extension was tied to a minimum $300mn investment and targets on output, mine life and Ghanaian employment, a revised 2015 agreement seen by Reuters showed.

Tandoh said Newmont had sought an extension, but the government aimed to phase out the regime in favour of broader rules that "indigenise" more value at home and enforce stricter compliance.

International oil firms push for quick reforms in Venezuela

Oil firms seek modifications to existing law to facilitate exports; changes would allow investment to start quickly; control over exports would mean quick payment

Reuters
Houston

Oil executives and lawyers for international oil companies are lobbying the US and Venezuelan governments for changes in the Opec member's hydrocarbon law that would give them the right to freely export the oil they produce in Venezuela, sources involved in the talks said.

As the administration of US President Donald Trump works to convince energy companies to start work quickly on his $100bn reconstruction plan for Venezuela's dilapidated oil industry, many potential investors are trying to figure out how to make that happen without spending years waiting for legal and contractual reforms that would protect their investments.

To get things moving, representatives of international oil companies are seeking a few modifications to the existing legal framework for the industry that would leave state-run oil giant PDVSA as the majority stakeholder of all oil joint ventures, but would grant foreign partners control of their share of production and give them access to the company's oil terminals and export infrastructure to facilitate shipments.

That would be a change from the existing law, which states oil produced must be controlled by PDVSA.

The state company is entitled to sell the oil and deposit the proceeds into joint venture accounts with foreign oil companies to secure cash flow for expenses and investment in the fields, as well as dividends.

But that system became impossible to execute under US.sanctions imposed on Venezuela's oil industry since 2019, leading to the build up of billions of dollars in debt owed by PDVSA to its partners, including US oil major Chevron, Italy's ENI and Spain's Repsol.

International oil companies are also seeking to remove extra taxes introduced by the government after the law was approved in 2021, only preserving royalties and income tax, the people said.

The tax reform would lead to a smaller government take of the value of the oil produced. Under current laws, the government take is among the highest in Latin America, guaranteeing Venezuela at least 50% of the oil's value.

PDVSA and the oil ministry did not reply to requests for comment.

Venezuela's interim president and oil minister, Delcy Rodriguez, said on Thursday she was submitting a government proposal to Congress to reform the country's hydrocarbon law to allow "investment flows to be incorporated into new fields, fields where no investment has ever been made and into fields where there is no infrastructure".

The proposed reform has yet to be made public, but she said the government would incorporate into the legislation a series of oil contracts approved under President Nicolas Maduro. Those contracts were never made public.

For many oil companies, the legality of those contracts was unclear because the terms were not covered by the oil law.

The deals were signed amid US sanctions, which forbade investment in Venezuela's oil sector, and negotiated with a group of little-known companies without public oversight.

Venezuela's opposition has for over a decade criticised the opaque nature of the contracts, as well as companies that continued to do business with the Maduro government under sanctions.

In New York, Nasdaq closed up 0.2% to 23,515.39 points on Friday

Global markets take breather at end of turbulent week

AFP
New York

Stock markets mostly retrenched on Friday at the end of a week jam-packed with geopolitical developments, content to languish after record-breaking performances in recent days.

Wall Street stocks followed European bourses into the red at the end of the session, with investors in no mood to take fresh positions.

Major US exchanges will be closed on Monday over the Martin Luther King Jr Day.

"The fact that US markets will be closed until Tuesday in the face of a rancorous geopolitical environment is probably also acting as a holdback provision," said a note from Briefing.com analyst Patrick O'Hare. Headlines focused on the President Donald Trump's response to Iran's crackdown on protesters, his administration's designs on taking over Greenland and plans for Venezuela's oil.

US indices finished the week with modest losses. The S&P 500 concluded Friday's session at 6,940.01, down 0.1% for the day and 0.4% for the week. Next week's agenda includes earnings from Netflix, United Airlines and Procter & Gamble.

Analysts expect companies in the S&P 500 to report 8.2% earnings growth in the fourth-quarter compared with the year-ago period, according to FactSet.

"We're being reminded that Wall Street cares more about the bottom line than it does about headlines," said CFRA Research's Sam Stovall. Stovall also flagged US inflation data next week as a key input as far as what to expect from the Federal Reserve.

In commodities trading, oil prices rebounded after shedding five percent Thursday as US President Donald Trump appeared to step back from military action against Iran, a major producer of crude oil.

New York - Dow closed down 0.2% to 49,359.33 points; New York - S&P 500 ended down 0.1% to 6,940.01 points; New York - Nasdaq ended up 0.2% to 23,515.39 points; London - FTSE 100 closed down less than 0.1% to 10,235.29 points; Frankfurt - DAX : ended down 0.2% to 25,297.13 points and Paris - CAC 40 closed down 0.7% to 8,258.94 points on Friday.

Musk seeks up to $134bn from OpenAI and Microsoft in 'wrongful gains'

Reuters
New York

Elon Musk is seeking up to $134bn from OpenAI and Microsoft, arguing he deserves the "wrongful gains" that they received from his early support of the artificial-intelligence startup, according to a court filing on Friday.

OpenAI gained between $65.5bn and $109.4bn from the billionaire entrepreneur's contributions when he was co-founding OpenAI from 2015, while Microsoft gained between $13.3bn and $25.1bn, Musk said in the federal court filing ahead of his trial against the two companies.

OpenAI, Microsoft and Musk's lawyers did not immediately respond to requests for comment outside business hours. OpenAI has called the lawsuit "baseless" and part of a "harassment" campaign by Musk. A Microsoft lawyer has said there is no evidence that the company "aided and abetted" OpenAI.

The two companies challenged Musk's damages claims in a separate filing on Friday.

Musk, who left OpenAI in 2018

Elon Musk.

and now runs xAI with its competitor chatbot Grok, alleges that ChatGPT operator OpenAI violated its founding mission in a high-profile restructuring to a for-profit entity.

A judge in Oakland, California, ruled this month that a jury will hear the trial, expected to start in April.

Musk's filing says he contributed about $38mn, 60% of OpenAI's early seed funding, helped recruit staff, connect the founders with key contacts and lend credibility to the project when it was created.

"Just as an early investor in a startup company may realise gains many orders of magnitude greater than the investor's initial investment, the wrongful gains that OpenAI and Microsoft have earned - and which Musk is now entitled to disgorge - are much larger than Musk's initial contributions," Musk argues.

The filing says Musk's contributions to OpenAI and Microsoft were calculated by his expert witness, financial economist C Paul Wazzan.

Musk may seek punitive damages and other penalties, including a possible injunction, if the jury finds either company liable, the filing says, without specifying what form any injunction might take.

In their own filing, OpenAI and Microsoft asked the judge to limit what Musk's expert may present to jurors, arguing his analysis should be excluded as "made up," "unverifiable" and "unprecedented" and as seeking an "implausible" transfer of billions from a nonprofit to a former donor-turned-competitor.

The companies also disputed Musk's damages figures more broadly, saying the expert's approach is unreliable and could mislead the jury.

OpenAI introducing ads to ChatGPT

AFP
San Francisco

OpenAI announced on Friday it will begin testing advertisements on ChatGPT in the coming weeks, as the wildly popular artificial intelligence chatbot seeks to increase revenue to cover its soaring costs.

The ads will initially appear in the United States for free and lower-tier subscribers, the company said in a blog post outlining its long-anticipated move into advertising.

The integration of advertising has been a key question for generative AI chatbots, with companies largely reluctant to interrupt the user experience with ads.

But the exorbitant costs of running AI services may have forced OpenAI's hand.

Only a small percentage of its nearly 1bn users pay for subscription services, putting pressure on the company to find new revenue sources.

Since ChatGPT's launch in 2022, OpenAI's valuation has soared to $500 billion in funding rounds - higher than any other private company. Some expect it could go public with a trillion-dollar valuation.

But the ChatGPT maker burns through cash at a furious rate, mostly on the powerful

OpenAI logo is seen in an illustration. OpenAI announced on Friday it will begin testing advertisements on ChatGPT in the coming weeks, as the wildly popular artificial intelligence chatbot seeks to increase revenue to cover its soaring costs.

computing required to deliver its services.

With its move, OpenAI brings its business model closer to tech giants Google and Meta, which have built advertising empires on the back of their free-to-use services.

Unlike OpenAI, those companies have massive advertising revenue to fund AI innovation - with Amazon also building a solid ad business on its shopping and video streaming platforms.

"Ads aren't a distraction from the gen AI race; they're how OpenAI stays in it," said Jeremy Goldman, an analyst at Emarketer.

"If ChatGPT turns on ads, OpenAI is admitting something simple and consequential: the race isn't just about model quality anymore; it's about monetising attention without poisoning trust," he added.

OpenAI's pivot comes as Google gains ground in the generative AI race, infusing services including Gmail, Maps and YouTube with AI features that - in addition to its Gemini chatbot - compete directly with ChatGPT.

To address concerns about its pivot into advertising, OpenAI pledged that ads would never influence ChatGPT's answers and that user conversations would remain private from advertisers.

"Ads do not influence the answers ChatGPT gives you," the company stated. "Answers are optimised based on what's most helpful to you. Ads are always separate and clearly labelled."

BUSINESS

Dollar posts weekly gains after positive US economic data lowers rate-cut hopes

Reuters
New York

The dollar was poised for a third weekly gain on Friday after positive US economic data lowered expectations for rate cuts by the Federal Reserve anytime soon.

The greenback rose overnight on a surprise decline in weekly jobless figures and was steady in Asian trade. The yen remained at levels that risked intervention in currency markets by Japan to defend its currency.

Fed funds futures have pushed back expectations for the next rate cut to June on the back of improving employment data and as central bank policymakers expressed concern about inflation.

"The US dollar is looking firmer to start the year," Kyle Rodda, an analyst at Capital.com, wrote in a note. "Weekly US jobless claims data, along with some manufacturing surveys, were better than expected, lowering the implied probabilities of imminent Fed rate cuts."

The dollar index, which measures the greenback against a basket of currencies, was little changed at 99.36 and poised for a 0.2% advance this week. The euro was steady at $1.1607.

The yen strengthened 0.05% against the greenback to 158.58 per dollar, but is set to fall about 0.5% this week.

Initial claims for state unemployment benefits dropped 9,000 to a seasonally adjusted 198,000 for the week ended January 10, the Labor Department said on Thursday. Economists polled by Reuters had forecast 215,000 claims for the latest week.

Chicago Fed President Austan Goolsbee said Thursday that amid ample evidence of stability in the job market, the central bank should be focused on getting inflation down.

Kansas City Fed President Jeff Schmid on Thursday called inflation "too hot" while San Francisco Fed President Mary Daly said that incoming US economic data looks promising.

Separately, the European Central Bank will not debate any rate change in the near term if the economy stays on course, but new shocks, like a potential deviation by the Fed from its mandate, could upset the outlook, ECB chief economist Philip Lane said.

The ECB has kept rates on hold since ending a rapid rate cut cycle in June and signalled last month that it was in no hurry to change policy again.

The Japanese currency has fallen on expectations that Prime Minister Sanae Takaichi may have more leeway to introduce more fiscally expansionist policies pending a snap election expected early next month. Warnings from Japanese policymakers that they stand ready to act against one-way movements in foreign exchange markets have given the yen brief boosts.

The yen is getting little help from expectations of rate hikes by the Bank of Japan. The central bank will likely wait until July before raising its key interest rate again, economists said in a Reuters poll released on Thursday.

The Australian dollar was little changed against the greenback, trading at $0.6699. New Zealand's kiwi strengthened 0.05% to $0.5745.

In cryptocurrencies, bitcoin gained 0.2% to $95,760.92 and ether rose 0.8% to $3,323.82.

An employee of a bank counts US dollar notes at a branch in Hanoi, Vietnam. The greenback rose on a surprise decline in weekly jobless figures and was steady in Asian trade on Friday.

Former European Central Bank chief Mario Draghi.

Former ECB chief Mario Draghi wins Charlemagne Prize

AFP
Frankfurt

Former European Central Bank (ECB) chief Mario Draghi has won the annual Charlemagne prize for promoting European unity, organisers said yesterday, as they warned that Europe needs to urgently boost its economy.

"The situation is serious," German MP and prize-committee head Armin Laschet said. "Europe must not become a pawn of external powers in the face of overlapping geopolitical crises."

Laschet added, in a sombre opening speech: "If Europe is not competitive economically it will not, in the long-term, have the financial basis, the technological basis, the industrial basis to guarantee its security."

Draghi - who was widely credited with saving the euro from collapse after promising in 2012 to do "whatever it takes" to shore up the currency amid a eurozone debt crisis - has since urged Europe to deepen economic integration to better compete with the United States and China.

Draghi, a former Italian prime minister, delivered 383 recommendations in his landmark 2024 EU competitiveness report, urging common regulation of capital markets and less red tape for business overall.

Europe is under increasing pressure to boost its economy, as anti-establishment parties score election wins across the continent and Russia and the United States have turned increasingly hostile.

"This decision comes at a time when Europe has perhaps never had as many enemies as it does now, both internal and external," Draghi said in a short acceptance speech transmitted by video.

"We have to become stronger, stronger militarily, stronger economically and stronger politically," he added.

Named after the Frankish ruler Charlemagne, the first to unify much of western Europe after the fall of the western Roman Empire, the prize is awarded by a 17-strong committee mostly made up of people linked to Aachen, Charlemagne's capital.

Previous winners of the prize include Pope Francis, Ukranian leader Volodymr Zelensky along with the Ukranian people, as well as French president Emmanuel Macron and former Czech president and anti-communist dissident Vaclav Havel.

The Qatar Stock Exchange (QSE) edged up 98.31 points or 0.9% to close at 11,067.64 for the week. Market capitalisation increased 0.9% to QR663.5bn from QR657.7bn at the end of the previous trading week.

Of the 54 companies traded, 19 ended the week higher, 34 ended lower and one remained unchanged. Qatar Cinema (QCFS) was the best performing stock for the week, rising 9.5%. Meanwhile, Qatar General Insurance & Reinsurance (QGRI) was the worst performing stock for the week, falling 10.0%.

QNB Group (QNBK), Qatar Islamic Bank (QIBK) and Nakilat (QGTS) were the main contributors to the weekly index gain. They added 46.23, 30.75 and 16.11 points to the index, respectively.

Traded value during the week remained flat at QR2,012.2mn vs QR2,011.9mn in the prior trading week. QNBK was the top value stock traded during the week with total traded value of QR233.0mn.

Traded volume declined 16.2% to 622.8mn shares compared with 743.3mn shares in the prior trading week. The number of transactions rose 52.3% to 195,627 vs 128,466 in the prior week. Baladna (BLDN) was the top volume stock traded during the week with total traded volume of 62.2mn shares.

Foreign institutions remained bullish, ending the week with net buying of QR289.4mn vs net buying of QR313.0mn in the prior week. Qatari institutions remained bearish with net selling of QR65.1mn vs net selling of QR96.6mn in the week before. Foreign retail investors ended the week with net selling of QR52.8mn vs net selling of QR32.2mn in the prior week. Qatari retail investors recorded net selling of QR171.6mn vs net selling of QR184.2mn.

Global foreign institutions are net buyers of Qatari equities by $117.5mn YTD, while GCC institutions are long by $47.9mn.

DISCLAIMER

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QNB FINANCIAL SERVICES

Weekly Market Report

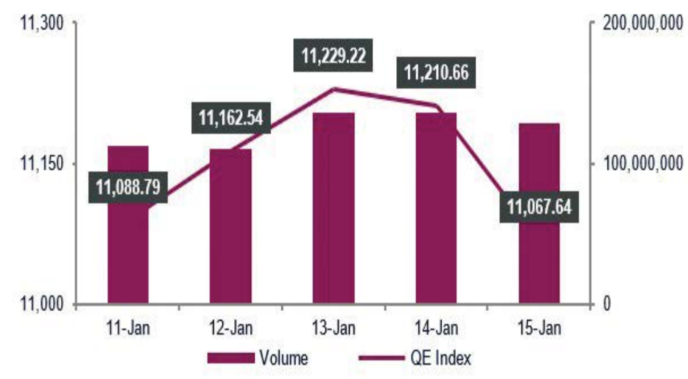
Market Indicators	Week ended. Jan 15, 2026	Week ended. Jan 08, 2026	Chg. %
Value Traded (QR mn)	2,012.2	2,011.9	0.0
Exch. Market Cap. (QR mn)	663,491.4	657,731.6	0.9
Volume (mn)	622.8	743.3	(16.2)
Number of Transactions	195,627	128,466	52.3
Companies Traded	54	54	0.0
Market Breadth	19:34	45:9	–

Source: Qatar Stock Exchange (QSE)

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	26,463.34	0.9	2.8	2.8
ALL Share Index	4,180.99	0.9	3.0	3.0
Banks and Financial Services	5,455.12	1.5	4.0	4.0
Industrials	4,200.65	(0.2)	1.5	1.5
Transportation	5,674.96	1.4	3.8	3.8
Real Estate	1,551.91	(1.7)	1.5	1.5
Insurance	2,538.51	(1.4)	1.5	1.5
Telecoms	2,264.99	1.1	1.6	1.6
Consumer Goods & Services	8,400.25	0.2	0.9	0.9
Al Rayan Islamic Index	5,206.03	0.2	1.8	1.8

Source: Qatar Stock Exchange (QSE)

QSE Index and Volume



Source: Qatar Stock Exchange (QSE)

Weekly Index Performance

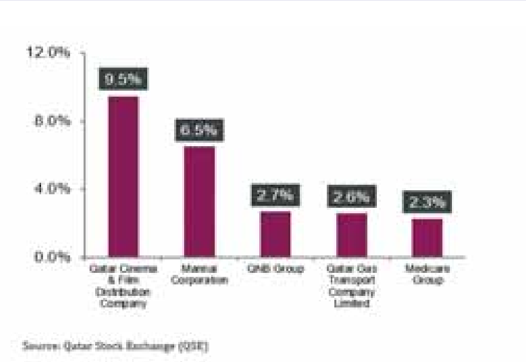
Source: Bloomberg

Regional Indices	Close	WTD%	MTD%	YTD%	Weekly Exchange Traded Value ($ mn)	Exchange Mkt. Cap. ($ mn)	TTM P/E**	P/B**	Dividend Yield
Qatar*	11,067.64	0.9	2.8	2.8	552.34	181,929.4	12.6	1.4	4.5
Dubai	6,261.94	0.1	3.6	3.6	789.24	281,540.6	10.2	1.8	4.6
Abu Dhabi	10,056.54	0.2	0.6	0.6	1,454.29	780,225.4	19.8	2.5	2.3
Saudi Arabia#	10,945.15	4.5	4.3	4.3	6,650.98	2,494,163.1	18.5	2.2	3.5
Kuwait	8,748.94	(1.0)	(1.8)	(1.8)	1,203.79	170,708.4	16.0	1.8	3.5
Oman	6,223.77	1.6	6.1	6.1	440.17	44,161.4	10.2	1.4	4.9
Bahrain	2,045.00	(0.6)	(1.0)	(1.0)	38.75	20,334.2	14.1	1.4	3.7

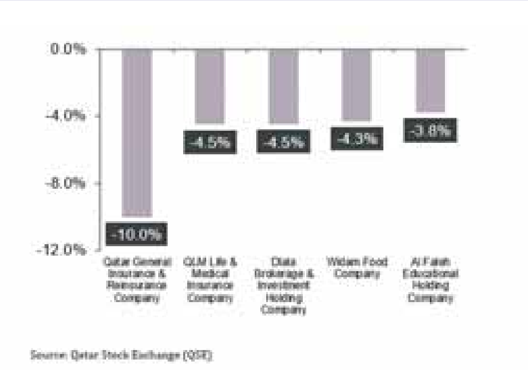
Source: Bloomberg

Qatar Stock Exchange

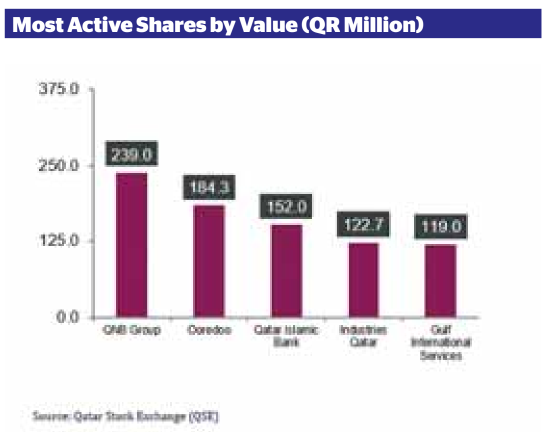
Top Five Gainers



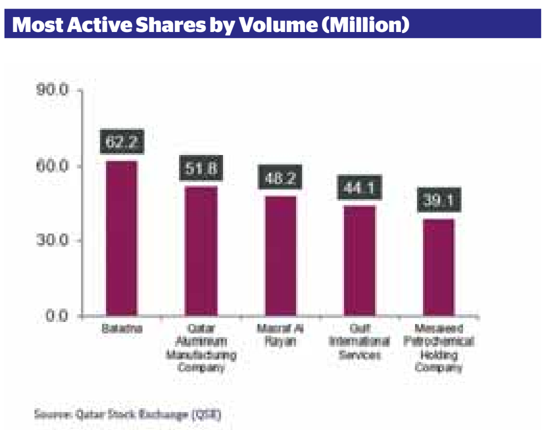
Top Five Decliners



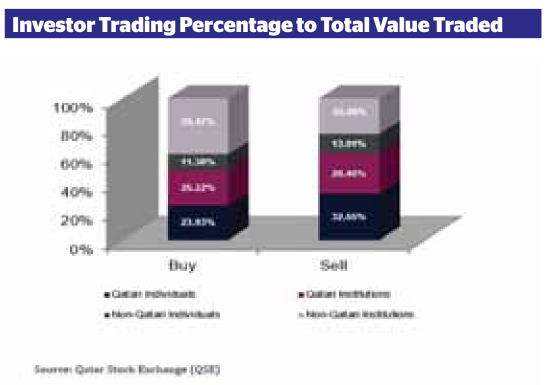
Most Active Shares by Value (QR Million)



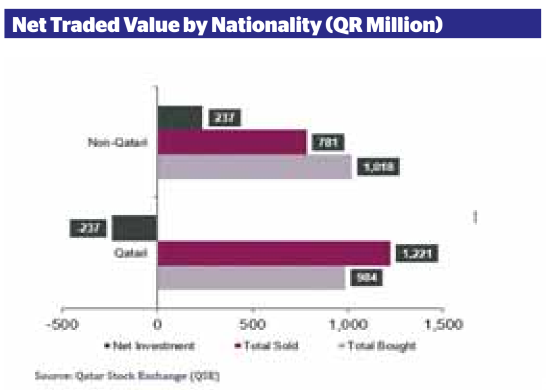
Most Active Shares by Volume (Million)



Investor Trading Percentage to Total Value Traded



Net Traded Value by Nationality (QR Million)



Company Name	Price January 15	% Change Weekly	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	19.87	2.69	6.48	183,528	11.5	1.8	3.6
Qatar Islamic Bank	24.65	1.86	2.92	58,246	12.6	2.0	3.9
Commercial Bank of Qatar	4.42	(0.79)	5.12	17,869	7.4	0.9	6.8
Doha Bank	2.88	(2.90)	0.49	8,942	9.9	0.8	3.5
Al Ahli Bank	3.71	(0.48)	(1.07)	9,462	10.8	1.3	6.7
Qatar International Islamic Bank	11.40	0.35	(0.26)	17,256	14.1	2.2	4.5
Al Rayan Bank	2.28	2.11	3.78	21,176	14.1	0.9	4.4
Lesha Bank	1.84	(1.76)	(1.08)	2,061	11.9	1.4	2.7
National Leasing	0.69	0.43	0.87	343	17.4	0.5	5.1
Dlala Holding	0.94	(4.46)	(3.68)	180	35.8	0.9	N/A
Qatar & Oman Investment	0.52	(3.68)	(1.32)	165	N/M	0.9	N/A
Islamic Holding Group	3.12	(0.32)	(2.23)	177	37.3	1.0	2.2
Dukhan Bank	3.50	(0.93)	0.11	18,319	13.6	1.4	4.6
Banking and Financial Services				**337,723**			
Zad Holding	13.96	(1.69)	0.50	4,012	19.4	2.5	5.0
Qatar German Co. for Medical Devices	1.44	(3.54)	(1.37)	167	N/M	N/M	N/A
Salam International Investment	0.77	2.27	5.65	877	9.4	0.5	5.2
Baladna	1.26	(2.55)	(1.33)	2,399	7.5	1.0	N/A
Medicare Group	6.75	2.29	1.85	1,901	22.1	1.9	2.9
Qatar Cinema & Film Distribution	2.40	9.49	0.00	151	16.2	1.1	2.9
Qatar Fuel	15.34	0.92	1.12	15,252	14.8	1.7	6.5
Widam Food	1.45	(4.29)	(2.88)	261	N/M	N/M	N/A
Mannai Corp.	5.15	6.51	14.83	2,349	11.1	2.3	4.9
Al Meera Consumer Goods	14.61	0.41	0.27	3,010	17.7	1.9	5.8
Mekdam Holding Group	2.39	(0.38)	1.84	382	9.3	1.5	N/A
Meeza QSTP	3.30	(3.14)	(2.97)	2,140	35.2	3.0	2.4
Al Faleh Education Holding	0.67	(3.76)	(2.78)	160	10.8	0.6	1.9
Al Mahhar Holding	2.28	1.70	4.02	472	10.3	1.3	5.3
Mosanada Facility Management Services	9.52	(4.78)	(4.78)	667	N/M	N/M	N/A
Consumer Goods and Services				**34,198**			
Qatar Industrial Manufacturing	2.30	(1.29)	(2.29)	1,093	8.5	0.6	5.7
Qatar National Cement	2.72	(2.37)	(1.41)	1,778	16.1	0.6	9.9
Industries Qatar	12.03	0.59	0.84	72,782	16.9	2.0	5.7
Qatari Investors Group	1.50	(0.66)	1.70	1,859	12.4	0.6	8.7
Qatar Electricity and Water	15.40	(1.16)	2.33	16,940	13.5	1.1	5.0
Aamal	0.84	(2.33)	(0.36)	5,292	11.6	0.6	7.1
Gulf International Services	2.68	0.68	4.89	4,981	7.0	1.1	6.3
Mesaieed Petrochemical Holding	1.09	(2.50)	0.00	13,732	20.4	0.8	5.1
Estithmar Holding	4.18	1.48	3.72	15,652	19.7	2.6	N/A
Qatar Aluminum Manufacturing	1.68	(1.18)	5.00	9,375	13.0	1.4	5.5
Industrials				**143,482**			
Qatar Insurance	2.10	(0.48)	2.70	6,842	11.1	1.0	4.8
QLM Life & Medical Insurance	2.46	(4.47)	(1.60)	861	15.1	1.3	4.1
Doha Insurance	2.68	0.83	4.44	1,340	6.7	1.0	6.5
Qatar General Insurance & Reinsurance	1.49	(10.00)	(4.01)	1,299	16.7	0.4	N/A
Al Khaleej Takaful Insurance	2.30	(1.03)	1.05	587	8.7	1.0	6.5
Qatar Islamic Insurance	8.76	(0.24)	(0.97)	1,314	7.2	2.2	5.7
Damaan Islamic Insurance Company	4.30	0.00	(1.10)	860	8.5	1.4	4.7
Insurance				**13,104**			
United Development	0.94	(1.88)	3.07	3,332	9.9	0.3	5.8
Barwa Real Estate	2.66	(1.48)	1.61	10,343	8.3	0.5	6.8
Ezdan Real Estate	1.04	(2.35)	(1.70)	27,586	55.8	0.8	N/A
Mazaya Qatar Real Estate Development	0.58	(1.71)	0.35	575	11.6	0.6	N/A
Real Estate				**41,836**			
Ooredoo	13.31	1.60	2.15	42,635	11.8	1.4	4.9
Vodafone Qatar	2.43	(0.82)	(0.45)	10,250	15.6	2.0	4.9
Telecoms				**52,885**			
Qatar Navigation (Milaha)	11.00	(0.09)	2.14	12,498	9.9	0.7	3.6
Gulf Warehousing	2.23	(2.36)	(0.31)	131	12.2	0.5	4.5
Qatar Gas Transport (Nakilat)	4.72	2.61	5.15	26,150	15.5	2.0	3.0
Transportation				**38,779**			
Qatar Exchange				**657,732**			

Source: Bloomberg

Technical analysis of the QSE index

Source: Bloomberg

The QSE index closed up by 0.9% from the week before at 11,067.6 points. Despite Thursday's session, we remain optimistic on the expected trajectory of the index (so long it remains around the 11,000 level). We update our support and resistance levels to 10,500 and 11,300, respectively.

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 prices settle higher as US begins holiday weekend

www.abhafoundation.org

Oil

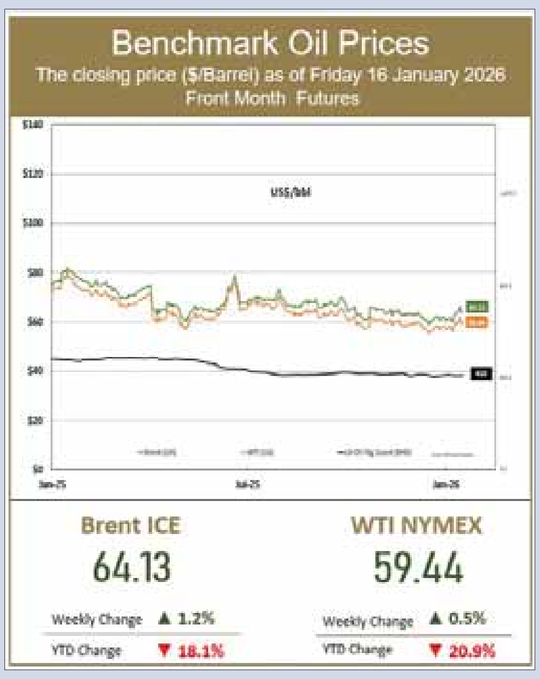
Oil prices settled higher on Friday as some investors covered short positions ahead of the three-day Martin Luther King holiday weekend in the US and lingering worries about a possible US military strike against Iran. Brent crude futures settled at $64.13, and US West Texas Intermediate crude (WTI) finished at $59.44. For the week, Brent rose 1.2%, while WTI gained 0.5%.

The US Navy's aircraft carrier USS Abraham Lincoln was expected to arrive in the Gulf this week after operating in the South China Sea.

Investors are increasingly concerned that any escalation could prompt Iran to attempt to block the Strait of Hormuz, a critical chokepoint through which roughly a quarter of global seaborne oil supplies pass.

However, analysts note that expectations of higher global oil supply this year could limit the extent of any geopolitical risk premium in prices.

A view of chemical oil refinery, power plant and metal pipe concept industry. Oil prices settled higher on Friday as some investors covered short positions ahead of the three-day Martin Luther King holiday weekend in the US and lingering worries about a possible US military strike against Iran. *Picture supplied by the Abdullah bin Hamad Al-Attiyah International Foundation for Energy and Sustainable Development.*



Gas

Asia spot LNG rose last week on the back of a colder weather outlook that spurred some demand, lifting prices to their highest levels in six weeks.

The average LNG price for February delivery into north-east Asia was $10.10 per million British thermal units (mmBtu), down from $9.50 per mmBtu the week before.

Analysts noticed a rise in Asian spot tenders this week, with Japan's Kansai and Tohoku Electric seeking one cargo each for February-March delivery ahead of a forecast cold snap in Northeast Asia later this month.

In Europe, the Dutch TTF gas price settled at $12.73 per mmBtu, posting a weekly gain of 31.3% as colder weather returned across the region and accelerated storage withdrawals pushed prices higher.

The near depletion of underground gas storage in some northwestern European countries due to colder weather has driven prices significantly higher relative to Asia.

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

QNB assesses US 3-3-3 economic agenda

One year ago, the newly-inaugurated US administration laid out an ambitious economic agenda known as the "3-3-3" plan, targeting 3% GDP growth, a 3% fiscal deficit, and an increase of 3mn barrels per day in domestic energy production by 2028.

"At the time, we assessed the feasibility of these objectives against the backdrop of an already resilient economy, tighter fiscal constraints, and a mature energy sector. As we enter 2026, it is now possible to take stock of early outcomes and assess whether the US is on track to deliver on its promises," QNB stated in its latest economic commentary.

"Overall, the picture that emerges is mixed," QNB stated. "Growth performance has been more resilient than feared, the fiscal target has clearly fallen short, and the energy objective is evolving in a more nuanced and indirect manner than simplistic metrics suggest," it further stated.

According to QNB, US economic growth slowed over the course of 2025, but the deceleration proved far milder than initially expected. This is particularly notable given the significant negative shock expected due to sharply higher tariffs implemented after the so-called "Liberation Day," which weighed on sentiment but so far has proven to have a limited impact on both inflation and growth. Despite these headwinds, the economy avoided a more pronounced slowdown, with growth settling below trend but remaining comfortably positive at close to 2%, QNB stated.

"Several factors explain this resilience. Household consumption remained supported by strong balance sheets on the back of elevated asset prices, cushioning the impact of inflation. Moreover, restrictive monetary policy eased and began to turn neutral, lowering borrowing costs and easing financial conditions into late 2025. This pivot helped stabilise investment and credit dynamics, limiting downside risks to activity.

"Most importantly, the foundations of a new investment cycle linked to artificial intelligence continued to strengthen. Large-scale capital expenditures by US hyperscalers in data centres, semiconductors, and digital infrastructure are increasingly translating into productivity-enhancing capital deepening. While the full macroeconomic impact of AI adoption will take time to materialise, the direction of travel is clear," stated QNB.

Taken together, these forces suggest that, despite the recent slowdown, the US remains broadly on track to reach the 3% growth target over the coming years. If growth has delivered cautious optimism, fiscal policy has done the opposite, noted QNB.

The objective of narrowing the federal deficit towards 3% of GDP has proven unattainable in the first year of the plan. Instead, deficits remain elevated, reflecting a combination of persistent spending pressures, the extension of tax breaks and political constraints on meaningful consolidation.

A central pillar of the administration's initial strategy was the creation of the Department of Government Efficiency (DOGE), then led by Elon Musk, tasked with identifying waste, improving procurement, and streamlining federal operations. While the initiative generated headlines and some marginal savings, its impact has fallen well short of what would be required for a structural improvement in the fiscal balance. Large entitlement programmes, defence spending, and interest costs continue to dominate the budget, leaving limited room for discretionary cuts.

As a result, the federal deficit is estimated to remain close to 6.2% of GDP in 2026 and only modestly narrow, staying above 5.5% over the medium term, according to official and most independent forecasts, QNB stated.

"This outcome is broadly consistent with the idea that more aggressive fiscal consolidation would be difficult to reconcile with tax reductions and the political economy of US public spending. The additional revenues brought by higher tariffs pale in comparison to those other items. In this sense, the fiscal pillar of the 3-3-3 plan should remain the most challenging element of the plan.

"The energy component of the 3-3-3 plan has evolved in a more subtle and complex manner. While the headline target of adding 3mn barrels per day (bpd) of crude oil production has not been met so far, US energy output has continued to expand more meaningfully through a broader mix of sources," stated QNB.

Key US macro metrics for 3-3-3 plan
(10-year reference versus 2025 performance)

Key metrics	10-yr avg.	2025e
GDP growth	2.4%	2.0%
Fiscal deficit (% of GDP)	7.3%	6.2%
Crude oil output growth (k b/d)	**10-yr change**	**2025e**
Crude oil output growth (k b/d)	5,024	407
Petroleum liquids output growth (k boe/d)	9,300	470

Sources: Haver, EIA, QNB analysis

Capital discipline among producers, geological maturity in key basins, labour shortages, and rising costs have all capped stronger upside potential this year. However, energy production still increases meaningfully both in terms of crude oil and barrels of oil equivalent per day (boe/d), which includes total petroleum and other liquids, QNB stated.

At the same time, the administration's more neutral regulatory stance toward hydrocarbons has reduced uncertainty and encouraged incremental investment, while renewable capacity has continued to expand due to favourable economics rather than subsidies alone.

In effect, the US energy system is becoming larger and more diversified, even if not dramatically more crude oil-heavy, QNB stated.

"This trajectory suggests that the spirit of the energy target (greater energy availability, security, and affordability) is being partially achieved, albeit through composition effects rather than a surge in crude oil volumes. If measured in terms of overall petroleum liquids or even broader hydrocarbons, including natural gas, the target is likely going to be met," QNB stated.

QNB added: "All in all, one year into the 3-3-3 experiment, the US economy offers a scorecard in which growth is resilient and remains supported by monetary easing and the early stages of an AI-driven investment cycle.

"Fiscal consolidation, however, has clearly failed, constrained by structural spending dynamics and political realities. Energy outcomes sit in between, with progress emerging through diversification rather than headline oil production gains."

Michelle W Bowman, vice-chair for supervision of the Federal Reserve Board of Governors.

US Fed official says bank should be ready to cut rates

AFP
Washington

A key US Federal Reserve official said on Friday that central bank policymakers should be ready to lower interest rates further, citing "fragility" in the jobs market.

"Absent a clear and sustained improvement in labour market conditions, we should remain ready to adjust policy to bring it closer to neutral," said Michelle W Bowman, the Fed's vice-chair for supervision.

In prepared remarks to a forum in Massachusetts, Bowman said inflation was initially a concern for her last year.

But her views changed as she began observing "clearer signs of slowing economic growth and increasing fragility in the labour market."

She added that she grew more confident that the inflationary effects from President Donald Trump's sweeping tariffs would also "largely be one-off". Looking ahead, Bowman believes that inflation is on a "sustained trajectory" towards the Fed's longer-term two percent target.

"My view is that we should continue to focus on risks to our employment mandate and preemptively stabilise and support labour market conditions," she said.

She also warned that the employment market could weaken further: "The labour market can appear to be stable right up until it doesn't."

The Fed's next policy meeting is scheduled for January 27-28.

Policymakers are widely expected to keep interest rates unchanged as they assess the effects of three consecutive rate cuts last year. Bowman had backed all three of the Fed's quarter-percentage-point reductions.

But Trump has repeatedly called for rates to be slashed more to boost the economy, slamming Fed chair Jerome Powell for not backing aggressive rate cuts.

Lukoil's international assets and potential buyers

Reuters
Moscow

The US Treasury has extended the deadline for sanctioned Russian oil firm Lukoil to negotiate the sale of the bulk of its international assets until February 28.

The assets, which include oil fields, refineries, and a network of retail gas stations, are worth about $22bn and have drawn widespread interest, with specific deals requiring separate US Treasury approvals.

Below are details of Lukoil's international assets and potential buyers:

Potential buyers: Interested parties include private equity giant Carlyle , a group comprising oil major Chevron and Quantum Capital Group as well as UAE-based investor International Holding Company. US oil major ExxonMobil, Hungary's MOL and Saudi Arabia's Midad Energy have also expressed an interest.

The US Treasury has already blocked two bidders - Gunvor and US bank Xtellus Partners - highlighting the geopolitical hurdles involved in a potential acquisition.

Upstream operations: Middle East: Lukoil's biggest foreign asset is a 75% stake in Iraq's West Qurna 2, one of the world's largest oilfields. It declared force majeure at the field after Iraq halted payments.

So far, the field's production remained steady at around 460,000-480,000 barrels per day, but Iraq's cabinet has approved plans to nationalise operations to avert any future disruptions. Under the plan, the state-run Basra Oil company will take over the operations for 12 months, two officials at the firm told Reuters.

Lukoil also owns 60% of Iraq's Block 10 development, which includes the Eridu field west of Basra. In Egypt, the company holds a 50% stake in the West Esh El Mallaha (WEEM) oilfield alongside Egypt's Tharwa Petroleum, and has a 24% stake in the Meleiha concession, with the rest owned by Italy's Eni.

In the UAE, Lukoil owns 10% of the Ghasha concession, one of Abu Dhabi's largest gas developments, operated by Adnoc.

Central Asia: Lukoil holds 13.5% in Karachaganak and 5% in Tengiz - major Kazakh oil and gas projects operated by Western oil companies. It also has a 12.5% stake in the Caspian Pipeline Consortium, which exports oil from Kazakhstan to the Black Sea.

Lukoil doesn't have to sell these assets as the US Treasury has allowed transactions involving Karachaganak, Tengiz and CPC.

The Russian firm also owns nearly 20% of the BP-operated Shah Deniz gas field in the Azerbaijani sector of the Caspian Sea.

It also operates the South-West Gissar gas field in Uzbekistan and holds a 90% stake in the Kandym fields development near the country's border with Turkmenistan.

Africa and Latin America: Lukoil has a 38% interest in the Deepwater Tano Cape Three Points block that includes the Pecan oilfield development off Ghana.

It also has 25% in Eni-operated gas block Marine XII offshore Congo and 18% in Chevron-operated exploration block OML 140 off Nigeria.

In Mexico, it partners with Eni in several offshore blocks and owns 50% of the Amatitlan block, operated by Petrolera de Amatitlan SAPI de CV.

Refining assets: In Bulgaria, Lukoil owns the 190,000 barrels per day (bpd) Neftohim Burgas refinery, the largest in the Balkans. The Bulgarian government has made legal changes to seize and sell the assets.

The US Treasury has allowed transactions involving Lukoil's refinery and some of its other assets in Bulgaria until April 29, 2026.

In Romania, Lukoil owns the 48,600 bpd Petrotel refinery, the country's third-largest, and around 300 gas stations.

Three companies were interested in buying Lukoil's Romanian assets, officials said in November, without elaborating.

Lukoil also owns exploration rights in the Romanian sector of the Black Sea, but drilling plans have been stymied by the sanctions.

In the Netherlands, Lukoil holds 45% in the 180,000 bpd Zeeland refinery, operated by a joint venture with France's TotalEnergies.

Fuel retail business: The US Treasury on December 4 extended the deadline for transactions with Lukoil's gas stations outside Russia to April 29 this year.

Nevertheless, Lukoil-owned Finnish petrol station operator Teboil filed for restructuring on November 21, and said it expected the Russian owner to sell the chain which has about 430 gas stations, or about a fifth of the total in the country.

Romania approved on December 2 legal amendments enabling it to take control of Lukoil's local assets, including more than 300 gas stations.

Lukoil is also one of the top fuel retailers in Moldova.

The government has been negotiating to purchase Lukoil's plane-refuelling facility at Chisinau's international airport. There are also about 200 Lukoil-branded gas stations in the US, one of which in New York was visited by Russian President Vladimir Putin in 2003.

Trading operations: US sanctions are dismantling Lukoil's Swiss-based trading arm, Litasco, which once handled about 4% of global oil.

The company has dismissed most of its staff at its Geneva headquarters, as well as in Houston, while employees in Dubai have been served notice, but will be employed until February.